



**institute for
supply management**

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DO NOT CONFUSE THIS NATIONAL REPORT with the various regional purchasing reports released across the country. The national report's information reflects the entire United States, while the regional reports contain primarily regional data from their local vicinities. Also, the information in the regional reports is not used in calculating the results of the national report. The information compiled in this report is for the month of September 2015.

September Manufacturing ISM® Report On Business®

**PMI® at 50.2%
New Orders, Production, and Employment Growing
Supplier Deliveries Slower
Inventories Contracting**

(Tempe, Arizona) — Economic activity in the **manufacturing sector** expanded in September for the 33rd consecutive month, and the **overall economy** grew for the 76th consecutive month, say the nation's supply executives in the latest **Manufacturing ISM® Report On Business®**.

The report was issued today by Bradley J. Holcomb, CPSM, CPSD, chair of the Institute for Supply Management® (ISM®) Manufacturing Business Survey Committee. "The September PMI® registered 50.2 percent, a decrease of 0.9 percentage point from the August reading of 51.1 percent. The New Orders Index registered 50.1 percent, a decrease of 1.6 percentage points from the reading of 51.7 percent in August. The Production Index registered 51.8 percent, 1.8 percentage points below the August reading of 53.6 percent. The Employment Index registered 50.5 percent, 0.7 percentage point below the August reading of 51.2 percent. Backlog of Orders registered 41.5 percent, a decrease of 5 percentage points from the August reading of 46.5 percent. The Prices Index registered 38 percent, a decrease of 1 percentage point from the August reading of 39 percent, indicating lower raw materials prices for the 11th consecutive month. The New Export Orders Index registered 46.5 percent, the same reading as in August. Comments from the panel are mixed with some concern about the global economy and customer confidence."

Of the 18 manufacturing industries, seven are reporting growth in September in the following order: Printing & Related Support Activities; Textile Mills; Furniture & Related Products; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing; Paper Products; and Nonmetallic Mineral Products. The 11 industries reporting contraction in September — listed in order — are: Primary Metals; Apparel, Leather & Allied Products; Petroleum & Coal Products; Wood Products; Electrical Equipment, Appliances

& Components; Machinery; Computer & Electronic Products; Fabricated Metal Products; Plastics & Rubber Products; Transportation Equipment; and Chemical Products.

WHAT RESPONDENTS ARE SAYING ...

- “Revenues and profits in our industry continue to [be] impacted by low crude and gas prices.” (Petroleum & Coal Products)
- “North American business steady. International business trending bearish.” (Chemical Products)
- “High value of dollar is affecting global procurement pricing.” (Computer & Electronic Products)
- “Concerns about China downturn and its effect on our consumer confidence.” (Fabricated Metal Products)
- “Overall business is slowing. Consumers are nervous. Not sure what is coming next.” (Transportation Equipment)
- “Business is picking up.” (Furniture & Related Products)
- “The orders from customers seem to be slowing a bit from the first part of the year. We have promises but not actual Purchase Order numbers.” (Nonmetallic Mineral Products)
- “Sales revenue and profitability improving slowly. Getting close to 2015 budget/sales plan. Not seeing consistent trends up or down.” (Electrical Equipment, Appliances & Components)
- “Continue to feel impact of oil and gas market slowdown. Aerospace demand has also been slower than expected. Consumer Electronics not robust.” (Primary Metals)
- “Concern for AI [Avian Influenza] for poultry when bird migration begins.” (Food, Beverage & Tobacco Products)

