

Connector Prices Continue To Hold

Price Analysis

Connector prices are in a sweet spot. Raw materials prices have stabilized and connector demand is improving. The industry is now in its third year of no appreciable price erosion.

The Price Index for February is 3.107, and will be about the same at 3.108 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 February survey are shown in the following table:

Price Change	Last 6 Months	Next 6 Months
Increase a lot	0.0%	0.0%
Increase a little	32.0%	32.5%
Stay the same	46.7%	45.9%
Decline a little	21.3%	21.6%
Decline a lot	0.0%	0.0%
Total	100.0%	100.0%
Feb	3.107	3.108
Jan 2013	3.041	3.125
Dec	2.852	3.056
Nov	2.968	3.065
Oct	3.141	3.129
Sept	3.188	3.128
Aug	3.167	3.034

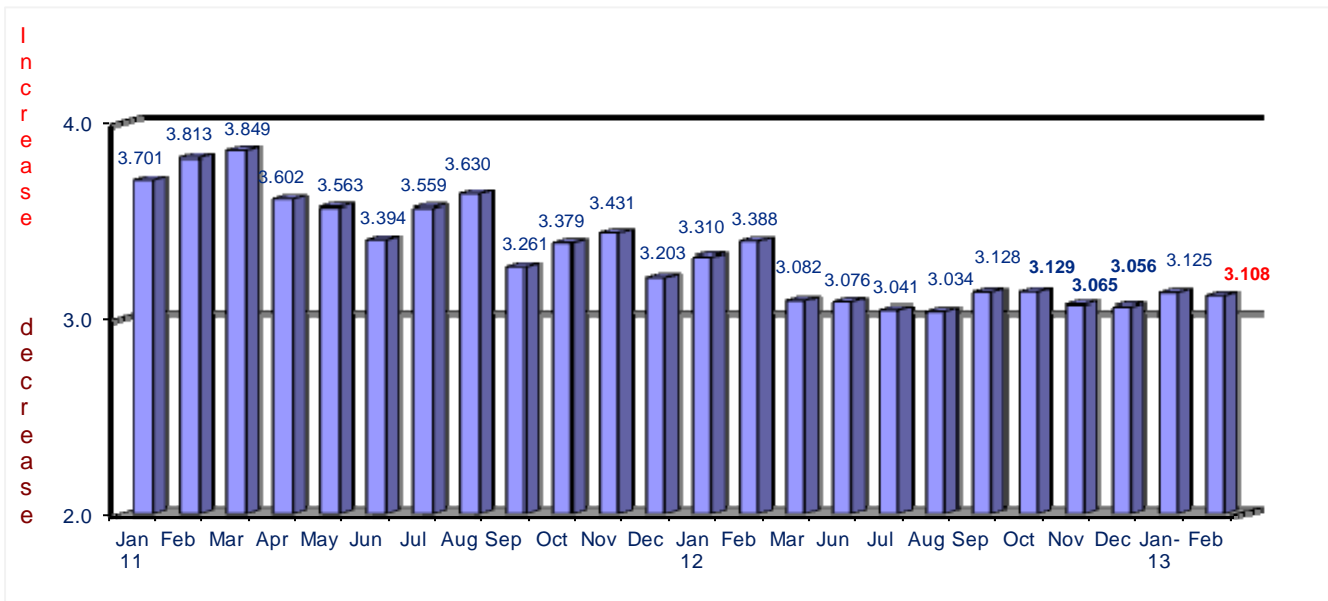
A price index above 3.000 means industry personnel believe prices have, or will increase. Methodology: Increase A Lot = 5; Increase A Little = 4; Stay the Same = 3; Decline A Little = 2; Decline A Lot = 1

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

Prices	Last 6 Months	Next 6 Months
Decline 1-2%	5.3%	6.8%
Decline 3-4%	14.7%	13.5%
Decline 5-6%	1.3%	2.7%
Decline 7-8%	1.3%	0.0%
Decline 9-10	0.0%	1.4%
Decline >10%	0.0%	0.0%
Stay The Same	45.4%	44.5%
Increase 1-2%	17.4%	24.3%
Increase 3-4%	8.0%	2.7%
Increase 5-6%	5.3%	4.1%
Increase 7-8%	0.0%	0.0%
Increase 9-10%	0.0%	0.0%
Increase >10%	1.3%	0.0%
Total	100.0%	100.0%

The following graph provides a history of the price index since January, 2011.

**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:

Lead Time	Now	In 6 Months
Increase	19.2%	19.2%
Stay the Same	72.6%	75.3%
Decrease	8.2%	5.5%
Total	100.0%	100.0%
1 Week	4.1%	4.0%
2 Weeks	6.8%	8.0%
3 Weeks	6.8%	5.3%
4 Weeks	21.5%	18.7%
5 Weeks	9.5%	9.3%
6 Weeks	20.2%	18.7%
7 Weeks	6.8%	6.7%
8 Weeks	10.7%	14.6%
9 Weeks	1.4%	0.0%
10-12 Weeks	9.4%	10.7%
13-16 Weeks	1.4%	1.3%
>16 Weeks	1.4%	2.7%
Total	100.0%	100.0%

Average in Weeks - Feb	5.9	6.1
Average in Weeks - Jan -2013	5.7	5.9
Average in Weeks - Dec	5.3	5.2
Average in Weeks - Nov	5.2	5.2
Average in Weeks - Oct	5.8	5.5
Average in Weeks - Sept	5.5	5.4
Average in Weeks - Aug	5.2	5.1
Average in Weeks - Jul-12	5.5	5.4

Lead times are 5.9 weeks now and forecast to be at 6.1 in six months.