

Economic activity in the non-manufacturing sector grew in April for the 88th consecutive month, say the nation's purchasing and supply executives in the latest Non-Manufacturing ISM® Report On Business®.

The NMI® registered 57.5 percent. This represents continued growth in the non-manufacturing sector at a faster rate. The Non-Manufacturing Business Activity Index increased to 62.4 percent, 3.5 percentage points higher than the March reading of 58.9 percent, reflecting growth for the 93rd consecutive month, at a faster rate in April. The New Orders Index registered 63.2 percent, 4.3 percentage points higher than the reading of 58.9 percent in March. The Employment Index decreased 0.2 percentage point in April to 51.4 percent

from the March reading of 51.6 percent. Respondents' comments are mostly positive about business conditions and the overall economy. The 16 non-manufacturing industries reporting growth in April — listed in order — are: Wholesale Trade; Utilities; Arts, Entertainment & Recreation; Mining; Retail Trade; Construction; Professional, Scientific & Technical Services; Information; Management of Companies & Support Services; Public Administration; Health Care & Social Assistance; Real Estate, Rental & Leasing; Other Services; Finance & Insurance; Accommodation & Food Services; and Transportation & Warehousing.

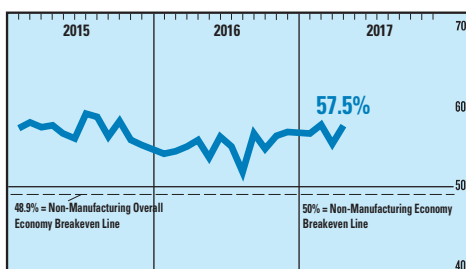
NMI® @ 57.5%

✦ *Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).*

NON-MANUFACTURING AT A GLANCE

Index	Apr Index	Mar Index	% Point Change	Direction	Rate of Change	Trend* (months)
NMI®	57.5	55.2	+2.3	Growing	Faster	88
Business Activity	62.4	58.9	+3.5	Growing	Faster	93
New Orders	63.2	58.9	+4.3	Growing	Faster	93
Employment	51.4	51.6	-0.2	Growing	Slower	38
Supplier Deliveries	53.0	51.5	+1.5	Slowing	Faster	16
Inventories	52.5	48.5	+4.0	Growing	From Contracting	1
Prices	57.6	53.5	+4.1	Increasing	Faster	13
Backlog of Orders	53.5	53.0	+0.5	Growing	Faster	3
New Export Orders	65.5	62.5	+3.0	Growing	Faster	3
Imports	53.0	56.5	-3.5	Growing	Slower	4
Inventory Sentiment	60.0	65.0	-5.0	Too High	Slower	239
OVERALL ECONOMY				Growing	Faster	93
Non-Manufacturing Sector				Growing	Faster	88

*Number of months moving in current direction. Non-Manufacturing ISM® Report On Business® data is seasonally adjusted for the Business Activity, New Orders, Prices and Employment Indexes.



NMI®

In April, the NMI® registered 57.5 percent, 2.3 percentage points higher than the 55.2 percent registered in March, indicating continued growth in the non-manufacturing sector for the 88th consecutive month. A reading above 50 percent indicates the non-manufacturing sector economy is generally expanding; below 50 percent indicates the non-manufacturing sector is generally contracting. An NMI® above 48.9 percent, over a period of time, generally indicates an expansion of the overall economy.

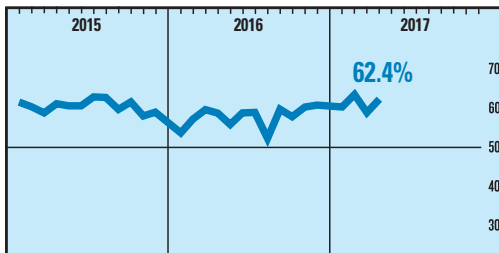
COMMODITIES REPORTED

Commodities Up in Price: #1 Diesel Fuel (2); Beef (2); Chemical Products; Copper Pipe; Fuel Prices; Gasoline (2); Gloves; Labor — Construction (2); Labor; Lettuce (2); Lumber; Poly Bags; Produce; Software; Steel Products (5); and Transportation Costs (2).

