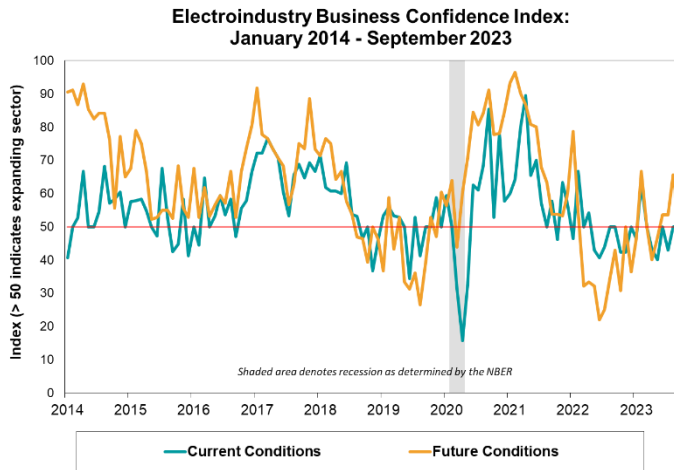


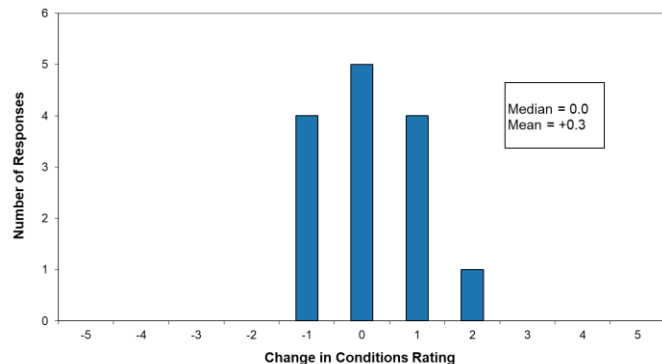
Growth anticipated as current conditions remain unchanged



In September, the current conditions component settled at 50 points for the second consecutive month. The 29 percent share of respondents that reported “better” conditions exactly matched those noting “worse” conditions, for a net result of unchanged from the prior month. Panel members’ comments suggested sectors such as power utility, industrial, data center, and infrastructure remained strong, but excess inventories, “sporadic supply chain issues,” and slowing orders activity were notable concerns.

With no discernable change from the prior month, the reported magnitude of change in current conditions also remained centered on “unchanged” with the median value at 0.0 for the fifth month in a row and a mean that barely budged to +0.3 from its August reading of +0.2. *Panelists are asked to report the magnitude of change on a scale ranging from -5 (deteriorated significantly) through 0 (unchanged) to +5 (improved significantly).*

EBCI Current Conditions Magnitude: September 2023



Down 12 points from last month, the future conditions component still signaled expected growth in six months as the forward-looking measure registered 53.6 points in September. More than one third of respondents anticipated “better” conditions ahead, and a similar proportion expected conditions to be “unchanged.” Panel members cited infrastructure projects, e-mobility, and an improved residential construction market as anticipated market drivers, but some were wary of potential impediments such as tighter credit conditions, rising debt, and a tenuous geopolitical environment.

SURVEY RESULTS:

	Current Conditions (Compared to Previous Month)		Conditions Six Months From Now (Compared to Current Conditions)	
EBCI	50.0	■	53.6	▼
% Better	29%	▲	36%	▼
% Worse	29%	▲	29%	▲
% Unchanged	43%	▼	36%	▲

Number of Respondents = 14

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 September 13-22, 2023.

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.