



CELIMO International Meeting

September, 2011

Update on US Machine Tool Market

Van Crotts, CMTSE
AMTDA Board Member since 2007
AMTDA Chairman 2010-2011
**American Machine Tool
Distributors' Association**

www.amtda.org




AMTDA

- Founded in 1925
- 132 Distributors
- 162 Builders
- 15 Marketing Associates


AMTDA MISSION STATEMENT

"To lead distributors of manufacturing technology into the 21st Century by providing essential programs and services that help its members gain a global recognition from customers and suppliers as the preferred channel of distribution."

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AMTDA
American Machine Tool Distributors' Association



Industry Information

- USMTO
- Statistics
- Forecasting
- Techspex
- Buyer's Guide

Member Services

- AMTDA Bytes
- MT Career Center
- Contracts
- Securitized agreements
- Liability-Health
- Casualty Insurance
- HR Programs
- Personnel Screening

Networking

- Annual Meetings
- Regional Meetings
- Trade Shows
- Leadership Forums
- imX

Education

- AMTDA U
- EEMT
- Sales Fundamentals
- CMTSE
- Advanced Sales Training

Member Communications

- www.amtda.org
- ToolTALK
- Social Media Network

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2009



2011



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Mr Crofts commented that 2011 was seeing the US market flying high, in sharp contrast to the 2009 situation. The level of orders in June 2011 was almost back to the point which had been seen in June 2008, before the recession.

In the US market, the ratio between metal cutting and metal forming machines is roughly 6:1.

Order intake in the first half of 2011 is running at more than double the rate for the same months in 2010. This trend does vary from region to region, with the fastest growth being seen in those parts of the country which had the largest declines in 2009/10.



Net New Orders for U.S. Consumption
Jun-11

Total National Orders
(Thousands of Dollars)

DATE	TOTAL ORDERS		METAL CUTTING MACHINES		METAL FORMING & FABRICATING MACHINES	
	Units	Value	Units	Value	Units	Value
2010 JUN	1,492	\$239,675	1,412	\$226,477	80	\$13,199
2010 JUL	1,464	\$263,138	1,392	\$250,958	72	\$12,180
2010 AUG	1,537	\$244,347	1,441	\$232,337	96	\$12,010
2010 SEP	2,054	\$399,334	1,924	\$363,757	130	\$35,577
2010 OCT	2,075	\$385,207	1,990	\$368,018	85	\$17,189
2010 NOV	1,973	\$313,522	1,876	\$298,499	97	\$15,024
2010 DEC	2,374	\$461,482	2,132	\$398,605	242	\$62,877
2011 JAN	1,942	\$369,060	1,841	\$339,201	101	\$29,859
2011 FEB	1,796	\$328,441	1,690	\$303,125	106	\$25,317
2011 MAR	2,604	\$502,112	2,453	\$467,423	151	\$34,688
2011 APR	2,073	\$396,244	1,951	\$360,707	122	\$35,537
2011 MAY	2,178	\$398,529	2,032	\$362,774	146	\$35,755
2011 JUN	2,152	\$459,392	1,976	\$396,951	176	\$62,441
Average	1,978	\$366,191	1,855	\$336,064	123	\$30,127



U.S. Manufacturing Technology Orders June 2011
A joint statistical program of AMT and AMTDA

