

Economic activity in the manufacturing sector grew in February, with the overall economy achieving a 21st consecutive month of growth, say the nation's supply executives in the latest Manufacturing ISM® *Report On Business*®.

The February Manufacturing PMI® registered 58.6 percent. The Prices Index registered 75.6 percent, down 0.5 percentage point compared to the January figure of 76.1 percent. The Backlog of Orders Index registered 65 percent, 8.6 percentage points higher than the January reading of 56.4 percent. The U.S. manufacturing sector remains in a demand-driven, supply chain-constrained environment. The COVID-19 omicron variant remained an impact in February; however, there were signs of relief, with recovery expected in March. A higher-than-normal quits rate and early retirements continued.

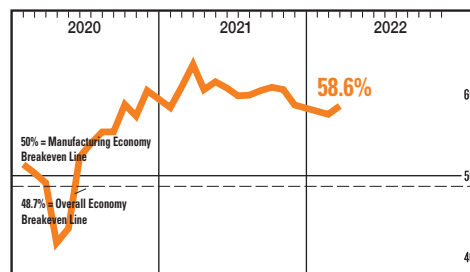
The 16 manufacturing industries reporting growth in February — in the following order — are: Apparel, Leather & Allied Products; Textile Mills; Paper Products; Transportation Equipment; Machinery; Miscellaneous Manufacturing‡; Primary Metals; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Furniture & Related Products; Plastics & Rubber Products; Fabricated Metal Products; Food, Beverage & Tobacco Products; Nonmetallic Mineral Products; Chemical Products; and Petroleum & Coal Products. **ISM**

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



# MANUFACTURING PMI® at 58.6%

Manufacturing grew in February, as the Manufacturing PMI® registered 58.6 percent, 1 percentage point higher than the January reading of 57.6 percent. The Manufacturing PMI® continued to indicate strong sector expansion and U.S. economic growth in February. All five subindexes that directly factor into the Manufacturing PMI® were in growth territory. The New Orders and Production indexes remained at strong levels.



## Manufacturing at a Glance

INDEX	Feb Index	Jan Index	% Point Change	Direction	Rate of Change	Trend* (months)
Manufacturing PMI®	58.6	57.6	+1.0	Growing	Faster	21
New Orders	61.7	57.9	+3.8	Growing	Faster	21
Production	58.5	57.8	+0.7	Growing	Faster	21
Employment	52.9	54.5	-1.6	Growing	Slower	6
Supplier Deliveries	66.1	64.6	+1.5	Slowing	Faster	72
Inventories	53.6	53.2	+0.4	Growing	Faster	7
Customers' Inventories	31.8	33.0	-1.2	Too Low	Faster	65
Prices	75.6	76.1	-0.5	Increasing	Slower	21
Backlog of Orders	65.0	56.4	+8.6	Growing	Faster	20
New Export Orders	57.1	53.7	+3.4	Growing	Faster	20
Imports	55.4	55.1	+0.3	Growing	Faster	4
<b>Overall Economy</b>				<b>Growing</b>	<b>Faster</b>	<b>21</b>
<b>Manufacturing Sector</b>				<b>Growing</b>	<b>Faster</b>	<b>21</b>

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

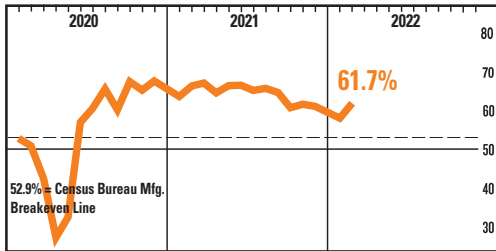


## Commodities Reported

**Commodities Up in Price:** Adhesives and Paint (3); Aluminum (21); Aluminum Products (2); Cable Assemblies; Copper (2); Corn; Corrugate; Corrugated Packaging (16); Crude Oil (2); Diesel Fuel (14); Electrical Components (15); Electronic Components (15); Food Oils; Freight (16); Labor — Temporary (10); Lumber (3); Natural Gas (8); Ocean Freight (15); Packaging Supplies (15); Pallets; Paper Products (2); Plastic Resins (2); Polyethylene; Resin Based Products (13); Rubber Based Products (7); Semiconductors (13); Solvents; Soy Based Products (2); Steel\* (19); Steel — Stainless (16); Steel Products\* (18); Surfactants; and Zinc Compounds (2).