| MANUFACTURING AT A GLANCE | | | | | | |
|-------------------------------|------------------|------------------|-------------------------|-------------|----------------|-----------------|
| September 2015 | | | | | | |
| Index | Series Index Sep | Series Index Aug | Percentage Point Change | Direction | Rate of Change | Trend* (Months) |
| PMI® | 50.2 | 51.1 | -0.9 | Growing | Slower | 33 |
| New Orders | 50.1 | 51.7 | -1.6 | Growing | Slower | 34 |
| Production | 51.8 | 53.6 | -1.8 | Growing | Slower | 37 |
| Employment | 50.5 | 51.2 | -0.7 | Growing | Slower | 5 |
| Supplier Deliveries | 50.2 | 50.7 | -0.5 | Slowing | Slower | 2 |
| Inventories | 48.5 | 48.5 | 0 | Contracting | Same | 3 |
| Customers' Inventories | 54.5 | 53.0 | +1.5 | Too High | Faster | 2 |
| Prices | 38.0 | 39.0 | -1.0 | Decreasing | Faster | 11 |
| Backlog of Orders | 41.5 | 46.5 | -5.0 | Contracting | Faster | 4 |
| Exports | 46.5 | 46.5 | 0 | Contracting | Same | 4 |
| Imports | 50.5 | 51.5 | -1.0 | Growing | Slower | 32 |
| OVERALL ECONOMY | | | | Growing | Slower | 76 |
| Manufacturing Sector | | | | Growing | Slower | 33 |

Manufacturing ISM® Report On Business® data is seasonally adjusted for New Orders, Production, Employment and Supplier Deliveries indexes.

*Number of months moving in current direction.

COMMODITIES REPORTED UP/DOWN IN PRICE AND IN SHORT SUPPLY

Commodities Up in Price

Aluminum*; and Steel*.

Commodities Down in Price

Aluminum (10)*; Copper (3); Corn; HDPE Resin (2); Nickel (3); Oil (2); Plastic Products (2); Resins; Stainless Steel (11); and Steel (3)*.

Commodities in Short Supply

None (2).

Note: The number of consecutive months the commodity is listed is indicated after each item.

*Reported as both up and down in price.

SEPTEMBER 2015 MANUFACTURING INDEX SUMMARIES

PMI®

Manufacturing expanded in September as the PMI® registered 50.2 percent, a decrease of 0.9 percentage point from the August reading of 51.1 percent, indicating growth in manufacturing for the 33rd consecutive month. The September PMI is the lowest reading since May 2013 when the PMI registered 50.1 percent. A reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally contracting.

A PMI® in excess of 43.1 percent, over a period of time, generally indicates an expansion of the overall economy. Therefore, the September PMI® indicates growth for the 76th consecutive month in the overall economy, and indicates expansion in the manufacturing sector for the 33rd consecutive month. Holcomb stated, “The past relationship between the PMI® and the overall economy indicates that the average PMI® for January through September (52.2 percent) corresponds to a 2.9 percent increase in real gross domestic product (GDP) on an annualized basis. In addition, if the PMI® for September (50.2 percent) is annualized, it corresponds to a 2.2 percent increase in real GDP annually.”

THE LAST 12 MONTHS

| <i>Month</i> | <i>PMI®</i> | | <i>Month</i> | <i>PMI®</i> |
|---|-------------|--|--------------|-------------|
| Sep 2015 | 50.2 | | Mar 2015 | 51.5 |
| Aug 2015 | 51.1 | | Feb 2015 | 52.9 |
| Jul 2015 | 52.7 | | Jan 2015 | 53.5 |
| Jun 2015 | 53.5 | | Dec 2014 | 55.1 |
| May 2015 | 52.8 | | Nov 2014 | 57.6 |
| Apr 2015 | 51.5 | | Oct 2014 | 57.9 |
| Average for 12 months – 53.4 High – 57.9 Low – 50.2 | | | | |

New Orders

ISM®'s New Orders Index registered 50.1 percent in September, a decrease of 1.6 percentage points when compared to the August reading of 51.7 percent, indicating growth in new orders for the 34th consecutive month, but at a slower rate. A New Orders Index above 52.1 percent, over time, is generally consistent with an increase in the Census Bureau's series on manufacturing orders (in constant 2000 dollars).

