



June 2010
Manufacturing
Business Conditions Survey
A Joint Project of the College of Business
At the University of Colorado at Denver
And NAPM-Denver

The local Denver manufacturing economic index was 57.3 in June. The Denver Manufacturing PMI compares to the Institute for Supply Management's (ISM) PMI of 56.2 percent, a decrease of 3.5 percentage points when compared to May's reading of 59.7 percent. (ISM publishes the national PMI).

(As a reminder to our readers, an index below 50 indicates the majority of our respondents reported a decline versus the previous month. The further below 50, the greater the number of respondents reporting a decline. An index over 50 indicates growth, increase, or improvement).

The overall Price Index of the Denver Manufacturing Survey increased in June compared to May. The Price Index was 52.7 in June. Prices increased in the MRO, Raw Materials, Components and Computers sectors and remained unchanged in the Capital Goods and Services sectors.

The New Orders Index increased in compared to May with an index of 60.7 in June. The Raw Materials Inventory was 60 and the Finished Goods Inventory Index was 53.9 in June.

June's Employment Index was 56.7. The Availability of Skilled Workers Index was 53.6 and the Availability of Unskilled Workers Index was 53.3 in June.

Supplier performance in our Denver survey improved in every sector.

ISM's New Orders Index registered 58.5 percent in June, which is a decrease of 7.2 percentage points when compared to the 65.7 percent reported in May. This is the 12th consecutive month of growth in the New Orders Index. ISM's Employment Index registered 57.8 percent in June, which is 2 percentage points lower than the 59.8 percent reported in May. This is the seventh consecutive month of growth in manufacturing employment. Go to www.ism.ws for the complete ISM report.

The Business Conditions Survey is a joint project of University of Colorado at Denver and NAPM-Denver. Dr. M.P. Parthasarathy of the College of Business conducted June's survey at the University of Colorado at Denver. For further information on the survey, or to participate in it, call Dr. Parthasarathy at 303-556-5849.

*Note: In the below tables, an index over 50 indicates growth, increase, or improvement. Below 50 is indicative of decrease or worsening.

June 2010 Colorado Front Range Manufacturing Survey

<i>Series</i>	<i>Colo. Index</i>			<i>National Index</i>	<i>Direction</i>	<i>Rate of Change</i>
	<i>June</i>	<i>May</i>	<i>June vs. May</i>	<i>June</i>	<i>June vs. May</i>	<i>June vs. May</i>
Purchasing Managers' Index	57.3	Increasing	Faster	56.2	Increasing	Slower
Production	57.1	Increasing	Faster	61.4	Increasing	Slower
New Orders	60.7	Increasing	Faster	58.5	Increasing	Slower
Backlog of Orders	53.6	Increasing	Slower	57	Increasing	Slower
Imports	50	No Change	From Increasing	56.5	Increasing	No Change
Prices	52.7	Increasing	Faster	57	Increasing	Slower
Lead Times	No Report			57.3	Increasing	Slower
Raw Material Inventory	60	Increasing	Slower	45.8*	Decreasing	Slightly Slower
Finished Goods Inventory	53.9	Increasing	Slightly Faster	NA	NA	NA
Employment	56.7	Increasing	Slightly Faster	57.8	Increasing	Slower
Availability of Skilled Labor	53.6	Increasing	Slightly Faster	NA	NA	NA
Availability of Unskilled Labor	53.3	Increasing	From No Change	NA	NA	NA

	<u>Colo. Index</u>	<u>Direction</u>	<u>Rate of Change</u>
<u>Prices:</u>	<u>June</u>	<u>June</u>	<u>June vs. May</u>
MRO Items	53.1	Increasing	No Change
Capital Goods	50	No Change	From No Change
Raw Materials	53.3	Increasing	From No Change
Components	53.6	Increasing	From No Change
Computers	53.3	Increasing	Slightly Faster
Services	50	No Change	From No Change
<u>Supplier Performance</u>	<u>June</u>	<u>June</u>	<u>June vs. May</u>
MRO Items	63.3	Improving	Faster
Capital Goods	68.8	Improving	Faster
Raw Materials	67.7	Improving	Faster
Components	56.7	Improving	From No Change
Computers	57.1	Improving	From Worsening
Services	66.7	Improving	Slower