



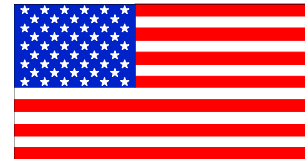
ISTMA-AMERICAS BUSINESS CONDITIONS REPORT

**For the 6-Month Period Ending
June 30, 2011**

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 June 30, 2011)

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**ISTMA-AMERICAS BUSINESS CONDITIONS REPORT
(For the Period Ending June 30, 2011)**

EXECUTIVE SUMMARY - CANADA

The number of member companies contributing to the ISTMA Americas survey has remained much the same for this period ending June 30, 2011, as have the Average Hours Worked per week. In contrast to this we do see an increase in the Average Work Week and Future Work on the company order books.

Current business conditions reported for this period shows a good increase for the Excellent, Very Good and Good categories, along with improvements in Quoting, Order Backlog, Profits and Employment with only a small decline in Shipment levels. The downward trend from the last few surveys appears to be reversing and this one shows some growing optimism. Despite these results, many people within the sector continue to report very mixed signals on a general economic recovery for the Canadian tooling industry.

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 speed of technology advancements is such today that investments in new and better equipment are a constant need for our sector. The Canadian Manufacturing Coalition, which is comprised of 40 manufacturing associations across Canada, has successfully lobbied the Federal government for a 2-year extension to the write-off provisions for new equipment and machinery purchases by manufacturers.

Sincerely,



Les Payne
Executive Director
Canadian Tooling & Machining Association

EXECUTIVE SUMMARY – USA

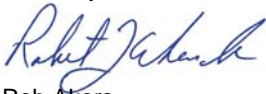
Business conditions for NTMA member companies showed improvement through the first half of 2011 and optimism is evident as manufacturers pace themselves for a continuing level of productivity for the remainder of the year. Of our reporting companies, 76% reported business conditions as good, very good, or excellent for the first half of 2011 – up from 74% for the second half of 2010 and higher than the same period a year prior.

91% of survey respondents projected business conditions will either remain the same or improve during the second half of this year, with a majority indicating a moderate increase or better for 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 first half of 2011 and in June the manufacturing index continued its growth as the PMI registered 55.3 percent and marked the 23rd consecutive month of manufacturing expansion. Of the 18 manufacturing industries reported by the ISM, 10 are reporting growth in July, in the following order: Paper Products; Furniture & Related Products; Computer & Electronic Products; Transportation Equipment; Wood Products; Petroleum & Coal Products; Printing & Related Support Activities; Primary Metals; Fabricated Metal Products; and Nonmetallic Mineral Products.

Sincerely,



Rob Akers
Chief Operating Officer
National Tooling & Machining Association

ISTMA-AMERICAS BUSINESS CONDITIONS REPORT
 (For the Period Ending June 30, 2011)

CANADA

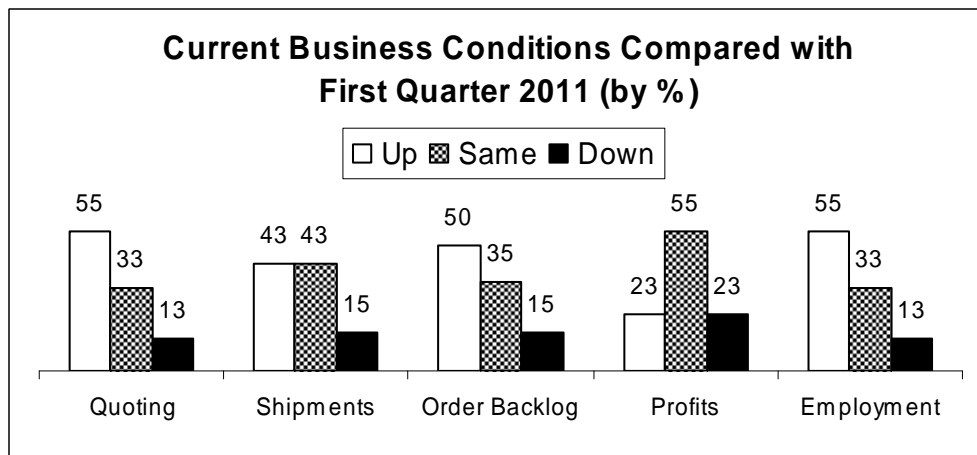
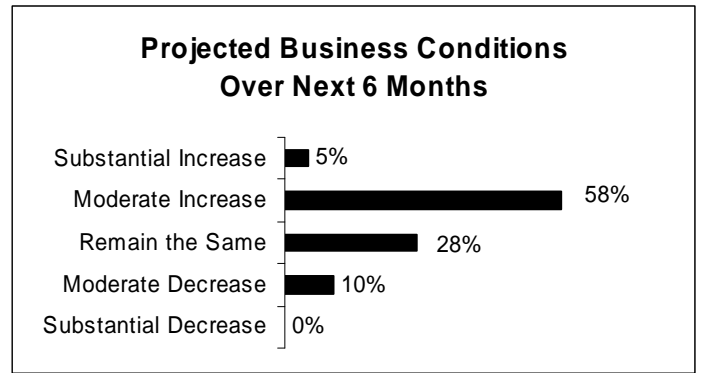
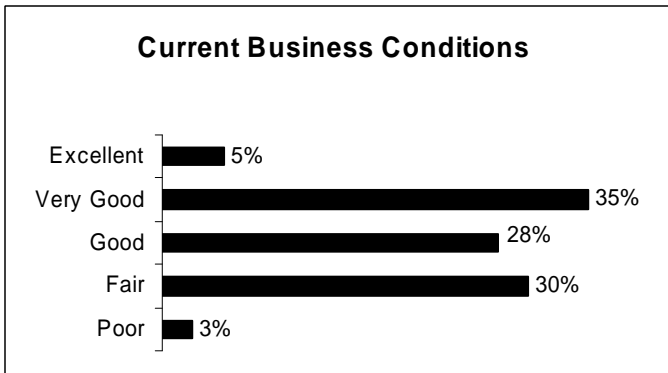


