

Connector Demand Soars in 2025! Double-digit Growth for Seven Consecutive Months

December bookings increased by +30.2%, while billings increased by +19.8%.

Regional Performance:

Year-to-date, sales for December are positive in all regions. The greatest growth is in the Asia Pacific region, where sales grew +39.5%, followed by China where sales increased +21.2%. The weakest, although still positive, growth was seen in the ROW region where sales grew +0.7%. Year-over-year sales were positive in all regions but ROW, where sales declined -4.3%. The greatest growth was seen in the Asia Pacific region at +40.4%, followed by North America with year-over-year sales growth of +19.5%. See page 5.

2025 Currency Impact:

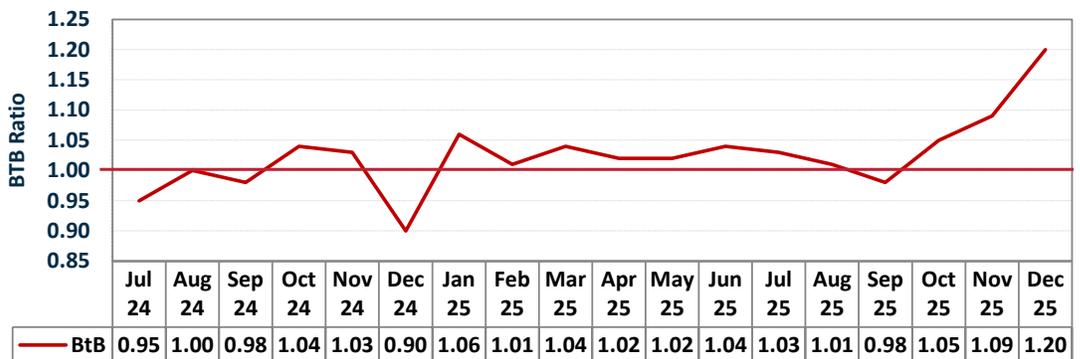
The industry registered a YOY increase in sales in December 2025, of +19.98 in USD and +3.4% in local currency.

Bookings and Billings YOY Change



The book-to-bill ratio in December was 1.20, up from 1.09 in November. This is the highest book-to-bill in over three years!

Connector Industry Book-to-Bill



NEW BISHOP
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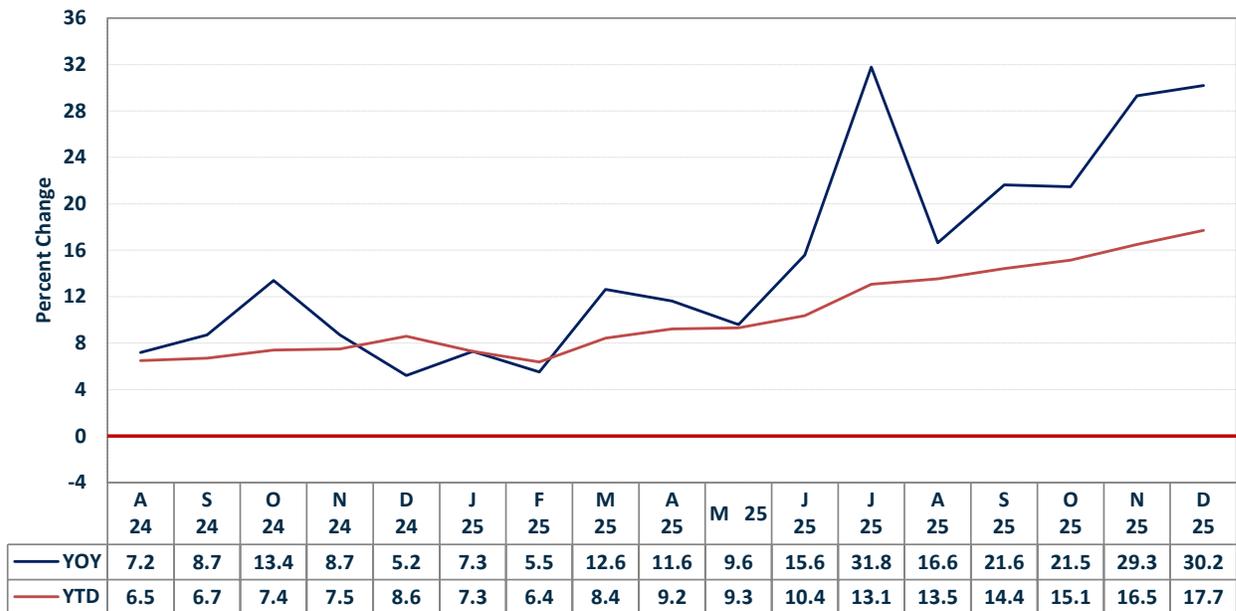
Connector
Industry
Forecast

Booking Highlights and Conclusions

Sequential, Year-Over-Year, and Year-To-Date Bookings Percentage Change – 2023/2024/2025

Month	Sequential			Year-Over-Year			Year-To-Date		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Jan	-1.3%	9.1%	2.2%	-18.4%	8.3%	7.3%	-18.4%	8.3%	7.3%
Feb	10.1%	5.2%	5.6%	-13.8%	6.8%	5.5%	-18.4%	7.5%	6.4%
Mar	1.2%	-2.9%	2.2%	-12.9%	-1.4%	12.6%	-16.6%	4.4%	8.4%
Apr	-5.1%	3.2%	-0.8%	-9.7%	10.2%	11.6%	-15.0%	5.8%	9.2%
May	13.5%	9.1%	11.9%	-3.9%	5.8%	9.6%	-12.8%	5.8%	9.3%
Jun	-12.7%	-6.8%	-5.2%	-10.3%	11.3%	15.6%	-12.4%	6.7%	10.4%
Jul	0.3%	-5.8%	0.1%	-0.3%	4.4%	32.0%	-10.9%	6.4%	13.1%
Aug	9.2%	11.6%	5.3%	0.7%	7.3%	16.6%	-9.5%	6.5%	13.5%
Sep	-5.4%	-5.0%	-3.5%	-3.7%	8.7%	21.6%	-8.9%	6.8%	14.4%
Oct	-3.2%	9.6%	3.9%	5.9%	20.9%	21.5%	-7.6%	8.1%	15.1%
Nov	11.8%	4.9%	15.1%	7.7%	15.4%	29.3%	-6.3%	8.8%	16.5%
Dec	-13.7%	-21.6%	-7.8%	0.2%	5.2%	30.2%	-5.9%	8.6%	17.7%

Bookings - YOY and YTD

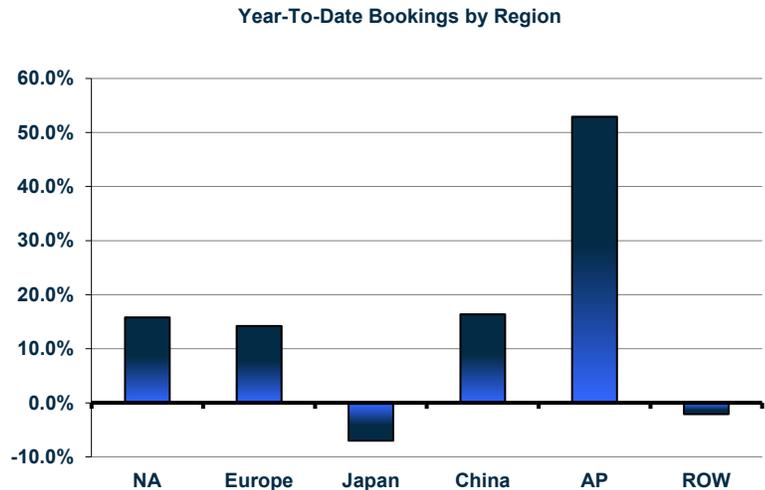


- December bookings increased +30.2% year-over-year.
- Orders decreased -7.8% on a sequential basis in December.
- The book-to-bill ratio for December was 1.18, up from 1.09 in November.

Regional Performance: BOOKINGS

December 2025 Bookings

Region	Sequential	YOY	YTD
NA	-17.3%	34.8%	15.8%
Europe	-15.9%	38.6%	14.2%
Japan	-5.4%	-13.4%	-7.0%
China	-1.7%	1.5%	16.4%
AP	28.5%	158.7%	52.9%
ROW	-41.2%	7.2%	-2.1%
Total	-7.8%	30.2%	17.7%



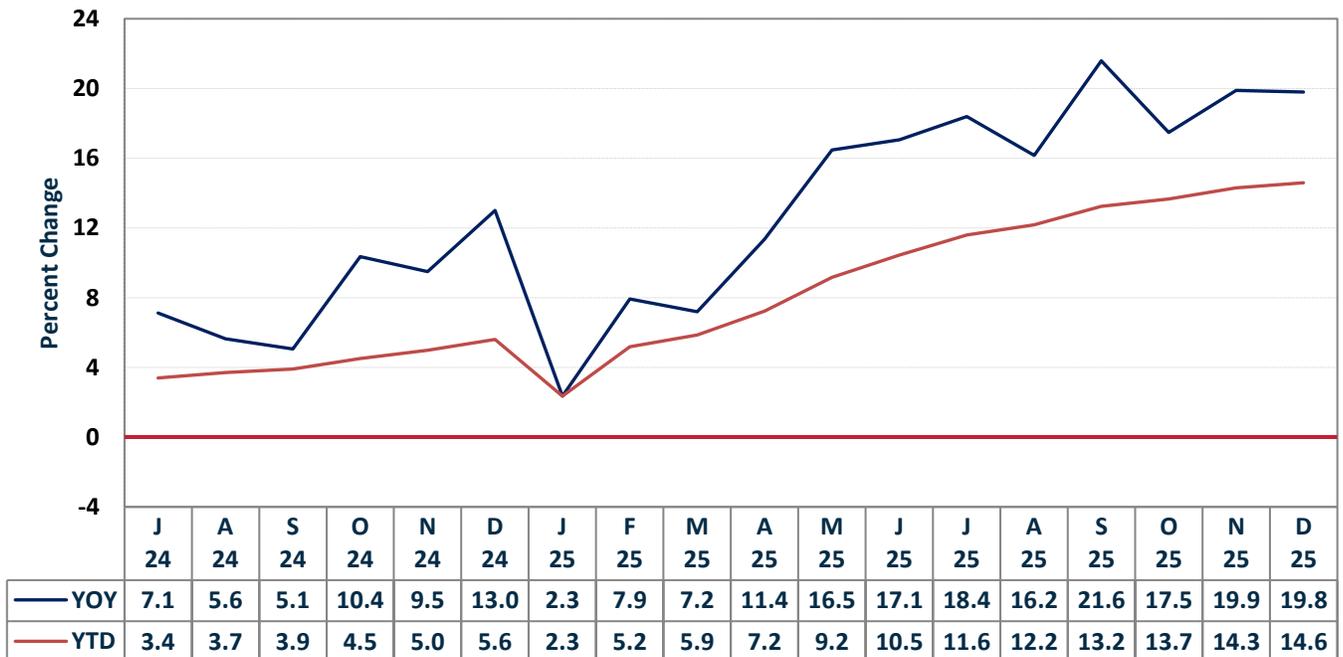
- Year-to-date, December bookings increased +17.7%, with the greatest growth in the Asia Pacific region, where bookings increased +52.9%, followed by North America, where bookings grew +15.8%. The two regions showing a year-to-date decline, Japan and the ROW region, decreased -7.0% and -2.1% respectively. Sequentially all regions except Asia Pacific saw a decline, with the greatest decline in the ROW region, where sequentially bookings decreased -41.2%. These results are in stark contrast to November, where all the regions but Asia Pacific saw a bookings increase! The only region showing a sequential increase, Asia Pacific, saw bookings increase +28.5%.
- In December, year-over-year orders rose in all but one region, Japan, where bookings declined -13.4%. Of the regions showing growth, the Asia Pacific region had an astonishing +158.7% (key annual orders booked by several connector manufacturers) increase, followed by Europe, where bookings grew +38.6%. Europe was followed by North America where year-over-year bookings grew +34.8% and the ROW region, where year-over-year growth was up +7.2%. The remaining region, China had growth of +1.5%.
- Year-over-year total world order growth has now been positive for 21 consecutive months.

