

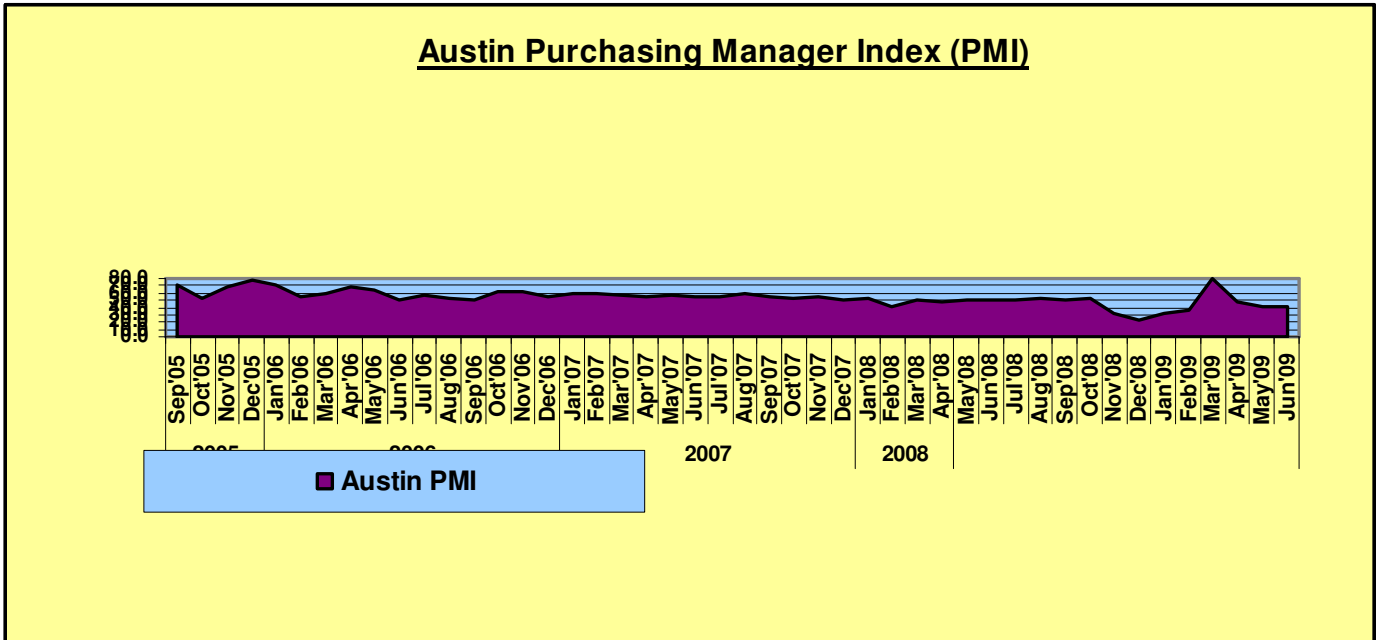
NATIONAL ASSOCIATION OF PURCHASING MANAGEMENT - AUSTIN

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**AUSTIN AREA
SUMMARY REPORT ON BUSINESS
June 2009**

<u>Region</u>	<u>Economy</u>	<u>Main Index</u>	<u>Comments</u>
Austin	Decreasing	<u>40.3</u>	The Austin Purchasing Managers Index for June 2009 decreased from May, 2009. Indexes that are EXPANDING and higher than May: Lead Time Indexes that are EXPANDING but slower than May: None Indexes that are DECREASING below 50: All but Lead Time No change: None

For Immediate Release: June 30, 2009



AUSTIN, TX PURCHASING MANAGER'S INDEX FOR
June 2009 DECREASED TO 40.3
INDEXES THAT HAVE EXPANDED: LEAD TIME
INDEXES BELOW 50: ALL BUT LEAD TIME

Key Indicators:

PMI Index changed from 40.8 to 40.3

Employment Index changed from 50.0 to 33.3

Production Index changed from 37.5 to 49.8

New Orders changed from 43.8 to 49.8

The National Association of Purchasing Management, Austin Inc. (NAPM-Austin) has completed its June, 2009 "Report on Business" for Austin and surrounding area.