ALL SECTORS
 (40 survey responses ... 25% of CTMA membership)

Total Number of Skilled Employees: 1,594 (at December 31, 2010)
 1,696 (at June 30, 2011)

Current Average Work Week Per Skilled Employee: 43.6 hours

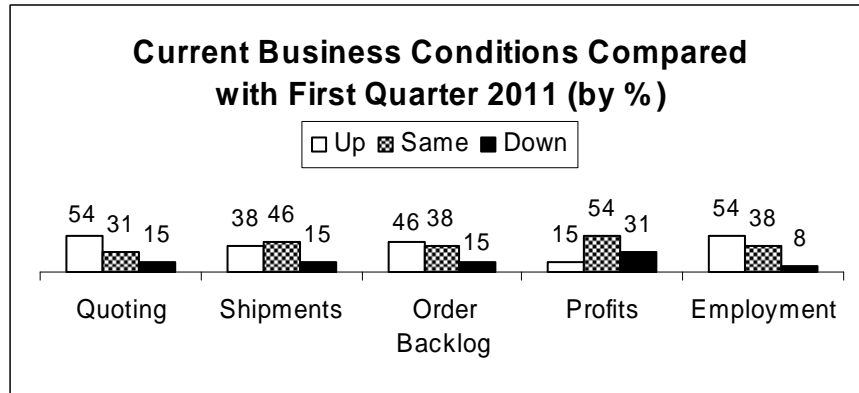
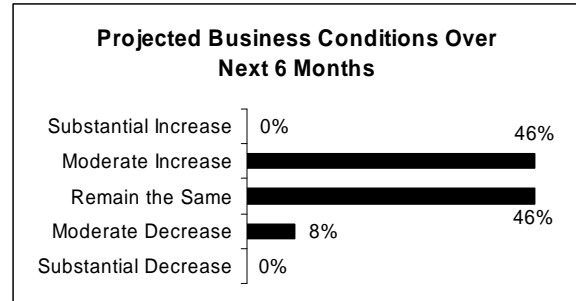
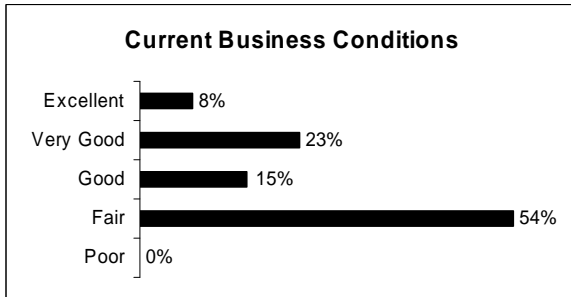
Average Future Work on Order Books: 12.0 Weeks



