



NAPM-New York

Report on Business



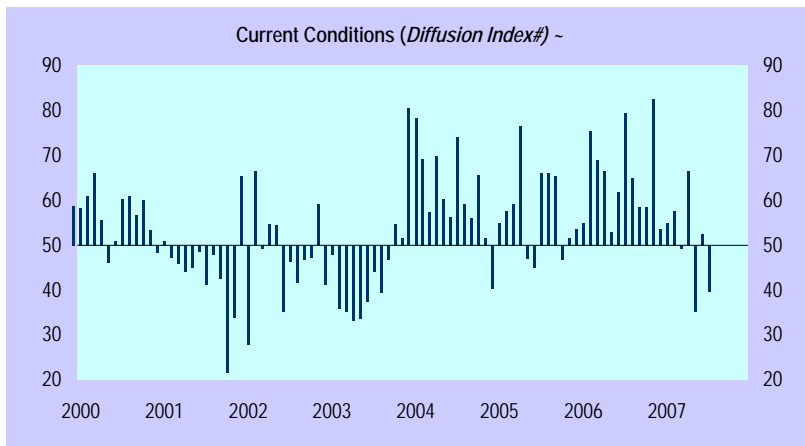
Peter Oppenheimer, C.P.M., Executive Director, NAPM - New York, (516) 466-9822

July 31, 2007

NEW YORK CITY REPORT ON BUSINESS Still Optimistic

The July survey of New York City's businesses was more subdued than in the previous month, taking responses literally. That's the outcome of the latest survey conducted by the National Association of Purchasing Management-New York (NAPM-NY). Month-to-month responses are quite volatile and July's drop occurs amid generally favorable readings this year and ongoing optimism about the outlook.

The "business conditions index" (BCI) fell slightly in July, because the current conditions index slipped slightly below the "growing" level marked by a reading of 50 for the current conditions index. The BCI index is a helpful leading indicator of future employment trends. In that regard, employment in the Big Apple, which has recovered 85% of the job losses between 2000 and summer 2003, continues to expand.



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

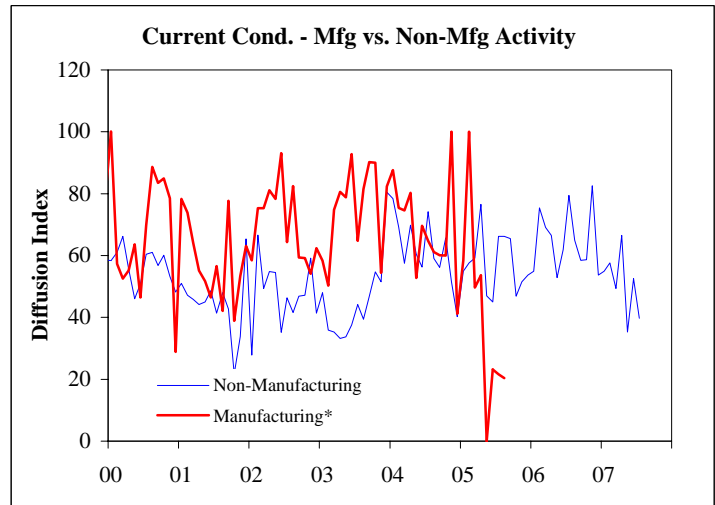
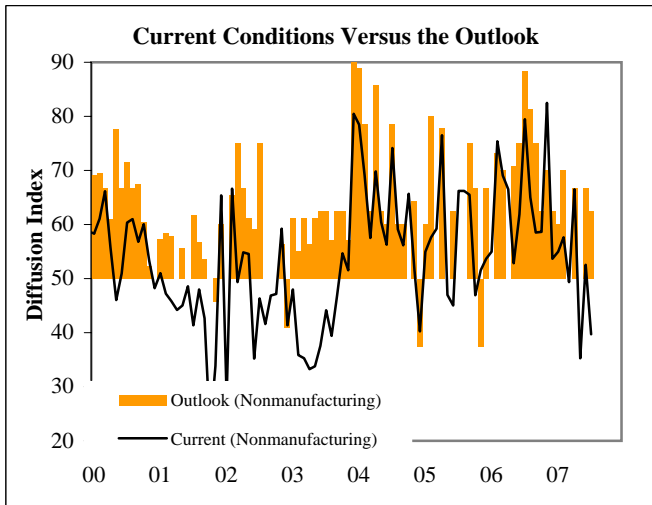
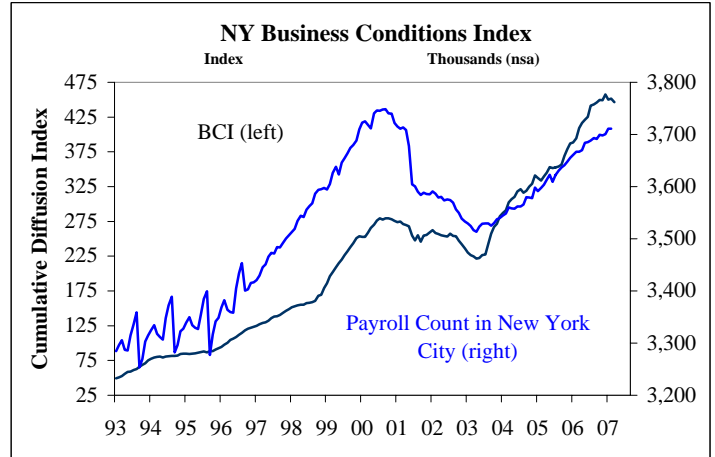
	Current conditions #,~	Outlook #,^,*	NY-BCI *
May 2005	47.0	50.0	337.3
June	45.0	62.5	333.7
July	66.2	50.0	339.6
August	66.2	50.0	345.4
September	65.5	75.0	353.2
October	46.9	66.7	351.6
November	51.6	37.5	352.4
December	53.6	66.7	354.2
January 2006	54.9	50.0	356.7
February	75.4	73.1	369.4
March	69.1	70.0	378.9
April	66.5	50.0	387.2
May	52.9	70.8	388.6
June	61.9	75.0	394.5
July	79.4	88.3	409.3
August	65.0	81.3	416.8
September	58.5	75.0	421.0
October	58.6	62.5	425.3
November	82.5	70.0	441.6
December	53.6	62.5	443.4
January 2007	54.9	60.0	445.9
February	57.6	70.0	449.7
March	49.3	50.0	449.4
April	66.5	66.7	457.6
May	35.2	50.0	450.2
June	52.5	66.7	451.5
July	39.7	62.5	446.4

