

CHICAGO BUSINESS BAROMETER™ EASED

The Chicago Purchasing Managers reported the CHICAGO BUSINESS BAROMETER continued to signal growth, but at a slower rate – marking a sixth month of recovery. All business activity indexes marked expansion in March.

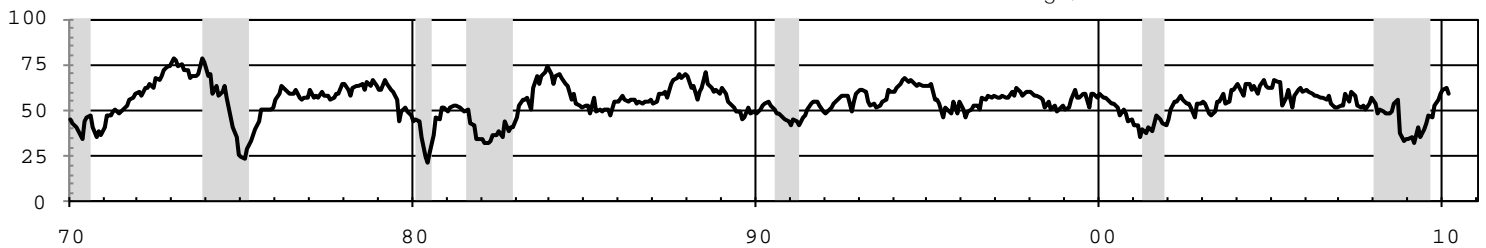
BUSINESS ACTIVITY:

- PRICES PAID slowed its upward climb for the first time since July 2009;
- INVENTORIES chalked up the first month of build since October 2008;
- ORDER BACKLOGS reversed February’s acceleration.

BUYING POLICY:

- Lead times for PRODUCTION MATERIEL lengthened while other indexes shortened.

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Notes: Recessions are indicated by gray bars. Readings in red (below) indicate values worse than the prior month.

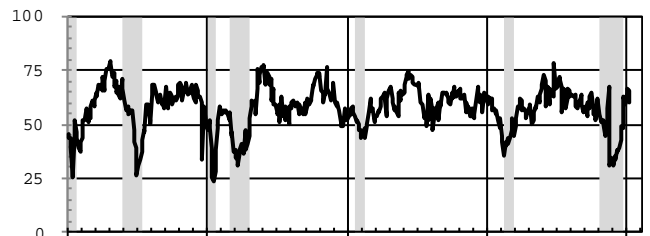
Next Release:

April 30, 2010

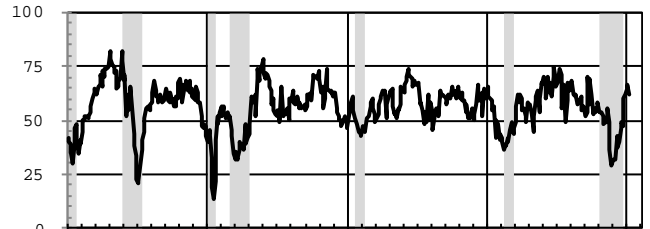
8:45 am US Central Time

Business Barometer	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↑						
Index	51.9	53.8	52.8	55.6	57.1	61.4
Seasonally Adjusted	53.2	55.5	58.7	61.5	62.6	58.8

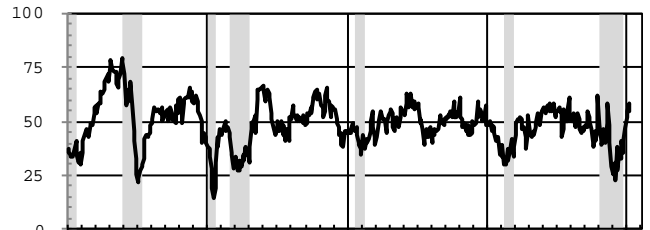
Production	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↓						
Higher	38	33	34	35	37	43
Same	40	46	45	49	44	42
Lower	22	21	21	16	19	15
Index	58.0	56.0	56.5	59.5	59.0	64.0
Seasonally Adjusted	63.2	59.0	64.2	66.6	65.2	60.5
Expansion slowed						



