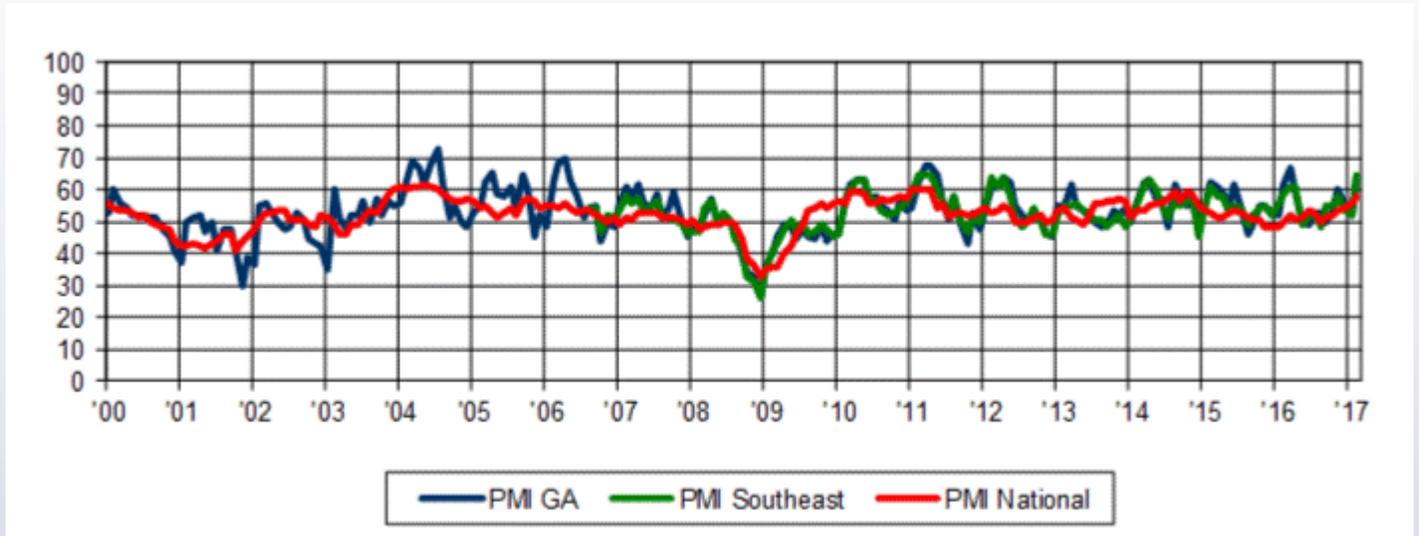


# Georgia Purchasing Manager's Index Report

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March 5, 2017

National PMI rises again, indicating industrial expansion continues. State and regional PMIs surge on gains in new orders and production.



## PMI Georgia, PMI Southeast, and PMI National

	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Feb - Jan
<b>PMI GA</b>	49.4	53.5	60.0	55.6	52.0	63.1	+11.1
<b>PMI Southeast</b>	54.8	55.1	57.9	53.8	52.1	64.3	+12.2
<b>PMI National</b>	51.5	51.9	53.2	54.5	56.0	57.7	+1.7

## Change In Percent of Georgia Participants Reporting Higher, Same and Lower FEBRUARY - JANUARY

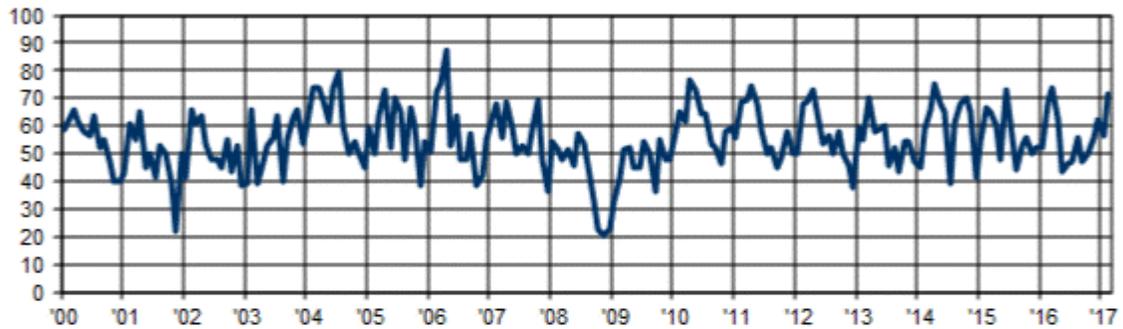
	Higher	Same	Lower
<b>New Orders</b>	16.7	-2.9	-13.8
<b>Production</b>	23.8	-16.3	-7.5
<b>Employment</b>	5.4	-5.4	0.0
<b>Deliveries</b>	37.5	-37.5	0.0
<b>Finished Inventory</b>	-1.3	9.2	-7.9
<b>Commodity Prices</b>	17.5	-10.8	-6.7

