



Purchases Report

July 2023

Table of Contents

Highlights

Long-Term Trends

Analysis of Quarterly Data

Analysis of Monthly Data

Appendix

Important notes:

As of November 2016, unless explicitly specified otherwise, RTA uses 3-month moving average for reporting on inventory (including historical data), hence, affecting calculated values of purchases and Inventory-to-Sales Ratio. In this way, any exaggerations that might be manifest in monthly purchases data, due to regular inventory counts by members, are not emphasized.

Highlighted areas in the graphs represent time of recessions.

Explanation about how to read box plots and histograms can be found in the Appendix section.

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Disclaimer: The data and report presented herein are based solely on RTA member monthly reports on production and inventory. Occasionally, members send corrections to previously submitted data. If and when these corrections are received they are incorporated at that time. Users of this report should note while all care is taken to accurately compile the data submitted by member companies, that no warranty is made as to the accuracy of any RTA member reports.

Highlights

In July, the twelve months rolling total of purchases improved marginally again and it seems to be range bound. The twelve months rolling total of production continued an upward trend. Analysis of the monthly data showed production well above the seasonal norm. Purchases improved from last month but were still below the seasonal norm.

Long-Term Trends

Production expanded at a 24.2% annual rate.

Purchases declined at a 0.5% annual rate.

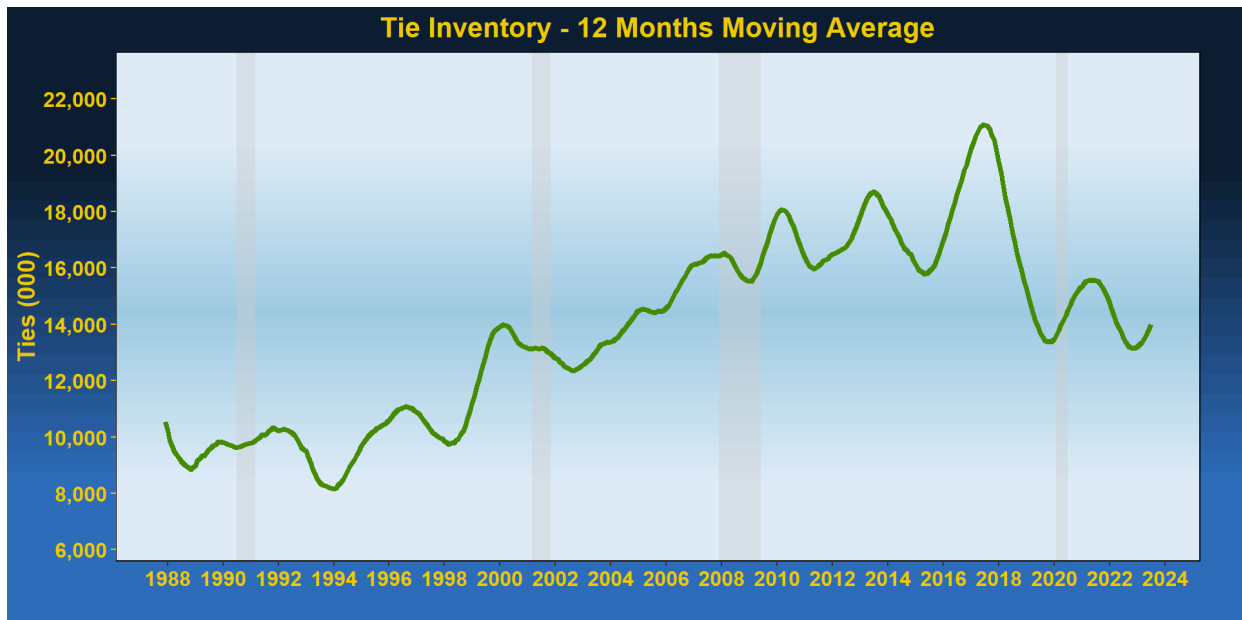
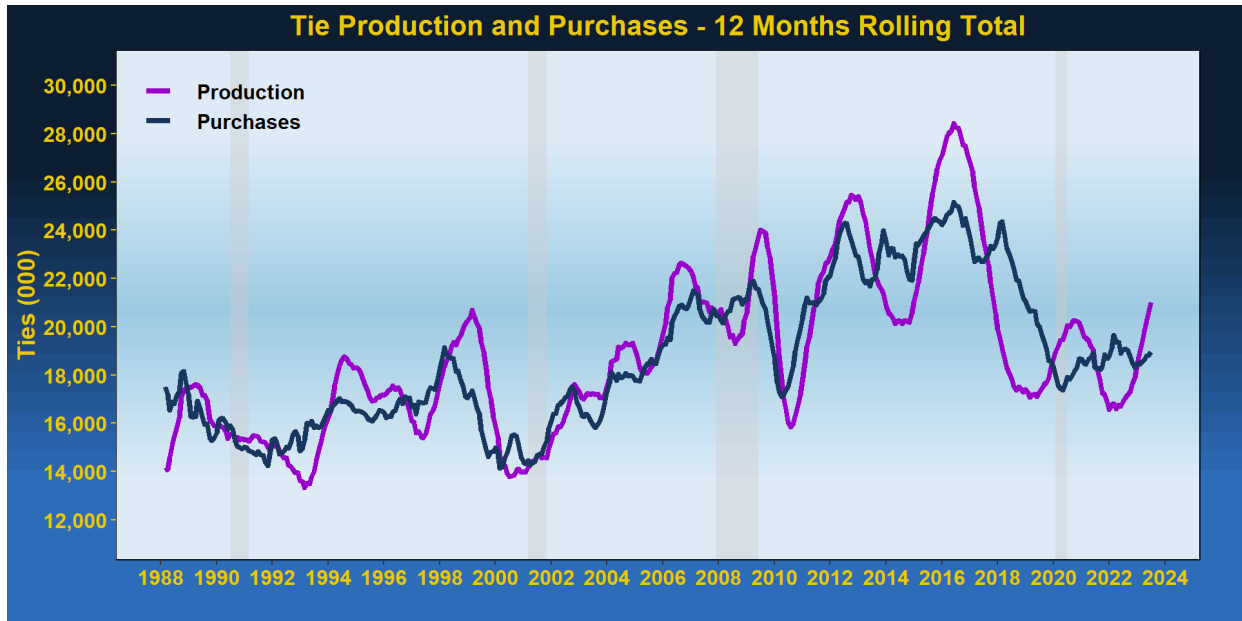
Inventory's 12 month moving average (12MMA) increased by 3.4% from a year ago levels.