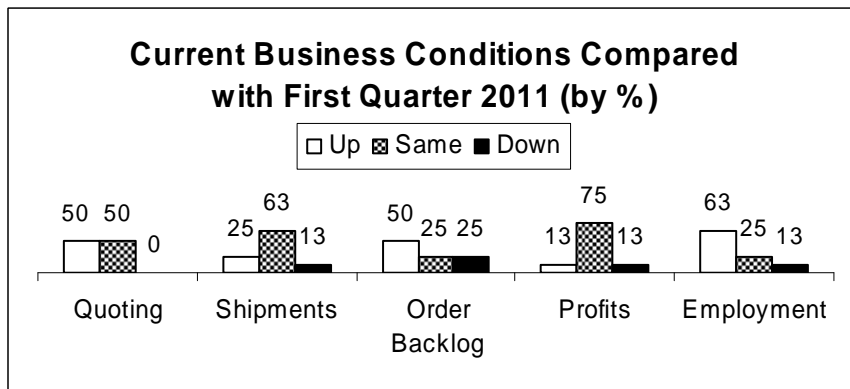
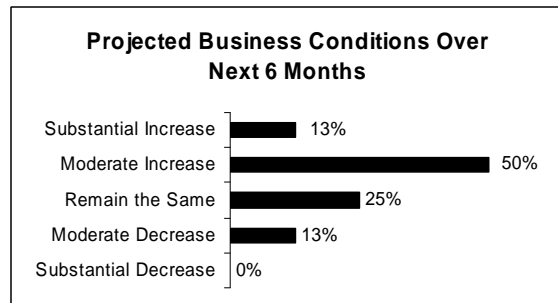
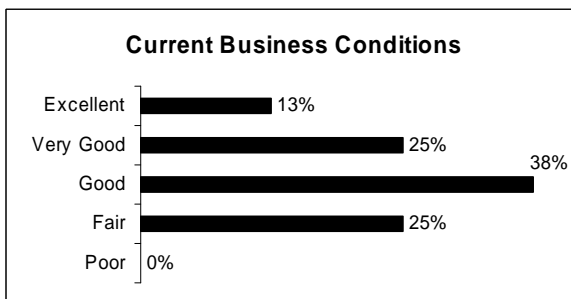
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(For the Period Ending June 30, 2011)

TOOL, DIE & FIXTURE SECTOR
(13 survey responses)

CANADA



MOULD SECTOR
(8 survey responses)

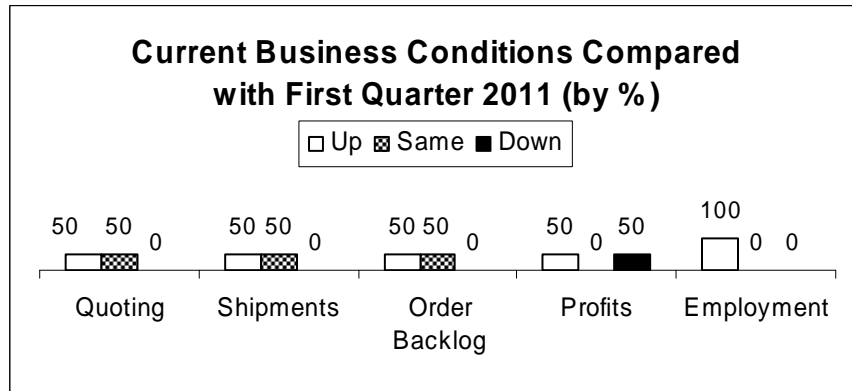
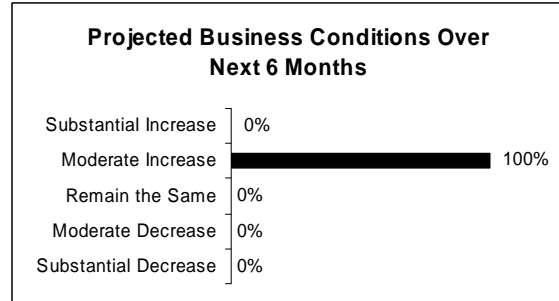
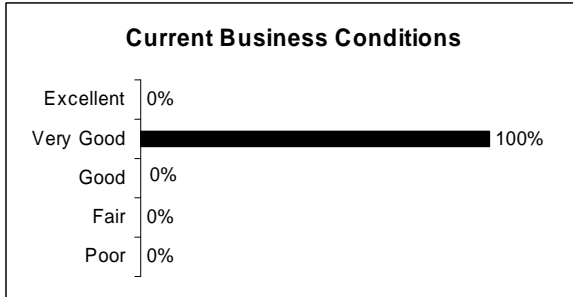


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(For the Period June 30, 2011)

