



PMPA

Business Trends Report December 2025

12/20/2025

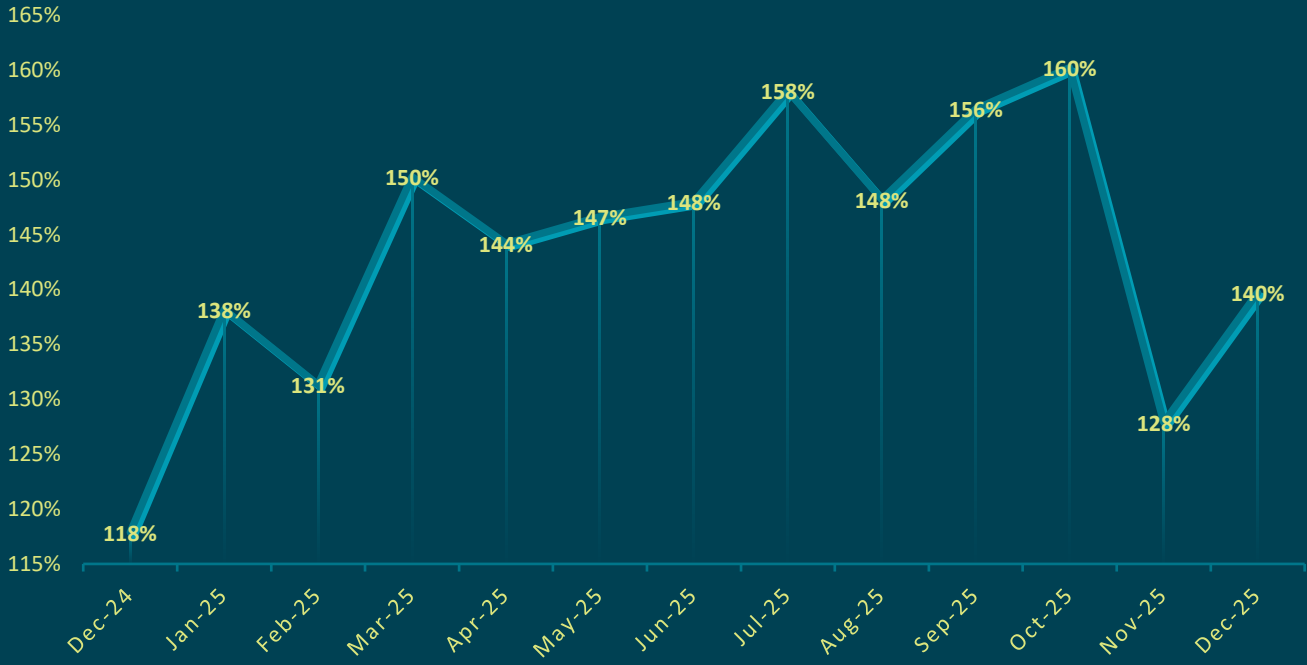
47 Respondents





December Respondents	December 2025 BT	Vs Last Month	Vs December Last Year	5 Year Average for	December % Diff 5yr Avg	All Time High for December
47	140%	9.27%	18.54%	133.04%	5.04%	143.82%