Billing Highlights and Conclusions

Sequential, Year-Over-Year, and Year-To-Date Billings Percentage Change – 2023/2024/2025

Month	Sequential			Year-Over-Year			Year-To-Date		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Jan	-3.1%	5.8%	5.5%	0.5%	3.5%	2.3%	0.5%	3.5%	2.3%
Feb	9.7%	2.8%	9.9%	-1.0%	-1.0%	7.9%	-0.3%	1.2%	5.2%
Mar	-0.9%	0.4%	-0.1%	0.3%	-1.1%	7.2%	-0.1%	0.4%	5.9%
Apr	-7.9%	1.7%	1.1%	-1.0%	10.1%	11.4%	-0.3%	2.7%	7.2%
May	12.1%	4.3%	11.6%	-0.6%	2.8%	16.5%	-0.4%	2.7%	9.2%
Jun	-6.0%	-4.9%	-6.9%	-6.7%	3.3%	17.1%	-1.5%	2.8%	10.5%
Jul	-1.7%	1.8%	0.9%	-1.2%	7.1%	18.4%	-1.4%	3.4%	11.6%
Aug	7.2%	5.8%	7.4%	-2.8%	5.6%	16.2%	-1.6%	3.7%	12.2%
Sep	-2.7%	-3.0%	-0.2%	-10.0%	5.1%	21.6%	-2.6%	3.9%	13.2%
Oct	-2.1%	3.2%	-3.2%	2.5%	10.4%	17.5%	-2.1%	4.5%	13.7%
Nov	7.9%	5.1%	10.4%	0.0%	9.5%	19.9%	-1.9%	5.0%	14.3%
Dec	-12.4%	-9.5%	-14.9%	-2.8%	13.0%	19.8%	-2.7%	5.6%	14.6%

Billings - YOY and YTD

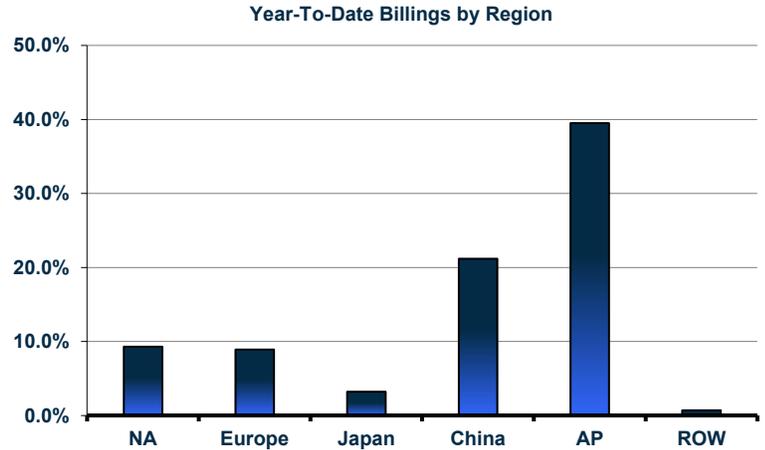


- December billings grew +14.6% year-to-date and +19.8% year-over-year.
- Sequentially, December billings decreased -14.9%.
- Year-over-year sales growth has now been positive for 21 consecutive months and year-to-date for 24 consecutive months.

Regional Performance: BILLINGS

December 2025 Billings

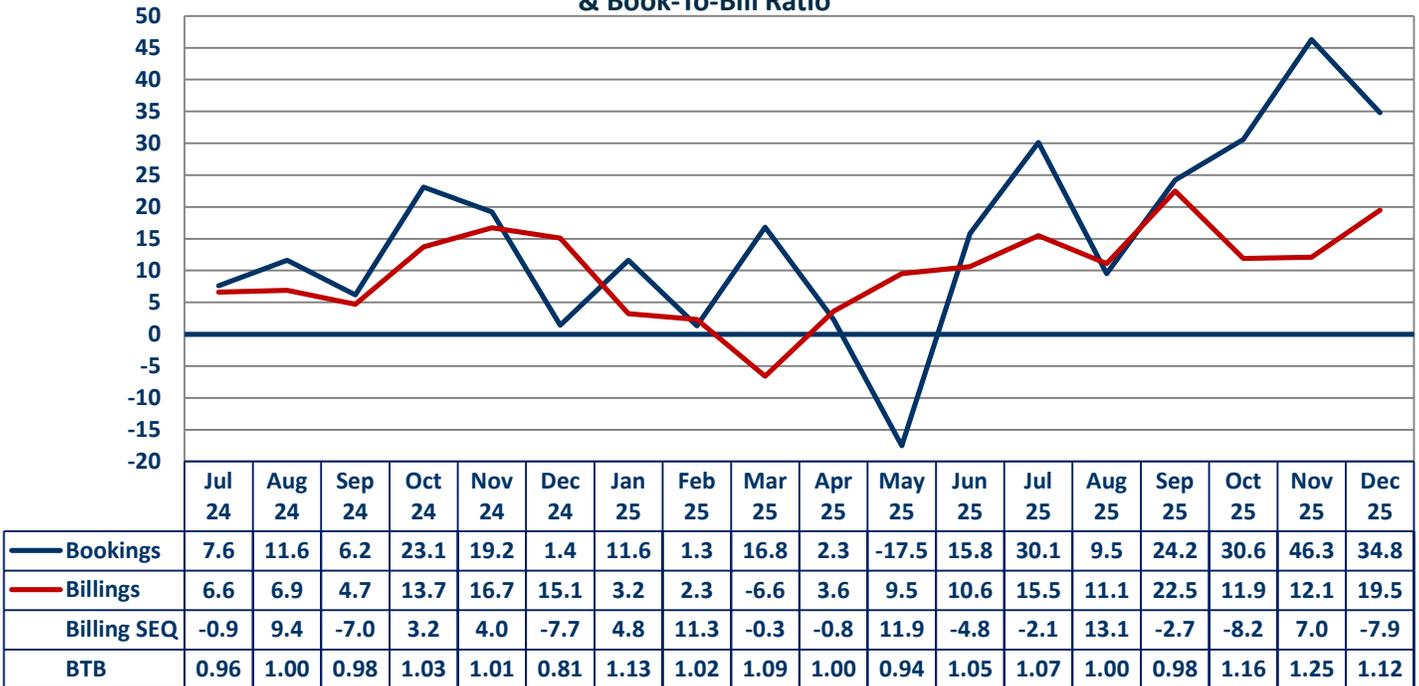
Region	Sequential	YOY	YTD
NA	-7.9%	19.5%	9.3%
Europe	-26.7%	18.1%	8.9%
Japan	2.3%	5.0%	3.2%
China	-13.1%	18.0%	21.2%
AP	-14.4%	40.4%	39.5%
ROW	-31.1%	-4.3%	0.7%
Total	-14.9%	19.8%	14.6%



- December connector sales increased by +19.8% compared to the same period last year.
- Sequentially, all but one region showed a decrease. The greatest decrease was in the ROW region, at -31.1%, followed by Europe, where sequential sales decreased -26.7%. The only region showing an increase sequentially was Japan, where sales increased +2.3%. Like bookings, this was in stark contrast to November, where all regions but Japan saw an increase in sales. The remaining regions, North America, China, and Asia Pacific, increased sequentially -7.9%, -13.1%, and -14.4% respectively.
- Year-over-year, five of the six regions saw an increase, with the greatest increase in the Asia Pacific region where sales increased a strong +40.4%, followed by the North American region, where sales increased +19.5%.
- Year-to-date all regions saw an increase. The greatest year-to-date growth was in the Asia Pacific region where sales increased +39.5%, followed by the Chinese region, where sales increased +21.2%. The remaining regions all exhibited single-digit growth.

North America: The following chart displays the year-over-year percentage change in bookings and billings for the last 18 months. The monthly book-to-bill (BTB) ratio is also displayed.

**North America Bookings and Billings
Year-Over-Year Percentage Change
& Book-To-Bill Ratio**

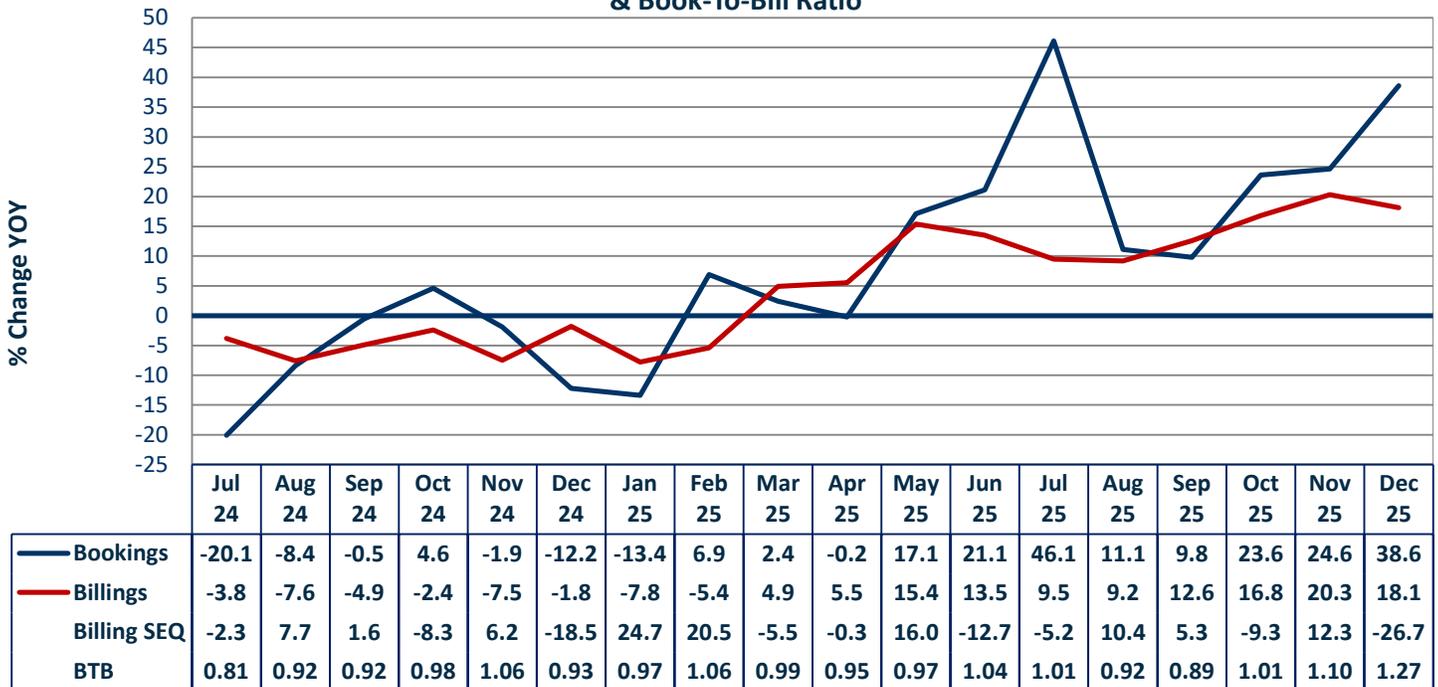


North America Performance

- Sales increased +19.5% year-over-year in December, while orders increased +34.8%, down from +46.3% in November. Sequentially, North American billings decreased -7.0% after increasing +7.0% in November. The book-to-bill ratio decreased to 1.12, after climbing to 1.25 in November.
- The US unemployment rate edged down to 4.4% in December 2025, from a revised 4.5% in November, which had marked the highest level since October 2021. The reading also came in slightly below market expectations of 4.5%. The number of unemployed fell by 278,000 to 7.50 million, while employment increased by 232,000 to 163.99 million, according to Trading Economics.
- The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3% on a seasonally adjusted basis in December, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 2.7% before seasonal adjustment.
- Data compiled as of Jan. 6, 2026, shows U.S. new car sales for Dec 2025 were 1,462,226 units, down 2.5% YOY, and 16,258,873 units for the full year, up 1.9% YOY, according to MarkLines.
- The University of Michigan's consumer sentiment index the United States was revised up to 56.4 in January 2026, from a preliminary 54.0 and December's 52.9, according to Trading Economics.