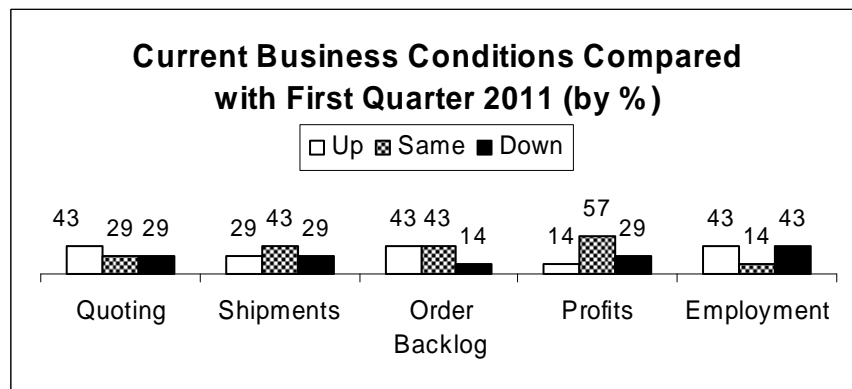
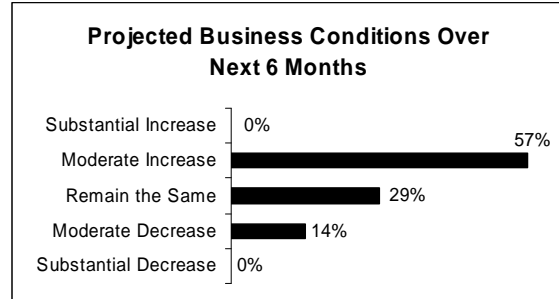
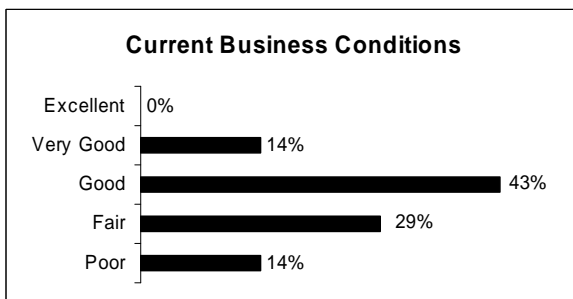
CANADA



SPECIAL MACHINES SECTOR
(2 survey responses)



PRECISION MACHINING
(7 survey responses)

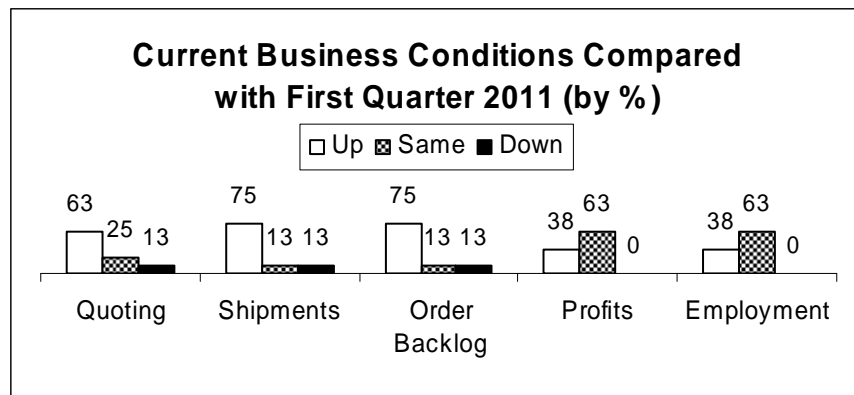
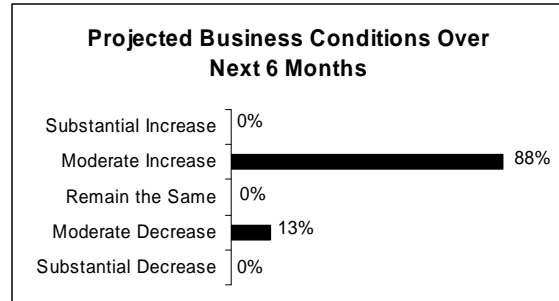
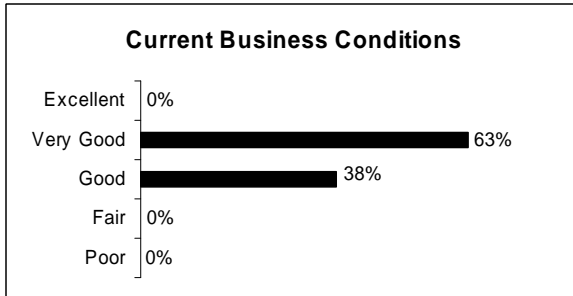


