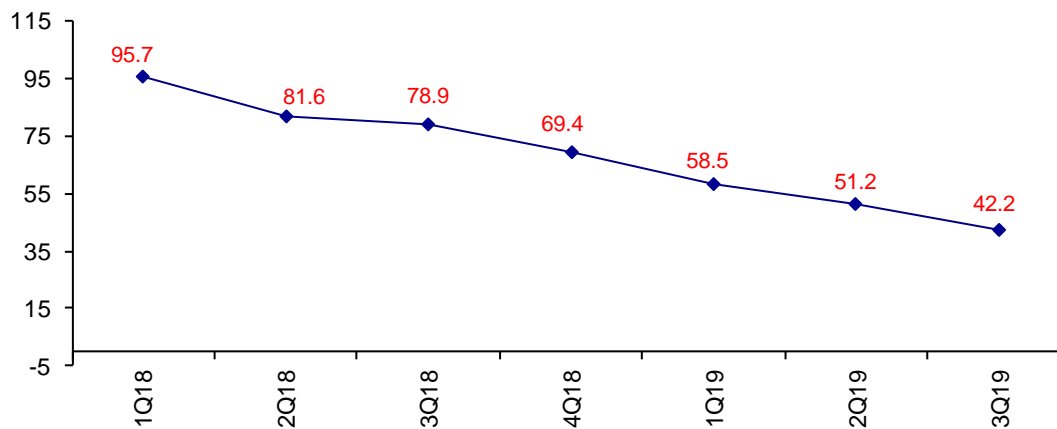


## Confidence in Business Conditions Turned Negative for the First Time in Years

Note, we will publish the Connector Confidence Index four times per year instead of monthly. The third quarter of 2019 index was 42.7 suggesting that industry personnel are not confident in business conditions.

### World Connector Confidence Index (WCCI) >50.0 = Positive



The **World Connector Confidence Index (WCCI)** is the average of all responses for “present situation,” and “future expectations.”

## Present Business Expectations

Industry personnel were asked, "What is your appraisal of current business conditions (positive, negative, neutral)?"

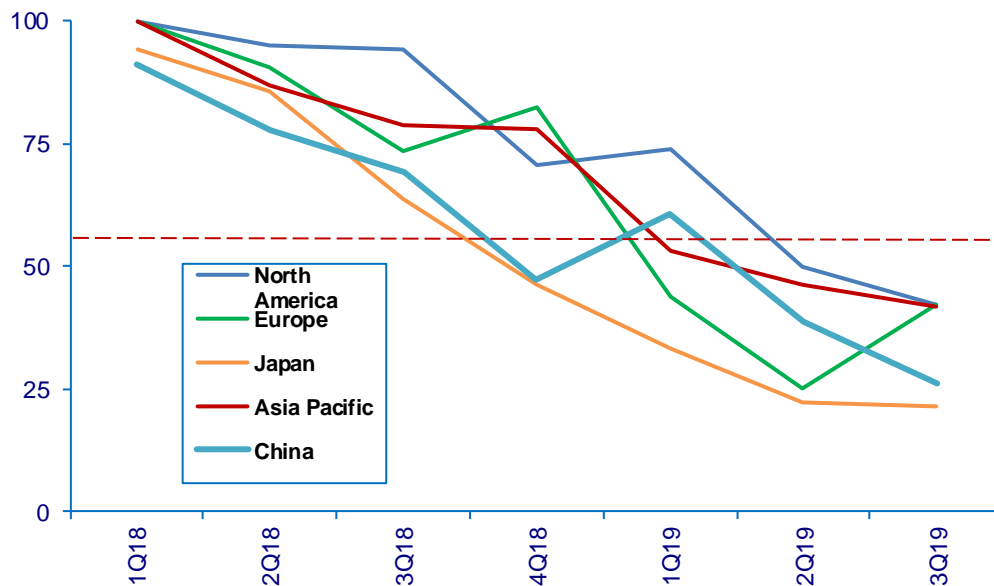
### Present Situation Index – 34.9

	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	Confidence Level	Confidence Trend
North America	100.0	95.0	94.4	70.8	73.7	50.0	42.1	-	↓
Europe	100.0	90.5	73.3	82.6	43.8	25.0	42.1	-	↓
Japan	94.4	85.7	63.6	46.2	33.3	22.2	21.4	-	↓
Asia	100.0	86.7	78.6	77.8	53.3	46.2	41.7	-	↓
China	91.3	77.8	69.2	47.1	60.7	38.9	26.3	-	↓
<b>World</b>	<b>97.4</b>	<b>87.5</b>	<b>77.5</b>	<b>67.4</b>	<b>54.8</b>	<b>38.3</b>	<b>34.9</b>	<b>-</b>	<b>↓</b>
<b>Confidence</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>-</b>	<b>-</b>		
<b>Trend</b>		↓	↓	↓	↓	↓	↓		

All regions are in negative territory. We have experience six consecutive quarters of declining confidence.

### Present Situation Index

>50.0 = Positive



## Future Expectations

Industry personnel were asked, “What is your expectation of future business conditions six months from now (positive, negative, or neutral)?”

### Future Expectations Index – 49.4

Region	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	Confidence Level	Confidence Trend
North America	96.6	76.2	87.5	72.2	69.6	63.2	50.0	Neu	↓
Europe	89.3	86.7	83.3	78.9	44.4	64.7	42.1	-	↓
Japan	93.8	76.9	54.5	66.7	58.3	62.5	40.0	-	↓
Asia	95.5	80.0	87.5	75.0	73.7	64.7	64.3	+	↓
China	95.0	61.1	71.4	60.0	60.9	60.0	52.9	+	↓
<b>World</b>	<b>93.9</b>	<b>75.6</b>	<b>80.3</b>	<b>71.4</b>	<b>62.1</b>	<b>63.0</b>	<b>49.4</b>	<b>-</b>	<b>↓</b>
<b>Confidence</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>-</b>		
<b>Trend</b>		↓	↑	↓	↓	↑	↓		

All regions are down in confidence of future business conditions. 3Q19 resulted in negative confidence in future expectations. This is the first negative future outlook in years.

### Future Expectations Index

(>50.0 = Positive)

