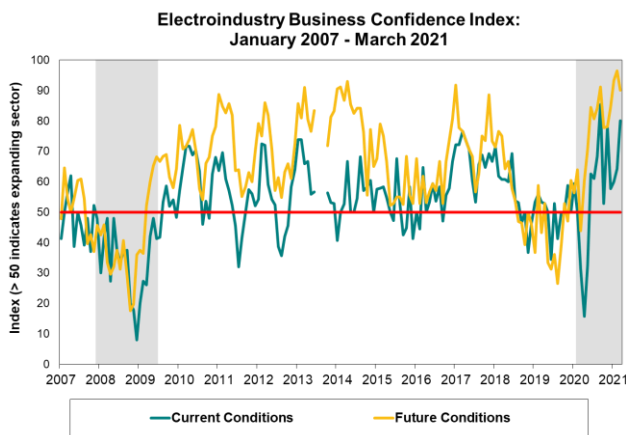


Current and future components remain positive for electrical industry



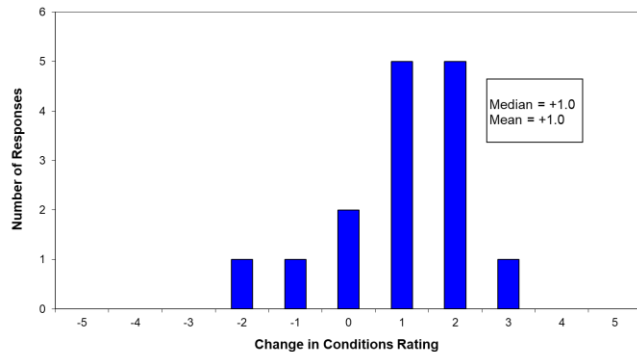
For the tenth consecutive month, the EBCI current conditions component topped 50 points, indicating conditions conducive to growth. March's reading of 80 built on an already robust 64.3 in February and was driven by two-thirds of survey respondents' indicating better conditions. Fewer than 10 percent noted worse conditions while the remainder saw things as unchanged. Electroindustry shipments and new orders data reported by the Census Bureau buttressed this result as both have grown rapidly in the two most recent monthly reports. Some panelists pointed to slower or

delayed activity, but most noted improvements in the economic environment and on the pandemic front.









The median reported magnitude of change in current electroindustry business conditions increased to +1.0 this month, up from +0.5 in February. The mean matched the median at +1.0 in March, ticking up slightly from +0.9 last month. *Panelists are asked to report the magnitude of change on a scale ranging from -5 (deteriorated significantly) through 0 (unchanged) to +5 (improved significantly).*

Despite the steady expansion of the current component, the future conditions component has managed to stay ahead of its contemporary counterpart for the last four months. In March, even though it stepped back a bit from an all-time high of 96.4 in February, the six months ahead reading remained at a more than respectable 90. This report period marks the third month in a row during which not one respondent expected worse conditions half a year from now. Comments largely focused on the pending release of pent-up demand as pandemic restrictions are likely to be loosened further over the next few months.

EBCI Current Conditions Magnitude: March 2021



SURVEY RESULTS:

	Current Conditions (Compared to Previous Month)	Conditions Six Months From Now (Compared to Current Conditions)
EBCI	80.0 	90.0 
% Better	67% 	80% 
% Worse	7% 	0% 
% Unchanged	27% 	20% 

Number of Respondents =15

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.

Please note that survey responses were collected from the period of March 10-26, 2021.

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.