

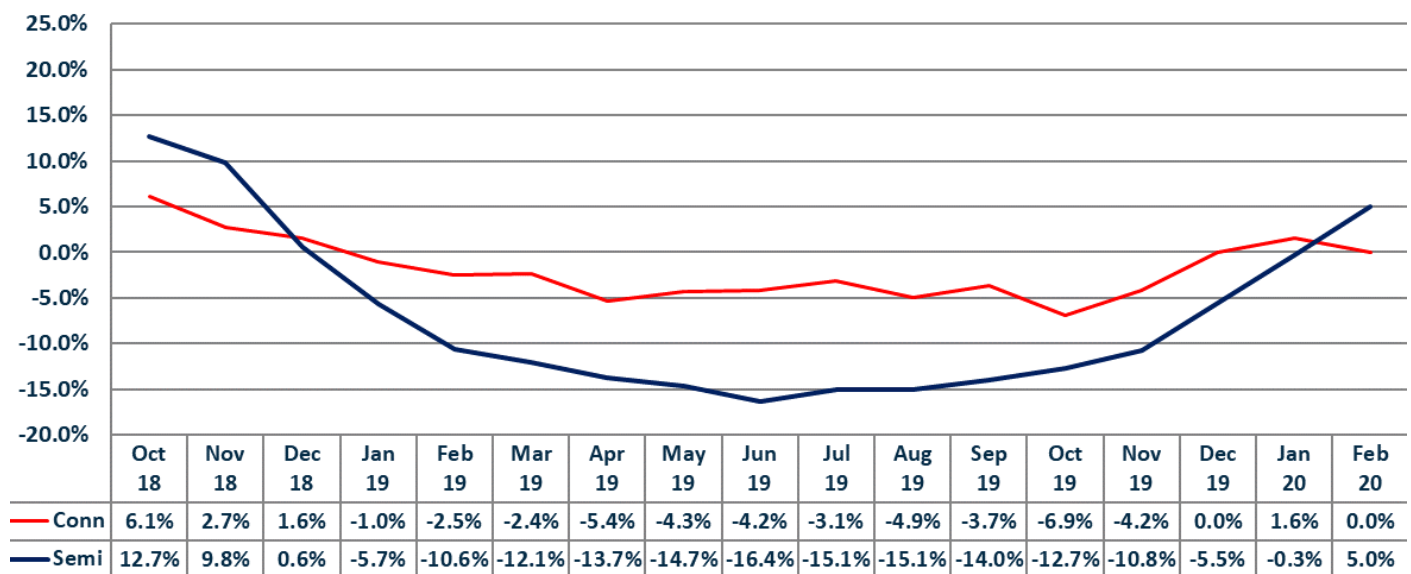
## Just When Semis Start to Recover, COVID-19 Strikes

The Semiconductor Industry Association (SIA) reported February sales of \$34.5 billion, up +5.0% from prior year, and down -2.5% sequentially. Regionally for February, the SIA reported that the Americas grew +14.2% YOY, Japan was up +7.0%, China increased 5.5%. Asia Pacific/Other decreased by -0.1%, Europe was down -1.8%. The overall grow was the first achieved by the industry in 13 months.

Connector industry sales, measured in US dollars, were flat to prior year and increased +5.2% sequentially. Regionally for February, YOY sales increased +1.3% in Japan, +3.8% in North America and +1.0% in Asia Pacific. YOY sales decreased -0.2% in Europe, -5.0% in China and -1.9% in ROW.

The following graph compares semiconductor sales performance to the connector industry since September 2018.

**Monthly Sales Performance  
Year-Over-Year**



COVID-19 is the elephant in the room right now for both industries. The -5.0% decrease in February YOY connector sales performance in China may have been a prelude to what is to come in March and the second quarter of 2020 where Bishop is forecasting a significant drop in sales. The SIA reported a drop of -7.6% sequentially from February which they reported as significant and due to COVID-19. Both industries will see significant declines in sales in March and the months to come.

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

**Sales Performance  
2020 February YTD**

	<b>Semiconductors</b>	<b>Connectors</b>
<b>North America</b>	<b>7.0%</b>	<b>3.5%</b>
<b>Europe</b>	<b>-3.7%</b>	<b>-0.8%</b>
<b>Japan</b>	<b>0.8%</b>	<b>2.4%</b>
<b>China</b>	<b>5.4%</b>	<b>0.3%</b>
<b>Asia Pacific/Other</b>	<b>-2.2%</b>	<b>-0.8%</b>
<b>World</b>	<b>2.3%</b>	<b>0.7%</b>

Source SIA & Bishop

Semi sales performance has now surpassed connector sales, but the final outcome of this comparison is very much in the air. What lays in the future for both industries will depend on the success of all countries in curtailing the growth rate of COVID-19 and restarting the economies of the world after the unprecedented shutdown of businesses worldwide.