

ECONOMIC INDICATOR REPORT

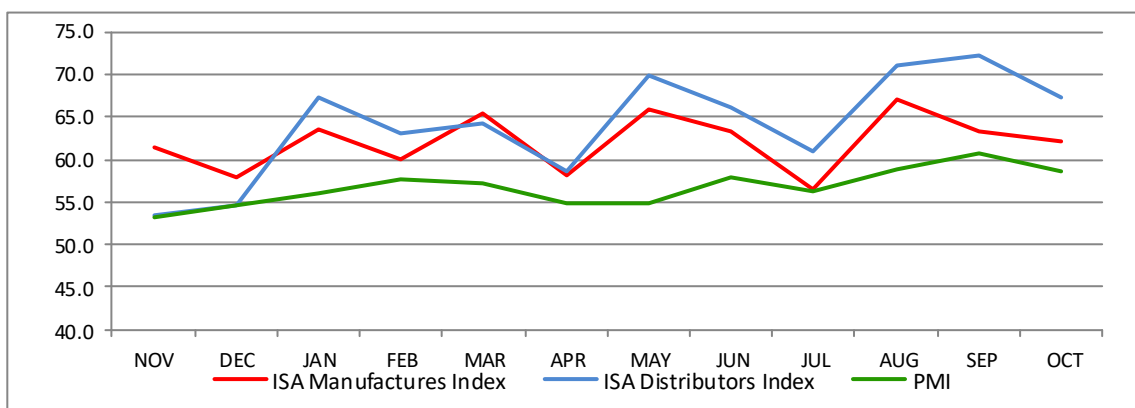
NOVEMBER 15, 2017

Volume 5, Issue 11

Special points of interest:

- ALL three Indexes fall!
- September's *Anticipated Business Conditions* and *Anticipated New Orders* indexes indicated this possible slow-down. These indexes are mixed for November.
- Comments such as this one, indicate sense of confusion: *"Another double digit increase month"* and *"Entering seasonal slow down time for us for the next several months."*

In October, ALL three Indexes dropped—ISM's PMI from 60.8 to 58.7, and the ISA's Manufacturer and Distributor Indexes from 63.3 and 72.4, to 62.1 and 67.4 respectively. Thus, while the economy continues to expand, it is doing so at a slower rate. Comments from survey respondents indicate this too: *"Small dip in revenue per order occurred in October, yet current growth rate is projected at 9% over last year - not award winning, but solid."*



	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT
ISA Manufactures Index	61.4	58.0	63.5	60.0	65.5	58.0	66.0	63.4	56.4	67.2	63.3	62.1
ISA Distributors Index	53.5	54.6	67.2	63.0	64.3	58.5	69.9	66.3	61.1	71.2	72.4	67.4
PMI	53.2	54.7	56.0	57.7	57.2	54.8	54.9	57.8	56.3	58.8	60.8	58.7

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INDEXES	INDUSTRIAL SUPPLY ASSOCIATION				INST. OF SUPPLY MGNT.	
	MANUFACTURERS		DISTRIBUTORS		MANUFACTURERS	
	Sep-17	Oct-17	Sep-17	Oct-17	Sep-17	Oct-17
ISA Index	63.3	62.1	72.4	67.4	60.8	58.7
New Orders	48.3	50.0	65.8	55.3	64.6	63.4
Business Activity	48.3	50.0	57.9	52.6	62.2	61.0
Employment	91.7	88.6	78.9	84.2	60.3	59.8
Supplier Deliveries	83.3	72.9	94.7	89.5	64.4	61.4
Inventories	58.3	60.0	81.6	73.7	52.5	48.0
New Exports	64.0	75.0			57.0	56.5
Imports			100.0	100.0	54.0	54.0
Sales Revenue	31.7	50.0	42.1	47.4		
Anticipated Business Conditions	66.7	72.9	76.3	60.5		
Anticipated New Orders	70.0	70.0	54.3	78.9		

