



Purchasing Managers Index Report – Georgia December 2016 Data

PMI rises nationally, finishes year with highest reading of 2016. Local indices move back down in line with national index. Manufacturing continues to expand as economy moves into new year.

	Georgia PMI		Southeast PMI		National PMI	
	Index	Change	Index	Change	Index	Change
	Dec '16	Dec-Nov	Dec '16	Dec-Nov	Dec '16	Dec-Nov
INDEX	55.6	-4.4	53.8	-4.1	54.7	+1.5
UNDERLYING VARIABLES:						
New Orders (NO)	62.5	+6.9	55.4	-1.2	60.2	+7.2
Production (P)	56.3	-7.6	55.4	-7.8	60.3	+4.3
Employment (E)	56.3	-2.1	58.1	+1.5	53.1	+0.8
Supply Deliveries (SD)	53.1	+0.3	54.1	+2.7	52.9	-2.8
Finished Inventory (FI)	50.0	-19.4	45.9	-15.9	47.0	-2.0
Commodity Prices (CP)	68.8	+2.1	66.2	+5.7	65.5	+11.0

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Media Contact

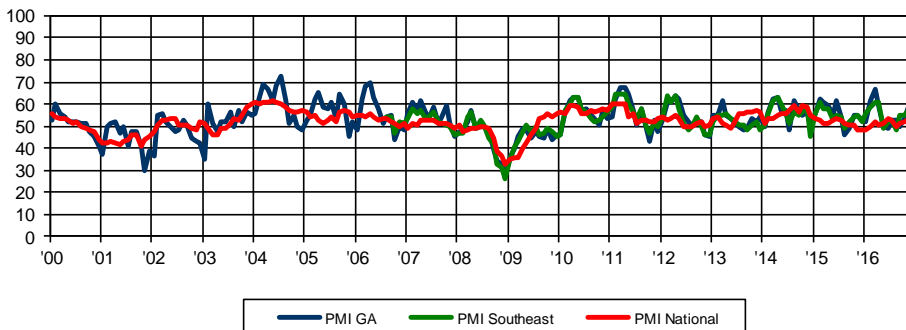
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PMI Georgia, PMI Southeast, and PMI National

	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Dec - Nov
PMI Georgia	52.5	52.4	49.4	53.5	60.0	55.6	-4.4
PMI Southeast	52.3	48.5	54.8	55.1	57.9	53.8	-4.1
PMI National	52.6	49.4	51.5	51.9	53.2	54.7	+1.5

GA % Change: Dec - Nov

	Higher	Same	Lower
New Orders	15.3	-16.7	1.4
Production	-13.9	12.5	1.4
Employment	-9.0	13.9	-4.9
Deliveries	0.7	-0.7	0.0
Finished Inventory	-19.4	0.0	19.4
Commodity Prices	10.4	-16.7	6.3



Outlook

	Oct '16	Nov '16	Dec '16	Dec - Nov
Higher	41.2	44.4	75.0	+30.6
Same	41.2	50.0	25.0	-25.0
Lower	17.6	5.6	0.0	-5.6
INDEX	61.8	69.4	87.5	+18.1

* The Econometric Center draws the Purchasing Managers Index report from a sample of Georgia's manufacturers. The PMI is a composite index that is based on five indicators equally weighted: new orders, production, employment, supplier delivery time, and finished goods. A PMI index over 50 indicates that manufacturing is expanding while anything below 50 means that the industry is contracting.

General Remarks From December Respondents

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

"Expect the economy to continue growth."