## GEORGIA PMI COMPONENTS

### New Orders

	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Feb - Jan
Higher	31.3	23.5	22.2	37.5	33.3	50.0	+16.7
Same	31.3	52.9	66.7	50.0	46.7	43.8	-2.9
Lower	37.5	23.5	11.1	12.5	20.0	6.3	-13.8
INDEX	46.9	50.0	55.6	62.5	56.7	71.9	+15.2

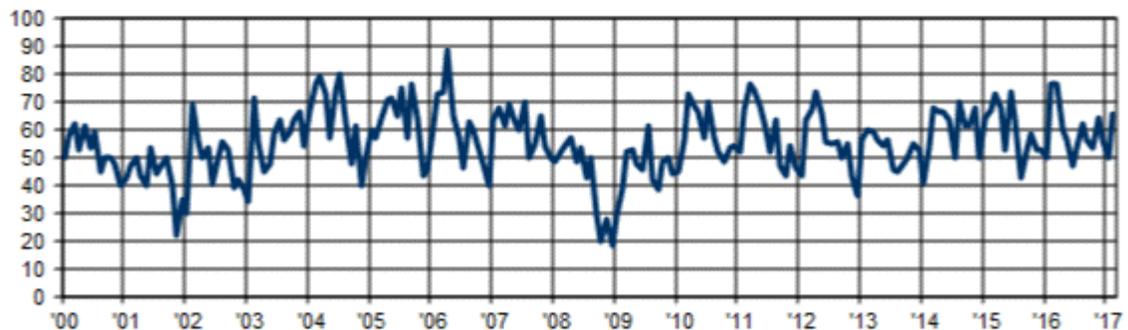
GA's NO increased 15.2 points due to 16.7% more participants reporting 'Higher' NO and 13.8% less participants reporting 'Lower' NO.



### Production

	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Feb - Jan
Higher	37.5	23.5	38.9	25.0	20.0	43.8	+23.8
Same	37.5	58.8	50.0	62.5	60.0	43.8	-16.3
Lower	25.0	17.6	11.1	12.5	20.0	12.5	-7.5
INDEX	56.3	52.9	63.9	56.3	50.0	65.6	+15.6

GA's P increased 15.6 points based on 23.8% more participants reporting 'Higher' P and 7.5% less participants reporting 'Lower' P.

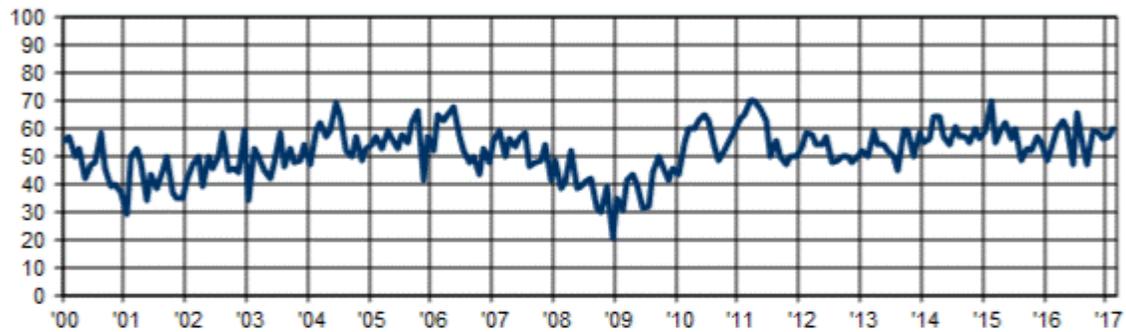


## GEORGIA PMI COMPONENTS (cont'd)

### Employment

	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Feb - Jan
Higher	12.5	23.5	27.8	18.8	13.3	18.8	+5.4
Same	68.8	70.6	61.1	75.0	86.7	81.3	-5.4
Lower	18.8	5.9	11.1	6.3	0.0	0.0	+0.0
INDEX	46.9	58.8	58.3	56.3	56.7	59.4	+2.7

