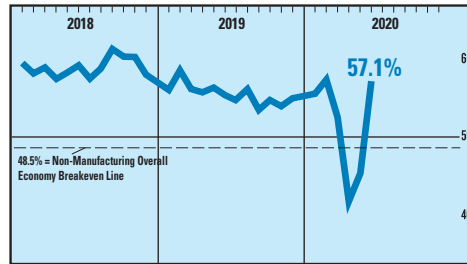


Analysis by

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Chair of the Institute for Supply Management®
Non-Manufacturing Business Survey Committee

NMI® at 57.1%

In June, the NMI® registered 57.1 percent, 11.7 percentage points higher than May's figure of 45.4 percent. The reading indicates non-manufacturing sector grew after two consecutive months of contraction and 122 months of growth before that. A reading above 50 percent indicates the non-manufacturing sector economy is generally expanding; below 50 percent indicates the non-manufacturing sector is generally contracting.



Economic activity in the non-manufacturing sector grew in June after two consecutive months of contraction, say the nation's purchasing and supply executives in the latest Non-Manufacturing ISM® Report On Business®.

The NMI® registered 57.1 percent. This is the largest single-month percentage-point increase in the NMI® since its debut in 1997. (In April, the index suffered its biggest one-month decrease, a 10.7-percent drop.) The Business Activity Index registered 66 percent, up 25 percentage points from May's figure of 41 percent. The New Orders Index registered 61.6 percent; 19.7 percentage points higher than the reading of 41.9 percent in May. The Employment Index increased to 43.1 percent; 11.3 percentage points higher than the May reading of 31.8 percent. The 14 non-manufacturing industries reporting growth in June — listed in order — are: Agriculture, Forestry, Fishing & Hunting; Accommodation & Food Services; Wholesale Trade; Real Estate, Rental & Leasing; Health Care & Social Assistance; Construction; Retail Trade; Utilities; Transportation & Warehousing; Arts, Entertainment & Recreation; Information; Finance & Insurance; Public Administration; and Professional, Scientific & Technical Services. **ISM**

• Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services; Personal Care Services; Death Care Services; Pet Care Services; Photofinishing Services; Temporary Parking Services and Dating Services).

Non-Manufacturing at a Glance

INDEX	Jun Index	May Index	% Point Change	Direction	Rate of Change	Trend* (months)
NMI®	57.1	45.4	+11.7	Growing	From Contracting	1
Business Activity	66.0	41.0	+25.0	Growing	From Contracting	1
New Orders	61.6	41.9	+19.7	Growing	From Contracting	1
Employment	43.1	31.8	+11.3	Contracting	Slower	4
Supplier Deliveries	57.5	67.0	-9.5	Slowing	Slower	13
Inventories	60.7	48.0	+12.7	Growing	From Contracting	1
Prices	62.4	55.6	+6.8	Increasing	Faster	3
Backlog of Orders	51.9	46.4	+5.5	Growing	From Contracting	1
New Export Orders	58.9	41.5	+17.4	Growing	From Contracting	1
Imports	52.9	43.7	+9.2	Growing	From Contracting	1
Inventory Sentiment	55.9	55.1	+0.8	Too High	Faster	3
Overall Economy				Growing	From Contracting	1
Non-Manufacturing Sector				Growing	From Contracting	1

*Number of months moving in current direction.
Non-Manufacturing ISM® Report On Business® data is seasonally adjusted for the Business Activity, New Orders, Prices and Employment indexes.

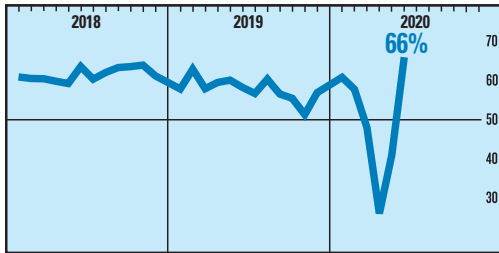
Commodities Reported

Commodities Up in Price: Beef (2); Chicken; Cleaning Products (4); Computer Equipment; Diesel Fuel*; Disinfectants (3); Fuel*: Hand Sanitizer (4); Janitorial Supplies (3); Lumber Products (2); Medical Supplies (5); N95 Masks (2); Personal Protective Equipment (PPE)* (5); PPE — Coveralls (2); PPE — Gloves (4); PPE — Gowns (4); PPE — Masks* (4); Pork; Proteins; and Transportation.

Commodities Down in Price: Cheese (3); Diesel Fuel* (6); Fuel* (4); Natural Gas (2); Personal Protective Equipment (PPE)*; PPE — Masks*; and Steel Products (4).