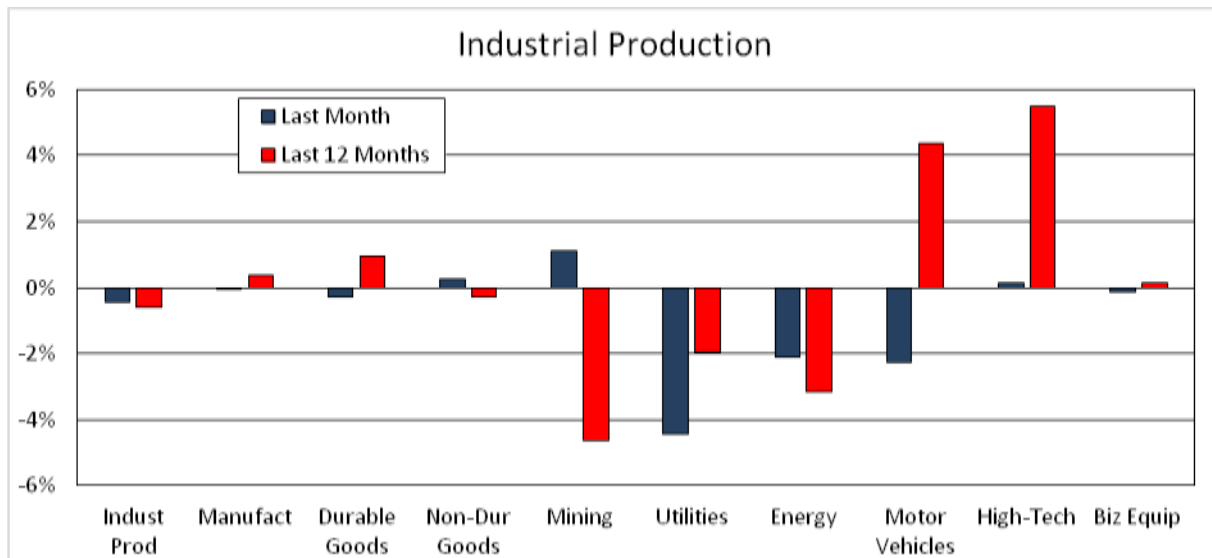
"With an emphasis on maintaining infrastructure, our industry activity will pick up. very good."

"We continue to bring more production back from off shore but find difficulties with key suppliers in the US not able to perform or at much higher prices than should be charged."

"The general market certainly has a more optimistic outlook."

"Any company dealing in Infrastructure is expecting a very good 2017."

"Usual holiday slowdown and business remains very strong outlook is positive."



Industrial production declined 0.4 percent in November after edging up 0.1 percent in October.

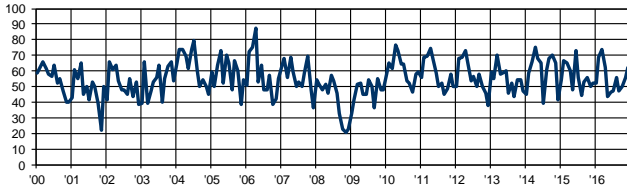
In November, manufacturing output moved down 0.1 percent, and mining posted a gain of 1.1 percent. The index for utilities dropped 4.4 percent, as warmer-than-normal temperatures reduced the demand for heating. At 103.9 percent of its 2012 average, total industrial production in November was 0.6 percent lower than its year-earlier level.

Capacity utilization for the industrial sector decreased 0.4 percentage point in November to 75.0 percent, a rate that is 5.0 percentage points below its long-run (1972–2015) average.

New Orders

	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Dec - Nov
Higher	25.0	29.4	31.3	23.5	22.2	37.5	+15.3
Same	43.8	52.9	31.3	52.9	66.7	50.0	-16.7
Lower	31.3	17.6	37.5	23.5	11.1	12.5	+1.4
INDEX	46.9	55.9	46.9	50.0	55.6	62.5	+6.9

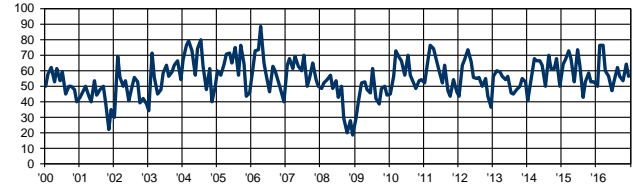
GA's NO increased 6.9 points as a result of 15.3% more participants reporting 'Higher' NO.



