

# U.S. Data Review

- ISM services: off marginally from a record level

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## ISM Services Index

The ISM services index was lighter than expected in April, but it was still a stellar showing. The headline index fell 1.0 percentage point to 62.7 percent (versus an expected increase of 0.4 percentage point), but the change occurred from a record level in March, and the new reading was still above the previous record (62.0 in August 1997; series began in July 1997).

The business activity index accounted for most of the decline with a drop of 6.7 percentage points. However, the level of the index, at 62.7 percent, was still in the upper portion of the recent and historical range (chart, below left). The slowdown in business activity occurred as orders eased moderately (down 4.0 percentage points to 63.2 percent, still high historically).

Although orders and business activity eased, service firms hired actively, as the employment index rose 1.6 percentage points to 58.8 percent, a reading very much in the upper portion of its historical range (chart, below right). The supplier delivery index rose 5.1 percentage points to 66.1 percent (fourth highest on record), indicating that supply-chain issues remain. Supply bottlenecks, along with firm demand, pushed the price index 2.8 percentage points higher to 76.8 percent, the fifth highest on record.

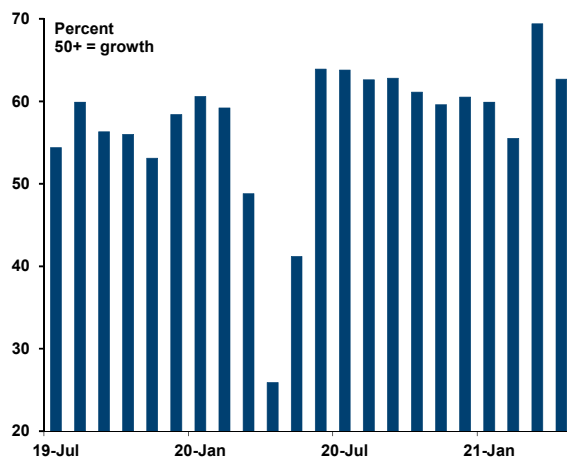
## ISM Services: Monthly Indexes

	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21
<b>ISM Nonmfg. Composite</b>	57.7	58.7	55.3	63.7	62.7
<b>Business activity</b>	60.5	59.9	55.5	69.4	62.7
<b>New orders</b>	58.6	61.8	51.9	67.2	63.2
<b>Employment</b>	48.7	55.2	52.7	57.2	58.8
<b>Supplier deliveries*</b>	62.8	57.8	60.8	61.0	66.1
<b>Prices</b>	64.4	64.2	71.8	74.0	76.8

\* The supplier deliveries index is not seasonally adjusted. The index differs from the other components of the composite measure (business activity, new orders, employment) in interpretation. An index above 50 percent indicates slower deliveries and readings below 50 percent indicate faster deliveries.

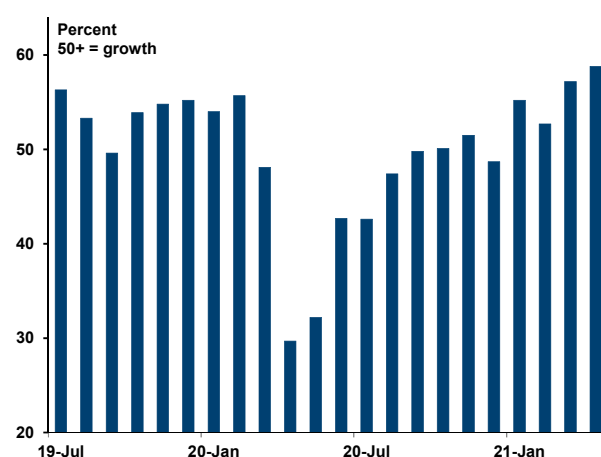
Source: Institute for Supply Management via Haver Analytics

## ISM Services: Business Activity Index



Source: Institute for Supply Management via Haver Analytics

## ISM Services: Employment Index



Source: Institute for Supply Management via Haver Analytics

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