	Jan 11 (P)	Previous Month	% Change	Year Ago Month	% Change	YTD 11 (P)	YTD 10 (R)	% Change YTD
National								
Metal Cutting	296.95	362.77	-9.4%	226.88	75.3%	2,230.88	1,111.28	100.7%
Metal Forming & Fabricating	62.44	35.75	74.6%	53.28	173.1%	223.60	92.15	142.6%
Total	459.39	398.51	15.1%	280.16	93.7%	2,454.48	1,203.43	103.0%
Regional								
Northeast								
Metal Cutting	54.72	58.36	-7.8%	58.64	8.1%	338.00	198.48	70.6%
Metal Forming & Fabricating	7.18	4.32	64.3%	1.68	303.7%	28.74	14.96	92.8%
Total	61.90	62.68	-2.0%	60.32	18.9%	366.74	213.44	72.1%
South								
Metal Cutting	58.74	48.52	18.6%	31.43	75.7%	255.73	171.43	61.4%
Metal Forming & Fabricating	7.83	5.98	31.7%	6.43	*	29.58	15.57	92.4%
Total	66.57	54.50	20.9%	37.86	94.2%	285.31	187.00	64.0%
Midwest								
Metal Cutting	129.92	136.75	-5.0%	67.77	91.7%	781.39	298.15	151.8%
Metal Forming & Fabricating	21.47	18.50	14.2%	4.85	425.3%	33.91	22.48	238.8%
Total	151.39	155.25	-3.2%	72.62	114.8%	815.30	320.63	157.1%
Central								
Metal Cutting	187.74	85.49	55.0%	49.27	118.7%	612.83	294.32	105.2%
Metal Forming & Fabricating	17.32	9.98	71.6%	5.81	195.0%	64.81	31.38	106.4%
Total	205.06	95.47	53.8%	55.08	136.7%	677.64	325.70	106.2%
West								
Metal Cutting	41.81	31.66	44.8%	21.27	88.7%	230.82	136.81	61.4%
Metal Forming & Fabricating	5.72	4.98	14.9%	6.52	*	26.53	8.29	230.2%
Total	47.53	36.64	29.7%	27.79	99.2%	257.35	145.10	76.5%



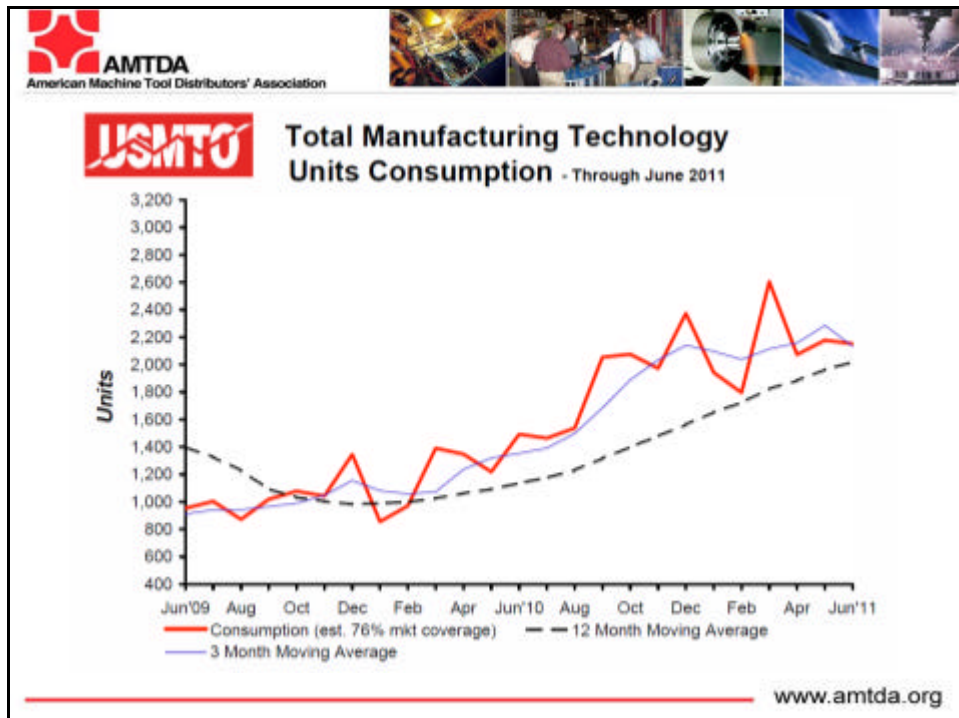
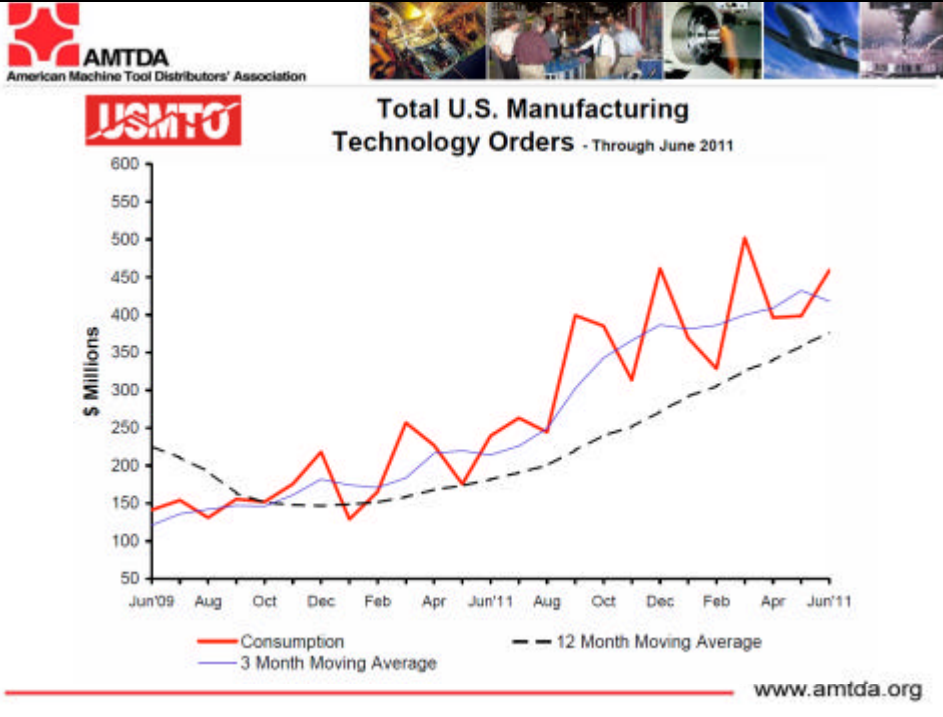
\$ = millions of dollars

