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CHAIRMAN JIM SAXTON

PRESS RELEASE

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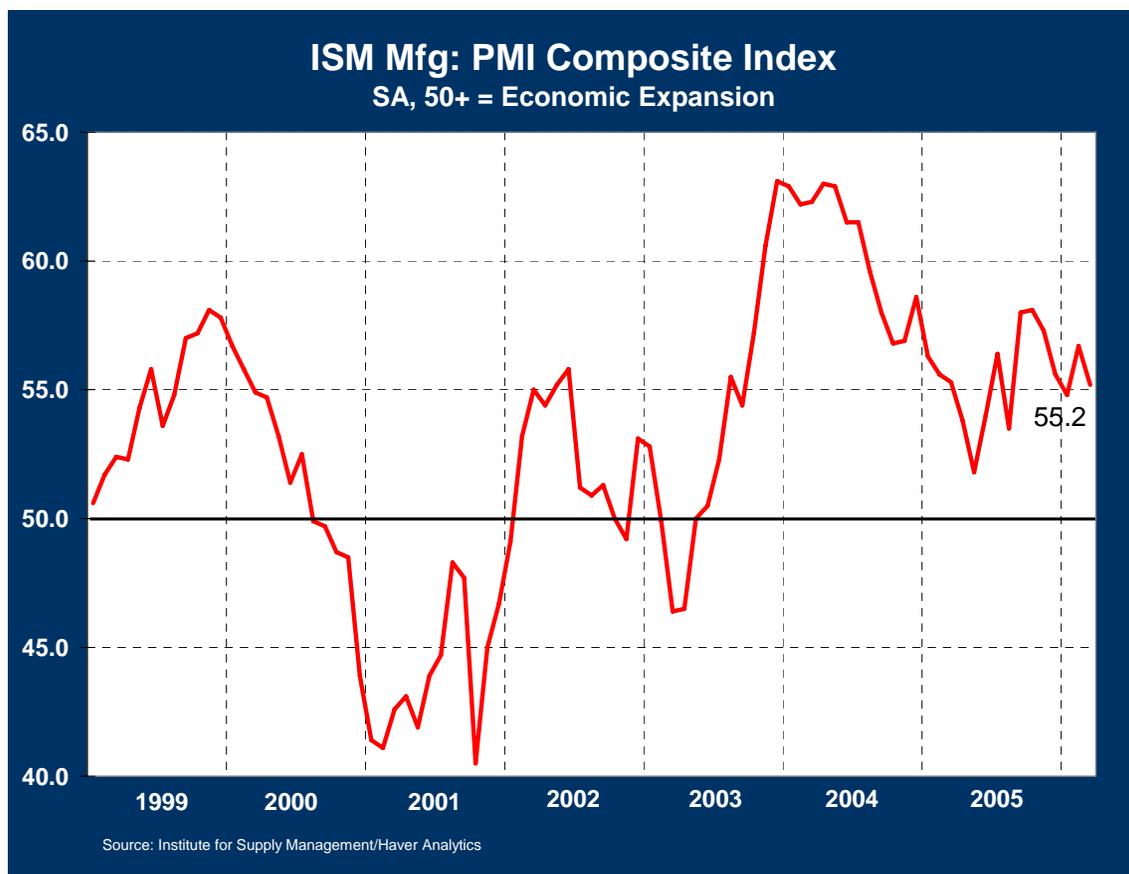
MANUFACTURING ACTIVITY REFLECTS STRONG FIRST QUARTER

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WASHINGTON, D.C. – The expansion of manufacturing activity in March provides another indication that economic growth in the first quarter of 2006 will prove robust, Chairman Jim Saxton said today. According to the Institute for Supply Management (ISM), its index of manufacturing activity expanded for the 34th consecutive month, although at a slightly slower pace than in the previous month. According to the ISM, the March level of its manufacturing activity index was 55.2 percent, and its average level “for January through March (55.6 percent) corresponds to a 4.7 percent increase in real gross domestic product (GDP).” Index levels above 50 percent mean that manufacturing activity is expanding.

“The ISM report on manufacturing activity released today is another sign of a booming first quarter,” Saxton said. “The recent levels of the manufacturing activity index suggest that the economy grew at a rate approaching 5 percent.

“According to the Federal Reserve and other forecasters, the economic outlook remains bright, with growth expected to be about 3.5 percent in 2006. Healthy economic growth will also lead to continued employment growth,” Saxton concluded.



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