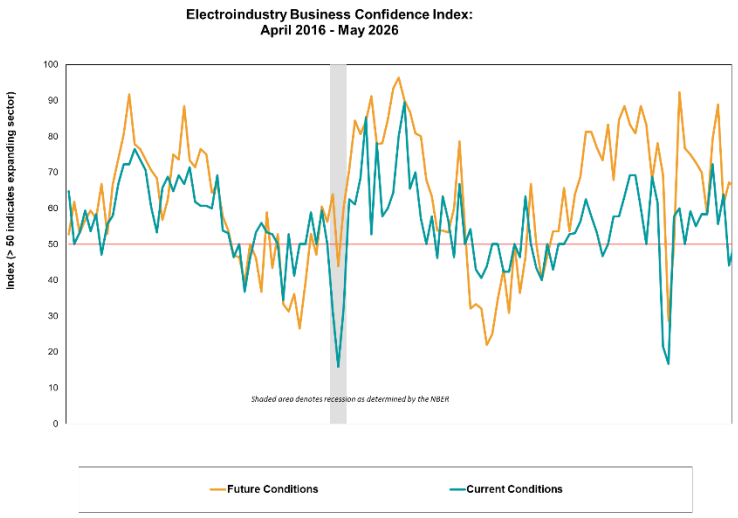
May 2026 NEMA Electroindustry Business Confidence Index

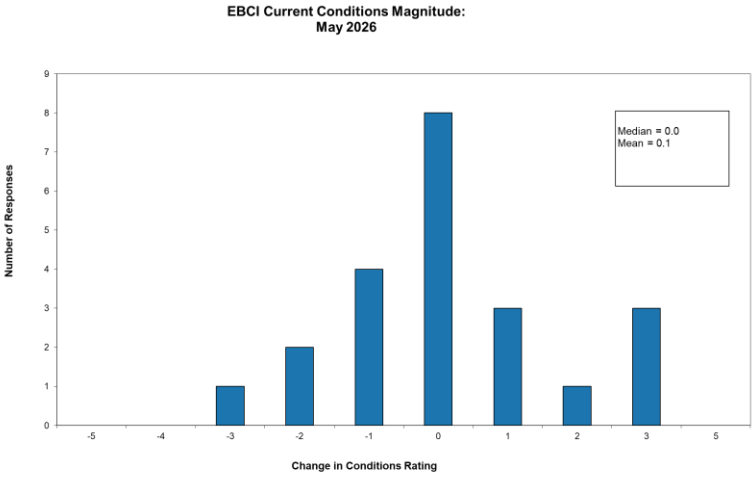
June 4, 2026

Current Conditions Pulled Back in May as Forward-Looking Indicator Remained Positive



The Current Conditions component registered 47.7 in May, a decline of 2.3 percentage points from April's reading of 50.0. The prior month's result suggested only a pause from March's decline to 44.0, with no sustained recovery having taken hold as May's reading marked a return to contraction. Twenty-three percent of respondents reported "better" conditions, 27 percent reported "worse," and 50 percent indicated conditions were unchanged. Compared to the prior month, the distribution of responses suggested softer momentum, with a smaller share reporting improvement and a larger share indicating steady conditions. Respondent comments indicated steady demand in some end markets, alongside ongoing concerns about rising costs and slower customer decision-making.

The median value for the magnitude of change in current conditions was 0.0 in May, while the mean edged up to 0.1 from 0.0 last month. Overall, respondents continued to report little net month-to-month change on average, with most panelists indicating unchanged conditions or only modest movement.
Panelists are asked to report the magnitude of change on a scale ranging from –5 (deteriorated significantly) through 0 (unchanged) to +5 (improved significantly).



The outlook stayed positive in May, as the Future Conditions component increased to 72.7 from April's 70.5. Looking ahead six months, 59 percent of respondents expected conditions to be "better," 14 percent anticipated conditions would be "worse," and 27 percent expected conditions to remain unchanged. Compared to the prior month, the share expecting improvement was unchanged, the share expecting worse conditions declined, and the share expecting unchanged conditions increased modestly. Respondents generally expected demand to remain supportive, though trade policy, inflation, and geopolitical developments remained downside risks.

SURVEY RESULTS:

	Current Conditions (Compared to Previous Month)	**Conditions Six Months From Now** (Compared to Current Conditions)
EBCI	47.7 ▼	72.7 ▲
% Better	23% ▼	59% ▬
% Worse	27% ▬	14% ▼
% Unchanged	50% ▲	27% ▲

Number of Respondents = 22

Values reflect the percentage of respondents expecting "Better" conditions, plus one-half of the percentage of respondents expecting "Unchanged" conditions.

A score of 50 or higher suggests conditions appropriate to expansion of the electroindustry sector.

Please note that survey responses were collected from May 13-27, 2026.

EBCI METHODOLOGY:

The EBCI indexes are based on the results of a monthly survey of senior managers at NEMA member companies and are designed to gauge the business environment of the electroindustry in North America (defined here as the United States and Canada).

The survey contains the following questions:

1. How would you rate current economic conditions in North America, as they affect your business, compared to the previous month?

a. Using the following scale, please describe the magnitude of change in economic conditions in North America this month compared to economic conditions last month? [Scale structured as follows: 5 (improved significantly), 4, 3, 2, 1, 0 (stayed the same), -1, -2, -3, -4, -5 (deteriorated significantly)]

2. How do you expect economic conditions in North America, as they affect your business, to have changed six months from now?

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Respondents are asked to indicate whether conditions are better, worse, or unchanged. The survey also provides space for respondents to comment on current conditions. These comments are included below the table containing the index levels.

The index value is the percentage of respondents expecting “Better” conditions, plus one-half of the percentage of respondents expecting “Unchanged” conditions, which follows the methodology used by the Institute for Supply Management (ISM; formerly the National Association of Purchasing Management) in the construction of their manufacturing index.

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