

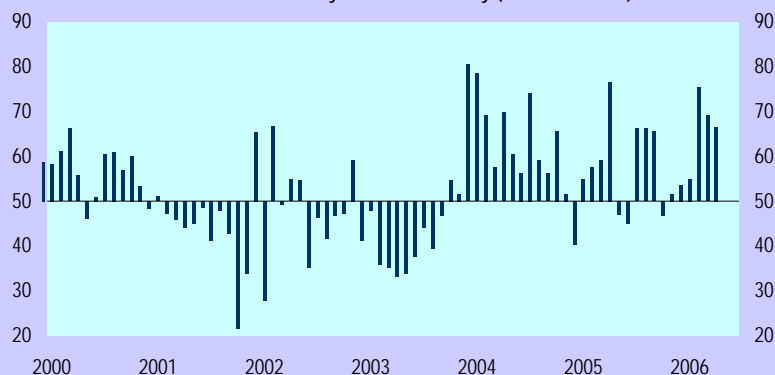


NEW YORK CITY REPORT ON BUSINESS
Little In the Way of the Big Apple's Economy

New York City's economy continues to expand at a solid pace, according to the April survey conducted by the National Association of Purchasing Management-New York (NAPM-NY). With the Big Apple's economy doing so well, it is difficult to know why respondents have become more cautious about the business outlook in recent months, unless it reflects a growing concern about high energy costs. Diffusion indexes—like the NAPM-NY business conditions indexes—reflect changes in tone and are not a measure of the pace of growth, so they are volatile from month to month.

The NAPM-NY Business Conditions Index (BCI) rose higher in April. This index, a cumulative measure of changes in the business conditions index, tends to signal important changes in the City's job growth, although in the latest few months, the upbeat trends of the NAPM-NY have diverged somewhat from hiring trends in the Big Apple.

Current Business Activity# in New York City (Diffusion Index)



New York City Business Conditions Indexes
(Seasonally Adjusted, Except Where Noted)

	Current Conditions#	Outlook[^]	NY-BCI*
January 2004	78.5	88.9	257.3
February	69.2	78.6	267.2
March	57.5	62.5	271.8
April	69.8	85.7	282.2
May	60.4	62.5	287.1
June	56.3	60.0	290.9
July	74.1	78.5	302.5
August	59.1	60.0	307.1
September	56.2	60.0	310.4
October	65.7	50.0	318.0
November	51.6	64.3	321.2
December	40.2	37.5	316.3
January 2005	54.9	60.0	319.0
February	57.6	80.0	324.9
March	59.2	50.0	329.1
April	76.5	77.8	341.2
May	47.0	50.0	337.3
June	45.0	62.5	333.7
July	66.2	50.0	339.6
August	66.2	50.0	345.4
September	65.5	70.0	353.2
October	46.9	66.7	351.6
November	51.6	40.0	352.4
December	53.6	62.5	354.2
January 2006	54.9	50.0	356.7
February	75.4	73.1	369.4
March	69.1	70.0	378.9
April	66.5	50.0	387.2