Europe: The following chart displays the year-over-year percentage change in bookings and billings for the last 18 months. The monthly book-to-bill ratio is also displayed.

**Europe Bookings and Billings
Year-Over-Year Percentage Change
& Book-To-Bill Ratio**



Europe Performance

- Bookings increased by a hearty +38.6% in December, now the second highest booking number in the last 19 months. Billings increased by +18.1%, down from +20.3% in November. Sequentially, sales decreased -26.7%. The book-to-bill ratio was 1.27, up from 1.10 in November and the strongest book-to-bill in 2025.
- “By November* 2025 year-to-date, new EU car registrations increased by 1.4% compared to the same period last year”, according to the European Automobile Manufacturers’ Association (ACEA). “The euro area annual inflation rate remained stable at 2.1% in November 2025, with services contributing the most, while core inflation remained at 2.4%”, according to Eurostat.
- “In November* 2025, the euro area seasonally adjusted unemployment rate was 6.3%, down from 6.4% in Oct. 2025 and up from 6.2% in Nov. 2024. The EU unemployment rate was 6.0% in Nov. 2025, stable compared with Oct. 2025 and up from 5.8% in Nov. 2024. according to Eurostat.
- “The Eurozone Economic Sentiment Indicator (ESI) edged down to 96.7 in December 2025 from a 31-month high of 97.1 in November, coming in slightly below market expectations of 97 and remaining under its long-term average,” according to Trading Economics.

**December readings not published at the time of this reporting.*

Japan: The following chart displays the year-over-year percentage change in bookings and billings for the last 18 months. The monthly book-to-bill ratio is also displayed.

**Japan Bookings and Billings
Year-Over-Year Percentage Change
& Book-To-Bill Ratio**



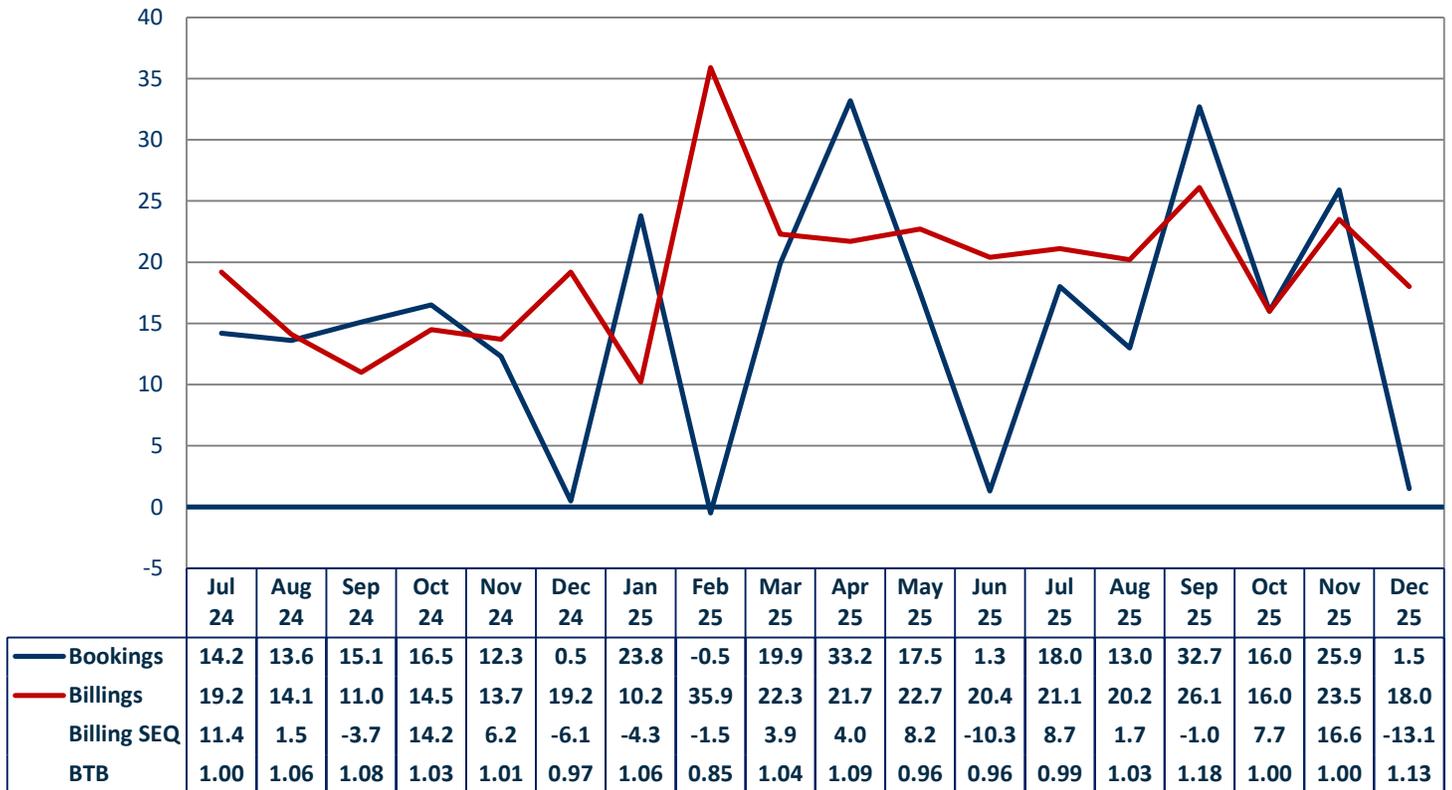
Japan Performance

- Japan’s December year-over-year bookings decreased -13.4%, while billings increased +5.0%. Sequentially, sales increased +2.3%, up from -1.8% in November. Japan’s book-to-bill ratio declined to 0.99, from was 1.07 in November.
- “Core consumer prices in Tokyo’s Ku-area rose 2.3% year-on-year in December 2025, easing from 2.8% in the previous month and undershooting market forecasts of 2.5%. The latest reading marked the lowest figure since February but remained above the Bank of Japan’s 2% target, underscoring persistent price pressures in the capital,” according to Trading Economics.
- “Japan’s S&P Global Composite PMI eased to 51.1 in December 2025, below both the flash estimate of 51.5 and November’s reading of 52.0”, according to Trading Economics.
- “Japan’s unemployment rate stood at 2.6% in November* 2025, unchanged from the previous three months and in line with market estimates”, according to Trading Economics. Japan’s new vehicle market expanded by 1.7% year-on-year to 335,459 units in December 2025, up from 329,786 units a year earlier month last year, according to registration data released by the JAMA.
- “Japan’s exports to the U.S. rebounded for the first time in eight months in November, in a sign of easing pain from U.S. tariffs, government data showed on Wednesday, bolstering the case for the central bank to continue raising interest rates”, according to Reuters.

**December readings not published at the time of this reporting.*

China: The following chart displays the year-over-year percentage change in bookings and billings for the last 18 months. The monthly book-to-bill ratio is also displayed.

**China Bookings and Billings
Year-Over-Year Percentage Change
& Book-To-Bill Ratio**

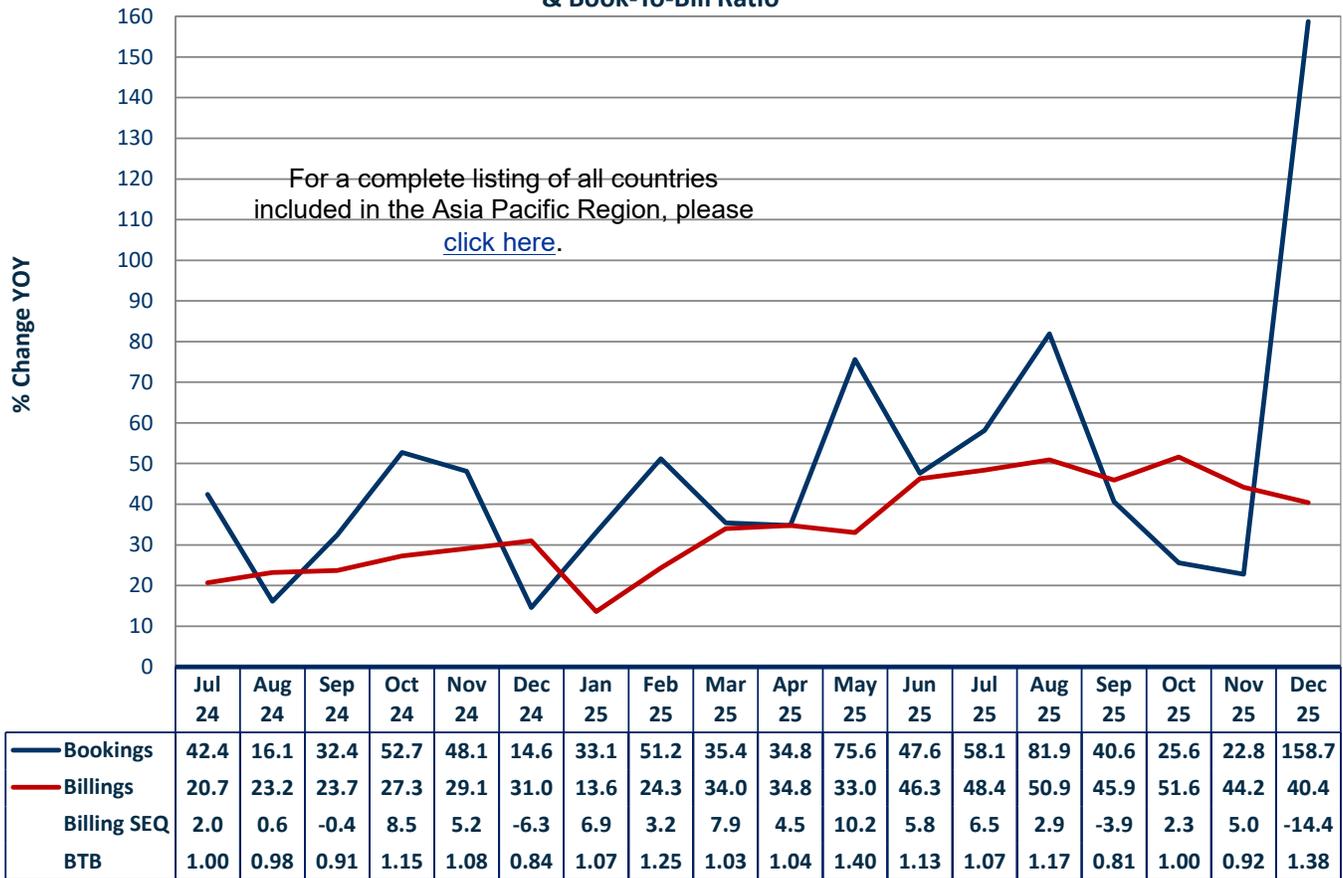


China Performance

- China's December sales grew +18.0% on a year-over-year basis. Bookings increased by +1.5% in December, while sequentially, sales decreased by -13.1%. The book-to-bill increased to 1.13.
- In December, China's "consumer price index (CPI) rose 0.8% from the same month in 2024. This was up from the 0.7% increase in November," according to National Bureau of Statistics of China.
- China's "total auto output reached 34.531 million units last year, up 10.4% compared with the 2024 level, while sales rose 9.4% year on year to 34.4 million units", according to the China Association of Automobile Manufacturers (CAAM). Automobile production and sales have remained above 30 million units for three consecutive years now.
- "China's surveyed unemployment rate stood at 5.1% in December 2025, unchanged from the previous two months and slightly below market expectations of 5.2%", according to Trading Economics.
- "China's exports rose 6.6% year-on-year to a record peak of USD 357.8 billion in December 2025, surpassing expectations of 3.-% growth and accelerating from a 5.9% gain in November. It marked the strongest growth since September, driven by a surge in exports to non-US markets", according to Trading Economics.

