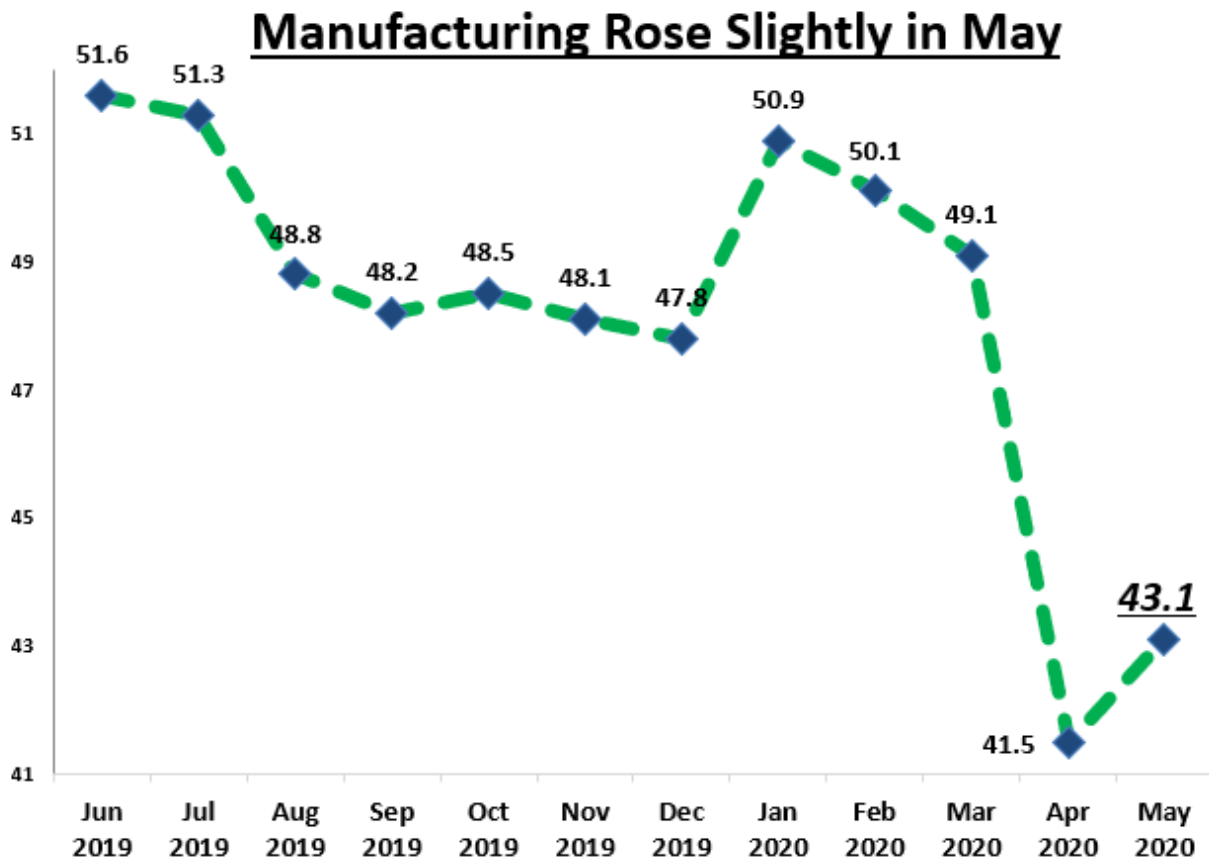


# Manufacturing Rose Slightly in May

Recent data points have suggested that the economy may have bottomed out and is perhaps starting to turn the corner. Today, [data on manufacturing from the Institute for Supply Management](#) (ISM) provided evidence for this.

ISM's index on conditions in the manufacturing sector rose to 43.1 in May from 41.5 in April. This is still a low reading. Index readings below 50 mean manufacturing is in contraction. However, the last three months registered declines. This is the first monthly increase since January.



The index showed broad improvements across the manufacturing sector. Several of its sub-indexes increased in May, including production, new orders, employment, and prices.

Supply times are still elevated, which boosts the overall Index, but declined some from April. During normal times, increased time for manufacturers to get supplies is evidence of a strong economy. Right now, it signals disruption. So a fall in supply times is good news because it shows supply chains are healing.

While we certainly want to see better data coming in, this is a sign we are better off than we were a week or so ago.

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce