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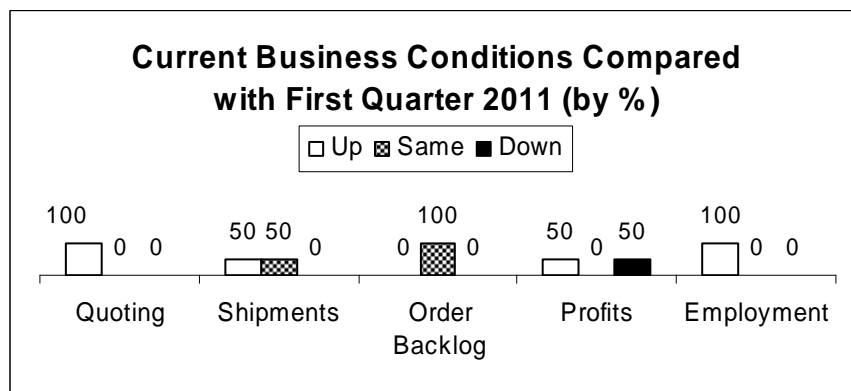
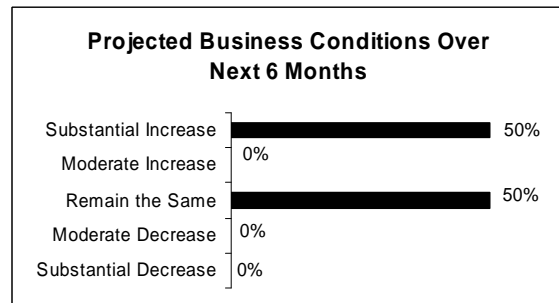
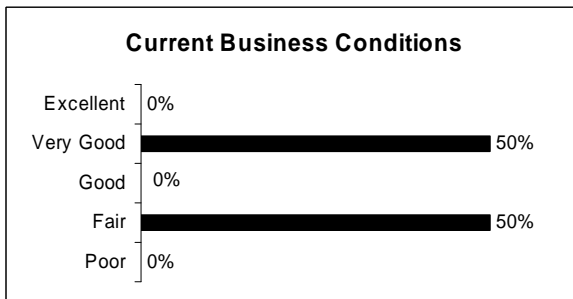
CANADA



CUTTING TOOL SECTOR
(8 survey responses)

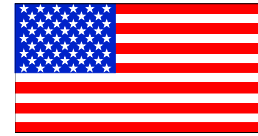


OTHERS
(2 survey responses)



ISTMA-AMERICAS BUSINESS CONDITIONS REPORT
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USA

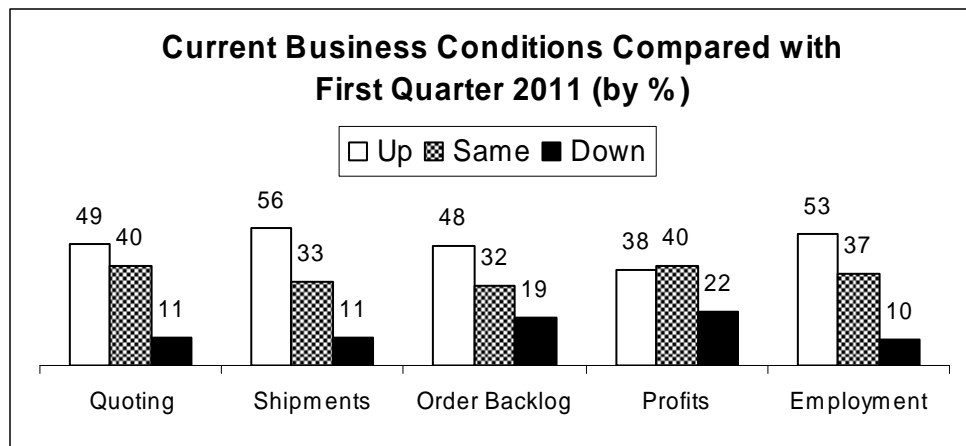
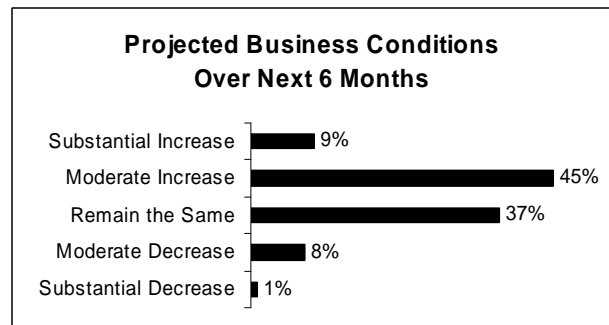
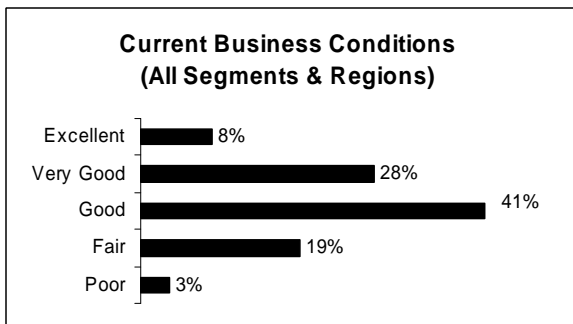


