

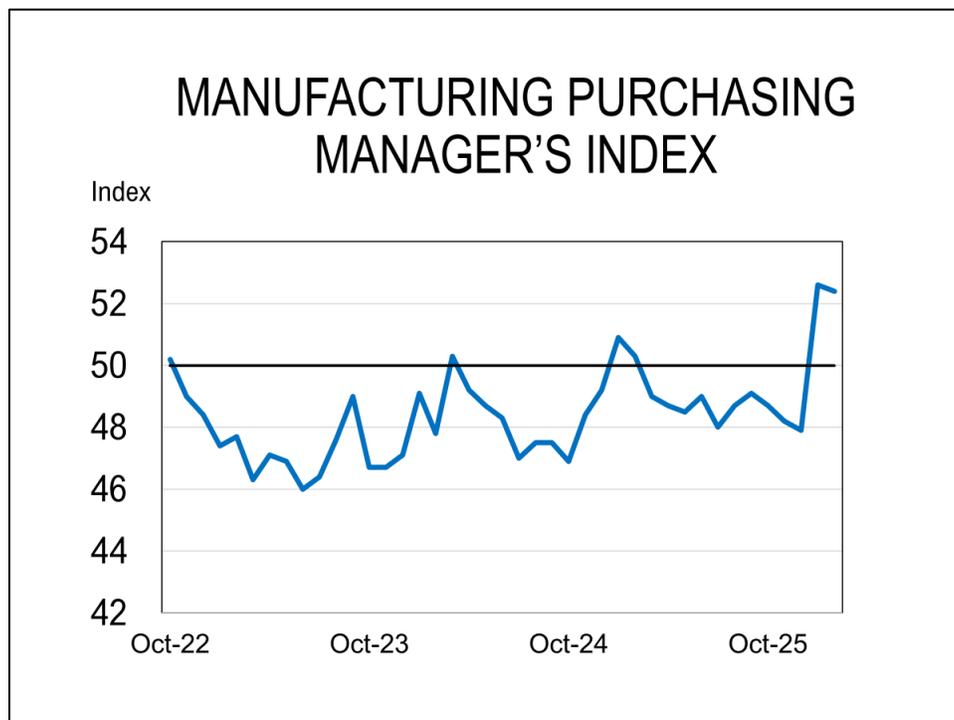
Current Economic News

Manufacturing Commodity Prices Spike

March 3, 2026, by Cloe Hughes

Yesterday, the Institute for Supply Management released their February 2026 Manufacturing Purchasing Managers Index Report, announcing a manufacturing index of 52.4%, a 0.2% decrease from 52.6% in January.

Each month, the ISM surveys purchasing and supply executives nationwide, asking them if they have noticed any changes in nine economic indicators – New Orders, Backlog of Orders, New Export Orders, Imports, Production, Supplier Deliveries, Inventories, Employment, and Prices – in comparison to the previous month. The resulting index calculated using these indicators helps economists gauge growth within the manufacturing industry. A manufacturing PMI of over 50% indicates growth, while a PMI of under 50% indicates contraction. While the February index of 52.4% signals growth, this is only the third expansionary period since October of 2022.



The Price Index skyrocketed in February up to 70.5%, an 11.5% increase from 59.0% in January. This number indicates an increase in the price of raw materials. The price index has increased for 17 straight months. This is the highest it has been since 78.5% in June 2022. All six of the major manufacturing industries reported commodity price increases in February. Those industries include Petroleum & Coal Products, Computer & Electronic Products, Transportation Equipment, Machinery, Food, Beverage & Tobacco Products, and Chemical Products. Several of the executives surveyed mentioned tariff instability as a factor in higher commodity prices. Survey-takers also noticed an increase in price in the following commodities: aluminum, brass, copper, electric components, natural gas, and steel.

Commodity Prices	% Higher	% Same	% Lower	Net	Index
February 2026	45.4	50.2	4.4	+41.0	70.5
January 2026	29.0	59.9	11.1	+17.9	59.0
December 2025	26.4	64.1	9.5	+16.9	58.5
November 2025	27.2	62.6	10.2	+17.0	58.5

The A. Gary Anderson Center for Economic Research (ACER) conducts its own [purchasing managers survey](#) for California and Orange County, similar to the ISM’s national manufacturing survey. In the first quarter of 2026, ACER reported a California purchasing managers index of 61.5%, signaling growth in statewide manufacturing, driven in part by the high-tech sector. This was an increase of 4.1% from a CA manufacturing index of 57.3% in the last quarter of 2025. The Orange County purchasing managers index also increased, to 62.2% in the first quarter of 2026, up 5.8% from 56.4% in the last quarter of 2025.

ACER will continue to monitor the ISM’s national manufacturing and price indices as we prepare for the upcoming press release of our Purchasing Managers Survey for the second quarter of 2026, which will be published in early April.