PTDA’s Industry Reports Positively Adjusts 2021 Outlook

Chicago, Ill.—December 17, 2020—The third quarter 2020 Sales History & Outlook Report (SHOR) released by the Power Transmission Distributors Association (PTDA) indicates the severity of the year-over-year decline in U.S. industrial production and in the PTDA Distributor and Manufacturer Total Sales Indices are easing relative to tentative second-quarter lows. The PTDA Distributors Total Sales Index in the third quarter was 7.5% below the same quarter a year ago, halving the severity of the second quarter’s 15% year-over-year decline. Therefore, the PTDA Distributors Total Sales Index annual average is up 7.2% and 5.0% for 2020 and 2021, respectively.

The PTDA Business Index for distributors rose in the third quarter of 2020 to 69.8 while the manufacturer Business Index rose to 50.1, indicating both PTDA distributor and manufacturing activity picked up in the latter half of the year. As the PTDA Manufacturer and Distributor Business Indexes are leading indicators to the PTDA SHOR Indexes, upward momentum in both is consistent with the expectation of early-2021 business cycle lows in the SHOR Indexes. However, renewed shutdowns in several European countries and recently implemented restrictions in several U.S. states may negatively impact activity in the near term.

PTDA members participating in SHOR receive the results and forecasts through 2022 at no charge after the close of the calendar quarter. For more specifics on the forecast for power transmission/motion control sales through distribution as well as forecasts for manufacturer sales, purchase the 3Q2020 SHOR at ptda.org/SHOR.

The PTDA Business Index is modeled after the widely respected PMI and tracks change in business activity, new orders, employment, supplier deliveries, inventories, prices and backlog in the PT/MC industry to arrive at an overall index. The entire 3Q2020 PTDA Business Index report is available through PTDA’s website at ptda.org/Index.

The Power Transmission Distributors Association is the leading global association for the industrial power transmission/motion control (PT/MC) distribution channel. Headquartered in Chicago, PTDA represents power transmission/motion control distribution firms that generate more than $20 billion in sales and span over 2,700 locations. PTDA members also include manufacturers that supply the PT/MC industry.

PTDA is dedicated to providing exceptional networking, targeted education, relevant information, and leading-edge business tools to help distributors and manufacturers meet marketplace demands competitively and profitably. For more information, call +1.312.516.2100, visit ptda.org or follow on LinkedIn or Twitter at @PTDAorg.

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