



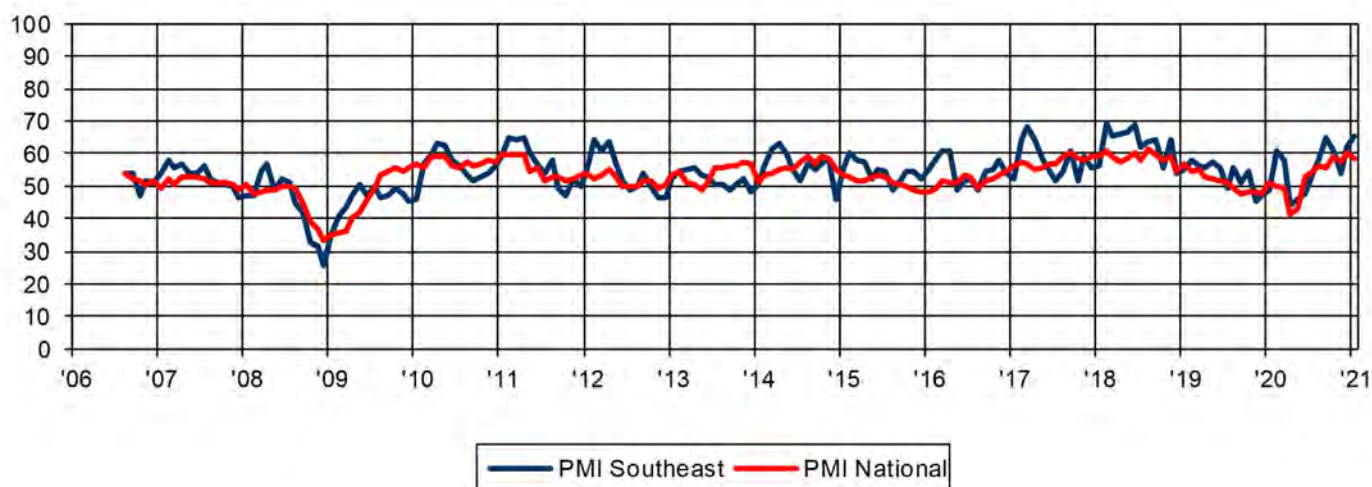
Southeast Purchasing Manager's Index Report

February 1, 2021

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Regional index edges higher while national index falls marginally.

Both remain consistent with broad-based expansion in industrial activity.



PMI Southeast and PMI National

	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Jan - Dec
PMI Southeast	58.2	65.0	60.5	54.2	62.2	65.5	+3.3
PMI National	56.0	55.4	59.3	57.5	60.5	58.7	-1.8

Change In Percent of Southeast Participants Reporting Higher, Same and Lower JANUARY—DECEMBER

	Higher	Same	Lower
New Orders	1.0	8.6	-9.6
Production	21.2	-29.3	8.1
Employment	6.1	-9.6	3.5
Deliveries	14.6	-14.6	0.0
Finished Inventory	3.0	-14.6	11.6
Commodity Prices	31.8	-31.8	0.0

Expectations for Future Production (3-6 months) Reporting Higher, Same and Lower JANUARY—DECEMBER

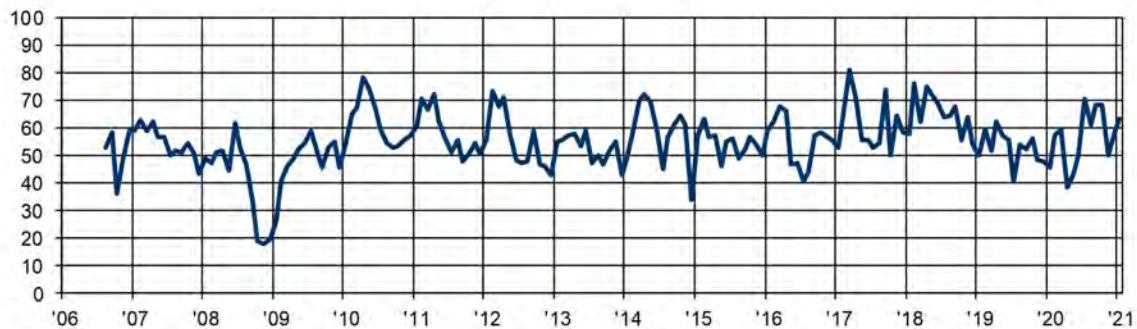
	Nov '20	Dec '20	Jan '21	Jan - Dec
Higher	58.3	61.1	63.6	+2.5
Same	29.2	38.9	27.3	-11.6
Lower	12.5	0.0	9.1	+9.1
Index	72.9	80.6	77.3	-3.3