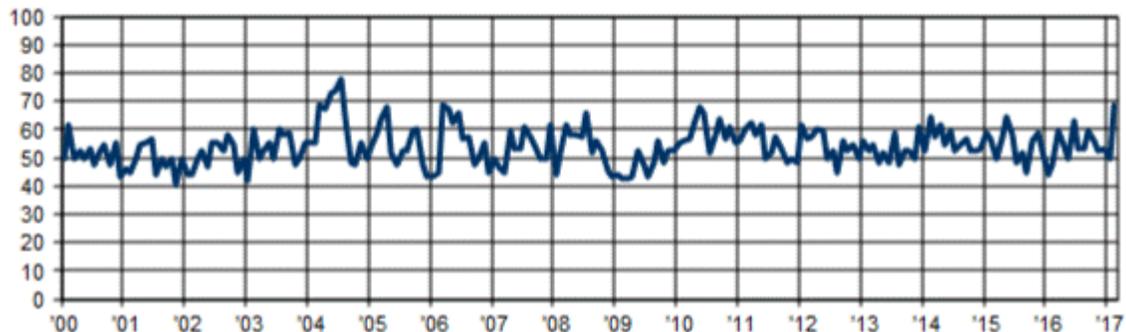
GA's E increased 2.7 points as a result of 5.4% more participants reporting 'Higher' E.



### Supplier Delivery Time

	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Feb - Jan
Slower	18.8	11.8	5.6	6.3	0.0	37.5	+37.5
Same	81.3	88.2	94.4	93.8	100.0	62.5	-37.5
Faster	0.0	0.0	0.0	0.0	0.0	0.0	+0.0
INDEX	59.4	55.9	52.8	53.1	50.0	68.8	+18.8

GA's SD increased 18.8 points due to 37.5% more participants reporting 'Slower' SD.

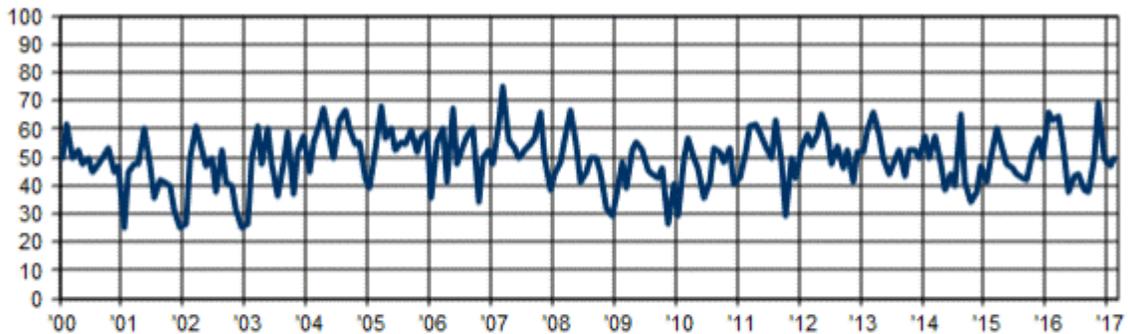


## GEORGIA PMI COMPONENTS (cont'd)

### Finished Inventory

	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Feb - Jan
<b>Higher</b>	6.3	23.5	44.4	25.0	20.0	18.8	-1.3
<b>Same</b>	62.5	52.9	50.0	50.0	53.3	62.5	+9.2
<b>Lower</b>	31.3	23.5	5.6	25.0	26.7	18.8	-7.9
<b>INDEX</b>	37.5	50.0	69.4	50.0	46.7	50.0	+3.3

