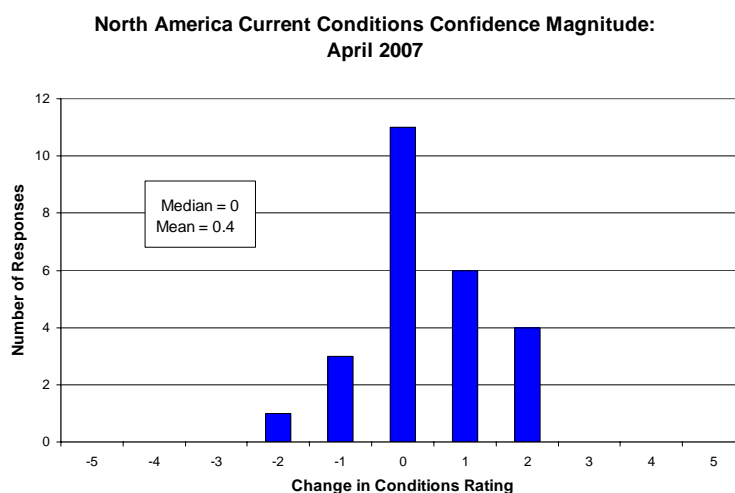
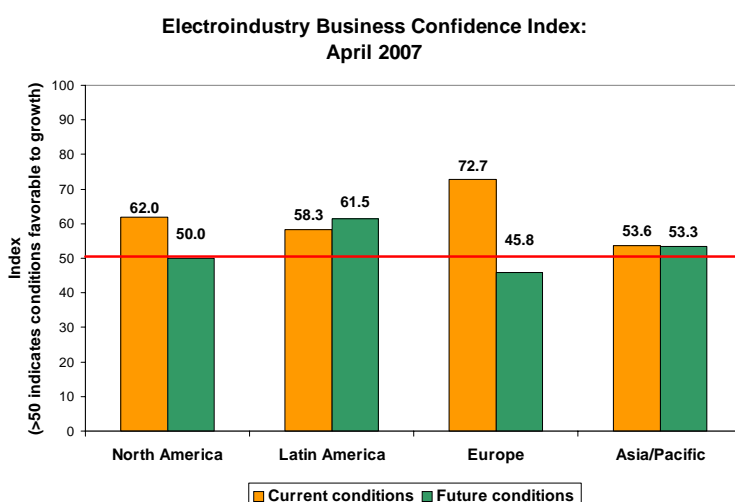




## April 2007 NEMA Electroindustry Business Confidence Index

April 25, 2007

### EBCI FOR CURRENT NORTH AMERICAN BUSINESS CONDITIONS UP AGAIN IN APRIL



North American business conditions improved for the second month in a row in April, according to senior industry executives responding to NEMA's monthly Electroindustry Business Confidence Survey. The Electroindustry Business Confidence Index (EBCI) for current North American conditions climbed to 62 in April, its highest level in a year. The index rose from 56.5 in March, indicating that the pace of improvement in conditions accelerated in the most recent month. In February the index stood at the "break-even" mark of 50, suggesting that conditions were flat relative to the prior month.

Moreover, the survey's measure of the mean *degree* of change in North American business

NOTE: North America includes Canada and the United States. Latin America includes Mexico, Central America, and South America.

conditions improved for the fourth straight month in April, rising to +0.4 from +0.2 in March (on a scale from -5 [deteriorated significantly] through 0 [stayed the same] to +5 [improved significantly]).

Meanwhile, the EBCI for future North American conditions retreated for the second consecutive month. April's reading of 50, down from 54.3 in March and 64.6 in February, indicates that survey panelists expect business conditions six months hence to stand at about the same level as currently.

While only two of the other six regional indices derived from April's survey results showed increases on the month, five of the six bested the critical 50-point threshold indicative of improvements in current or anticipated business conditions:

- Current and future conditions measures for the Asia/Pacific region declined to 53.6 and 53.3, respectively.
- Current conditions readings for Latin America and Europe gained ground, rising to 58.3 and 72.7, respectively.
- By contrast, the future conditions indicator for Latin America slipped to 61.5 from 66.7 a month ago.
- Business conditions in Europe are expected to deteriorate over the next six months, evidenced by an index reading of 45.8, an 8.7 point decline from a month ago.

**SURVEY RESULTS:**

<b>Region</b>	<b>Current Conditions</b> (Compared to Previous Month)	<b>Conditions Six Months From Now</b> (Compared to Current Conditions)
North America	62.0	50.0
Latin America	58.3	61.5
Europe	72.7	45.8
Asia/Pacific	53.6	53.3

Number of Respondents =25

Values reflect the percentage of respondents expecting "Better" conditions, plus one-half of the percentage of respondents expecting "Unchanged" conditions.