Commodities Down in Price: Bacon; Cheese (2); Copper Wire; and Maintenance Services.

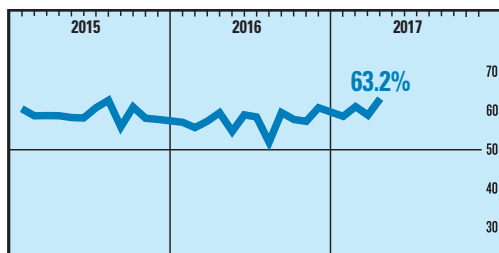
Commodities in Short Supply: Labor (3); Labor — Construction (13); and IV Fluids.

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



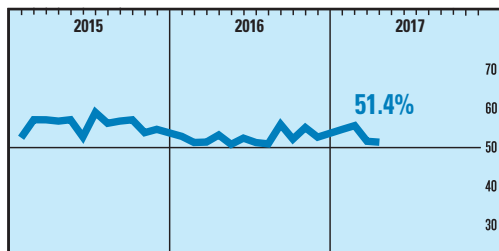
Business Activity

ISM's Business Activity Index in April registered 62.4 percent. The 17 industries reporting growth of business activity in April — listed in order — are: Arts, Entertainment & Recreation; Utilities; Wholesale Trade; Real Estate, Rental & Leasing; Management of Companies & Support Services; Information; Professional, Scientific & Technical Services; Retail Trade; Construction; Other Services[†]; Finance & Insurance; Public Administration; Health Care & Social Assistance; Educational Services; Mining; Transportation & Warehousing; and Accommodation & Food Services.



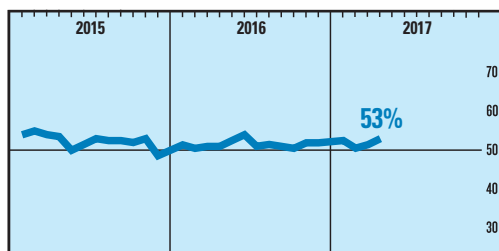
New Orders

ISM's Non-Manufacturing New Orders Index registered 63.2 percent. The 15 industries reporting growth of new orders in April — listed in order — are: Utilities; Wholesale Trade; Information; Construction; Mining; Management of Companies & Support Services; Public Administration; Other Services[†]; Retail Trade; Professional, Scientific & Technical Services; Transportation & Warehousing; Finance & Insurance; Educational Services; Health Care & Social Assistance; and Accommodation & Food Services.



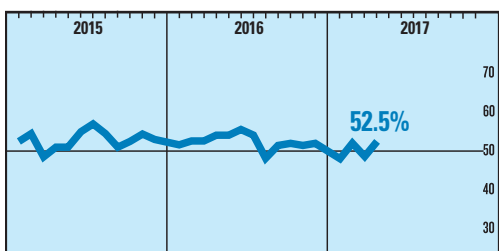
Employment

ISM's Non-Manufacturing Employment Index registered 51.4 percent. The nine industries reporting an increase in employment in April — listed in order — are: Arts, Entertainment & Recreation; Utilities; Wholesale Trade; Retail Trade; Construction; Health Care & Social Assistance; Accommodation & Food Services; Public Administration; and Professional, Scientific & Technical Services.



Supplier Deliveries

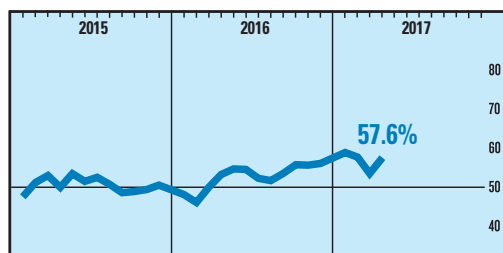
The Supplier Deliveries Index registered 53 percent. The six industries reporting slower deliveries in April — listed in order — are: Mining; Professional, Scientific & Technical Services; Wholesale Trade; Transportation & Warehousing; Information; and Health Care & Social Assistance.



