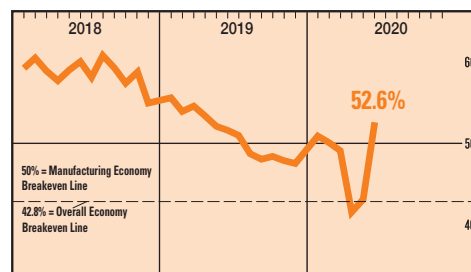


Economic activity in the manufacturing sector grew in June, with the overall economy notching a second month of growth after one month of contraction, say the nation's supply executives in the latest Manufacturing ISM® Report On Business®.

The June PMI® registered 52.6 percent. The New Orders Index registered 56.4 percent, an increase of 24.6 percentage points from the May reading of 31.8 percent. The Production Index registered 57.3 percent, up 24.1 percentage points compared to the May reading of 33.2 percent. The Backlog of Orders Index registered 45.3 percent, an increase of 7.1 percentage points compared to the May reading of 38.2 percent. The Employment Index registered 42.1 percent, an increase of 10 percentage points from the May reading of 32.1 percent. The Supplier Deliveries Index registered 56.9 percent, down 11.1 percentage points from the May figure of 68 percent. As predicted, the growth cycle has returned after three straight months of COVID-19 disruptions. Of the 18 manufacturing industries, the 13 that reported growth in June — in the following order — are: Textile Mills; Wood Products; Furniture & Related Products; Printing & Related Support Activities; Apparel, Leather & Allied Products; Food, Beverage & Tobacco Products; Computer & Electronic Products; Plastics & Rubber Products; Chemical Products; Miscellaneous Manufacturing; Nonmetallic Mineral Products; Paper Products; and Electrical Equipment, Appliances & Components. **ISM**

PMI® at 52.6%

Manufacturing grew in June, as the PMI® registered 52.6 percent, 9.5 percentage points higher than the May reading of 43.1 percent. The PMI® signaled a rebuilding of economic activity in June after three months below 50 percent. The PMI® recorded its largest increase since August 1980, when it increased 10.5 percentage points. Among the big six industries, three of the industry sectors expanded. New Orders and Production returned to expansion, and at respectable levels. Supplier Deliveries reached a normal level of tension between supply and demand. Five of the 10 subindexes registered expansion, a marked improvement from previous periods. A reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally contracting.



Manufacturing at a Glance

INDEX	Jun Index	May Index	% Point Change	Direction	Rate of Change	Trend* (months)
PMI®	52.6	43.1	+9.5	Growing	From Contracting	1
New Orders	56.4	31.8	+24.6	Growing	From Contracting	1
Production	57.3	33.2	+24.1	Growing	From Contracting	1
Employment	42.1	32.1	+10.0	Contracting	Slower	11
Supplier Deliveries	56.9	68.0	-11.1	Slowing	Slower	8
Inventories	50.5	50.4	+0.1	Growing	Faster	2
Customers' Inventories	44.6	46.2	-1.6	Too Low	Faster	45
Prices	51.3	40.8	+10.5	Increasing	From Decreasing	1
Backlog of Orders	45.3	38.2	+7.1	Contracting	Slower	4
New Export Orders	47.6	39.5	+8.1	Contracting	Slower	4
Imports	48.8	41.3	+7.5	Contracting	Slower	5
Overall Economy				Growing	Faster	2
Manufacturing Sector				Growing	From Contracting	1

*Number of months moving in current direction. Manufacturing ISM® Report On Business® data is seasonally adjusted for the New Orders, Production, Employment and Inventories indexes.



Commodities Reported

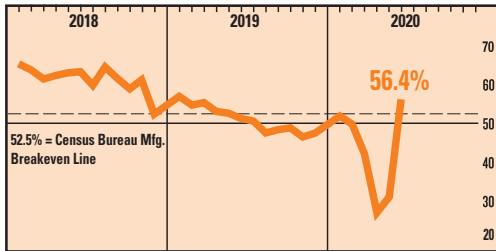
Commodities Up in Price: Aluminum*; Caustic Soda; Copper; Crude Oil (2); Diesel Fuel*; Ethanol; Natural Gas; Personal Protective Equipment (PPE) — Masks (3); Steel — Hot Rolled; Steel — Scrap; and Steel Products*.

