

Connector Prices Will Not Increase Over the next Six Months

Price Analysis

The Price Index for January/February is 3.694 and will be 2.944 six months from now. In effect prices will stabilize going forward

Industry personnel were asked, *"In your opinion, what happened to connector prices in the past six months, and what will happen during the next six months?"* The results of the January/February survey are shown in the following table:

Change in Connector Prices

Price Change	Last 6 Months	Next 6 Months
<i>Change in Connector Prices</i>		
Increase a lot	22.3%	2.8%
Increase a little	33.3%	27.8%
Stay the same	36.1%	33.3%
Decrease a little	8.3%	33.3%
Decrease a lot	0.0%	2.8%
Total	100.0%	100.0%

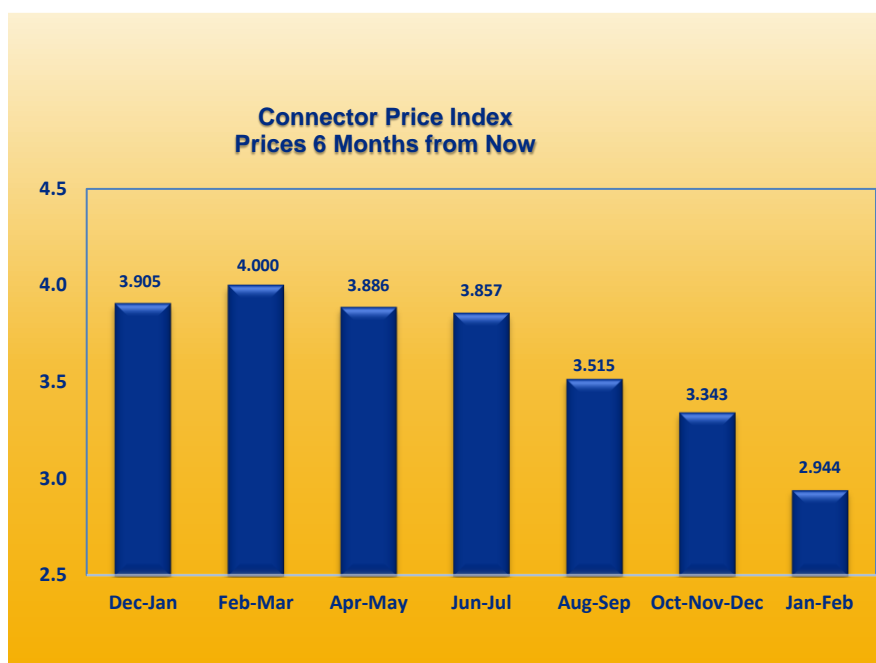
Jan/Feb	3.694	2.944
Oct/Nov/Dec	4.029	3.343
Aug/Sep	4.031	3.515
Jun/Jul	4.286	3.857

A price index above 3.000 means industry personnel believe prices have or will increase. Methodology: Increase A Lot = 5; Increase A Little = 4; Stay the Same = 3; Decline A Little = 2; Decline A Lot = 1

The following table displays the distribution of responses on the question of prices.

Distribution of Responses

Prices	Last 6 Months	Next 6 Months
Decrease 1-2%	2.8%	13.8%
Decrease 3-4%	8.3%	16.7%
Decrease 5-6%	5.5%	2.8%
Decrease 7-8%	2.8%	8.3%
Decrease 9-10	0.0%	0.0%
Decrease >10%	0.0%	2.8%
Stay The Same	30.6%	33.3%
Increase 1-2%	5.5%	2.8%
Increase 3-4%	16.7%	16.7%
Increase 5-6%	8.3%	0.0%
Increase 7-8%	8.3%	2.8%
Increase 9-10%	2.9%	0.0%
Increase >10%	8.3%	0.0%
Total	100.0%	100.0%



Lead Times

Industry personnel were asked, “In your opinion, is lead time increasing, staying the same, or decreasing now and in 6 months from now?”

The following table provides the survey results, including distribution of responses:

Order Lead Times on Connectors

Lead Times	Now	In 6 Months
Increase	25.0%	16.7%
Stay the Same	50.0%	50.0%
Decrease	25.0%	33.3%
Total	100.0%	100.0%
1 Week	0.0%	0.0%
2 Weeks	5.4%	5.5%
3 Weeks	0.0%	2.8%
4 Weeks	10.8%	13.9%
5 Weeks	8.1%	2.8%
6 Weeks	13.6%	16.7%
7 Weeks	8.1%	11.1%
8 Weeks	8.1%	11.1%
9 Weeks	2.7%	0.0%
10-12 Weeks	21.6%	22.2%
13-16 Weeks	16.2%	11.1%
>16 Weeks	5.4%	2.8%
Total	100.0%	100.0%

Average in Weeks - Jan-Feb	8.8	8.1
Average in Weeks - Oct-Nov-Dec	9.3	8.7
Average in Weeks - Aug-Sep	8.7	7.7
Average in Weeks - Jun-Jul	10.7	10.5

Lead times are at 8.8 weeks now and forecast to be 8.1 in six months. Demand is slowing and the industry is reducing the order backlog. Hence, lead times are declining.