

**MDM News Digest**

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UPDATE  
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valves and fittings, safety equipment, hose and rubber products, general industrial tools and others.

Carmel, IN-based **Schlage Lock Company LLC**, a business unit of **Ingersoll Rand**, has acquired the Door Hardware Division of **Fusion Hardware Group**. Fusion manufactures decorative door hardware and accessories, including knobs, levers, deadbolts and keyed entry plates.

**North American HVACR median distributor sales** increased 15 percent in August compared to last year, according to the latest Monthly Targeted and Regional Economic News for Distribution Strategies (TRENDS) report, released by Heating, Airconditioning and Refrigeration Distributors International.

Manufacturing expanded in September, according to the latest Manufacturing ISM Report on Business. The **Purchasing Managers Index** stood at 54.4, a decrease of 1.9 percent points from August. September marks 14 consecutive months of growth for manufacturing and 17 consecutive months of growth for the overall economy.

**Construction spending** in August 2010 was estimated at a seasonally adjusted annual rate of \$811.8 billion, 0.4 percent above the revised July estimate of \$808.6 billion, according to the U.S.

Census Bureau of the Department of Commerce. During the first 8 months of this year, construction spending amounted to \$539.4 billion, 11.2 percent below the \$607.5 billion for the same period in 2009.

The **transmission/motion control (PT/MC) industry** experienced rapid expansion during the second quarter, according to the inaugural Quarterly Business Index released by the Power Transmission Distributors Association. The overall reading of the association's distributor and manufacturer members revealed an index of 77.0. A reading above 50 indicates growth.

**Real gross domestic product** - the output of goods and services produced by labor and property located in the U.S. - increased at an annual rate of 1.7 percent in the second quarter of 2010, (from the first quarter to the second quarter), according to the "third" estimate released by the Bureau of Economic Analysis. In the first quarter, real GDP increased 3.7 percent.

The **Canadian Industrial Product Price Index (IPPI)** increased 0.4 percent in August compared with July, led by primary metal products, according to Statistics Canada. The **Raw Materials Price Index (RMPI)** rose 2.2 percent, mainly as a

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**Calculation of MDM Inflation Index for August 2010**

	BLS Price Indices Aug. '10	BLS Price Indices Jul. '10	BLS Price Indices Aug. '09	% Sales Weight	Weighted Indices (1)X(4)	% Change Aug. '10 Jul. '10	% Change Aug. '10 Aug. '09
1136 Abr. Prod.	511.2	517.1	511.8	19.1	97.64	-1.15	-0.12
1135 Cutting Tools	454.7	455.5	452.0	18.9	85.94	-0.18	0.60
1145 Power Trans.	727.6	721.0	719.8	15.4	112.05	0.91	1.09
1081 Fasteners	483.7	486.6	470.7	9.0	43.53	-0.61	2.75
1149.01 Valves, etc.	873.8	872.8	859.4	7.6	66.41	0.11	1.68
1132 Power Tools	339.4	338.1	337.4	6.5	22.06	0.39	0.59
1144 Mat. Handling	525.8	525.5	520.9	6.2	32.60	0.05	0.94
0713.03 Belting	644.1	638.9	622.5	6.1	39.29	0.81	3.46
1042 Hand Tools	731.8	731.8	739.6	8.1	59.28	0.00	-1.06
108 Misc. Metal	457.1	456.8	452.0	3.1	14.17	0.06	1.12
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"New" August Index	299.4	August Inflation Index			572.96	-0.01	0.90
"New" July Index	299.4	July Inflation Index			573.01		
		August 2009 Inflation Index			567.83		

New index reflects 1977=100 base other #: 1967 To convert multiply by .52247