

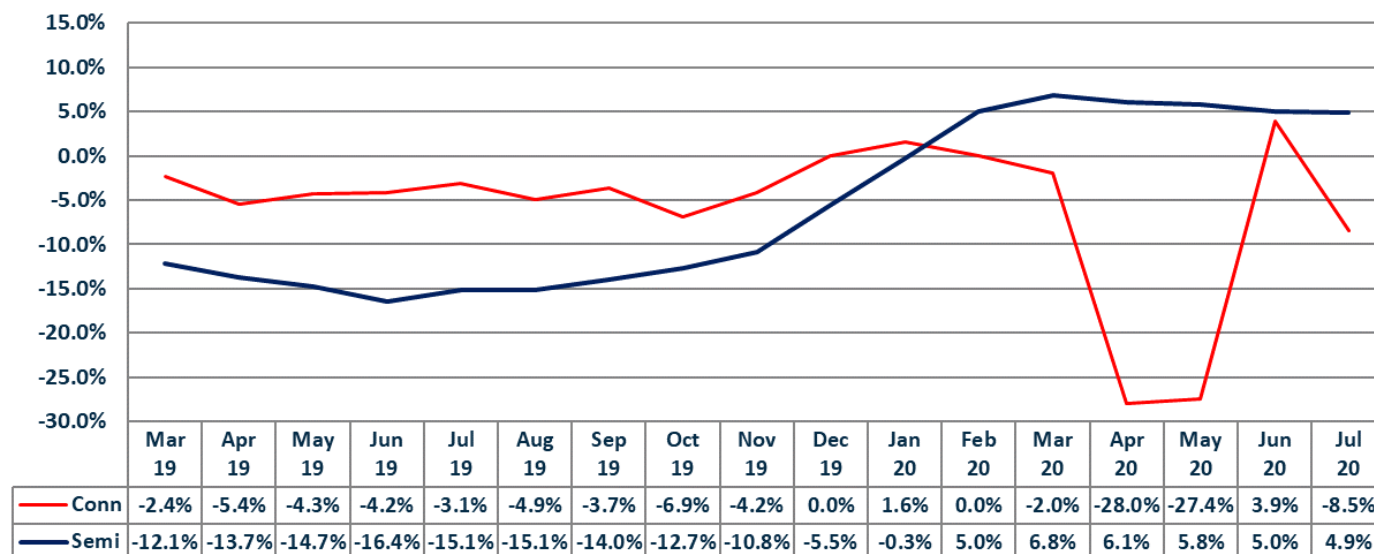
Semis Up +4.9% in July Sales Grow for the Sixth Consecutive Month

The Semiconductor Industry Association (SIA) reported July sales of \$35.2 billion, up +4.9% from the prior year, and up +1.9% sequentially. Regionally for July, the SIA reported that the Americas grew +26.3% YOY, China increased +3.5% and Asia Pacific/Other increased by +1.4%. Europe was down -14.9% and Japan was down -0.3%. The YOY sales growth was the sixth consecutive increase in 2020.

Connector industry sales, measured in US dollars, were down -8.5% from the prior year and increased +1.4% sequentially as the industry had some recovery from the COVID shutdowns. Regionally for July, YOY sales decreased -23.4% in Japan, -9.6% in Europe, -7.8% in North America, -13.5% in Asia Pacific, and -18.4% in ROW. Sales increased +1.4% in China.

The following graph compares semiconductor sales performance to the connector industry since March 2019.

Monthly Sales Performance
Year-Over-Year



As seen in the above graph, connector industry performance has started to recover, while semis remain positive in the mid-single digits for the last six months. The continuing strength of the semi performance may result from the longer lead times, customers' expectations of improving market conditions and a reluctance of customers to give up products that they might soon need.

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

**Sales Performance
2020 July YTD**

	Semiconductors	Connectors
North America	19.6%	-9.5%
Europe	-8.6%	-13.6%
Japan	0.2%	-14.2%
China	4.6%	-2.8%
Asia Pacific/Other	-4.2%	-11.0%
World	4.7%	-9.9%

Source SIA & Bishop

Semi sales performance has now surpassed connector sales performance for six consecutive months. Many countries have started to revive their economies. China clearly has a head-start on their reopening. We do not anticipate that there will be significant setbacks in the industry performance in the next two quarters. Although COVID will be around for several more months, or longer, the world now seems capable of dealing with it while they get on with business.