



NEW YORK CITY REPORT ON BUSINESS

Ring Out The Old, Ring In The New

New York City business activity expanded for the first time in three months, according to the survey taken by the Institute for Supply Management-New York (ISM-NY). The Current Business Conditions index rose to 51.1 in December from 47.2 in November.

Future optimism pulled back from November's six-month high. The Six-Month Outlook index slipped to 63.7 in December from 71.0 in November.

Purchase volume and jobs turned negative. The Quantity of Purchases index (48.3 December vs. 54.3 November) has been uneven for four months. The Employment index (46.6 December vs. 52.1 November) contracted for the sixth month in seven.

Price/cost pressures picked up. The Prices Paid index rose to 55.4 in December from November's five-month low of 48.9.

Business impediments diminished in December. The biggest decline was in skilled labor shortages followed by "other" difficulties and security concerns.

Business Impediments	Dec	Nov	Oct
Skilled labor shortage	17%	29%	16%
Unskilled labor shortage	3%	4%	4%
Working capital shortage	17%	13%	29%
Raw material shortage	3%	4%	7%
Security concerns	0%	4%	7%
Weather/Natural disasters	10%	6%	4%
"Other" difficulties	7%	13%	11%
No difficulties	34%	35%	40%

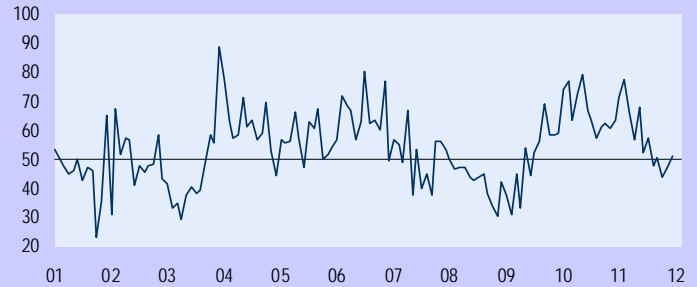
NEW DAY, NEW TIME IN 2012

Starting in February 2012, the ISM-NY *Report on Business* will be released on the second business day of each month at the new time of 9:45am Eastern. The ISM-NY *Report on Business* is predominantly a non-manufacturing survey and now will be the last word before the national ISM Non-Manufacturing *Report on Business* is released on the third business day.

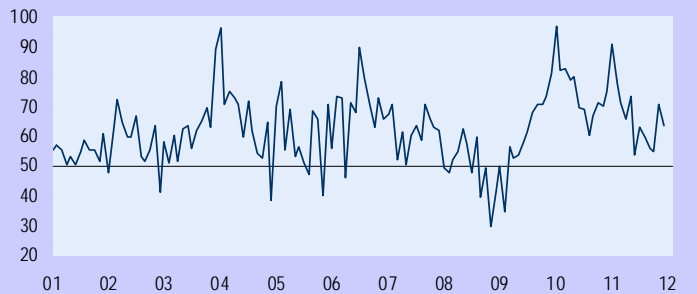
2012 ISM-NY *Report on Business* release schedule

Feb 2	Aug 2
Mar 2	Sep 5
Apr 3	Oct 2
May 2	Nov 2
Jun 4	Dec 4
Jul 3	Jan 3, 2013
(release time – 9:45am Eastern)	

Current Business Conditions
(diffusion index)



Six-Month Outlook
(diffusion index)



Business Conditions in New York City
(seasonally adjusted)

	Current Business Conditions	Six-Month Outlook	NY-BCI*
December 2010	63.8	75.1	489.1
January 2011	71.2	90.7	499.7
February	77.5	77.8	513.4
March	66.4	71.4	521.6
April	56.9	65.6	525.1
May	67.9	73.6	534.0
June	52.3	53.9	535.1
July	57.2	63.2	538.8
August	47.8	59.9	537.6
September	50.6	55.9	538.0
October	44.0	54.9	534.9
November	47.2	71.0	533.5
December	51.1	63.7	534.0

*The NY-BCI is a cumulative diffusion index constructed from the diffusion index of Current Business Conditions for businesses in the New York City area. -r is revised.