Production

	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Dec - Nov
Higher	31.3	23.5	37.5	23.5	38.9	25.0	-13.9
Same	43.8	76.5	37.5	58.8	50.0	62.5	+12.5
Lower	25.0	0.0	25.0	17.6	11.1	12.5	+1.4
INDEX	53.1	61.8	56.3	52.9	63.9	56.3	-7.6

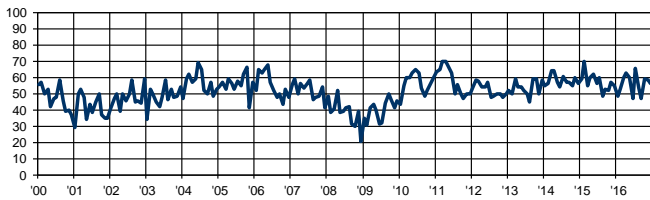
GA's P decreased 7.6 points as a result of 13.9% less participants reporting 'Higher' P.



Employment

	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Dec - Nov
Higher	37.5	11.8	12.5	23.5	27.8	18.8	-9.0
Same	56.3	82.4	68.8	70.6	61.1	75.0	+13.9
Lower	6.3	5.9	18.8	5.9	11.1	6.3	-4.9
INDEX	65.6	52.9	46.9	58.8	58.3	56.3	-2.1

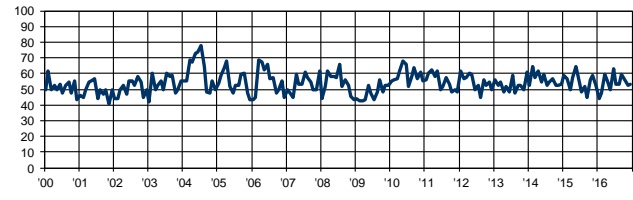
GA's E decreased 2.1 points due to 9% less participants reporting 'Higher' E.



Supplier Delivery Time

	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Dec - Nov
Slower	12.5	5.9	18.8	11.8	5.6	6.3	+0.7
Same	81.3	94.1	81.3	88.2	94.4	93.8	-0.7
Faster	6.3	0.0	0.0	0.0	0.0	0.0	+0.0
INDEX	53.1	52.9	59.4	55.9	52.8	53.1	+0.3

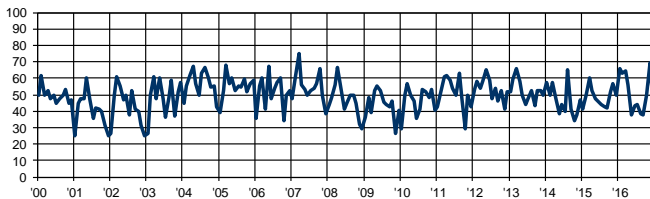
GA's SD increased 0.3 points based on 0.7% more participants reporting 'Slower' SD.



Finished Inventory

	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Dec - Nov
Higher	18.8	11.8	6.3	23.5	44.4	25.0	-19.4
Same	50.0	52.9	62.5	52.9	50.0	50.0	+0.0
Lower	31.3	35.3	31.3	23.5	5.6	25.0	+19.4
INDEX	43.8	38.2	37.5	50.0	69.4	50.0	-19.4

GA's FI decreased 19.4 points due to 19.4% less participants reporting 'Higher' FI and 19.4% more participants reporting 'Lower' FI.



Commodity Prices

	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Dec - Nov
Higher	43.8	17.6	31.3	35.3	33.3	43.8	+10.4
Same	56.3	64.7	68.8	58.8	66.7	50.0	-16.7
Lower	0.0	17.6	0.0	5.9	0.0	6.3	+6.3
INDEX	71.9	50.0	65.6	64.7	66.7	68.8	+2.1

GA's CP increased 2.1 points due to 10.4% more participants reporting 'Higher' CP.