Commodities Down in Price: Aluminum* (5); Diesel Fuel* (4); Methanol (2); Nylon (2); Packaging Materials (2); Plastic Products (2); Resins; Solvents (2); and Steel Products* (3).

Commodities in Short Supply: Ethanol; PPE (2); Sanitizers & Disinfectants; and PPE — Gloves (4).

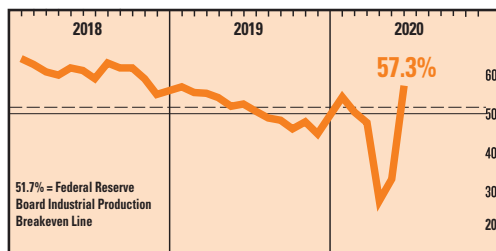
†Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).

Note: The number of consecutive months the commodity is listed is indicated after each item. *Reported as both up and down in price.



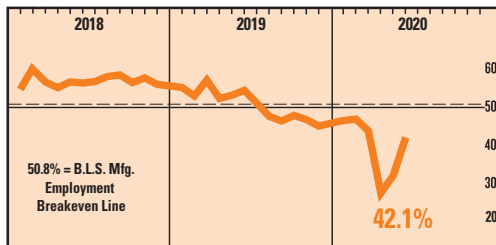
New Orders

ISM's New Orders Index registered 56.4 percent. Of the 18 manufacturing industries, the 11 that reported growth in new orders in June — in the following order — are: Textile Mills; Plastics & Rubber Products; Wood Products; Printing & Related Support Activities; Food, Beverage & Tobacco Products; Chemical Products; Furniture & Related Products; Electrical Equipment, Appliances & Components; Miscellaneous Manufacturing[‡]; Machinery; and Computer & Electronic Products.



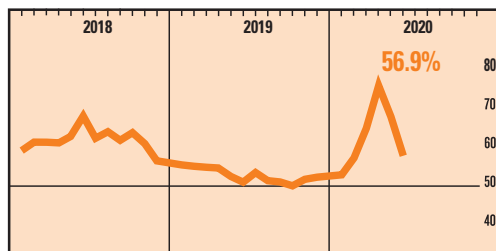
Production

The Production Index registered 57.3 percent. The 13 industries reporting growth in production during the month of June — listed in order — are: Textile Mills; Furniture & Related Products; Wood Products; Printing & Related Support Activities; Petroleum & Coal Products; Plastics & Rubber Products; Food, Beverage & Tobacco Products; Chemical Products; Computer & Electronic Products; Paper Products; Machinery; Electrical Equipment, Appliances & Components; and Miscellaneous Manufacturing[‡].



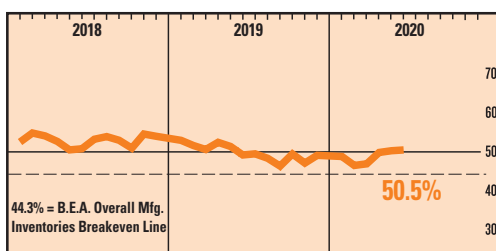
Employment

ISM's Employment Index registered 42.1 percent. Of the 18 manufacturing industries, the five industries to report employment growth in June are: Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Computer & Electronic Products; Food, Beverage & Tobacco Products; and Chemical Products.



Supplier Deliveries

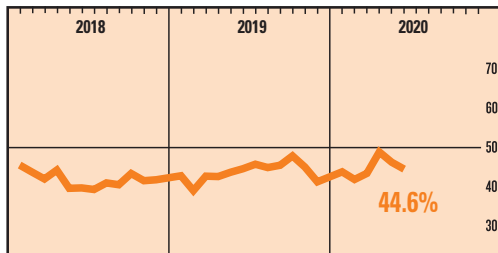
The delivery performance of suppliers to manufacturing organizations was slower in June, as the Supplier Deliveries Index registered 56.9 percent. Fourteen of 18 industries reported slower supplier deliveries in June, listed in the following order: Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Miscellaneous Manufacturing[‡]; Textile Mills; Computer & Electronic Products; Paper Products; Petroleum & Coal Products; Nonmetallic Mineral Products; Chemical Products; Food, Beverage & Tobacco Products; Plastics & Rubber Products; Fabricated Metal Products; Transportation Equipment; and Machinery.



