

Economics Group

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ISM Non-Manufacturing Continues to Rise

The February ISM non-manufacturing index came in above expectations at 59.7 with increases in several of the index subcomponents. The prices paid component still signals upward pressure on input costs.

New Export Orders Jump

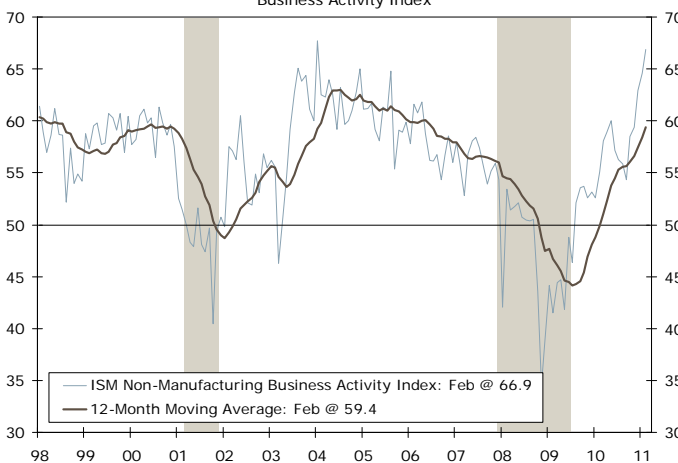
- A large increase in the business activity index, which measures current activity, helped to lead the ISM non-manufacturing index higher in February.
- New orders slipped a bit on the month, declining to 64.4 from 64.9 in January.
- The prices paid component of the index continued to trend higher for the sixth straight month.

Employment Appears Stronger

- The employment component increased to 55.6 from January's 54.5, which signals stronger service sector employment likely occurred during the month of February. As a result, we have raised our expectations of the number of jobs created in February to 212,000 jobs with the unemployment rate remaining at 9.0 percent. Going forward, we continue to expect the greatest employment growth will be concentrated in the service sector.

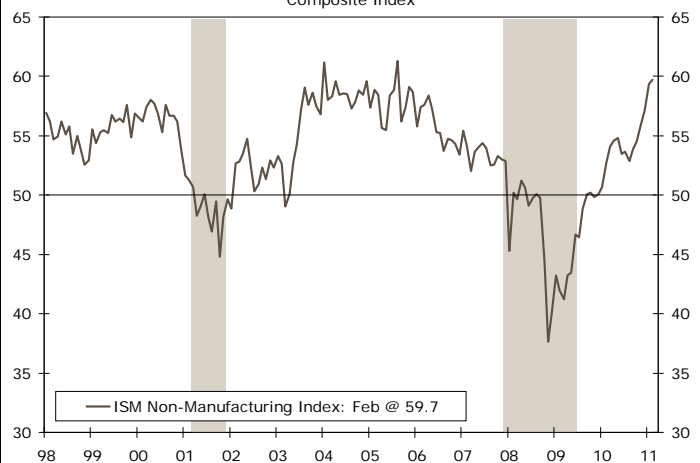
ISM Non-Manufacturing Business Activity

Business Activity Index



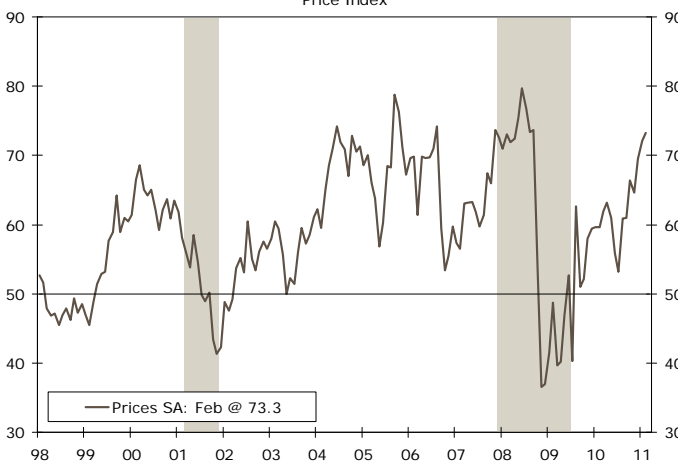
ISM Non-Manufacturing

Composite Index



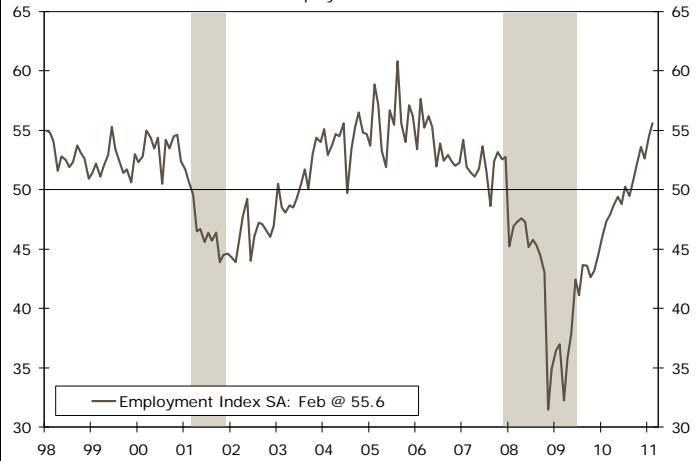
ISM Non-Manufacturing Index

Price Index



ISM Non-Manufacturing Employment

Employment Index



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