



ISTMA-AMERICAS BUSINESS CONDITIONS REPORT

For The 6-Month Period Ending
June 30th, 2007

Data Provided by the Members of:



ARGENTINA
Camara Argentina
de Fabricantes de
Herramientas e
Instrumentos de
Medicion (CTMA)



AUSTRALIA
Tooling
Australia



CANADA
Canadian Tooling
& Machining
Association (CTMA)

Canadian Association
of Moldmakers (CAMM)

Moldmakers Council
of Canadian Plastics
Industry Association
(MMC-CPIA)



USA
National Tooling
& Machining
Association
(NTMA)

Results Compiled By:
Canadian Tooling & Machining Association
August 15th, 2007

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EXECUTIVE SUMMARY

The ISTMA-Americas Business Conditions Survey Report is a bi-annual geographical snapshot of business trends and conditions in the special tooling and machining sector. This survey covering the six-month period ending June 30, 2007 was conducted in July 2007. We wish to thank the combined 326 member companies covering 17,197 employees for providing data for this survey.

Argentina's report shows an unsettled tooling economy with mixed signals. Employment is slightly up with increased order books. Current business conditions are much the same but the projected outlook is far more optimistic. The mould makers' report is more positive than the tool & die makers sector at this time. We like to track the percentage of participants from each association's membership and Argentina, at 41%, is the top performer in this category for this period.

Australia's survey report shows declines in the tooling economy from the December 2006 period. While there is a slight improvement in the current business conditions, the projected conditions are less optimistic. The tool and die makers and precision machining sector are more confident and positive than the mould makers at this time.

Canada's results indicate that all areas of the tooling economy have improved marginally since the end of 2006. Profitability remains a concern and they are not sure how prolonged this business improvement will be. Currency continues to strengthen which threatens their competitive position. The tool & die makers and precision machining sector appear more positive than the mould makers and special purpose machine builders. In an effort to increase the number of participants, Canada has added "Cutting Tools" as a new sector.

United States of America's tooling sector continues to be strong for the majority of the NTMA member companies in the USA, with only a slight softening of confidence. The business conditions for tool & die and mould making sectors appear to be marginally less robust than the special machine, precision machining and aerospace machining sectors. A new report from Agie Charmilles on machine tool lease delinquencies has been included on page 14 and confirms the strong business conditions within the USA tooling industry.

*Les Payne,
ISTMA-Americas Secretariat*

**Our thanks to all of the member companies who participated in this survey.
We value your input and comments and hope that you find the
report to be informative.**

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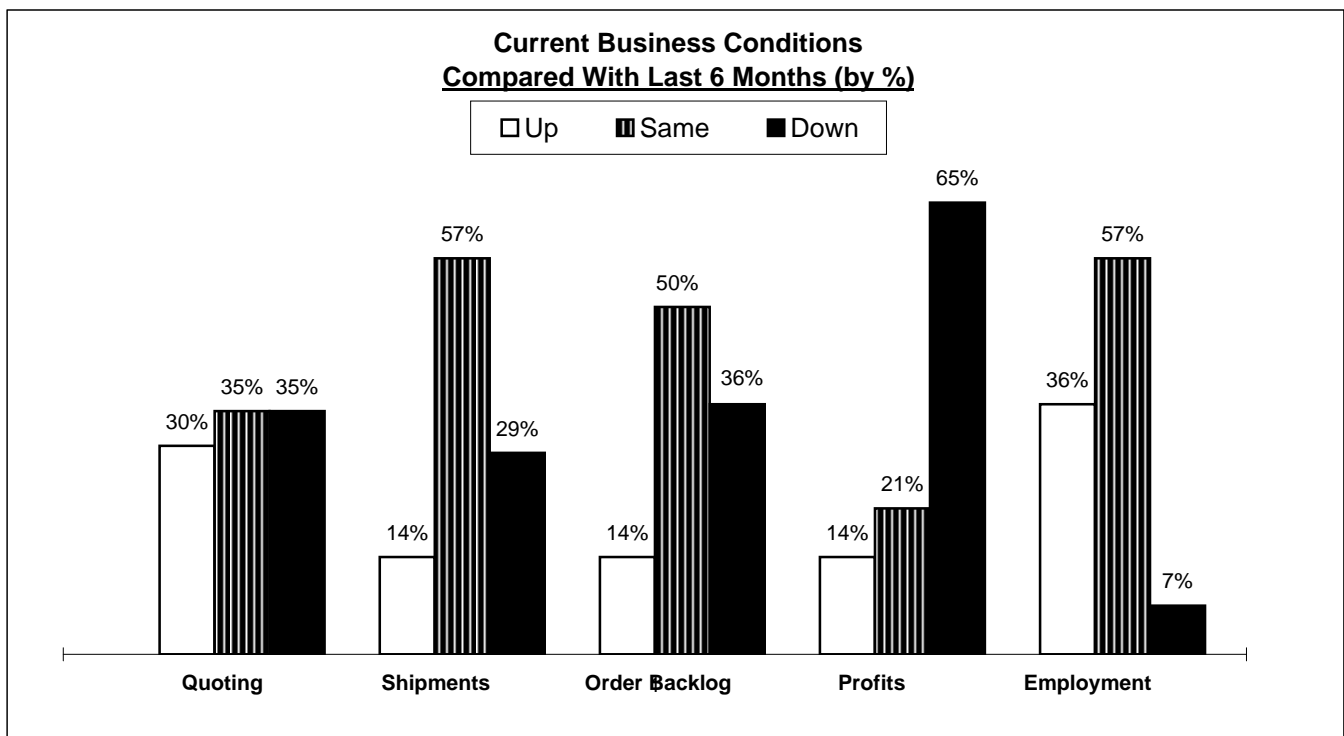
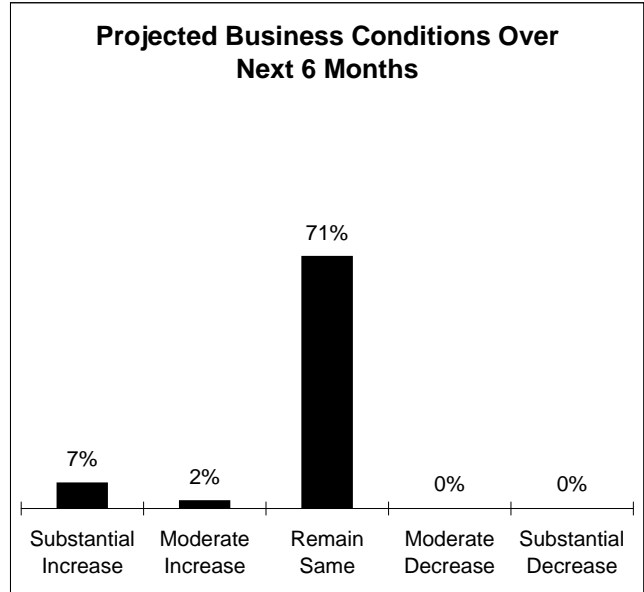
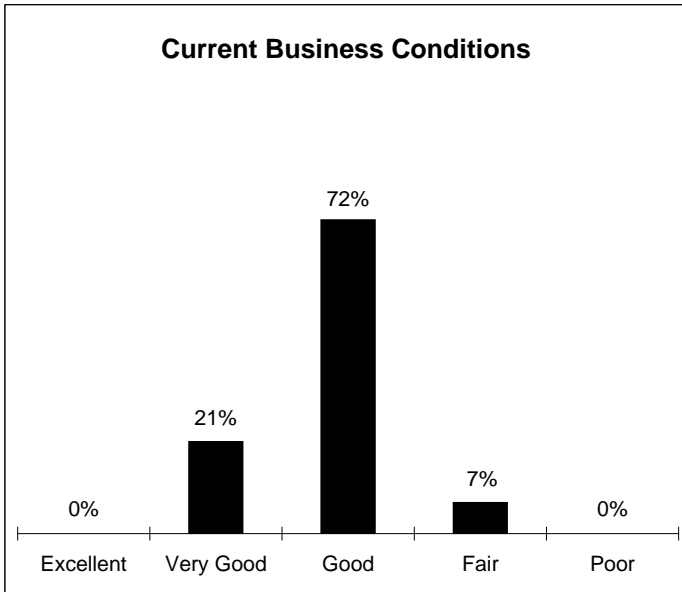
ALL SECTORS

(14 survey responses ... 41% of membership)

Total Number of Skilled Employees: 723 (at Dec. 31, 2006) 723 (at June 30, 2007)

