

Connector Demand Improves And Prices are Forecast to Increase

Price Analysis

The Price Index for September is 2.838 and will be 3.108 six months from now. The industry has started showing increased demand and growth (see the Bishop Report). As a result, industry personnel are forecasting a modest increase in prices.

Industry personnel were asked, "In your opinion, what happened to connector prices in the past six months, and what will happen during the next six months?" The results of the September survey are shown in the following table:

Change in Connector Prices

Price Change	Last 6 Months	Next 6 Months
<i>Change in Connector Prices</i>		
Increase a lot	0.0%	0.0%
Increase a little	13.5%	35.2%
Stay the same	59.5%	40.5%
Decrease a little	24.3%	24.3%
Decrease a lot	2.7%	0.0%
Total	100.0%	100.0%

Sep	2.838	3.108
Aug	3.000	3.200
Jul	2.969	3.125
Jun	2.786	3.000
May	2.792	3.000
Apr	2.978	2.867
Mar	2.833	2.958
Feb	2.881	2.902

A price index above 3.000 means industry personnel believe prices have, or will increase. Methodology: Increase A Lot = 5; Increase A Little = 4; Stay the Same = 3; Decline A Little = 2; Decline A Lot = 1

The following table displays the distribution of responses on the question of prices.

Distribution of Responses

Prices	Last 6 Months	Next 6 Months
Decrease 1-2%	13.5%	10.8%
Decrease 3-4%	13.5%	13.5%
Decrease 5-6%	2.7%	5.4%
Decrease 7-8%	0.0%	0.0%
Decrease 9-10	2.7%	0.0%
Decrease >10%	0.0%	0.0%
Stay The Same	54.1%	37.9%
Increase 1-2%	5.4%	18.9%
Increase 3-4%	2.7%	10.8%
Increase 5-6%	2.7%	2.7%
Increase 7-8%	0.0%	0.0%
Increase 9-10%	2.7%	0.0%
Increase >10%	0.0%	0.0%
Total	100.0%	100.0%



Lead Times

Industry personnel were asked, “In your opinion, is lead time increasing, staying the same, or decreasing now and in 6 months from now?”

The following table provides the survey results, including distribution of responses:

Order Lead Times on Connectors

Lead Time	Now	In 6 Months
Increase	16.2%	16.2%
Stay the Same	70.3%	81.1%
Decrease	13.5%	2.7%
Total	100.0%	100.0%
1 Week	2.8%	0.0%
2 Weeks	5.5%	8.1%
3 Weeks	16.7%	19.0%
4 Weeks	13.9%	10.8%
5 Weeks	11.1%	10.8%
6 Weeks	22.2%	24.3%
7 Weeks	5.5%	8.1%
8 Weeks	13.9%	13.5%
9 Weeks	2.8%	0.0%
10-12 Weeks	5.6%	2.7%
13-16 Weeks	0.0%	2.7%
>16 Weeks	0.0%	0.0%
Total	100.0%	100.0%

Average in Weeks - Sep	5.4	5.5
Average in Weeks - Aug	5.4	5.1
Average in Weeks - Jul	5.9	5.7
Average in Weeks - Jun	5.1	5.0
Average in Weeks - May	5.5	5.1
Average in Weeks - Apr	5.5	5.3
Average in Weeks - Mar	5.5	5.0
Average in Weeks - Feb	5.5	5.5

Lead times are 5.4 weeks now, and forecast to be about the same at 5.5 in six months.