



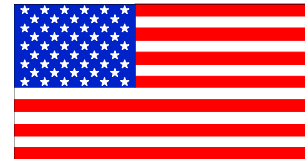
## **ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**

**For the 6-Month Period Ending  
December 31, 2010**

Data Provided by the Members of:



**CANADA**  
Canadian Tooling  
& Machining  
Association (CTMA)



**USA**  
National Tooling  
& Machining  
Association (NTMA)

Results Compiled by:  
National Tooling & Machining Association

**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
(For the Period Ending December 31, 2010)

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**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
**(For the Period Ending December 31, 2010)**

**EXECUTIVE SUMMARY - CANADA**

The number of member companies contributing to the ISTMA Americas survey has remained much the same for this period, as have the Average Hours Worked per week and the Future Order Book volumes.

Current business conditions reported for this period show improved conditions with an increase from 60% to 74% of members reporting good to excellent conditions. This is reinforced by slight improvements in Quoting, Shipments, Order Backlogs and Profits; with only a small decline in Employment levels. The downward trend from the last few surveys appears to be reversing and shows some optimism. Despite these results, many people within the sector continue to report very mixed signals indeed on a general economic recovery for the Canadian tooling industry and even question if this is at all possible with globalization.

The general Canadian economy, property values, consumer confidence are all reasonably stable and corporate tax rates continue to be reduced by the federal government. The Canadian Manufacturing Coalition which is comprised of 40 manufacturing associations across Canada continues to lobby the government for a 2-year extension to the write-off provisions for equipment and machinery purchases by manufacturers. The speed of technology advancements are such today that investments in new and better equipment is a constant need for our sector.

Sincerely,



Les Payne  
Executive Director  
Canadian Tooling & Machining Association

**EXECUTIVE SUMMARY – USA**


Business conditions for NTMA member companies continued to show improvement through the end of 2010 and an increased feeling of optimism is welcomed as manufacturers plan for a productive and increased level of business for 2011. Of our reporting companies, 74% reported business conditions as good, very good, or excellent for the second half of 2010 – up from 65% for the first half of 2010 and significantly higher than the same period a year prior.

96% of survey respondents projected business conditions will either remain the same or improve during the first half of this year, with a majority indicating a moderate increase in business; a more confident assessment than provided in our last report.

In nearly every region and industry segment, our manufacturers are seeing improved business conditions and growing confidence for the year. Quoting, Shipping, Order Backlog, Profits, and Employment have all increased over the prior reporting period and are expected to stay the same or increase through the next quarter.

For comparison purposes, the Institute for Supply management also reported improved business conditions in manufacturing during the second half of 2010 and in February the manufacturing index continued its rapid growth as the PMI registered 61.4 percent, an increase of 0.6 percentage point when compared to January's reading of 60.8 percent. This is also the highest PMI reading since May 2004 when the index also registered 61.4 percent.

Sincerely,



Rob Akers  
Chief Operating Officer  
National Tooling & Machining Association

**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
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**CANADA**

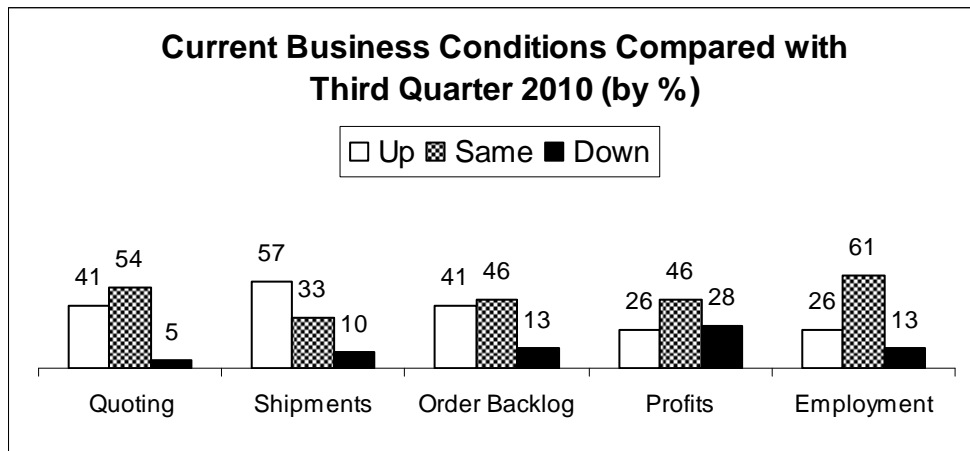
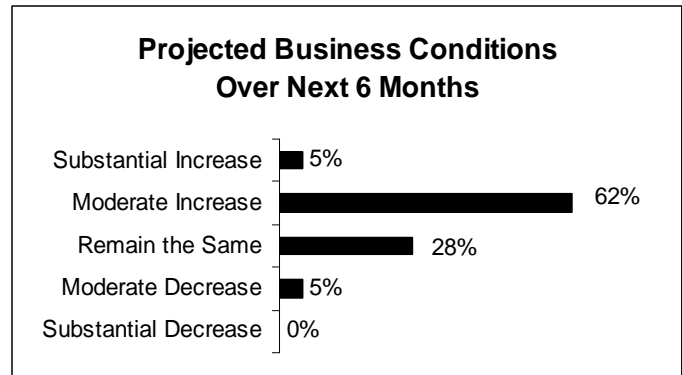
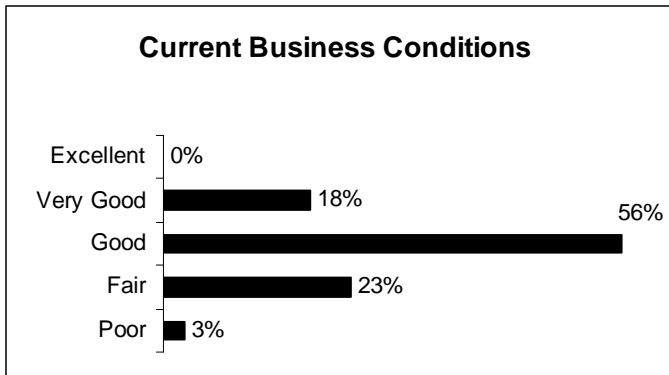


