



ITR MONTHLY UPDATE

JANUARY 20, 2021



PARTICIPATING ASSOCIATIONS

ASSOCIATION FOR
HIGH TECHNOLOGY
DISTRIBUTION

AHTD



Convenience
Distribution
ASSOCIATION



ecia
Electronic Components Industry Association



fisa
Distributors Serving
Sanitary Processing

FPDA
MOTION & CONTROL NETWORK



GAWDA
GASES AND WELDING DISTRIBUTORS ASSOCIATION



INTERNATIONAL SEALING
DISTRIBUTION ASSOCIATION
www.isd.org

YOUR INDUSTRY CONNECTION
MHEDA
Material Handling Equipment Distributors Association



National Association of
Chemical Distributors



NAHAD
THE ASSOCIATION FOR HOSE AND ACCESSORIES DISTRIBUTION



NAWLA
North American Wholesale
Lumber Association

NAFCD
Trends ■ Education ■ Leadership ■ Networking

NBMMA
North American Building Material Distribution Association



PEI

SHDA
Security Hardware Distributors Association

aea
association education alliance
INNOVATION THROUGH COLLABORATION



UVSA

UNITED VETERINARY SERVICES ASSOCIATION
The Pulse of the Industry



Wallcoverings Association

WffSA
Wholesale Florist & Florist Supplier Association

IAN HELLER Moderator



- Founder and Senior Partner, Distribution Strategy Group
- MBA, Kellogg School of Management at Northwestern University
- Known for his expertise for his research, consulting, analytics and thought leadership within the distribution industry



ALEX CHAUSOVSKIY Panelist



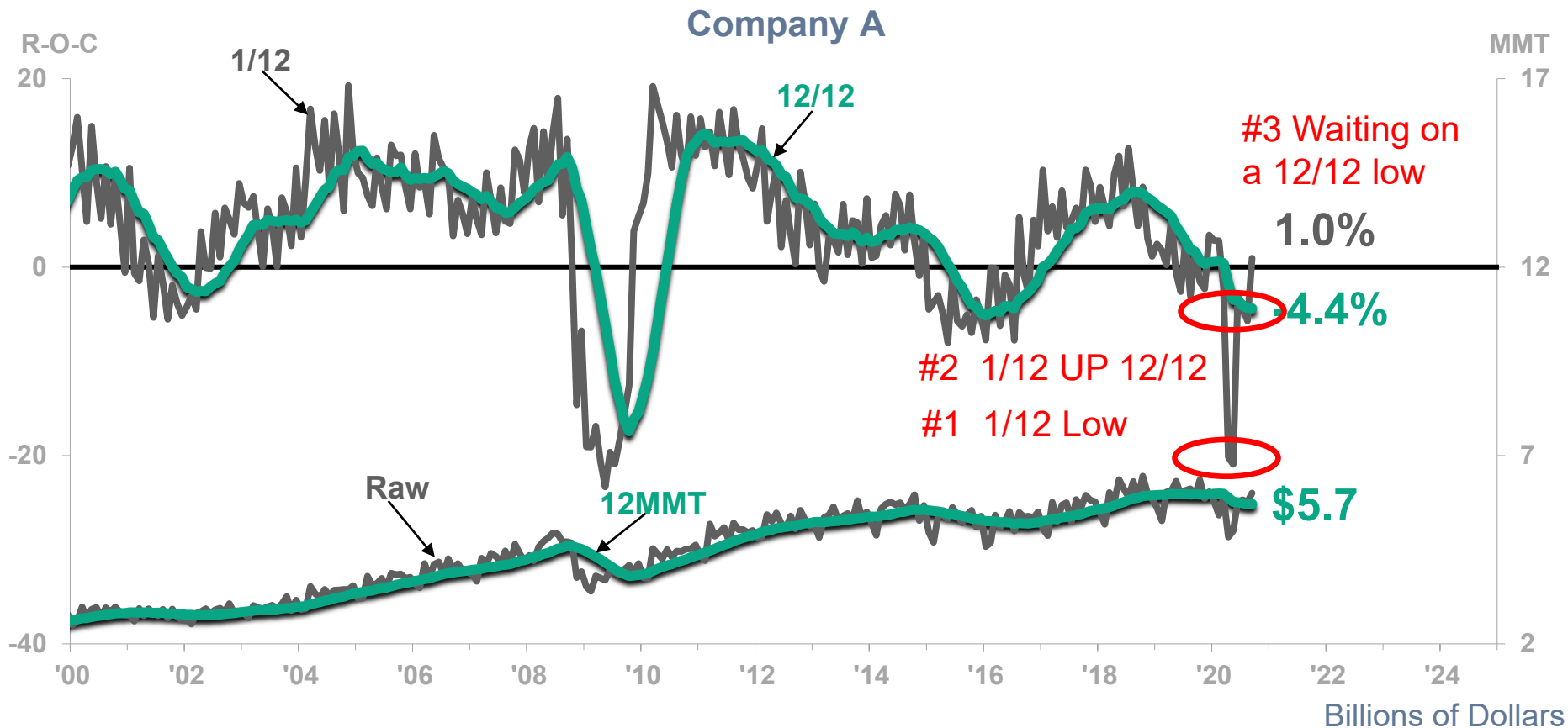
- Senior Business Advisor, ITR Economics
- Highly experienced market researcher and analyst with more than a decade of expertise
- Featured on NPR, the BBC, and in Wall Street Journal