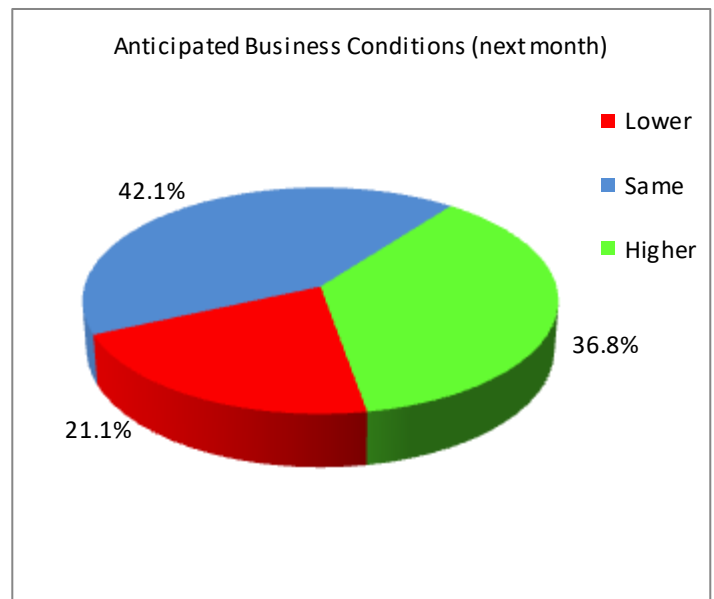
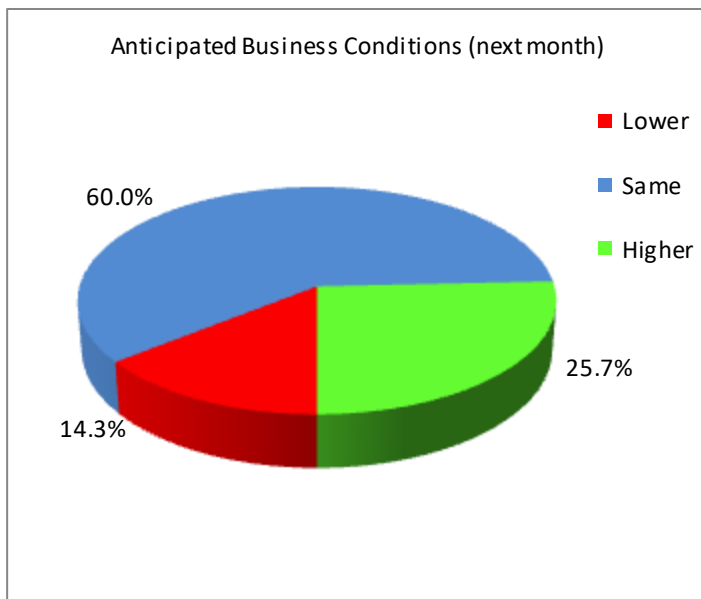
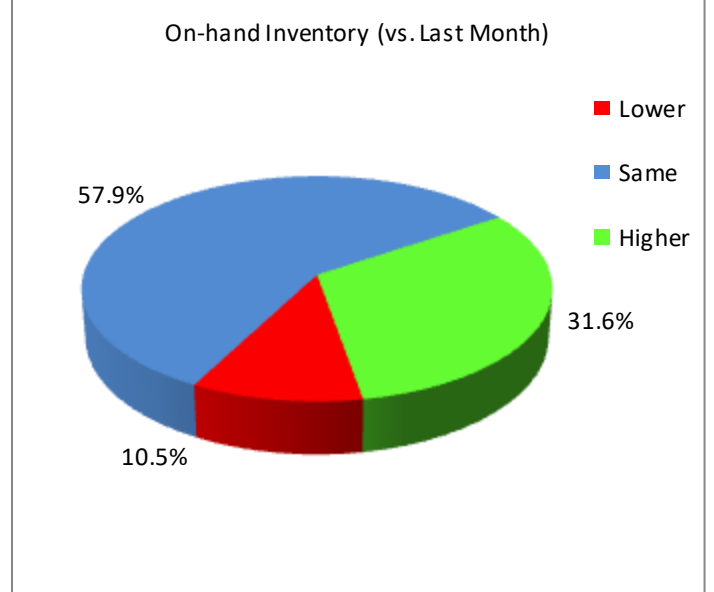
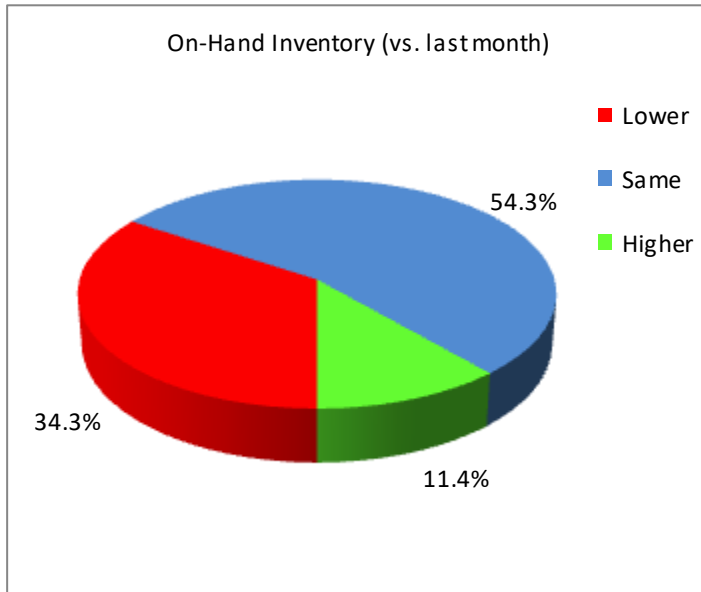
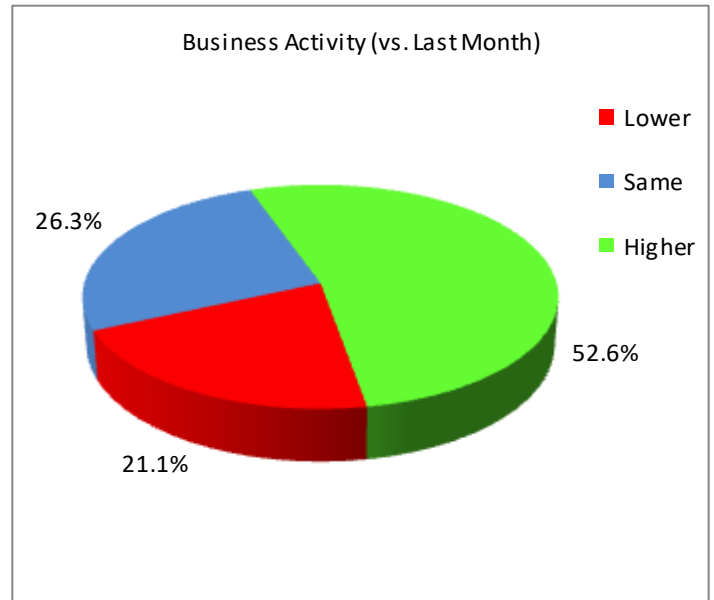
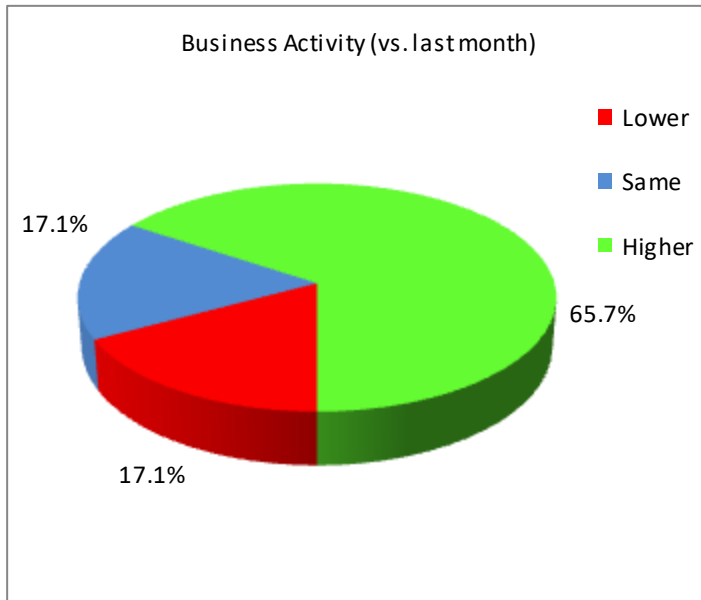
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While the ISA Manufacturer and ISA Distributor Indexes are weighted measure of selected diffusion indexes, diffusion indexes themselves are summary measures indicating *directions of change*. A diffusion index takes all those respondents indicating "Better" and half of those indicating "Same" and adds their respective percentages. For example, if the response to a specific question is 30% "Better," 60% "Same," and 10% "Worse," then the diffusion index for that economic variable would be 60% (30% + (0.50 x 60%)). For each index, a reading above 50% indicates expansion, while a reading below 50% indicates contraction.

