

Economics Group

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ISM Manufacturing Showed Renewed Gains in October

The ISM manufacturing survey gained more than three points to 55.7 with big jumps in production and employment. The employment index indicated expansion for the first time since July 2008.

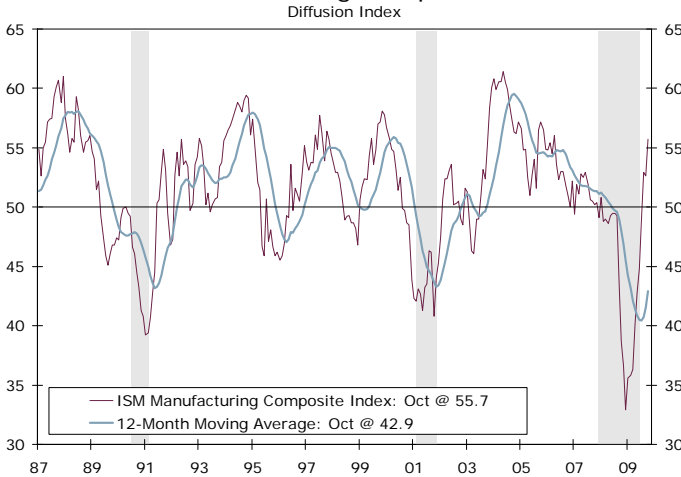
ISM Firmly in Expansion Territory

- The manufacturing sector continued to expand for the third straight month, with the sector leading a broader recovery. This is another clear sign the recession is over and the recovery has begun.
- New orders, the most forward looking sub-index, slipped for the second straight month, but remained firmly in expansion territory at 58.5—above levels seen for the entire recession.

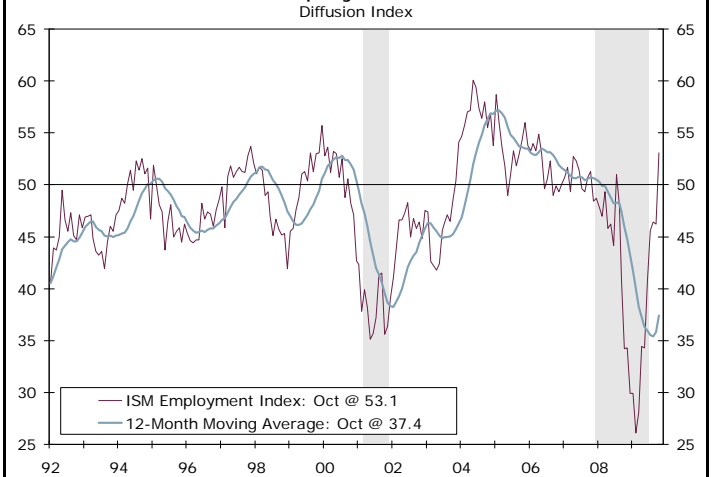
Employment and Production Jumped Higher

- The employment index jumped back into expansionary territory for the first time in more than a year with its highest reading since 2006. This increase would suggest considerable upside risk to Friday's nonfarm payroll numbers.
- Production jumped nearly eight points higher, and indicated expansion for the fifth straight month. With a massive inventory cycle continuing there will be room for continued output gains.

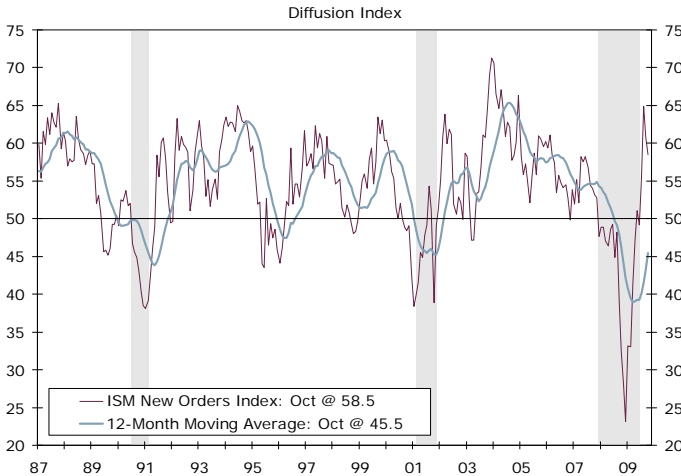
ISM Manufacturing Composite Index



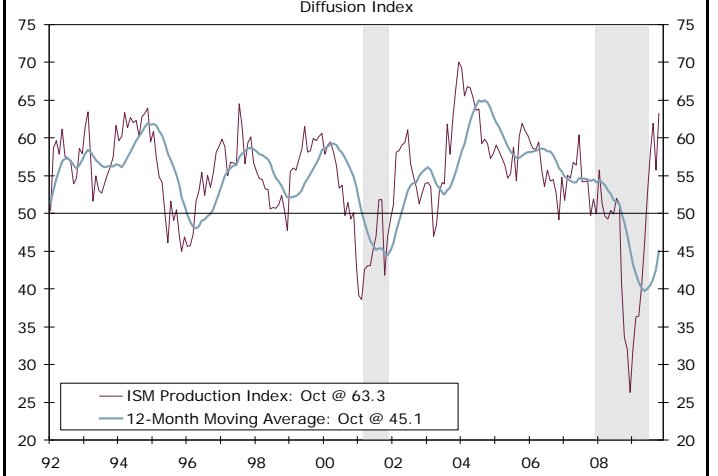
ISM Employment Index



ISM New Orders Index



ISM Production Index



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