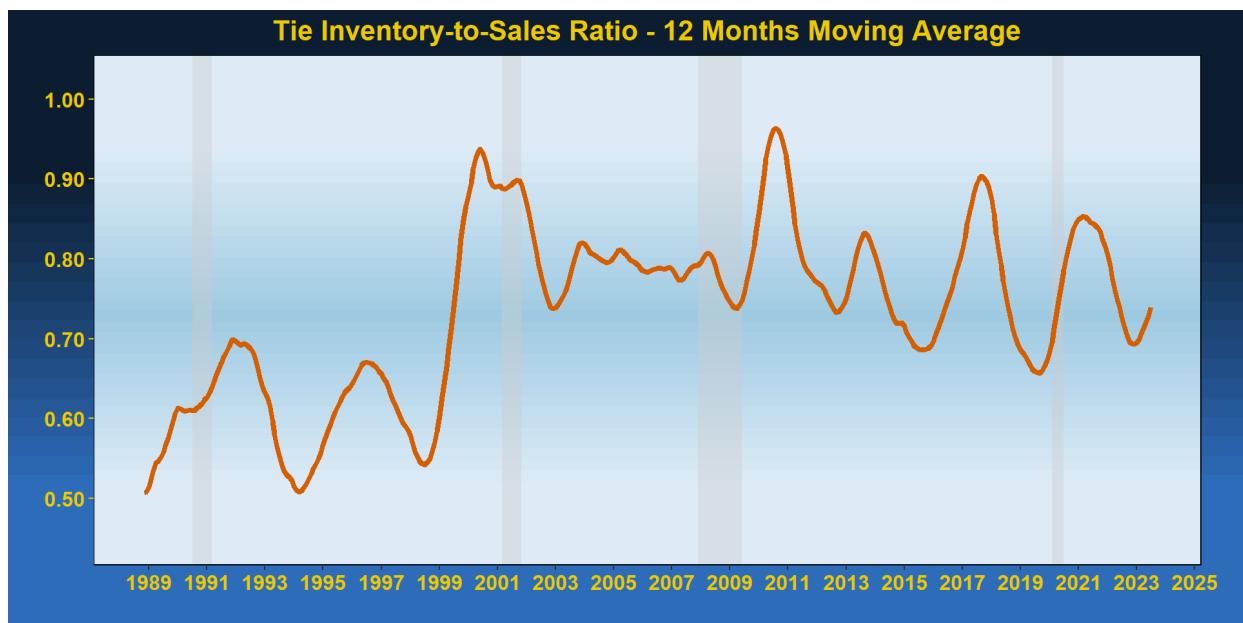
Inventory-to-Sales Ratio's 12MMA expanded from 0.73 to 0.74.

Table of Annual Observations

Production and Purchases are 12 months rolling totals, Inventory and ISR are 12MMA

Date	Production	Purchases	Inventory	ISR
July 2022	16,914	19,055	13,524	0.73
July 2023	21,007	18,958	13,989	0.74





Analysis of Quarterly Data

Production in Q2 grew by 2.8% from last quarter and increased by 28.5% from a year ago.

For the same intervals, purchases expanded by 13.7% and rose by 5.2% respectively.

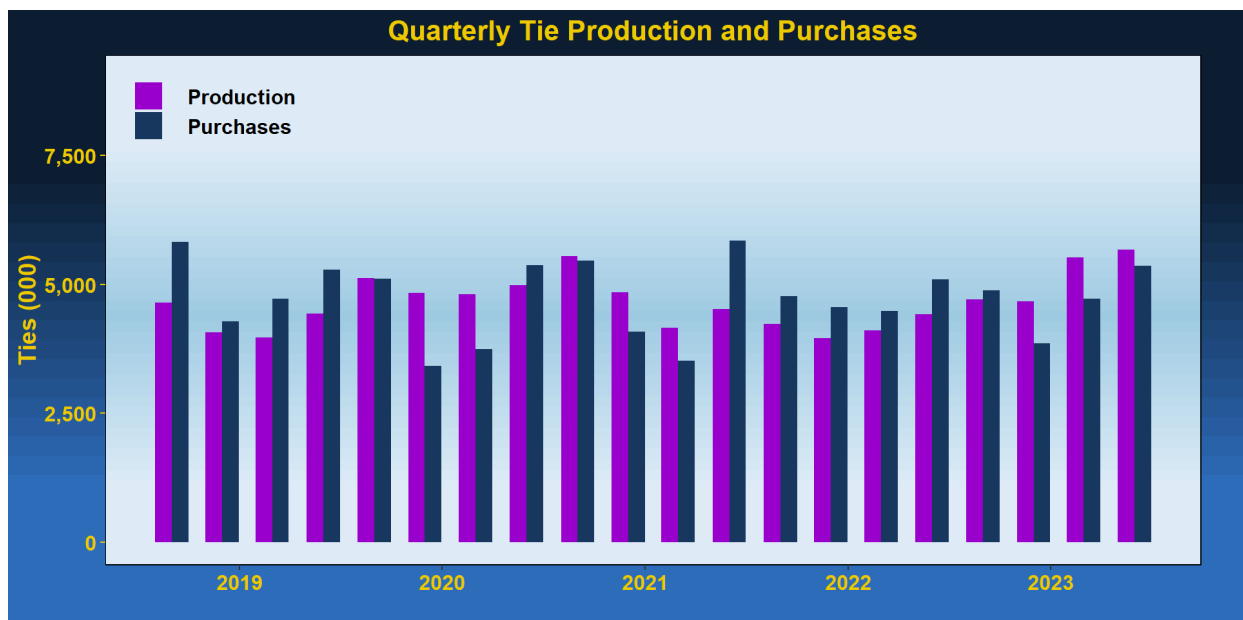
Inventory's 3MMA expanded by 2.2% from last quarter and rose by 13.8% from a year ago levels.