Current Average Work Week Per Skilled Employee: 48.0 Hours

Average Future Work on Order Books: 18.3 Weeks

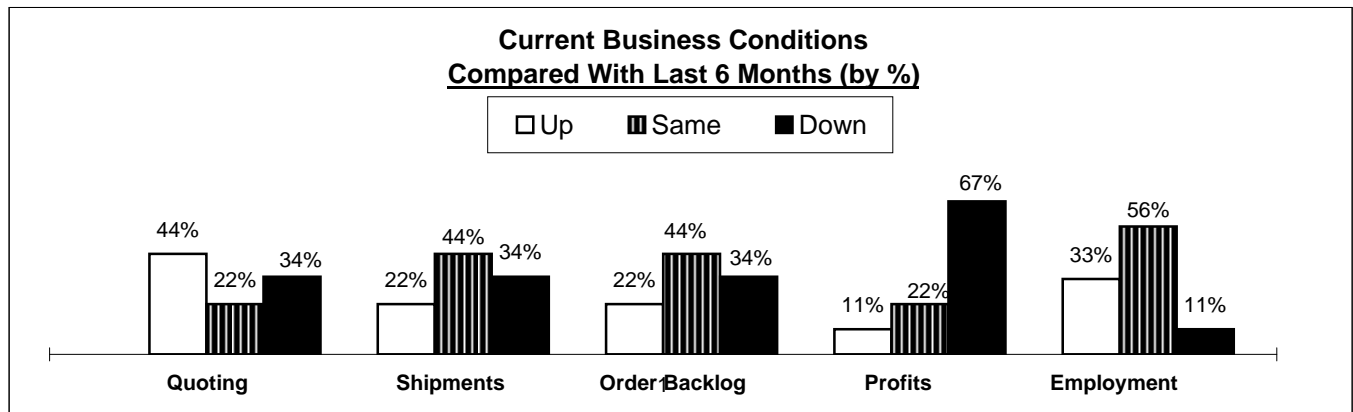
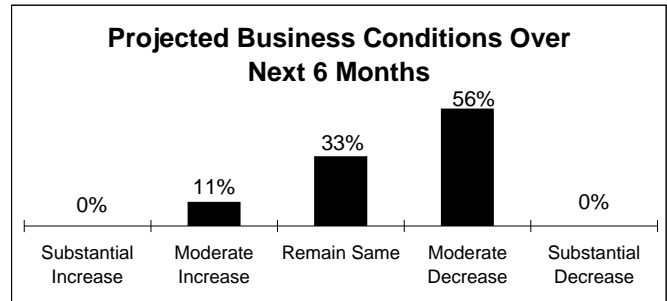
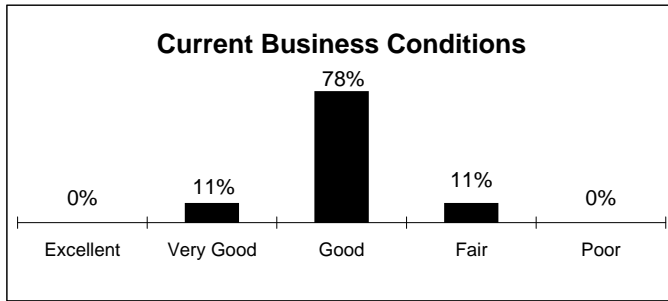


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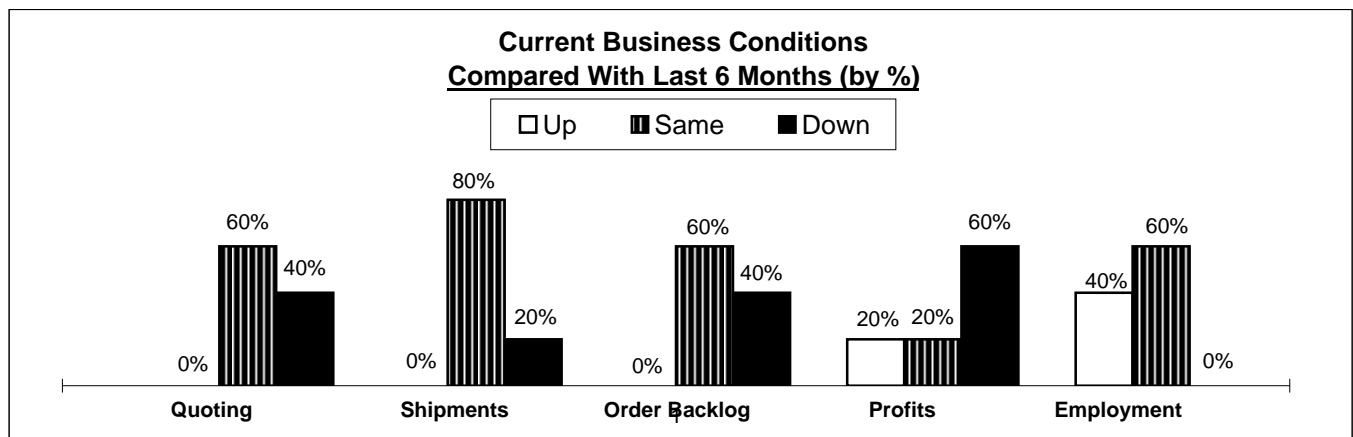
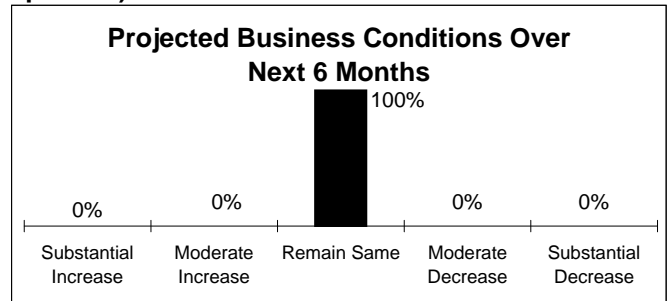
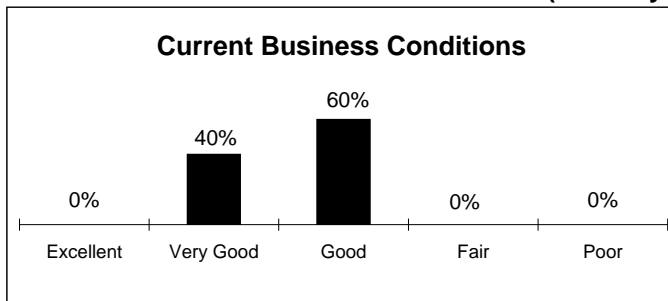
ARGENTINA



TOOL, DIE & FIXTURE SECTOR
(8 survey responses)



MOLD SECTOR
(6 survey responses)



NOTES: Precision Machining Sector - insufficient data to report.
Special Machines Sector - insufficient data to report.

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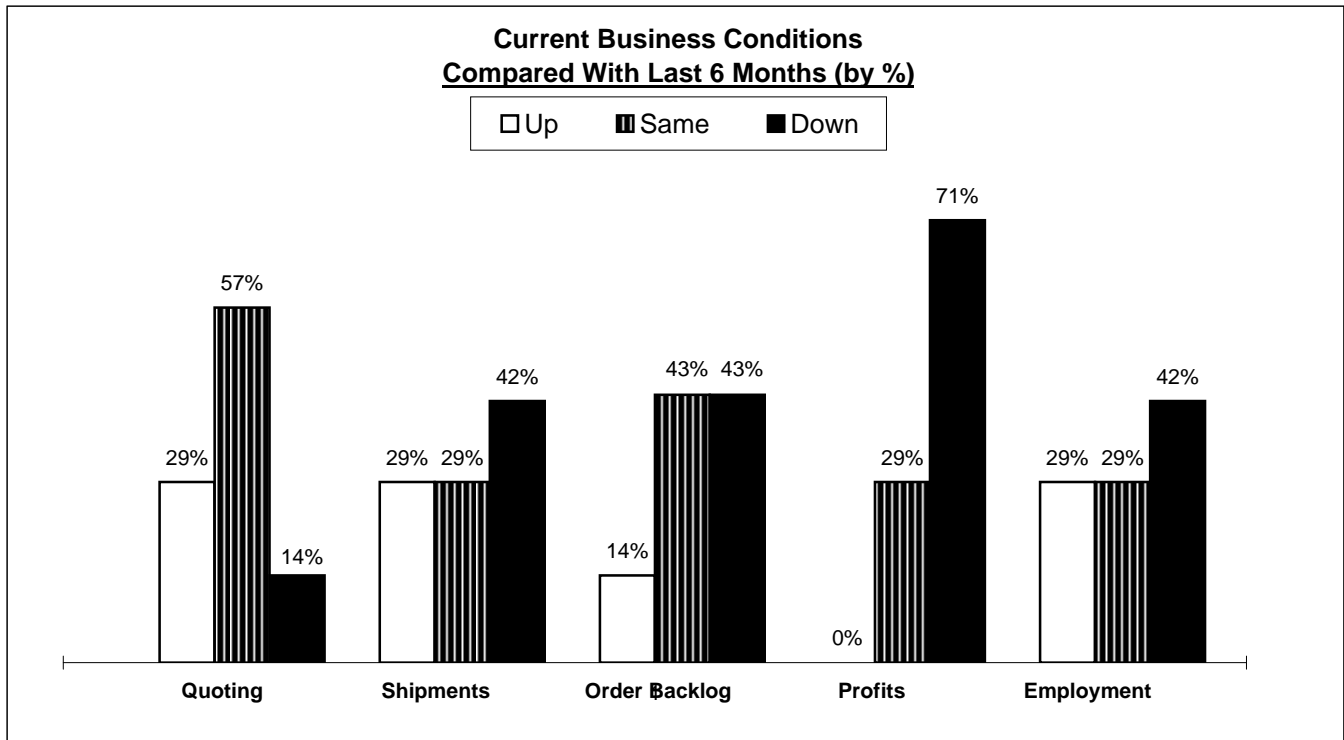
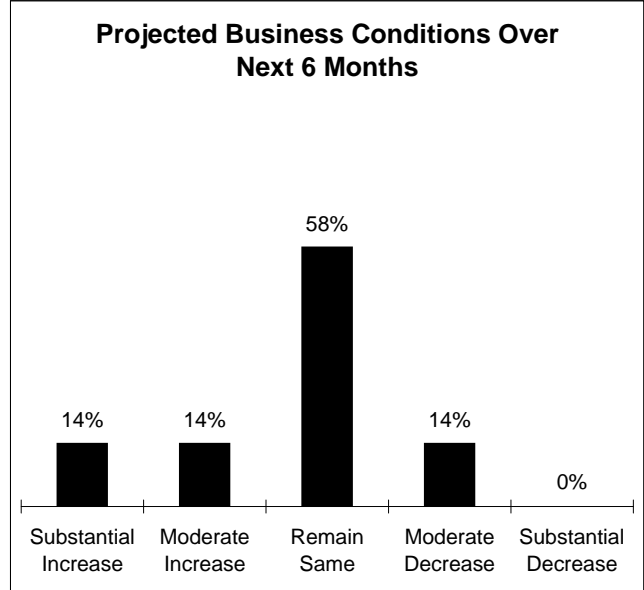
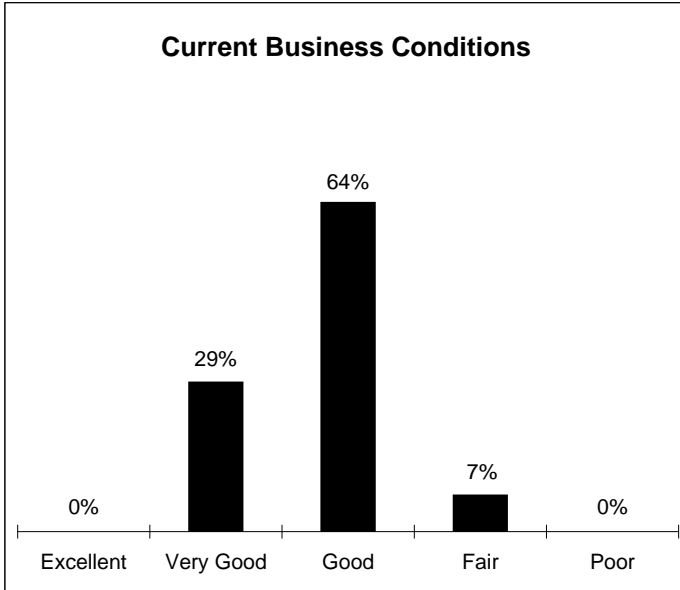