SOUTHEAST PMI COMPONENTS

New Orders

	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Jan - Dec
Higher	50.0	54.5	47.4	29.2	44.4	45.5	+1.0
Same	22.7	27.3	42.1	41.7	27.8	36.4	+8.6
Lower	27.3	18.2	10.5	29.2	27.8	18.2	-9.6
INDEX	61.4	68.2	68.4	50.0	58.3	63.6	+5.3

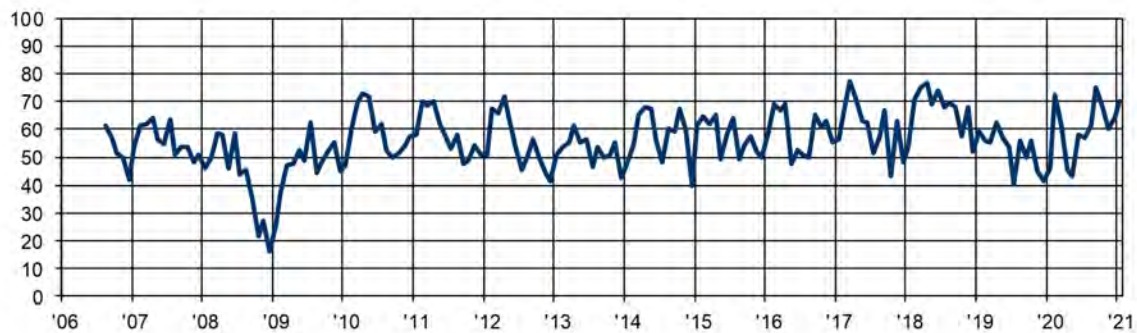
Southeast's NO increased 5.3 points as a result of 1% more participants reporting 'Higher' NO and 9.6% less participants reporting 'Lower' NO.



Production

	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Jan - Dec
Higher	50.0	59.1	57.9	37.5	33.3	54.5	+21.2
Same	22.7	31.8	21.1	45.8	61.1	31.8	-29.3
Lower	27.3	9.1	21.1	16.7	5.6	13.6	+8.1
INDEX	61.4	75.0	68.4	60.4	63.9	70.5	+6.6

Southeast's P increased 6.6 points due to 21.2% more participants reporting 'Higher' P.

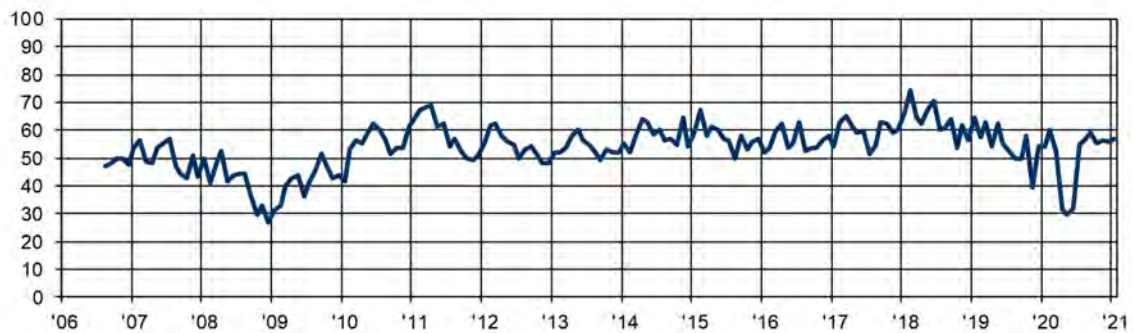


SOUTHEAST PMI COMPONENTS (cont'd)

Employment

	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Jan - Dec
Higher	31.8	36.4	26.3	20.8	16.7	22.7	+6.1
Same	50.0	45.5	57.9	70.8	77.8	68.2	-9.6
Lower	18.2	18.2	15.8	8.3	5.6	9.1	+3.5
INDEX	56.8	59.1	55.3	56.3	55.6	56.8	+1.3