**ALL SECTORS**  
 (39 survey responses ... 27% of CTMA membership)

Total Number of Skilled Employees: 1,381 (at June 30, 2010)  
 1,456 (at December 31, 2010)

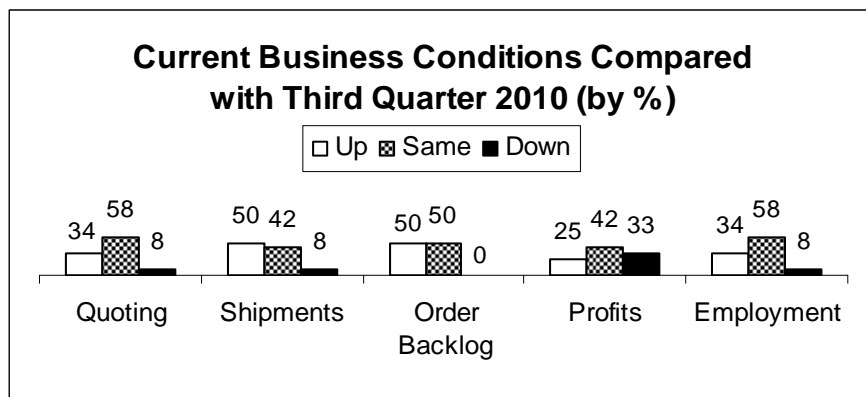
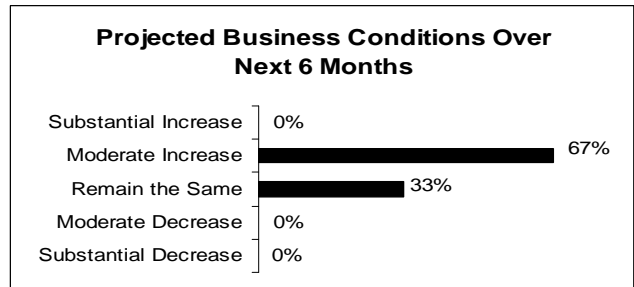
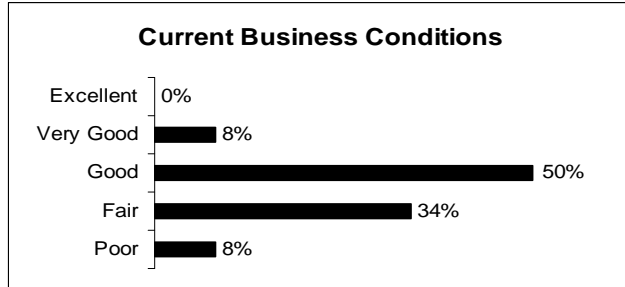
Current Average Work Week Per Skilled Employee: 42.6 hours