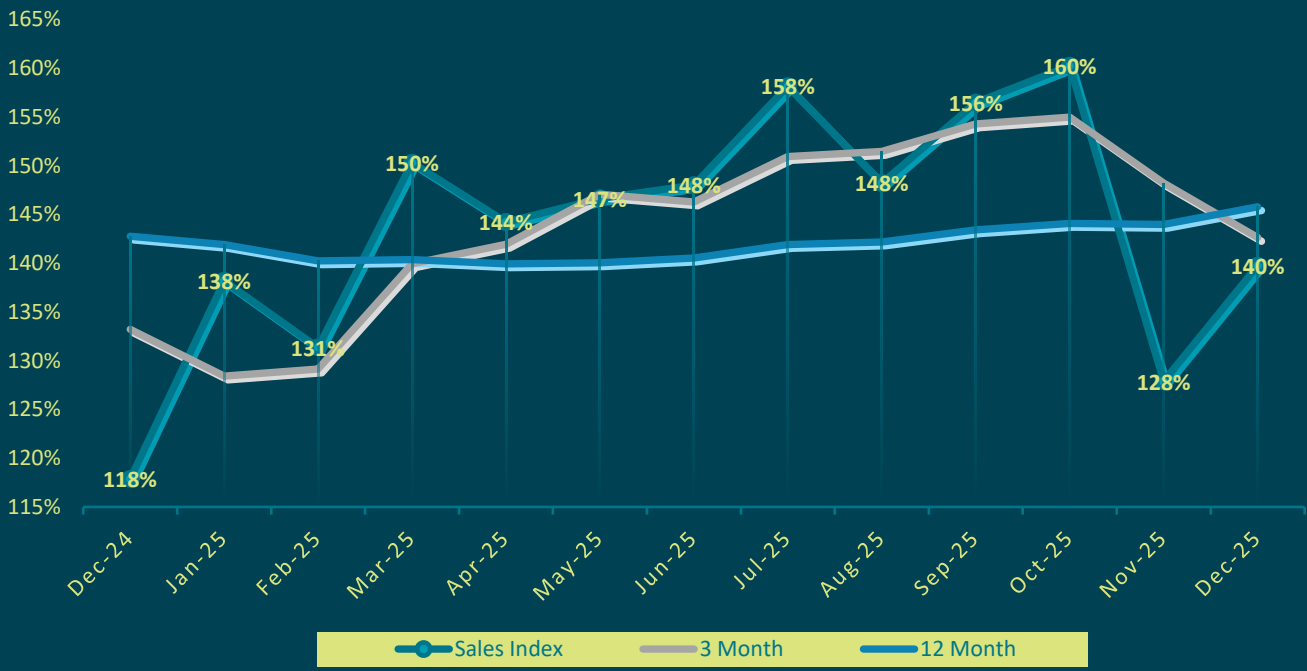
PMPA MEMBERS AVERAGE SALES INDEX



The business trends sales index rose by 9.27% in December

PMPA

12 MONTH MOVING AVERAGE SALES INDEX

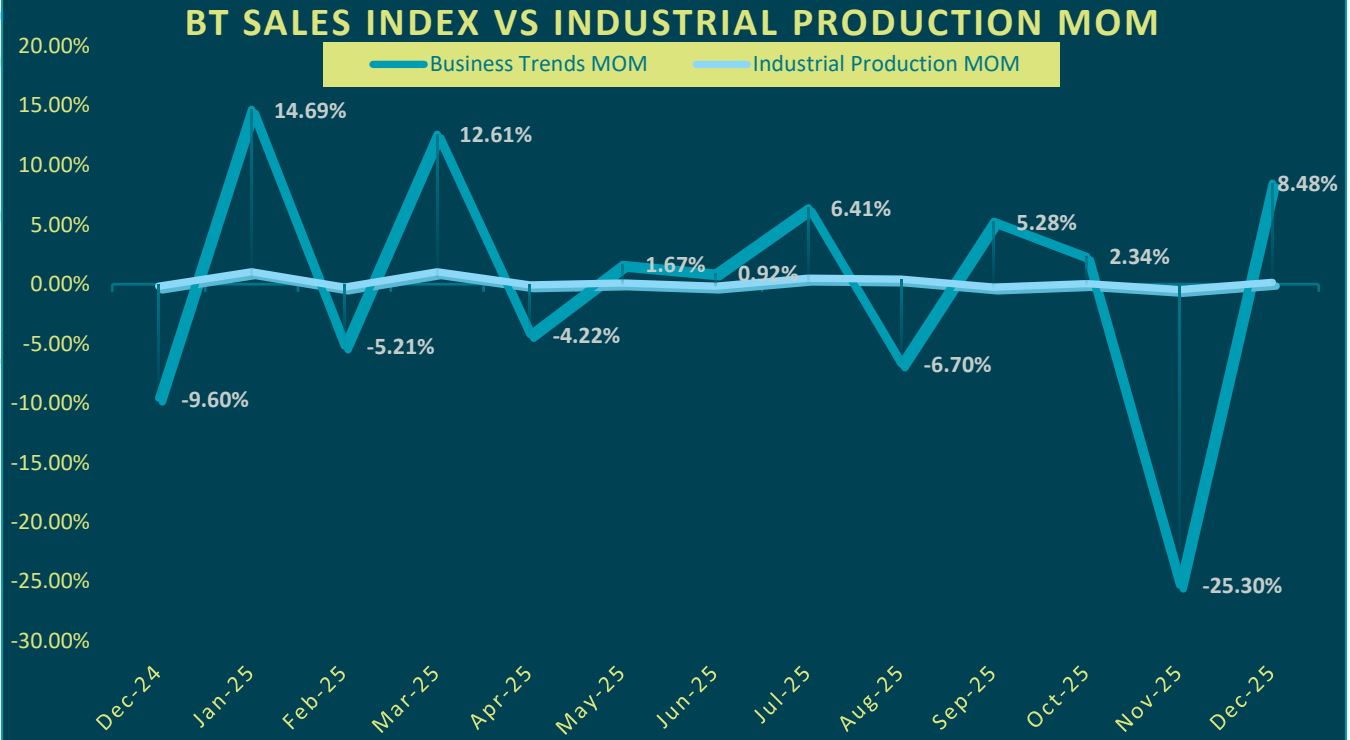


The 3 month average is currently -3 points below the 12 month in a declining trajectory