ALL SECTORS
 (7 survey responses)

Total Number of Skilled Employees: 261 (at Dec. 31, 2006) 253 (at June 30, 2007)

Current Average Work Week Per Skilled Employee: 36.0 Hours

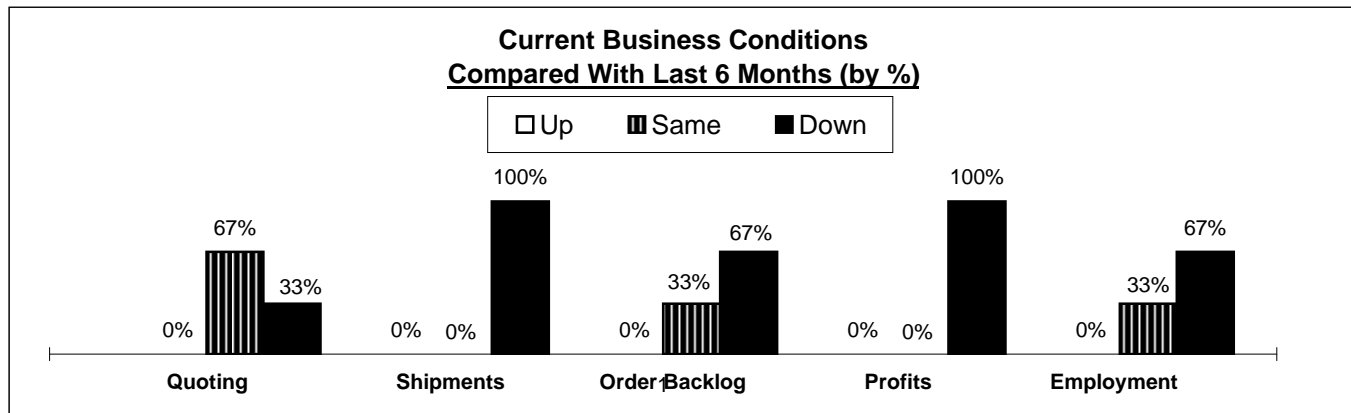
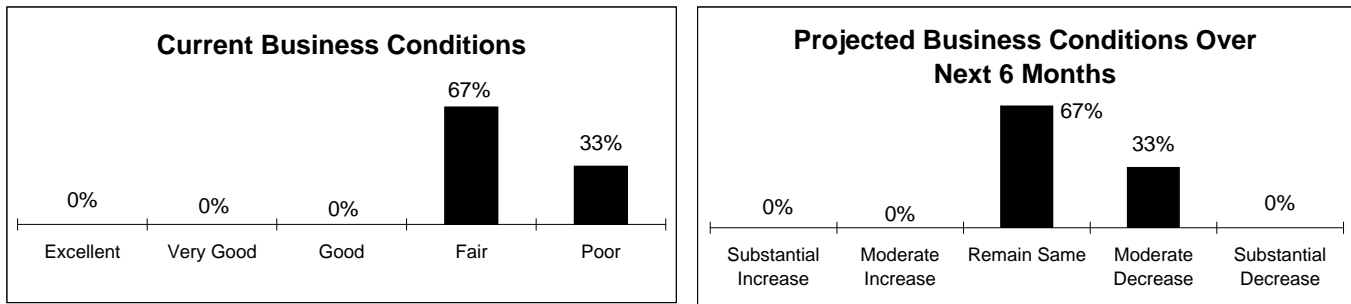
Average Future Work on Order Books: 8.2 Weeks



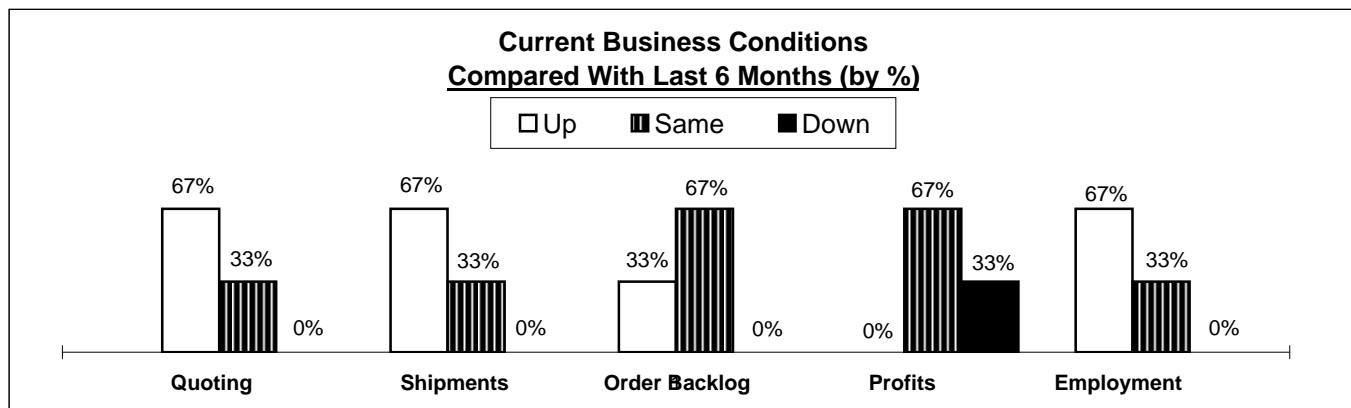
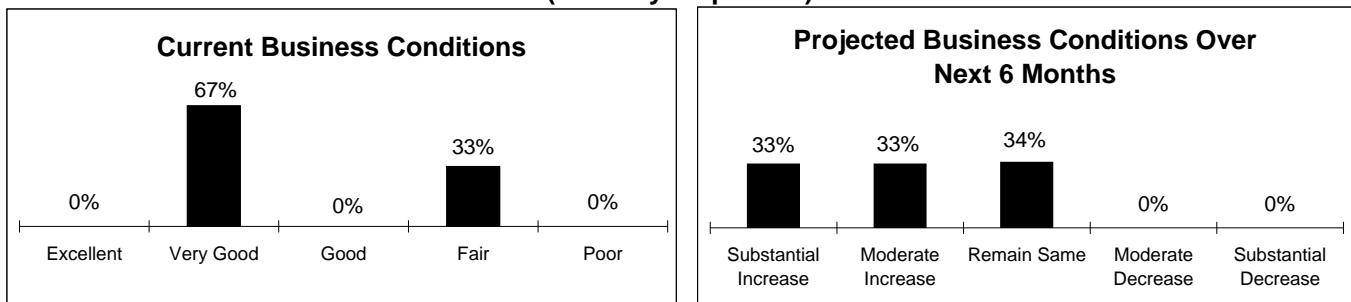
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MOULD SECTOR
(3 survey responses)



PRECISION MACHINING SECTOR
(3 survey responses)



NOTES: Tool, Die & Fixture Sector - insufficient data to report.