This report is modeled on the widely watched "Report on Business" published by the Institute for Supply Management (ISM), NAPM Austin's parent organization.

Readings below 50 percent indicate that the overall economy is generally Contracting.

Readings above 50 percent indicate that the overall economy is generally Expanding.

Purchasing Manager's Index (PMI) – About the PMI

The PMI is a composite Index based on **diffusion** indices calculated for five different areas on which manufacturing & non-manufacturing Purchasing Agents are polled – New Orders, Production, Employment, Supplier Deliveries and Inventories.

Diffusion indices have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change and the scope of change. They are calculated on a formula and are adjusted monthly on factors published by the U.S. Department of Commerce. The diffusion index for each area has different weights, relative to the importance attached to each factor.

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NAPM Austin was chartered in 1971 as the Austin Purchasing Managers Association and currently has almost 200 members in the Austin area. NAPM Austin sponsors the monthly poll of Purchasing professionals in the Austin area

and has been publishing a “Report on Business” for the Austin area for over 25 years. These Purchasing Agents are the primary buyers of manufacturing & non-manufacturing goods and services for their companies.

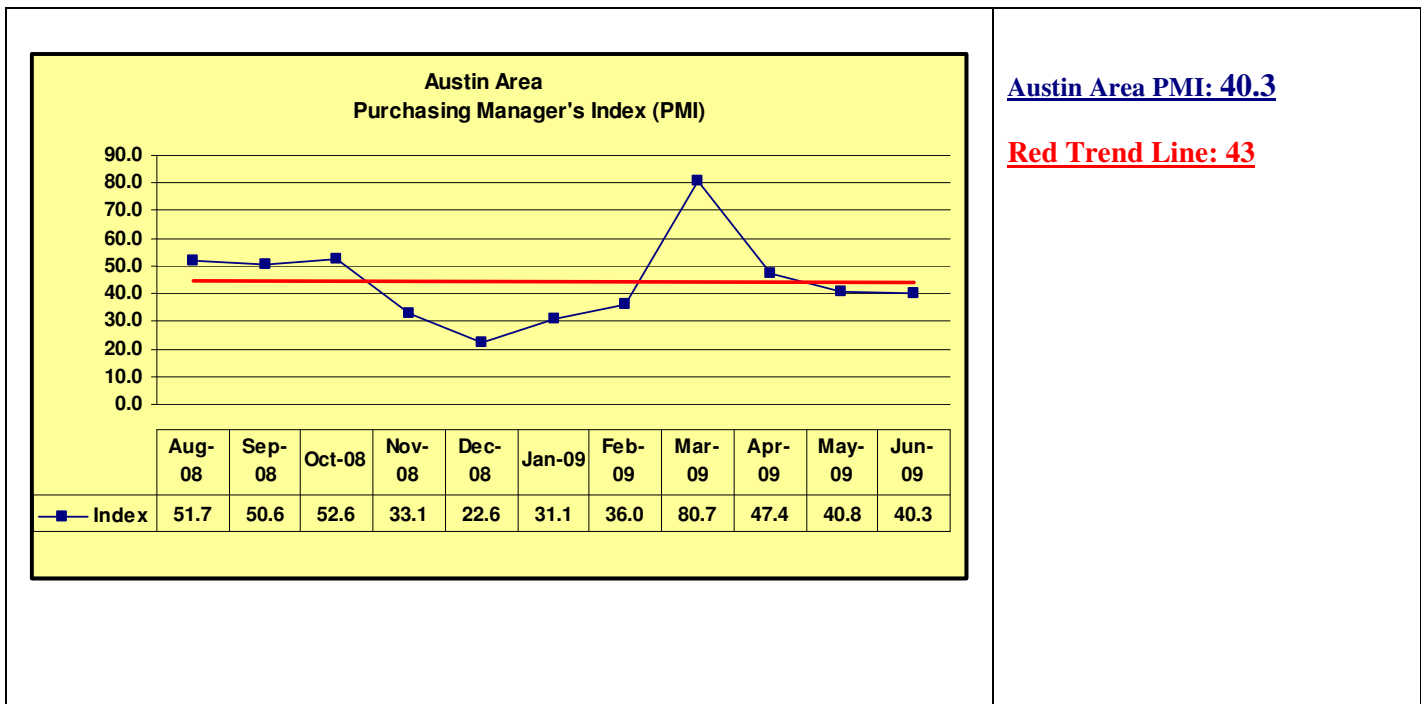
NAPM Austin is an affiliate of the Institute of Supply Management (ISM).

