

FOR IMMEDIATE RELEASE

Contact: Allison Greene, Marketing Director

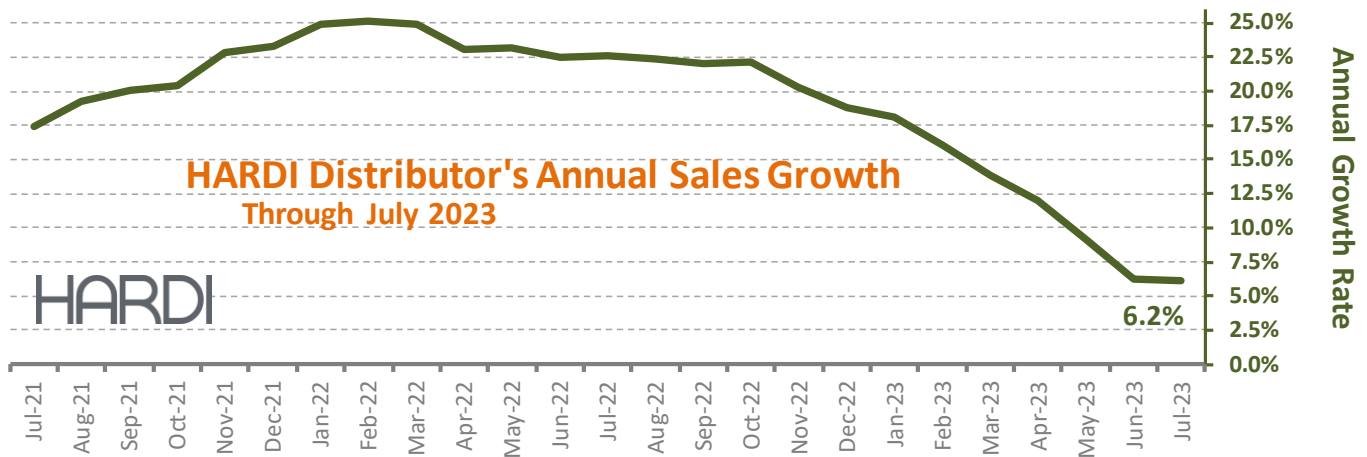
Email: agreene@hardinet.org

Direct: 614.345.4328

HARDI Distributors Report 5.2% Percent Revenue Increase in July

COLUMBUS, Ohio, September 6, 2023 – Heating, Air-conditioning & Refrigeration Distributors International (HARDI) released its monthly TRENDS report, showing sales by HARDI distributors increased by 5.2% percent during July 2023.

The annual sales growth for the 12 months through July 2023 is 6.2% percent.



Source: HARDI and CoMetrics

“Unusually warm temps were in the headlines during the past month but July 2022 was very warm also,” said HARDI Macroeconomic & Residential Market Analyst Brian Loftus. “July 2023 had 4% more cooling degree days than normal, but that was off by -4% from July 2022. Under those conditions, the 5% sales gain with only a modest price benefit, and after the -6% decline in June, looks like a solid report and helped preserve the six-handle on the annual rate for one more month.”

The Days Sales Outstanding, a measure of how quickly customers pay their bills, remained at 39 days during July as it was in June. “The normal DSO for this time of year pre-Covid was in the mid-40s,” said Loftus. “I was expecting the DSO to revert to the pre-COVID levels by now. Either this is the new normal for summer or the economy is steady and the financial fitness of customers remains solid. It could be both.”

“The annual pace of existing home sales, an important leading indicator of home HVAC equipment replacement demand, has dropped from 4.6 million in the spring to 4.3 million which is off by -25% since last summer. The current demand is off by about 20% from the 5.3 million pre-Covid normal pace,” said Loftus. “Replacement demand is likely to remain subdued after home mortgage rates pushed through 7.5% while more than 60% of home mortgages are 4% or less.”

HARDI members do not receive financial compensation in exchange for their monthly sales data and can discontinue their participation without prior notice or penalty. Participation is voluntary, and the depth of market coverage varies



HEATING AIR-CONDITIONING REFRIGERATION DISTRIBUTORS INTERNATIONAL

from region to region. An independent entity collects and compiles the data that can include products not directly associated with the HVACR industry.

445 Hutchinson Avenue
Columbus, OH 43235

ABOUT HARDI

HARDI (Heating, Air-conditioning and Refrigeration Distributors International) is the single voice of wholesale distribution within the HVACR industry. HARDI members market, distribute, and support heating, air-conditioning, and refrigeration equipment, parts and supplies. HARDI Distributor members serve installation and service/replacement contractors in residential and commercial markets, as well as commercial/industrial and institutional maintenance staffs. HARDI proudly represents more than 460 distributor members representing more than 5,000 branch locations, and close to 500 supplier, manufacturer representative and service vendor members.

###