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For More Information Contact:
Ernie Goss, PhD
(402) 598-3198
ernieg@creighton.edu
Kristen Crawford
kcrawford@lukaspartners.com

Mid-America Manufacturing Index Solid in July
Elevated Wholesale Inflation Makes Rate Cuts Unlikely

July 2026 Survey Highlights

- The overall index moved above growth neutral for a sixth straight month.
- For only the second time in the past 12 months, the employment index rose above growth neutral.
- As reported by one supply manager, "It is encouraging to see reshoring taking place. Two major customers have moved operations from Mexico to the U.S."
- Not since the beginning of the pandemic has the wholesale price gauge fallen below growth neutral.
- Continued elevated inflation at the wholesale level is shrinking any chance of Federal Reserve rate cuts for the next several months.
- More than 93% of supply managers indicated that their firm was able to pass along cost increases related to the Iran War to their customers.

OMAHA, Neb. (August 3, 2026) — The Creighton University Mid-America Business Conditions Index, a leading economic indicator for the nine-state region stretching from Minnesota to Arkansas, moved above growth neutral for the sixth straight month, pointing to solid economic growth in regional manufacturing. This manufacturing expansion is likely to positively impact the broader economy in the months ahead.

Overall Index: The Business Conditions Index, which uses the identical methodology as the national Institute for Supply Management (ISM) and ranges between 0 and 100 with 50.0 representing growth neutral, slipped to 55.7 from 56.0 in June.

"Creighton's latest survey indicates that regional manufacturing growth continues on a solid pace but with elevated inflationary pressures at the wholesale level," said Ernie Goss, PhD, Director of Creighton University's Economic Forecasting Group and the Jack A. MacAllister Chair in Regional Economics in the Heider College of Business.

The Mid-America report is produced independently of the national ISM.

Employment: For only the second time in the past 12 months, the employment index rose above growth neutral. The index climbed to 51.2 from 49.8 in June.

“Much like the national ISM manufacturing job index, the regional manufacturing job market remains weak with only a slight improvement,” reported Goss. “Only one in 13 firms reported layoffs, and one in four detailed additional hiring during the month.”

The latest data from the U.S. Bureau of Labor Statistics (BLS) indicate that over the past 12 months, the region’s manufacturing sector shed approximately 7,500 (0.5%) jobs while the nation lost roughly 37,000 manufacturing jobs during the same period of time. Iowa, Missouri, Nebraska and Oklahoma accounted for almost all of regional job losses over the past 12 months.

Regional food processing firms shed 8,600 jobs, or approximately 3.7% of total food manufacturing in the region over the past 12 months. Nebraska accounted for 46.5% of regional food processing job losses over the period.

Other comments from supply managers in July:

- “Very complex: Supplies are very aggressive in announcing price increases; and buyers are fighting increases and buying time delaying increases. Depending on many factors, prices may actually go down substantially by end of year.”
- “Business levels continue to be strong. It is encouraging to see reshoring taking place. Two major customers have moved operations from Mexico to the U.S.”
- “My largest lead-time and price increases have been because of the large amount of data centers that have been built. Metal and refrigeration components are used to cool these date centers.”

Wholesale Prices: The July price gauge declined to 71.4 from 78.3 in June. “The Creighton regional price gauge and the national ISM wholesale price index are elevated and undermine any chance of rate cuts at the Federal Reserve’s rate-setting committee’s next meetings on September 16-17,” said Goss.

Approximately, two-thirds of supply managers reported that the War in Iran was resulting in delayed shipments and higher transportation costs or surcharges.

More than 93% of supply managers indicated that their firm was able to pass along cost increases related to the Iran War to their customers.

Confidence: Looking ahead six months, economic optimism, as captured by the July Business Confidence Index, increased to 57.7, its highest level since January of this year and up from 50.0 in June. “The Iran War will have an outsized impact on economic confidence in the months ahead. Oil prices above $85 per barrel and supply blockages at the Strait of Hormuz will push confidence lower,” said Goss.

Inventories: The July regional inventory index, reflecting levels of raw materials and supplies, rose to 53.4 from June’s 53.3.

Trade: Retaliation from higher U.S. tariffs and trade restrictions pushed the new export orders below growth neutral for the last 11 months. The new export orders index sank to 46.1 from 47.3 in June. As a result of supply bottlenecks and higher input prices, supply managers have pulled back on purchasing from abroad in the last 13 months. The July import index increased slightly to 44.8 from 44.1 in June.

The index for the speed of deliveries of raw materials and supplies declined to a still strong 59.5 from 62.5 in June. High readings indicate slowing delivery speed and/or rising supply chain disruptions/delays.

