

Rising Raw Materials Costs and Strong Connector Demand Justify Modest Connector Prices Increases

Price Analysis

The Price Index for March is 3.463 and will be 3.400 six months from now.

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 March 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	2.4%	0.0%
Increase a little	53.7%	55.0%
Stay the same	31.7%	30.0%
Decrease a little	12.2%	15.0%
Decrease a lot	0.0%	0.0%
Total	100.0%	100.0%

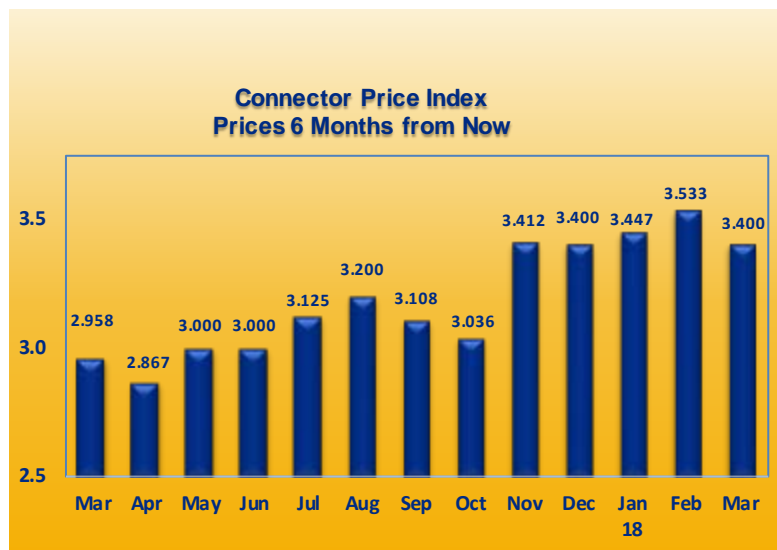
Mar	3.463	3.400
Feb	3.533	3.533
Jan 18	3.436	3.447
Dec	3.111	3.400
Nov	2.971	3.412

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%	2.4%	7.3%
Decrease 3-4%	9.8%	9.8%
Decrease 5-6%	2.4%	2.4%
Decrease 7-8%	0.0%	0.0%
Decrease 9-10	0.0%	0.0%
Decrease >10%	0.0%	0.0%
Stay The Same	29.3%	26.8%
Increase 1-2%	26.8%	22.0%
Increase 3-4%	19.5%	19.5%
Increase 5-6%	4.9%	4.9%
Increase 7-8%	4.9%	7.3%
Increase 9-10%	0.0%	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	54.1%	33.3%
Stay the Same	43.2%	56.4%
Decrease	2.7%	10.3%
Total	100.0%	100.0%
1 Week	0.0%	2.5%
2 Weeks	5.0%	2.5%
3 Weeks	7.5%	10.0%
4 Weeks	15.0%	17.5%
5 Weeks	5.0%	5.0%
6 Weeks	20.0%	15.0%
7 Weeks	5.0%	5.0%
8 Weeks	20.0%	17.5%
9 Weeks	2.5%	10.0%
10-12 Weeks	12.5%	7.5%
13-16 Weeks	5.0%	5.0%
>16 Weeks	2.5%	2.5%
Total	100.0%	100.0%
Average in Weeks - Mar	7.0	6.9
Average in Weeks - Feb	6.6	6.6
Average in Weeks - Jan 18	6.6	6.8
Average in Weeks - Dec	6.1	6.1
Average in Weeks - Nov	5.9	6.1

Lead times are up at 7.0 weeks now and forecast to be the same at 6.9 in six months.