PMPA BT Sales Index Vs Industrial Production MOM

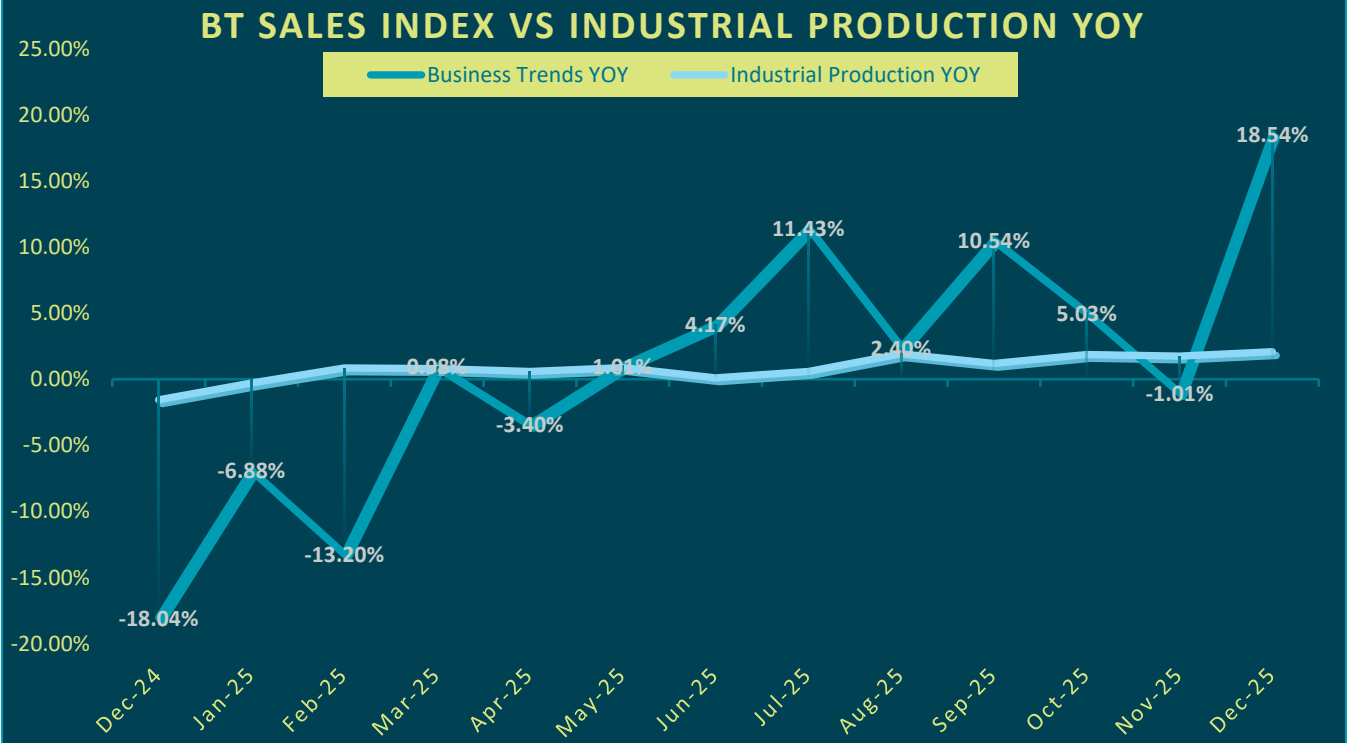
PMPA BT Index outperformed IP by 8.33%



PMPA BT Month over Month growth versus Fed Industrial Production MOM.