From Q1 2023 to Q2 2023, the 3MMA of Inventory-to-Sales Ratio advanced from 0.76 to 0.78. One year ago, the ratio was 0.68.

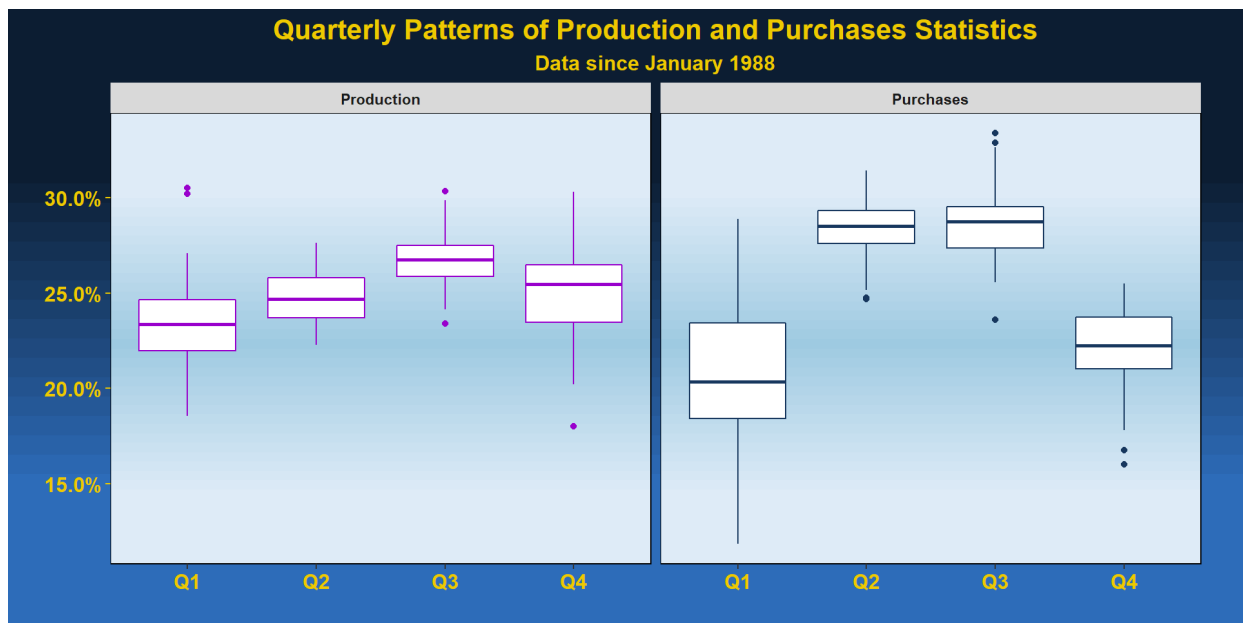
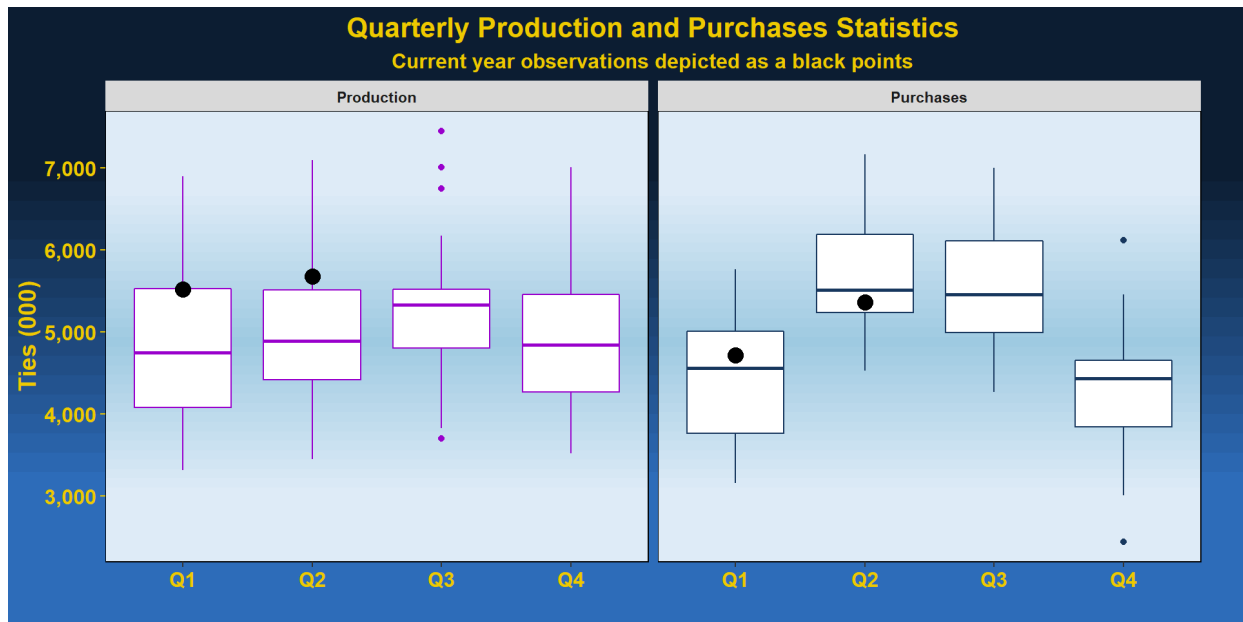
Table of Quarterly Observations