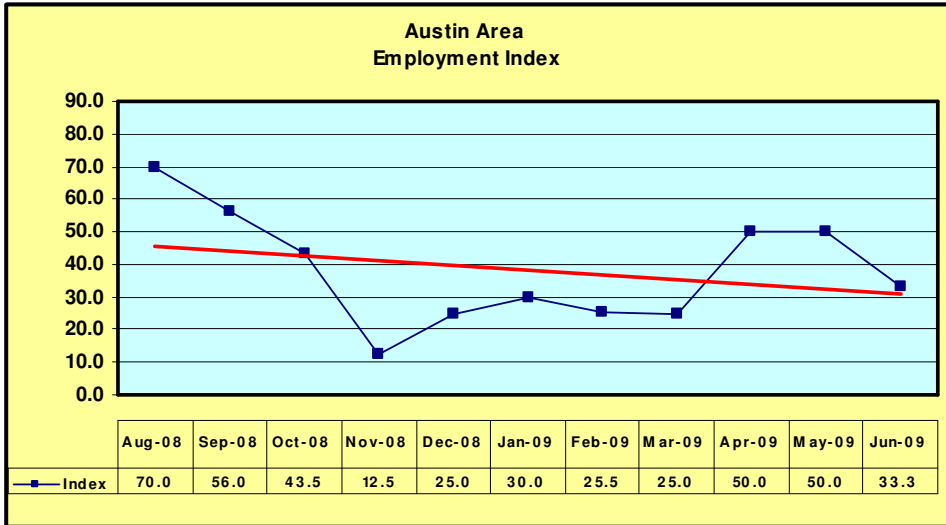
If you would like to participate in this important activity, please email Bryan D. Miller at [bmiller@alumni.southwestern.edu](mailto:bmiller@alumni.southwestern.edu) or call him at (512)441-8175. Your participation in this survey poll will help interpret and reflect economic activity in the Austin area more accurately. This Report is compiled from aggregated data (to preserve the confidentiality of the sources).

The Charts for the leading indicators (Employment, New Orders, Production, Inventory, Supplier Delivery & Prices) which constitute the “Report on Business” are available on the NAPM Austin’s website, [www.napm-austin.org](http://www.napm-austin.org).