The seven industries reporting growth in new orders in September — listed in order — are: Printing & Related Support Activities; Textile Mills; Furniture & Related Products; Food, Beverage & Tobacco Products; Plastics & Rubber Products; Chemical Products; and Miscellaneous Manufacturing. The nine industries reporting a decrease in new orders during September — listed in order — are: Apparel, Leather & Allied Products; Primary Metals; Wood Products; Transportation Equipment; Petroleum & Coal Products; Nonmetallic Mineral Products; Machinery; Fabricated Metal Products; and Electrical Equipment, Appliances & Components.

| New Orders | %Better | %Same | %Worse | Net | Index |
|------------|---------|-------|--------|-----|-------|
| Sep 2015 | 22 | 53 | 25 | -3 | 50.1 |
| Aug 2015 | 25 | 51 | 24 | +1 | 51.7 |
| Jul 2015 | 25 | 55 | 20 | +5 | 56.5 |
| Jun 2015 | 29 | 51 | 20 | +9 | 56.0 |

Production

ISM®'s Production Index registered 51.8 percent in September, which is a decrease of 1.8 percentage points when compared to the 53.6 percent reported in August, indicating growth in production for the 37th consecutive month. An index above 51.1 percent, over time, is generally consistent with an increase in the Federal Reserve Board's Industrial Production figures.

The nine industries reporting growth in production during the month of September — listed in order — are: Printing & Related Support Activities; Nonmetallic Mineral Products; Furniture & Related Products; Food Beverage & Tobacco Products; Miscellaneous Manufacturing; Paper Products; Plastics & Rubber Products; Chemical Products; and Fabricated Metal Products. The seven industries reporting a decrease in production during September — listed in order — are: Primary Metals; Apparel, Leather & Allied Products; Petroleum & Coal Products; Electrical Equipment, Appliances & Components; Machinery; Transportation Equipment; and Computer & Electronic Products.

| Production | %Better | %Same | %Worse | Net | Index |
|------------|---------|-------|--------|-----|-------|
| Sep 2015 | 21 | 59 | 20 | +1 | 51.8 |
| Aug 2015 | 24 | 57 | 19 | +5 | 53.6 |
| Jul 2015 | 22 | 63 | 15 | +7 | 56.0 |
| Jun 2015 | 24 | 59 | 17 | +7 | 54.0 |

Employment

ISM®'s Employment Index registered 50.5 percent in September, which is a decrease of 0.7 percentage point when compared to the 51.2 percent reported in August, indicating growth in employment for the fifth consecutive month. An Employment Index above 50.6 percent, over time, is generally consistent with an increase in the Bureau of Labor Statistics (BLS) data on manufacturing employment.

Of the 18 manufacturing industries, in September, eight industries reported employment growth in the following order: Printing & Related Support Activities; Furniture & Related Products; Paper Products; Nonmetallic Mineral Products; Machinery; Food, Beverage & Tobacco Products; Transportation Equipment; and Miscellaneous Manufacturing. The nine industries reporting a decrease in employment in

September — listed in order — are: Wood Products; Apparel, Leather & Allied Products; Petroleum & Coal Products; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Fabricated Metal Products; Primary Metals; Plastics & Rubber Products; and Chemical Products.

| Employment | %Higher | %Same | %Lower | Net | Index |
|------------|---------|-------|--------|-----|-------|
| Sep 2015 | 17 | 64 | 19 | -2 | 50.5 |
| Aug 2015 | 18 | 65 | 17 | +1 | 51.2 |
| Jul 2015 | 19 | 69 | 12 | +7 | 52.7 |
| Jun 2015 | 25 | 62 | 13 | +12 | 55.5 |

Supplier Deliveries

The delivery performance of suppliers to manufacturing organizations was slower in September as the Supplier Deliveries Index registered 50.2 percent, which is 0.5 percentage point lower than the 50.7 percent reported in August. This is the second month of slower supplier deliveries after two consecutive months of faster supplier deliveries. A reading below 50 percent indicates faster deliveries, while a reading above 50 percent indicates slower deliveries.