A score of 50 or higher suggests conditions appropriate to expansion of the electroindustry sector.

## **EBCI CONSTRUCTION DESCRIPTION:**

The EBCI indexes are based on the results of a monthly survey of senior managers at NEMA member companies and are designed to gauge the business confidence of the electroindustry in key world regions.

The survey contains the following questions:

1. How would you rate current economic conditions in the following regions, as they affect your business, compared to the previous month?
  - a. Using the following scale, please describe the magnitude of change in economic conditions in North America this month compared to economic conditions last month? [Scale structured as follows: 5 (improved significantly), 4, 3, 2, 1, 0 (stayed the same), -1, -2, -3, -4, -5 (deteriorated significantly)]
2. How do you expect economic conditions in the following regions, as they affect your business, to have changed six months from now?

Respondents are asked to indicate whether conditions are better, worse or unchanged (or not available if their respective company does not do business in a particular region). The four regions are North America (Canada and the United States), Latin America (Mexico, Central America, and South America), Europe, and Asia/Pacific. The survey also provides space for respondents to comment on current conditions. These comments are included below the table containing the index levels.

The index value is the percentage of respondents expecting “Better” conditions, plus one-half of the percentage of respondents expecting “Unchanged” conditions, which follows the methodology used by the Institute for Supply Management (formerly the National Association of Purchasing Management) in the construction of their manufacturing index.

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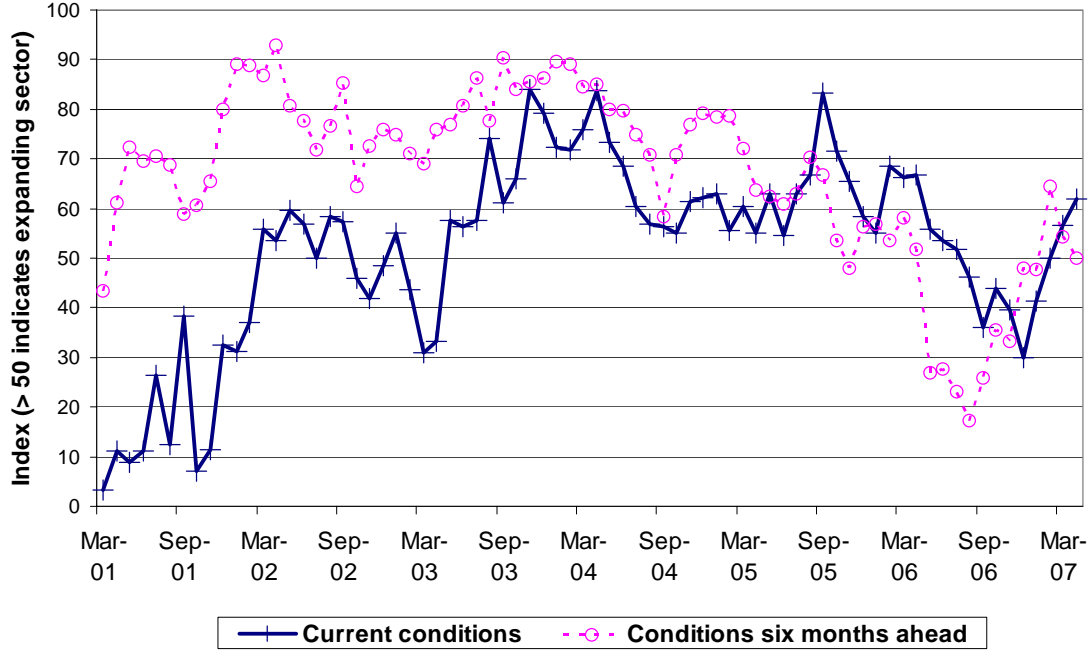
Based on popular demand for up-to-date data and forward-looking analysis of the electroindustry and the economic fundamentals that drive it, NEMA/BIS offers a subscription-based, regularly updated compendium of the information that industry professionals and executives most often request. The *Electroindustry Economic Outlook* is the preferred source for timely, comprehensive coverage of the economic trends and events shaping the U.S. electroindustry.