Asia Pacific: The following chart displays the year-over-year percentage change in bookings and billings for the last 18 months. The monthly book-to-bill ratio is also displayed.

**Asia Pacific Bookings and Billings
Year-Over-Year Percentage Change
& Book-To-Bill Ratio**

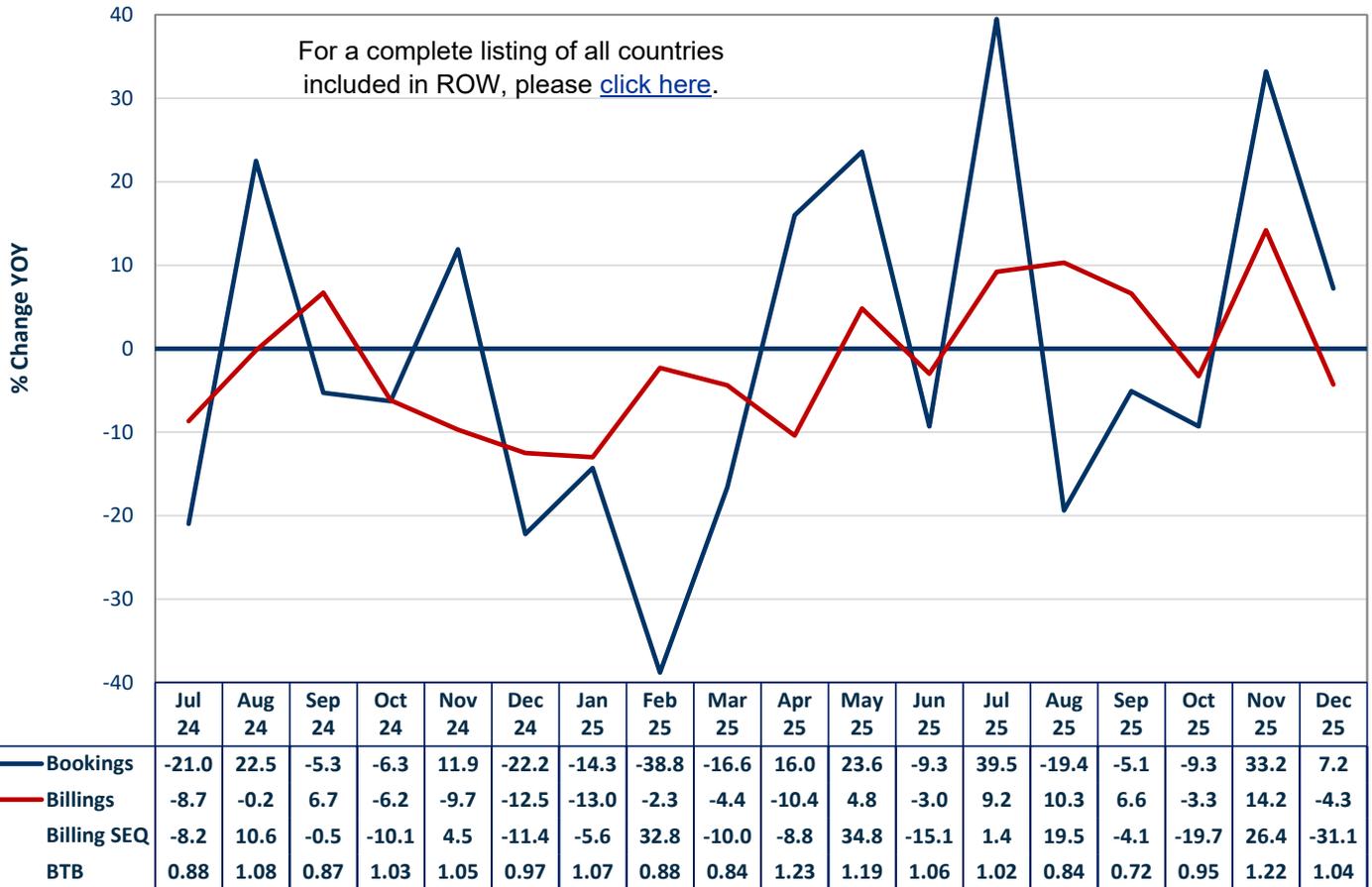


Asia Pacific Performance

- Year over year, December orders were up an astonishing +158.7%. Billings increased by a strong +40.4%. Sequentially, sales decreased by -14.4%. The book-to-bill ratio rose to 1.38 in December.
- “India’s retail inflation quickened to 1.33% in December from 0.71% in November, government data showed. This is the fastest pace in three months, as the decline in food prices slowed, amid expectations that price could continue inching up this year”, according to Reuters.
- “The HSBC India Manufacturing PMI fell to 55.0 in December 2025, revised lower from initial estimates of 55.7 and November’s 56.6. This marks the weakest improvement in two years, as factory output expanded at the slowest pace since October 2022”, according to Trading Economics.
- “In December, outbound shipments from South Korea jumped 13.4% from a year earlier to a record USD 69.58 billion, marking the seventh consecutive month of growth and the strongest increase since July 2024. The figure accelerated from an 8.4% rise in November and exceeded market expectations of an 8.3% gain,” according to Trading Economics.

Rest of World: The following chart displays the year-over-year percentage change in bookings and billings for the last 18 months. The monthly book-to-bill ratio is also displayed.

**ROW Bookings and Billings
Year-Over-Year Percentage Change
& Book-To-Bill Ratio**



Rest of World Performance

- Orders increased by +7.2% in December, after increasing by +33.2% in December. Billings decreased by -4.3% year-over-year, after increasing +14.2% last month. Sequentially, sales decreased by -31.1%. The book-to-bill ratio was 1.04, down from 1.22 in November.
- “The Consumer Price Index in Brazil increased to 7403.29 points in December from 7378.94 points in November of 2025. Brazil’s annual inflation rate eased to 4.26% in December 2025 from 4.46% in November”, according to Trading Economics.
- “The S&P Global Brazil Manufacturing PMI fell to 47.6 in December 2025 from 48.8 in November, marking the sharpest deterioration since September. New business declined at one of the fastest rates in two-and-a-half years, leading to a solid contraction in factory output, the steepest since last September.”
- “South Africa’s seasonally adjusted Absa Purchasing Managers’ Index (PMI) fell further to 40.5 in December from 41 in November. The latest reading signaled a third straight month of contraction in the country’s manufacturing sector, which was the steepest since April 2020, amid sharp decline in inventories and employment. sector”, according to Trading Economics.

Regional Summary Snapshot

The following table shows a snapshot of the performance of each region. The table displays the latest metric available, and the trend of the metric compared to prior months/quarters.

	North America	Europe	Japan	China	Asia Pacific	ROW
GDP Growth YOY	4.3% Up	1.3% Up	1.1% Up	4.5% Down Slightly	N/A	N/A
Industrial Production Growth	0.4% Up	0.7% Up	2.7% Flat	5.2% Down Slightly	N/A	N/A
Manufacturing PMI*	47.9 Down	48.8 Down	50.0 Flat	50.1 Flat	N/A	N/A
Inflation Rate	2.7% Steady	1.9% Down	2.9% Up	0.8% Up	N/A	N/A
Unemployment Rate	4.4% Steady	6.3% Steady	2.6% Up	5.1% Steady	N/A	N/A
Retail Sales Growth YOY	5.0% Up	3.1% Up	1.0% Down	3.7% Steady	N/A	N/A
Dec. Connector Sales	19.5%	18.1%	5.0%	18.0%	40.4%	-4.3%
YTD Connector Sales	9.3%	8.9%	3.2%	21.2%	39.5%	0.7%
Dec. Connector Orders	34.8%	38.6%	-13.4%	1.5%	158.7%	7.2%
YTD Connector Orders	15.8%	14.2%	-7.0%	16.4%	52.9%	-2.1%

* Purchasing Manager Index - Below 50 is contracting factory activity

Key Take Aways:

- Although still falling below 3.0%, inflation has increased in some regions, as has retail sales growth, in all regions but Japan where it has decreased.
- Although still slightly relatively high in North America and Europe, 4.4% and 6.3% respectively, unemployment remains steady in all regions but Japan where it is up compared to last month.
- Similar to the last several months, in December, all but Japan and the ROW region had year-over-year connector sales in the double-digit range, with the greatest growth in the Asia Pacific region followed by North America. From a year-to-date perspective, double-digit growth was again seen in China and Asia Pacific, while all other regions saw a single-digit increase.

The Industry Backlog Is 12.6 Weeks

The industry shipped \$99,088 million in 2025, which is an average of \$1,906 million per week. At the end of 2025, ending order backlog was \$24,067 million. This provides the connector industry with 12.6 weeks of backlog going into 2026

The following table displays the order backlog at the end of December.

Industry Backlog

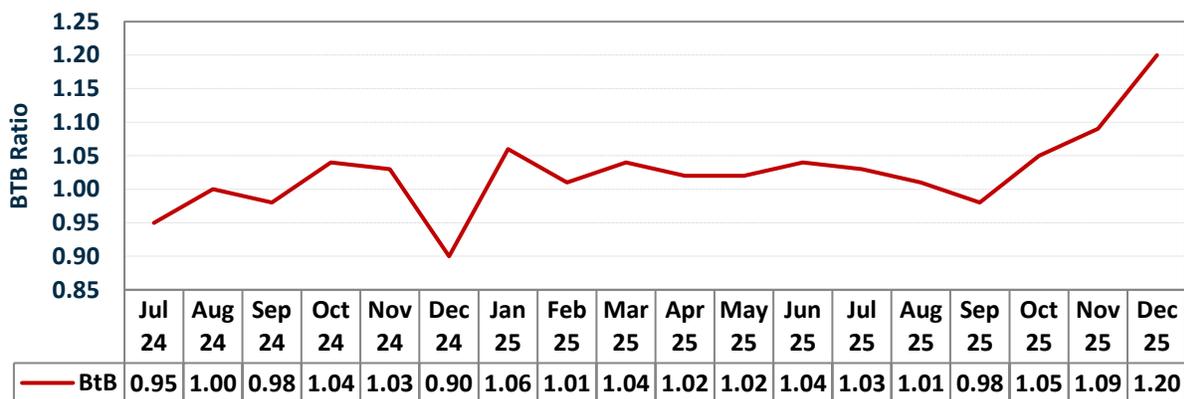
	Full Year 2024	Dec 2025
BtB Ratio	1.00	1.20
Begininning Backlog	\$21,017	\$21,287
YTD Bookings	\$86,592	\$101,868
YTD Billings	\$86,322	\$99,088
Ending Backlog	\$21,287	\$24,067
Backlog in Weeks	12.6	12.6

\$ Millions

Connector demand continues to be very strong, as December orders were up +30.2% year-over-year. This marks seven months when orders achieved double-digit growth. Full year 2025 orders surpassed \$100 billion (\$101.9 billion) for the first time in industry history.