**SUMMARY - AT A GLANCE**

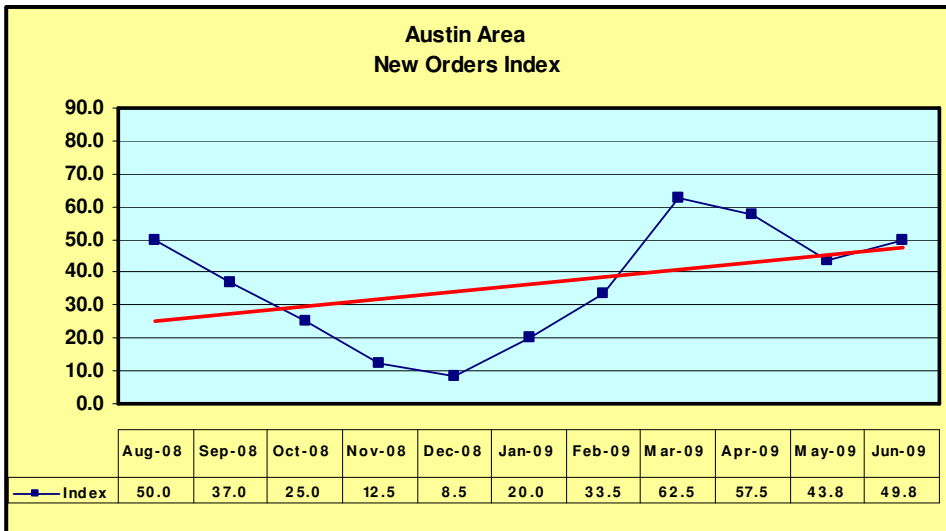
| Index             | Aug-08 | Sep-08 | Oct-08 | Nov-08 | Dec-08 | Jan-09 | Feb-09 | Mar-09 | Apr-09 | May-09 | Jun-09 | Economic Direction |
|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------------------|
| PMI               | 51.7   | 50.6   | 52.6   | 33.1   | 22.6   | 31.1   | 36.0   | 80.7   | 47.4   | 40.8   | 40.3   | Decreasing         |
| Production        | 30.0   | 19.0   | 25.0   | 25.0   | 8.5    | 10.0   | 33.5   | 62.5   | 66.0   | 37.5   | 49.8   | Decreasing         |
| New Orders        | 50.0   | 37.0   | 25.0   | 12.5   | 8.5    | 20.0   | 33.5   | 62.5   | 57.5   | 43.8   | 49.8   | Decreasing         |
| Inventory         | 50.0   | 45.0   | 62.5   | 62.5   | 33.5   | 30.0   | 37.8   | 25.0   | 17.0   | 31.3   | 27.5   | Decreasing         |
| Prices            | 60.5   | 62.5   | 38.0   | 0.5    | 0.5    | 20.0   | 25.0   | 25.0   | 41.5   | 56.3   | 33.0   | Decreasing         |
| Employment        | 70.0   | 56.0   | 43.5   | 12.5   | 25.0   | 30.0   | 25.5   | 25.0   | 50.0   | 50.0   | 33.3   | Decreasing         |
| Supplier Delivery | 50.0   | 45.0   | 49.5   | 50.0   | 33.5   | 60.0   | 50.0   | 37.5   | 58.5   | 50.0   | 55.5   | Increasing         |
| Order Backlog     | 49.0   | 29.0   | 29.0   | 29.0   | 29.0   | 30.0   | 50.0   | 50.0   | 49.0   | 12.5   | 11.0   | Decreasing         |





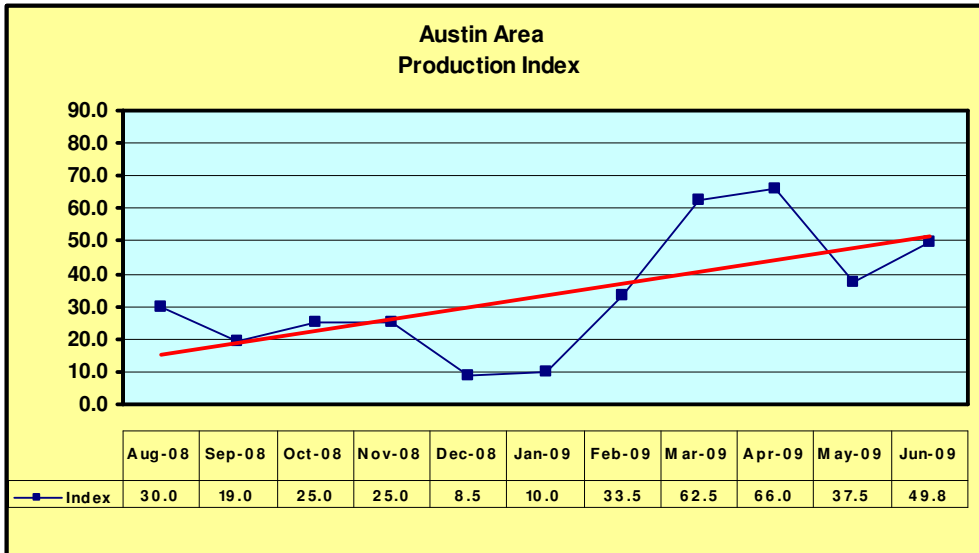
**Austin area Employment Index:**  
**33.3**

