Market A
Billions of $
Market A
Data Trends, Billions of $

QUARTERLY NEW ORDERS
(3MMA)
$190.6

ANNUAL NEW ORDERS
(12MMA)
$188.4

OUTLOOK
The New Orders 12MMT will rise through at least 2021. Expect the New Orders 12MMT to generally rise at a slowing pace into 3Q20 before subsequently rising at an accelerating pace into at least 3Q21.

Lower Forecast Range
187.8  190.0  192.4  193.5  193.7  194.0  194.9  196.7  199.3  201.8  203.3  204.6

Annual New Orders (Billions of $)
188.6  191.1  193.5  194.8  195.0  195.3  196.4  198.5  201.1  203.7  205.3  206.7

Upper Forecast Range
189.4  192.2  194.7  196.0  196.3  196.7  198.0  200.2  203.0  205.7  207.2  208.8
Market A
Rates-of-Change

PHASE
QUARTERLY GROWTH
(3/12)
0.2%
ANNUAL GROWTH
(12/12)
4.1%
NEXT 12/12 LOW
3Q20
NEXT 12/12 HIGH
3Q21

Lower Forecast Range

1.6    2.0    2.4    3.0    2.7    1.5    0.7    1.0    2.2    3.3    3.5    3.1

Annual Growth Rate (%)

2.1    2.6    3.0    3.7    3.4    2.2    1.5    1.9    3.2    4.3    4.5    4.2

Upper Forecast Range

2.5    3.2    3.6    4.3    4.1    2.9    2.3    2.8    4.1    5.3    5.5    5.2

ITR Economics™
Forecast
**Data Trends:**

**Monthly Moving Total (MMT) vs Monthly Moving Average (MMA):** Averages are used when the data cannot be compounded, such as an index, percent, price level, or interest rate. Totals are used for things where it makes sense to add the data together. For example, units sold or total dollars spent.

**3MMT/A and 12MMT/A:** A 3-month or 12-month moving total/average is the total/average of the monthly data for the most recent 3 and 12 months, respectively. The 3MMT/A illustrates the seasonal changes inherent to the data series. The 12MMT/A removes seasonal variation to derive the underlying cyclical trend. It is also referred to as the annual total or annual average.

**Rates-of-Change:** A rate-of-change figure is the ratio comparing a data series during a specified time period to the same period one year ago. Rates-of-Change are expressed in terms of the annual percent change in an MMT or MMA, 3MMT/A, and actual monthly data.

Rates-of-change reveal whether activity levels are rising or falling compared to last year. A rate-of-change trend illustrates and measures cyclical change and trends in the data. ITR Economics’ three commonly used rates-of-change are the 1/12, 3/12, and 12/12, which represent the year-over-year percent change of a single month, 3MMT/A, and 12MMT/A (respectively).

A rate-of-change above 0 indicates the data is higher than one year prior, while a rate-of-change below 0 indicates the data is below one year earlier.

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**Accelerating Growth (B):** 12/12 is rising above 0, data trend is accelerating in its ascent and is above the year-ago level. This is the second positive phase of the business cycle.

**Recovery (A):** 12/12 is rising below 0 and the data trend is either heading toward a low or is in the early stages of recovery. This is the first positive phase of the business cycle.

**Slowing Growth (C):** 12/12 is declining but remains above 0, data trend ascent is slowing or has stopped its rise, but it is still above last year. This is the first negative phase of the business cycle.

**Recession (D):** 12/12 is below 0, data trend is below the year-ago level and the rate of decline is intensifying. This is the second and final negative phase of the business cycle.