The following chart displays the book-to-bill ratio (BtB) for the last 18 months. You will note that in 2025, the book-to-bill ratio has been over 1.0 every month but in September.

Connector Industry Book-to-Bill



Currency Fluctuations Reduce Performance between USD and Local Currency

The dollar has been fluctuating against the euro, the yen, and the yuan. The following table measures the impact for December 2024 versus December 2025 and shows results for these three currencies.

Local Currency to One USD 2024 YTD versus 2025 YTD

Currency	2024	2025	% Change
Euro	0.9543	0.8538	11.8%
Yuan	7.2793	7.0467	3.3%
Yen	153.7986	156.0025	-1.4%

Europe, China, and Japan account for approximately 60% of world connector sales. Currency fluctuation against the US dollar can have a significant impact on our reporting of sales performance in US dollars.

The following table shows October YOY performance by region in US dollars and local currencies.

Industry Sales Performance December 2025 USD-vs-Local Currencies

Region	U.S.\$	Local Currency
North America	19.5%	19.5%
Europe	18.1%	11.8%
Japan	5.0%	-1.4%
China	18.0%	3.3%
Asia Pacific	40.4%	40.4%
ROW	-4.3%	-4.3%
World	19.8%	3.4%

Connector sales in December of 2025 increased +3.4% when measured in local currencies, versus an increase of +19.8% in US dollars.

Quarterly Analysis

The connector industry achieved sales in 4Q25 of \$25,850, up +18.6% in US dollars compared to 4Q24. This 4th quarter growth of +18.6% set the connector industry up for total growth in 2025 of +14.6%. If we disregard 2021, the year following the downturn in the overall world economy because of the pandemic created by COVID, this is the greatest growth in the connector industry since 2010, when sales grew 28.2% after falling -21.8% in 2009.

The following table shows industry sales by quarter for 2023, 2024, and 2025.

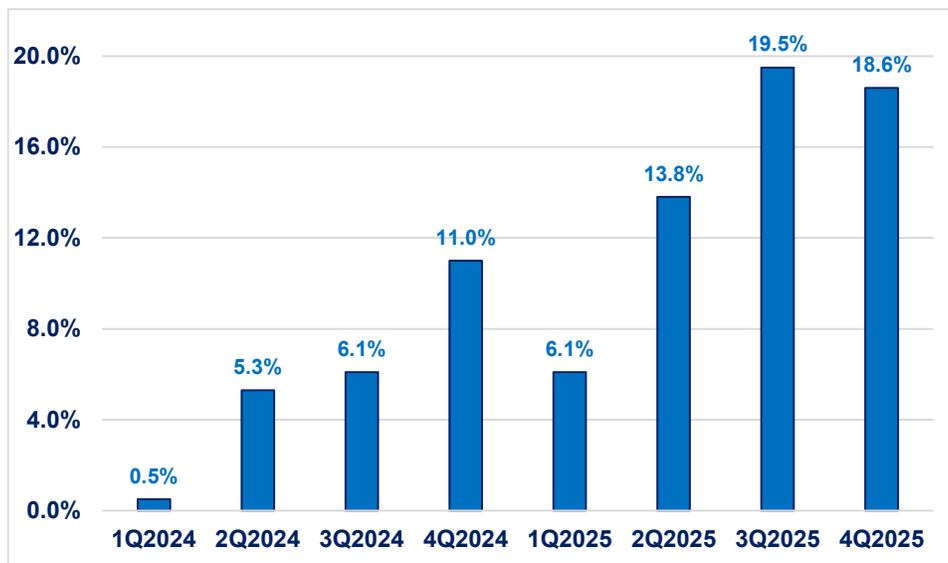
**Connector Industry Quarterly Sales Results/Forecast
2023, 2024, and 2025**

Quarter	2023 Actual	2024 Actual	YOY Change	2025 Actual	YOY Change
1Q	\$21,179	\$21,281	0.5%	\$22,587	6.1%
2Q	\$19,981	\$21,042	5.3%	\$23,950	13.8%
3Q	\$21,060	\$22,353	6.1%	\$26,701	19.5%
4Q	\$19,634	\$21,802	11.0%	\$25,850	18.6%
Total	\$81,854	\$86,478	5.6%	\$99,088	14.6%

\$ Millions

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**Quarterly Sales by Percent Change
2024 through 2025**



2025 Connector Sales & Orders

Connector sales and orders have increased every month in 2025. As shown in the following table, growth was in the low and mid-single digits in January, February, and March. Since then, connector demand has been double digits, with orders growing by +21.6%, +21.5%, +29.3%, and +30.2% in the last four months.

2025 Orders and Sales Growth in 2025 by Month Percentage Change

Month	Orders	Sales
January	7.3%	2.3%
February	5.5%	7.9%
March	12.6%	7.2%
April	11.6%	11.4%
May	9.6%	16.5%
June	15.6%	17.1%
July	32.0%	18.4%
August	16.6%	16.2%
September	21.6%	21.6%
October	21.5%	17.5%
November	29.3%	19.9%
December	30.2%	19.8%
Year-to-Date	17.7%	14.6%

Note: The numbers may vary slightly from those previously published in 2025 Bishop Reports because of adjustments from participating companies.

Connector demand is strong. We have recorded 21 consecutive months of growth in both orders and sales, leading us to believe 2026 will also be a good year for the connector industry!

Significant Events

December 2025 News

Hon Hai Posts Record Growth in Revenue

Hon Hai Precision Industry Co posted 26.51 percent quarterly growth in revenue for last quarter to NT\$2.6 trillion (US\$82.44 billion), the strongest on record for the period and above expectations, but the company forecast a slight revenue dip this quarter due to seasonal factors. On an annual basis, revenue last quarter grew 22.07 percent, the company said. Analysts on average estimated about NT\$2.4 trillion increase.

November PCB Data Signals Sustained Growth as Book-to-Bill Remains in Expansion

The Global Electronics Association announced the November 2025 findings from its North American Printed Circuit Board (PCB) Statistical Program. The book-to-bill ratio stands at 1.12.

Total North American PCB shipments in November 2025 were up 21.1% compared to the same month last year. Compared to the preceding month, November shipments were down -4.0%. November's year-to-date (YTD) shipments increased by 12.6% year-over-year (YOY).

PCB bookings in November were up 23.3% compared to the same month last year. November bookings were down 0.7% compared to the preceding month. November's YTD bookings increased 16.6% compared to the same period last year.

"The November data point to a market that remains fundamentally healthy, even as monthly activity moderated following October's surge," said Dr. Shawn DuBravac, chief economist of the Global Electronics Association. "Shipments pulled back modestly on a month-over-month basis, but bookings held firm, keeping the book-to-bill ratio comfortably above parity. That balance suggests demand remains intact as the industry continues to transition into a more normalized operating rhythm."

North American PCB activity in November reflects a market that is cooling slightly from recent peaks but remains on solid footing. Bookings continued to outpace shipments, supporting near-term demand visibility, while the three-month moving averages show bookings growing meaningfully faster than shipments. Year-to-date performance reinforces this picture, with bookings maintaining a clear lead over shipments. Together, these trends indicate a market that is shifting from rapid recovery toward steadier, more sustainable growth, where future momentum will depend on consistent new order flow rather than short-term volatility in monthly shipments.

Worldwide Server Market Revenue Increased 61% During the Third Quarter of 2025

According to the International Data Corporation (IDC) Worldwide Quarterly Server Tracker, the server market reached a record \$112.4 billion dollars in revenue during the third quarter of the year. This quarter showed another high double digit-growth rate by reaching a year-over-year (YoY) increase of 61% in vendor revenue compared to the same quarter of 2024.

Revenue generated from x86 servers increased 32.8% in 2025Q3 to \$76.3 billion while Non-x86 servers increased 192.7% YoY to \$36.2 billion.

Revenue for servers with an embedded GPU in the third quarter of 2025 grew 49.4% year-over-year representing more than half of the server market revenue. The fast pace at which hyperscalers and cloud service providers have been adopting servers with embedded GPUs has fueled the server market growth which almost doubled in size compared to 2024 with revenue of \$314.2 billion dollars for the first three quarters of 2025.

The United States is the fastest growing region in the server market with an increase of 79.1% compared to the third quarter of 2024, fueled by a 105.5% growth in the accelerated server segment. Canada grew 69.8% pushed by the same reason. PRC is growing at 37.6% year-over-year growth in 2025Q3 accounting for almost a fifth of the quarterly revenue worldwide. APeJC, EMEA and Japan also showed very healthy double digit growth with 37.4%, 31.0% and 28.1% respectively, while Latin America showed a low single digit growth with 4.1% increase in the quarter.

Dell Technologies clearly lead the OEM market with 8.3% revenue share thanks to an outstanding growth on accelerated servers, Supermicro reached the second place with 4.0% revenue share even though declining 13.2% compared to 2024Q3. IEIT Systems and Lenovo statistically tied* for the third position in the market with 3.7% and 3.6% share respectively while Hewlett Packard Enterprise finished in the fifth position in the market, with 3.0% share.

Top 5 Companies, Worldwide Server Market, Third Quarter of 2025
(Vendor Revenue in US\$ millions)

Company	3Q25 Vendor Revenue	3Q25 Market Share	3Q24 Vendor Revenue	3Q24 Market Share	3Q25/3Q24 Revenue Growth
1. Dell Technologies	\$9,301.62	8.3%	\$6,778.56	9.7%	37.2%
2. Super Micro	\$4,498.11	4.0%	\$5,179.34	7.4%	-13.2%
3. IEIT Systems *	\$4,140.48	3.7%	\$4,627.54	6.6%	-10.5%
3. Lenovo *	\$4,004.44	3.6%	\$3,175.43	4.6%	26.1%
5. Hewlett Packard Enterprise	\$3,398.15	3.0%	\$3,477.92	5.0%	-2.3%
ODM Direct	\$66,790.83	59.4%	\$31,473.73	45.1%	112.2%
Rest of Market	\$20,310.95	18.1%	\$15,073.77	21.6%	34.7%
Total	\$112,444.59	100.0%	\$69,786.29	100.0%	61.1%

Source: IDC Worldwide Quarterly Server Tracker, December 11, 2025.

Debt Issuance Nearly Doubles in 2025

Debt issuance nearly doubled to \$182 billion in 2025, up from \$92 billion last year, according to the data from S&P. It noted that Meta and Google were among the most active issuers, with Facebook’s owner raising \$62 billion in debt since 2022 — nearly half of that total was issued in 2025 alone.

Google and Amazon raised \$29 billion and \$15 billion, respectively, according to the report, which noted that hyperscalers are increasingly working with AI labs to buy assets to finance construction in an “unusual arrangement” that underscores the significant capital required to meet demand.

