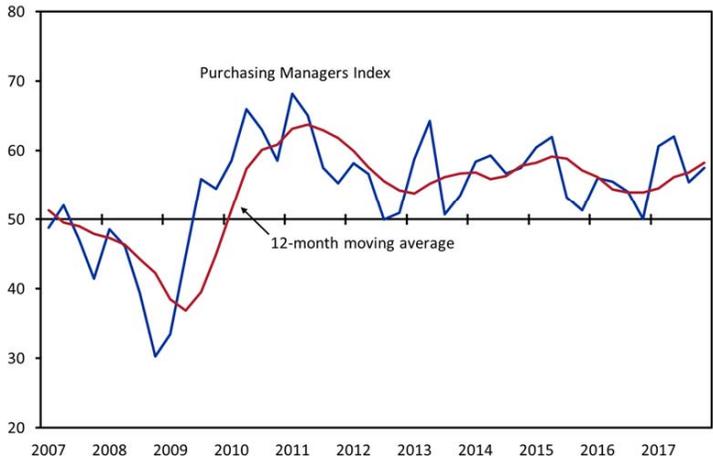


PURCHASING MANAGERS INDEX

Normally in this section we discuss the contributing monthly factors to the index. However, in this issue we are examining the long-term trend in the index since the onset of the Great Recession. Even before the Great Recession began in December 2007, the West Michigan Purchasing Managers Index (blue line) was already showing decline in the manufacturing sector—only one quarter from that year registered above 50, signifying expansion. The index returned to positive in mid-2009, just as the recession was ending. Since then, the index has remained above 50, although sometimes just barely.

West Michigan Area Purchasing Managers Index

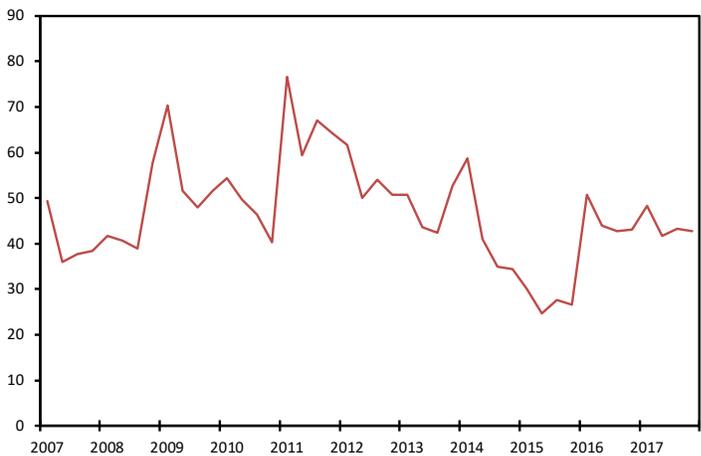


The 12-month moving average, shown in red, delineates a robust recovery in 2010 and 2011. The index is created by Brian Long of the Institute of Supply Management at Grand Valley State University; index values over 50 indicate the manufacturing sector in west Michigan is growing. The data are quarterly.

SOURCE: Google Insights.

As the Great Recession deepened, interest among west Michigan residents in topics related to “welfare and unemployment” peaked, as shown in the figure below. It also peaked in 2011 and 2016, but these latter peaks represent changes in data collection measures, resulting in some discontinuity. After the 2011 peak, the index declined steadily until the data collection changed again in 2016. Since then, the Google index has again started on a downward trend, indicating people are not too anxious about the economy.

Relative Percentage Change in Interest in the Google Search Topic “Welfare and Unemployment” in West Michigan



This figure tracks Google searches in the west Michigan region on topics related to “welfare and unemployment.” If we ignore the steep jumps in 2011 and 2016, which reflect changes in the method of collecting data, and look only at the consistently downward trend otherwise, the index suggests that the residents of west Michigan remain as unconcerned about unemployment as they have been for several years.

SOURCE: Institute for Supply Chain Management.