Inventories

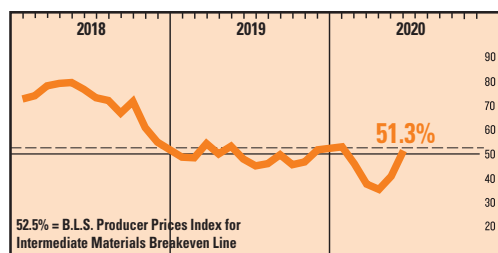
The Inventories Index registered 50.5 percent. The nine industries reporting higher inventories in June, in order, are: Apparel, Leather & Allied Products; Furniture & Related Products; Textile Mills; Printing & Related Support Activities; Wood Products; Nonmetallic Mineral Products; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing[‡]; and Computer & Electronic Products.

[‡]Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).



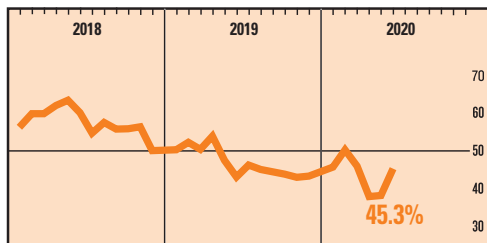
Customers' Inventories

ISM's Customers' Inventories Index registered 44.6 percent. Of the 18 industries, the four reporting higher customers' inventories in June are: Furniture & Related Products; Transportation Equipment; Primary Metals; and Electrical Equipment, Appliances & Components.



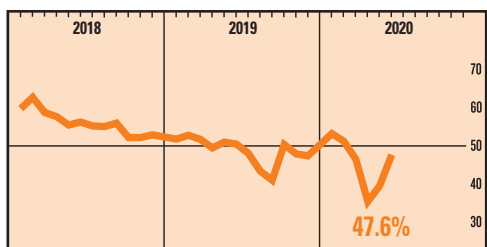
Prices

The ISM Prices Index registered 51.3 percent. The eight industries reporting paying increased prices for raw materials in June — listed in order — are: Apparel, Leather & Allied Products; Wood Products; Fabricated Metal Products; Computer & Electronic Products; Nonmetallic Mineral Products; Miscellaneous Manufacturing[‡]; Machinery; and Chemical Products.



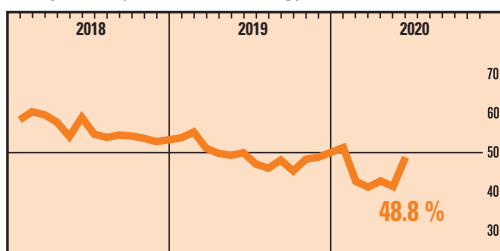
Backlog of Orders

ISM's Backlog of Orders Index registered 45.3 percent. The six industries reporting growth in order backlogs in June, in the following order, are: Textile Mills; Plastics & Rubber Products; Nonmetallic Mineral Products; Computer & Electronic Products; Machinery; and Chemical Products.



New Export Orders

ISM's New Export Orders Index registered 47.6 percent. The three industries reporting growth in new export orders in June are: Textile Mills; Paper Products; and Plastics & Rubber Products. The nine industries reporting a decrease in new export orders in June, in the following order, are: Nonmetallic Mineral Products; Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Primary Metals; Fabricated Metal Products; Computer & Electronic Products; Transportation Equipment; Food, Beverage & Tobacco Products; and Chemical Products.



Imports

ISM's Imports Index registered 48.8 percent. The five industries reporting growth in imports in June are: Apparel, Leather & Allied Products; Wood Products; Printing & Related Support Activities; Machinery; and Food, Beverage & Tobacco Products.

[‡]Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).