New Orders	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↓						
More	40	36	34	35	33	42
Same	31	45	43	43	48	48
Fewer	29	19	23	22	19	10
Index	55.5	58.5	55.5	56.5	57.0	66.0
Seasonally Adjusted	60.2	62.0	64.4	66.4	62.2	61.8
Marked sixth month of recovery						



Order Backlogs	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↑						
Larger	19	21	19	21	25	30
Same	46	46	48	57	58	52
Smaller	35	33	33	22	17	18
Index	42.0	44.0	43.0	49.5	54.0	56.0
Seasonally Adjusted	41.4	47.3	52.0	54.3	58.5	54.3
Back to January's level						

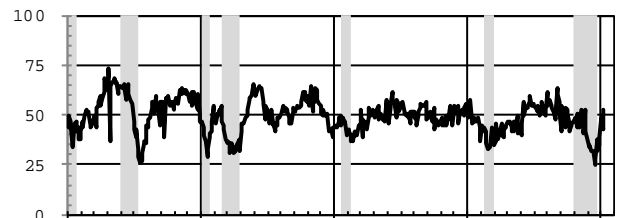


NOTICE:

No warranty, express or implied, is attached to these figures or their use. While the figures are compiled with professional care, no representations about appropriateness, accuracy, or suitability for specific applications are made.

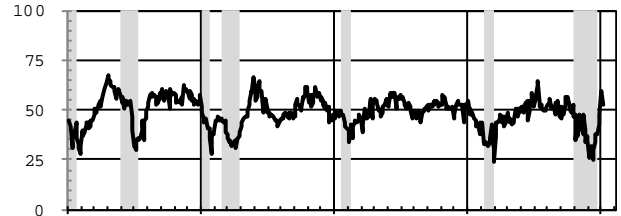
Inventories	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↑						
Larger	12	11	14	21	20	22
Same	38	48	44	48	47	56
Smaller	50	41	42	31	33	22
Index	31.0	35.0	36.0	45.0	43.5	50.0
Seasonally Adjusted	32.2	34.8	38.6	48.7	42.4	52.4

First build since October 2008



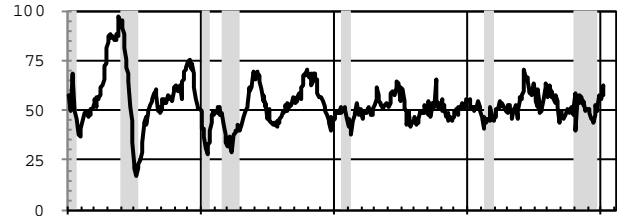
Employment	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↑						
More	8	7	18	19	23	21
Same	60	70	59	65	60	62
Fewer	32	23	23	16	17	17
Index	38.0	42.0	47.5	51.5	53.0	52.0
Seasonally Adjusted	38.1	42.4	47.6	59.8	53.0	53.1

Small change



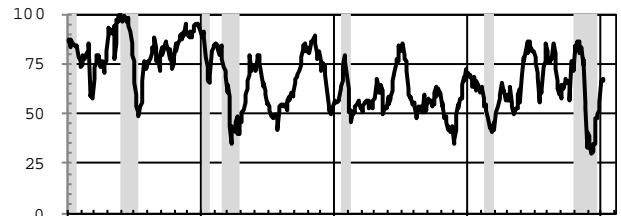
Supplier Deliveries	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↑						
Faster	13	6	11	10	8	10
Same	69	75	71	69	64	64
Slower	18	19	18	21	28	26
Index	52.5	56.5	53.5	55.5	60.0	58.0
Seasonally Adjusted	52.0	57.8	57.0	55.3	62.6	57.8

Slightly faster



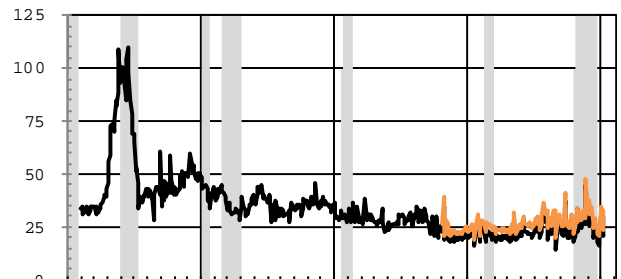
Prices Paid	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↑						
Higher	19	15	17	30	35	40
Same	60	69	69	60	59	50
Lower	21	16	14	10	6	10
Index	49.0	49.5	51.5	60.0	64.5	65.0
Seasonally Adjusted	49.4	51.7	55.6	66.2	67.7	66.6