Production and Purchases Quarterly Sum, Inventory and ISR - 3MMA

Date	Production	Purchases	Inventory	ISR
June 2022	4,417	5,097	12,863	0.68
March 2023	5,524	4,714	14,325	0.76
June 2023	5,678	5,360	14,643	0.78



Quarterly pattern of production and purchases uses data from January 2000. The top graph shows data analysis within each quarter. It shows the median, upper quartile and lower quartile boundary (a more detailed explanation is available in the Appendix section). It also displays what the production and purchases were in each quarter of reporting year represented by black points in relation to quarterly statistical values. The second graph shows the contribution of each quarter to the total annual production and purchases.



Analysis of Monthly Data

Production dwindled by 0.8% from last month and grew by 29.4% from a year ago.

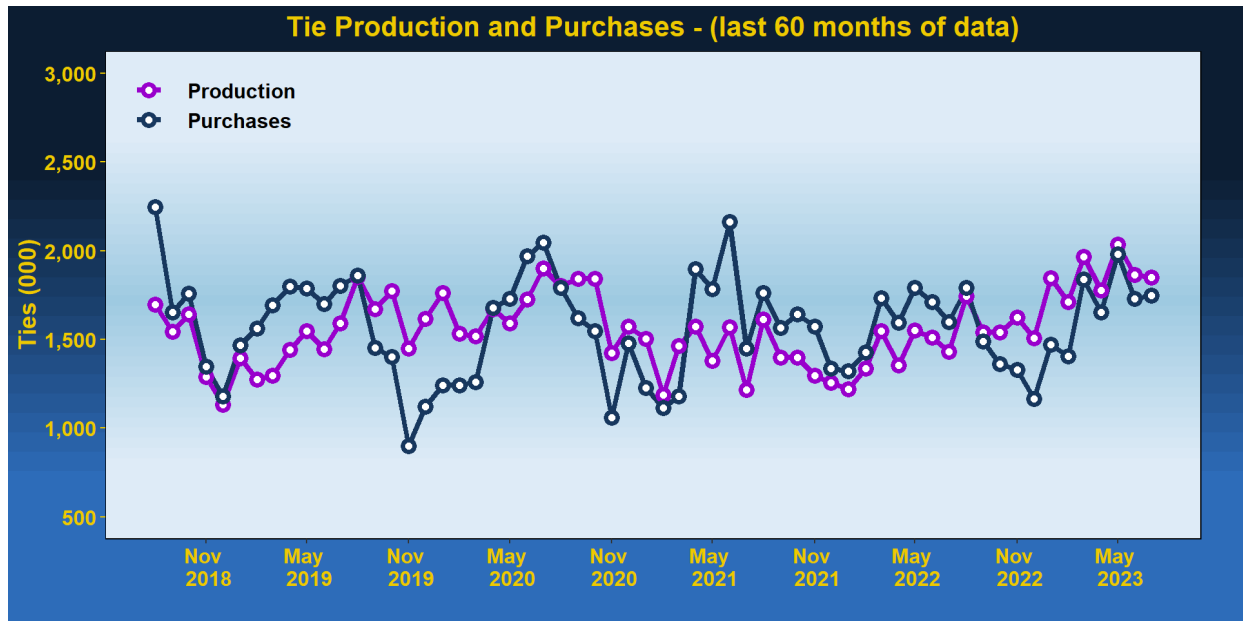
For the same time intervals, purchases advanced by 1.2% and increased by 9.4% respectively.

Inventory levels expanded by 0.7% from last month and rose by 16.1% from a year ago levels.

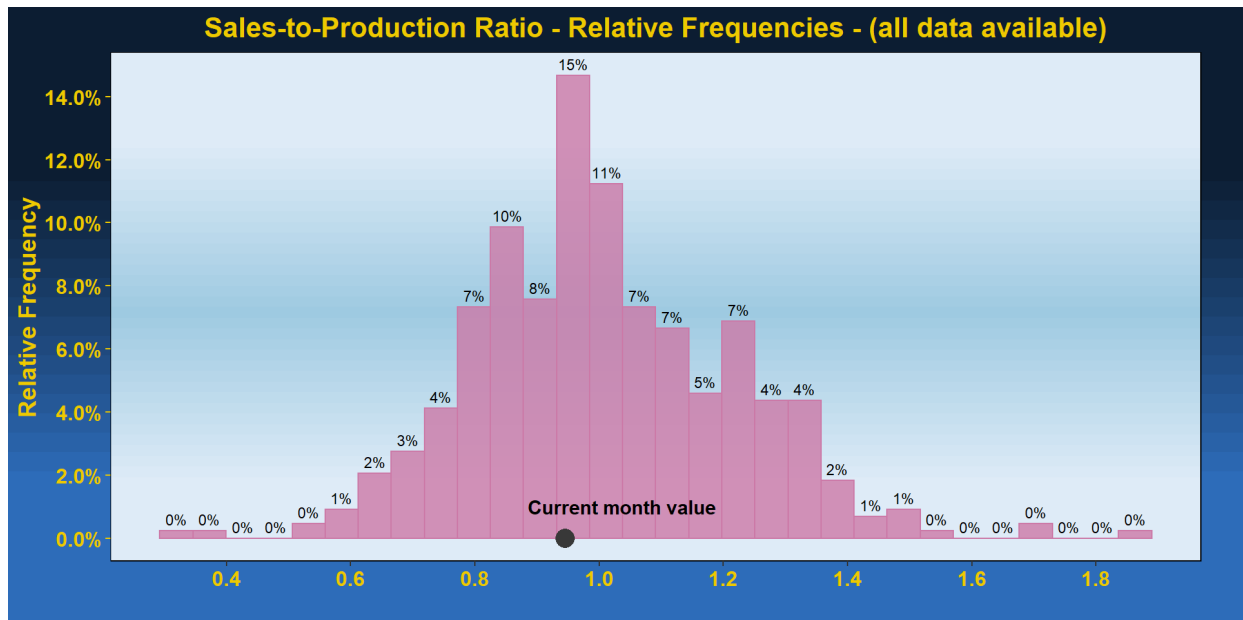
From month ago, the Inventory-to-Sales Ratio remained flat at 0.78, and from year ago the ratio expanded from 0.67.