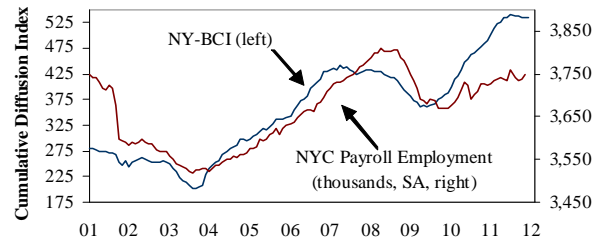


Employment

Current employment trends compared to the previous month.

	Dec	Nov	Oct	Sep	Aug	Year ago Dec
Diffusion Index	46.6	52.1	37.8	48.8	48.6	52.9

NY-BCI vs. NYC Employment



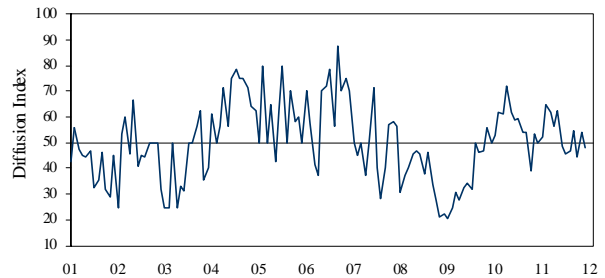
NYC employment data from the Bureau of Labor Statistics. SA = seasonally adjusted. The NY-BCI offers advance information about forthcoming labor market conditions because the local job count is not available for one or two months.

Quantity of Purchases

The current month's level of expenditures (units, not dollars) compared to the previous month.

	Dec	Nov	Oct	Sep	Aug	Year ago Dec
Diffusion Index	48.3	54.3	44.4	54.8	47.1	50.0

Quantity of Purchases

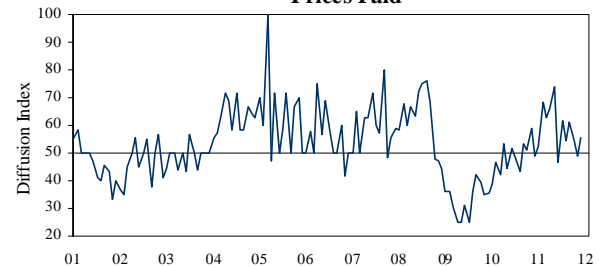


Prices Paid

The current month's overall change in prices paid for goods and services compared to the previous month.

	Dec	Nov	Oct	Sep	Aug	Year ago Dec
Diffusion Index	55.4	48.9	54.4	61.0	54.3	48.5

Prices Paid

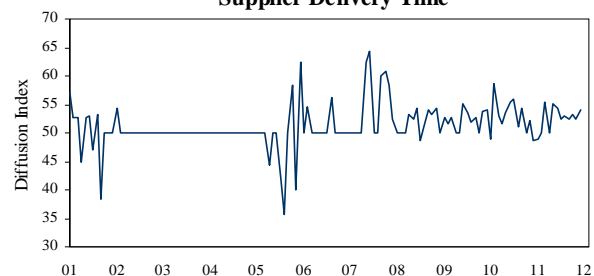


Supplier Delivery Time

The current month's overall delivery performance compared to the previous month.

	Dec	Nov	Oct	Sep	Aug	Year ago Dec
Diffusion Index	54.0	52.4	53.3	52.4	52.9	48.6

Supplier Delivery Time



About the Survey

The purpose of the survey is to quickly assess business conditions among firms in the New York City area. The survey results are compiled as diffusion indices - the percent of positive responses plus one-half of those responding the same (considered positive). A reading of 50% means no change from the prior month, greater than 50% indicates a faster pace of activity, and less than 50% a slower rate. The Current Business Conditions index, Six-Month Outlook index and NY-BCI are seasonally adjusted. All other measures are not seasonally adjusted. -r is revised.