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FOR IMMEDIATE RELEASE
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January 2021 US Cutting Tool Orders Down 3.2% from December 2020

McLean, Va. (March 23, 2021) - January 2021 U.S. cutting tool consumption totaled \$152.2 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 collaboration, was down 3.2% from December's \$157.3 million and down 21.8% when compared with the \$194.8 million reported for January 2020.

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.

According to Brad Lawton, Chairman of AMT's Cutting Tool Product Group, "January shipments levels are better than the dismal numbers in May 2020 but don't reflect a recovery in Q1 business levels either. However, I expect a recovery to begin in our industry soon as the government stimulus translates into greater manufacturing levels early in 2021."

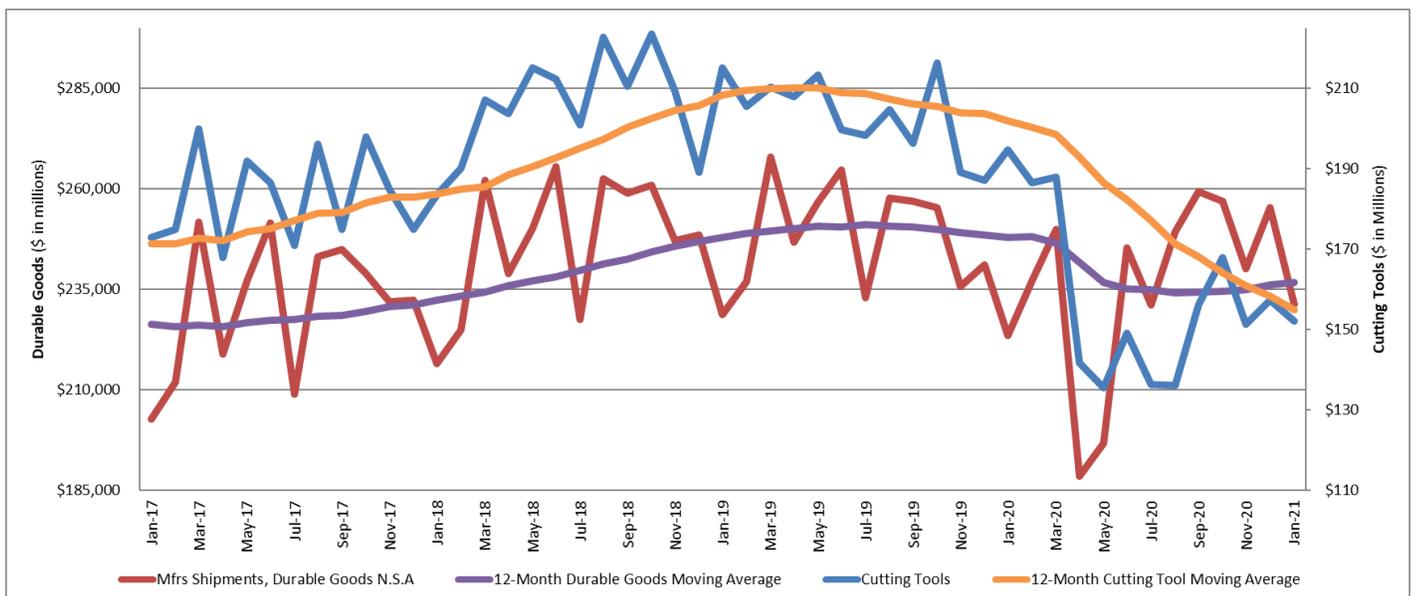
"The outlook is looking brighter for cutting tools, but the road to a full recovery remains long. In January, cutting tool shipments were 22% lower than last year despite durable goods shipments being 6.2% year-over-year higher than in January 2020. Improving health conditions, expanding vaccine distribution, and generous fiscal stimulus will form a powerful cocktail that lifts economic activity this year. A softer U.S. dollar and rebounding global growth should further contribute to the sectoral tailwinds. Looking further ahead, policy risks are tilted to the upside with President Biden's Build Back Better plan potentially adding \$2 trillion in government spending on infrastructure, climate change initiatives and R&D over the next ten years," commented Greg Daco, Chief US Economist at Oxford Economics USA.

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.

