ECONOMIC CONDITIONS IN MANUFACTURING

February 4, 2022

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TODAY’S PRESENTATION

- Manufacturing sector
- Survey results
  - 2021 was a strong year
  - Outlook calls for more growth
- Supply chain challenges
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● Manufacturing sector

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OUTPUT BY INDUSTRY, 2020, U.S. & NINTH DISTRICT

Source: Bureau of Economic Analysis
EMPLOYMENT BY INDUSTRY, 2021, U.S. & DISTRICT

U.S.
- Construction: 15%
- Trade, Transportation and Utilities: 19%
- Other Services: 6%
- Professional and Business Services: 15%
- Financial Services: 15%
- Government: 32%
- Manufacturing: 8%

Ninth District
- Construction: 15%
- Trade, Transportation and Utilities: 19%
- Other Services: 6%
- Professional and Business Services: 11%
- Financial Services: 13%
- Government: 32%

Source: Bureau of Labor Statistics
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MANUFACTURING GROWING BRISKLY

- Ninth District survey
  - Conducted December and January, looking backward and forward one year
  - Random sample of manufacturers, polled via mail
  - Stratified by state and firm size
  - All states, 417 respondents
- Conducted in partnership with Minnesota DEED
2021 WAS A STRONG YEAR

2021 Performance

Number of orders
Product/service production level
Employment level
Labor Availability
Investment in plant/equipment
Selling Prices
Profits
Productivity
Exports

*Index number above 50 indicates expansion. Index number below 50 indicates contraction.
BIG IMPROVEMENT OVER 2020

SURVEY RESULTS

*Index number above 50 indicates expansion.
Index number below 50 indicates contraction.
2022 EXPECTATIONS CALL FOR GROWTH

SURVEY RESULTS

*Index number above 50 indicates expansion. Index number below 50 indicates contraction.
Optimism increased from last year.

Survey Results

*Index number above 50 indicates expansion. Index number below 50 indicates contraction.
STATE ECONOMIC OUTLOOKS MORE POSITIVE THAN LAST YEAR

SURVEY RESULTS

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IS YOUR COMPANY EXPERIENCING SUPPLY CHAIN BOTTLENECK PROBLEMS DUE TO THE FOLLOWING REASONS?

- Raw materials availability
- Domestic supplier issues
- Transportation/Logistics issues
- Labor issues at suppliers
- Overseas supplier issues
- COVID-19 issues
- Production process issues
- Software malfunction
- No supply chain issues
THANK YOU!

SPEECH REFERRALS WELCOME!

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