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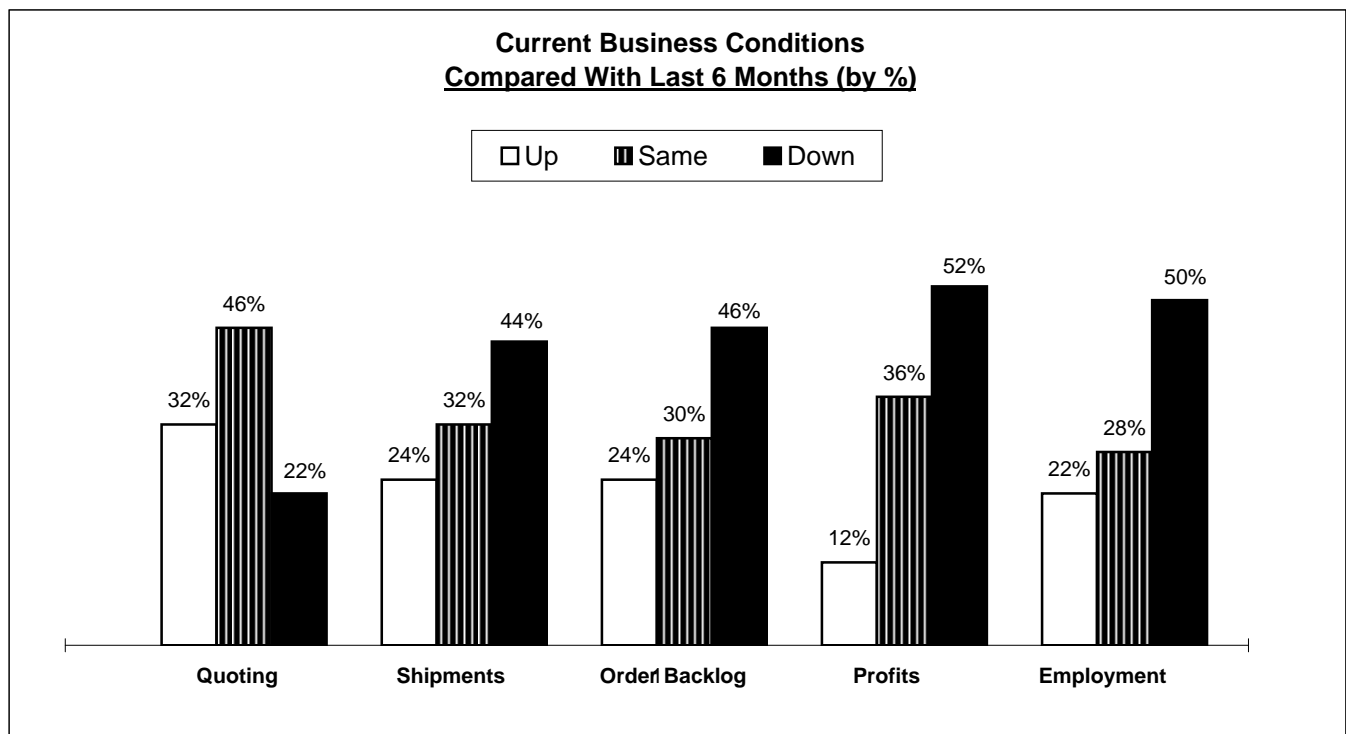
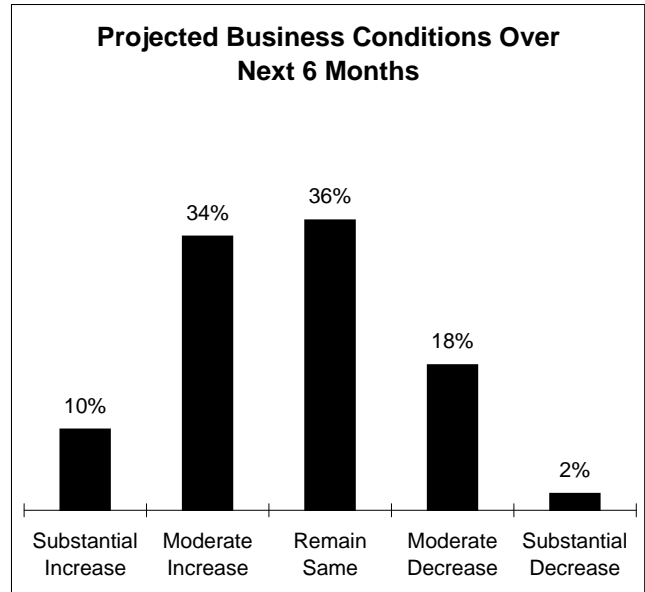
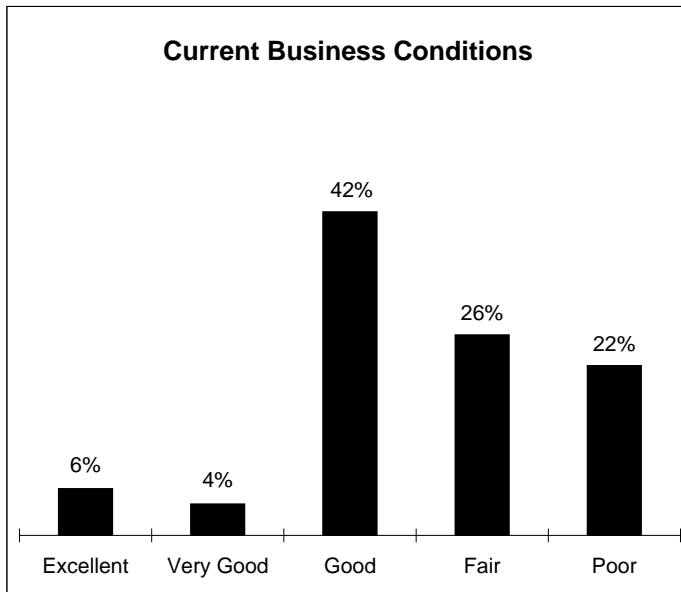
ALL SECTORS

(50 survey responses ... 33% of CTMA membership)

Total Number of Skilled Employees: 2,798 (at Dec. 31, 2006) 2,649 (at June 30, 2007)

Current Average Work Week Per Skilled Employee: 42.4 hours

Average Future Work on Order Books: 10.4 weeks



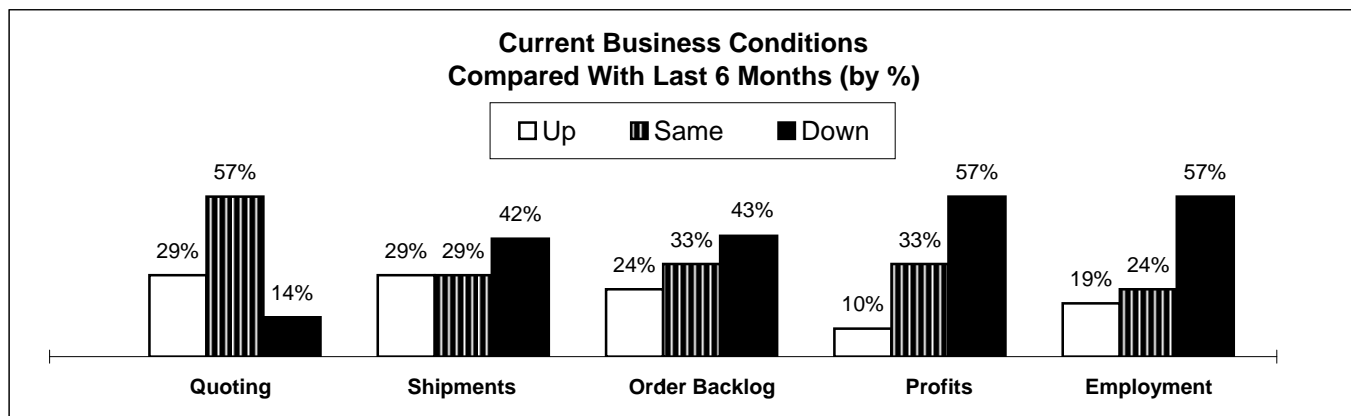
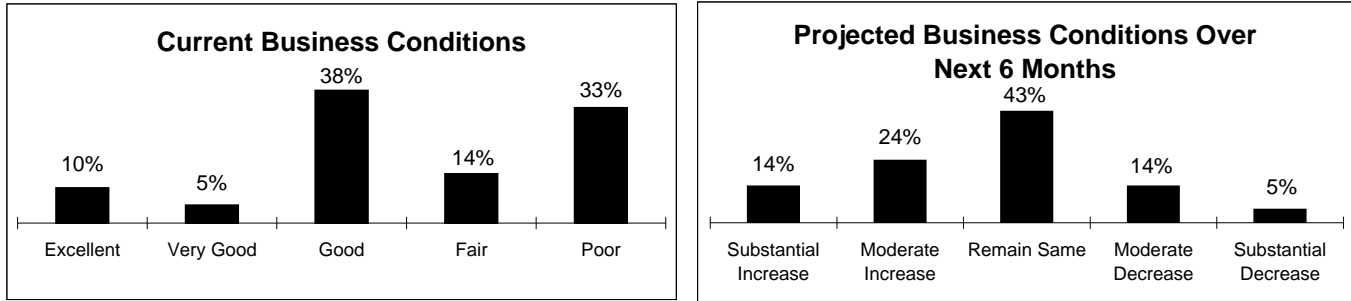
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CANADA