Average Future Work on Order Books: 7.5 Weeks

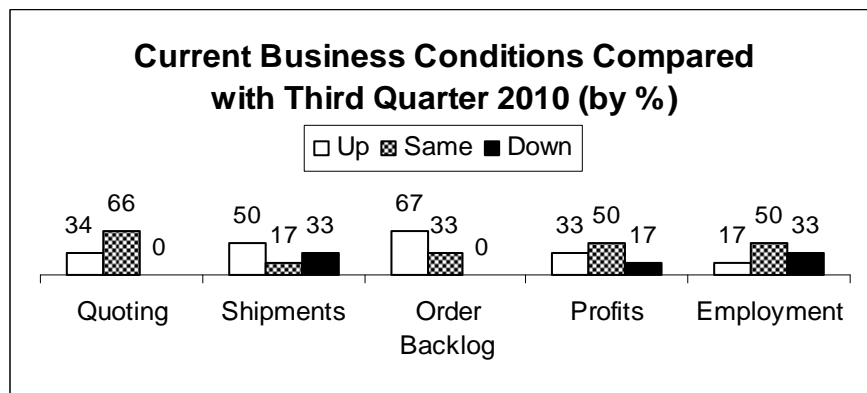
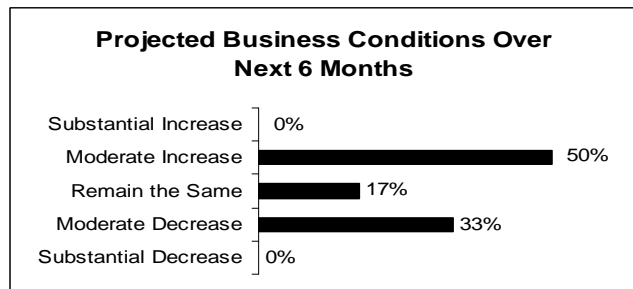
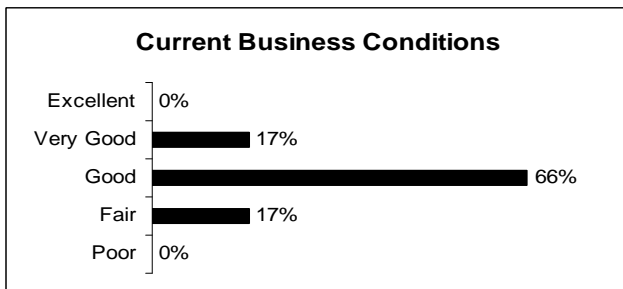


**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
(For the Period Ending December 31, 2010)

**TOOL, DIE & FIXTURE SECTOR**  
(12 survey responses)



**MOULD SECTOR**  
(6 survey responses)

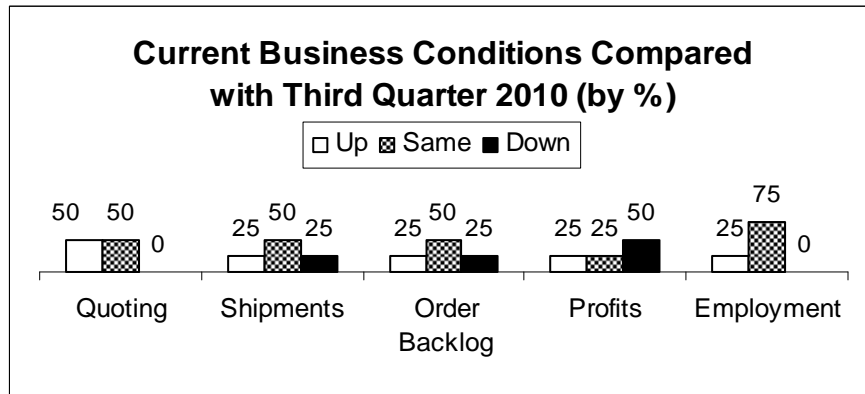
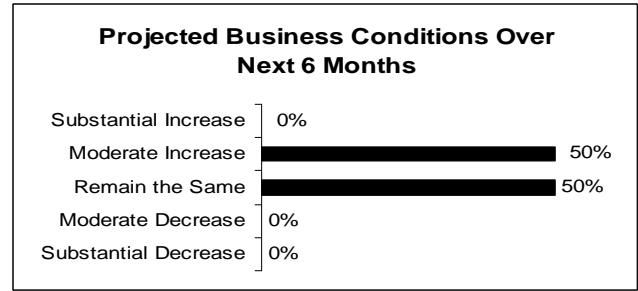
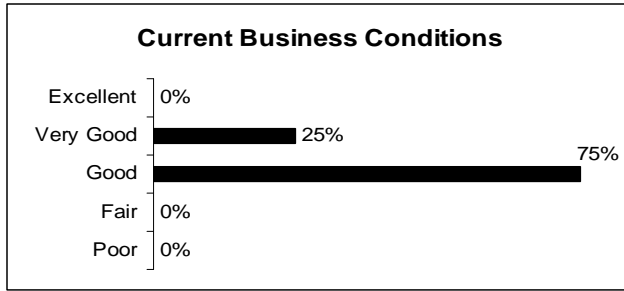


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(For the Period December 31, 2010)