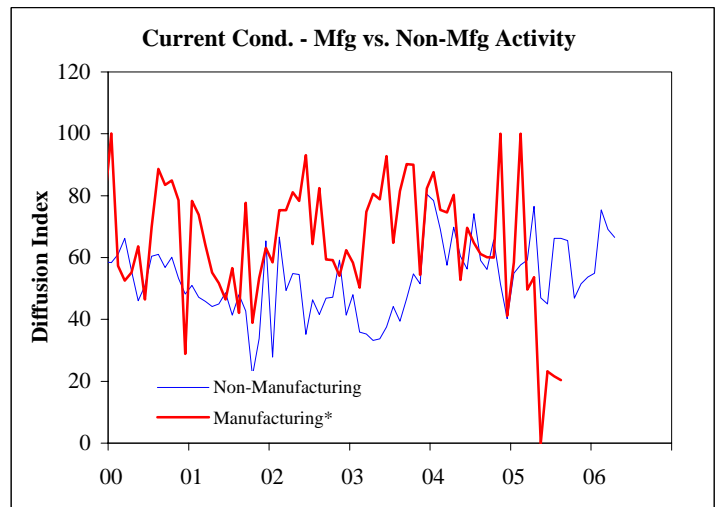
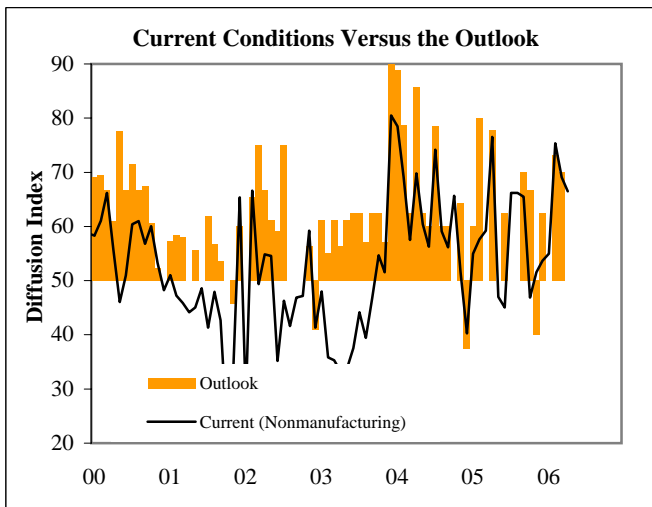
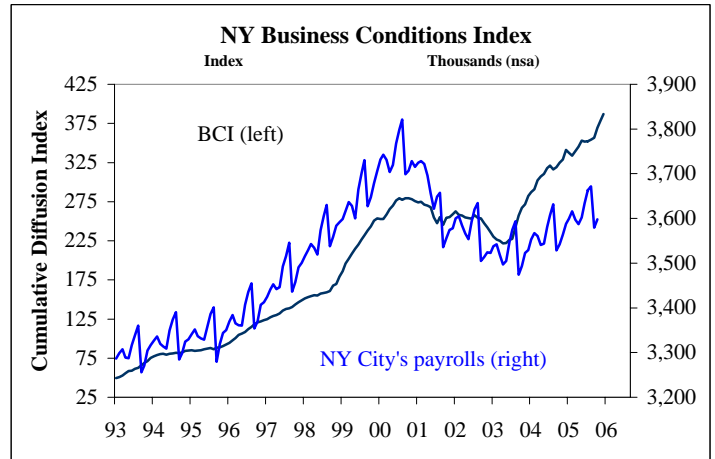
Based on responses from nonmanufacturing businesses.

[^] Not seasonally adjusted. Reflects responses from nonmanufacturing businesses after 2005.

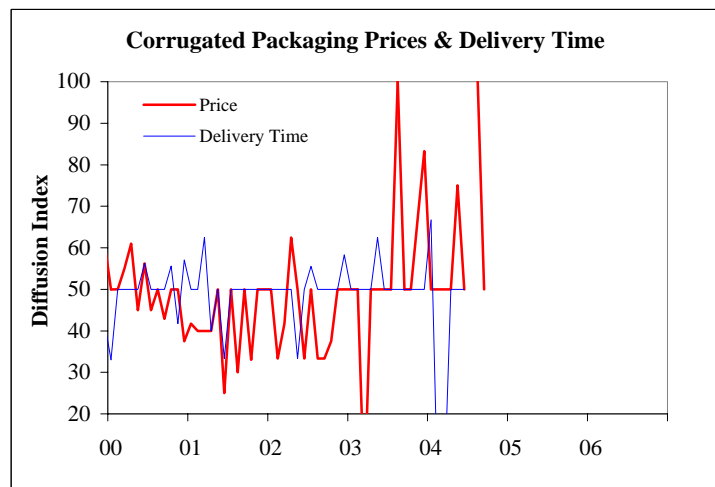
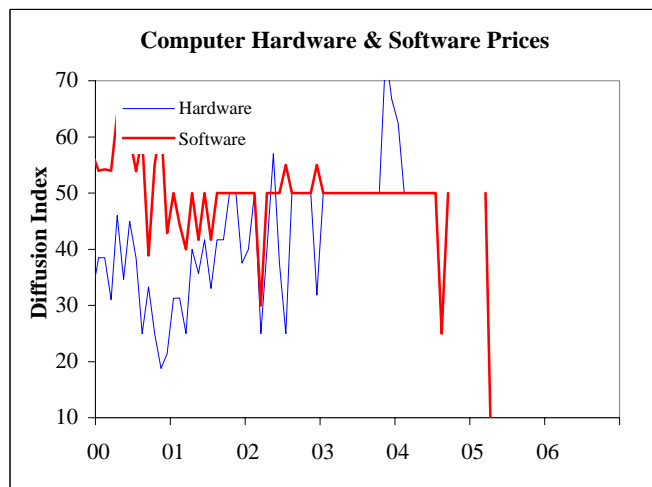
* After August 2005, the index reflects activity at nonmanufacturing businesses.

