

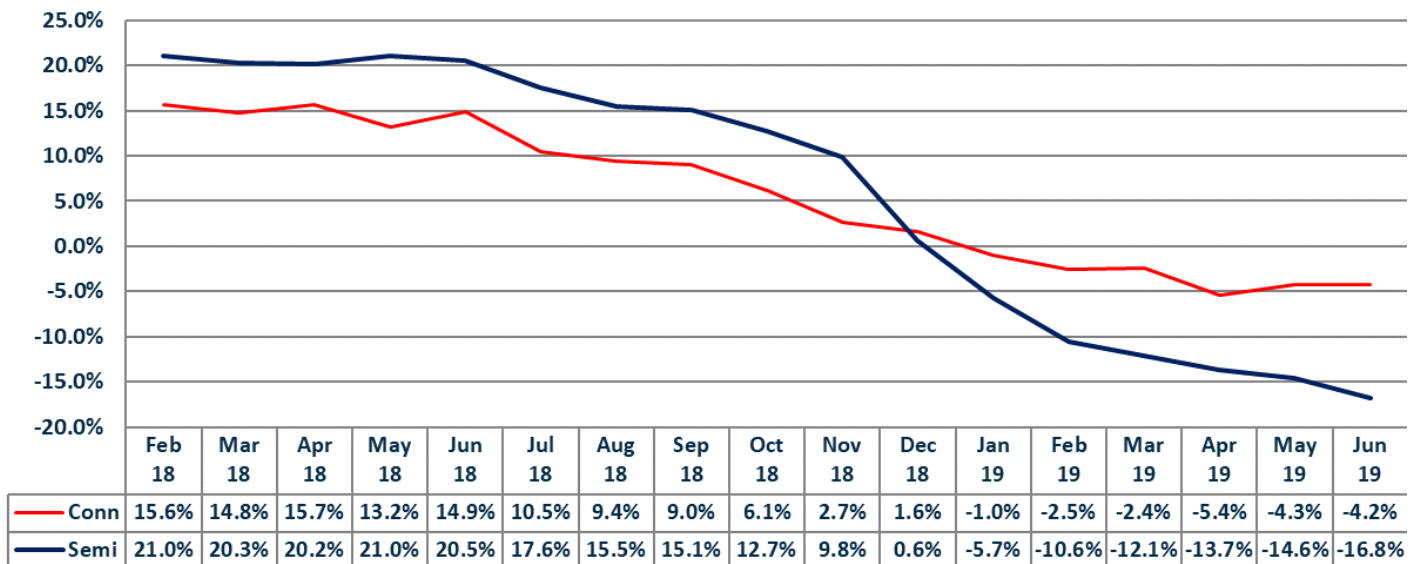
## Semi Sales Contracted -16.8% in June Semis and Connectors Contracted for Sixth Consecutive Month

The Semiconductor Industry Association (SIA) reported June sales of \$32.7 billion, down -16.8% from prior year and down +0.9% sequentially. Regionally for June, the SIA reported that China contracted -13.9% YOY, Japan was down -12.8%, Asia Pacific/Other contracted -13.7%, the Americas contracted -29.5%, and Europe contracted -10.9%.

Connector industry sales, measured in U.S. dollars, declined -4.2% to prior year and decreased -4.2% sequentially. Regionally for June, YOY sales declined -0.6% in North America, -4.7% in Asia Pacific, -9.5% in Europe, China decreased -5.3% and ROW decreased -2.2%. Japan increased +7.1%.

The following graph compares semiconductor sales performance to the connector industry.

Monthly Sales Performance  
Year-Over-Year



- Semi and connector sales contracted for the sixth consecutive month in June. Connector sales outperformed semis in the last seven months.
- Semi and connector sales performance is tailing down due to difficult comparisons to prior year and slowing economic growth worldwide.

The following table displays year-to-date performance, measured in U.S. dollars, by geographic region for both components.

**Sales Performance  
2019 June YTD**

	<b>Semiconductors</b>	<b>Connectors</b>
<b>North America</b>	<b>-26.8%</b>	<b>3.2%</b>
<b>Europe</b>	<b>-6.9%</b>	<b>-5.9%</b>
<b>Japan</b>	<b>-11.5%</b>	<b>-4.2%</b>
<b>China</b>	<b>-9.9%</b>	<b>-7.6%</b>
<b>Asia Pacific/Other</b>	<b>-10.7%</b>	<b>-1.6%</b>
<b>World</b>	<b>-13.6%</b>	<b>-3.3%</b>

Source SIA & Bishop

Semi sales are declining at a faster rate than connectors and are separated by over 10 percentage points. YTD sales growth in North America is separated by 30 percentage points. In light of the positive number for North American YTD connector growth, it is somewhat surprising that the semis contraction is so large.

High demand for semiconductors has always led to strong connector sales, but the opposite is also true. If semi sales continue contracting, connector sales will follow in their footsteps.

The impact of the various tariffs between the major economies and slowing economic growth had an impact on growth in the first six months of 2019. Recent tariffs announced by the US government and retaliatory currency devaluation by China will have further ill-effects on the remainder of 2019 for these industries.