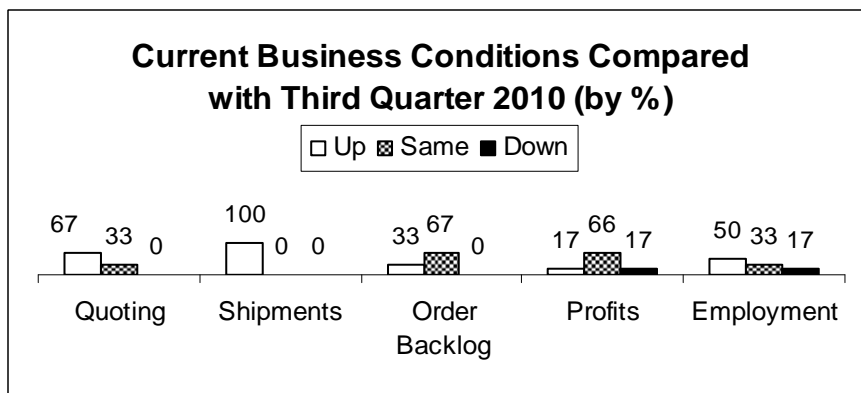
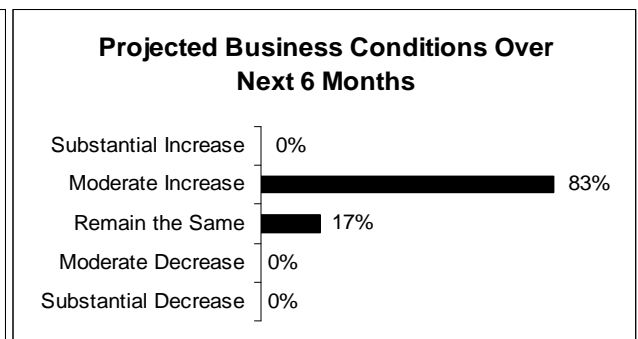
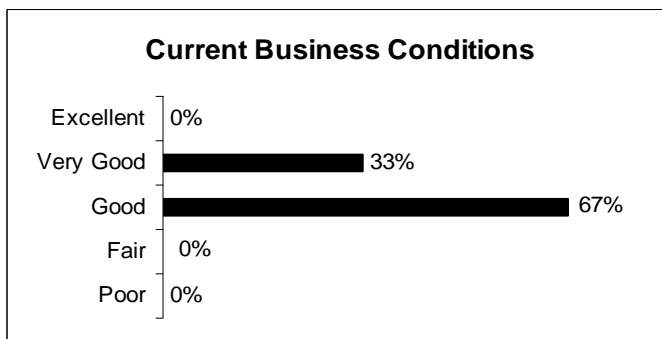
**CANADA**



**SPECIAL MACHINES SECTOR**  
(4 survey responses)



**PRECISION MACHINING**  
(6 survey responses)

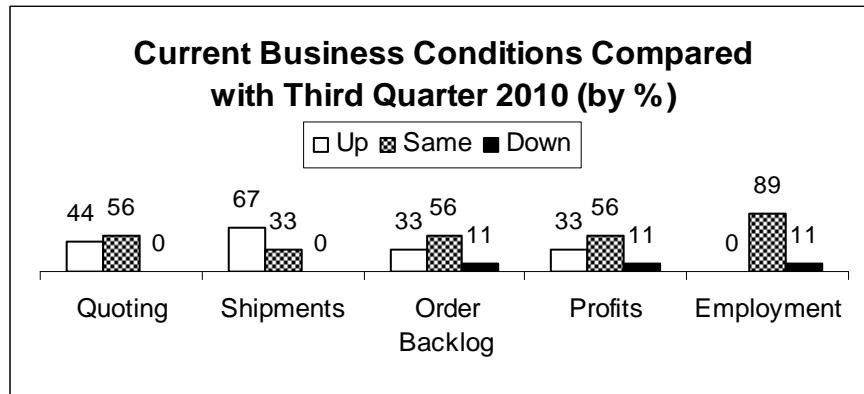
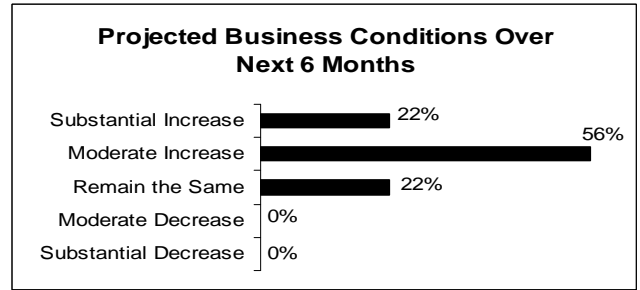
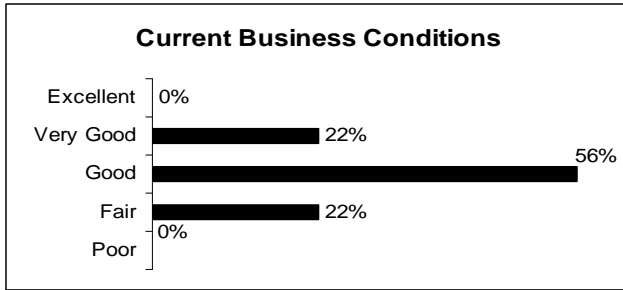