Global Server Shipments to Reach 15m

Global server shipments are expected to surge to 15 million units next year, from 4 million units this year, with artificial intelligence (AI) servers accounting for about 30 percent, driven by massive capital spending by major cloud service providers, the Market Intelligence and Consulting Institute (MIC) said.

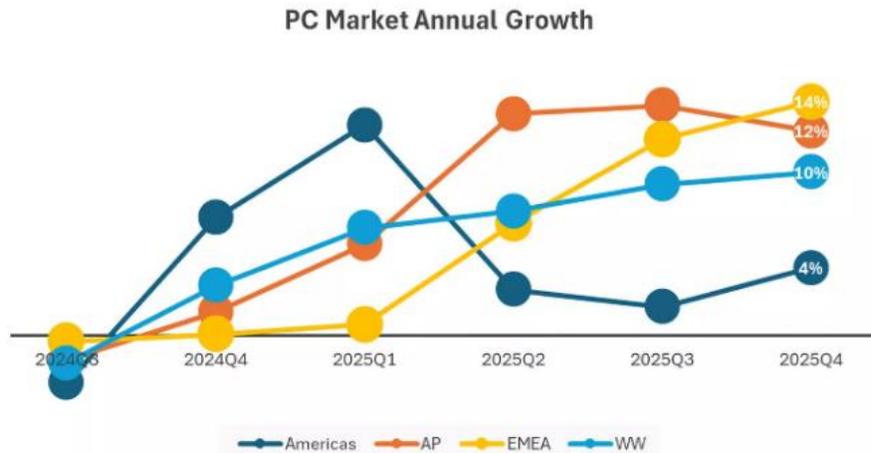
Major cloud service providers — including Google’s parent company Alphabet Inc, Microsoft Corp, Amazon.com Inc and Meta Platforms Inc — are projected to budget US\$450 million for capital expenditure next year, up from US\$400 million this year, MIC ICT [information and communications technology] Industry Research Center director Edward Lin told a news conference in Taipei.

Cloud operators Oracle Corp and CoreWeave Inc are also expected to ramp up purchases of AI and general-purpose servers for their data centers, Lin said.

Global PC Shipments Jumped 9.6% to 76.4M Units in Q4 2025, Annual Shipments Grew 8.1% YoY

The PC industry finished 2025 on a high note as shipments grew 9.6 percent year-over-year in the fourth quarter to reach 76.4 million units. International Data Corporation notes that while the holiday season typically drives stronger demand, sales late last year were further amplified by memory shortages that prompted some consumers to buy now ahead of anticipated price hikes.

Lenovo finished the quarter as the top PC manufacturer with 19.3 million units shipped, good for 25.3 percent market share. HP captured second place with 15.4 million PC shipments, or 20.1 percent of the pie. Dell placed third with 11.7 million units shipped in Q4, accounting for 15.4 percent market share. Apple grabbed 9.3 percent of the market with 7.1 million computers shipped, and Asus rounded out the top five with 5.4 million systems shipped – good for 7.1 percent market share.



Speaking on the ongoing memory shortage, IDC research manager Jitesh Ubrani said the situation is impacting the entire industry and that it’ll likely reshape market dynamics over the next two years.

Much like the smartphone market, we could soon see new PCs ship with less memory than we are accustomed to as a way for manufacturers to deal with inventory issues.

Ubrani added that larger consumer electronics brands are better positioned to ride out the storm, and that some smaller brands ultimately may not survive. For consumers, and especially DIY enthusiasts, the shortage could force many to delay purchases or even shift spending to other hobbies and interests.

Zooming out, companies collectively shipped 284.7 million computers across all of 2025. The top five PC manufacturers mirrors what we saw in Q4 – Lenovo, HP, Dell, Apple, and Asus, in that order. Compared to 2024, system makers shipped 21.4 million more PCs last year – growth of 8.1 percent year-over-year.

Looking ahead to 2026, IDC believes total PC shipments might dip but overall market value should grow due to rising average selling prices driven by higher memory costs. "The PC market will be far different in 12 months given how quickly the memory situation is evolving," said Jean Philippe Bouchard, research vice-president with IDC.

Worldwide External Enterprise Storage Systems Market Revenue Increased 2.1% During the Third Quarter of 2025

According to the International Data Corporation (IDC) Worldwide Quarterly Enterprise Storage Systems Tracker, the external OEM enterprise storage systems (ESS) market grew 2.1% year-over-year (YoY) in the third quarter of 2025 reaching \$8.0 billion in vendor revenue. From the historical perspective, this level of growth is solid for the mature ESS market but still is eclipsed by the high double-digit growth in the server market, which is driven by investments in accelerated server infrastructure.

Revenue associated with All Flash Arrays showed more dynamic by growing 17.6% YoY while Hybrid Flash Arrays and Hard Disk Drives Arrays declined 9.8% and 6.3% respectively. "The penetration of AI-infused applications and AI models into corporate datacenter will increase the need for more dedicated and efficient enterprise storage systems. IDC expects growing demand for flash storage to support projects related to artificial intelligence, both for training and inferencing," said Juan Seminara, research director, Worldwide Enterprise Infrastructure Trackers.

When slicing the market by price bands groups, the fastest growing portion was Midrange (systems with average selling price from 25\$K to 250\$K) that showed 8.1% growth in the quarter that already represents 67.5% of the total external storage market, while High End (systems more than 250\$K) declined 9.0% and Entry (systems less than \$25K) decrease by 8.0%.

External Storage Regional Market Results

Regional view shows disparate performance with double digit growth in Japan, Canada and EMEA that grew 14.4%, 12.6% and 10.5% respectively- PRC and APeJC showed single digit growth of 9.5% and 8.6% while Latin America barely decrease by 0.9%. The negative note of the quarter was USA performance that showed a 9.9% decrease compared to the same quarter of 2024 after a weak performance in the OEM market.

Overall External Storage Market Standings, by Company

Despite a single digit decline, Dell Technologies led the External ESS market with 22.7% revenue share while is focusing more on core products, Huawei reached second place with 12.0% revenue share fueled by a very strong performance in PRC market. NetApp finished third with 9.4% share thanks to a solid performance in AFA. Pure storage reached fourth place with 6.8% share due to a double-digit growth in the quarter. Finally, Hewlett Packard Enterprise was fifth with a 5.6% market share.

Higher memory prices to hit PC shipments

Global PC shipments are expected to grow by a mere 0.3 percent to about 180 million units next year, as a surge in memory prices has added cost pressure on manufacturers, the Market Intelligence and Consulting Institute (MIC) said at a news conference in Taipei yesterday.

As major memory chip suppliers such as Samsung Electronics Co and Micron Technology Inc shift resources and production capacity toward high-bandwidth memory, which is used primarily in servers and offers higher margins, the supply of low-power DRAM used in PCs and smartphones has been squeezed, tightening supply-demand conditions and pushing up prices, MIC ICT Industry Research Center deputy director Chris Wei said.

The memory price surge is expected to extend into the first quarter of next year, Wei said.

Whether the situation persists would depend on memory suppliers adjusting capacity allocations or PC brands renegotiating contracts with memory chip makers, he said.

As long as memory chip makers continue to prioritize enterprise and server products, it would be difficult to shift capacity back to the consumer segment, a situation that is expected to keep supplies tight and prices elevated for some time, he added.

PC brands are expected to cope with the situation by either raising prices or downgrading their products, Wei said.

Dell Technologies Inc, HP Inc, Acer Inc and Asustek Computer Inc are reportedly considering price increases.

While some other brands might opt to downgrade their products to absorb higher costs, this strategy is unlikely to be widely adopted for mainstream PCs, as most models do not necessarily have enough room for future memory upgrades, Wei said.

As for resource allocation, PC brands are likely to prioritize limited memory supplies for higher-margin or more stable product lines such as gaming and commercial PCs, he said.

Entry-level and consumer models, which carry lower margins, are more likely to face price increases or product downgrades, he added.

Brands with a higher share of commercial products are also likely to have greater negotiating leverage, as the segment has more stable shipments and customer relationships, resulting in more stable contract pricing, Wei said.

In contrast, products that rely more heavily on the consumer market are expected to bear the brunt of the impact, he said.

Global Smartphone Shipments Rose 2% in 2025, With Apple Taking the Top Spot

The global smartphone market grew for the second consecutive year, finishing 2025 with modest but still positive growth of two percent year over year. According to Counterpoint Research, premiumization brought about by successful marketing campaigns and flexible financing options helped drive growth last year, in addition to increased adoption of 5G devices in emerging markets.

Tariffs were expected to have a significant impact on the market. Many OEMs frontloaded shipments in the first half of the year to help soften the blow but as the year progressed, they proved not to have much of an impact on the smartphone industry.

Shilpi Jain, a senior analyst with Counterpoint, said the market as a whole continued shifting toward higher-priced devices as consumers increasingly opt for premium devices.

Apple led the pack in 2025, accounting for 20 percent of all smartphones shipped worldwide. The company's iPhone shipments increased 10 percent YoY – the highest among the five leading brands. The iPhone 17 was a strong performer in Q4 in established markets following launch, while the iPhone 16 continued to shine in regions like India, Japan, and Southeast Asia. Momentum was also fueled by the Covid-era replacement window shrinking.

Samsung narrowly trailed with 19 percent market share and five percent YoY shipment growth. The South Korean firm leaned on its affordable Galaxy A series in the mid-range and Galaxy Fold7 and S25 models in the premium segment.

Xiaomi captured third place, accounting for 13 percent of smartphone shipments last year. The Chinese tech titan benefited from a balanced product portfolio and strong demand in emerging markets and was also able to manage shipments effectively to counter industry headwinds. Vivo, another Chinese brand, finished in fourth place with eight percent of global shipments.

Two others outside of the top five – Google and Nothing – also had strong performances in 2025.

Looking ahead, Counterpoint expects the market to soften in 2026 amid rising component costs and continued memory shortages. As a result, the firm revised its yearly forecast and reduced shipment estimates by three percent.

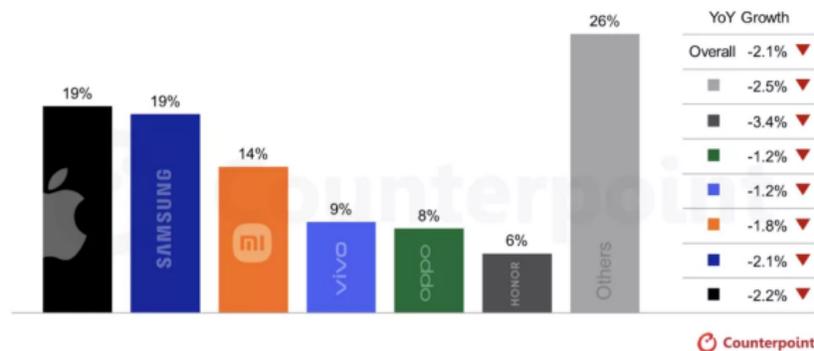
Smartphone Prices Expected to Rise in 2026 as Shipments Fall

Counterpoint now expects every major manufacturer to see a drop in year-over-year shipments. According to the report, low-end handsets are expected to be most severely impacted. It attributes the market weakness to increases in semiconductor and memory prices triggered by heightened demand from AI developers.

The firm notes that the cost of components for low-end smartphones has already risen by 20% to 30% since the start of 2025, and memory prices could jump by another 40% through Q2 2026. That surge could drive total bills of materials up between 8% and over 15% above current elevated levels, suggesting that manufacturers will have little choice but to pass those costs on to consumers.