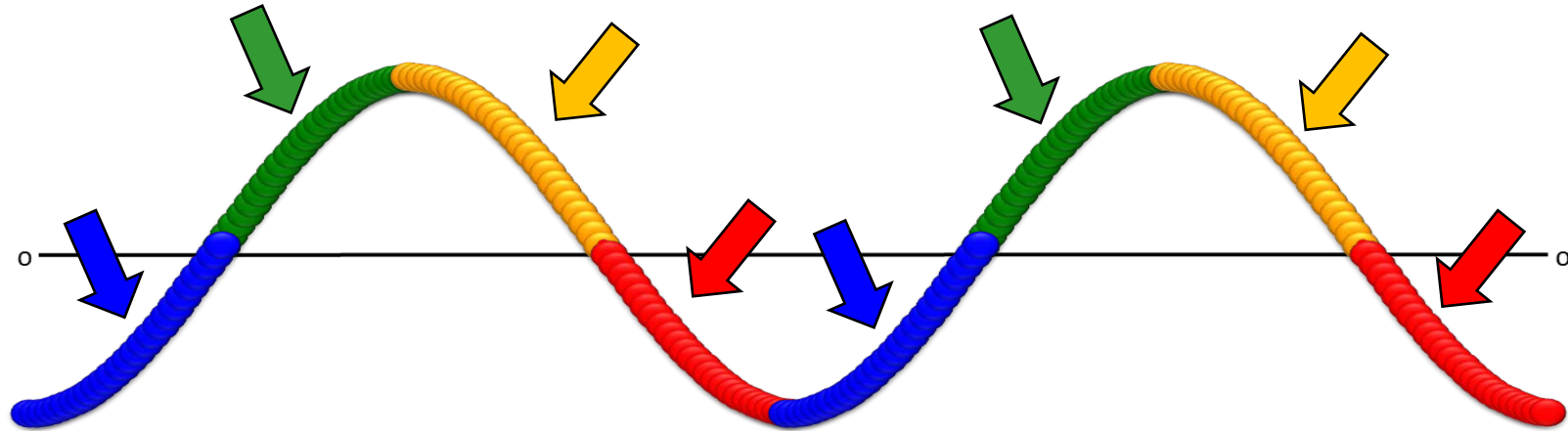
Rates of Change: A Powerful Management T

	Monthly	1/12	3MMT	3/12	12MMT	12/12
Oct-18	5.378	8.5%				
Nov-18	4.991	3.0%				
Dec-18	4.866	1.2%	15.2			
Jan-19	4.684	2.4%	14.5			
Feb-19	4.391	1.8%	13.9			
Mar-19	5.024	0.2%	14.1			
Apr-19	5.050	5.1%	14.5			
May-19	5.266	-0.6%	15.3			
Jun-19	4.969	-2.6%	15.3			
Jul-19	5.061	2.9%	15.3			
Aug-19	5.099	-3.1%	15.1			
Sep-19	4.956	-1.7%	15.1		59.7	
Oct-19	5.295	-1.5%	15.3		59.7	
Nov-19	4.875	-2.3%	15.1		59.5	
Dec-19	5.032	3.4%	15.2	-0.2%	59.7	
Jan-20	4.816	2.8%	14.7	1.3%	59.8	
Feb-20	4.515	2.8%	14.4	3.0%	60.0	
Mar-20	4.914	-2.2%	14.2	1.0%	59.8	0.4%
Apr-20	4.031	-20.2%	13.5	-7.0%	58.8	-1.7%
May-20	4.164	-20.9%	13.1	-14.6%	57.7	-3.5%
Jun-20	4.815	-3.1%	13.0	-14.9%	57.6	-3.5%
Jul-20	4.851	-4.2%	13.8	-9.6%	57.4	-4.1%
Aug-20	4.808	-5.7%	14.5	-4.3%	57.1	-4.3%
Sep-20	5.003	1.8%	14.7	3.8%	57.1	-4.4%

Using Checking Points at the Low



Business Cycles



Phase A - Recovery

Annual Sales are **BELOW** Year-Ago Levels, but the Rate-of-Decline is **SLOWING**.

Phase B – Accelerating Growth (Best)

Annual Sales are **ABOVE** Year-Ago Levels, and are **GROWING** at a **RAPID** Pace.