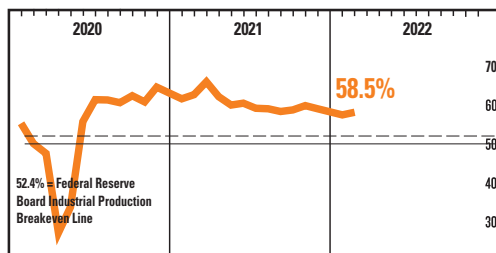
Note: To view the full report, visit the ISM® *Report On Business*® website at [ismrob.org](http://ismrob.org)

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



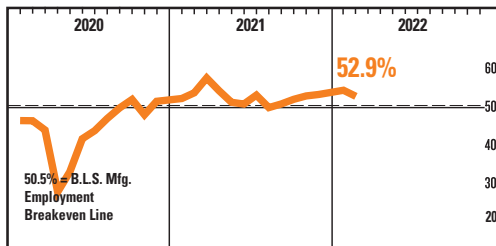
## New Orders

ISM's New Orders Index registered 61.7 percent. Of the 18 manufacturing industries, 13 reported growth in new orders in February, in the following order: Apparel, Leather & Allied Products; Paper Products; Transportation Equipment; Textile Mills; Computer & Electronic Products; Miscellaneous Manufacturing<sup>‡</sup>; Electrical Equipment, Appliances & Components; Petroleum & Coal Products; Chemical Products; Plastics & Rubber Products; Machinery; Fabricated Metal Products; and Food, Beverage & Tobacco Products.



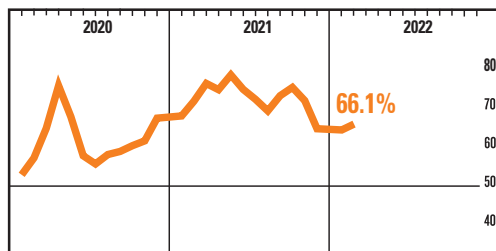
## Production

The Production Index registered 58.5 percent. The 10 industries reporting growth in production during the month of February — listed in order — are: Transportation Equipment; Paper Products; Computer & Electronic Products; Electrical Equipment, Appliances & Components; Miscellaneous Manufacturing<sup>‡</sup>; Primary Metals; Machinery; Fabricated Metal Products; Chemical Products; and Food, Beverage & Tobacco Products.



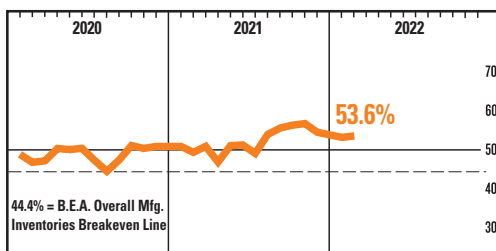
## Employment

ISM's Employment Index registered 52.9 percent. Of 18 manufacturing industries, 10 industries reported employment growth in February, in the following order: Apparel, Leather & Allied Products; Primary Metals; Machinery; Electrical Equipment, Appliances & Components; Furniture & Related Products; Miscellaneous Manufacturing<sup>‡</sup>; Computer & Electronic Products; Transportation Equipment; Plastics & Rubber Products; and Fabricated Metal Products.



## Supplier Deliveries

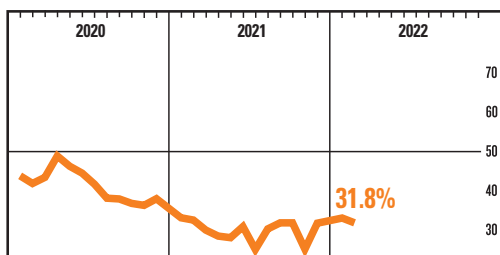
The delivery performance of suppliers to manufacturing organizations was slower in February, as the Supplier Deliveries Index registered 66.1 percent. Fifteen of 18 industries reported slower supplier deliveries in February, in the following order: Paper Products; Textile Mills; Nonmetallic Mineral Products; Machinery; Food, Beverage & Tobacco Products; Furniture & Related Products; Fabricated Metal Products; Miscellaneous Manufacturing<sup>‡</sup>; Chemical Products; Plastics & Rubber Products; Petroleum & Coal Products; Computer & Electronic Products; Primary Metals; Transportation Equipment; and Electrical Equipment, Appliances & Components.