Table of Monthly Observations

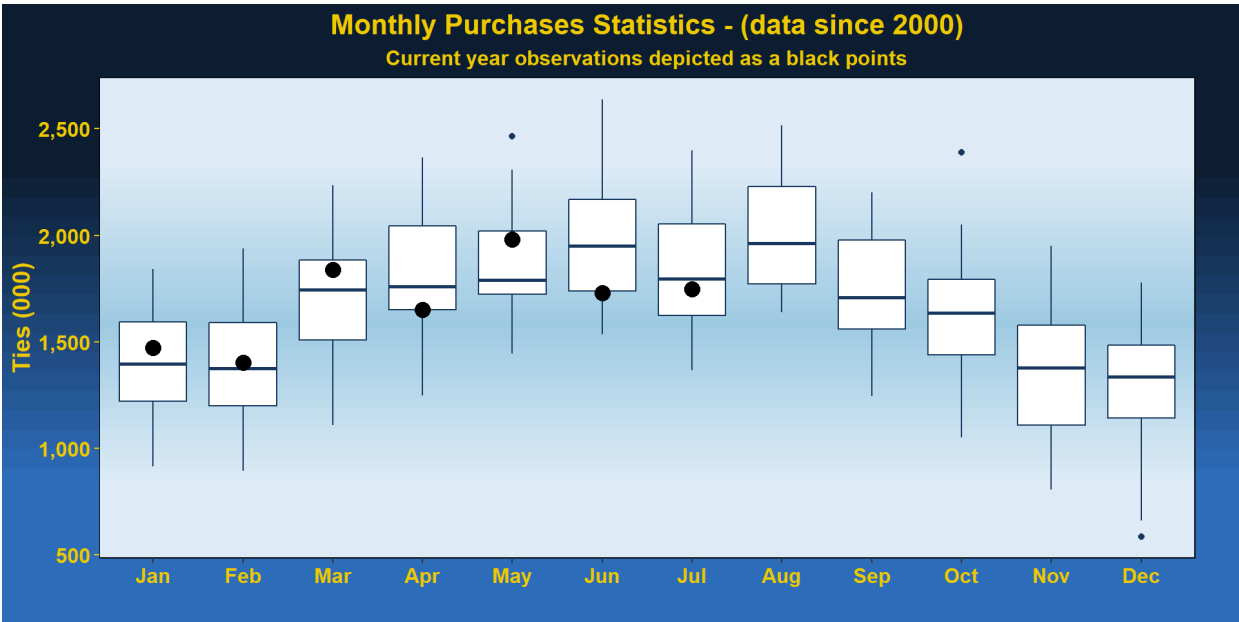
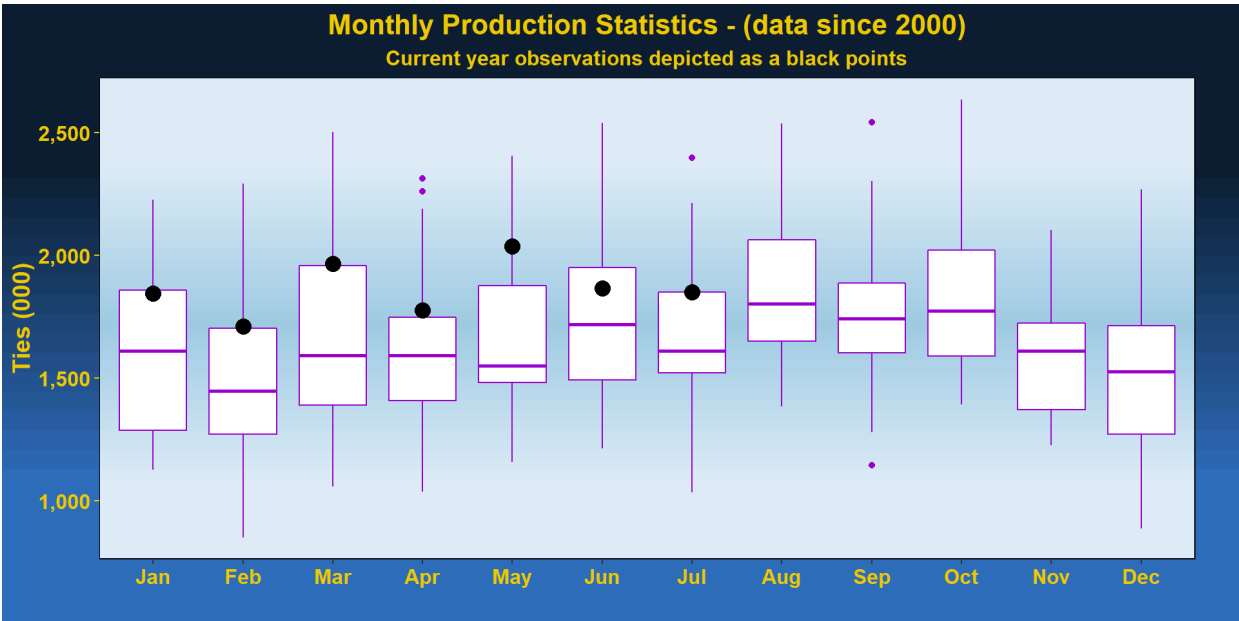
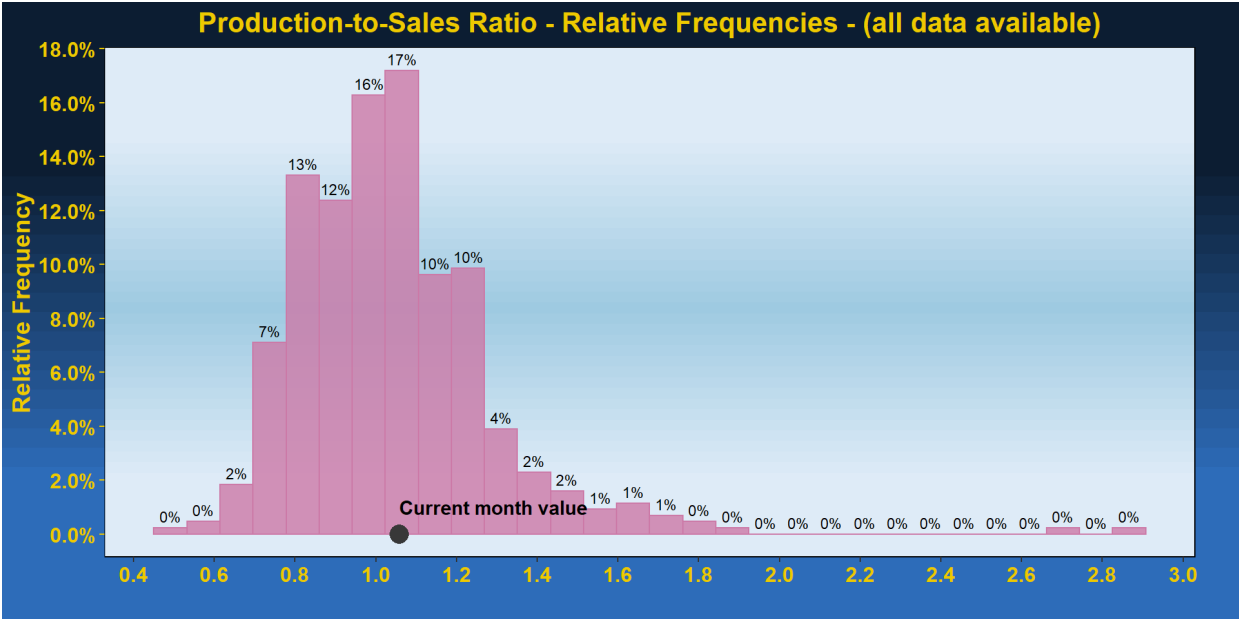
Date	Production	Purchases	Inventory	ISR
July 2022	1,430	1,598	12,695	0.67
June 2023	1,865	1,728	14,643	0.78
July 2023	1,850	1,749	14,744	0.78