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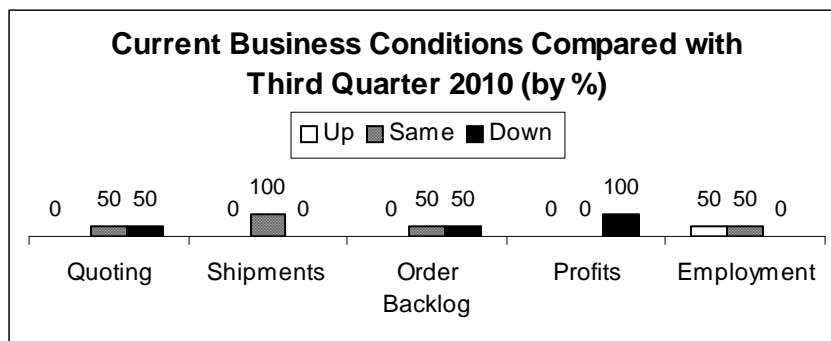
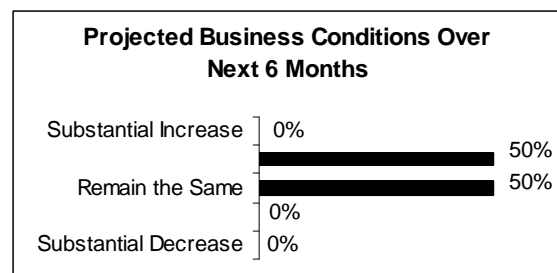
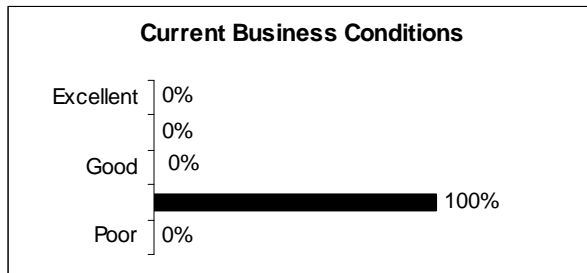
**CANADA**



**CUTTING TOOL SECTOR**  
 (9 survey responses)

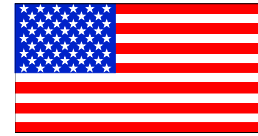


**OTHERS**  
 (2 survey responses)



**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
 (For the Period Ending December 31, 2010)

USA

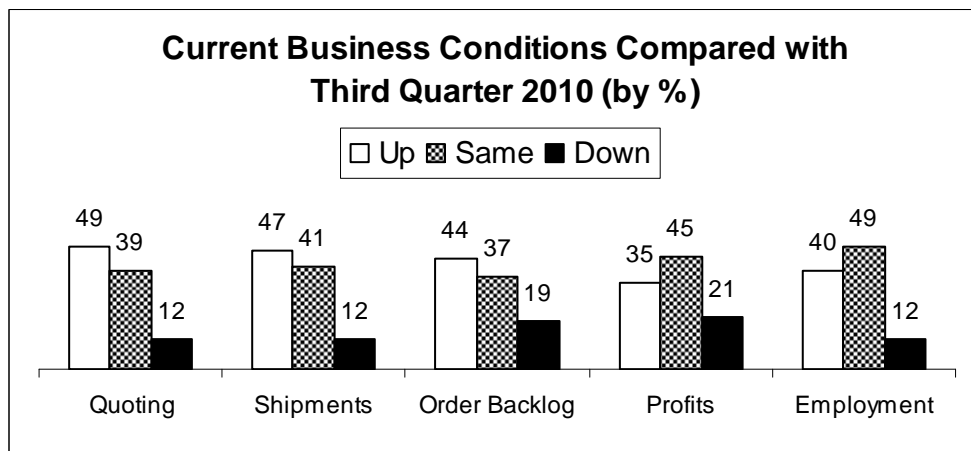
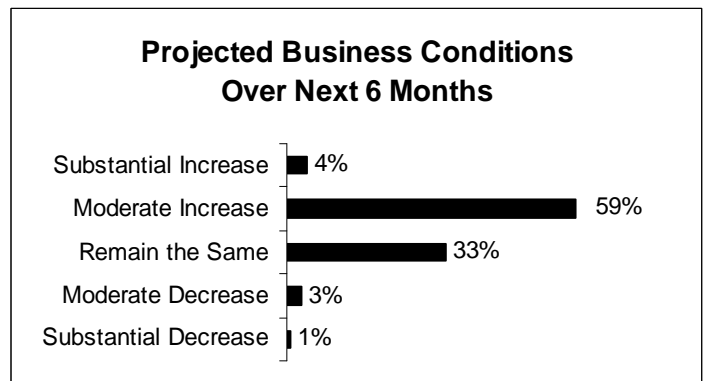
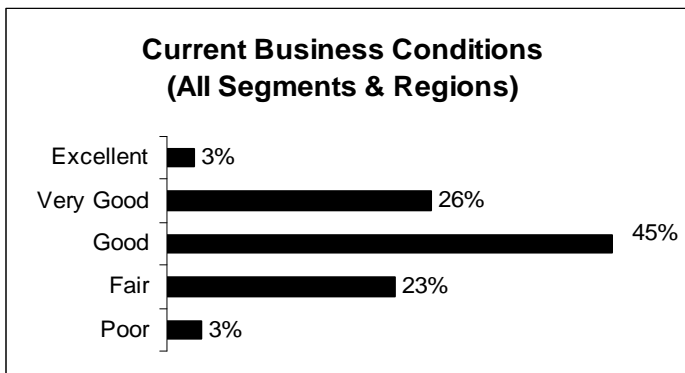


