

# ICOSPA

International Council of Sheet Metal Presswork Associations



## October 2021 Country Presentation

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Organization: Precision Metalforming Association

Country: United States



# The U.S. Economy

## General Indicators

- **Basic interest rate:** 0.25% in September 2021; rates held steady at 0.25% since March 2020.
- The **Consumer Price Index (CPI)** rose by 0.4% in September on a seasonally adjusted basis, after rising 0.3% in August. The CPI increased 5.4% from September 2020 to September 2021.
- **Unemployment rate:** 4.8% in September 2021, declining from 5.2% in August. US Labor department reported that there are currently 11 million open jobs. The pre-pandemic unemployment rate was 3.5% with 5.7 million unemployed people.
- **GDP** grew by an annualized 6.7% in Q2 2021, up from a 6.3% expansion in Q1 2021, reflecting continued economic recovery.
- Institute for Supply Management's **U.S. manufacturing purchasing managers' index (PMI)** was 61.1% in September 2021, increasing from 59.9 in August 2021. Any figure above 50 signals an expansion in manufacturing.

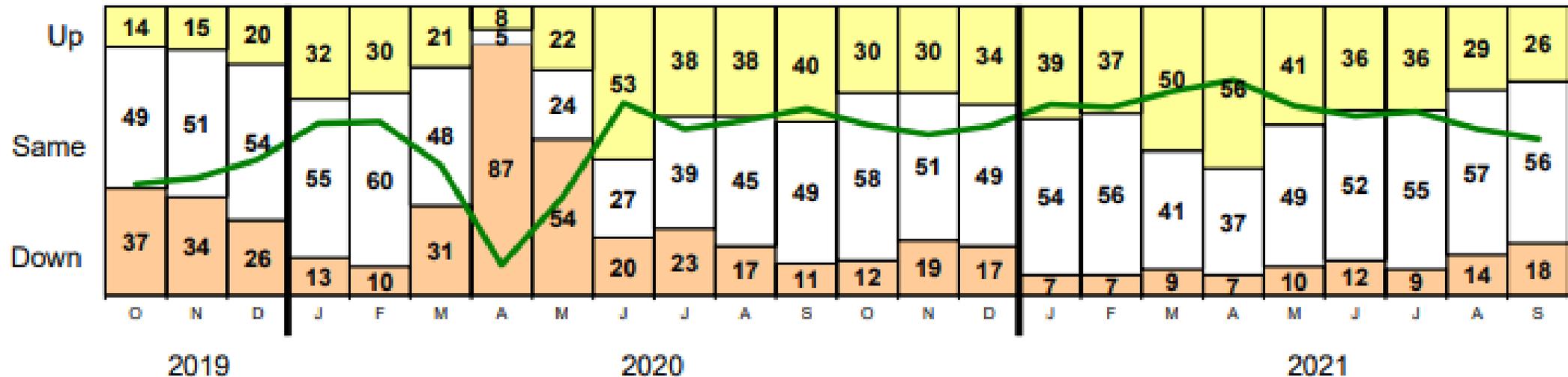


## PMA Member Business Conditions September 2021

Heading into the fourth quarter of 2021, expectations for improved economic activity are trending slightly downward.

### General Business Conditions

Compared with today, the trend of general economic activity for the next 3 months is expected to be:



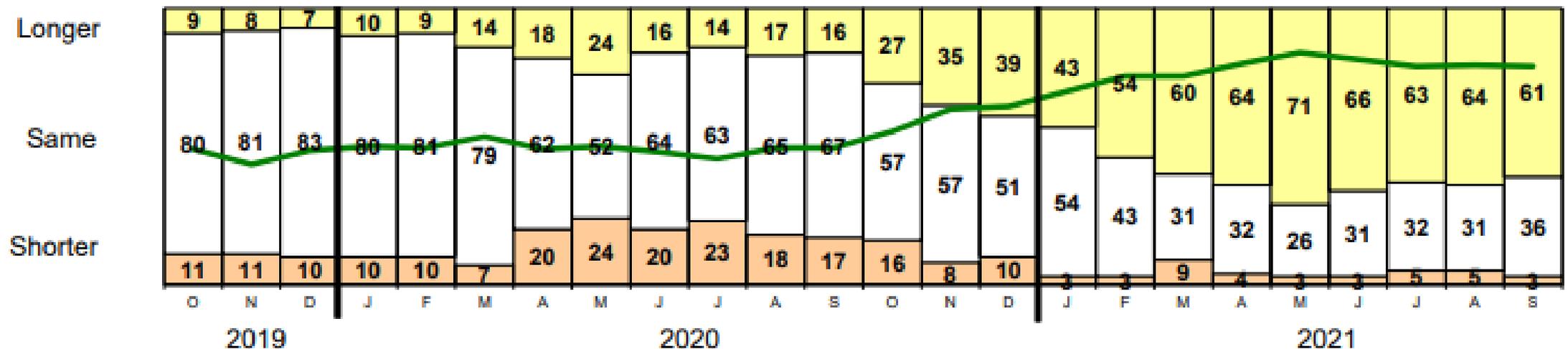


## PMA Member Business Conditions September 2021

Members continue to report long lead times in September, with 61% reporting longer lead times compared to three months ago.

Some members are experiencing lead times extending into midyear of 2022 for steel, with similar challenges for aluminum, copper, brass and other metals.

