

## Purchasing Managers Index Report – Georgia November 2017 Report

*Manufacturing sustains recent strength.  
 National, Regional and State Indices cluster at levels suggesting the expansion  
 remains in place.*

INDEX	Georgia PMI		Southeast PMI		National PMI	
	Index	Change	Index	Change	Index	Change
	Nov '17	Nov-Oct	Nov '17	Nov-Oct	Nov '17	Nov-Oct
<b>INDEX</b>	<b>62.5</b>	<b>+6.1</b>	<b>59.1</b>	<b>+7.4</b>	58.2	-0.5
UNDERLYING VARIABLES:						
New Orders (NO)	68.8	+11.6	64.7	+14.7	64.0	+0.6
Production (P)	68.8	+18.8	63.2	+20.1	63.9	+2.9
Employment (E)	68.8	-13.4	58.8	-3.2	59.7	-0.1
Supply Deliveries (SD)	59.4	+12.9	55.9	+2.4	56.5	-4.9
Finished Inventory (FI)	46.9	+0.4	52.9	+2.9	47.0	-1.0
Commodity Prices (CP)	65.6	-16.5	64.7	-11.2	65.5	-3.0

Release: December 1, 2017

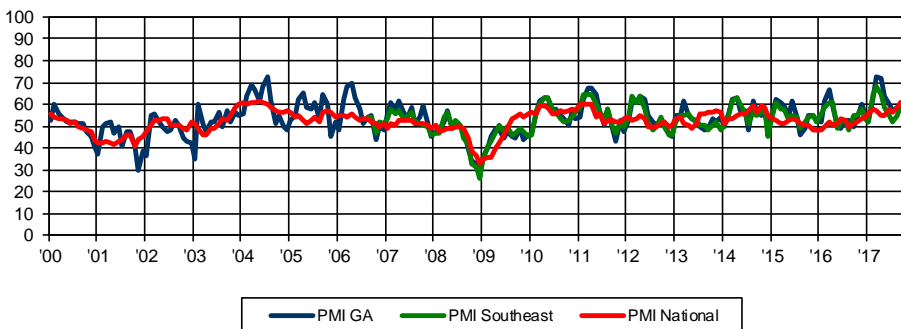
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### GA % Change: Nov - Oct

	PMI Georgia, PMI Southeast, and PMI National						Nov '17	Nov - Oct
	Jun '17	Jul '17	Aug '17	Sep '17	Oct '17			
<b>PMI Georgia</b>	60.0	56.9	58.6	58.3	56.4	62.5	+6.1	
<b>PMI Southeast</b>	54.7	51.6	54.5	60.7	51.7	59.1	+7.4	
<b>PMI National</b>	57.8	56.3	58.8	60.8	58.7	58.2	-0.5	

	Higher	Same	Lower
New Orders	14.3	-5.4	-8.9
Production	21.4	-5.4	-16.1
Employment	-26.8	26.8	0.0
Deliveries	18.8	-11.6	-7.1
Finished Inventory	3.6	-6.3	2.7
Commodity Prices	-20.5	8.0	12.5



	Outlook			
	Sep '17	Oct '17	Nov '17	Nov - Oct
<b>Higher</b>	58.3	57.1	62.5	+5.4
<b>Same</b>	25.0	35.7	31.3	-4.5
<b>Lower</b>	16.7	7.1	6.3	-0.9
<b>INDEX</b>	70.8	75.0	78.1	+3.1

\* 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 November Respondents

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

"Bad weather and fires have raise prices on many materials and freight costs."

"Conditions are very good for our industry."