Half the percentage reporting unchanged conditions plus the percentage reporting improving activity.
 ~ Activity at nonmanufacturing businesses.
 ^ Not seasonally adjusted.
 * After August 2005, the "Outlook" index reflects activity at nonmanufacturing businesses.

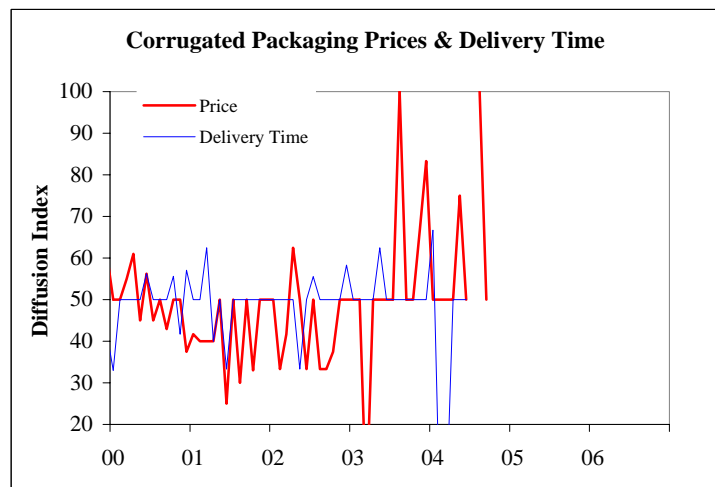
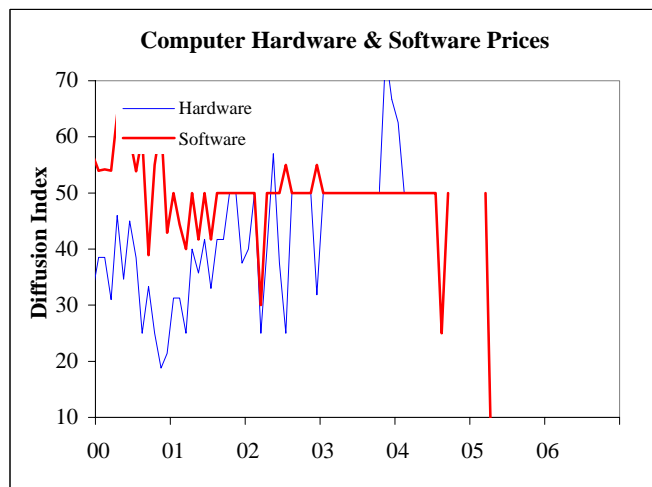
New York Business Conditions Index (NY-BCI)

The New York NAPM business conditions index (BCI) is a cumulative diffusion index constructed from the diffusion index of current conditions for nonmanufacturing businesses in the New York City area. The BCI often precedes local employment trends. Furthermore, because the count of local jobs is not available for one or two months, 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.