PMPA BT Sales Index Vs Industrial Production YOY

PMPA BT Index outperformed IP by 16.46%

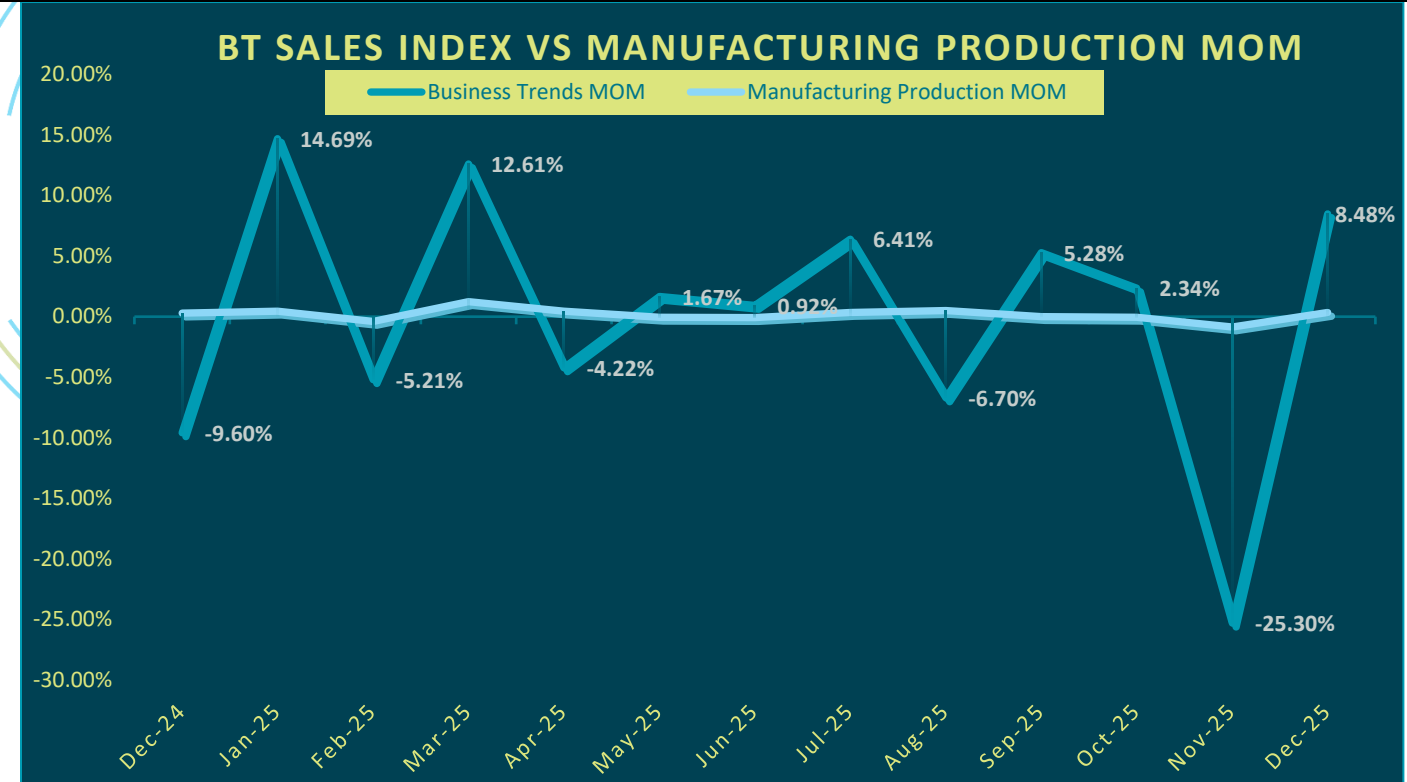


PMPA BT rolling Year over Year growth versus Fed Industrial Production YOY.



PMPA BT Sales Index Vs Manufacturing Production MOM

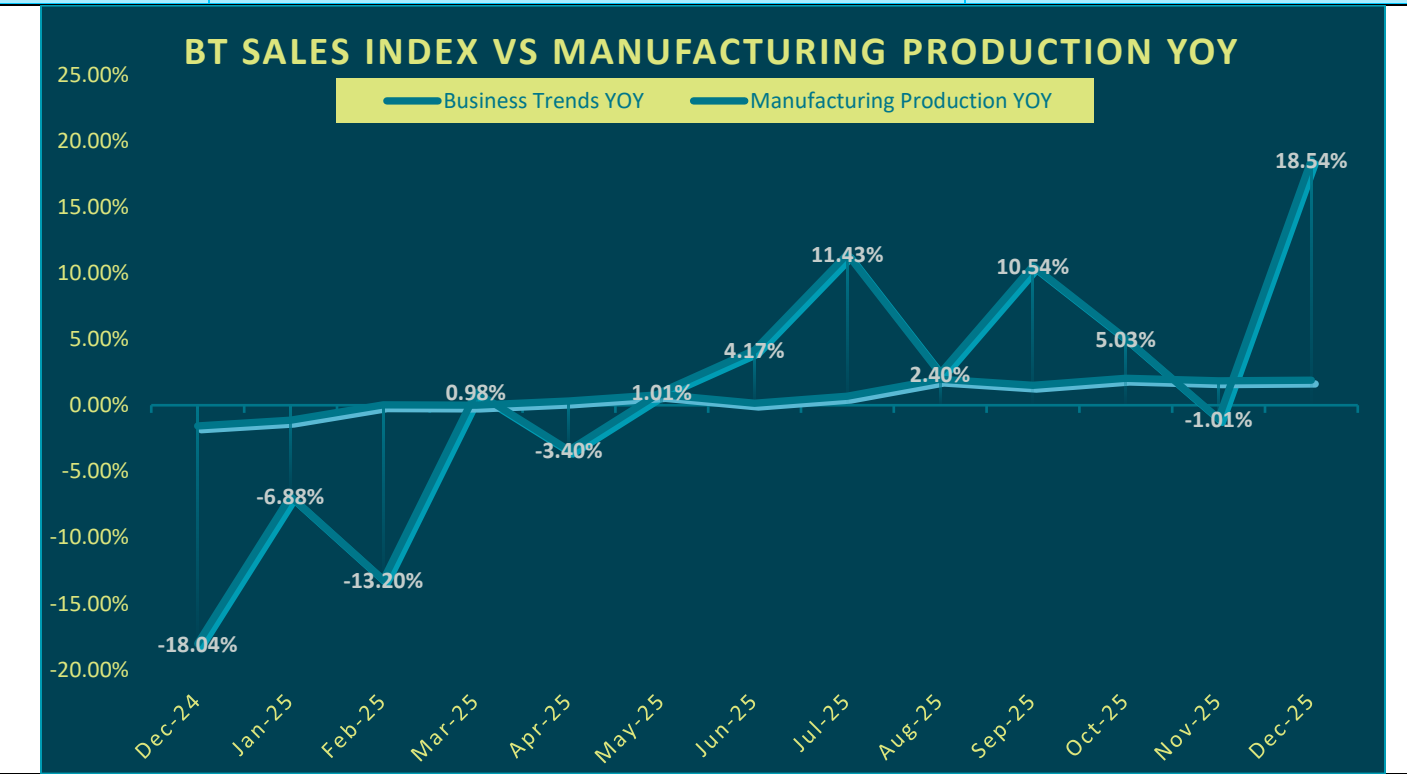
PMPA BT Index outperformed Man Prod by 8.14%



PMPA BT Month over Month growth versus Fed Manufacturing Production MOM.

