

NEWS RELEASE

The Cutting Tool Market Report



a joint statistical program
AMT and USCTI

Contact:

Pat McGibbon, AMT, 703-827-5255
pmcgibbon@AMTonline.org

Susan Orenga, USCTI, 216-241-7333
sorenga@thomasamc.com

For Release: September 14th, 2016

U.S. Cutting Tool YTD Consumption down 9.9% in July

July U.S. cutting tool consumption totaled \$146.95 million according to the U.S. Cutting Tool Institute (USCTI) and AMT – The Association For Manufacturing Technology. This total, as reported by companies participating in the Cutting Tool Market Report (CTMR) collaboration, was down 16.2% from June’s \$175.35 million and down 17.2% when compared with the total of \$177.51 million reported for July 2015. With a year-to-date total of \$1,177.75 million, 2016 is down 9.9% when compared with 2015.

These numbers and all data in this report are based on the totals reported by the companies participating in the CTMR program. The totals here represent the majority of the U.S. market for cutting tools.

“The Cutting Tool industry has been waiting for the opening bell of IMTS 2016, with anticipation of many new opportunities to break the current Industry trend and we’re excited that it’s finally here. Will it happen or will the declining trend continue through the end of 2016?” says Brad Lawton, chairman of AMT’s Cutting Tool Product Group. “We will have the answer before the start of next month.”

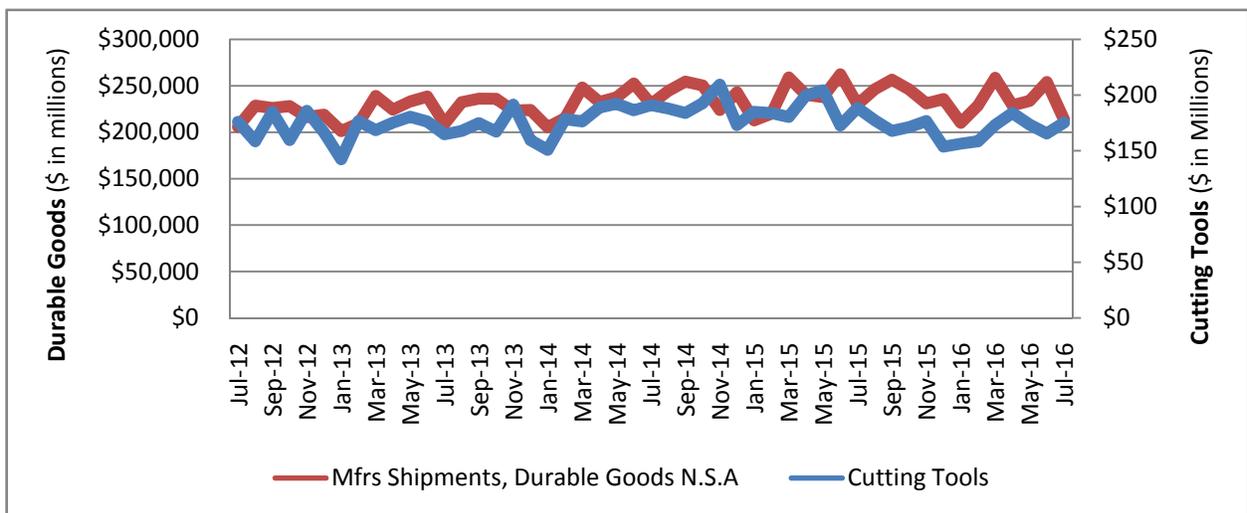
Additionally, “Cutting tool demand took a sharp downturn in July even adjusted for seasonality. Demand has fallen for 15 months in a row with the latest weakness likely driven by the sluggish first half of 2016’s economic growth and the recent surprise contraction of the ISM Purchasing Managers Index (PMI). We are also hearing of more inventory reduction to align stock levels with current weak demand that is expected to remain lower for longer,” says Eli Lustgarten, Senior Vice President at Longbow Securities. “Expect more

(more)

of the same for the remainder of 2016 with some moderation of the decline because of much easier comps starting in September.”

The Cutting Tool Market Report is jointly compiled by AMT and USCTI, two trade associations representing the development, production and distribution of cutting tool technology and products. It provides a monthly statement on U.S. manufacturers’ consumption of the primary consumable in the manufacturing process – the cutting tool. Analysis of cutting tool consumption is a leading indicator of both upturns and downturns in U.S. manufacturing activity, as it is a true measure of actual production levels.

Historical data for the Cutting Tool Market Report is available dating back to January 2012. This collaboration of AMT and USCTI is the first step in the two associations working together to promote and support U.S.-based manufacturers of cutting tool technology.



###

(CTMR data is also available at www.AMTonline.org)
 ISSN# 10807756



AMT – The Association For Manufacturing Technology represents and promotes U.S.-based manufacturing technology and its members—those who design, build, sell, and service the continuously evolving technology that lies at the heart of manufacturing. Founded in 1902 and based in Virginia, the association specializes in providing targeted business assistance, extensive global support, and business intelligence systems and analysis. AMT is the voice that communicates the importance of policies and programs that encourage research and innovation, and the development of educational initiatives to create tomorrow’s Smartforce. AMT owns and manages IMTS – The International Manufacturing Technology Show, which is the premier manufacturing technology event in North America. The CTPG report is compiled by AMT and all data in the report is based on the totals of actual data reported by companies participating in the CTPG program.



The United States Cutting Tool Institute (USCTI) was formed in 1988 and resulted from a merger of two national associations representing the cutting tool manufacturing industry. The Institute works to represent, promote, and expand the U.S. cutting tool industry and to promote the benefits of buying American-made cutting tools manufactured by its members. Membership includes North American manufacturers and/or remanufacturers of cutting tools, as well as tool surface treatment providers. Members, which number over 70, belong to ten product divisions: Carbide Tooling, Drill & Reamer, Metal Cutting Saw Blades, Milling Cutter, Polycrystalline Diamond & Polycrystalline Cubic Born Nitride, Substrate Materials, Surface Coating, Tap & Die, Tool Holder and All Other Tooling. A wide range of activities include a comprehensive statistics program, human resources surveys, development of product specifications and standards, and semi-annual meetings to share ideas and receive information on key industry trends.