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U.S. Cutting Tool 2017 YTD Consumption up 7.1% in July

July U.S. cutting tool consumption totaled $170.95 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 8.4 percent from June’s $186.57 million and up 16.0 percent when compared with the total of $147.43 million reported for July 2016. With a year-to-date total of $1.266 billion, 2017 is up 7.1 percent when compared with 2016.

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 certainly is on a pace to exceed 2016 totals,” says Brad Lawton, Chairman of AMT’s Cutting Tool Product Group. “With the continuation of strong domestic economic growth, there is a potential recovery to the industry levels of 2015.”

“Cutting tool demand continues its moderate recovery though the monthly data remains volatile,” said Eli Lustgarten, Senior Vice President at Longbow Securities. “While July 2017 consumption showed a seasonal decline of 8.4 percent from June, results were 16 percent above the comparable month a year ago. Year to date consumption is up 7.1 percent and appears to be mostly demand driven with some modest restocking.

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helped by the current moderate improvement in both on and off-highway markets, including a recovery in the mining and oil and gas sectors. We expect cutting tool demand to continue its current moderate recovery for the remainder of 2017, despite somewhat tougher monthly comparisons and the ongoing modest recovery in manufacturing industrial production, which is up 1.2 percent year to date.”

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.

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(CTMR data is also available at www.AMTonline.org.)
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AMT – The Association For Manufacturing Technology represents U.S.-based builders and distributors of manufacturing technology – the advanced machinery, devices, and digital equipment that U.S. manufacturing relies on to be productive, innovative, and competitive. Located in McLean, VA, near the nation’s capital, AMT acts as the industry’s voice to speed the pace of innovation, increase global competitiveness and develop manufacturing’s advanced workforce of tomorrow. With extensive expertise in industry data and intelligence, as well as a full complement of international business operations, AMT offers its members an unparalleled level of support. AMT also produces IMTS – The International Manufacturing Technology Show, 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.