

# BUSINESS SURVEY REPORT

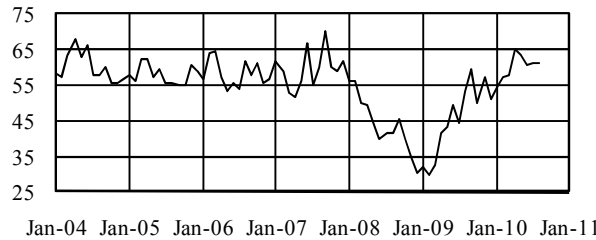
## August 2010

The Seasonally Adjusted Milwaukee Index is down seven points to 59. A year ago it was at 56. New Orders Received went down three points to 66. Production rose five points to stand at 74. Backlog is down one point to 57. Supplier Lead Times improved three points to 32. Blue Collar Employment is down two points to 63. White Collar Employment rose four points to 60. Inventory Levels declined nine points to 57. Capital Equipment Purchases took a very big 17

point jump to 68. The Level of Purchasing Activities went down eight points to 68.

The Prices Paid Index is up three points to 58. Fourteen increased in price, two did not change, and five dropped. Seventeen are above 50, one at 50, and three below. Copper went up twenty-eight points followed by Aluminum and Fuel at twelve. Castings increased eleven points. Forging dropped six points followed by Piping and Tubing at eight.

### Milwaukee Index



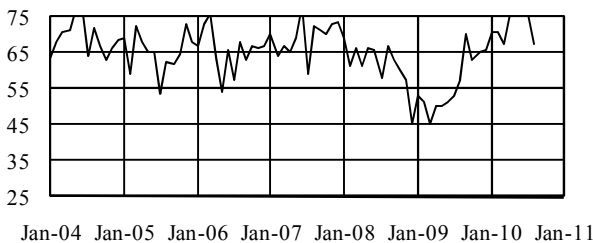
| Date        | Index |
|-------------|-------|
| August-2010 | 61    |
| July-2010   | 61    |
| June-2010   | 61    |
| May-2010    | 63    |
| August-2009 | 54    |
| August-2008 | 41    |
| August-2007 | 60    |

### Commodity Price Index

|                              |    |                        |    |                            |    |
|------------------------------|----|------------------------|----|----------------------------|----|
| Aluminum                     | 68 | Electronic Components  | 60 | Plastics                   | 64 |
| Casting                      | 64 | Forgings               | 38 | Plating                    | 53 |
| Chemicals                    | 75 | Fuel                   | 37 | Precious Metals            | 72 |
| Computer Hardware/Software   | 50 | Hydraulic Componentets | 57 | Printing Paper             | 60 |
| Copper, Brass, Bronze        | 71 | Office Supplies        | 53 | Rubber Products            | 57 |
| Corrugated/Packaging         | 69 | Petroleum Products     | 68 | Stampings                  | 53 |
| Electric Motors/Transformers | 59 | Piping & Tubing        | 53 | Ferrous (Steel, Stainless) | 46 |

**Commentary:**  
Up three. 14 increased in price.

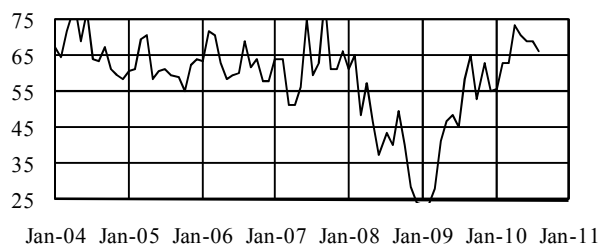
### Level of Purchasing Activities



| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 44         | 47     | 9          | 68    |
| July-2010   | 54         | 43     | 3          | 76    |
| June-2010   | 62         | 33     | 5          | 78    |
| May-2010    | 59         | 37     | 5          | 77    |
| August-2009 | 29         | 56     | 15         | 57    |
| August-2008 | 47         | 41     | 13         | 67    |
| August-2007 | 48         | 48     | 3          | 73    |

**Commentary:** An eight point drop in August.

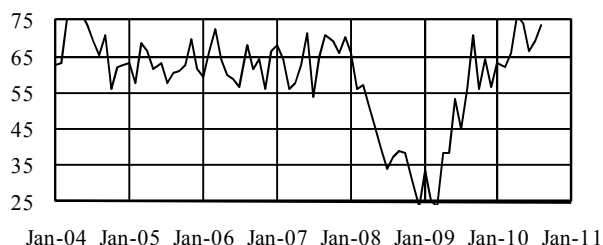
## New Orders



**Commentary:** Down three points to 66.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 44         | 44     | 12         | 66    |
| July-2010   | 50         | 39     | 11         | 69    |
| June-2010   | 51         | 36     | 13         | 69    |
| May-2010    | 61         | 20     | 20         | 71    |
| August-2009 | 38         | 41     | 21         | 59    |
| August-2008 | 29         | 23     | 48         | 40    |
| August-2007 | 41         | 44     | 15         | 63    |

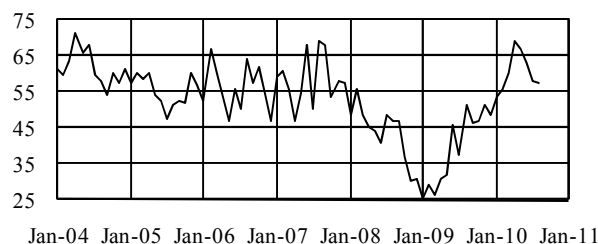
## Production



**Commentary:** Up five points this month.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 53         | 41     | 6          | 74    |
| July-2010   | 47         | 44     | 8          | 69    |
| June-2010   | 46         | 41     | 13         | 67    |
| May-2010    | 61         | 27     | 12         | 74    |
| August-2009 | 38         | 35     | 26         | 56    |
| August-2008 | 23         | 29     | 48         | 37    |
| August-2007 | 41         | 47     | 12         | 65    |

