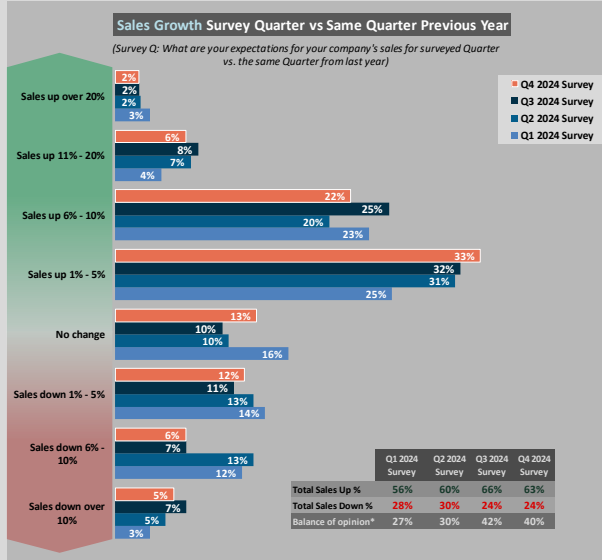
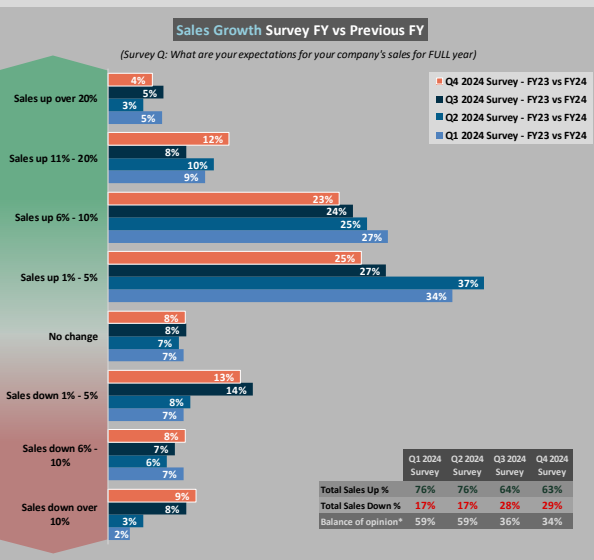
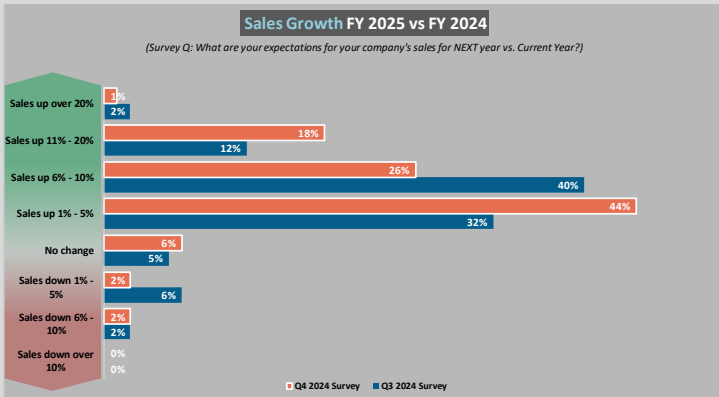
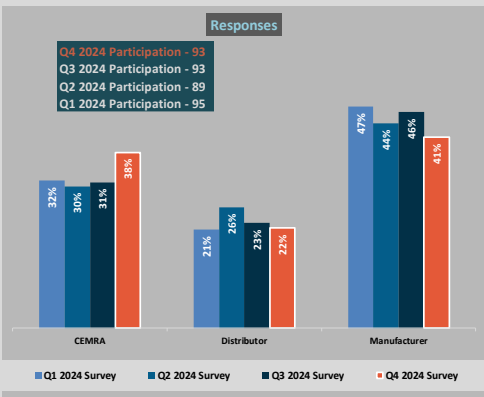
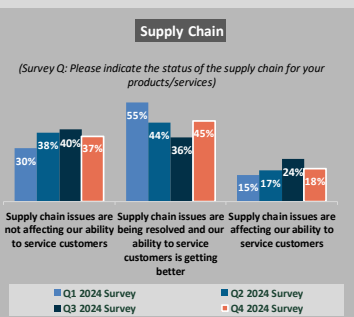
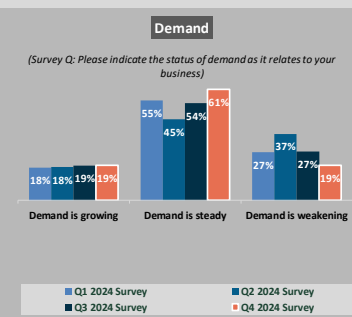


Electro-Federation Canada has released the Q4 Business Confidence Survey Results. A total of 93 key association contacts responded to this latest survey. The sample size remains consistent and strong. Results show 63% of respondents are expecting some sales growth in 2024, with 25% expecting growth in the range of 1 to 5%.

89% of the respondents are predicting an increase in sales in 2025, with 44% predicting in the 1-5% range. 61% indicated that Demand was steady, a slight increase from the last poll. Only 18% indicated that Supply Chain issues are affecting their ability to service customers. This has improved from the previous survey showing 24%.



* Percentage of respondent saying "Sales up" minus percentage of respondent saying "Sales down"



Comments included:

- Customers have significant over stock, and we anticipate that this will last until Q4 of 2025.
- Election in both CAD and US is a concern
- Hurricane Helene, strikes at shipyards and interest rates still problematic
- Industrial market and data center market very strong, commercial is slow.
- So far supply chain issues are not an issue, but we are watching the strikes at the ports in the east coast and are concerned that these situations might start to affect supply chain as well as the cost of inbound freight.
- Supply Chain of Distribution products is affecting the ability of us to service our customers better.
- We expect improvement in market activity aligned with interest rates reductions from the BoC.