ALL SECTORS
(236 survey responses ... 19% of NTMA membership)

Total Number of Skilled Employees: 10,711 (at December 31, 2010)
11,414 (at June 30, 2011)

Current Average Work Week Per Skilled Employee: 44.8 hours

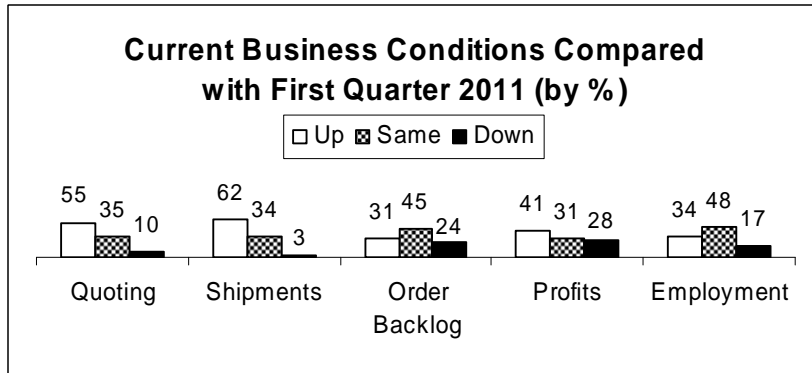
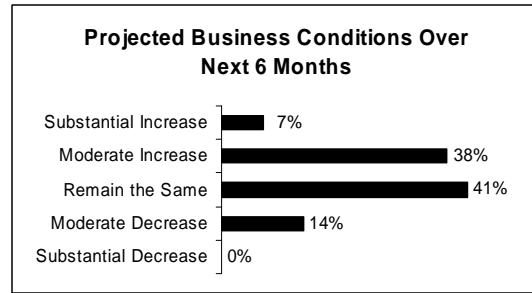
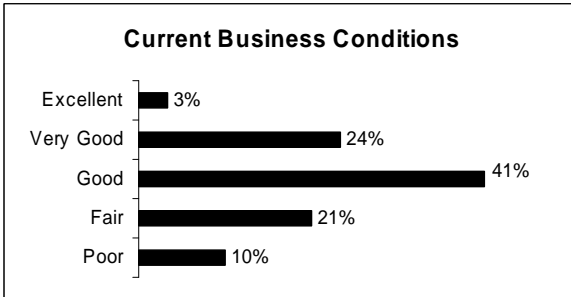
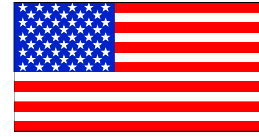
Average Future Work on Order Books: 14 weeks