**ALL SECTORS**  
 (258 survey responses ... 22% of NTMA membership)

Total Number of Skilled Employees: 14,144 (at June 30, 2010)  
 14,777 (at December 31, 2010)

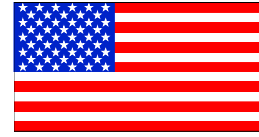
Current Average Work Week Per Skilled Employee: 44.3 hours

Average Future Work on Order Books: 13 weeks

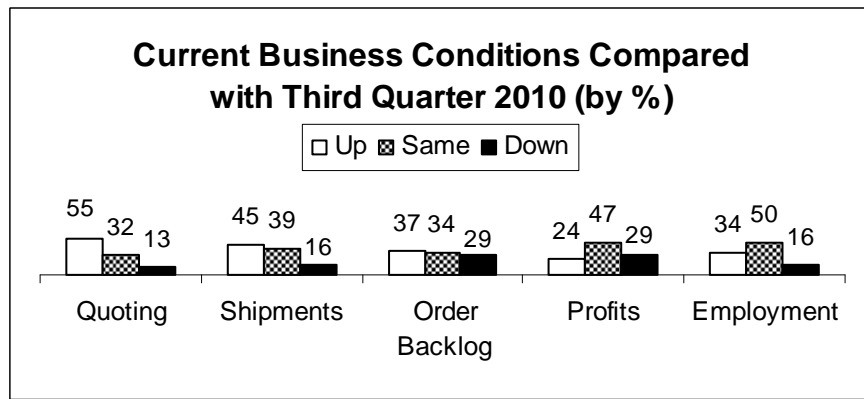
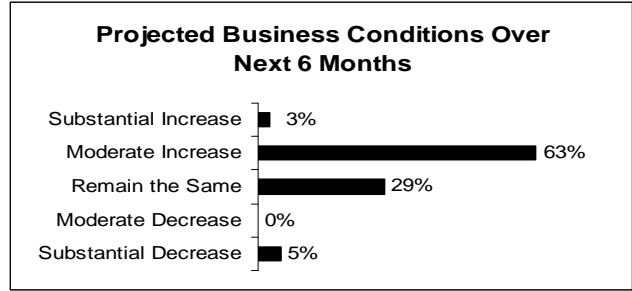
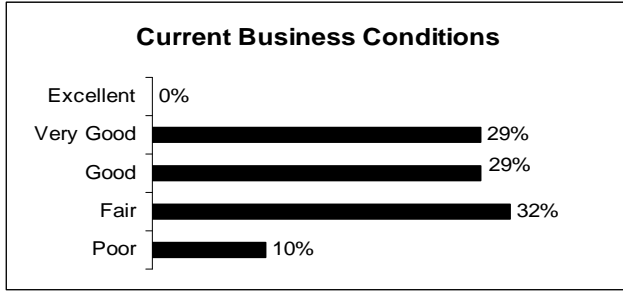


