

Modest Downturn in Price Index

Price Analysis

The Price Index for February is 2.915, and will be 2.936 six months from now. Remember, an index above 3.000 means industry personnel believe prices will increase. This is the first month since March 2013 that prices have not been above 3.000.

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 February survey are shown in the following table:

Price Change	Last 6 Months	Next 6 Months
Increase a lot	0.0%	0.0%
Increase a little	21.3%	25.5%
Stay the same	55.3%	44.7%
Decline a little	17.0%	27.7%
Decline a lot	6.4%	2.1%
Total	100.0%	100.0%
Feb	2.915	2.936
Jan 2014	3.000	3.038
Dec	2.971	3.224
Nov	3.000	3.259
Oct	3.095	3.171
Sep	3.247	3.272
Aug 2013	3.086	3.085

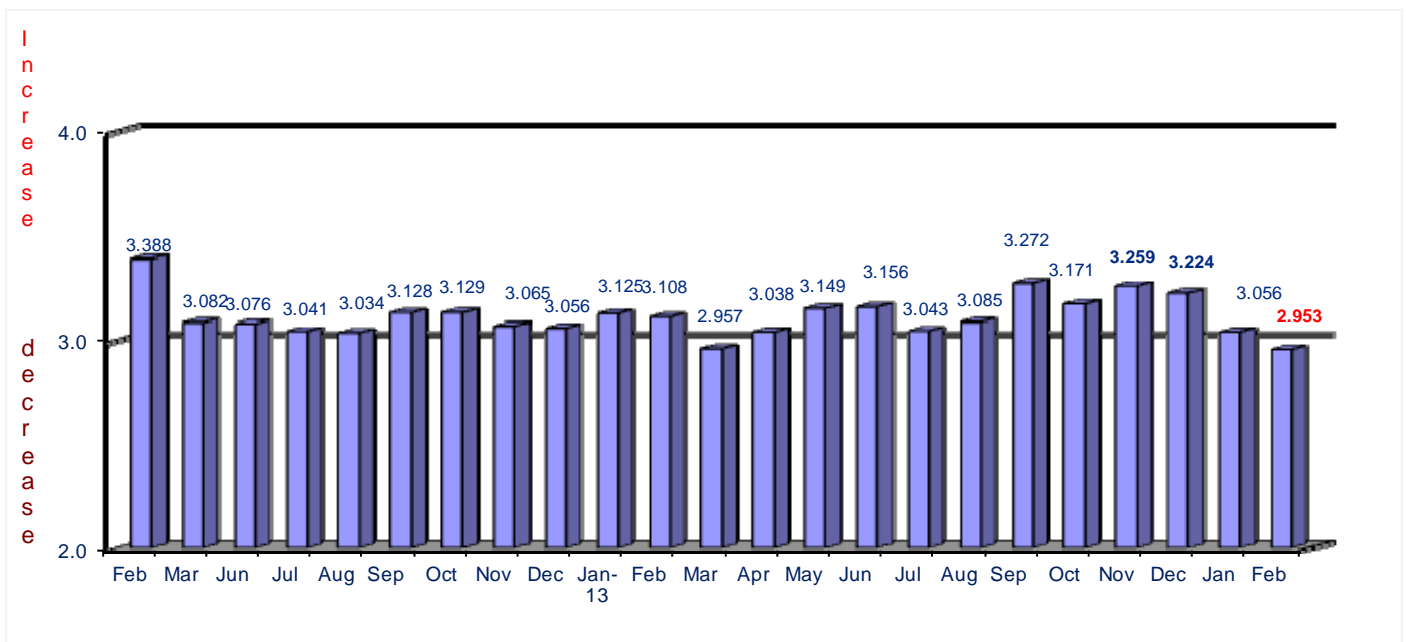
A price index above 3.000 means industry personnel believe prices have, or will increase. Methodology: Increase A Lot = 5; Increase A Little = 4; Stay the Same = 3; Decline A Little = 2; Decline A Lot = 1

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

Prices	Last 6 Months	Next 6 Months
Decline 1-2%	6.4%	17.0%
Decline 3-4%	19.2%	14.9%
Decline 5-6%	2.1%	4.3%
Decline 7-8%	0.0%	0.0%
Decline 9-10	2.1%	0.0%
Decline >10%	4.3%	2.1%
Stay The Same	48.9%	42.6%
Increase 1-2%	10.6%	8.5%
Increase 3-4%	6.4%	8.5%
Increase 5-6%	0.0%	2.1%
Increase 7-8%	0.0%	0.0%
Increase 9-10%	0.0%	0.0%
Increase >10%	0.0%	0.0%
Total	100.0%	100.0%

The following graph provides a history of the price index since February, 2012. We have now been in a firm price environment since 2010.

Connector Price Index Prices 6 Months from Now



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:

Lead Time	Now	In 6 Months
Increase	24.4%	19.6%
Stay the Same	57.8%	71.7%
Decrease	17.8%	8.7%
Total	100.0%	100.0%
1 Week	0.0%	2.1%
2 Weeks	6.4%	4.3%
3 Weeks	10.6%	8.5%
4 Weeks	25.5%	23.4%
5 Weeks	6.4%	6.4%
6 Weeks	17.0%	19.1%
7 Weeks	2.1%	0.0%
8 Weeks	14.9%	19.1%
9 Weeks	4.3%	2.1%
10-12 Weeks	6.4%	8.5%
13-16 Weeks	4.3%	4.3%
>16 Weeks	2.1%	2.1%
Total	100.0%	99.9%

Average in Weeks - Feb	6.2	6.4
Average in Weeks - Jan 14	5.5	5.8
Average in Weeks - Dec	4.9	5.0
Average in Weeks - Nov	5.4	5.8
Average in Weeks - Oct	5.5	5.4
Average in Weeks - Sep	5.5	5.5
Average in Weeks - Aug	6.1	5.9
Average in Weeks - Jul	5.3	5.4
Average in Weeks - Jun	5.7	5.9

Lead times are 6.2 weeks now and forecast to be at 6.4 in six months.