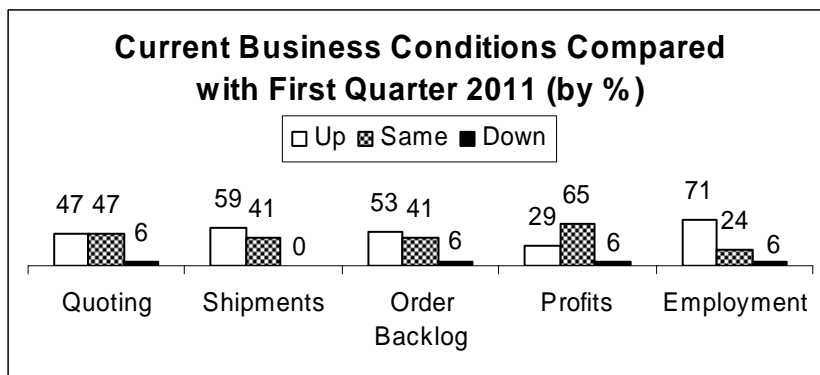
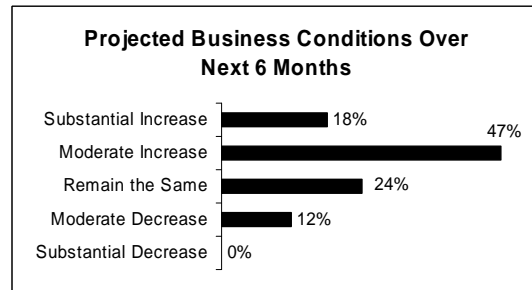
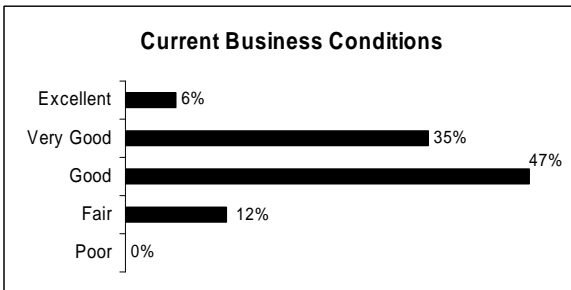
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USA

TOOL, DIE & FIXTURE SECTOR
(29 survey responses)

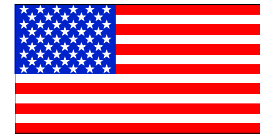


MOLD SECTOR
(17 survey responses)

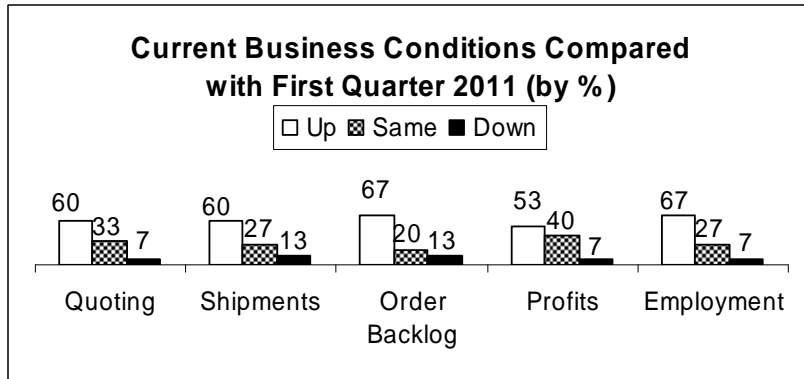
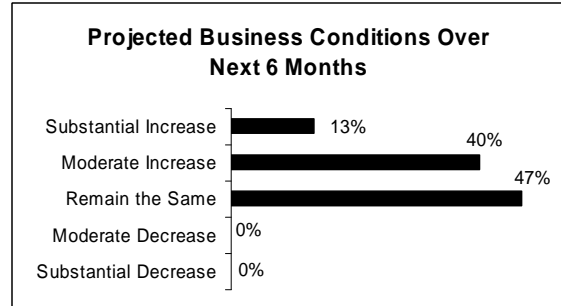
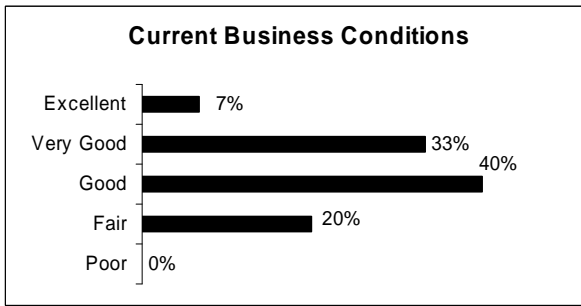