Inventories

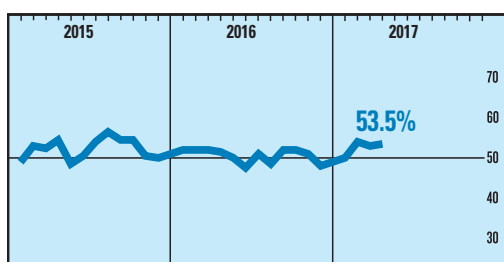
ISM's Non-Manufacturing Inventories Index grew in April (after one month of contraction) and registered 52.5 percent. The eight industries reporting an increase in inventories in April — listed in order — are: Wholesale Trade; Transportation & Warehousing; Utilities; Retail Trade; Mining; Information; Public Administration; and Finance & Insurance.

[†]Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).



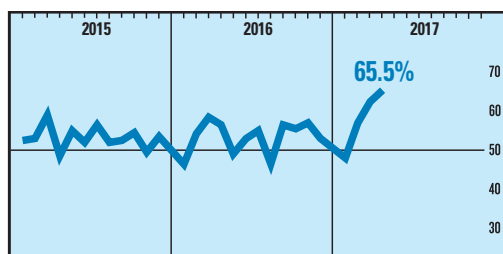
Prices

ISM's Non-Manufacturing Prices Index for April registered 57.6 percent. The 16 non-manufacturing industries reporting an increase in prices paid during the month of April — listed in order — are: Agriculture, Forestry, Fishing & Hunting; Real Estate, Rental & Leasing; Arts, Entertainment & Recreation; Construction; Wholesale Trade; Mining; Utilities; Public Administration; Management of Companies & Support Services; Information; Accommodation & Food Services; Health Care & Social Assistance; Other Services; Professional, Scientific & Technical Services; Transportation & Warehousing; and Finance & Insurance.



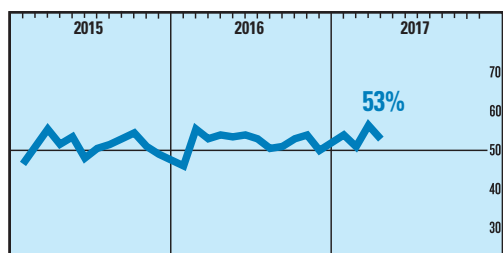
Backlog of Orders

ISM's Non-Manufacturing Backlog of Orders Index registered 53.5 percent. The eight industries reporting an increase in order backlogs in April — listed in order — are: Retail Trade; Mining; Wholesale Trade; Transportation & Warehousing; Information; Professional, Scientific & Technical Services; Construction; and Public Administration.



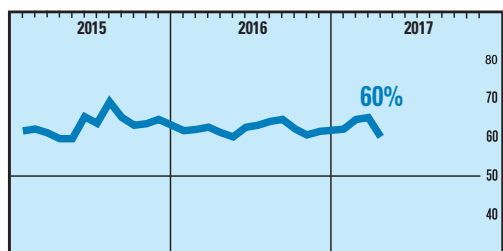
New Export Orders

The New Export Orders Index for April registered 65.5 percent. The 10 industries reporting an increase in new export orders in April — listed in order — are: Agriculture, Forestry, Fishing & Hunting; Retail Trade; Information; Management of Companies & Support Services; Accommodation & Food Services; Wholesale Trade; Health Care & Social Assistance; Professional, Scientific & Technical Services; Construction; and Transportation & Warehousing.



Imports

Imports grew in April for the fourth consecutive month. This month's reading at 53 percent is 3.5 percentage points lower than the reading of 56.5 percent reported in March. The four industries reporting an increase in imports for the month of April are: Wholesale Trade; Professional, Scientific & Technical Services; Transportation & Warehousing; and Accommodation & Food Services.



Inventory Sentiment

The ISM Non-Manufacturing Inventory Sentiment Index in April registered 60 percent. The nine industries reporting a feeling that their inventories are too high in April — listed in order — are: Mining; Utilities; Wholesale Trade; Transportation & Warehousing; Other Services[†]; Construction; Finance & Insurance; Public Administration; and Professional, Scientific & Technical Services.

[†]Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).