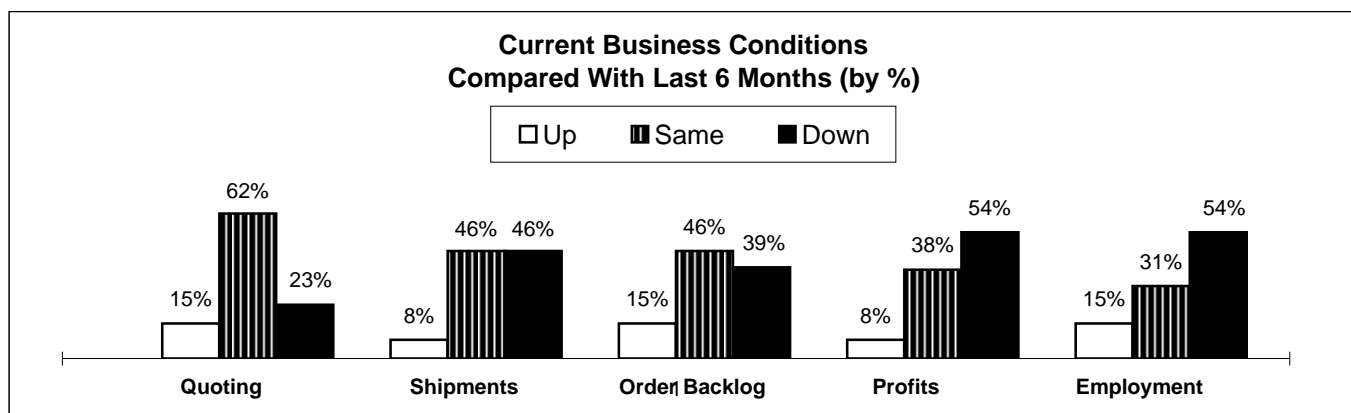
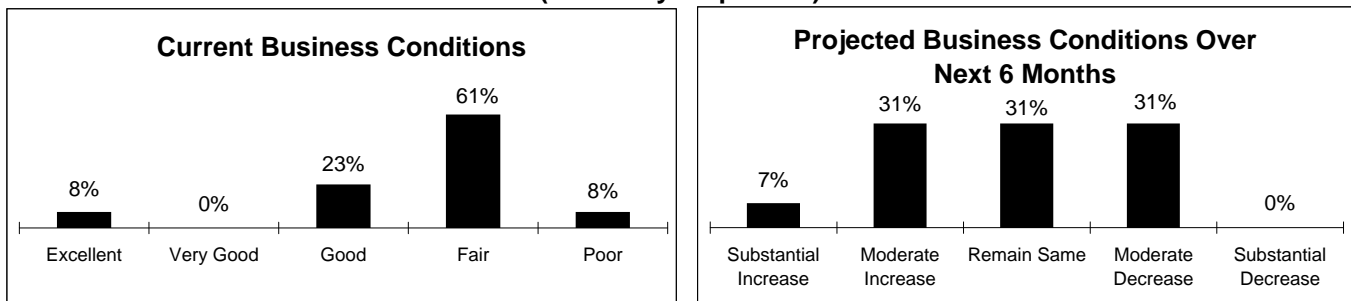
TOOL, DIE & FIXTURE SECTOR

(21 survey responses)



MOULD SECTOR

(13 survey responses)

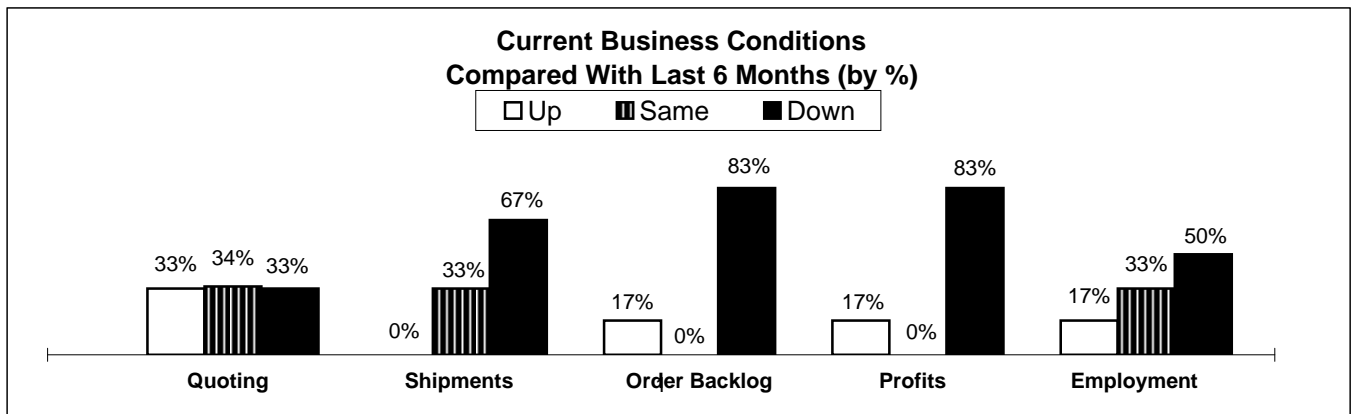
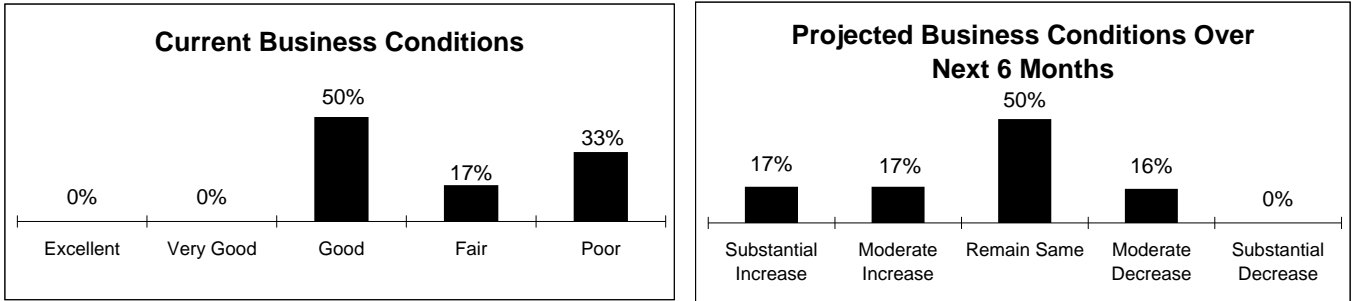


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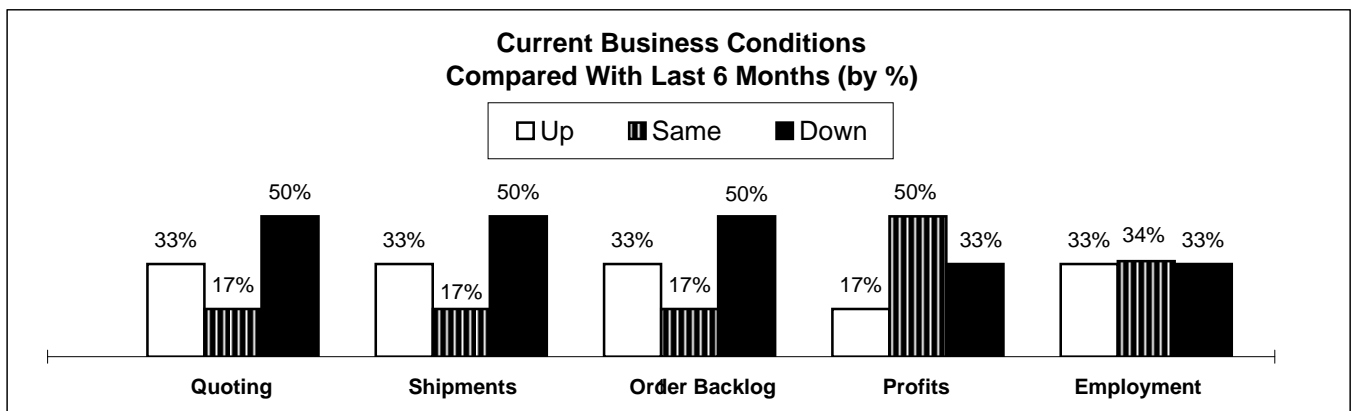
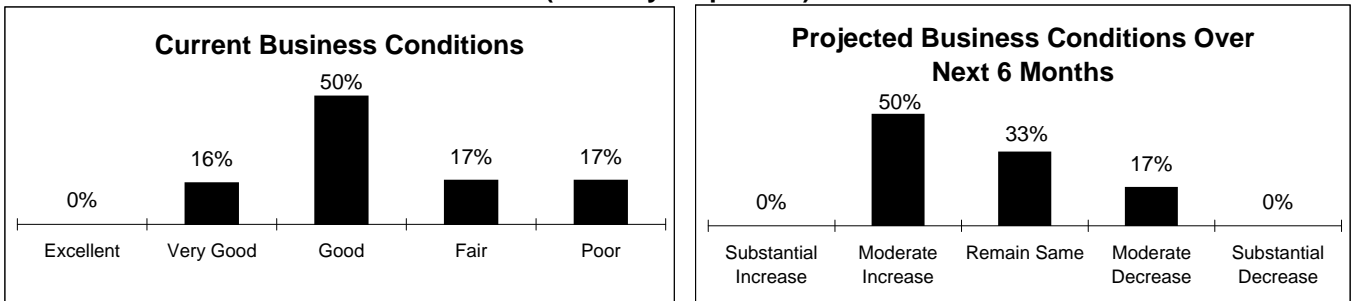
SPECIAL MACHINES SECTOR

(6 survey responses)



PRECISION MACHINING SECTOR

(6 survey responses)