New York Business Conditions Index (NY-BCI)

The New York NAPM business conditions index (BCI) is a cumulative diffusion index of current business conditions for nonmanufacturing businesses in the New York City area. The BCI tends to precede local employment trends. Furthermore, because the count of local jobs is unavailable until one or two months later, the BCI offers advance information about forthcoming local labor market conditions. Until recently, City payrolls have lagged the recovery in the NY-NAPM's BCI (figure to the right). Lately, however, job growth appears to be picking up.



* Discontinued after August 2005

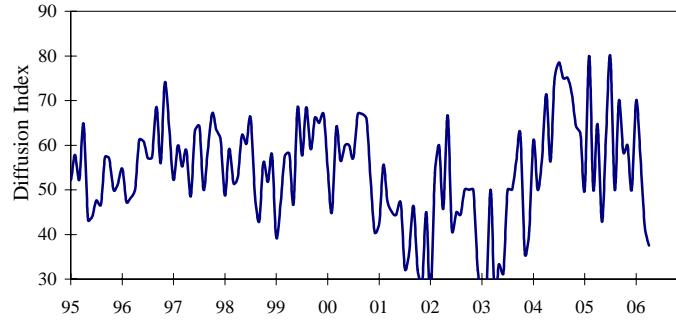


Quantity of Purchases

The overall quantity (units not dollars) of purchases, including raw materials, MRO, components, intermediates, and services, compared with the previous month.

						Year ago
	April	March	Feb	Jan	Dec	April
Composite	37.5	41.67	57.69	70	50	64.71
Manufacturing	0	0	83	50	50	50
Non-Mfg.	50	50	50	75	50	66

Quantity of Purchases

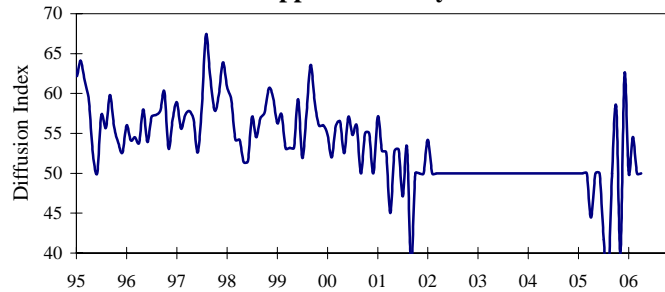


Supplier Delivery Time

An aggregate evaluation of the current month's delivery performance (lead time) compared to the prior month. This index is the percent reporting slower deliveries plus one-half reporting same.

						Year ago
	April	March	Feb	Jan	Dec	April
Composite	50	50	55	50	63	44
Manufacturing	50	50	50	50	50	50
Non-Mfg.	50	50	56	50	50	50

Supplier Delivery Time

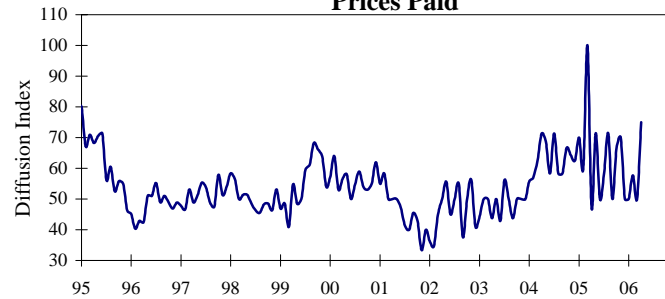


Prices Paid

The change from the prior month in prices of items -- goods and services, purchased. This is an overall evaluation weighted by quantity of purchase.

