

Industry Predicts Modest Price Erosion

Price Analysis

The Price Index for October is 2.829 and will be 2.902 six months from now. Remember, an index above 3.000 means industry personnel believe prices will increase.

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 October 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	17.1%	0.0%
Increase a little	0.0%	26.8%
Stay the same	51.2%	39.1%
Decrease a little	29.3%	31.7%
Decrease a lot	2.4%	2.4%
Total	100.0%	100.0%

Oct	2.892	2.902
Sep	2.848	2.910
Aug	3.068	3.023
Jul	3.116	3.023
June	2.953	2.907
May	3.070	3.182

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%	9.8%	17.1%
Decrease 3-4%	19.5%	17.1%
Decrease 5-6%	4.9%	7.3%
Decrease 7-8%	0.0%	0.0%
Decrease 9-10	0.0%	0.0%
Decrease >10%	0.0%	0.0%
Stay The Same	51.2%	36.6%
Increase 1-2%	7.3%	14.6%
Increase 3-4%	7.3%	4.9%
Increase 5-6%	0.0%	2.4%
Increase 7-8%	0.0%	0.0%
Increase 9-10%	0.0%	0.0%
Increase >10%	0.0%	0.0%
Total	100.0%	100.0%

Connector Price Index Prices 6 Months from Now



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	7.5%	4.9%
Stay the Same	90.0%	92.7%
Decrease	2.5%	2.4%
Total	100.0%	100.0%
1 Week	4.9%	4.9%
2 Weeks	9.8%	9.8%
3 Weeks	4.9%	4.9%
4 Weeks	19.5%	19.5%
5 Weeks	7.3%	9.8%
6 Weeks	34.1%	36.5%
7 Weeks	4.9%	2.4%
8 Weeks	12.2%	9.8%
9 Weeks	0.0%	0.0%
10-12 Weeks	0.0%	0.0%
13-16 Weeks	2.4%	2.4%
>16 Weeks	0.0%	0.0%
Total	100.0%	100.0%

Average in Weeks - Oct	5.3	5.2
Average in Weeks - Sep	5.5	5.2
Average in Weeks - Aug	5.3	5.2
Average in Weeks - Jul	5.3	5.3
Average in Weeks - Jun	6.7	6.2
Average in Weeks - May	5.6	5.8

Lead times are 5.3 weeks now, and forecast to be 5.2 in six months.