The five industries reporting slower supplier deliveries in September are: Textile Mills; Food, Beverage & Tobacco Products; Electrical Equipment, Appliances & Components; Primary Metals; and Miscellaneous Manufacturing. The six industries reporting faster supplier deliveries during September — listed in order — are: Petroleum & Coal Products; Paper Products; Chemical Products; Machinery; Transportation Equipment; and Fabricated Metal Products. Seven industries reported no change in supplier deliveries in September compared to August.

| Supplier Deliveries | %Slower | %Same | %Faster | Net | Index |
|---------------------|---------|-------|---------|-----|-------|
| Sep 2015 | 8 | 84 | 8 | 0 | 50.2 |
| Aug 2015 | 7 | 87 | 6 | +1 | 50.7 |
| Jul 2015 | 7 | 86 | 7 | 0 | 48.9 |
| Jun 2015 | 6 | 85 | 9 | -3 | 48.8 |

Inventories*

The Inventories Index registered 48.5 percent in September, which is the same reading as in August, indicating raw materials inventories are contracting in September for the third consecutive month. An Inventories Index greater than 42.9 percent, over time, is generally consistent with expansion in the Bureau of Economic Analysis (BEA) figures on overall manufacturing inventories (in chained 2000 dollars).

The six industries reporting higher inventories in September — listed in order — are: Textile Mills; Apparel, Leather & Allied Products; Transportation Equipment; Paper Products; Miscellaneous Manufacturing; and Food, Beverage & Tobacco Products. The nine industries reporting lower inventories in September — listed in order — are: Plastics & Rubber Products; Primary Metals; Furniture & Related Products; Nonmetallic Mineral Products; Electrical Equipment, Appliances & Components; Machinery; Fabricated Metal Products; Computer & Electrical Products; and Chemical Products.

| Inventories | %Higher | %Same | %Lower | Net | Index |
|-------------|---------|-------|--------|-----|-------|
| Sep 2015 | 20 | 57 | 23 | -3 | 48.5 |
| Aug 2015 | 18 | 61 | 21 | -3 | 48.5 |

| | | | | | |
|----------|----|----|----|----|------|
| Jul 2015 | 19 | 61 | 20 | -1 | 49.5 |
| Jun 2015 | 21 | 64 | 15 | +6 | 53.0 |

Customers' Inventories*

ISM®'s Customers' Inventories Index registered 54.5 percent in September, an increase of 1.5 percentage points from August when customers' inventories registered 53 percent. September's reading indicates that customers' inventories are considered to be too high for the second consecutive month.

The nine manufacturing industries reporting customers' inventories as being too high during the month of September — listed in order — are: Primary Metals; Furniture & Related Products; Nonmetallic Mineral Products; Chemical Products; Computer & Electronic Products; Fabricated Metal Products; Food, Beverage & Tobacco Products; Machinery; and Transportation Equipment. The two industries reporting customers' inventories as too low during September are: Apparel, Leather & Allied Products; and Plastics & Rubber Products. Six industries reported no changes in customers' inventories in September compared to August.

| Customers' Inventories | % Reporting | %Too High | %About Right | %Too Low | Net | Index |
|------------------------|-------------|-----------|--------------|----------|-----|-------|
| Sep 2015 | 62 | 19 | 71 | 10 | +9 | 54.5 |
| Aug 2015 | 61 | 18 | 70 | 12 | +6 | 53.0 |
| Jul 2015 | 63 | 10 | 68 | 22 | -12 | 44.0 |
| Jun 2015 | 62 | 13 | 71 | 16 | -3 | 48.5 |

Prices*

The ISM® Prices Index registered 38 percent in September, which is 1 percentage point lower than in August, indicating a decrease in raw materials prices for the 11th consecutive month. In September, 6 percent of respondents reported paying higher prices, 30 percent reported paying lower prices, and 64 percent of supply executives reported paying the same prices as in August. A Prices Index above 52.1 percent, over time, is generally consistent with an increase in the Bureau of Labor Statistics (BLS) Producer Price Index for Intermediate Materials.