Sales-to-Production Ratio shows the replenishment/diminishment of inventory. Ratio above one signals diminishment and ratio below one replenishment of inventory stock.

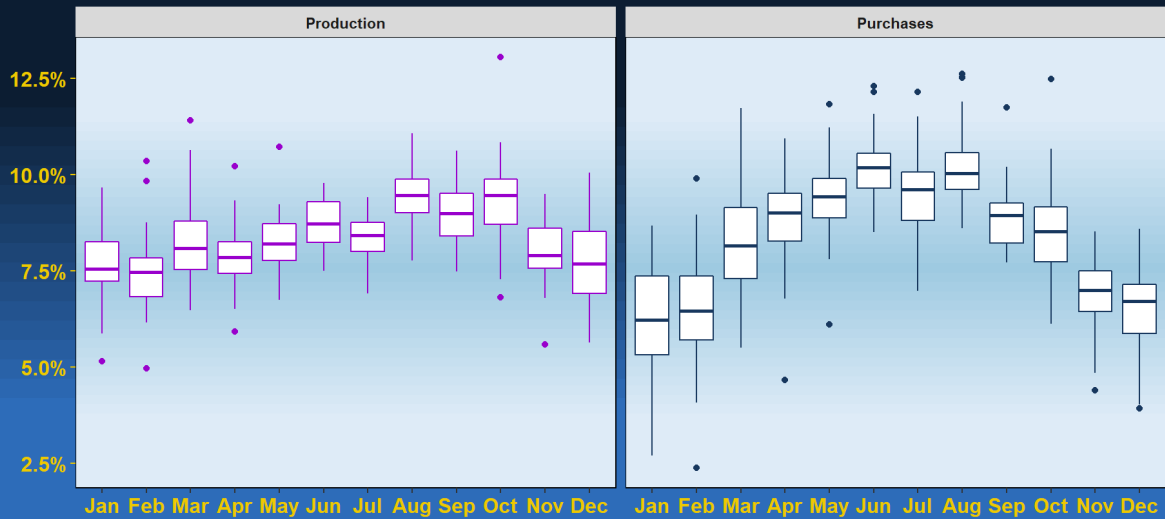


The following graph tells the same story as the graph above, just the ratio is reversed - Production-to-Sales Ratio.