PMPA BT Sales Index Vs Manufacturing Production YOY

PMPA BT Index outperformed Man Prod by 16.64%

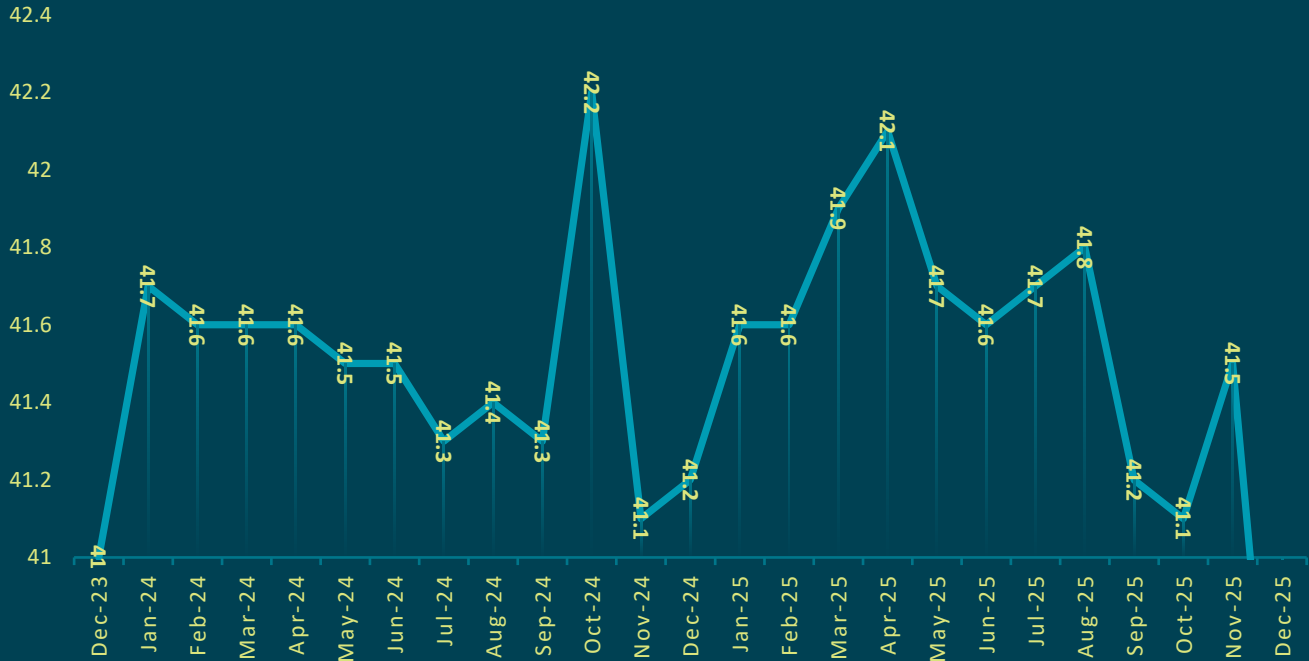


PMPA BT rolling Year over Year growth versus Fed Manufacturing Production YOY.



