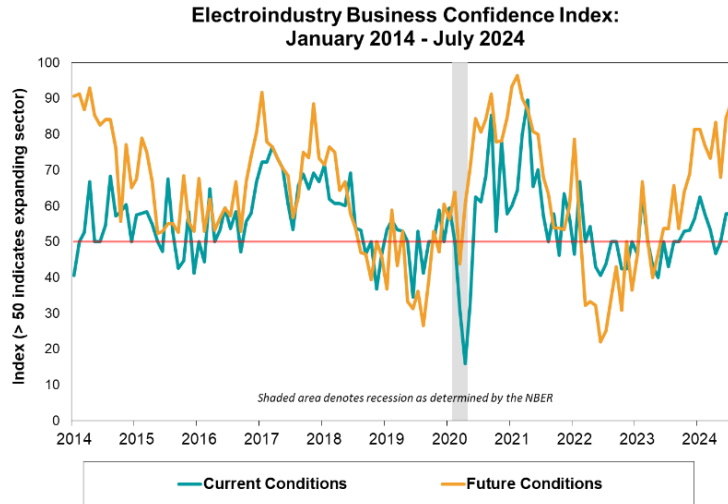
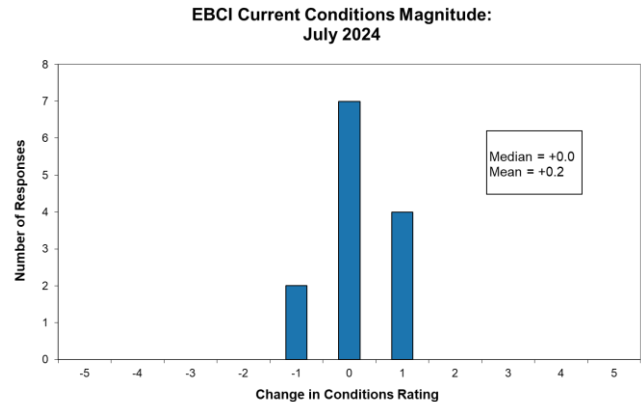


## Future conditions component continues to climb











The current conditions component remained steady at 57.7 in July, the same value reported in June. Most respondents, 69 percent, described current conditions as “unchanged” while 23 percent considered them “better”. Comments from panel members reflect this stability, with some noting improvements in orders, while others reported having excess inventory.

The median value of responses regarding the reported magnitude of change in current conditions remained at 0.0, which is unchanged from last month. The mean was +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).*



In July 2024, the future conditions component reached 88.5, marking the 14<sup>th</sup> consecutive month of expected growth in the period six months ahead and the highest value we have seen since the Spring of 2021. Over three-quarters of the panel members predicted “better” conditions, and none indicated that they foresee “worse” conditions in six months from now. Comments on conditions in the next six months were optimistic, with expectations for reduced inventory levels and interest rate reductions.

## SURVEY RESULTS:

	<b>Current Conditions</b> (Compared to Previous Month)	<b>Conditions Six Months From Now</b> (Compared to Current Conditions)
EBCI	57.7 	88.5 
% Better	23% 	77% 
% Worse	8% 	0% 
% Unchanged	69% 	23% 

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.

*Please note that survey responses were collected from the period of July 8-19, 2024.*

## 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.