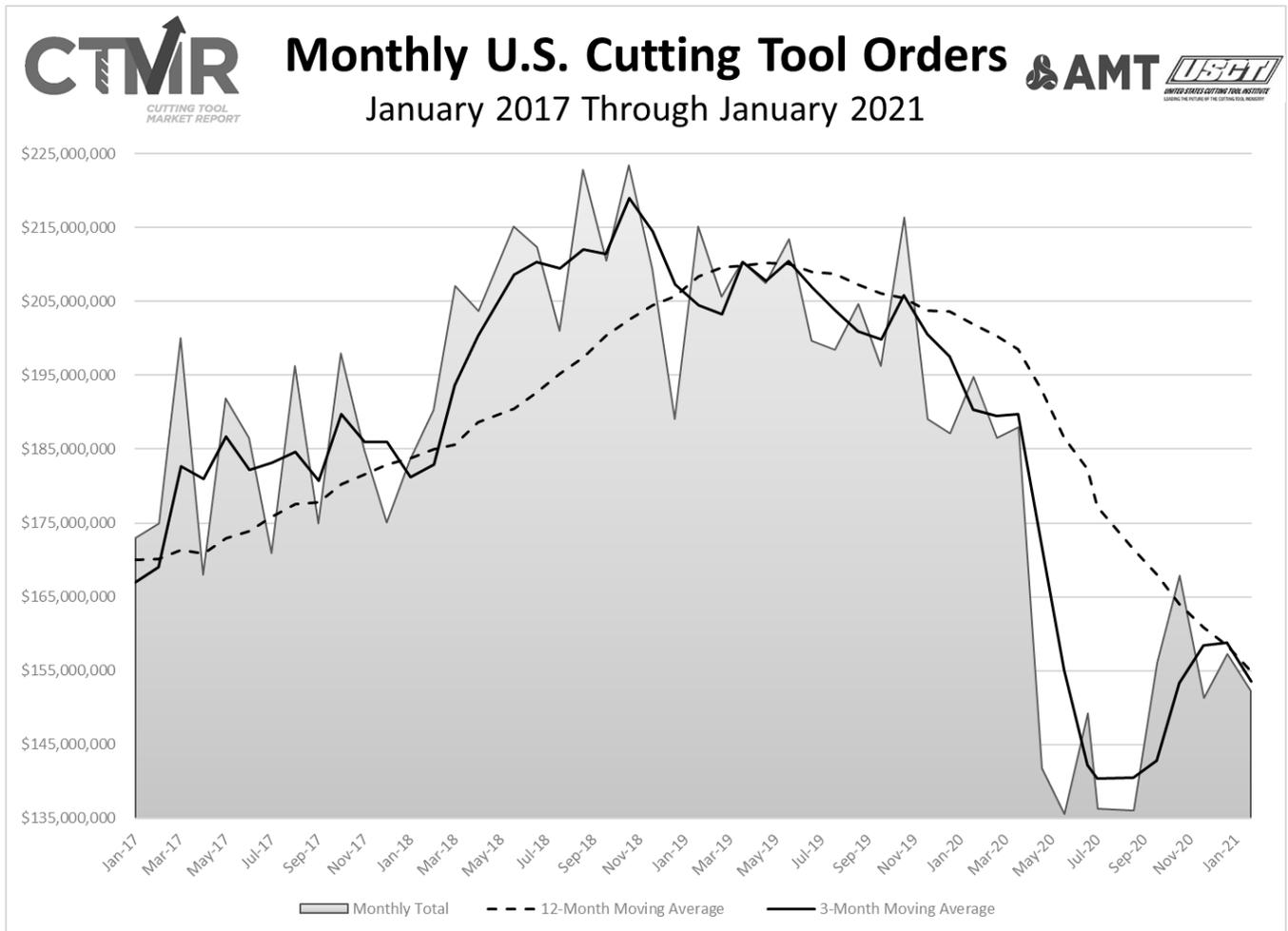
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Historical data for the Cutting Tool Market Report is available dating back to January 2012. This collaboration of AMT and USCTI is the first step in the two associations working together to promote and support U.S.-based manufacturers of cutting tool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

The graph below includes the 12-month moving average for the durable goods shipments and cutting tool orders. These values are calculated by taking the average of the most recent 12 months and plotting them over time.



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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 United States Cutting Tool Institute (USCTI) was formed in 1988 and resulted from a merger of the two national associations representing the cutting tool manufacturing industry. USCTI 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. The Institute recently expanded its by-laws to include any North American manufacturer and/or

remanufacturer of cutting tools, as well as post-fabrication tool surface treatment providers. Members, which number over 80, belong to seven product divisions: Carbide Tooling, Drill & Reamer, Milling Cutter, PCD & PCBN, Tap & Die, Tool Holder and All Other Tooling. A wide range of activities includes a comprehensive statistics program, human resources surveys and forums, development of product specifications and standards, and semi-annual meetings to share ideas and receive information on key industry trends

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