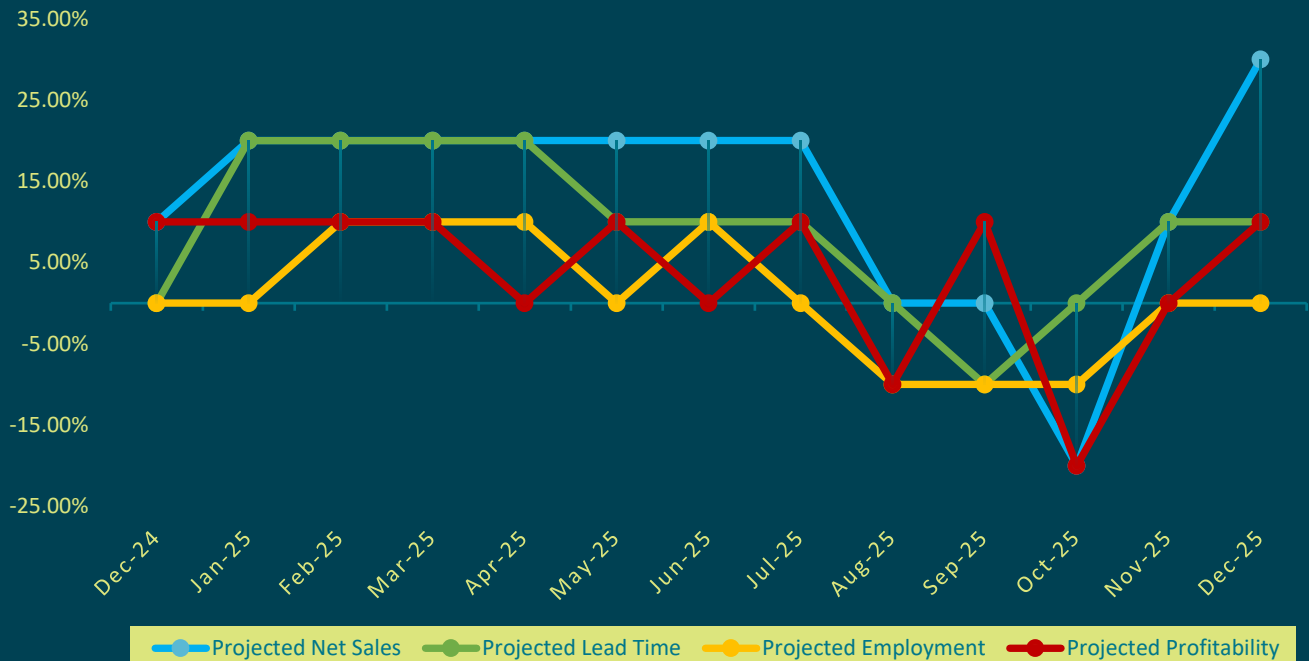
PMPA	< 40	40 Hrs	40 – 44	>=45	Shops Working OT	Total
Respondents	7 (14.89%)	25 (53.19%)	6 (12.77%)	10 (21.28%)	16 (34.04%)	47
Change MOM	5 (250.00%)	-4 (-13.79%)	-3 (-33.33%)	1 (11.11%)	-2 (-2.69%)	-2

PMPA MEMBERS AVERAGE 1ST SHIFT HOURS



PMPA	Projected Sales	Projected Lead Time	Projected Employment	Projected Profitability
Sentiment	30.00%	10.00%	0.00%	10.00%
Change MOM	20.00%	0.00%	0.00%	10.00%