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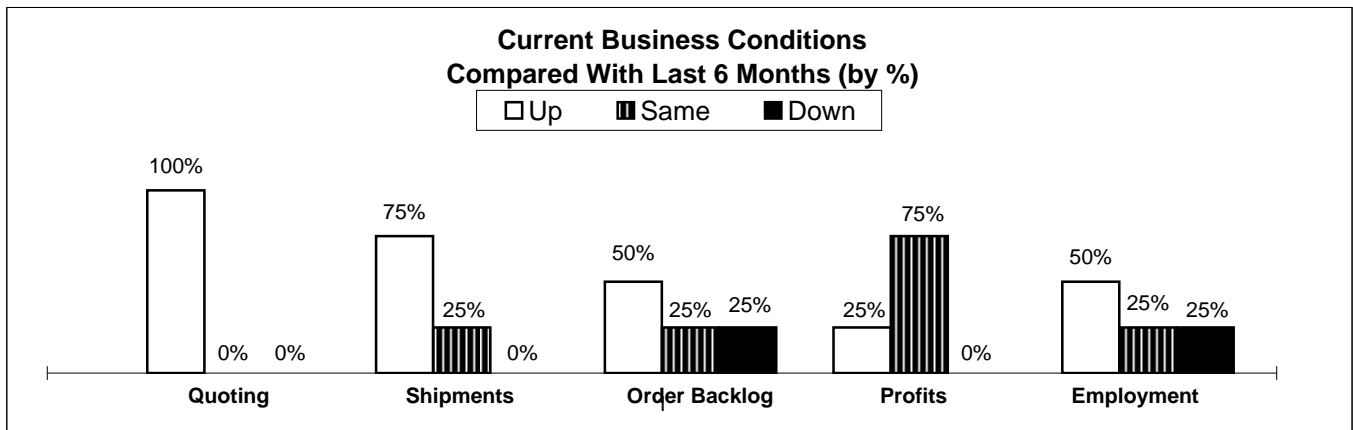
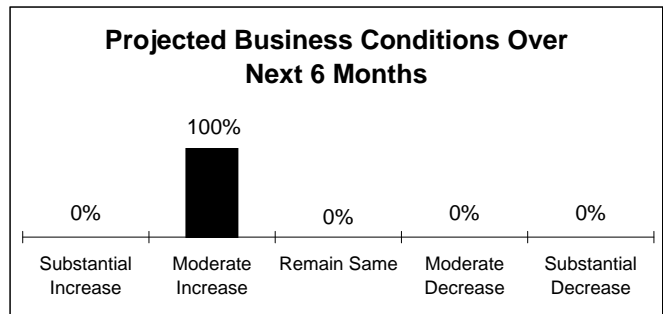
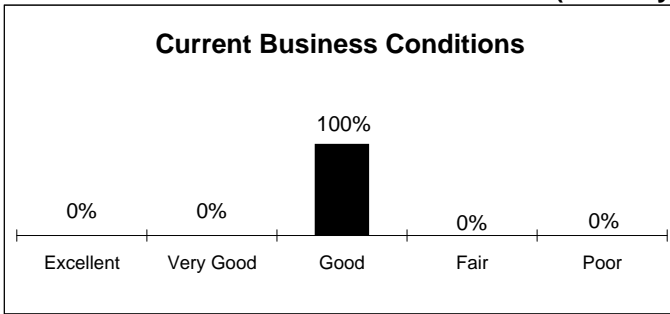
CANADA



New!

CUTTING TOOL SECTOR

(4 survey responses)



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USA



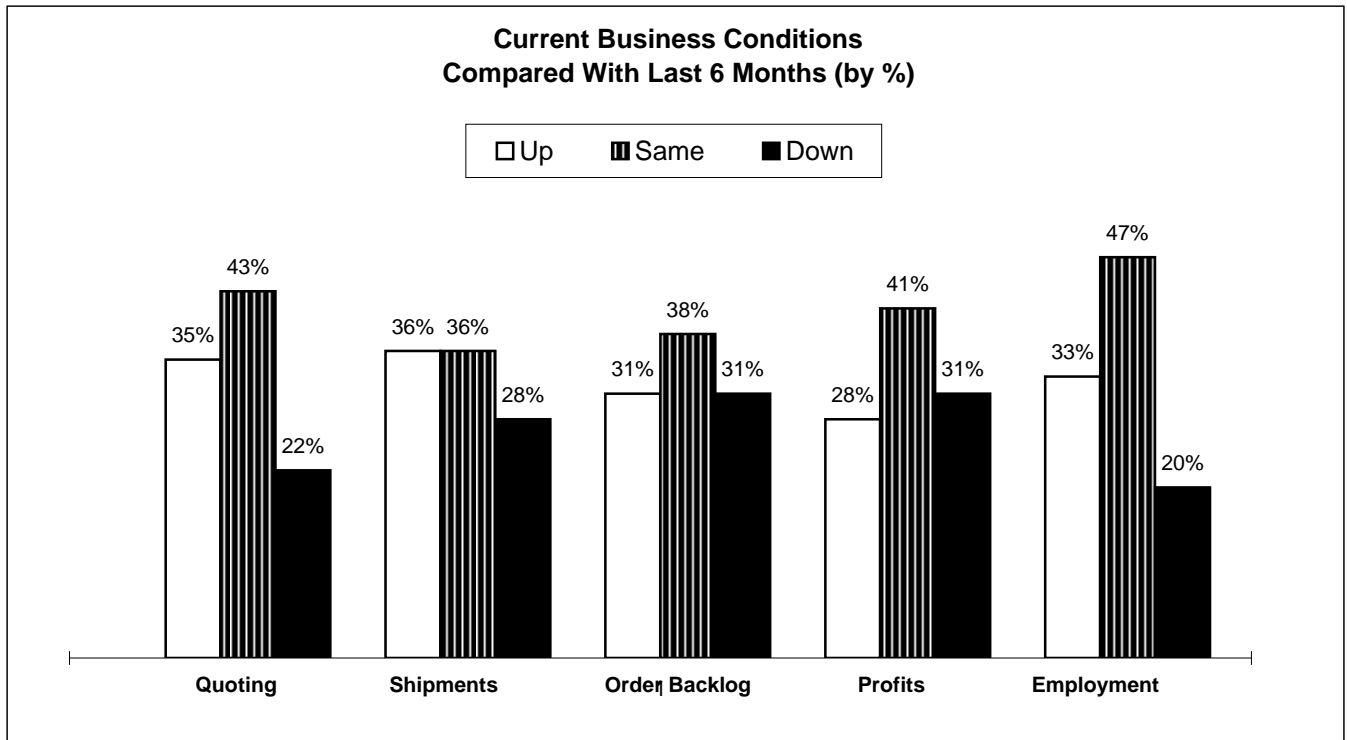
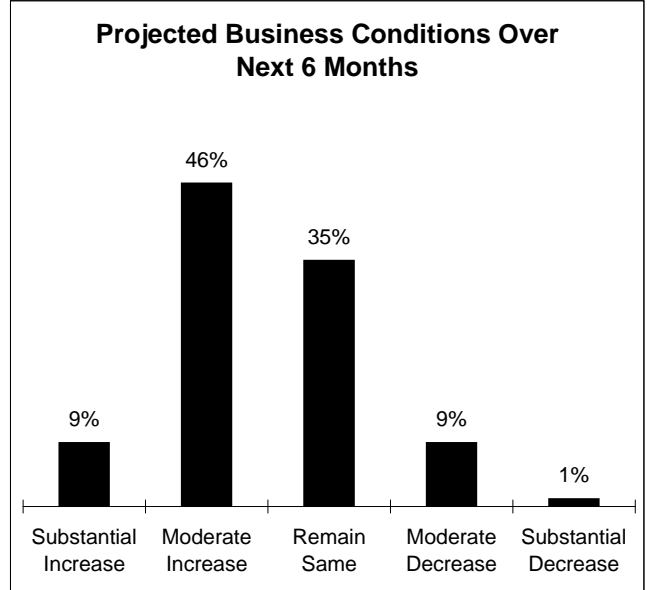
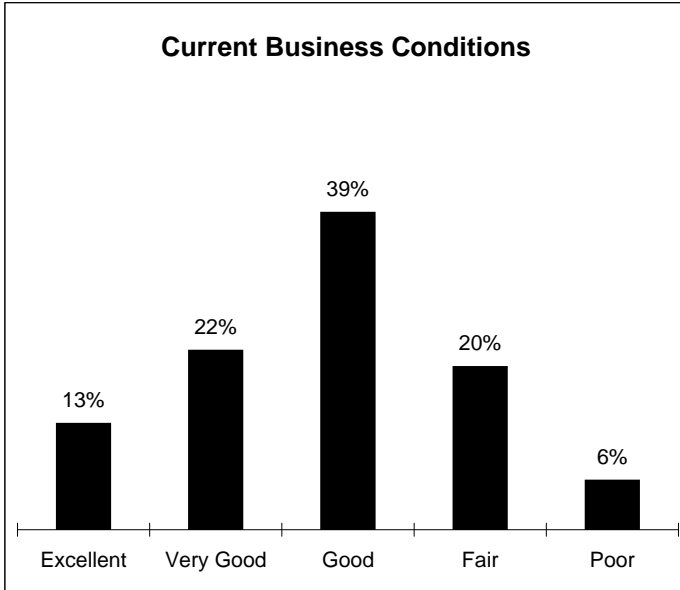
ALL SECTORS

(255 survey responses ... 16% of membership)

Total Number of Skilled Employees: 13,469 (at Dec. 31, 2006) 13,542 (at June 30, 2007)