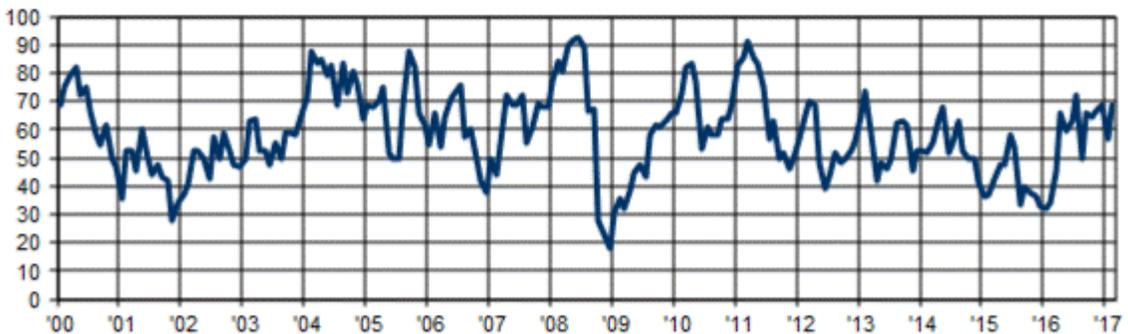
GA's FI increased 3.3 points as a result of 7.9% less participants reporting 'Lower' FI.



### Commodity Prices

	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Feb - Jan
<b>Higher</b>	31.3	35.3	33.3	43.8	20.0	37.5	+17.5
<b>Same</b>	68.8	58.8	66.7	50.0	73.3	62.5	-10.8
<b>Lower</b>	0.0	5.9	0.0	6.3	6.7	0.0	-6.7
<b>INDEX</b>	65.6	64.7	66.7	68.8	56.7	68.8	+12.1

GA's CP increased 12.1 points as a result of 17.5% more participants reporting 'Higher' CP and 6.7% less participants reporting 'Lower' CP.



## INDUSTRIAL PRODUCTION REPORT

Industrial production decreased 0.3 percent in January following a 0.6 percent increase in December.

In January, manufacturing output moved up 0.2 percent, and mining output jumped 2.8 percent. The index for utilities fell 5.7 percent, largely because unseasonably warm weather reduced the demand for heating. At 104.6 percent

of its 2012 average, total industrial production in January was at about the same level as it was a year earlier.

Capacity utilization for the industrial sector fell 0.3 percentage point in January to 75.3 percent, a rate that is 4.6 percentage points below its long-run (1972–2016) average.

### COMMENTS FROM SURVEY PARTICIPANTS REGARDING CONDITIONS THAT AFFECT PURCHASING OPERATION

**Specific commodities UP IN PRICE were:** "Steel, rubber, plastic resin, corrugated plate, flat rolled, beams, tubing, merchant bar, stainless steel, aluminum, natural Kraft paper, Kraft linerboard, natural rubber, synthetic rubber, zinc oxide, naphthenic oil, carbon steel plate, PET resin, galvanized steel, #2 fuel oil, corrugated products, high performance paper, pine (for pallets), stretch film, copper, petroleum coke, lumber, mouldings, glass, stainless steel, plastic resins"

**Specific commodities DOWN IN PRICE were:**

None

**Items in Short Supply-** Specific commodities, materials or finished products I buy that were in short supply last month are:

"Titanium dioxide, natural Kraft paper, synthetic rubber, industrial cord sets, 72" wide stainless steel"

**Buying Policy** - Report here any change during the last month, versus the prior month, in the number of days ahead you are committing for purchases of production materials, MRO supplies and capital spending:

"Closed PO Books on Lumber Purchases. Hoping that lumber prices will settle down some and then will open PO books."

"Increase inventories of commodities rising in price."

**General Remarks** - Give your frank opinion on any conditions, local, national or international, that affect your purchasing operation or your company's outlook:

"Industry dynamics are stable."

"There is a lot of optimism, I am waiting for the results to catch up with the optimism. Hopefully it will not take a few years."

"Outlook is very good."

"We expect a much better economy this year and through 2018."

"Overall outlook is good,,,,,hopefully I'm right!."

"Spring will commence our business to increase - as November and December are seasonal months."

"There seems to be pressure from almost every market segment for price increases."

"Business spiked in the 4th quarter last year - our January was 35% over last year January."

"Business good for first quarter 2017."