Other survey components of the July Business Conditions Index were: new orders rose to 59.1 from 58.7 in June; and the production index declined to 55.3 from June’s 55.9.

The Creighton Economic Forecasting Group has conducted the monthly survey of supply managers in nine states since 1994 to produce leading economic indicators of the Mid-America economy. States included in the survey are Arkansas, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma and South Dakota.

Below are the state reports:

Arkansas: The state's July Business Conditions Index climbed to a solid 57.1 from 56.2 in June. Components from the July survey of supply managers were: new orders at 60.1; production at 55.3; delivery lead time at 63.3; inventories at 53.8; and employment at 52.9. The latest data from the U.S. Bureau of Labor Statistics (BLS) indicate that over the past 12 months, the state's manufacturing sector's employment level was flat with 159,700 jobs.

Iowa: The state's Business Conditions Index for July declined to a solid 53.6 from June's 55.3. Components of the overall July index were: new orders at 57.0; production at 53.2; delivery lead time at 57.4; employment at 49.1; and inventories at 51.3. The latest data from the U.S. BLS indicate that over the past 12 months, the state's manufacturing sector shed 4,600 jobs for a loss of 2.1% of its manufacturing base. Food manufacturing was the big loser with a loss of 1,900 jobs.

Kansas: The Kansas Business Conditions Index for July rose to 57.0 from 55.7 in June. Components of the leading economic indicators from the monthly survey of supply managers for July were: new orders at 60.4; production at 56.6; delivery lead time at 60.8; employment at 52.4; and inventories at 54.7. The latest data from the U.S. BLS indicate that over the past 12 months, the state's manufacturing sector gained 2,200 jobs for 1.3% growth of its manufacturing base. Aircraft and aerospace product manufacturing was the major job gainer, with an addition of 1,200 workers over the 12 months.

Minnesota: The July Business Conditions Index for Minnesota expanded to a regional high 57.9 from June's regional high of 57.1. Components of the overall July index were: new orders at 61.3; production or sales at 57.6; delivery lead time at 61.7; inventories at 56.7; and employment at 53.4. The latest data from the U.S. BLS indicate that over the past 12 months, the state's manufacturing sector added 7,100 jobs for a gain of 2.2% of its manufacturing base. Metal manufacturing was the top producer, adding 1,900 jobs over the 12 months.

Missouri: The state's July Business Conditions Index fell to 54.1 from 55.3 in June. Components of the overall index from the survey of supply managers for July were: new orders at 57.5; production at 53.7; delivery lead time at 57.9; inventories at 51.8; and employment at 49.6. The latest data from the U.S. BLS indicate that over the past 12 months, the state's manufacturing sector shed 4,600 jobs for a loss of 1.6% of its manufacturing base. Food manufacturing was the big loser, shedding 1,700 jobs over the 12 months.

Nebraska: The state's July Business Conditions Index sank to a regional low of 51.1 from 52.5 in June, also a regional low. Components of the index from the monthly survey of supply managers for July were: new orders at 54.5; production at 50.8; delivery lead time at 54.9; inventories at 48.9; and employment at 46.6. The latest data from the U.S. BLS indicate that over the past 12 months, the state's manufacturing sector dropped 4,700 jobs for a loss of 4.6% of its manufacturing base. The state's food processing industry was the top job loser, shedding 4,000 jobs over the past 12 months.

North Dakota: The state's Business Conditions Index for July dipped to 55.0 from June's 55.1. Components of the overall index for July were: new orders at 58.4; production at 54.6; delivery lead time at 58.8; employment at 50.5; and inventories at 52.7. The latest data from the U.S. BLS indicate that over the past 12 months, jobs in the state's manufacturing sector lost 200 jobs for a 0.7% fall for the state's manufacturing base. Machinery manufacturing was the big loser, shedding 100 jobs over the 12 months.

Oklahoma: The state's Business Conditions Index for July dropped to 54.3 from 55.5 in July. Components of the overall July index were: new orders at 58.3; production at 55.6; delivery lead time at 61.7; inventories at 52.8; and employment at 49.0. The latest data from the U.S. BLS indicate that over the past 12 months, the state's manufacturing sector shed 2,200 jobs for a loss of 1.6% of its manufacturing base. Durable goods manufacturers accounted for a significant portion of the jobs lost over the past 12 months.

South Dakota: The July Business Conditions Index for South Dakota fell to 54.1 from 56.2 in June. Components of the overall July index were: new orders at 57.5; production at 53.8; delivery lead time at 57.9; inventories at 51.9; and employment at 49.6. The latest data from the U.S. BLS indicate that over the past 12 months, the state's non-durable goods manufacturing sector, including food processors, shed 700 jobs for a loss of 1.6 % of its manufacturing base.

Survey results for the month of August will be released on the first business day of September.

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