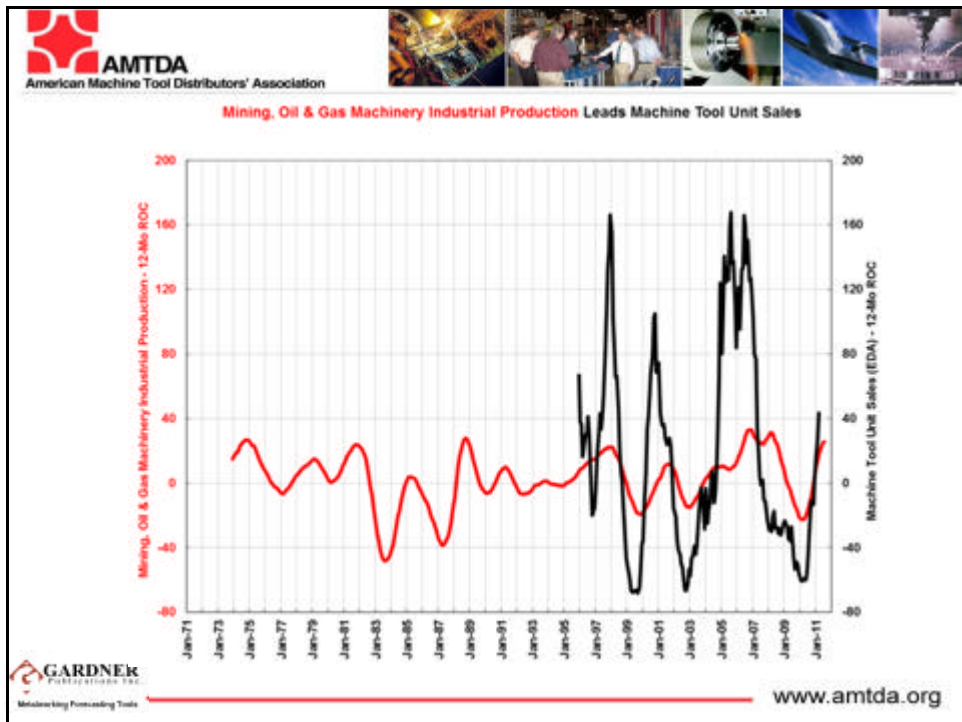
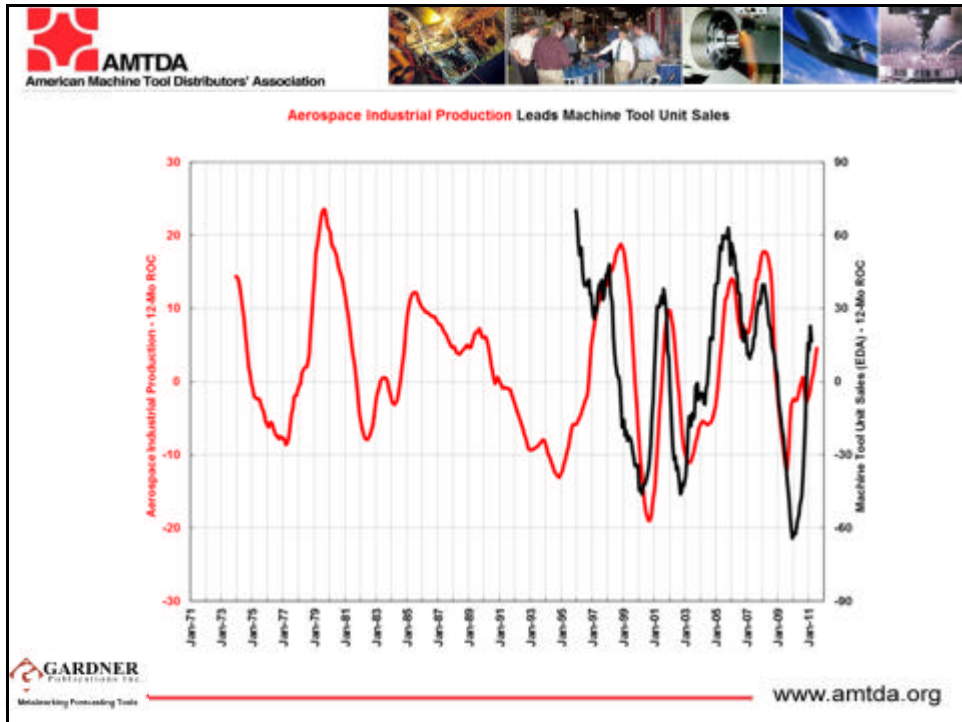
P - preliminary

R - revised

Totals may not match due to rounding

Data for the Metal Forming & Fabricating Equipment category has been revised to include Laser, Welding, and Plasma Equipment.







...orders growth this year now expected to be almost twice as fast as forecast in January

<i>US Machine Tool Order Forecasts</i> (Annual percent changes)				
	2009	2010	2011f	2012f
Cutting tools	-61.2	100.3	43.8	6.8
Forming tools	-52.8	4.6	91.1	13.4
All machine tools	-60.3	87.4	47.4	7.4

Source: AMT/Oxford Economics



Conclusions

- Machine tool orders have posted strong growth through to June, based on better underlying output and investment spending trends in key customer industries
- US orders are now expected to increase this year by almost 50%, led by strong Midwest and Central order growth
- Overall US machine tool sales are also conservatively forecast to increase by almost 40%, well above anticipated world growth of 23%
- **However, downside risks are increasing.** Although output losses related to supply-chain disruptions are expected to be made up in the second half of the year, a key concern is that recent indicators are signalling a deterioration in the underlying demand picture – a clear negative for investment goods such as machine tools
- Furthermore, US & Eurozone fiscal uncertainties are clearly riling financial markets, weighing on both business and consumer confidence which are already under pressure.