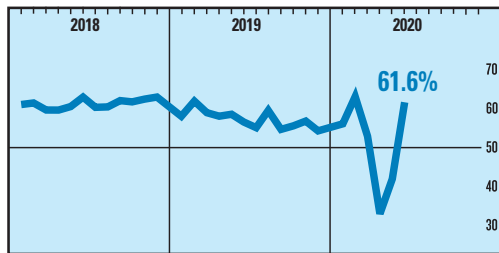
Commodities in Short Supply: Cleaning Products (4); Cleaning Supplies (4); COVID-19 Testing Kits; Disinfectants (4); Disinfectant Wipes (2); Hand Sanitizer (4); Janitorial Supplies (3); Labor; Labor — Construction; Labor — Subcontractors; Medical Equipment (2); Medical Supplies (5); Nasal Swabs (3); N95 Masks (4); Nitrile Gloves; Personal Protective Equipment (PPE) (5); PPE — Coveralls (4); PPE — Gloves (3); PPE — Gowns (3); PPE — Masks (4); Safety Equipment (3); Sanitary Supplies (3); Shoe Covers; Swabs (2); and Wipes.

Note: The number of consecutive months the commodity is listed is indicated after each item. *Reported as both up and down in price.



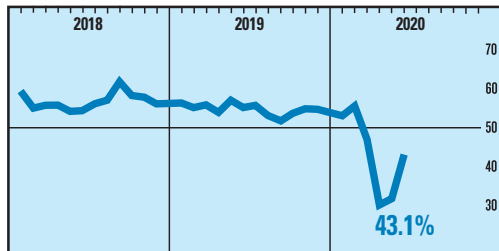
Business Activity

ISM's Business Activity Index registered 66 percent. The 15 industries reporting an increase in business activity for the month of June — listed in order — are: Agriculture, Forestry, Fishing & Hunting; Accommodation & Food Services; Real Estate, Rental & Leasing; Wholesale Trade; Health Care & Social Assistance; Retail Trade; Utilities; Construction; Transportation & Warehousing; Management of Companies & Support Services; Finance & Insurance; Professional, Scientific & Technical Services; Educational Services; Information; and Public Administration.



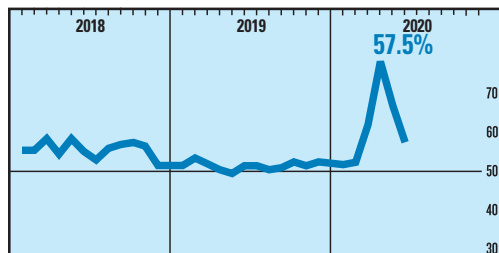
New Orders

ISM's Non-Manufacturing New Orders Index registered 61.6 percent. The 15 industries reporting growth of new orders in June — listed in order — are: Agriculture, Forestry, Fishing & Hunting; Accommodation & Food Services; Real Estate, Rental & Leasing; Wholesale Trade; Arts, Entertainment & Recreation; Health Care & Social Assistance; Retail Trade; Utilities; Construction; Transportation & Warehousing; Professional, Scientific & Technical Services; Information; Management of Companies & Support Services; Finance & Insurance; and Public Administration.



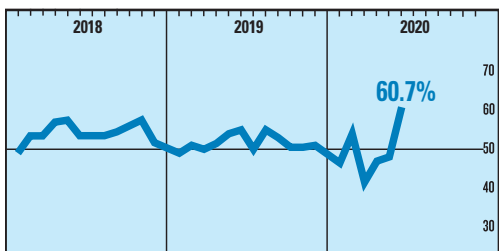
Employment

Employment activity in the non-manufacturing sector contracted in June for the fourth month in a row after 72 consecutive months of growth. ISM's Non-Manufacturing Employment Index registered 43.1 percent, up 11.3 percentage points from the May reading of 31.8 percent. The three industries reporting an increase in employment in June are: Agriculture, Forestry, Fishing & Hunting; Accommodation & Food Services; and Construction.



Supplier Deliveries

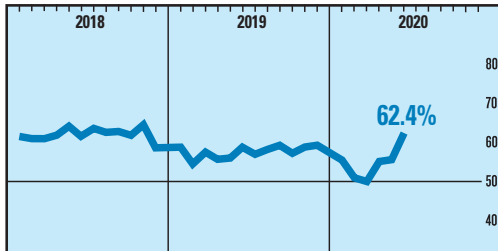
The Supplier Deliveries Index registered 57.5 percent, which is 9.5 percentage points lower than the 67 percent reported in May. The 13 industries reporting slower deliveries in June — listed in order — are: Other Services^{††}; Wholesale Trade; Educational Services; Health Care & Social Assistance; Construction; Retail Trade; Public Administration; Information; Management of Companies & Support Services; Transportation & Warehousing; Professional, Scientific & Technical Services; Utilities; and Finance & Insurance.



