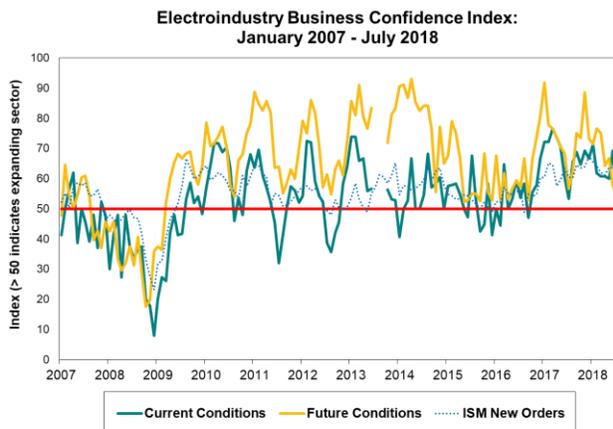


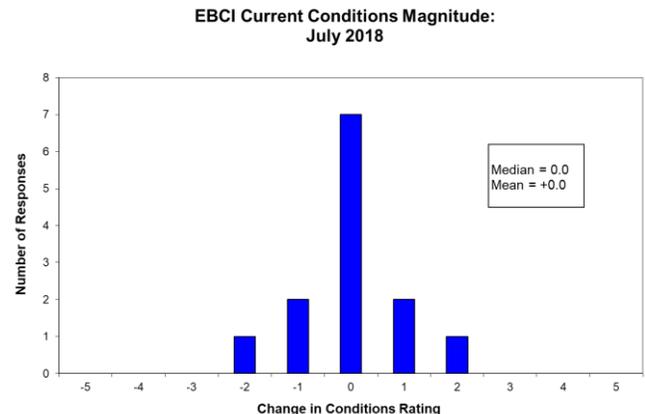
Even with Decline in Both Current and Future Components, Little Change in Expansionary Conditions Suggested



The current component of the EBCI pulled back sharply in July, but remained above the level indicative of conditions conducive to growth at 53.8. The 15.4 point fall from the previous month was the steepest such decline since December 2015, but was less a sign of deteriorating conditions than of hitting a plateau as all of the change was attributable to a substantially greater share of respondents noting that conditions were unchanged.

The reported intensity of change in electroindustry business conditions flattened compared to last month. The mean value declined to 0.0 after reaching 0.6 in June. July's median value also slid to 0 following a one-month stint at 1. *Panelists are asked to report intensity of change on a scale ranging from -5 (deteriorated significantly) through 0 (unchanged) to +5 (improved significantly).*

Although the future conditions component also declined this month, its change was much less pronounced than was the case for current conditions. Edging down 3.9 points to 53.8, the outlook for six months ahead remains expansionary. The share of panelists expecting better conditions decreased in July, as did the number indicating worse conditions ahead. The only category to see an increase this month was in those expecting unchanged conditions. One commenter suggested some trepidation regarding international trade, but the general quiescence in the commentary section suggests a wait-and-see attitude prevails for now.



SURVEY RESULTS:

	Current Conditions (Compared to Previous Month)		Conditions Six Months From Now (Compared to Current Conditions)	
EBCI	53.8	▼	53.8	▼
% Better	23%	▼	31%	▼
% Worse	15%	▬	23%	▼
% Unchanged	62%	▲	46%	▲

Number of Respondents =13

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 METHODOLOGY:

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 environment of the electroindustry in North America (defined here as the United States and Canada).

The survey contains the following questions:

1. How would you rate current economic conditions in North America, 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 North America, as they affect your business, to have changed six months from now?

Respondents are asked to indicate whether conditions are better, worse or unchanged. 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 (ISM; formerly the National Association of Purchasing Management) in the construction of their manufacturing index.

NOTE: The chart of NEMA EBCI scores uses ISM New Orders Index values for comparison purposes. The current month Manufacturing ISM® *Report On Business*® may be found here:

<https://www.instituteforsupplymanagement.org/ismreport/mfgrob.cfm>