**Red Trend Line: 31**



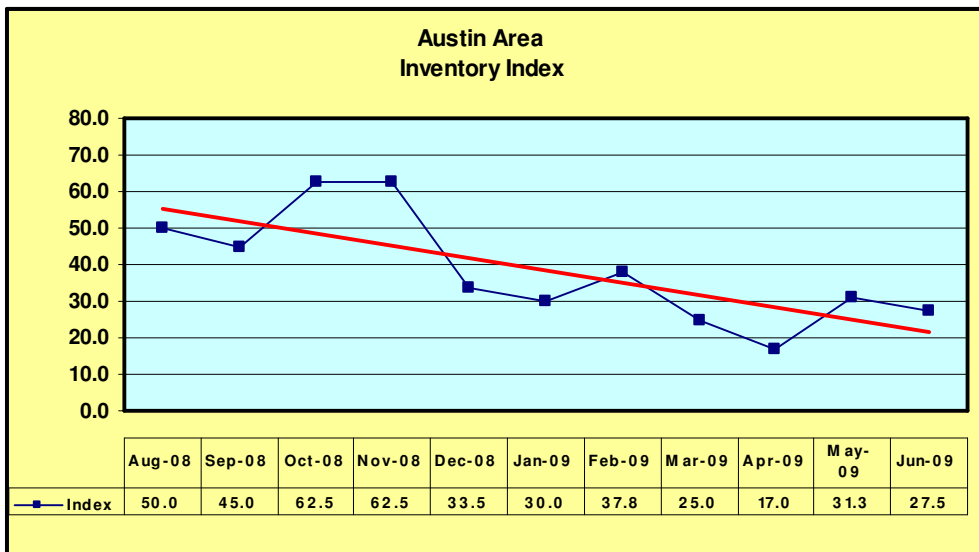
**Austin area New Orders Index:**  
**49.8**

**Red Trend Line: 48**



**Austin area Production Index:**  
**49.8**

**Red Trend Line : 50**

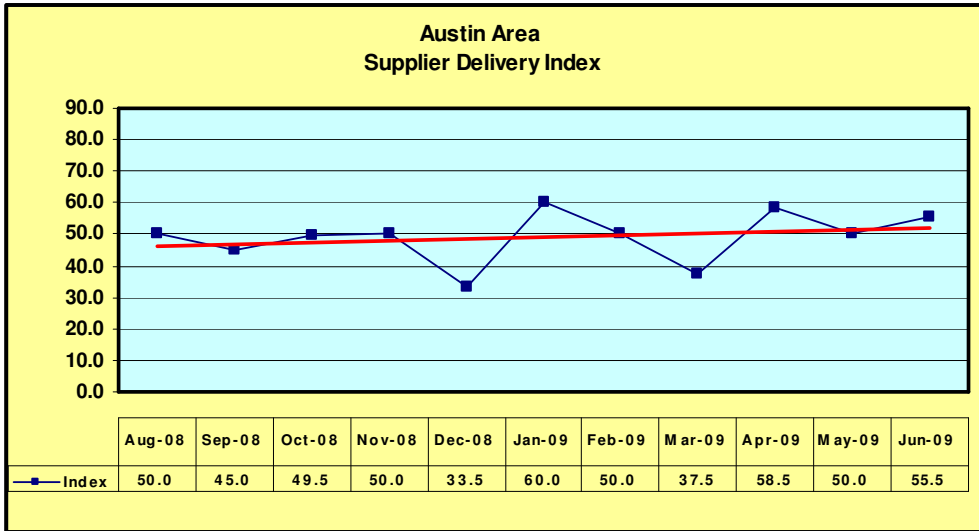


**Austin area Inventory Index:**  
**27.5**

**Red Trend Line: 21**

**Austin area Supplier Delivery Index: 55.5**

**Red Trend Line: 51**



**Austin area Price Index: 33.0**

**Red Trend Line: 30**