Note: After August 2005, the NY-NAPM BCI reflects responses of nonmanufacturers.



* Discontinued after August 2005

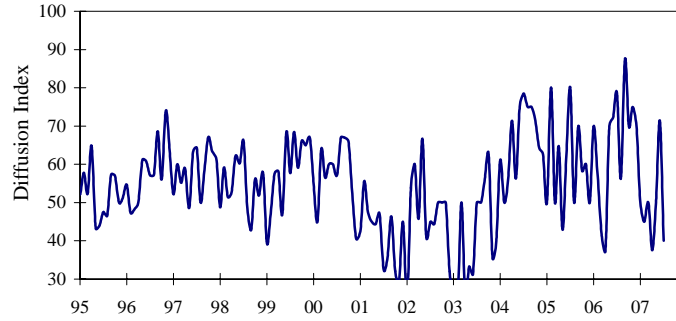


Quantity of Purchases

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

	July	June	May	Apr	Mar	Year ago July
Composite	40	71.43	50	37.5	50	78.6
Manufacturing	50	50	0	0	50	50
Non-Mfg.	38	75	50	50	50	83

Quantity of Purchases

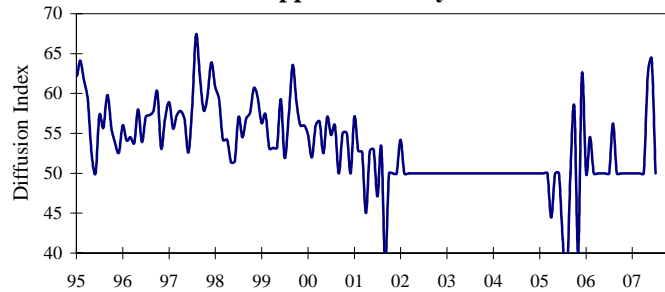


Supplier Delivery Time

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.

	July	June	May	Apr	Mar	Year ago July
Composite	50	64	63	50	50	50
Manufacturing	50	50	0	50	50	50
Non-Mfg.	50	67	63	50	50	50

Supplier Delivery Time

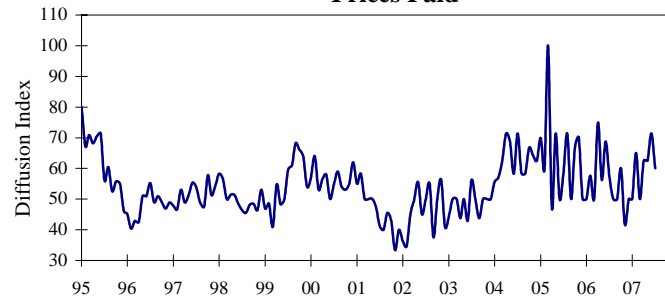


Prices Paid

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

	July	June	May	Apr	Mar	Year ago July
Composite	60	71	63	63	50	57
Manufacturing	50	100	0	50	0	50
Non-Mfg.	63	67	63	67	0	58

Prices Paid

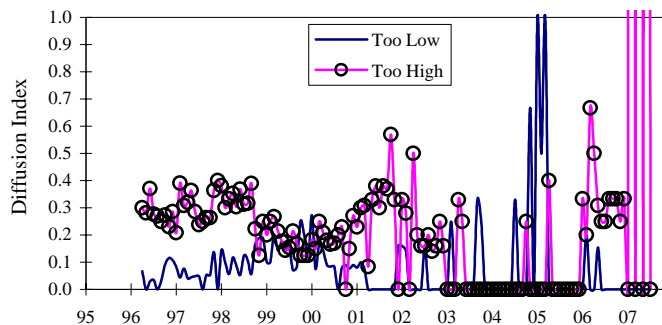


Finished Goods Inventory Relative to Use

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

	July	June	May	Apr	Mar	Year ago July
Composite	50	63	50	67	67	0.625
% too high	0	0	0	67	0	0
Manufacturing	0	50	0	50	0	###
Non-Mfg.	50	66.7	0	75	0	50

Finished Goods Inventory vs. Expected Use

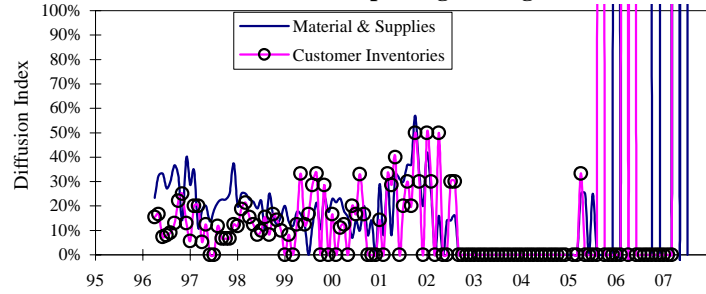


Raw Materials & Customer Inventory

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

	Year ago					
	July	June	May	Apr	Mar	July
Materials & Supplies	0	33	0	67	0	25
Customer Inventories	50	50	50	50	0	0