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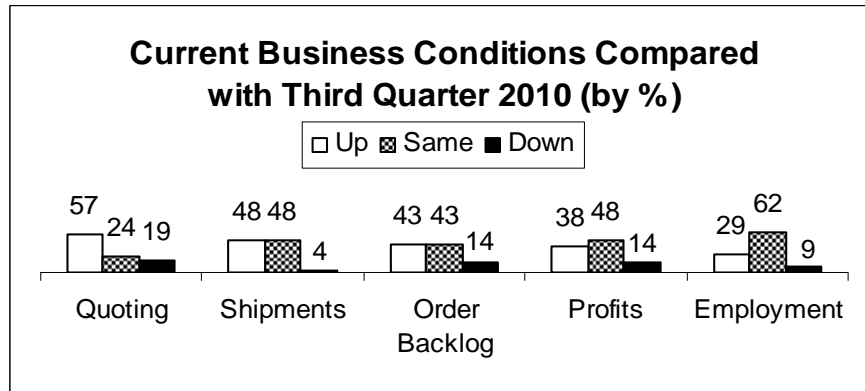
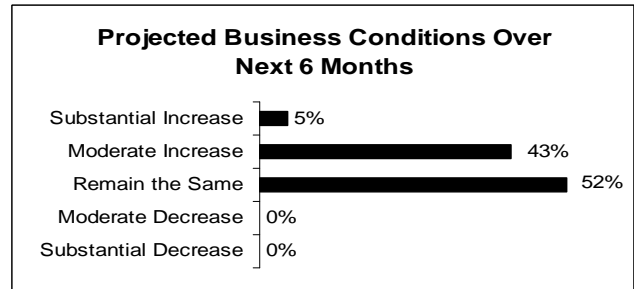
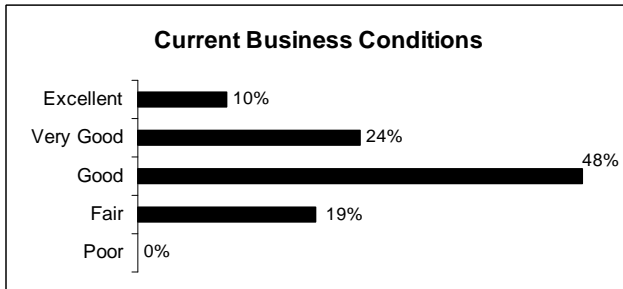
**USA**



**TOOL, DIE & FIXTURE SECTOR**  
 (38 survey responses)

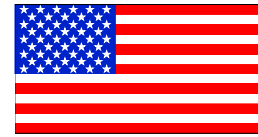


**MOLD SECTOR**  
 (21 survey responses)

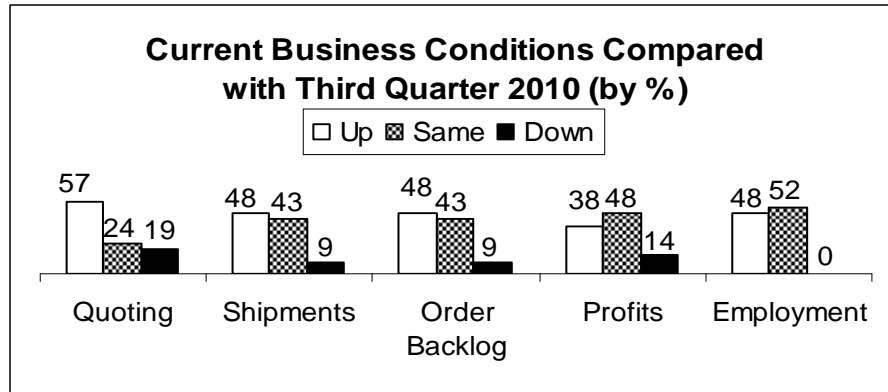
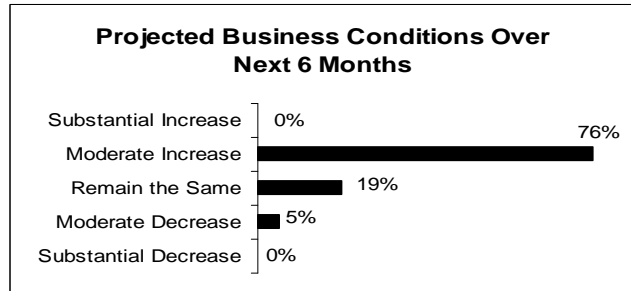
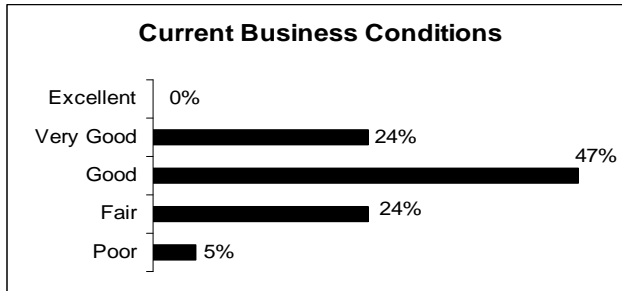


