



**May 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 54.5 in May. The Denver Manufacturing PMI compares to the Institute for Supply Management's (ISM) PMI of 59.7 percent, a decrease of 0.7 percentage point when compared to April's reading of 60.4 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 was 51.3 in May. Prices increased in the MRO and Computers sectors and remained unchanged in the all other sectors.

The New Orders Index was 53.1 in May. The Raw Materials Inventory was 64.7 and the Finished Goods Inventory Index was 53 in May.

May's Employment Index was 56.3. The Availability of Skilled Workers Index was 53.1 and the Availability of Unskilled Workers Index was 50 in May.

Supplier performance in our Denver survey improved in the MRO, Capital Goods, Raw Materials and Services sectors, worsened in the Computers sector and remained unchanged in the Components sector.

ISM's New Orders Index registered 65.7 percent in May, which is the same rate of growth reported for the preceding month. This is the 11th consecutive month of growth in the New Orders Index. ISM's Employment Index registered 59.8 percent in May, which is 1.3 percentage points higher than the 58.5 percent reported in April. This is the sixth consecutive month of growth in manufacturing employment. Go to [www.ism.ws](http://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 May'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.

## May 2010 Colorado Front Range Manufacturing Survey

	<i>Colo. Index</i>	<i>National Index</i>	<i>Direction</i>	<i>Rate of Change</i>
<u>Series</u>	<u>May</u>	<u>May</u>	<u>May vs. April</u>	<u>May vs. April</u>
<b>Purchasing Managers' Index</b>	54.5	59.7	Increasing	Slightly Slower
<b>Production</b>	56.7	66.6	Increasing	Slightly Slower
<b>New Orders</b>	42.9	65.7	Increasing	No Change
<b>Backlog of Orders</b>	32.1	59.5	Increasing	Faster
<b>Imports</b>	45.5	56.5	Increasing	Slower
<b>Prices</b>	49.2	77.5	Increasing	Slightly Slower
<b>Lead Times</b>	N/A	61	Increasing	Slightly Slower
<b>Raw Material Inventory</b>	30.8	45.6*	Decreasing	Faster
<b>Finished Goods Inventory</b>	45.8	NA	NA	NA
<b>Employment</b>	53.3	59.8	Increasing	Faster
<b>Availability of Skilled Labor</b>	53.6	NA	NA	NA
<b>Availability of Unskilled Labor</b>	50	NA	NA	NA

Colo. Index

Prices:            May

MRO Items	53.1
Capital Goods	58.8
Raw Materials	50
Components	50
Computers	53.1
Services	50

Supplier            May  
Performance

MRO Items	59.4
Capital Goods	58.8
Raw Materials	61.8
Components	50
Computers	46.9
Services	75