

PRESS RELEASE



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Mechanical Engineering Business Monitor for February

Companies continue 2010 with positive UK and export business performance

In February 2010, UK mechanical engineering firms continued to show strong month on month growth in terms of UK and export inquiries (50-52% reporting gains) and orders (45-42% recording rises) compared with a month earlier.

Martin Walder, EAMA chairman: "The change since the start of the year has been marked. Orders have again strengthened for nearly half the respondents and half or more say that inquiries are also up both for the UK and for export.

"With export business picking up, banks must ensure that their SME clients have the support they need in terms of working capital and guarantees, so that they can order the raw materials and other components they need to meet increasing demand without overtrading.

"There are also some indications of possible good news to come. Respondents say there's a broader cross section of sectors being more active and fewer being less. As a result confidence is beginning to return."

(ends)

Notes to editors:

Business Monitor for February 2010 (104 responses) Change on previous month % responses (exporters 63% of sample)

Note: No December survey due to holiday period and other seasonal business interruptions

1 Prospects/Inquiries	UP		SAME		DOWN		UP/DOWN Difference	
	UK	Export	UK	Export	UK	Export	UK	Export
February	22	23	38	54	40	23	-18	0
March	28	22	33	50	39	28	-11	-6
April	31	28	26	28	43	44	-12	-16
May	24	12	47	50	29	38	-1	-26
June	33	19	44	54	23	27	+10	-8
July	33	14	48	55	19	31	+14	-17
August	28	13	36	51	36	36	-8	-23
September	46	33	38	55	16	12	+30	+21
October	41	37	42	42	17	21	+24	+16
November	52	33	37	50	11	17	+41	+16
December	No survey							
January 2010	58	42	33	49	9	9	+49	+33
February	50	52	41	37	9	11	+41	+41

2 Order intake	UP		SAME		DOWN		UP/DOWN Difference	
	UK	Export	UK	Export	UK	Export	UK	Export
February	18	21	31	29	51	50	-33	-29
March	11	18	28	42	61	40	-50	-22
April	21	30	23	33	56	37	-37	-7
May	20	5	35	46	45	49	-25	-44
June	39	19	28	49	33	32	+6	-13
July	37	22	26	42	37	36	0	-14
August	33	22	23	41	44	37	-11	-15
September	51	34	26	43	23	23	+28	+11
October	40	23	43	56	17	21	+23	+2
November	34	22	39	44	27	34	+7	-12
December	No survey							
January 2010	47	47	30	39	23	14	+24	+33
February	45	42	35	44	20	14	+25	+28

3 Jobs in the UK	UP	SAME	DOWN	UP – DOWN
February	0	67	33	-33
March	0	74	26	-26
April	2	65	33	-31
May	8	66	26	-18
June	8	71	21	-13
July	12	61	27	-15
August	8	70	22	-14
September	11	75	14	-3
October	19	56	25	-6
November	9	80	11	-2
December	No survey			
January 2010	15	75	10	+5
February	18	65	17	+1

4 Investment	Investment stopped	Plans deferred	Developing projects	Investing in all areas	Investing in staff	Other
February	27	31	17	4	17	4
March	31	22	25	10	6	6
April	28	28	32	5	2	5
May*	22	28	35	6	4	6
June	25	34	22	9	9	1
July	22	30	35	6	4	3
August	30	19	26	11	5	9
September	12	22	30	20	12	4
October	25	17	29	8	17	4
November	10	27	30	3	25	5
December	No survey					
January 2010	11	13	32	17	22	5
February	13	19	26	13	19	10

Note:

- * over 100% due to rounding
- choice of statements in full:
 1. All investment activity stopped
 2. Investment plans deferred
 3. Developing projects but not committing to them
 4. Investing in staff development and training but capital investment
 5. Investing in all areas of the business
 6. Other

5 Capital availability	More Difficult		About the same		Easier	
	Working	Investment	Working	Investment	Working	Investment
February	39	40	61	60	0	0
March	37	41	61	59	2	0
April	41	36	59	64	0	0
May	22	24	76	76	2	0
June	25	33	75	66	0	1
July	22	23	78	77	0	0
August	33	30	63	68	4	2
September	14	21	79	76	7	3
October	25	21	69	75	6	4
November	18	25	80	73	2	2
December	No survey					
January 2010	14	23	80	74	6	3
February	9	8	88	89	3	3