Of the 18 manufacturing industries, no industries are reporting paying increased prices for their raw materials in September. The 14 industries reporting paying lower prices during the month of September — listed in order — are: Textile Mills; Electrical Equipment, Appliances & Components; Primary Metals; Plastics & Rubber Products; Chemical Products; Transportation Equipment; Petroleum & Coal Products; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing; Furniture & Related Products; Nonmetallic Mineral Products; Machinery; Computer & Electronic Products; and Fabricated Metal Products.

| Prices | %Higher | %Same | %Lower | Net | Index |
|----------|---------|-------|--------|-----|-------|
| Sep 2015 | 6 | 64 | 30 | -24 | 38.0 |
| Aug 2015 | 6 | 66 | 28 | -22 | 39.0 |
| Jul 2015 | 9 | 70 | 21 | -12 | 44.0 |
| Jun 2015 | 14 | 71 | 15 | -1 | 49.5 |

Backlog of Orders*

ISM®'s Backlog of Orders Index registered 41.5 percent in September, a decrease of 5 percentage points as compared to the August reading of 46.5 percent. Of the 88 percent of respondents

who measure their backlog of orders, 13 percent reported greater backlogs, 30 percent reported smaller backlogs, and 57 percent reported no change from August.

The only industry reporting an increase in order backlogs in September is Furniture & Related Products. The 16 industries reporting a decrease in order backlogs during September — listed in order — are: Primary Metals; Apparel, Leather & Allied Products; Textile Mills; Nonmetallic Mineral Products; Petroleum & Coal Products; Paper Products; Wood Products; Transportation Equipment; Plastics & Rubber Products; Miscellaneous Manufacturing; Electrical Equipment, Appliances & Components; Machinery; Computer & Electronic Products; Fabricated Metal Products; Chemical Products; and Food, Beverage & Tobacco Products.

| Backlog of Orders | % Reporting | %Greater | %Same | %Less | Net | Index |
|-------------------|-------------|----------|-------|-------|-----|-------|
| Sep 2015 | 88 | 13 | 57 | 30 | -17 | 41.5 |
| Aug 2015 | 86 | 17 | 59 | 24 | -7 | 46.5 |
| Jul 2015 | 87 | 13 | 59 | 28 | -15 | 42.5 |
| Jun 2015 | 89 | 21 | 52 | 27 | -6 | 47.0 |

New Export Orders*

ISM®'s New Export Orders Index registered 46.5 percent in September, which was the same reading as in August. This is the fourth consecutive month that the survey panel indicated their new export orders decreased.

The five industries reporting growth in new export orders in September are: Furniture & Related Products; Nonmetallic Mineral Products; Miscellaneous Manufacturing; Chemical Products; and Fabricated Metal Products. The 11 industries reporting a decrease in new export orders during September — listed in order — are: Wood Products; Petroleum and Coal Products; Paper Products; Apparel, Leather & Allied Products; Primary Metals; Electrical Equipment, Appliances & Components; Plastics & Rubber Products; Machinery; Transportation Equipment; Food, Beverage & Tobacco Products; and Computer & Electronic Products.

| New Export Orders | % Reporting | %Higher | %Same | %Lower | Net | Index |
|-------------------|-------------|---------|-------|--------|-----|-------|
| Sep 2015 | 75 | 10 | 73 | 17 | -7 | 46.5 |
| Aug 2015 | 74 | 10 | 73 | 17 | -7 | 46.5 |
| Jul 2015 | 77 | 11 | 74 | 15 | -4 | 48.0 |
| Jun 2015 | 75 | 13 | 73 | 14 | -1 | 49.5 |

Imports*

ISM®'s Imports Index registered 50.5 percent in September, which is 1 percentage point lower than the 51.5 percent reported in August. This month's reading represents 32 consecutive months of growth in imports.