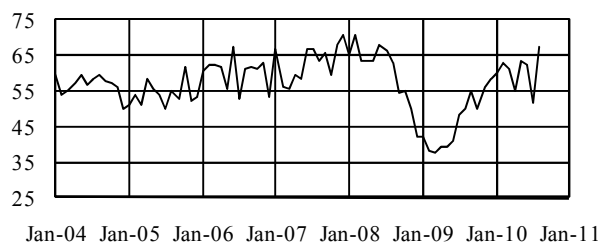
## Backlog



**Commentary:** A one point drop in August.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 38         | 38     | 24         | 57    |
| July-2010   | 33         | 50     | 17         | 58    |
| June-2010   | 38         | 49     | 13         | 63    |
| May-2010    | 49         | 37     | 15         | 67    |
| August-2009 | 29         | 44     | 26         | 51    |
| August-2008 | 22         | 50     | 28         | 47    |
| August-2007 | 50         | 38     | 12         | 69    |

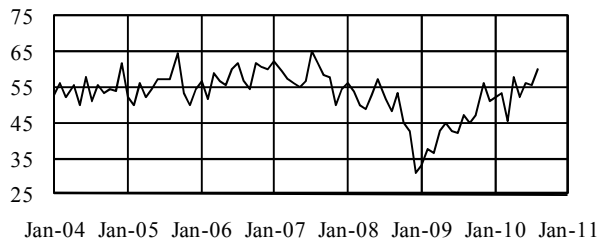
## Capital Expenditures



**Commentary:** A very nice 17 point increase. A year ago it was at 50.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 41         | 53     | 6          | 68    |
| July-2010   | 18         | 68     | 15         | 51    |
| June-2010   | 30         | 65     | 5          | 62    |
| May-2010    | 32         | 62     | 5          | 64    |
| August-2009 | 15         | 71     | 15         | 50    |
| August-2008 | 42         | 42     | 16         | 63    |
| August-2007 | 29         | 68     | 3          | 63    |

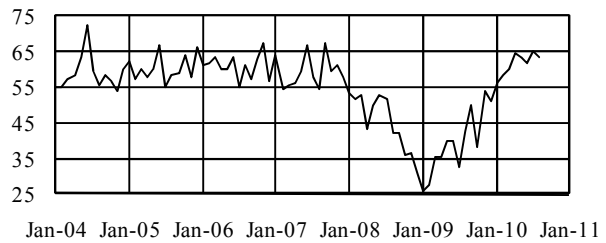
## White Collar Employment



**Commentary:** Up four points to an even 60.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 24         | 74     | 3          | 60    |
| July-2010   | 17         | 78     | 6          | 56    |
| June-2010   | 15         | 82     | 3          | 56    |
| May-2010    | 18         | 70     | 13         | 53    |
| August-2009 | 9          | 76     | 15         | 47    |
| August-2008 | 6          | 84     | 9          | 48    |
| August-2007 | 26         | 71     | 3          | 62    |

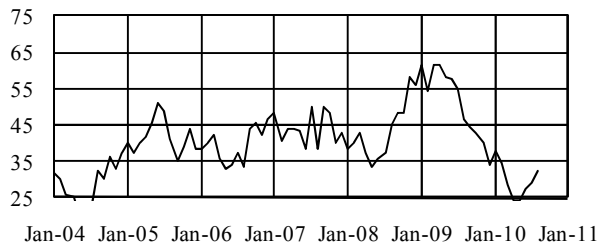
## Blue Collar Employment



**Commentary:** Down two points to 63 in August.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 32         | 62     | 6          | 63    |
| July-2010   | 36         | 58     | 6          | 65    |
| June-2010   | 28         | 67     | 5          | 62    |
| May-2010    | 37         | 54     | 10         | 63    |
| August-2009 | 0          | 85     | 15         | 42    |
| August-2008 | 6          | 72     | 22         | 42    |
| August-2007 | 21         | 68     | 12         | 54    |

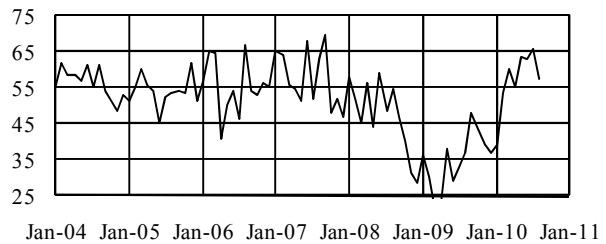
## Supplier Lead Times



**Commentary:** A three point increase to 32. Still too low.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 41         | 53     | 6          | 32    |
| July-2010   | 47         | 47     | 6          | 29    |
| June-2010   | 50         | 45     | 5          | 28    |
| May-2010    | 59         | 34     | 7          | 24    |
| August-2009 | 18         | 70     | 12         | 47    |
| August-2008 | 17         | 77     | 7          | 45    |
| August-2007 | 26         | 71     | 3          | 38    |

## Inventory Levels



**Commentary:** Down nine points to 57.

| Date        | Increase % | Same % | Decrease % | Index |
|-------------|------------|--------|------------|-------|
| August-2010 | 32         | 50     | 18         | 57    |
| July-2010   | 46         | 40     | 14         | 66    |
| June-2010   | 44         | 38     | 18         | 63    |
| May-2010    | 48         | 33     | 20         | 64    |
| August-2009 | 18         | 38     | 44         | 37    |
| August-2008 | 38         | 34     | 28         | 55    |
| August-2007 | 44         | 38     | 18         | 63    |