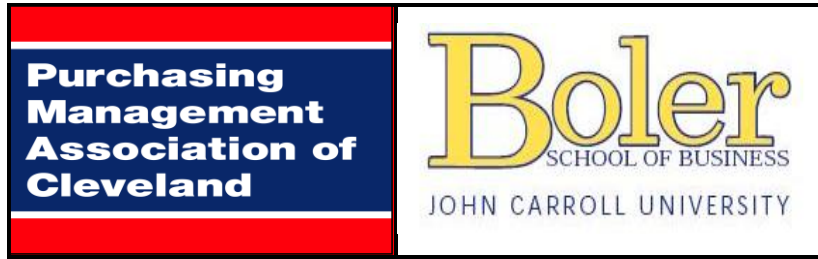


**Northeast Ohio Business Survey Report
for
December, 2011**



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GENERAL BUSINESS CONDITIONS

The barometer index of 22 indicates that economic activity is approximately the same as it was last month and somewhat lower than a year ago.
The forecast index of 19 indicates that manufacturing activity should increase next month.
Barometer readings above "0" indicate that the manufacturing sector of the economy is generally expanding.
Readings below "0" mean generally contracting.

Month	Dec-11	Nov-11	Oct-11	Dec-11
Cleveland Barometer-%	22.00	20.25	21.39	36.56
Cleveland Forecast-%	19.00	22.00	29.67	51.44

PRODUCTION

Production activity increased from last month.
The Production Index is now 59

Production	%Better	%Same	%Worse	Net	Index
December 2011	62	25	13	49	59
November 2011	27	55	18	9	7
October 2011	33	55	11	22	22

NEW ORDERS

New orders increased.
The New Order Index is now 21.25

New Orders	%Better	%Same	%Worse	Net	Index
December 2011	50	37	13	37	21.25
November 2011	27	46	27	0	3
October 2011	44	44	11	33	31

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EMPLOYMENT

Employment is increasing.
The Employment Index is 45

Employment	%Greater	%Same	%Lower	Net	Index
December 2011	50	37	13	37	45
November 2011	46	36	18	28	34
October 2011	22	78	0	22	23

INVENTORIES

RAW MATERIALS

Raw material inventories are decreasing somewhat.
The Raw Material Index is -2

Raw Material

Inventories	%Higher	%Same	%Lower	Net	Index
December 2011	13	62	25	-12	-2
November 2011	9	64	27	-18	-11
October 2011	38	50	12	26	27

FINISHED GOODS

Finished goods inventories remain the same.
The Finished Goods Index is 1

Finished Goods

Inventories	%Higher	%Same	%Lower	Net	Index
December 2011	14	71	14	0	1
November 2011	11	33	56	-45	-46
October 2011	25	50	25	0	-4

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BUYING POLICIES

Buying policies for Production Materials are closer in
Buying policies for MRO Supplies are spreading out somewhat.
Capital expenditure decisions remain weighted toward longer or shorter terms

PERCENT REPORTING

PRODUCTION MATERIALS	Hand to Mouth	30 Days	60 Days	90 Days	6 Mos	1 Year
December 2011	33	17	33	17	0	0
November 2011	30	10	20	20	20	0
October 2011	37	13	25	13	13	0
MRO SUPPLIES						
December 2011	33	33	17	17	0	0
November 2011	56	33	11	0	0	0
October 2011	57	29	14	0	0	0
CAPITAL EXPENDITURES						
December 2011	17	0	33	0	17	33
November 2011	22	0	11	22	11	33
October 2011	29	0	14	0	14	43

COMMODITY PRICES

The commodity prices are slightly higher.
The Commodity Price Index is now 15

Commodity Prices	%Higher	%Same	%Lower	Net	Index
December 2011	25	62	13	12	15
November 2011	11	78	11	0	3
October 2011	38	50	12	26	31

COMMODITY CHANGES:

Prices Up:

- "- Copper
- "- Steel products, wire mesh, rebar
- " - Teflon, electronics, special alloys
- " - Steel scrap surcharge up 13.5

Prices Down:

- Gasoline, oil based products
- "- alloy surcharge down 21%

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Items in Short Supply:

"- Ingot (aluminum)

- Stainless steel lead times continue to extend into 3rd Q 2012.

FROM GENERAL REMARKS:

- D.C. inactivity con'ts to drag the economy. V. little investment taking place as confusion and controversy reign
- in our gov't. Once the deficit is seriously addressed, the economy could boom.
- Normal year end December - flat.