The six industries reporting growth in imports during the month of September — listed in order — are: Textile Mills; Furniture & Related Products; Plastics & Rubber Products; Machinery; Computer & Electronic Products; and Chemical Products. The six industries reporting a decrease in imports during September — listed in order — are: Apparel, Leather & Allied Products; Petroleum & Coal Products; Nonmetallic Mineral Products; Fabricated Metal Products; Miscellaneous Manufacturing; and Transportation Equipment.

| Imports | % Reporting | %Higher | %Same | %Lower | Net | Index |
|----------|-------------|---------|-------|--------|-----|-------|
| Sep 2015 | 81 | 15 | 71 | 14 | +1 | 50.5 |
| Aug 2015 | 79 | 13 | 77 | 10 | +3 | 51.5 |
| Jul 2015 | 78 | 15 | 74 | 11 | +4 | 52.0 |
| Jun 2015 | 79 | 15 | 77 | 8 | +7 | 53.5 |

* The Inventories, Customers' Inventories, Prices, Backlog of Orders, New Export Orders and Imports Indexes do not meet the accepted criteria for seasonal adjustments.

Buying Policy

Average commitment lead time for Capital Expenditures increased by 3 days to 133 days. Average lead time for Production Materials increased by 1 day in September to 63 days. Average lead time for Maintenance, Repair and Operating (MRO) Supplies increased by 2 days to 30 days.

Percent Reporting

| Capital Expenditures | Hand-to-Mouth | 30 Days | 60 Days | 90 Days | 6 Months | 1 Year+ | Average Days |
|----------------------|---------------|---------|---------|---------|----------|---------|--------------|
| Sep 2015 | 25 | 7 | 10 | 17 | 22 | 19 | 133 |
| Aug 2015 | 23 | 9 | 10 | 18 | 22 | 18 | 130 |
| Jul 2015 | 23 | 8 | 11 | 19 | 23 | 16 | 126 |
| Jun 2015 | 24 | 7 | 9 | 16 | 26 | 18 | 135 |

| Production Materials | Hand-to-Mouth | 30 Days | 60 Days | 90 Days | 6 Months | 1 Year+ | Average Days |
|----------------------|---------------|---------|---------|---------|----------|---------|--------------|
| Sep 2015 | 12 | 43 | 20 | 14 | 8 | 3 | 63 |
| Aug 2015 | 14 | 42 | 22 | 11 | 8 | 3 | 62 |
| Jul 2015 | 16 | 38 | 20 | 16 | 8 | 2 | 60 |
| Jun 2015 | 12 | 39 | 21 | 15 | 10 | 3 | 67 |

| MRO Supplies | Hand-to-Mouth | 30 Days | 60 Days | 90 Days | 6 Months | 1 Year+ | Average Days |
|--------------|---------------|---------|---------|---------|----------|---------|--------------|
| Sep 2015 | 40 | 37 | 17 | 5 | 1 | 0 | 30 |
| Aug 2015 | 42 | 37 | 16 | 4 | 1 | 0 | 28 |
| Jul 2015 | 45 | 39 | 11 | 5 | 0 | 0 | 25 |
| Jun 2015 | 47 | 36 | 11 | 5 | 1 | 0 | 26 |

About This Report

The data presented herein is obtained from a survey of manufacturing supply managers based on information they have collected within their respective organizations. ISM® makes no representation, other than that stated within this release, regarding the individual company data collection procedures. The data should be compared to all other economic data sources when used in decision-making.