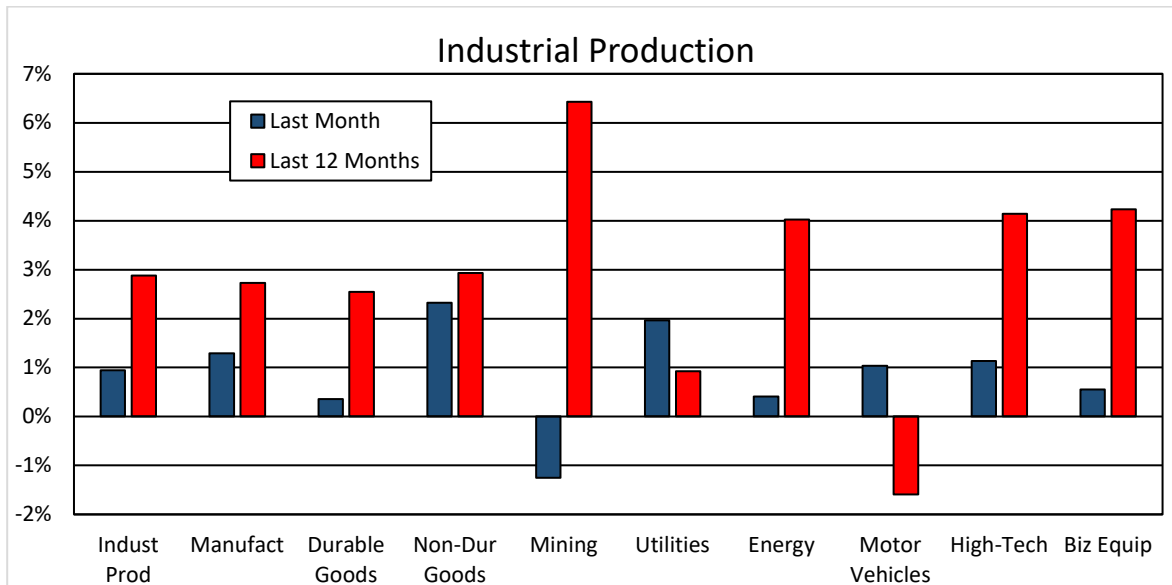
"Our back log on new orders continues to increase. "

"CDL driver shortage is the biggest issue for our customers and that is impacting their buyng plans."

"I believe the ongoing capacity issues in freight will cause disruptions in 2018."

"Difficulty procuring trucks. "

"Still delays due to Hurricanes earlier this year."



*From the Federal Reserve's Industrial Production Data:* Industrial production rose 0.9 percent in October, and manufacturing increased 1.3 percent. The index for utilities rose 2.0 percent, but mining output fell 1.3 percent, as Hurricane Nate caused a sharp but short-lived decline in oil and gas drilling and extraction. Even so, industrial activity was boosted in October by a return to normal operations after Hurricanes Harvey and Irma suppressed production in August and September.

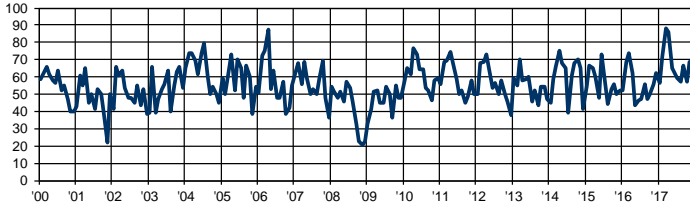
Excluding the effects of the hurricanes, the index for total output advanced about 0.3 percent in October, and the index for manufacturing advanced about 0.2 percent.

With modest upward revisions for July through September, industrial production is now estimated to have only edged down 0.3 percent at an annual rate in the third quarter; the previously published estimate showed a decrease of 1.5 percent.

**New Orders**

	Jun '17	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Nov - Oct
<b>Higher</b>	50.0	43.8	35.7	41.7	35.7	50.0	+14.3
<b>Same</b>	25.0	31.3	42.9	50.0	42.9	37.5	-5.4
<b>Lower</b>	25.0	25.0	21.4	8.3	21.4	12.5	-8.9
<b>INDEX</b>	62.5	59.4	57.1	66.7	57.1	68.8	+11.6

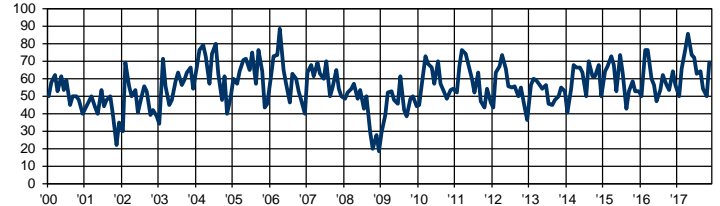
GA's NO increased 11.6 points due to 14.3% more participants reporting 'Higher' NO and 8.9% less participants reporting 'Lower' NO.