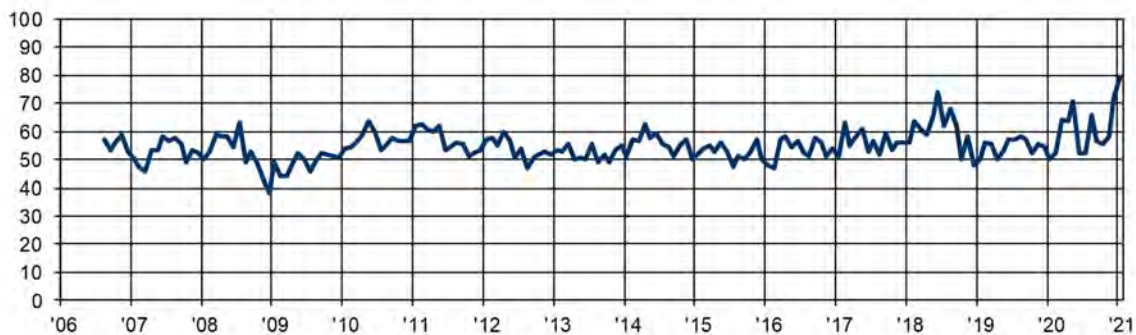
Southeast's E increased 1.3 points based on 6.1% more participants reporting 'Higher' E.



Supplier Delivery Time

	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Jan - Dec
Slower	31.8	22.7	21.1	25.0	44.4	59.1	+14.6
Same	68.2	68.2	68.4	66.7	55.6	40.9	-14.6
Faster	0.0	9.1	10.5	8.3	0.0	0.0	+0.0
INDEX	65.9	56.8	55.3	58.3	72.2	79.5	+7.3

Southeast's SD increased 7.3 points as a result of 14.6% more participants reporting 'Slower' SD.

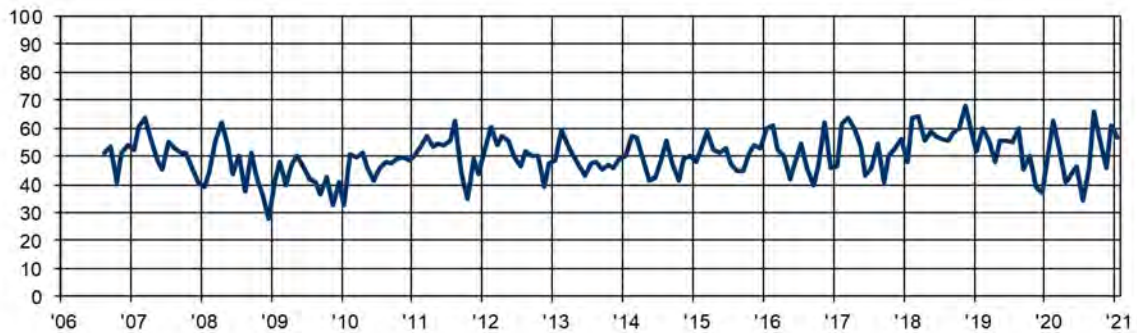


SOUTHEAST PMI COMPONENTS (cont'd)

Finished Inventory

	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Jan - Dec
Higher	18.2	50.0	36.8	25.0	33.3	36.4	+3.0
Same	54.5	31.8	36.8	41.7	55.6	40.9	-14.6
Lower	27.3	18.2	26.3	33.3	11.1	22.7	+11.6
INDEX	45.5	65.9	55.3	45.8	61.1	56.8	-4.3