Inventories

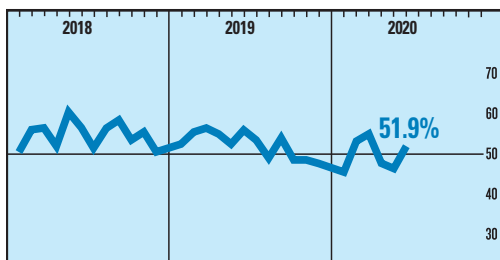
The Inventories Index expanded in June, registering 60.7 percent, a 12.7-percentage point increase from the 48 percent reported in May. The 10 industries reporting an increase in inventories in June — listed in order — are: Retail Trade; Real Estate, Rental & Leasing; Health Care & Social Assistance; Agriculture, Forestry, Fishing & Hunting; Public Administration; Finance & Insurance; Other Services^{††}; Utilities; Transportation & Warehousing; and Professional, Scientific & Technical Services.

^{††}Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).



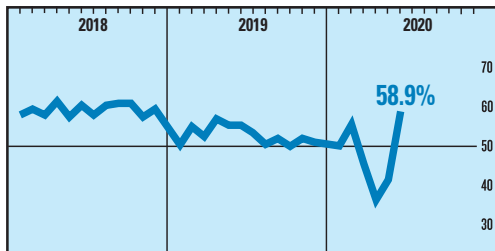
Prices

Prices paid by non-manufacturing organizations for materials and services increased in June, with the index registering 62.4 percent. The 14 non-manufacturing industries that reported an increase in prices paid during the month of June — listed in order — are: Accommodation & Food Services; Real Estate, Rental & Leasing; Health Care & Social Assistance; Public Administration; Wholesale Trade; Professional, Scientific & Technical Services; Other Services^{†*}; Management of Companies & Support Services; Transportation & Warehousing; Agriculture, Forestry, Fishing & Hunting; Educational Services; Finance & Insurance; Utilities; and Construction.



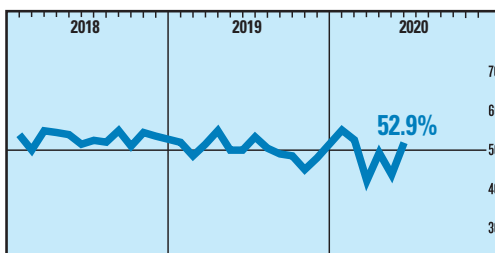
Backlog of Orders

ISM's Non-Manufacturing Backlog of Orders Index grew in June after two consecutive months of contraction. The index registered 51.9 percent. The six industries reporting an increase in order backlogs in June — listed in order — are: Health Care & Social Assistance; Finance & Insurance; Wholesale Trade; Construction; Public Administration; and Information.



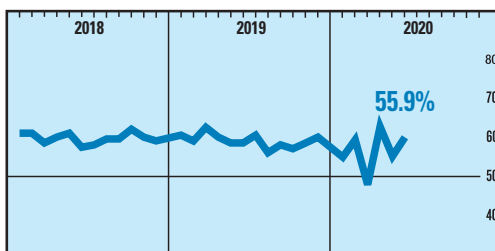
New Export Orders

Orders and requests for services and other non-manufacturing activities to be provided outside of the U.S. by domestically based companies grew in June after three consecutive months of contraction. The New Export Orders Index registered 58.9 percent. The seven industries reporting an increase in new export orders in June — listed in order — are: Real Estate, Rental & Leasing; Wholesale Trade; Agriculture, Forestry, Fishing & Hunting; Health Care & Social Assistance; Utilities; Construction; and Information.



Imports

The Imports Index grew for the first time in four months, as the index registered 52.9 percent. The six industries reporting an increase in imports for the month of June — listed in order — are: Public Administration; Health Care & Social Assistance; Agriculture, Forestry, Fishing & Hunting; Management of Companies & Support Services; Utilities; and Wholesale Trade.



Inventory Sentiment

The ISM Non-Manufacturing Inventory Sentiment Index in June registered 55.9 percent. The 11 industries reporting sentiment that their inventories were too high in June — listed in order — are: Arts, Entertainment & Recreation; Real Estate, Rental & Leasing; Wholesale Trade; Retail Trade; Mining; Management of Companies & Support Services; Finance & Insurance; Professional, Scientific & Technical Services; Construction; Information; and Utilities.

^{†*}Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services and Dating Services).