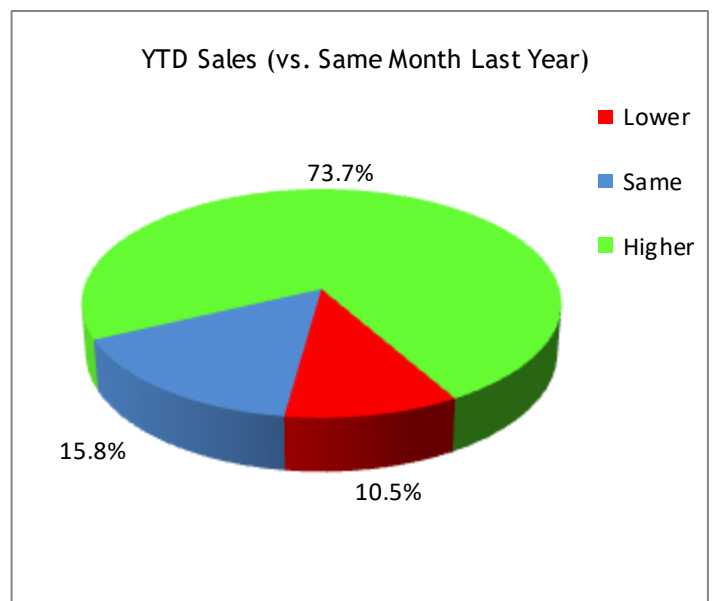
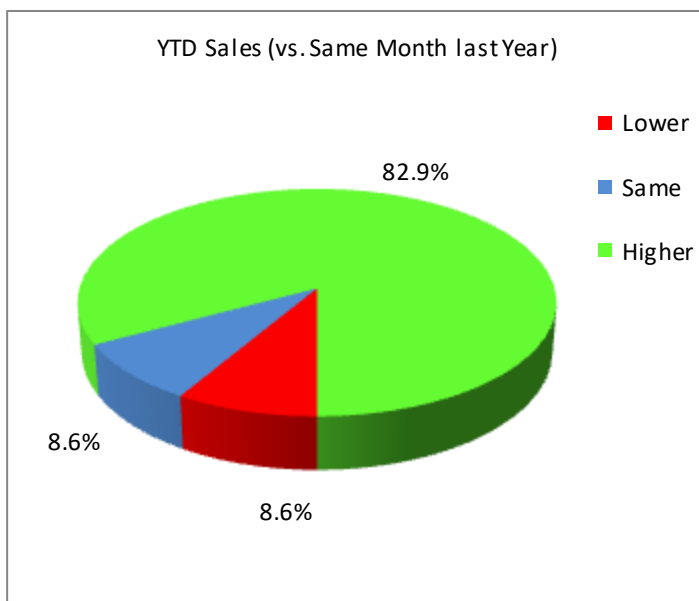
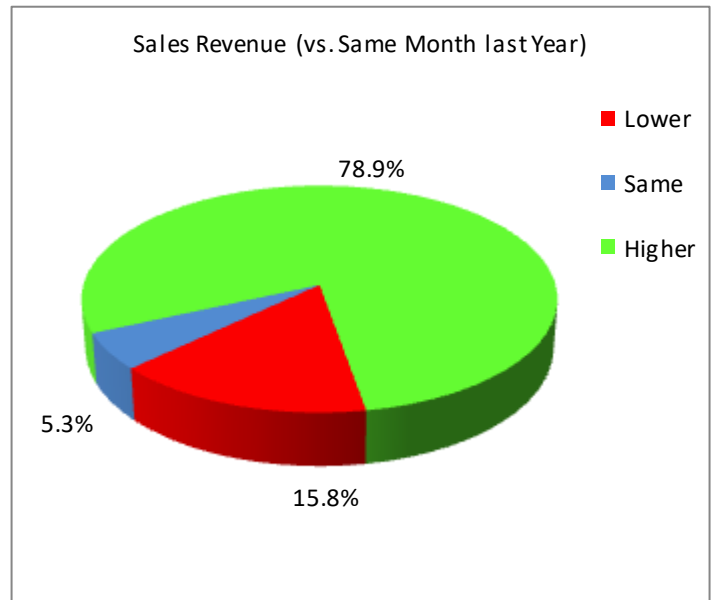
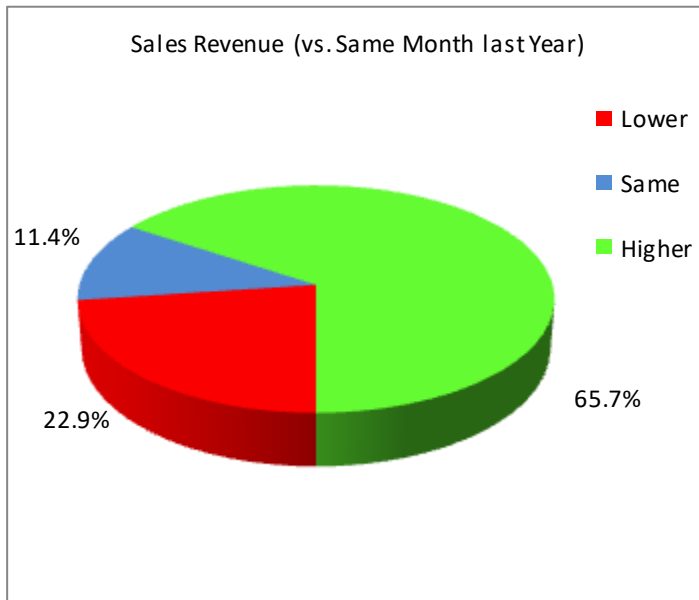
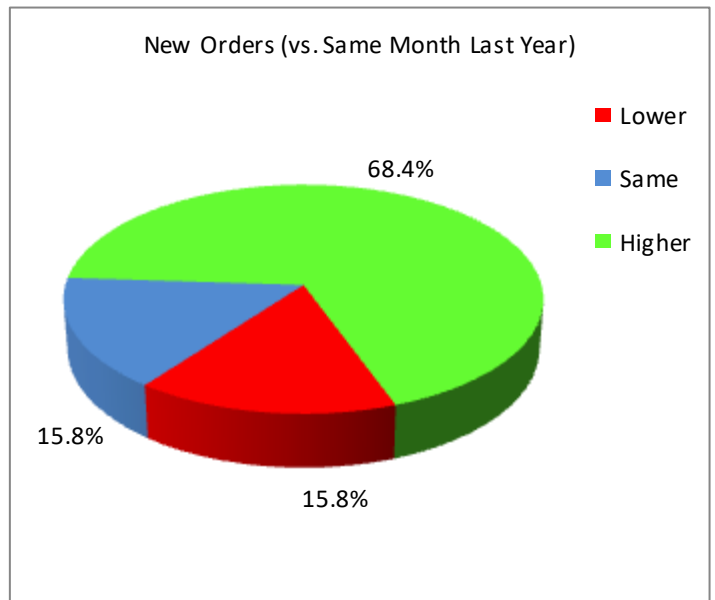
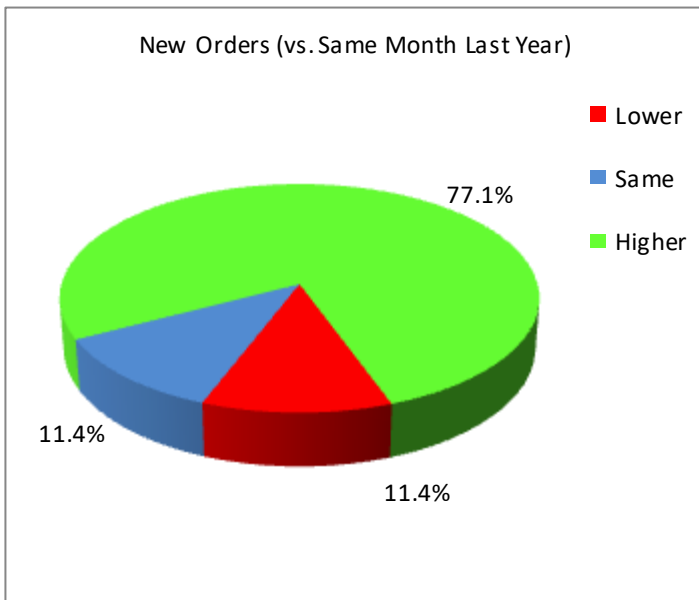
RESPONSES FROM: M A N U F A C T U R E R S

RESPONSES FROM: D I S T R I B U T O R S



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RESPONSES FROM: D I S T R I B U T O R S



MANUFACTURER COMMENTS:

- Very unusually slow October for us.
- Big drop in orders for October. Last week of the month was worst week of the year. Not a good trend heading into holidays.
- Small dip in revenue per order occurred in October, yet current growth rate is projected at 9% over last year - not award winning, but solid.
- Back to a good month from a bad month. Roller coaster ride continues...
- November is always lower than October, plus Thanksgiving.
- We're in a period that would traditionally be in a slight downturn, however we're 11.2% ahead of last year (which was a great year) and on track to have the best year in our nearly 100 year history.
- Finishing the year on a stronger note than we began. Hope can finish the 4th quarter on a high note.
- Another double digit increase month!

DISTRIBUTOR COMMENTS:

- Entering seasonal slow down time for us for the next several months....