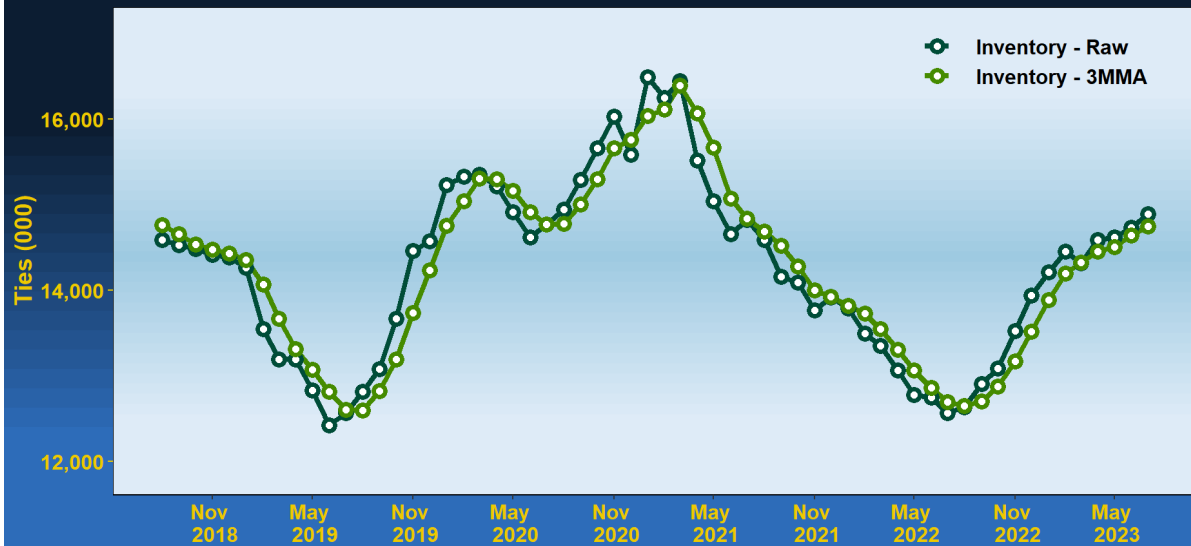


Monthly Pattern of Production and Purchases Statistics - Percent of Annual Total

Data since January 1988

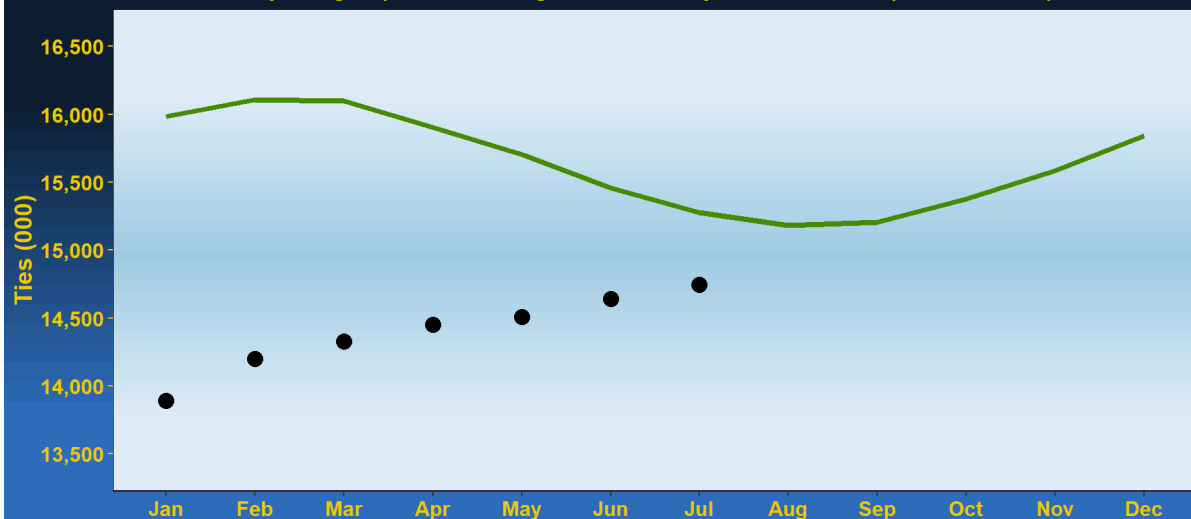


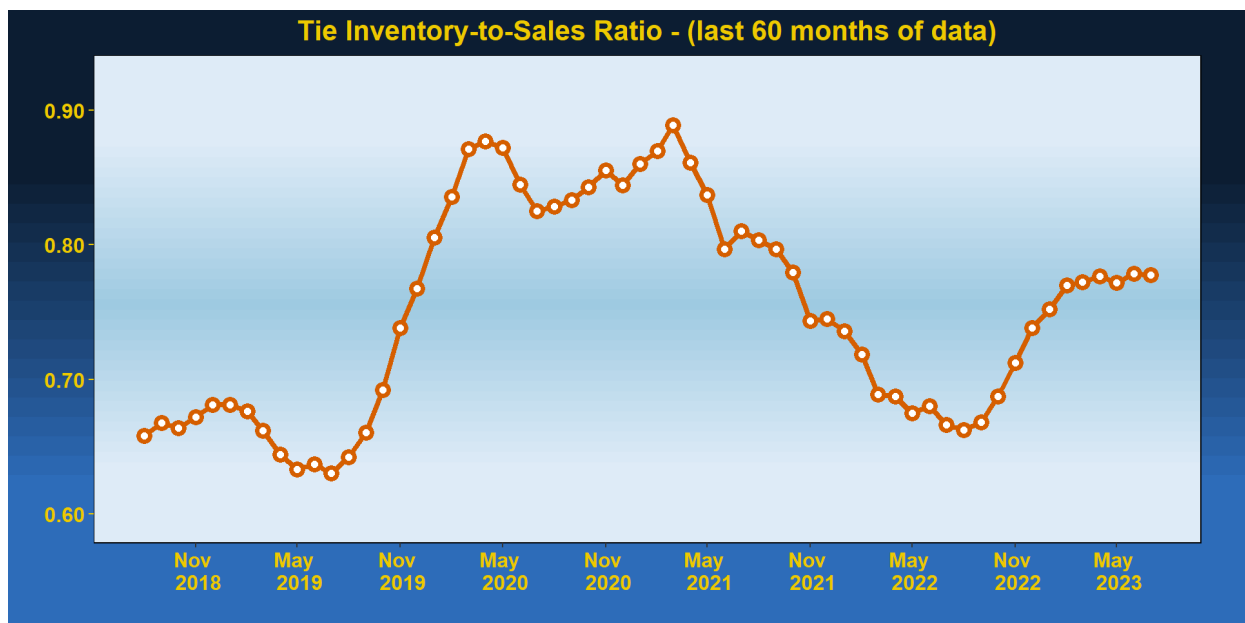
Tie Inventory - Raw Monthly and 3MMA Data - (last 60 months of data)