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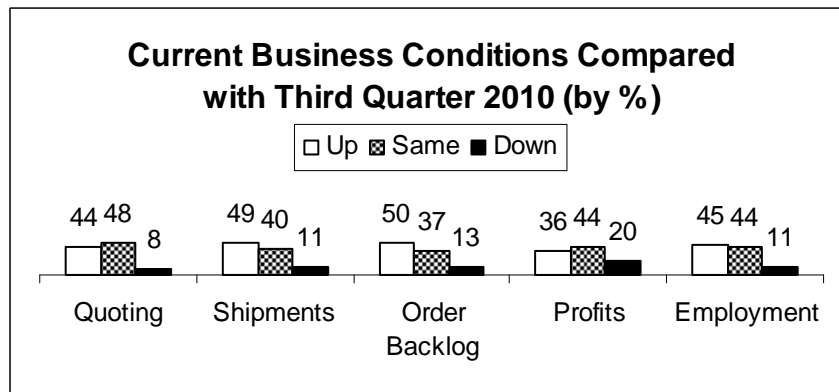
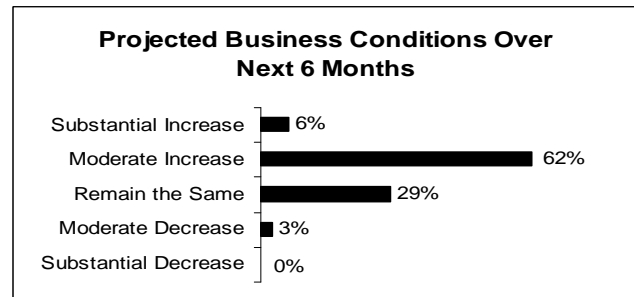
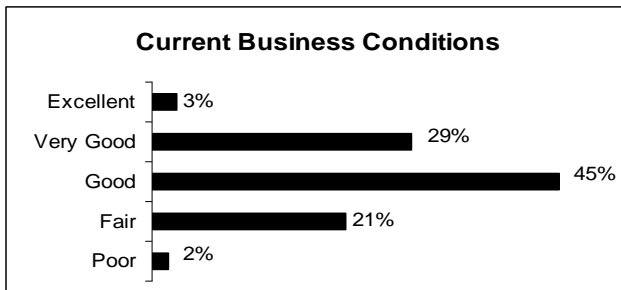
**USA**



**SPECIAL MACHINES SECTOR**  
(21 survey responses)



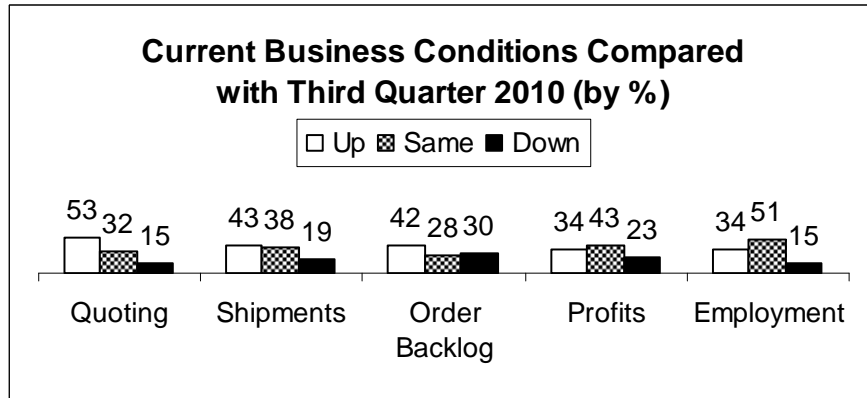
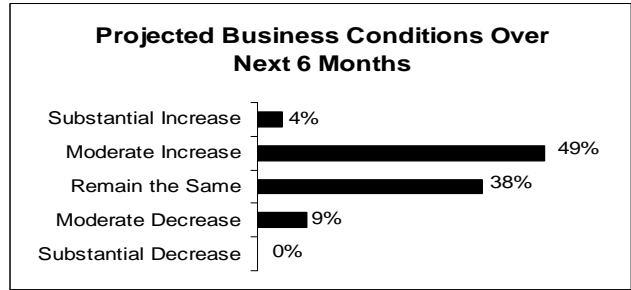
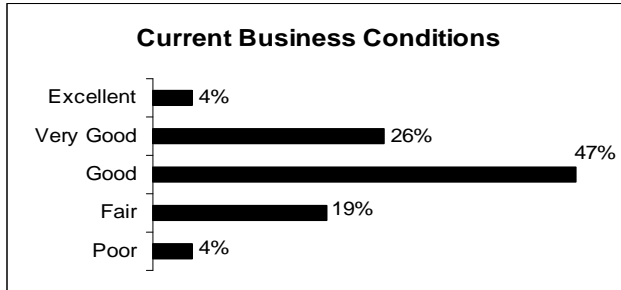
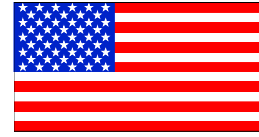
**PRECISION MACHINING SECTOR (excluding Aerospace)**  
(112 survey responses)



**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT**  
 (For the Period Ending December 31, 2010)

**USA**

**AEROSPACE MACHINING & FABRICATION SECTOR**  
 (47 survey responses)



**METAL FABRICATION & STAMPING**  
 (19 survey responses)