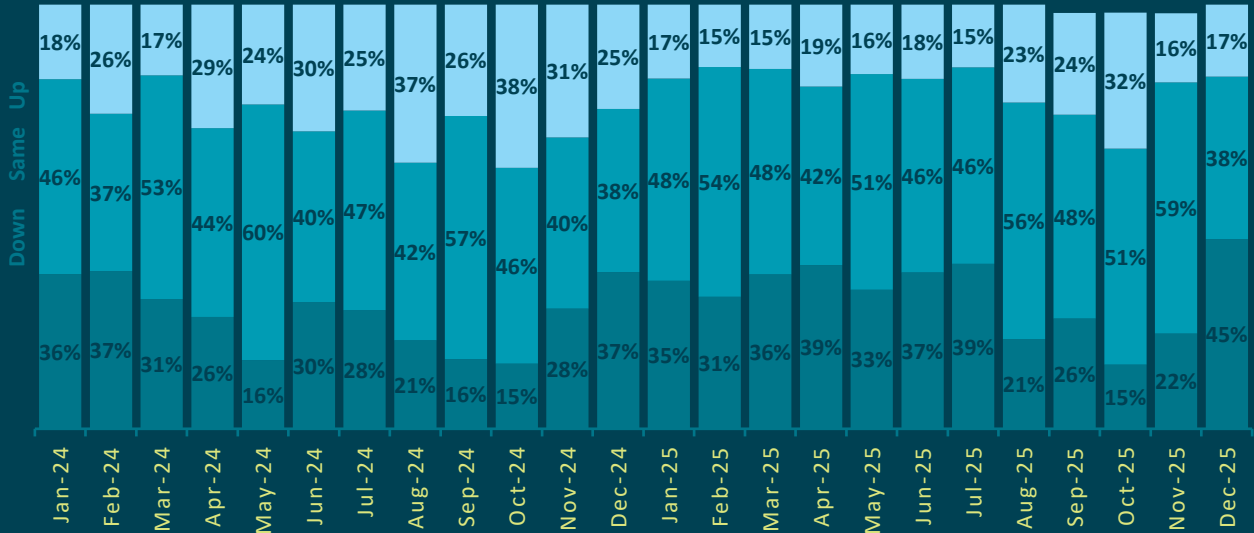
PMPA MEMBERS AVERAGE SENTIMENT





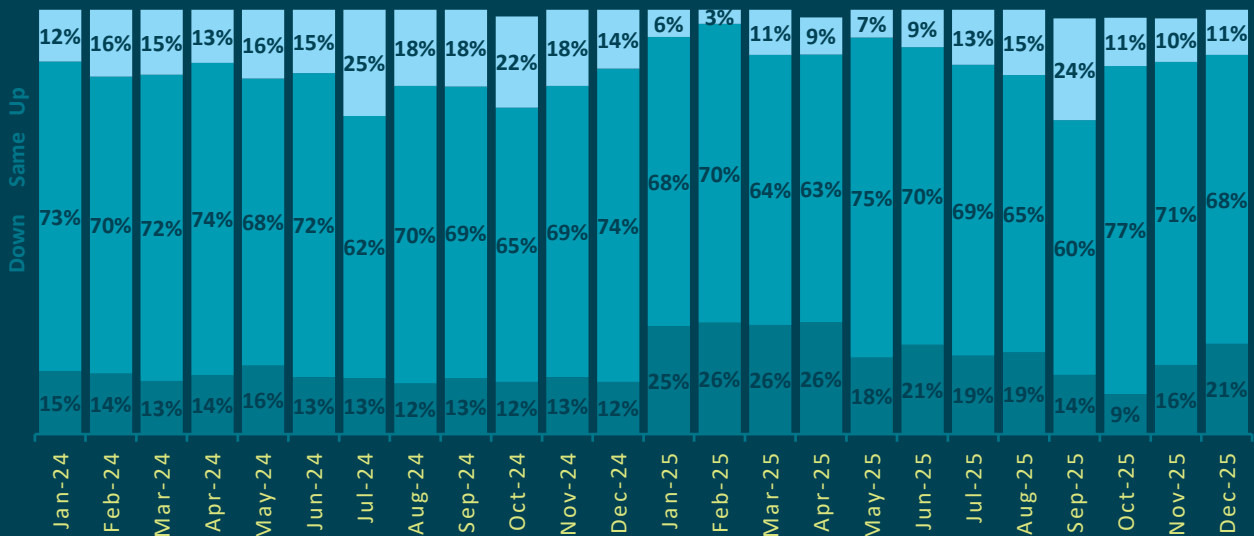
PMPA	UP	Same	Down	Total
Respondents	21 (45%)	18 (38%)	8 (17%)	47 (100%)
Change MOM	10 (90.91%)	-11 (-37.93%)	0 (0.00%)	-2 (-4.08%)

PMPA NET SALES SENTIMENT



PMPA	UP	Same	Down	Total
Respondents	10 (21%)	32 (68%)	5 (11%)	47 (100%)
Change MOM	2 (25.00%)	-3 (38%)	0 (0.00%)	-2 (-4.08%)