Current Average Work Week Per Skilled Employee: 45.0 hours

Average Future Work on Order Books: 13.3 weeks



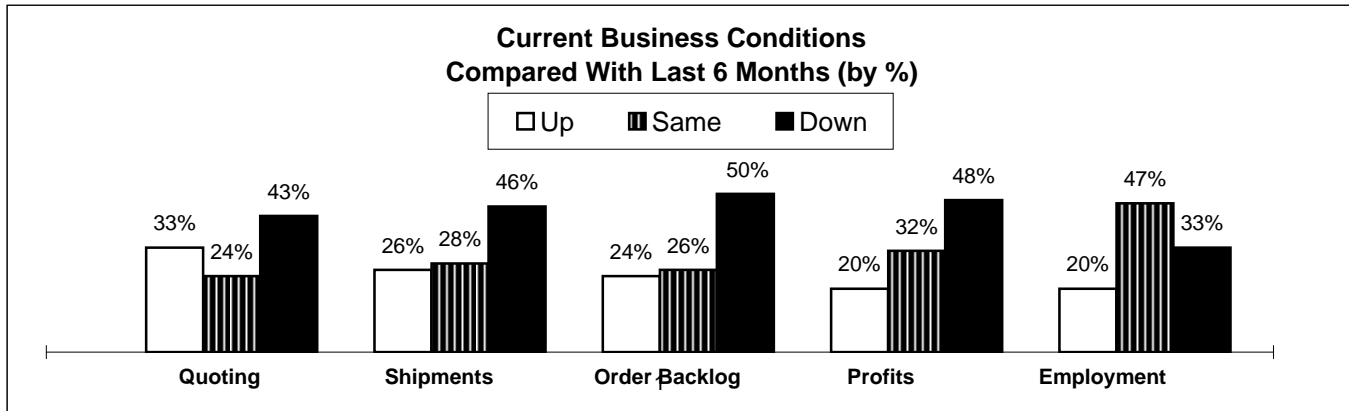
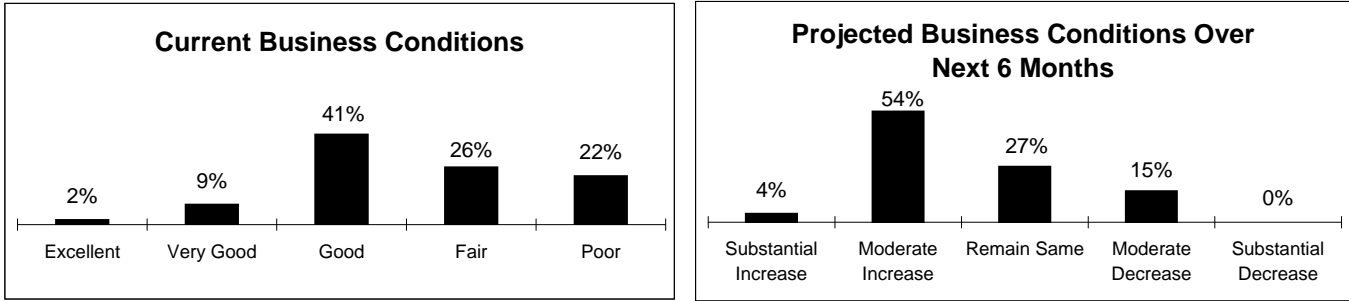
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USA



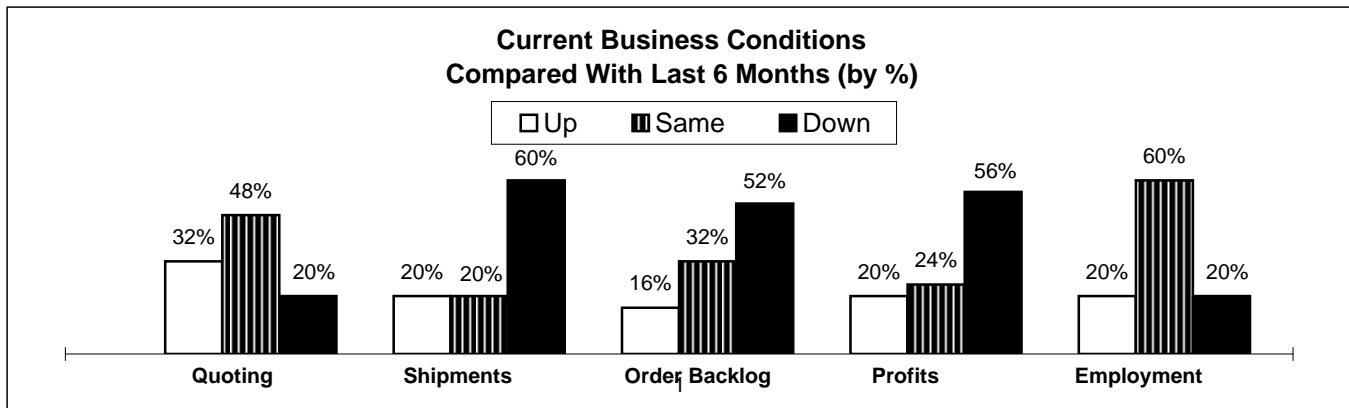
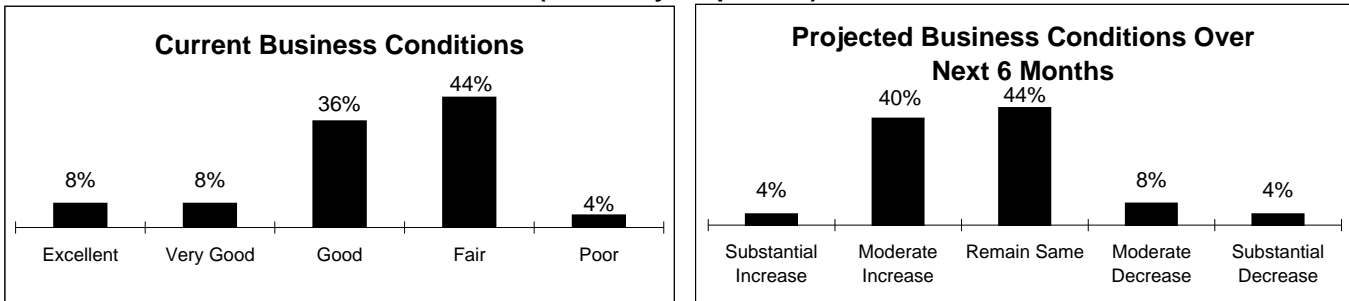
TOOL, DIE & FIXTURE SECTOR

(46 survey responses)



MOLD SECTOR

(25 survey responses)



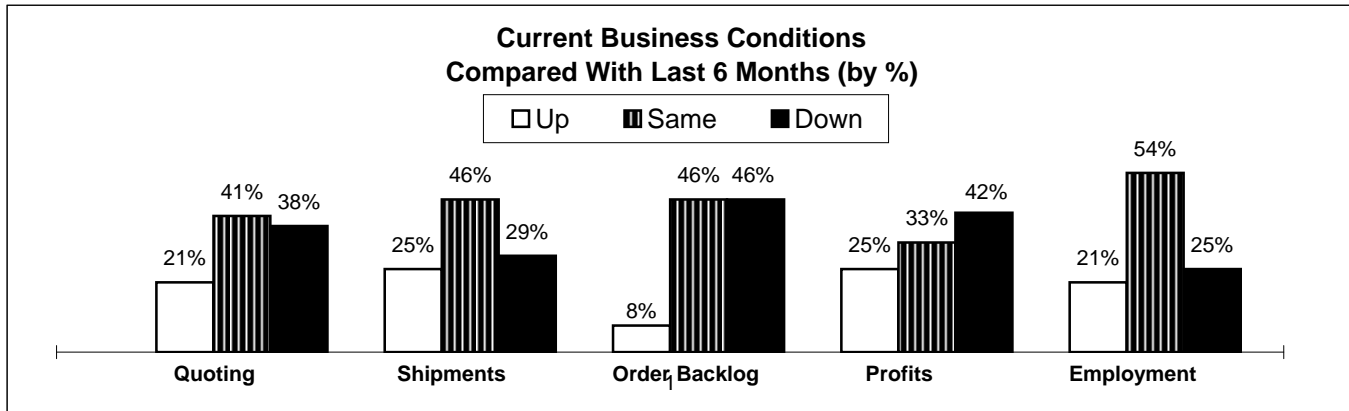
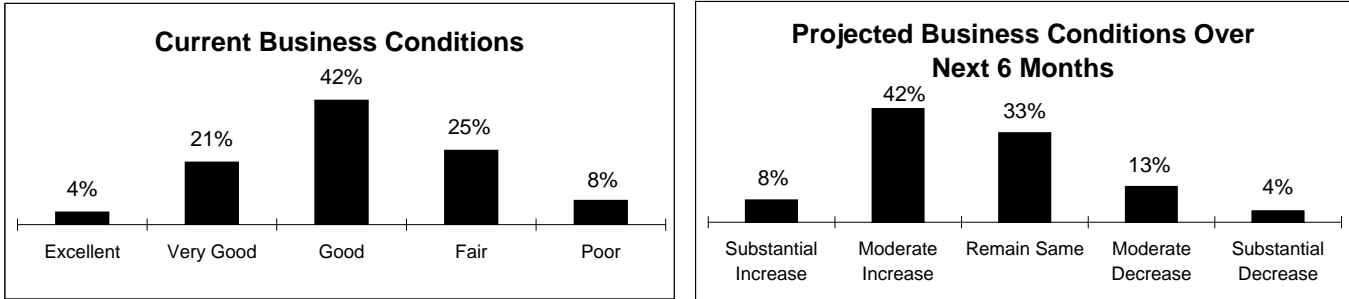
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USA