Counterpoint also expects average selling prices to increase next year by 6.9%. The trend will further pressure budget-conscious buyers and may accelerate replacement cycles for higher-end phones – though at the expense of volume sales across all segments.

Global Smartphone Market Share and YoY Growth by Key OEM, 2026(E)



Source: Counterpoint Research Global Smartphone Shipment Tracker and Forecast, Dec 2025 Update.
Note: Figures may not add up to 100% due to rounding

While the report sees all brands being affected, the impact will not be equal. Counterpoint says that Apple and Samsung are best positioned to ride out the downturn thanks to stronger balance sheets and more stable global supply chains.

Still, both companies are forecast to record shipment declines of around 2%. Other manufacturers have less flexibility. The report notes that Chinese OEMs – such as Xiaomi, Honor, and Oppo – face tougher conditions as profit margins shrink. Honor's shipments, for instance, could fall by more than 3%, and even Vivo and Oppo, previously expected to grow in 2026, are now projected to see declines.

The AI-Fueled Chip Shortage Could Raise Smartphone Prices

A shortage of memory chips fueled by artificial intelligence players is likely to cause a price rise in smartphones in 2026 and a drop in shipments, Counterpoint Research said. Smartphone shipments could fall 2.1% in 2026, according to Counterpoint, versus a previous outlook of flat-to-positive growth. Shipments do not equate to sales but are a measure of demand as they track the number of devices being sent to sales channels like stores.

Meanwhile, the average selling price of smartphones could jump 6.9% year-on-year in 2026, Counterpoint said, in comparison to a previous forecast of a 3.6% rise. This is being driven by specific chip shortages and bottlenecks in the semiconductor supply chain, which are pushing up component prices.

The continued build-out of data centers globally has hiked demand for systems developed by Nvidia, which in turn uses components designed by SK Hynix and Samsung — the two biggest suppliers of so-called memory chips.

However, a specific component called dynamic random-access memory or DRAM, which is used in AI data centers, is also critical for smartphones. DRAM prices have surged this year as demand outstrips supply.

For low-end smartphones priced below \$200, the bill of materials cost has increased 20% to 30% since the beginning of the year, Counterpoint said. The bill of materials is the cost of producing a single smartphone. The mid and high-end smartphone segment has seen material costs rise 10% to 15%.

Counterpoint said some companies may downgrade components like camera modules, displays and even audio, as well as reusing old components. Smartphone players are likely to try to incentivize consumers to buy their higher-priced devices too.

Nvidia Dominates Discrete GPU Market With 92% Share Despite Shifting Focus to AI

Nvidia has focused more on AI hardware than on traditional PC GPUs in recent years, but it remains the world's leading graphics chip designer. However, its repositioning as an AI-first company has led to a rapid decline in its market share for discrete GPUs, allowing AMD and Intel to gain ground.

According to a new report from Jon Peddie Research, Nvidia held a 92 percent share of the discrete GPU market in Q3 2025, down from 94 percent in the previous quarter. AMD grew its market share to seven percent, registering a 0.8 percent sequential increase, while Intel gained 0.4 percent to reach a one percent share.

Total add-in board shipments rose 2.8 percent quarter-over quarter, reaching 12.02 million units. Although this sequential growth was below the historical 10-year average of 11.4 percent for the July – September quarter, it followed an unusually strong Q2, when AIB shipments hit record highs, driven by panic buying ahead of pending tariffs.

Meanwhile, the global desktop CPU market reportedly declined 7.6 percent year-over-year in Q3 2025. However, shipments rose 3.9 percent sequentially over the previous quarter, reaching 19.2 million units. The YoY decline reflects the market's return to a more traditional seasonal pattern after unusual spikes in prior quarters.

JPR predicts the global discrete GPU market will reach 152 million units by 2029, with a 2024 – 2029 CAGR of -0.7 percent. According to the report, ongoing trade wars and concerns about an inflation-driven recession remain major headwinds for the sector, though conditions are expected to improve if trade tensions ease in the near future.

Laptop Makers Have About a Year of Memory Stock to Ride out the RAM Crunch, Intel Says

Thanks to Big Tech and Sam Altman's dreams about AGI, DRAM and other memory chips are undergoing some ungodly levels of price hikes. However, the portable computing business seems to be well-equipped to weather the storm – at least for the next year.

In a recent interview, Intel said the laptop market is likely to emerge mostly unscathed from the memory chip shortage driven by the AI data center craze. Some analysts had predicted sharp price increases or the possibility of downgraded specs for upcoming laptop models. According to Intel, however, things should remain largely stable for now.

Nish Neelalojanan, Intel's senior director of product management, said OEMs have built up enough inventory to last 9 to 12 months. Laptop manufacturers relying on Intel platforms have secured sufficient components to ride out the DRAM crunch, a buffer that should ultimately benefit consumers.

Foxconn's US\$174M Kentucky Plant Seen as Unlikely to Serve Apple Production Lines

Foxconn plans to expand its US manufacturing footprint with an investment of about US\$174 million in Louisville, Kentucky, converting an existing 325,000 square-metre (80-acre) warehouse into a factory. The project is expected to create around 180 jobs and begin operations in the third quarter of 2026.

According to *AppleInsider*, the plant will introduce AI and robotics in processes such as design and assembly, a model that does not align with Apple's highly vertically integrated approach. The scale of investment and capacity configuration is also insufficient to support mass production of flagship products such as the iPhone or iPad, leading observers to conclude the facility is unlikely to be built for Apple and is more likely to serve other Foxconn customers.

The refurbishment will be executed in two phases, with a total investment of about US\$62.5 million. Kentucky will offer incentives over a 10-year period worth up to US\$3.4 million, in addition to US\$0.6 million in tax incentives.

Foxconn's US\$10 billion investment plan announced in Wisconsin in 2018 failed to progress as expected due to downsizing and construction delays. By contrast, the Kentucky project is far smaller in scale, giving it a higher likelihood of execution.

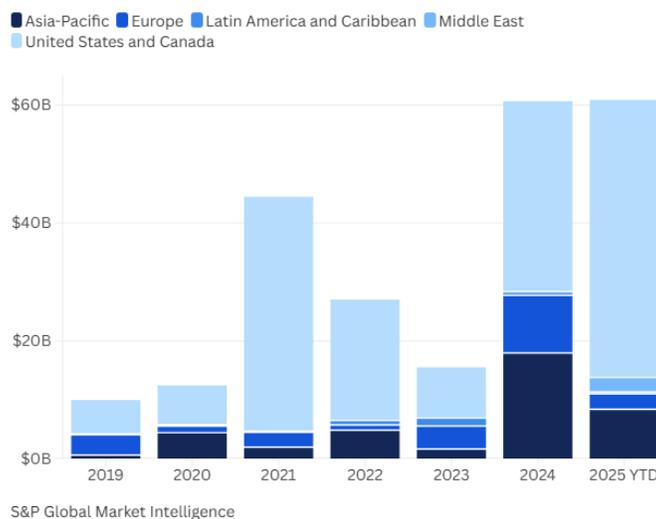
Data Center Deals Hit Record \$61 billion in 2025 Amid Construction Frenzy

Global data centers dealmaking surged to hit another record high this year, driven by a rush to build out the infrastructure required for energy-intensive AI workloads.

That surge came even as investors grew increasingly wary of inflated artificial intelligence valuations and the financing underpinning the rapid expansion of data centers. Global stocks sold off in November as worries of an AI-fueled bubble persisted.

But S&P Global reported that more than \$61 billion has flowed into the data center market this year, up slightly from \$60.8 billion last year, amid what it called a “global construction frenzy.”

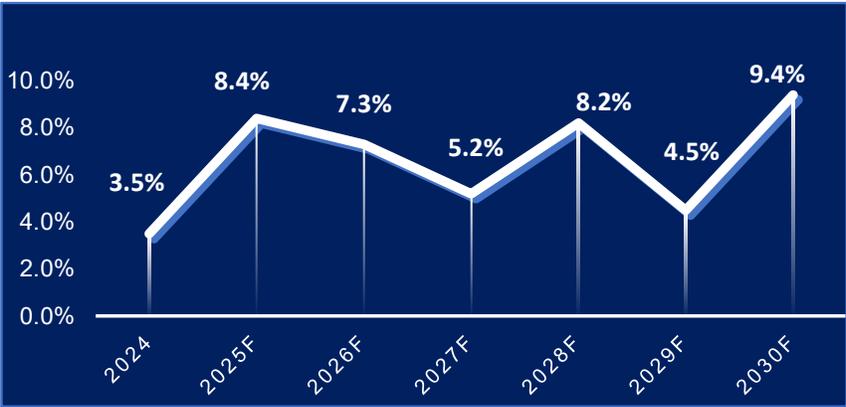
U.S. and Canada data center deals totaled over \$160 billion since 2019



The pace of growth in the U.S. is leaving Europe “in the dust” according to a recent report from ING which predicted data center investment in the U.S. could be fivefold higher. Growth is also increasingly coming from the Middle East, as the wealthy Gulf States look to position themselves as the next global AI hub.

Connector Industry Forecast

Research Report F-2025-02
December 2025





Bishop & Associates has just released the updated version of the 2025 **Connector Industry Forecast**. This eight-chapter report provides an in-depth, and detailed forecast of the worldwide connector industry. In addition to the detailed forecasts for each region of the world (North America, Europe, Japan, China, Asia Pacific, and ROW), an industry overview is included which provides current market trends, currency fluctuation effects, and industry sales performance, as well as an outlook narrative.

Worldwide and each regional forecast includes:

Computers & Peripherals

- Mobile Computers
- Desktops
- Servers
- Storage Equipment
- Input/Output Equipment
- Communication LAN Devices
- Other Computer Equipment

Business/Office Equipment

- Retail/POS Equipment
- Imaging Systems
- Other Business/Office Equipment

Instrumentation

- Automatic Test Equipment
- Analytical/Scientific Instruments
- Other Instrumentation

Medical Equipment

- Diagnostic & Imaging Equipment
- Therapeutic Equipment
- Other Medical Equipment

Industrial

- Factory Automation and Machinery
- Construction and Civil Engineering
- Energy Markets
- Other Industrial Equipment

Automotive

- Body Wiring & Power Distribution
- Powertrain
- Comfort, Convenience & Entertainment
- Navigation & Instrumentation
- Safety & Security

Transportation (non-auto)

- Commercial Vehicles
- RVs & Power Sports
- Commercial Air
- Marine
- Rail
- Construction
- Farm & Garden

Military/Aerospace

Telecom/Datacom

- Carrier Network
- Enterprise Network
- Wireless Infrastructure
- Subscriber Equipment
- Other Telecommunications

Consumer

- Personal/Portable Consumer Electronics
- Consumer Entertainment Electronics
- Consumer White Goods
- Other Consumer

2025– Not the Year we Anticipated

What a year! I don't think when we made our initial forecast at the beginning of 2025, that anyone had anticipated 2025 to be as strong as it appears it will be. We had agreed it was going to be a year of growth for both bookings and billings, but it has been over four years (2021) since we have seen year-over-year bookings as strong as they were this summer and this last half of 2025. The same can be said about billings, with seven out of the last nine months showing double-digit year-over-year growth.

After growing +5.6% in 2024, we are predicting that the connector industry will have year-over-year growth of +12.5% in 2025, the strongest year-over-year growth we have seen since the industry made its strong comeback the year following the COVID shutdown. As is expected, not all regions are performing as well as others, with several regions showing double-digit growth, and others showing low single-digit year-over-year growth.

