

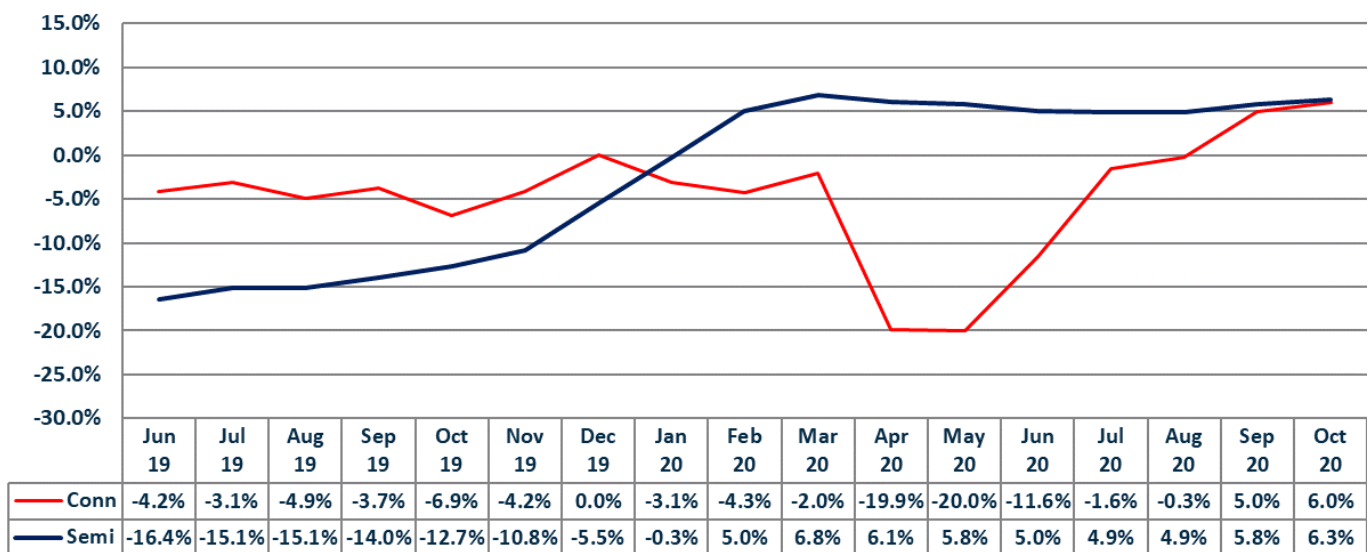
Semis Up +6.3% in October

The Semiconductor Industry Association (SIA) reported October sales of \$39.0 billion, up +6.3% from the prior year, and up +3.1% sequentially. Regionally for October, the SIA reported that the Americas grew +14.5% YOY, China increased +6.4% and Asia Pacific/Other increased by +5.7%. Europe decreased -4.7% and Japan decreased -0.6%.

Connector industry sales, in October, were up +6.0% from the prior year and decreased -2.5% sequentially, as the industry had some further recovery from the COVID shutdowns. Regionally for October, YOY sales decreased -4.9% in Japan and increased +8.9% in Europe, +4.1% in North America, +9.0% in China, +4.2% in Asia Pacific, and +4.5% in ROW.

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

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



As seen in the above graph, connector industry performance has started to recover, while semis have remained positive in the mid-single digits for the last six months. This converging sales performance makes more sense for the two components which are mostly used in tandem.

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

**Sales Performance
2020 October YTD**

	Semiconductors	Connectors
North America	19.5%	-4.7%
Europe	-8.5%	-7.6%
Japan	-0.2%	-11.8%
China	4.4%	1.1%
Asia Pacific/Other	-1.7%	-7.4%
World	5.0%	-5.1%

Source SIA & Bishop

Semi sales performance has now surpassed connector sales performance for ten consecutive months. The performance of both components, however, is converging.

Many countries have started to revive their economies, but some have also seen setbacks. China clearly has a head-start on their reopening. We do not anticipate that there will be significant setbacks in industry performance in November/December. The vaccines from Pfizer, Moderna and AstraZeneca all proved effective in their stage three trials. Although COVID will be around for several more months, or longer, the potential of multiple vaccines being available in the next few months is promising. The recent surge in COVID19 cases in the US and Europe, however, may put a damper on connector and semiconductor sales in the first quarter of 2021.

The SIA/WSTS forecast for semiconductors is to finish 2020 with sales of \$433.1 billion, up +5.1% over 2019. Connectors are projected by Bishop to finish the year with sales at \$61.0 billion, down -5.0% from prior year.