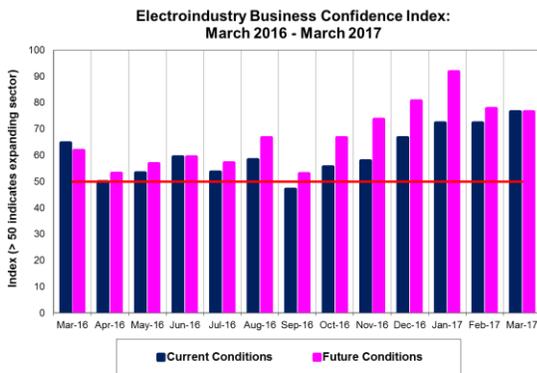


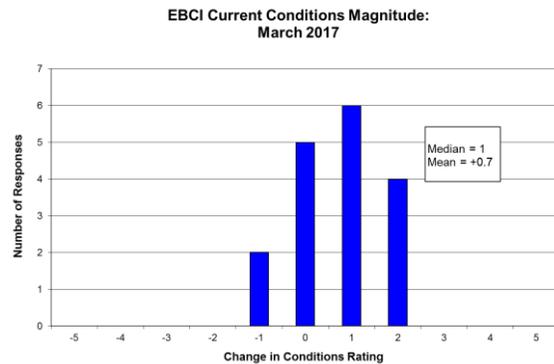
March 2017 NEMA Electroindustry Business Confidence Index

March 29, 2017

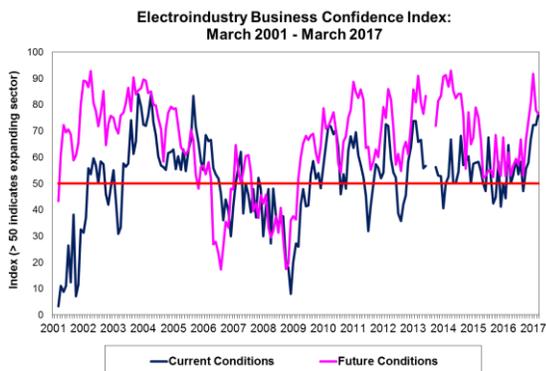
Despite Washington's Unclear Path, Current Conditions Index Reaches Pre-Recession Level



In moving from 72.2 last month to 76.5 in March, the NEMA Electroindustry Business Confidence current conditions index reached its highest level since September 2005. Although some executives remarked on confusion in Washington and flashes of social unrest, signs of a strengthening economy noted by others were apparently widespread among panel members. The share of those indicating better business conditions increased by 9 percentage points to 59 percent this month, and all of that increase came as a result of a 9 percentage point drop in the “unchanged” conditions category, from 44 percent in February to 35 percent in March. Like last month, only 6 percent reported worse conditions.



The survey’s measure of the *intensity* of change in electroindustry business conditions was unchanged from last month, with the median value remaining at +1 and the mean score holding steady at +0.7 in March. Panelists are asked to report intensity of change on a scale ranging from –5 (deteriorated significantly) through 0 (unchanged) to +5 (improved significantly).



The aggregated future conditions responses were identical to the current conditions components this month. The overall index of conditions expected six months from now drifted down to 76.5 from last month’s reading of 77.8. The 59 percent of respondents expecting better conditions is down from 67 percent last month, while the percentage that foresees unchanged conditions leapt by 13 points to 35 percent in March. Meanwhile, the 6 percent of those expecting worse conditions marks a 5 percent decline from February’s results.

SURVEY RESULTS:

	Current Conditions (Compared to Previous Month)	Conditions Six Months From Now (Compared to Current Conditions)
EBCI	76.5	76.5
% Better	59%	59%
% Worse	6%	6%
% Unchanged	35%	35%

Number of Respondents =17

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 (formerly the National Association of Purchasing Management) in the construction of their manufacturing index.