Compared with 3 months ago, current average lead times are:





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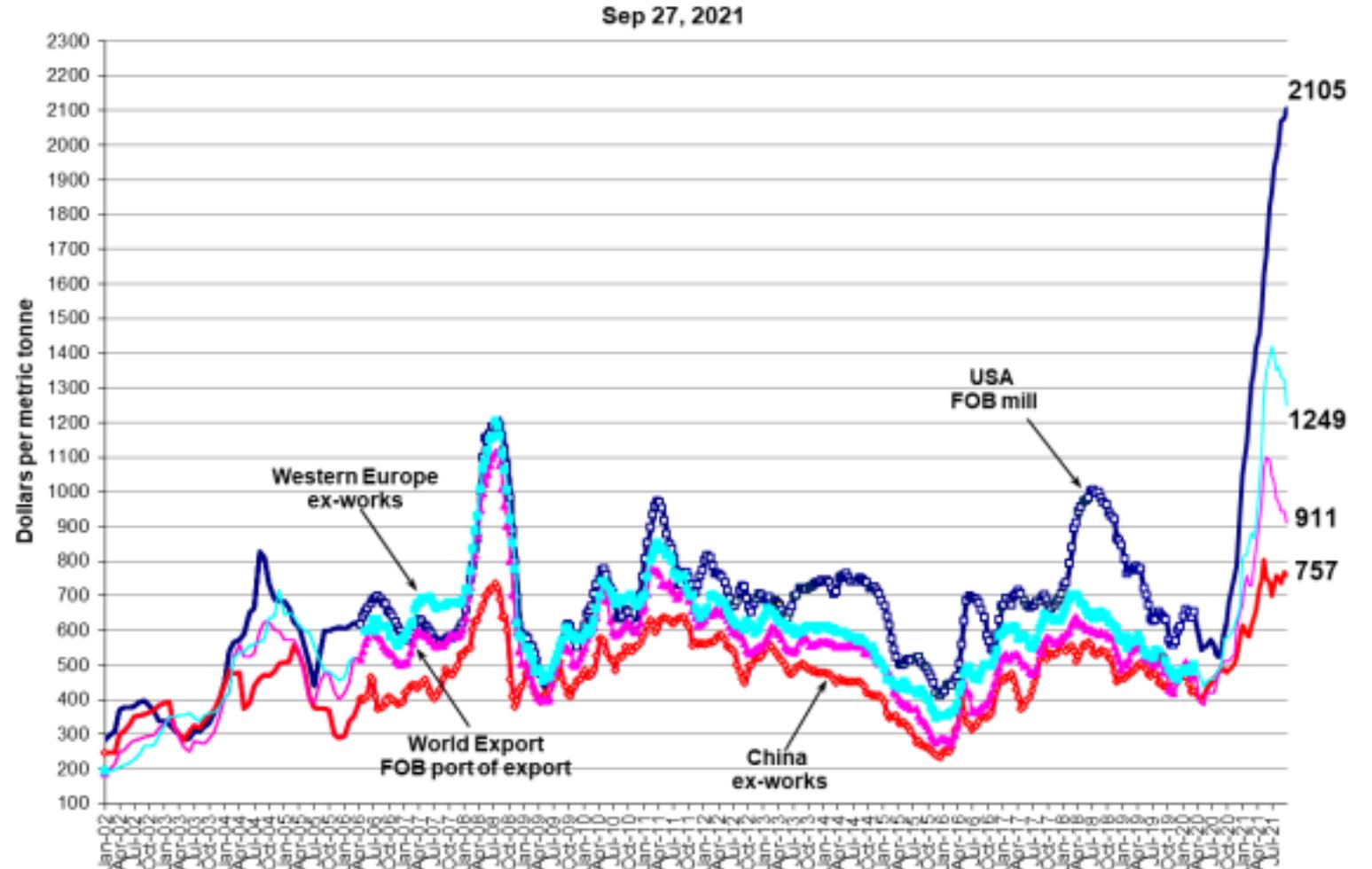


# SteelBenchmarker™ HRB Price Report

USA, China, Western Europe and World Export

(WSD's PriceTrack data, Jan. 2002 - March 2006; SteelBenchmarker data begins April 2006)

As of September 27, hot-rolled steel prices were \$2,105 per metric ton in the United States, higher than \$1,249 in Western Europe and \$757 in China.



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## PMA Company Membership 2021

Manufacturing Members	447
Associate/Supplier Members	416
International Members	16
Educational Members	5

**Total Members as of 9/30/21: 884**

*Added 102 new members in PMA's FY 2020, and 54 new members in the first half of PMA's FY 2021*

**Membership at highest level since 2014**





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# PMA Update

- Returned to in-person events starting in July. Attendance is down about 10% to 30%
- FABTECH, September 13-16, 2021, was the first large-scale tradeshow held in Chicago's McCormick Place since the start of the pandemic. It was a very successful show and met expectations with nearly 16,000/38,000 attendees and 975/1,800 exhibitors
- Focusing on key issues faced by members, including:
  1. Metals supply problems and lobbying to end steel and aluminum tariffs. Feedback – it is not changing anytime soon
  2. Challenges finding workers and helping the industry recruit workers by promoting awareness and training. Weekly enhanced federal unemployment benefits adopted in pandemic-relief legislation ended in September. Getting people back to work is a huge issue in the U.S. for all sectors.
  3. Companies supplying non-automotive are looking to hire; companies that are auto suppliers are laying off, due to the chip and supply shortages.
  4. The computer chip shortage, supply chain failures, and port and container ship backlog are holding back the economy – over 100,000 truck drivers needed right now.
  5. Capital spending on equipment and automation is high.
  6. Biden Administration – zero emissions and tax changes that affect small business (family).