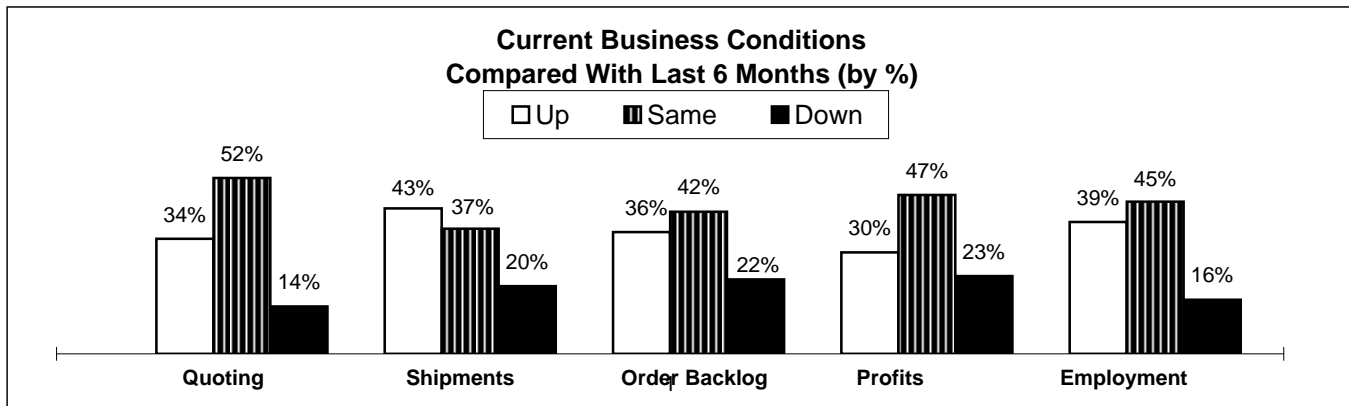
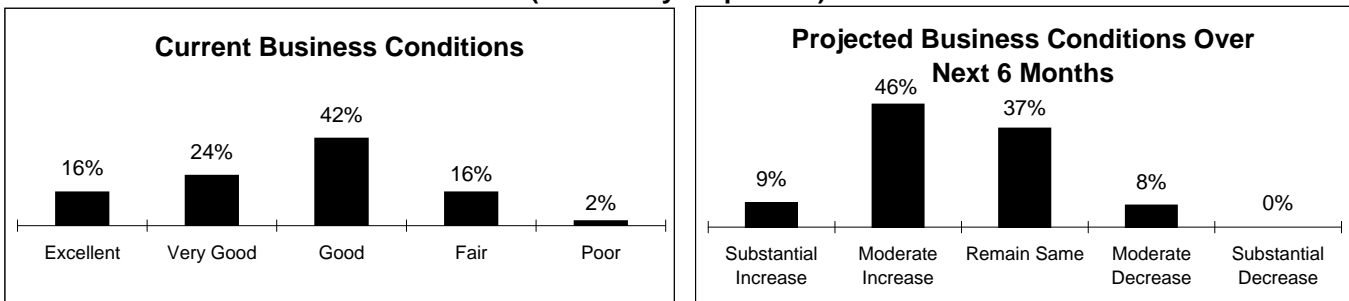
SPECIAL MACHINES SECTOR

(24 survey responses)



PRECISION MACHINING SECTOR (excluding Aerospace)

(116 survey responses)



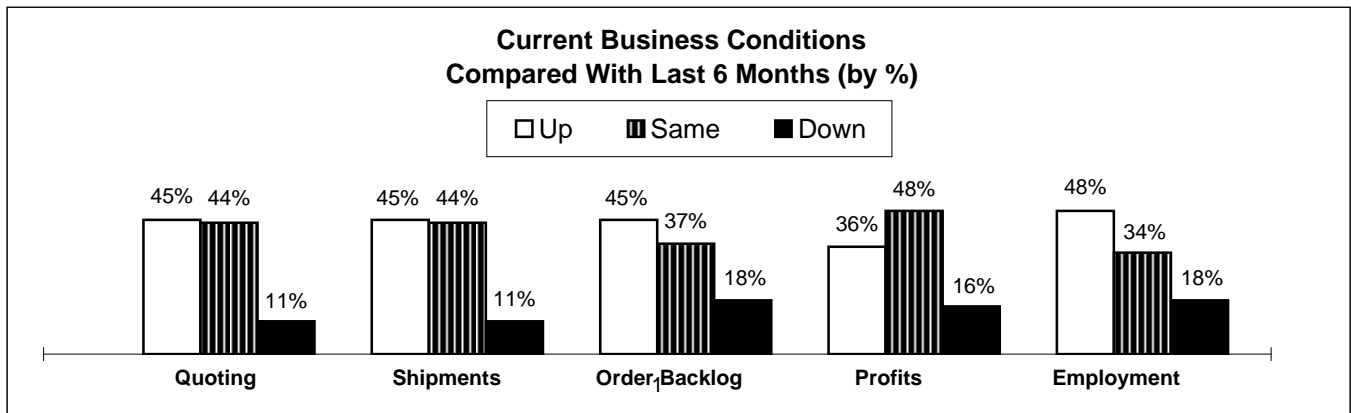
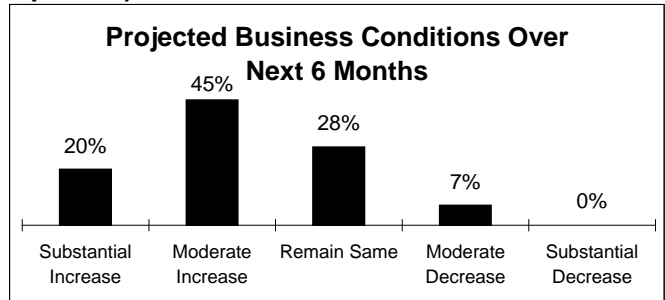
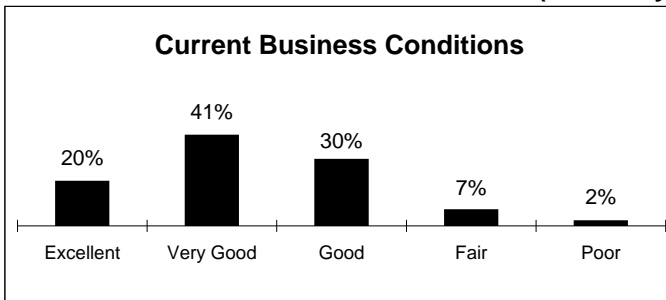
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USA



AEROSPACE MACHINING & FABRICATION SECTOR

(63 survey responses)

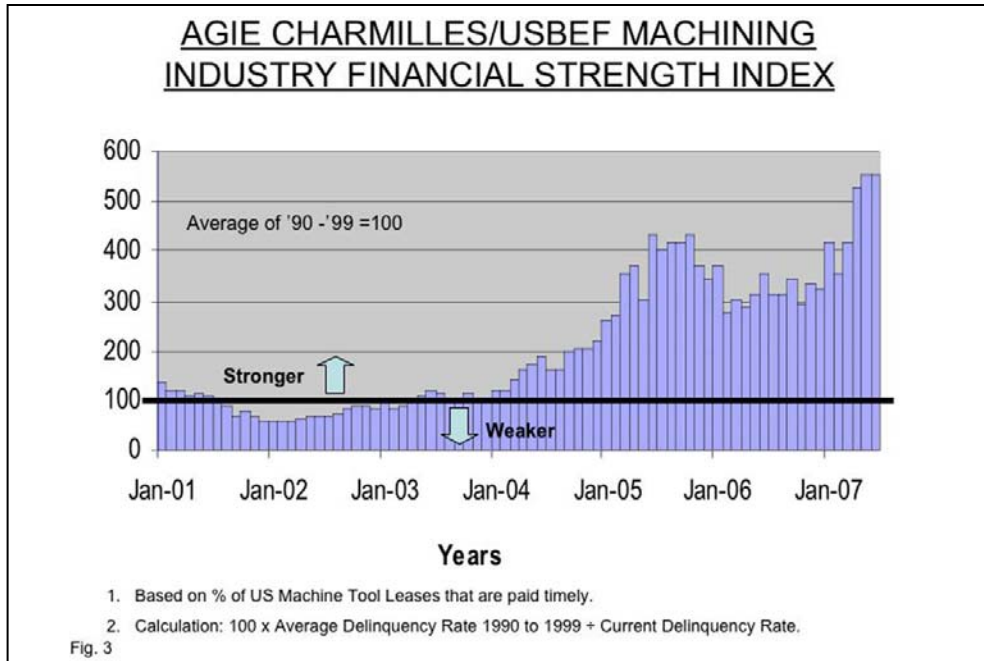


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New!

USA – Machine Tool Lease Delinquencies

“In June, shops got busier and the delinquency rate on machine tool leases was, for the second month in a row, at an all-time low - machine tool leases are solid. Shops are uniformly in good financial shape judged by their ability to pay their bills,” commented Harry Moser, Chairman of Agie Charmilles.



The Agie Charmilles Machining Business Activity Index increased to 64 in June from 62 in May. The Index is created by surveying machine tool users concerning their current business level versus three months earlier (March 2007). Any reading above 50 indicates that business activity has improved.