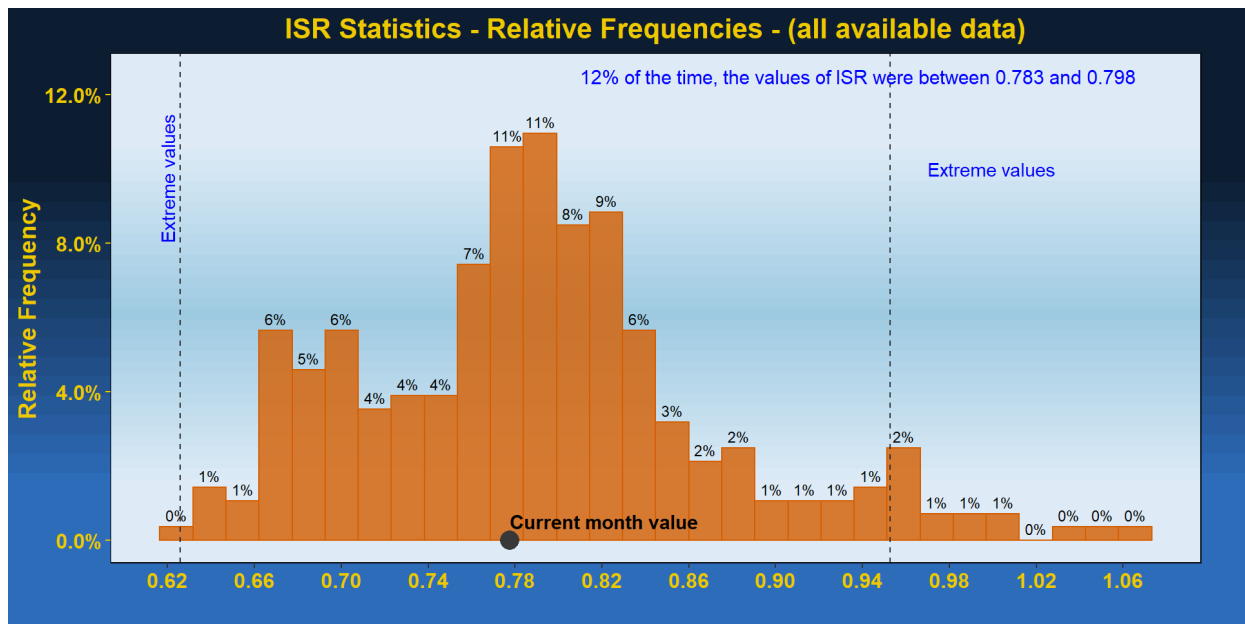
Monthly Patterns of Inventory - (data since 2000)

Monthly average depicted with solid green line, current year observations depicted as a black points





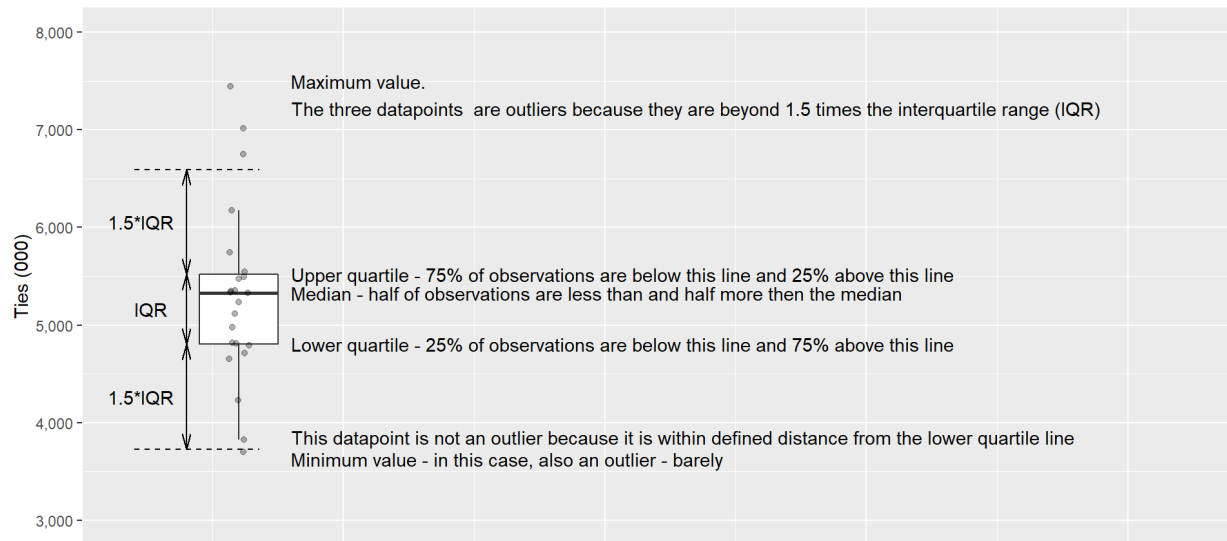
Inventory-to-Sales Ratio (ISR) histogram of relative frequencies shows the monthly ISR data distribution and the black point represents the value for the current reporting month.



Appendix

Box Plot Explained

Underlying data displayed as 'jittered' points



Histogram of Relative Frequencies Explained