**Production**

	Jun '17	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Nov - Oct
<b>Higher</b>	50.0	43.8	42.9	41.7	28.6	50.0	+21.4
<b>Same</b>	43.8	37.5	42.9	25.0	42.9	37.5	-5.4
<b>Lower</b>	6.3	18.8	14.3	33.3	28.6	12.5	-16.1
<b>INDEX</b>	71.9	62.5	64.3	54.2	50.0	68.8	+18.8

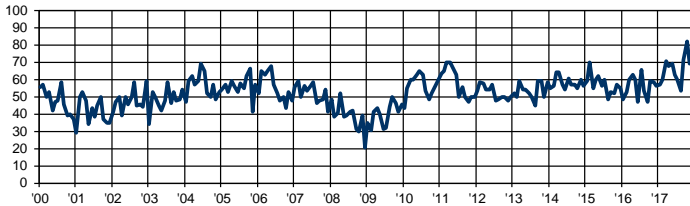
GA's P increased 18.8 points due to 21.4% more participants reporting 'Higher' P and 16.1% less participants reporting 'Lower' P.



**Employment**

	Jun '17	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Nov - Oct
<b>Higher</b>	37.5	25.0	14.3	50.0	64.3	37.5	-26.8
<b>Same</b>	50.0	68.8	78.6	41.7	35.7	62.5	+26.8
<b>Lower</b>	12.5	6.3	7.1	8.3	0.0	0.0	+0.0
<b>INDEX</b>	62.5	59.4	53.6	70.8	82.1	68.8	-13.4

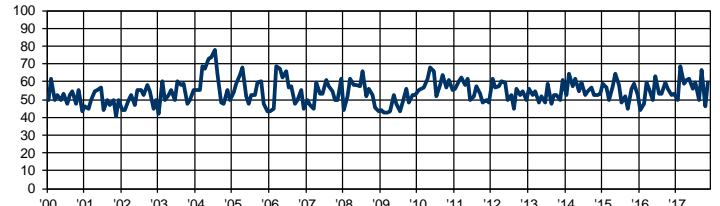
GA's E decreased 13.4 points as a result of 26.8% less participants reporting 'Higher' E.



**Supplier Delivery Time**

	Jun '17	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Nov - Oct
<b>Slower</b>	18.8	25.0	21.4	33.3	0.0	18.8	+18.8
<b>Same</b>	75.0	68.8	57.1	66.7	92.9	81.3	-11.6
<b>Faster</b>	6.3	6.3	21.4	0.0	7.1	0.0	-7.1
<b>INDEX</b>	56.3	59.4	50.0	66.7	46.4	59.4	+12.9

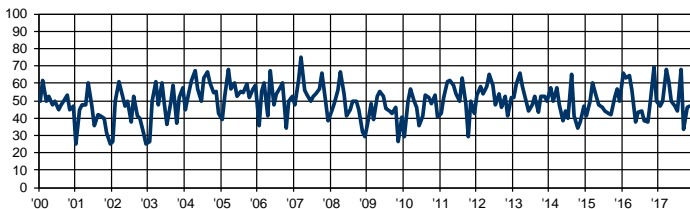
GA's SD increased 12.9 points as a result of 18.8% more participants reporting 'Slower' SD and 7.1% less participants reporting 'Faster' SD.



**Finished Inventory**

	Jun '17	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Nov - Oct
<b>Higher</b>	25.0	18.8	42.9	8.3	21.4	25.0	+3.6
<b>Same</b>	43.8	50.0	50.0	50.0	50.0	43.8	-6.3
<b>Lower</b>	31.3	31.3	7.1	41.7	28.6	31.3	+2.7
<b>INDEX</b>	46.9	43.8	67.9	33.3	46.4	46.9	+0.4

GA's FI increased 0.4 points due to 3.6% more participants reporting 'Higher' FI.



**Commodity Prices**

	Jun '17	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Nov - Oct
<b>Higher</b>	18.8	18.8	21.4	41.7	64.3	43.8	-20.5
<b>Same</b>	62.5	68.8	71.4	58.3	35.7	43.8	+8.0
<b>Lower</b>	18.8	12.5	7.1	0.0	0.0	12.5	+12.5
<b>INDEX</b>	50.0	53.1	57.1	70.8	82.1	65.6	-16.5

GA's CP decreased 16.5 points as a result of 20.5% less participants reporting 'Higher' CP and 12.5% more participants reporting 'Lower' CP.