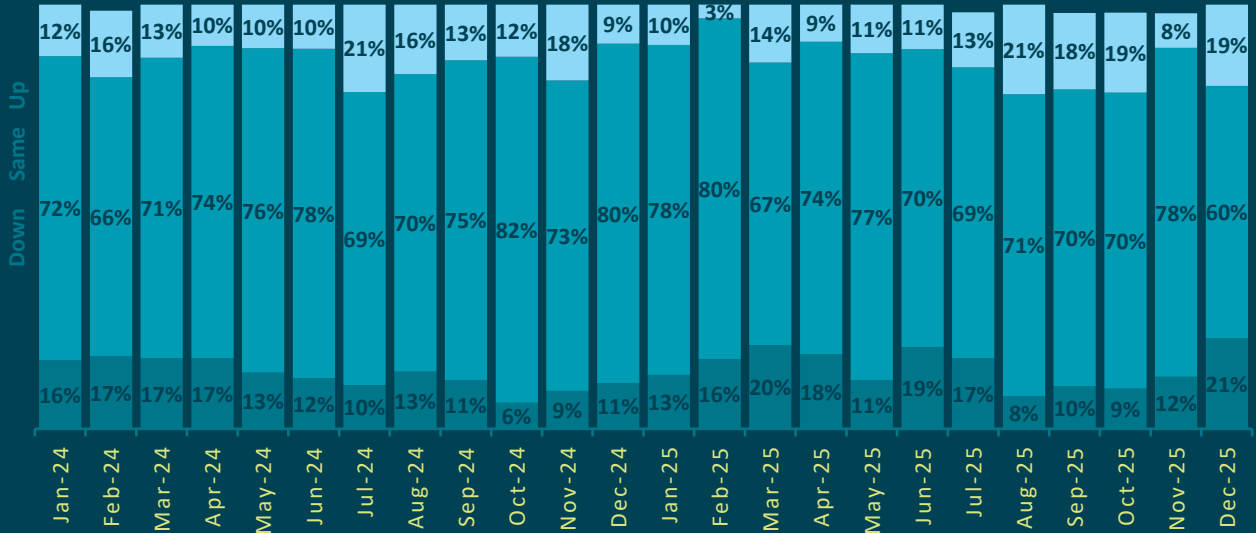
PMPA LEAD-TIME SENTIMENT





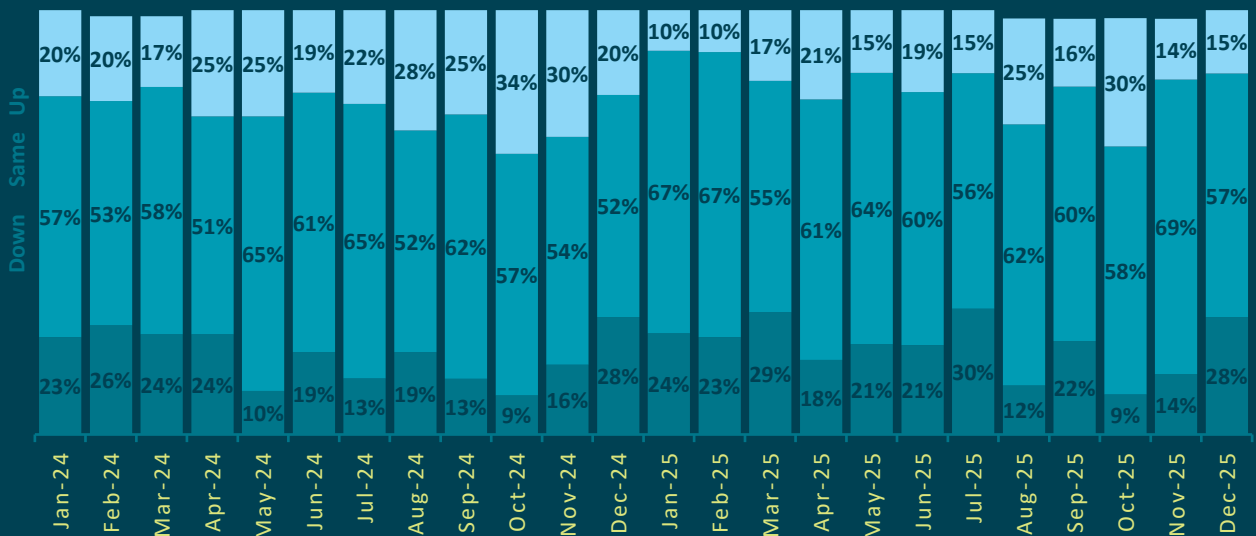
PMPA	UP	Same	Down	Total
Respondents	10 (21%)	28 (60%)	9 (19%)	47 (100%)
Change MOM	4 (66.67%)	-10 (-26.32%-37.93%)	5 (125.00%)	-2 (-4.08%)

PMPA EMPLOYMENT SENTIMENT



PMPA	UP	Same	Down	Total
Respondents	13 (28%)	27 (57%)	7 (15%)	47 (100%)
Change MOM	6 (85.71%)	-7 (-20.59%)	0 (0.00%)	-2 (-4.08%)

PMPA PROFIT SENTIMENT





INDEX OF SALES OF PRECISION MACHINED PRODUCTS

Industry Average	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg
Base 2010	87	89	106	100	99	109	101	111	109	107	105	93	101
2021	129	130	152	136	129	148	134	149	157	149	144	138	141
2022	148	152	181	156	167	175	154	173	171	160	147	137	160
2023	155	138	169	140	150	155	127	147	141	141	138	144	145
2024	148	151	149	149	145	142	142	145	142	153	129	118	143
2025	138	131	150	144	147	148	158	148	156	160	128	140	146
% Yr Ago	93%	87%	101%	97%	101%	104%	111%	102%	111%	105%	99%	119%	
YTD	93%	90%	94%	94%	96%	97%	99%	99%	101%	102%	102%	103%	

Executive Summary

Business trends finished the year as the second highest value ever recorded in our survey. Even though 2025 was a great year, sales have been relatively flat since 2023 which was a decline from the post Covid highs. Many shops are experiencing pain because inflationary pressures are driving up costs of material, tools, and employment while not driving our sales index higher, which is not adjusted for inflation. On a positive note, we finished slightly above our predicted end-of-year value of 144. We made the prediction in April of 2025 and landed 1.4 percent higher than expected. Continuing our solid track record of predictions of our PMPA Business Trends index.

Sentiment, which had been on the decline since July, has rebounded to close out the year. Sales sentiment has rocketed to the highest level since April of 2022. Average hours worked have declined somewhat over the last couple of months reflecting our 4th quarter volatility and declining sales to close out the year. We closed out a decent year, but inflationary pressures are weighing on a good result on paper. Several sources are predicting positive trends in industrial production and manufacturing for 2026. Our current sales sentiment appears to agree with those predictions. Several global economic conditions and tariffs are slowing the speed of decisions. Buyers are slowing the pace of purchases and taking more time to review supply chains. Eventually companies will run out of inventory and need to purchase parts.

Coming off our second-best sales year ever it seems odd to put a damper on my enthusiasm, but I have talked with so many shops that are struggling that I know the truth on the ground is not matching the math. Inflation is stealing our thunder. CPI closed 2025, increasing 2.7 percent, while our sales moved up 2.1 percent just slightly behind the rate of inflation. It is not all bad, moving into 2026 I am excited for a positive year. Several sources, including our ITR economics team, predict good things. Sentiment is high and our sales are solid just not growing.