						Year ago
	April	March	Feb	Jan	Dec	April
Composite	70	50	58	50	50	47
Manufacturing	100	50	67	50	50	100
Non-Mfg.	67	50	56	50	50	40

Prices Paid

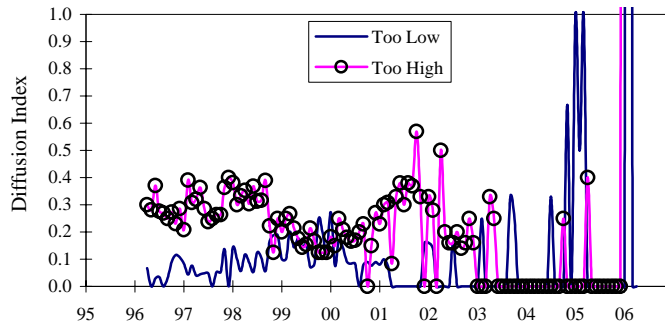


Finished Goods Inventory Relative to Use

The overall inventory level (units, not dollars) of products held for sale (finished goods) relative to expected use.

						Year ago
	April	March	Feb	Jan	Dec	April
Composite	75	83	50	67	50	1
% too high	0	0	0	0	0	0
Manufacturing	100	100	50	100	50	50
Non-Mfg.	50	75	50	50	50	75

Finished Goods Inventory vs. Expected Use

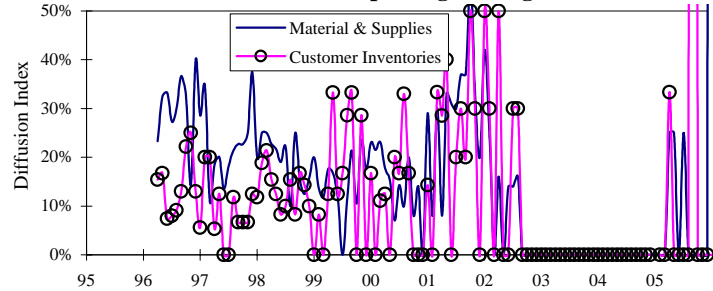


Raw Materials & Customer Inventory

The overall inventory level (units, not dollars) of products held for sale (finished goods) relative to expected use.

	Year ago					
	April	March	Feb	Jan	Dec	April
Materials & Supplies	50.0	0.0	0.0	0.0	0.0	0.0
Customer Inventories	0.0	0.0	0.0	0.0	0.0	0.0

Material & Customer Stocks vs. Expected Use % Reporting too High



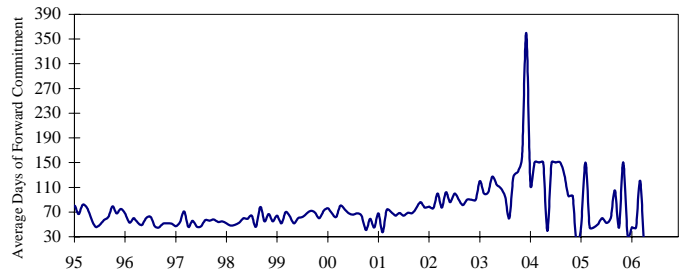
Buying Policy for Production Materials

The period of forward commitment for production materials.

	Year ago					
	April	March	Feb	Jan	Dec	April
Average Days	0	120	45	45	30	45

Weighted Average Number of Days	Hand to Mouth	30 Days	60 Days	90 Days	6 Months	1 Year or More
0	0%	0%	0%	100%	0%	0%

Production Materials



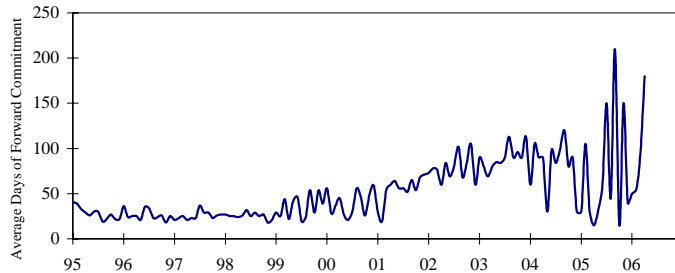
Buying Policy for MRO Supplies

The period of forward commitment for maintenance, repair, and operation supplies.