Phase C – Slowing Growth (Caution)

Annual Sales are **ABOVE** Year-Ago Levels, BUT the Rate-of-Growth is **SLOWING**

Phase D - Recession

Annual Sales are **BELOW** Year-Ago Levels, and are **DECLINING** at a **RAPID** Pace.

Rates-of-Change – A Management Tool



Generating the Quantitative Forecast

Internal Trends



Leading Economic Indicators



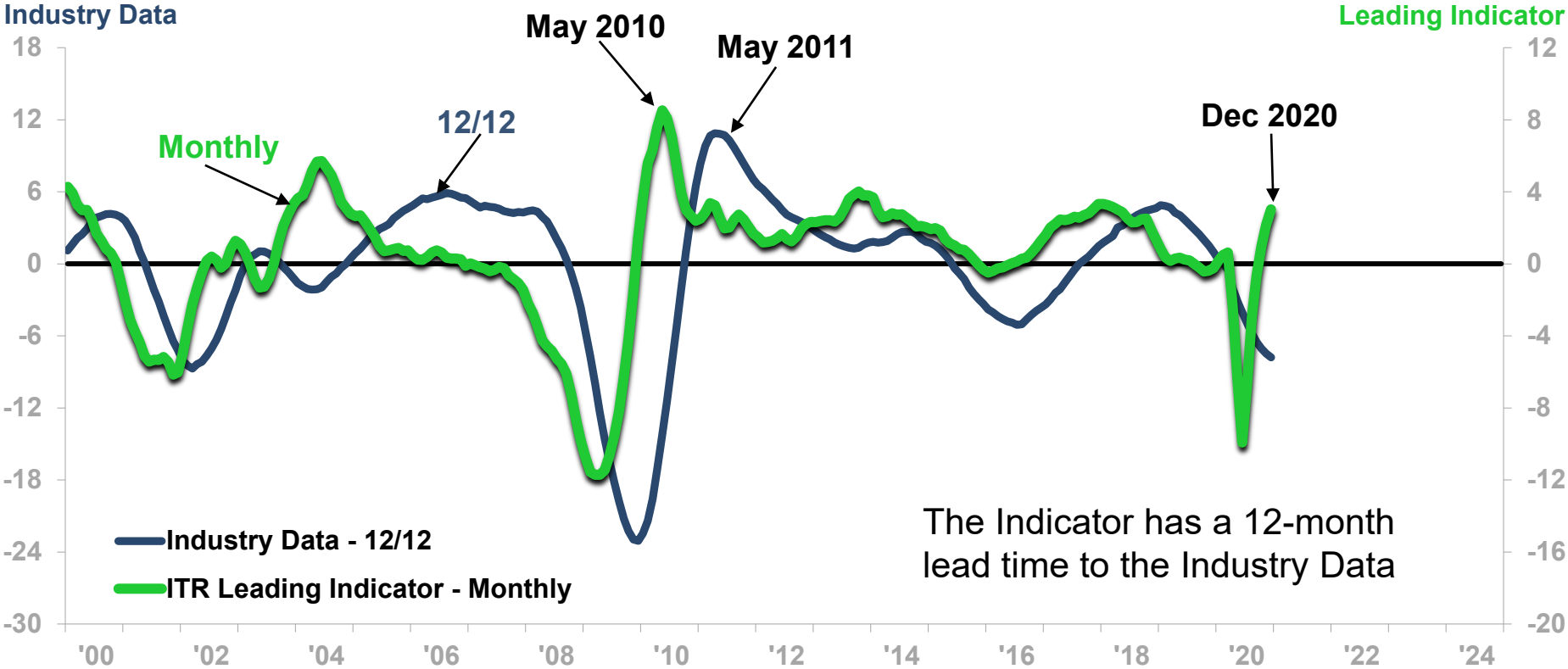
ITR Long Term Business Cycle Theory



News and Market Observations



Leading Indicators



U.S. Economic Leading Indicators

Indicator	Trend	Comments
ITR Retail Sales Leading Indicator	Rise	Positive through next four quarters...
ITR Financial Leading Indicator	Rise	Positive through next four quarters...
JPMorgan Global PMI	Rise	Positive through next four quarters...
OECD Leading Indicator	Rise	Positive through next three quarters...
G7 Leading Indicator	Rise	Positive through next three quarters...
Purchasing Managers Index (PMI)	Rise	Positive through next four quarters...
ITR Leading Indicator	Rise	Positive through next three quarters...
Wilshire Total Market Cap	Rise	Positive through next three quarters...
US Leading Indicator	Rise	Positive through next two quarters...
Single-Family Housing Starts	Rise	Positive through next three quarters...
Total Industry Capacity Utilization	Rise	Positive through next two quarters...
US Exports, Goods – World	Rise	Positive through next quarter...

Sources: ITR Economics, Institute for Supply Management, OECD, Yahoo Finance, The Conference Board, US Census Bureau, FRB



QUESTIONS

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THANK YOU!

**NEXT ITR UPDATE:
FEBRUARY 2021**