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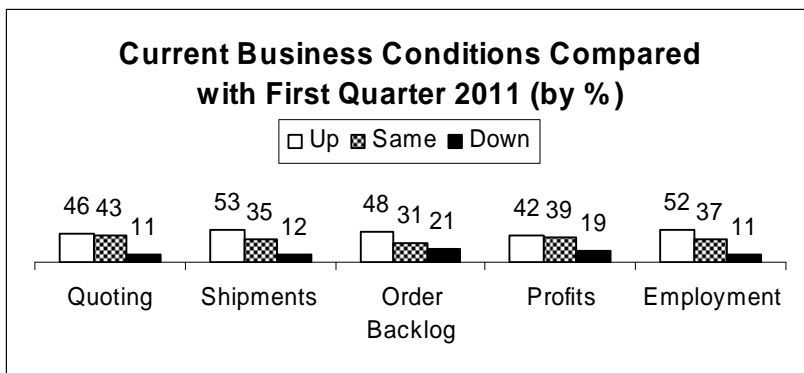
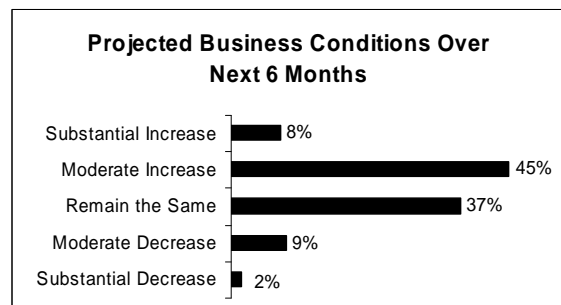
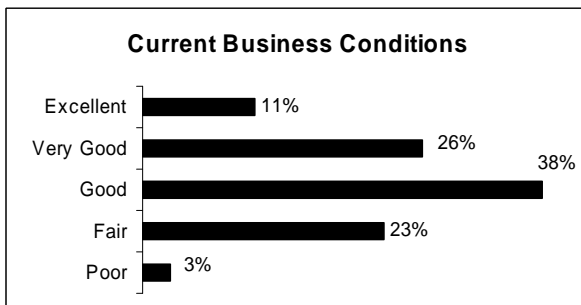
USA



SPECIAL MACHINES SECTOR
(15 survey responses)



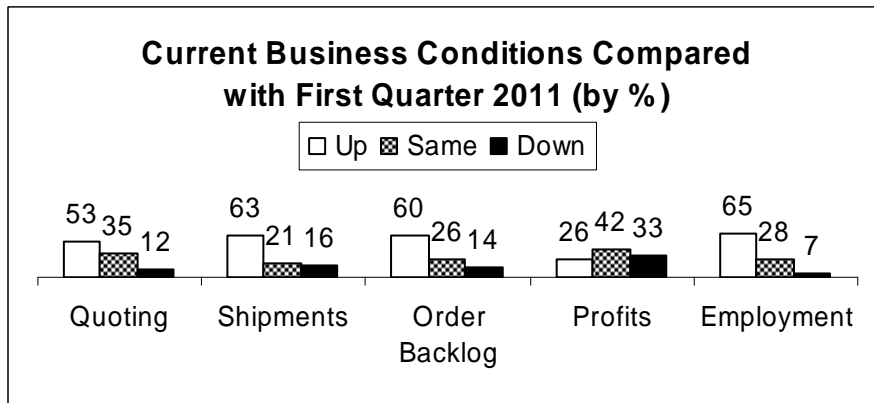
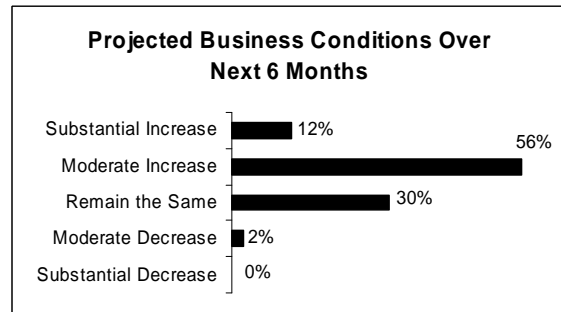
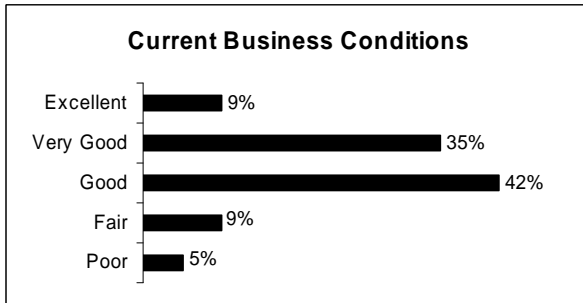
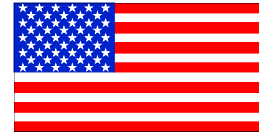
PRECISION MACHINING SECTOR (excluding Aerospace)
(114 survey responses)



ISTMA-AMERICAS BUSINESS CONDITIONS REPORT
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USA

AEROSPACE MACHINING & FABRICATION SECTOR
(43 survey responses)



METAL FABRICATION & STAMPING
(18 survey responses)