	Year ago					
	April	March	Feb	Jan	Dec	April
Average Days	180	96	55	45	15	15

Weighted Average Number of Days	Hand to Mouth	30 Days	60 Days	90 Days	6 Months	1 Year or More
180	0%	0%	1%	0%	0%	1%

MRO Supplies



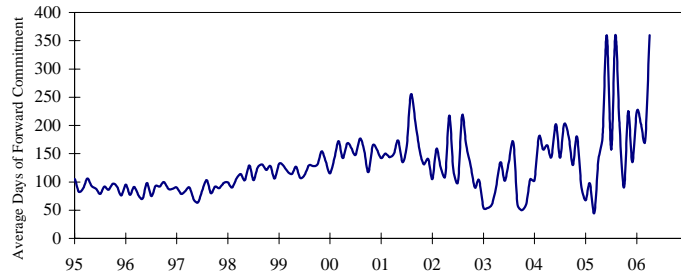
Buying Policy for Capital Expenditures

The period of forward commitment for capital goods.

	Year ago					
	April	March	Feb	Jan	Dec	April
Average Days	360	173	202.5	225	135	140

Weighted Average Number of Days	Hand to Mouth	30 Days	60 Days	90 Days	6 Months	1 Year or More
360	0%	0%	0%	0%	0%	1%

Capital Equipment



Specific Price Changes & Supplier Deliveries

--- PRICE CHANGES ---

--- VENDOR DELIVERIES ---

COMMODITIES

		April	March	Feb	April	March	Feb
Castings				100.0			100.0
Chemicals				75.0			75.0
Computer Hardware	+++		50.0	25.0		50.0	50.0
Computer Software	+++		50.0	50.0		50.0	50.0
Corrugated Packaging				75.0			50.0
Electrical Components		50.00		50.0	50.00		100.0
Energy		50.00		100.0	50.00		50.0
Ferrous Metals				50.0			
Food Products				50.0			
Glass							
Hydraulic Components							
Medical Supplies							
Nonferrous Metals	+++						
Office Equipment (non-computer)	+++		50.0	50.0		50.0	50.0
Office Supplies	+++		50.0	50.0		50.0	50.0
Piping & Tubing				100.0			100.0
Plastics		50.00		100.0	50.00		75.0
Plating		50.00			50.00		
Printing Paper	+++		50.0	50.0		50.0	50.0
Rubber Products							
Textile Products							
Wood & Pulp		100.00		100.0	50.00		100.0
Services (Contracted)		60.00			"Hot Spots" are those commodities & services that have experienced upward price pressure with delivery delays (for commodities) for at least three months. Where are the HOT SPOTS?		
Cleaning		50.00	60.0	60.00			
Construction		50.00	62.5	62.50			
Painting		66.67	62.5	62.50			
Engineering	+++	50.00	50.0	50.00			
Architectural	+++	50.00	62.5	62.50			
Temporary Personnel	+++	50.00	58.3	58.33			
Computer Consultants	+++		60.0	60.00			

+++ = Commodity or service price diffusion index above 50% for at least the last three months.

Items in Short Supply

Purchaser Comments

About the Survey

The purpose of the survey is to quickly assess business conditions among manufacturers and non-manufacturing firms/organizations doing business in the New York area. The survey results are compiled into three summary measures for: (1) all industries, (2) manufacturing firms, and (3) non-manufacturing establishments. The manufacturing component can be compared to the ISM Purchasing Manager's Index for the nation. The survey results are compiled as diffusion indexes, which are calculated by taking the percentage of the respondents answering higher plus one-half of the percentage of respondents who answer same or no change. Hence, a reading of 50% means no change from the prior month; greater than 50% indicates a faster pace of activity while a reading of less than 50% indicates a slowing in the pace of activity.