## Inventories

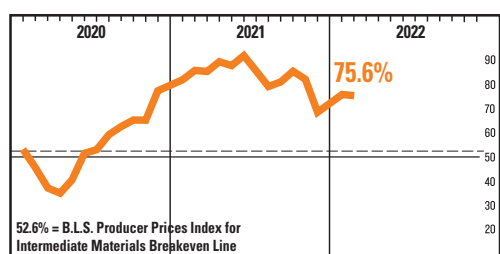
The Inventories Index registered 53.6 percent. The 12 industries reporting higher inventories in February — in the following order — are: Apparel, Leather & Allied Products; Textile Mills; Nonmetallic Mineral Products; Furniture & Related Products; Primary Metals; Transportation Equipment; Miscellaneous Manufacturing<sup>‡</sup>; Machinery; Electrical Equipment, Appliances & Components; Plastics & Rubber Products; Computer & Electronic Products; and Fabricated Metal Products.

<sup>‡</sup>Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).



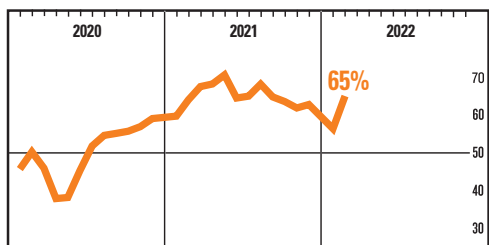
### Customers' Inventories

ISM's Customers' Inventories Index registered 31.8 percent. No industries reported too high customers' inventories in February. The 16 industries reporting customers' inventories as too low during February — listed in order — are: Textile Mills; Fabricated Metal Products; Machinery; Transportation Equipment; Paper Products; Miscellaneous Manufacturing<sup>‡</sup>; Computer & Electronic Products; Wood Products; Petroleum & Coal Products; Nonmetallic Mineral Products; Electrical Equipment, Appliances & Components; Food, Beverage & Tobacco Products; Plastics & Rubber Products; Furniture & Related Products; Chemical Products; and Primary Metals.



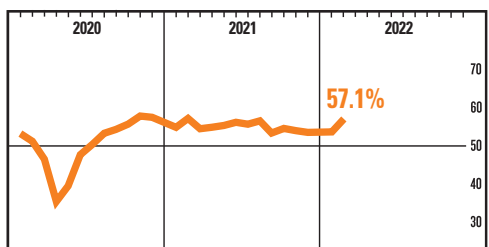
### Prices

The ISM Prices Index registered 75.6 percent. In February, 17 industries reported paying increased prices for raw materials, in the following order: Nonmetallic Mineral Products; Printing & Related Support Activities; Textile Mills; Primary Metals; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing<sup>‡</sup>; Paper Products; Chemical Products; Computer & Electronic Products; Wood Products; Electrical Equipment, Appliances & Components; Furniture & Related Products; Machinery; Transportation Equipment; Petroleum & Coal Products; Fabricated Metal Products; and Plastics & Rubber Products.



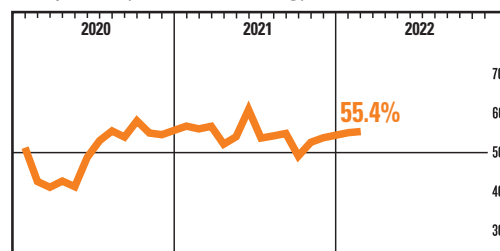
### Backlog of Orders

ISM's Backlog of Orders Index registered 65 percent. The 14 industries reporting growth in order backlogs in February, in the following order: Apparel, Leather & Allied Products; Furniture & Related Products; Textile Mills; Paper Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Computer & Electronic Products; Food, Beverage & Tobacco Products; Petroleum & Coal Products; Wood Products; Fabricated Metal Products; Machinery; Plastics & Rubber Products; and Chemical Products.



### New Export Orders

ISM's New Export Orders Index registered 57.1 percent. The nine industries reporting growth in new export orders in February — in the following order — are: Textile Mills; Transportation Equipment; Food, Beverage & Tobacco Products; Computer & Electronic Products; Plastics & Rubber Products; Fabricated Metal Products; Chemical Products; Miscellaneous Manufacturing<sup>‡</sup>; and Machinery.



### Imports

ISM's Imports Index registered 55.4 percent. The 10 industries reporting growth in imports in February — in the following order — are: Furniture & Related Products; Primary Metals; Nonmetallic Mineral Products; Transportation Equipment; Miscellaneous Manufacturing<sup>‡</sup>; Computer & Electronic Products; Machinery; Plastics & Rubber Products; Food, Beverage & Tobacco Products; and Chemical Products.

<sup>‡</sup>Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).