BANNOCKBURN, IL – Although global economic growth and electronics industry growth slowed in the fourth quarter of 2011, signs that the recovery is resuming in the US are apparent, says **IPC**.

The sovereign debt crisis in the Eurozone is acting as a strong headwind, holding back economic growth worldwide, the firm notes. China's economic growth is decelerating, in part because of the bleak outlook for exports.

US economic indicators continued a slow and steady improvement that began in the fourth quarter of 2011. The Conference Board's Leading Economic Index has remained flat for a year, but has been inching up since last October, pointing to improved economic conditions in the next quarter. The US Purchasing Managers' Index is also in positive territory and trending upward, says IPC.

EMS and assembly equipment sales growth in North America, although slower, remained positive, while most supply chain segments in the region, including the PCB and semiconductor industries, continued a downward trend. Similarly, at the global level, sales growth in the electronics supply chain continued its downward trend in the fourth quarter.

However, leading indicators in North America are trending gradually upward and point to a resumption of modest growth in 2012. IPC's PCB book-to-bill ratio edged up to 1.01, just above parity, in January. Monthly growth rates for North American EMS and semiconductor sales, and US new orders for electronic end-products, improved in the last two months of 2011, returning to positive growth in December.

Manufacturing continues to lead US economic growth. Factory production grew a surprising 1.5% in December, the biggest one-month gain since December 2006, according to the Federal Reserve, and it continued to grow in January, says the firm. Electronic products figured prominently in these increases, especially in the automotive market.