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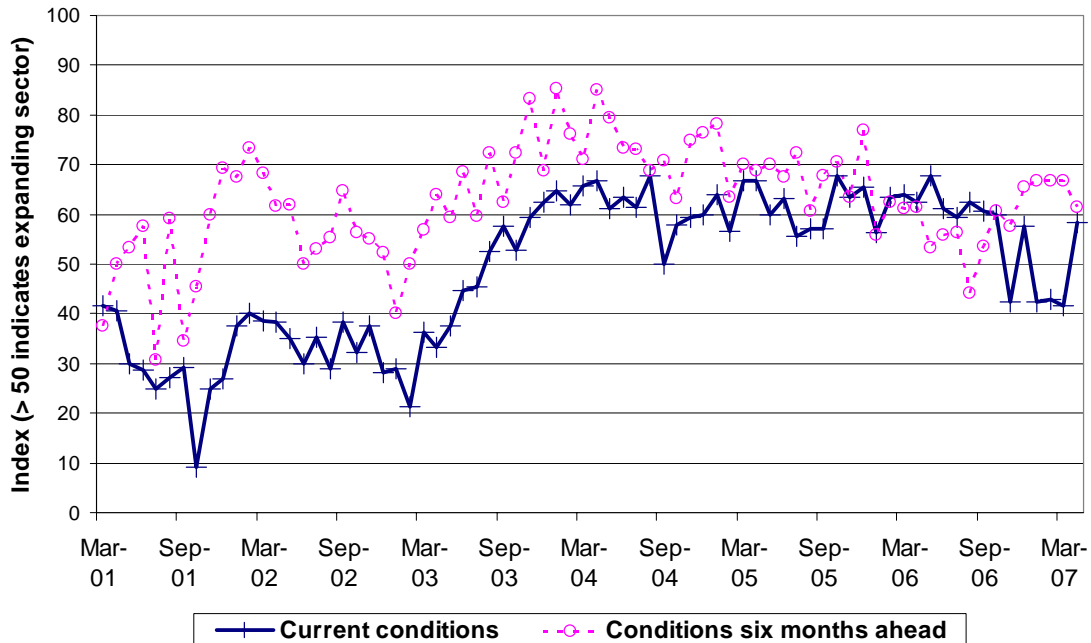
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## Appendix: Time Series Charts

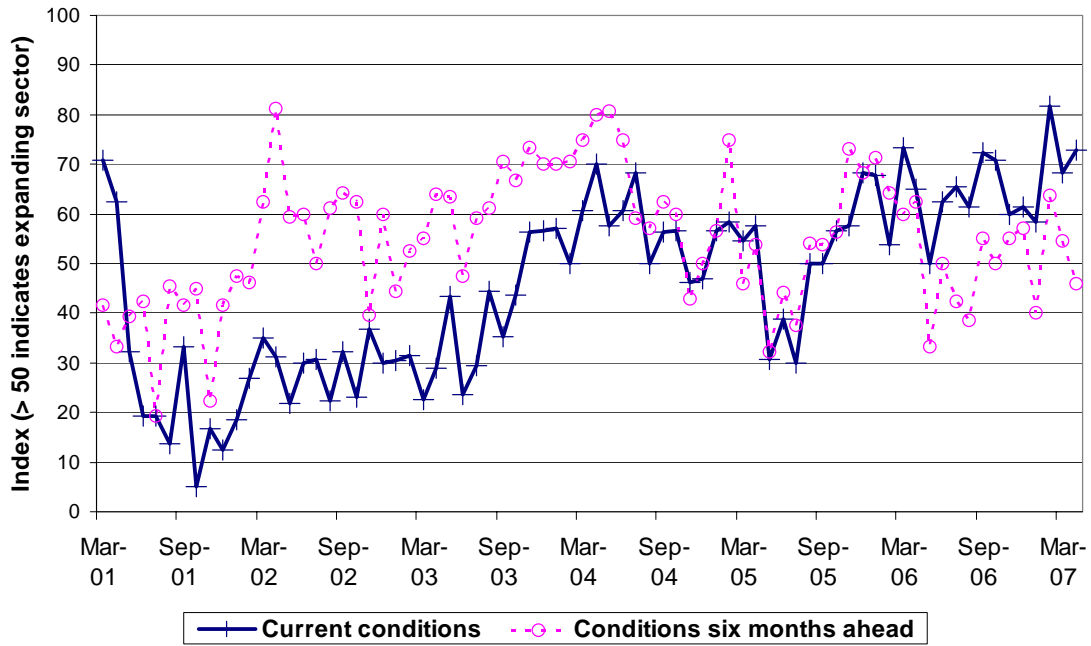
### Business Conditions: North America



### Business Conditions: Latin America



### Business Confidence: Europe



### Business Confidence: Asia/Pacific