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



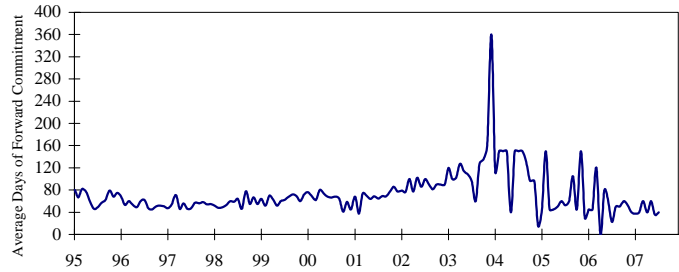
Buying Policy for Production Materials

The period of forward commitment for production materials.

	Year ago					
	July	June	May	Apr	Mar	July
Average Days	40	36	60	40	60	22.5

Weighted Average Number of Days	Hand to Mouth	30 Days	60 Days	90 Days	6 Months	1 Year or More
40	0%	67%	33%	0%	0%	0%

Production Materials



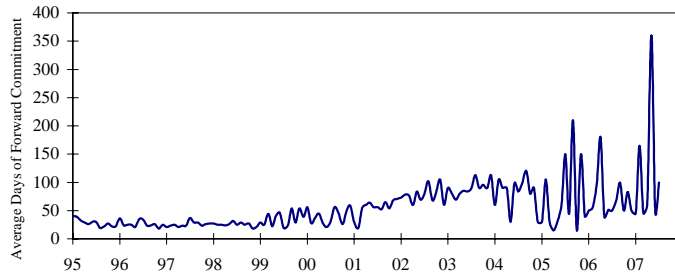
Buying Policy for MRO Supplies

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

	Year ago					
	July	June	May	Apr	Mar	July
Average Days	100	48	360	60	45	50

Weighted Average Number of Days	Hand to Mouth	30 Days	60 Days	90 Days	6 Months	1 Year or More
100	0%	0%	67%	0%	0%	0%

MRO Supplies



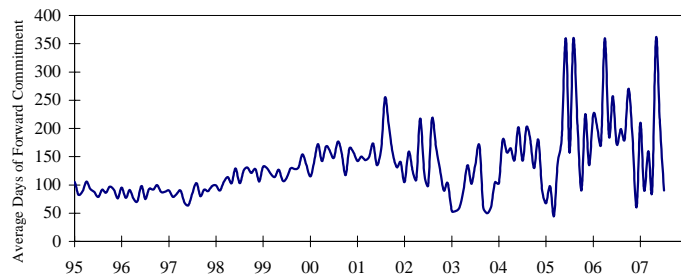
Buying Policy for Capital Expenditures

The period of forward commitment for capital goods.

	Year ago					
	July	June	May	Apr	Mar	July
Average Days	90	210	360	90	160	172.5

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

Capital Equipment



Specific Price Changes & Supplier Deliveries

--- PRICE CHANGES ---

--- VENDOR DELIVERIES ---

COMMODITIES

		July	June	May	July	June	May
Castings							
Chemicals							
Computer Hardware	+++	150.00	150.00		-50.00	-50.00	
Computer Software	+++	-100.00	-100.00		200.00	200.00	
Corrugated Packaging							
Electrical Components							
Energy							
Ferrous Metals							
Food Products							
Glass							
Hydraulic Components							
Medical Supplies							
Nonferrous Metals	+++						
Office Equipment (non-computer)	+++	-100.00	-100.00		200.00	200.00	
Office Supplies	+++	-100.00	-100.00		200.00	200.00	
Piping & Tubing							
Plastics							
Plating							
Printing Paper	+++	-100.00	-100.00		200.00	200.00	
Rubber Products							
Textile Products							
Wood & Pulp							
Services (Contracted)							
Cleaning		Index	Index		Index		
Construction		60.00	60.00		N/A		
Painting		50.00	50.00		N/A		
Engineering	+++	50.00	50.00		N/A		
Architectural	+++	66.67	66.67		N/A		
Temporary Personnel	+++	50.00	50.00		N/A		
Computer Consultants	+++	50.0	50.0		N/A		

+++ = Commodity or service price diffusion index above 50.00 N/A

Items in Short Supply N/A

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.