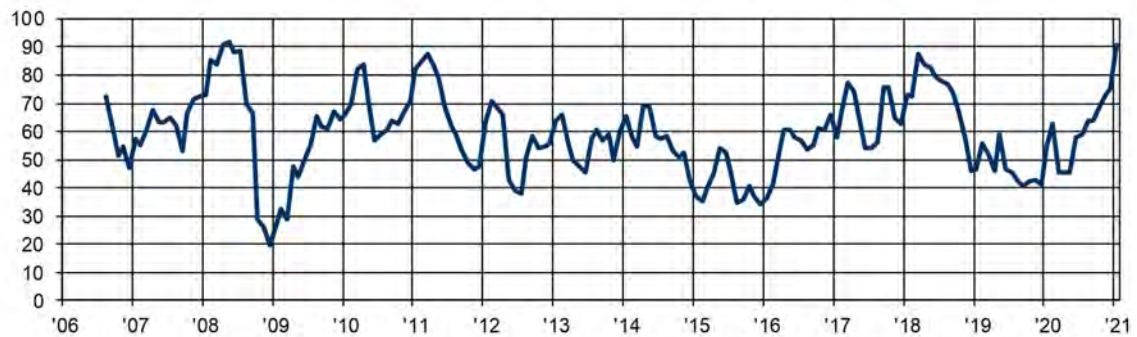
Southeast's FI decreased 4.3 points as a result of 11.6% more participants reporting 'Lower' FI.



Commodity Prices

	Aug '20	Sep '20	Oct '20	Nov '20	Dec '20	Jan '21	Jan - Dec
Higher	31.8	31.8	42.1	45.8	50.0	81.8	+31.8
Same	63.6	63.6	52.6	54.2	50.0	18.2	-31.8
Lower	4.5	4.5	5.3	0.0	0.0	0.0	+0.0
INDEX	63.6	63.6	68.4	72.9	75.0	90.9	+15.9

Southeast's CP increased 15.9 points based on 31.8% more participants reporting 'Higher' CP.



FROM THE FEDERAL RESERVE INDUSTRIAL PRODUCTION REPORT

Industrial production advanced 1.6 percent in December, with gains of 0.9 percent for manufacturing, 1.6 percent for mining, and 6.2 percent for utilities. The increase for utilities resulted from a rebound in demand for heating after unseasonably warm weather in November. For the fourth quarter as a whole, total industrial production rose at an annual rate of 8.4 percent. .

At 105.7 percent of its 2012 average, total industrial production in December was 3.6 percent lower than it was a year earlier and 3.3 percent below its pre-pandemic February reading. Capacity utilization for the industrial sector rose 1.1 percentage points in December to 74.5 percent, a rate that is 5.3 percentage points below its long-run (1972–2019) average.

COMMENTS FROM SURVEY PARTICIPANTS REGARDING CONDITIONS THAT AFFECT PURCHASING OPERATION

Specific commodities UP IN PRICE were:

"Polyethylene, freight, plastics, steel, aluminum and parts made from such, all paper grades, copper and zinc materials, natural rubber, synthetic rubber, carbon black, oil, zinc oxide, copper, plastic resin (PP,PC), nylon, cotton, rubber, cardboard, transportation, sheet metal, aluminum and steel, stainless steel, caustic, ammonia, shipping products (bags, drums, totes), acrylic polymers, HDPE products, propylene, ethanol based products, silica sand, calcium carbonate, petroleum based, plastics and paper, Southern yellow pine, hardwood, pallets, polypropylene resin."

Specific commodities DOWN IN PRICE were:

None.

Items in Short Supply- Specific commodities, materials or finished products I buy that were in short supply last month are:

"Kraft paper and linerboard, electronic parts micros, capacitors, crystals, certain electronic components, diatomaceous earth, performance silicones, TiO2, wood, paper, containers, Drayage, pallets."

Buying Policy - Report here any change during the last month, versus the prior month, in the number of days ahead you are committing for purchases of production materials, MRO supplies and capital spending:

"We are adjusting our inventory for expected supply chain disruptions."

"Buying further out."

"Buy as much as possible."

General Remarks - Give your frank opinion on any conditions, local, national or international, that affect your purchasing operation or your company's outlook:

"We are hoping for business to increase over the next few months. "

"We are moving into our busy season and hoping past patterns will hold true this year."

"Industry outlook is currently guarded. "

"Demand for our products will continue to improve."

"Truck delivery experiencing long lead times."

"We are forecasting 2021 to be at same levels as 2020 which was 20% down from 2019."

"Economy should improve each quarter this year."

"Longer delivery times."

"Tariff, container capacity, lead-times extending and rising cost going to make 2021 interesting."

"Our economy (robotics / automation) is doing well, Q4 was a record quarter for us, best ever."

"Lead times for Raw Materials & Misc Items longer due to lack of trucks and drivers."

"Very concerning the amount of increases related to oil based chemicals such as propylene."

"Freight issues are like none ever before. Port congestion is alarming."