Data and Method of Presentation

The **Manufacturing ISM® Report On Business®** is based on data compiled from purchasing and supply executives nationwide. Membership of the Manufacturing Business Survey Committee is

diversified by NAICS, based on each industry's contribution to gross domestic product (GDP). Manufacturing Business Survey Committee responses are divided into the following NAICS code categories: Food, Beverage & Tobacco Products; Textile Mills; Apparel, Leather & Allied Products; Wood Products; Paper Products; Printing & Related Support Activities; Petroleum & Coal Products; Chemical Products; Plastics & Rubber Products; Nonmetallic Mineral Products; Primary Metals; Fabricated Metal Products; Machinery; Computer & Electronic Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Furniture & Related Products; and Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).

Survey responses reflect the change, if any, in the current month compared to the previous month. For each of the indicators measured (New Orders, Backlog of Orders, New Export Orders, Imports, Production, Supplier Deliveries, Inventories, Customers' Inventories, Employment and Prices), this report shows the percentage reporting each response, the net difference between the number of responses in the positive economic direction (higher, better and slower for Supplier Deliveries) and the negative economic direction (lower, worse and faster for Supplier Deliveries), and the diffusion index. Responses are raw data and are never changed. The diffusion index includes the percent of positive responses plus one-half of those responding the same (considered positive).

The resulting single index number for those meeting the criteria for seasonal adjustments (PMI®, New Orders, Production, Employment and Supplier Deliveries) is then seasonally adjusted to allow for the effects of repetitive intra-year variations resulting primarily from normal differences in weather conditions, various institutional arrangements, and differences attributable to non-moveable holidays. All seasonal adjustment factors are subject annually to relatively minor changes when conditions warrant them. The PMI® is a composite index based on the diffusion indexes of five of the indexes with equal weights: New Orders (seasonally adjusted), Production (seasonally adjusted), Employment (seasonally adjusted), Supplier Deliveries (seasonally adjusted), and Inventories.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change and the scope of change. A PMI® reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally declining. A PMI® in excess of 43.1 percent, over a period of time, indicates that the overall economy, or gross domestic product (GDP), is generally expanding; below 43.1 percent, it is generally declining. The distance from 50 percent or 43.1 percent is indicative of the strength of the expansion or decline. With some of the indicators within this report, ISM® has indicated the departure point between expansion and decline of comparable government series, as determined by regression analysis.

The **Manufacturing ISM® Report On Business**® survey is sent out to Manufacturing Business Survey Committee respondents the first part of each month. Respondents are asked to ONLY report on information for the current month. ISM® receives survey responses throughout most of any given month, with the majority of respondents generally waiting until late in the month to submit responses in order to give the most accurate picture of current business activity. ISM® then compiles the report for release on the first business day of the following month.

The industries reporting growth, as indicated in the **Manufacturing ISM® Report On Business**® monthly report, are listed in the order of most growth to least growth. For the industries reporting contraction or decreases, those are listed in the order of the highest level of contraction/decrease to the least level of contraction/decrease.

Responses to Buying Policy reflect the percent reporting the current month's lead time, the approximate weighted number of days ahead for which commitments are made for Capital Expenditures; Production Materials; and Maintenance, Repair and Operating (MRO) Supplies, expressed as hand-to-mouth (five days), 30 days, 60 days, 90 days, six months (180 days), a year or more (360 days), and the weighted average number of days. These responses are raw data, never revised, and not seasonally adjusted since there is no significant seasonal pattern.

About Institute for Supply Management®

Founded in 1915 as the first supply management institute in the world, Institute for Supply Management® (ISM®) is committed to advancing the practice of supply chain management to drive value and competitive advantage for its members, contributing to a prosperous and sustainable world. This year, ISM celebrates 100 years of leading, innovating and guiding the profession through the renowned *ISM Report On Business*®, highly regarded certification programs, and industry-standard training and educational resources. ISM is a not-for-profit organization with global influence, serving supply chain professionals in more than 90 countries. This report has been issued by the association since 1931, except for a four-year interruption during World War II.

ISM ROB Content

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The next **Manufacturing ISM® *Report On Business*®** featuring the October 2015 data will be released at 10:00 a.m. (ET) on Monday, November 2, 2015.

*Unless the NYSE is closed.