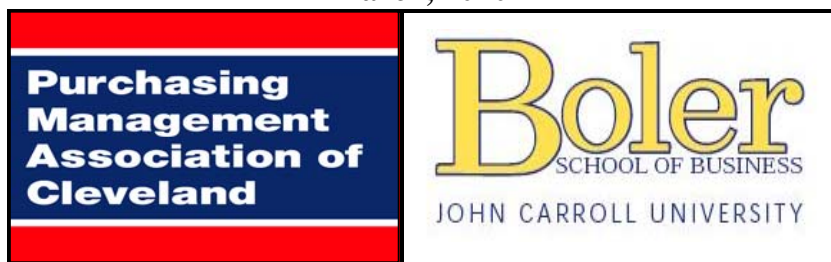


**Northeast Ohio Business Survey Report  
for  
March, 2010**



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*To view this report on-line, please go to [www.PMAC.org](http://www.PMAC.org)*

**GENERAL BUSINESS CONDITIONS**

The barometer index of 38.25 indicates that economic activity is slightly greater than last month. A year ago, the economic activity was lower.

The forecast index of 17 indicates that manufacturing activity should increase. This is an improvement over the forecast from a year ago.

Barometer readings above "0" indicate that the manufacturing sector of the economy is generally expanding.

<b>Month</b>	<b>Mar-10</b>	<b>Feb-10</b>	<b>Jan-10</b>	<b>Mar-09</b>
Cleveland Barometer-%	38.25	35.81	24.69	-17.83
Cleveland Forecast-%	17.00	13.25	-6.22	-52.33

**PRODUCTION**

Production activity increased in March with few respondents reporting lower

The Production Index is now at 39

<b>Production</b>	<b>%Better</b>	<b>%Same</b>	<b>%Worse</b>	<b>Net</b>	<b>Index</b>
March 2010	56	33	11	45	39
February 2010	33	60	7	26	21
January 2010	50	44	6	44	58

**NEW ORDERS**

New orders are increasing alongside production

The New Order Index is now 54

<b>New Orders</b>	<b>%Better</b>	<b>%Same</b>	<b>%Worse</b>	<b>Net</b>	<b>Index</b>
March 2010	67	28	5	62	54
February 2010	46	39	15	31	26
January 2010	38	50	12	26	39

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**EMPLOYMENT**

Employment remains relatively flat  
The Employment Index is -4

<b>Employment</b>	<b>%Greater</b>	<b>%Same</b>	<b>%Lower</b>	<b>Net</b>	<b>Index</b>
March 2010	22	56	22	0	-4
February 2010	20	73	7	13	18
January 2010	25	69	6	19	25

**INVENTORIES**

**RAW MATERIALS**

Raw material inventories lower with more respondents  
reporting lower levels. The Raw Material Index is -27

**Raw Material**

<b>Inventories</b>	<b>%Higher</b>	<b>%Same</b>	<b>%Lower</b>	<b>Net</b>	<b>Index</b>
March 2010	22	39	39	-17	-27
February 2010	7	67	26	-19	-19
January 2010	12	44	44	-32	-27

**FINISHED GOODS**

Finished goods inventories are lower, with more respondents reporting lower inventory  
The Finished Goods Index is -14

**Finished Goods**

<b>Inventories</b>	<b>%Higher</b>	<b>%Same</b>	<b>%Lower</b>	<b>Net</b>	<b>Index</b>
March 2010	18	53	29	-11	-14
February 2010	7	60	33	-26	-22
January 2010	0	60	40	-40	-34

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**BUYING POLICIES**

Buying policies for Production Materials and MRO are less short term in nature.  
Capital expenditures are spread relatively evenly between short term or long term

**PERCENT REPORTING**

<b>PRODUCTION MATERIALS</b>	<b>Hand to Mouth</b>	<b>30 Days</b>	<b>60 Days</b>	<b>90 Days</b>	<b>6 Mos</b>	<b>1 Year</b>
March 2010	0	0	0	0	0	0
February 2010	50	25	19	6	0	0
January 2010	40	13	27	20	0	0
<b>MRO SUPPLIES</b>						
March 2010	0	0	0	0	0	0
February 2010	64	36	0	0	0	0
January 2010	40	47	13	0	0	0
<b>CAPITAL EXPENDITURES</b>						
March 2010	0	0	0	0	0	0
February 2010	32	15	15	15	0	23
January 2010	33	0	20	7	13	27

**COMMODITY PRICES**

The commodity prices increased again during February  
The Commodity Price Index is now 38

<b>Commodity Prices</b>	<b>%Higher</b>	<b>%Same</b>	<b>%Lower</b>	<b>Net</b>	<b>Index</b>
March 2010	47	47	6	41	34
February 2010	47	38	7	40	38
January 2010	44	56	0	44	40

**COMMODITY CHANGES:**

**Prices Up:** PVC, polyester, polyethylene, chemicals, zinc, galvanized wire  
wire mesh, rebar, poly, scrap steel up 29%, alloy surcharges up 13%

**Prices Down:**

**Items in Short Supply:** bearings, photo multiplier tubes, 18" 4-wire intrinsically safe/4-pin extens

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**FROM GENERAL REMARKS:**

- " - Very few new orders and quotes.
- " - Business has remained strong these last couple of months & it seems it will continue. We actually
- " - might be headed out of the recession??
- " - Business is good but need everything ASAP.
- " - Scrap purchases on steel bar higher than expected.
- " - Business conditions are slowly improving. We may not reach the heights of 2007 for several years but the
- " bottom is behind us.
- " - Appears we hit bottom in Nov-Dec, 2009. Gradual improvements so far in 2010.