

**MARKETS
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ing North American residential housing starts and headwinds in the electronic markets, as well as consolidation in the telecommunication industry.

Illinois Tool Works Inc., Glenview, IL, reported sales increased 14 percent in the first quarter 2007, and profit went up 10 percent. Revenue was \$3.76 billion. The increase came from strong results in international end markets tempered by slowing growth in a number of North American end markets. Total company base revenues grew 1 percent, with international base revenues increasing 8.9 percent and North American revenues declining 3.5 percent. Acquisitions added 10.7 percent to first-quarter revenues.

SKF Group reported sales of SEK 14,371 million (US\$2.131 billion) in the first quarter 2007, up 8 percent. Profit was up by 5 percent. SKF reported that sales were significantly higher in Europe and Asia. Sales in North America were relatively unchanged and sales in Latin America were higher.

The **Fastenal Company**, Winona, MN, sales of \$489,157 for the first quarter ended March 31, 2007, an increase of 13.3 percent over the same period last year. Profit increased 12.9 percent. During the first three months of 2007, Fastenal opened 73 new sites, as it did in the first quarter 2006. There were 2,000 sites as of Dec. 31, 2006.

February U.S. manufacturing technology consumption totaled \$268.37 million, according to the Association for Manufacturing Technology and the American Machine Tool Distributors' Association. This total, as reported by companies participating in the USMTC program, was down 9.7 percent from January, and down 6.3 percent from the total of \$286.29 million reported for February 2006. With a year-to-date total of \$565.54 million, 2007 was up 9.4 percent compared with 2006.

Huttig Building Products, Inc., St. Louis, MO, a domestic distributor of millwork, building materials and wood products, reported sales for the first quarter 2007 were \$222.4 million, down 21 percent from \$281.1 million in 2006. Sales to national accounts for Huttig, which represented 36 percent of sales in the first quarter 2007, as compared with 34 percent last year, declined by 16 percent. Huttig reports there is no indication that the new housing construction market is likely to pick up this year, but reports it believes the market has stabilized.

Saint-Gobain's Building Distribution Sector has acquired three distributors in Europe: **Vemac** (Italy), **Discesur** (Spain) and **Schäfer** (Germany). Vemac is one of the country's largest builders' merchants based in Abruzzo. The business has

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Calculation of MDM Inflation Index for March 2007

	BLS Price Indices Mar. '07	BLS Price Indices Feb. '07	BLS Price Indices Mar. '06	% Sales Weight	Weighted Indices Mar. '07 (1)X(4)	% Change Mar. '07 Feb. '07	% Change Mar. '07 Mar. '06	
1136	Abr. Prod.	458.9	462.5	454.2	19.1	87.66	-0.77	1.05
1135	Cutting Tools	436.5	434.6	430.8	18.9	82.51	0.44	1.32
1145	Power Trans.	634.8	633.6	608.3	15.4	97.76	0.20	4.37
1081	Fasteners	437.2	437.5	420.2	9.0	39.35	-0.06	4.05
1149.01	Valves, etc.	767.0	764.9	715.6	7.6	58.29	0.27	7.19
1132	Power Tools	329.0	329.7	327.5	6.5	21.39	-0.20	0.47
1144	Mat. Handling	460.1	458.7	441.5	6.2	28.53	0.31	4.22
0713.03	Belting	540.1	533.7	538.8	6.1	32.95	1.21	0.24
1042	Hand Tools	676.3	677.0	660.9	8.1	54.78	-0.10	2.32
108	Misc. Metal	415.0	415.3	402.9	3.1	12.87	-0.07	3.01
"New" March Index		269.6	March Inflation Index			516.08	0.07	2.88
"New" February Index		269.4	February Inflation Index			515.70		
			March 2006 Inflation Index			501.61		

New index reflects 1977=100 base other #: 1967 To convert multiply by .52247