Increases continued



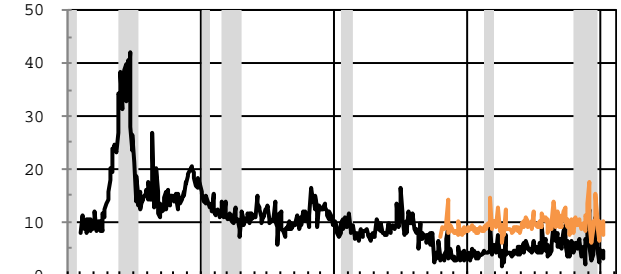
BUYING POLICY: "How far in advance must you buy, to have when needed?"						
Production Materiel	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↑						
fewer than 11 days	40	52	30	32	34	40
11-15 days	18	18	11	15	12	8
16-30 days	23	3	28	20	22	17
31-60 days	16	25	25	17	27	25
more than 60 days	3	2	6	16	5	10
Average Days	19.2	18.4	25.7	33.9	24.6	26.0
Seasonally Adjusted	21.3	20.6	23.3	34.5	23.9	32.2

Returned to near January's level



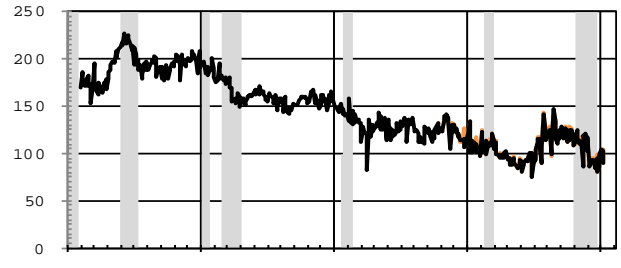
M.R.O. Supplies	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↓						
0-1 day	15	13	8	8	5	10
2-3 days	19	29	21	19	25	27
4-5 days	28	17	26	23	21	27
6-10 days	12	22	23	24	13	13
more than 10 days	26	19	22	26	36	23
Average Days	8.3	7.7	8.6	9.4	9.9	8.5
Seasonally Adjusted	9.3	6.3	10.0	8.7	10.2	7.3

Shortened



Capital Equipment	2009			2010		
	Oct	Nov	Dec	Jan	Feb	Mar
3 month average ↓						
0-15 days	14	17	8	9	9	12
16-30 days	7	13	8	16	10	10
31-60 days	36	27	24	17	29	29
61-90 days	25	18	33	27	19	24
More than 90 days	18	25	27	31	33	25
Average Days	78.8	87.4	99.8	103.2	106.2	91.7
Seasonally Adjusted	79.7	87.8	97.7	103.4	103.6	91.6

Fell



FROM THE SOURCE

an occasional feature

General Comments from Members of the Survey Panel

Each month, the survey panelists have the opportunity to add comments to clarify the reported activity of their organization. As appropriate, the report includes comments selected for their insight. No attempt is made to ensure that the nature of the comments represents the survey panel as a whole.

1. There may be light after all.
2. Incoming order level stabilizing?
3. We've seen a modest increase in new orders & the spare parts business seems to be improving.
4. Over the last 8 months business has gradually increased, though just this last month double digit increase across all product lines, though we hired temp labors, and remain lean and cautious, we are now beginning to plan to hire full time labor and capital equipment, looking at the future as positive.
5. Orders are increasing, supplier inventories are lower which has resulted in some additional lead time for materials and prices are on the increase for raw materials and base oils.
6. Continuous transfer of manufacturing to off-shore facilities. No end in sight. Future appears to be directed toward increased usage of temporary labor. Permanent employees being treated as such. Outlook is grim for US manufacturing.
7. Fragile environment as suppliers attempt to raise prices with reduced service levels and extended lead times.
8. Commercial market still not strong. Commodity inflation forcing possible price increase to market.
9. Small business lending picking up very slightly. Commercial and Residential loan foreclosures continue at a fast pace.
10. ARRA (American Recovery and Reinvestment Act of 2009) funding is increasing our pace and subcontract dollars committed.