Unlike previous years, when the summer months reflected a period of factory shutdowns and employee vacations, in 2025, the summer months represented the beginning of double-digit year-over-year and year-to-date growth in bookings and billings. With such strong bookings, it was easy to anticipate the remainder of 2025 would experience positive growth.

Industry Sales Performance by Region

In 2024, as seen by the table below, growth and decline were not equal across all regions, nor will they be in 2025. The Asia Pacific region saw the greatest growth in 2024, growing +19.2%. With growth of +12.1%, the Chinese region followed Asia Pacific. The only other region showing an increase was North America, where sales increased +6.8%. All other regions declined in 2024, with the greatest decline in the ROW region, where sales in US dollars decreased -15.7%, followed by Japan with a decline of -13.8%. Europe, the only other region declining, showed a decrease of -3.2%.

**2023 and 2024 Connector Sales by Region
With Percent Change**

Region	2023	2024	Percent Change
North America	\$18,840.8	\$20,124.7	6.8%
Europe	\$17,992.7	\$17,417.3	-3.2%
Japan	\$4,683.7	\$4,035.8	-13.8%
China	\$24,977.1	\$28,003.5	12.1%
Asia-Pacific	\$11,310.0	\$13,483.5	19.2%
ROW	\$4,049.8	\$3,412.9	-15.7%
Total World	\$81,854.1	\$86,477.7	5.6%

\$ Millions

Connector Industry Forecast

Assessing predicted performance in 2025, Asia Pacific, who was ranked number two in 2024, is anticipated to move up to the number one spot in 2025, with sales increasing a staggering +XX.5%. The Asia Pacific region will be followed by China, where sales are anticipated to increase +XX.2% in 2025. All other regions are projected to grow in the single digits, with North America increasing +X.X%, followed by Europe at +X.X%, the Japanese region at +X.X% and the ROW at +X.X%.

2024 and 2025F Connector Sales by Region With Percent Change

Region	2024	2025F	Percent Change
North America	\$20,124.7	\$XX,XXX.X	Y.Y%
Europe	\$17,417.3	\$XX,XXX.X	Y.Y%
Japan	\$4,035.8	\$X,XXX.3	Y.Y%
China	\$28,003.5	\$XX,XXX.X	Y.Y%
Asia-Pacific	\$13,483.5	\$X,XXX.X	Y.Y%
ROW	\$3,412.9	\$X,XX9.1	Y.8%
Total World	\$86,477.7	\$XX,XXX.X	Y.Y%

\$ Millions

In addition to connector sales results varying by region in 2024, electronic connector sales also varied remarkably by market sector. As the table below shows, in 2024, the computer & peripherals equipment/market sector saw the greatest percentage growth, at +10.7%. It is interesting to note that this was the first time since 2006 that the computer & peripherals market sector outperformed all other sectors!

2023 and 2024 Connector Sales by Market Sector With Percent Change

Equipment Sector	2023	2024	YOY Change
Computers & Peripherals	\$9,979.5	\$11,050.4	10.7%
Business/Office Equipment	\$875.4	\$878.3	0.3%
Instrumentation	\$2,364.8	\$2,428.4	2.7%
Medical	\$2,659.7	\$2,720.2	2.3%
Industrial	\$10,742.3	\$11,062.9	3.0%
Automotive	\$18,502.7	\$19,149.2	3.5%
Transportation	\$5,857.4	\$6,025.2	2.9%
Military/Aerospace	\$5,092.7	\$5,291.8	3.9%
Telecom/Datacom	\$18,991.4	\$20,860.9	9.8%
Consumer	\$3,744.4	\$3,890.5	3.9%
Other Equipment	\$3,043.8	\$3,119.9	2.5%
Total World	\$81,854.1	\$86,477.7	5.6%

\$ Millions

2025 and Beyond Outlook

With industry backlog remaining strong, Bishop is forecasting 2025 sales to increase +Y.Y% to \$XX,XXX million. We anticipate the greatest percentage increase will occur in the Asia Pacific region, where sales will increase +Y.Y%, followed by the Chinese region where sales are anticipated to increase +Y.Y%. When looking at growth in U.S. dollars, although not the greatest increase percentage wise, the largest increase in sales will be seen in the Chinese region, where connector sales will increase by \$X,XXX.X million. The Chinese region will be followed by the North American region, where sales in US dollars will increase \$X,XXX.X million.

2024 and 2025F Connector Forecast by Geographic Region With Percent Change

Region	2024	2025F	Percent Change
North America	\$20,124.7	\$XX,XXX.X	Y.Y%
Europe	\$17,417.3	\$XX,XXX.X	Y.Y%
Japan	\$4,035.8	X,X24.9	Y.Y%
China	\$28,003.5	\$XX,XXX.X	Y.Y%
Asia-Pacific	\$13,483.5	\$XX,XXX.X	Y.Y%
ROW	\$3,412.9	\$3,502.6	2.6%
Total World	\$86,477.7	\$XX,XXX.X	Y.Y%

\$ Millions

2024 and 2025F Connector Forecast by Market Sector With Percent Change

Equipment Sector	2024	2025F	Percent Change
Computers & Peripherals	\$11,050.4	\$XX,XXX.X	Y.Y%
Business/Office Equipment	\$878.3	\$94X.X	Y.Y%
Instrumentation	\$2,428.4	\$X,X16.X	Y.Y%
Medical	\$2,720.2	\$X,88X.X	Y.Y%
Industrial	\$11,062.9	\$X2,X5X.X	Y.Y%
Automotive	\$19,149.2	\$XX,XXX.X	Y.4%
Transportation	\$6,025.2	\$X,XXX.X	Y.Y%
Military/Aerospace	\$5,291.8	\$X,XXX.X	Y.Y%
Telecom/Datacom	\$20,860.9	\$2X,XXX.X	Y.Y%
Consumer	\$3,890.5	\$X,X8X.X	Y.1%
Other Equipment	\$3,119.9	\$3,XXX.X	8.7%
Total World	\$86,477.7	\$XX,XXX.X	Y.Y%

\$ Millions

Forecast Assumptions

During times of world economic and geopolitical uncertainty it is very difficult to project future business conditions. Increased volatility as well as the presence of unexpected and random events that are difficult to anticipate can greatly affect economic indicators like unemployment, trade policies, or inflation. Consider the following economic headwinds, political challenges, and uncertainties.

- Instability in the worldwide economy. As announced by the International Monetary Fund, “while the near-term forecast is revised up modestly, global growth remains subdued, as the newly introduced policies slowly come into focus.” They continue by stating that “the overall environment remains volatile, and temporary factors that supported activity in the first half of 2025—such as front-loading—are fading. Similar sentiment is being dictated by the World Economic Forum, who states “the global economy is entering a period of weak growth and systemic disruption, and that “some 72% of surveyed chief economists expect the global economy to weaken over the next year, amid intensifying trade disruption, rising policy uncertainty and accelerating technological change.” All fundamental changes that will play out in future trade, fiscal policy, and debt, and that could potentially spiral into areas like the financial markets and monetary policies. It was also noted “with global public debt levels mounting, the chief economists surveyed highlight that debt vulnerabilities, once largely associated with emerging economies, are increasingly centered in advanced ones – 80% expect risks in advanced economies to grow in the year ahead. Fiscal vulnerabilities are also more frequently identified among the top growth inhibitors in advanced economies (41%) compared to developing economies (12%).” It will be interesting to hear the outcome of the World Economic Forum’s annual meeting in January 2026 taking place in Davos Switzerland.
- Although in the U.S., the Fed dropped interest rates by 0.25 percentage points in September and October of 2025, the lowest level in three years, many are still concerned if this will be enough to keep growth steady, in the face of continuing economic uncertainty. With the supposed plan of giving a boost to the economy, lower interest rates make it cheaper to borrow money and in turn, prompt businesses to take out loans to expand production and hire more people. There is also hope and speculation that the drop will correlate to a drop in mortgage rates, which have been hovering around 7% over the last couple of years. Unfortunately, because a drop in interest rates primarily affects the rates banks use to lend money to each other, it is not going to affect the “interest rate spread” or the interest rates paid by businesses and consumers in the same way. Thus, making it highly unlikely that mortgage interest rates are going to drop drastically in the next few months. Also, there is still some question as to how the drop in the U.S. will affect the global central banks. Many feel that these cuts are a definite sign of economic conditions worsening worldwide, prompting many other countries to also look at cutting interest rates. Note: there is still a good chance that the Fed will cut interest rates by an additional 0.25 percentage points one more time before the year is over.

In addition to these, other forecast assumptions will also be discussed, these will cover supply change issues, political tensions, labor issues, as well as tariffs, commodity prices, and cybersecurity to name a few.

Connector Industry Forecast

There are also some interesting projections as to why we will see connector growth in 2026 and beyond, and what that growth will be. These include factors such as strong bookings, historical growth, and low unemployment coupled with strong consumer spending.

This report details the markets where Bishop anticipates growth, and which subsectors will drive that growth. This report provides projections for the period 2025F through 2030F, with year-over-year percent change and five-year CAGR by region, market sector, and sub-sector. Will the industry continue to grow, and which years may not be as strong as others? These answers and more are revealed in the December 2025 **Connector Industry Forecast**.

The following table of contents shows the detail provided in this new report.

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What's New ?

Bishop & Associates has recently completed several new research reports about the worldwide connector industry. A table of contents for each report can be found at <https://bishop-research.com>.

- **Report F-2025-01** **Connector Industry Forecast (December 2025) NEW**
- **Report M-121-25** **2025 Top 100 Connector Manufacturers (August 2025) NEW**
- **Report C-122-25** **Connector Industry Yearbook (June 2025) NEW**
- **Report P-780-25** **World RF Coax Connector Market (April 2025) NEW**
- **Report M-700-25** **World Connector Market Handbook (March 2025) NEW**
- **Report C-150-24** **History of M&A in the Connector Industry 1950-2024 (October 2024)**
- **Report P-520-24** **The Rectangular Input/Output Connector Market 2024 (July 2024)**
- **Report P-799-24** **World Cable Assembly Market (February 2024)**
- **Report P-606-23** **Connector Types and Technologies Poised for Growth (October 2023)**
- **Report M-720-23** **European Connector Market 2021, 2022, 2023F and 2028F (June 2023)**
- **Report P-430-23** **World Circular Connector Market 2023 (May 2023)**
- **Report M-1200-22** **Military Ground Vehicle Market for Connectors (October 2022)**
- **Report P-675-22** **Copper and Fiber Connectivity in the Data Center (July 2022)**
- **Report T-800-22** **2022 North American Cable Assembly Manufacturers (May 2022)**
- **Report M-1010-22** **World Automotive Connector Market (April 2022)**
- **Report P-420-22** **IC Sockets – Systems & Connector Forecast 2020-2030 (January 2022)**
- **Report M-310-21** **Instrumentation Market for Connectors (June 2021)**
- **Report P-410-21** **Computer Server Market Trends and Connector Use 2020 – 2030 (May 2021)**

THE BISHOP REPORT

An annual corporate subscription to [THE BISHOP REPORT](#) (12 issues) is available for \$2,950, which includes an unlimited number of subscribers and one PDF version of the *Connector Industry Yearbook* report (normally \$1,500). *The Bishop Report* subscription includes access, through Bishopinc.com, to prior issues of The Bishop Report, 30-40 yearly News Briefs, Industry Financial Benchmarks, and various connector industry indices.

[Click here](#) to view the expanded report description, and complete table of contents, for all Bishop & Associates' research reports.

