Optimism for Q1 2025 Rebound after December Pessimism Reported by November & Q4 Electronic Components Sales Sentiment Survey

ECIA's Electronic Component Sales Trend (ECST) November & Q4 2024 Survey Results

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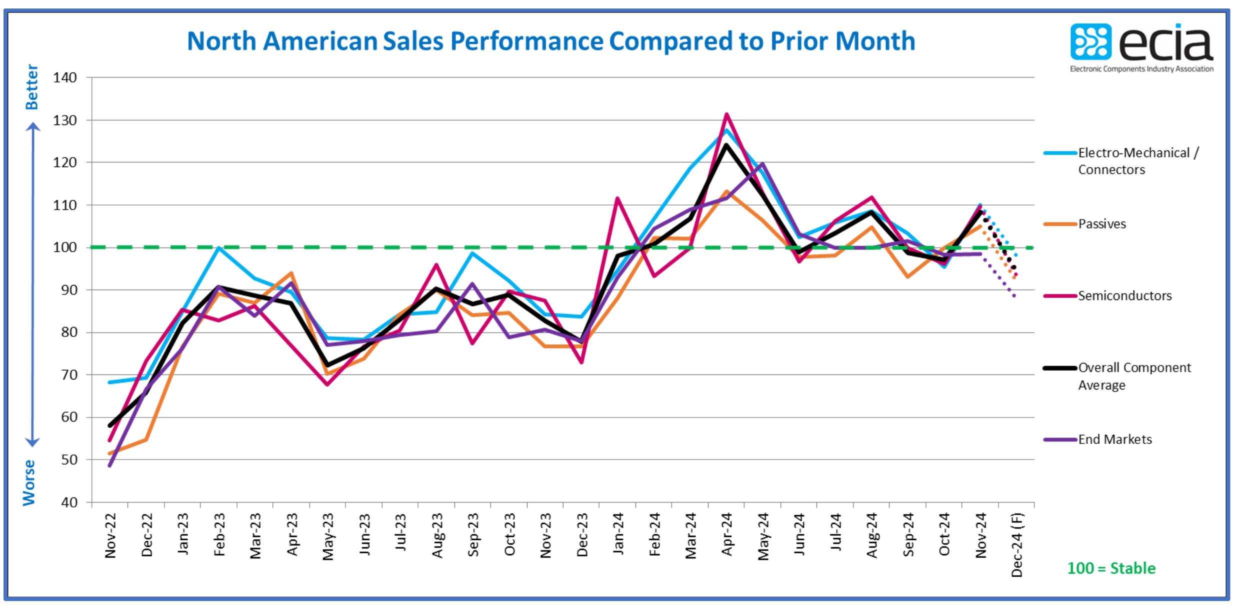
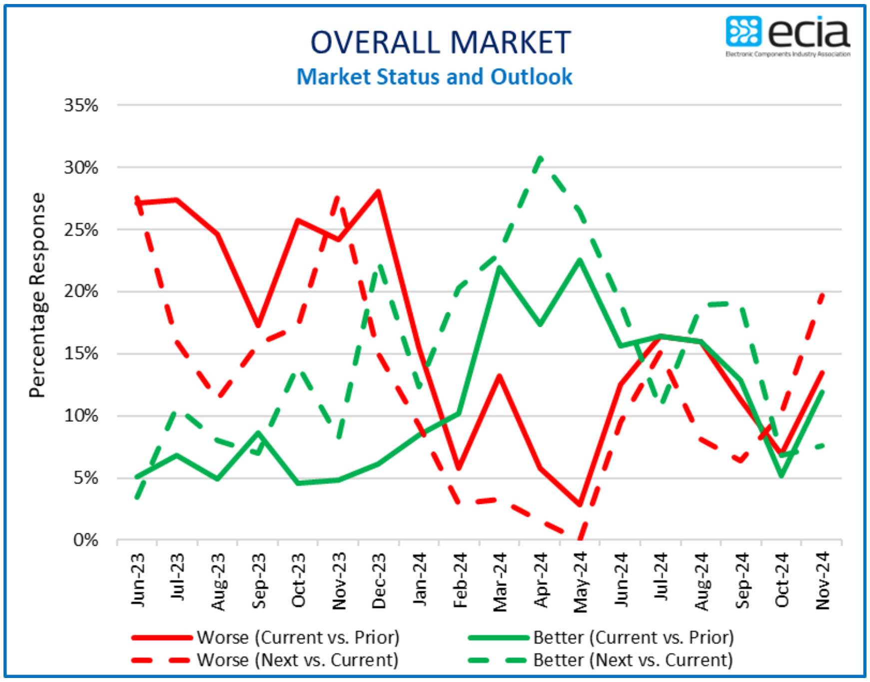
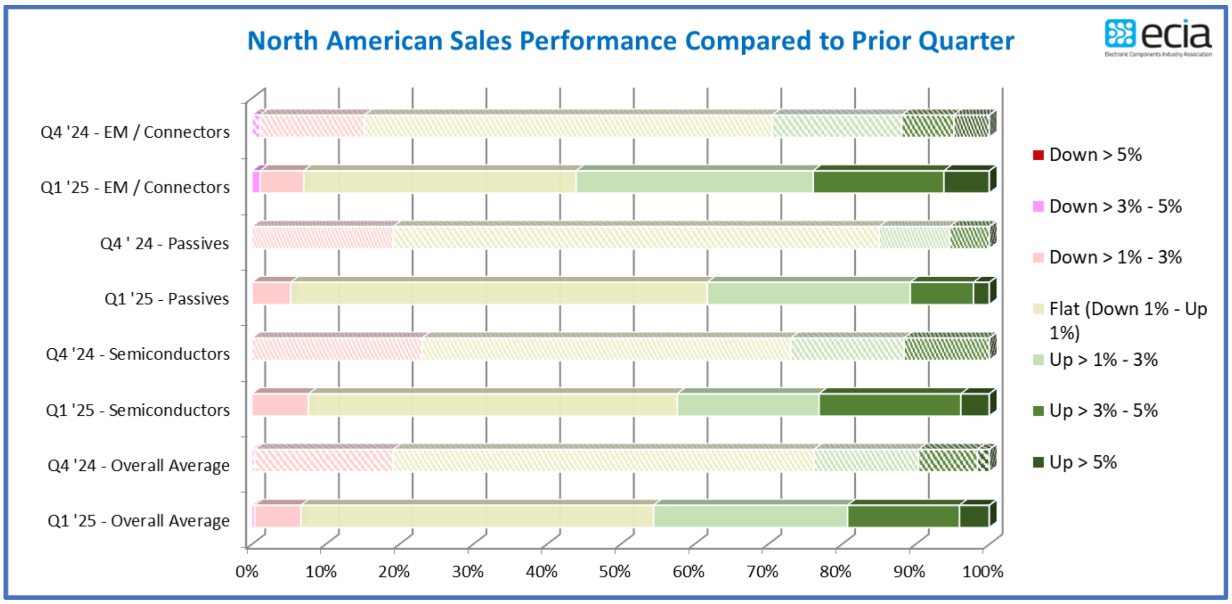
After expressing strong confidence for November sales sentiment in all component categories, survey participants projected equally strong pessimism for the December outlook. Fortunately, the glum expectations for December sales performance are overshadowed by the bright optimism for Q1 2025 sales sentiment. We apologize for the late delivery of these top line results for the November and Q4 ECST surveys. The December ECST survey is closing now so there will be an update with December actuals and a January forecast shortly. As a result, the analysis of the November results will be brief.

The drop in the score for the Electro-Mechanical/Connector segment December outlook still leaves it slightly ahead of the October actual results. On the other hand, the drop in the sales sentiment outlook for December for all other categories plumets to the lowest level since the December 2023 to February 2024 time period. A tough way to end the year! The highly encouraging news comes from the Q4 ECST survey and the Q1 2025 outlook. The Q1 outlook calls for expectations of sales growth to jump by 15% to 27% between Q4 and Q1 while expectations for declining sales fall by 8% to 15%. The overall average Q1 projection for all categories shows 46% of participants expecting sales growth while those seeing a decline drops to only 7%. Those reporting neutral expectation come in at 47%. Those reporting expectations of declining sales in Q1 only see sales falling by -1% to -3%. By contrast, 15% of participants report expectations for +3% to +5% growth and 4% of participants project over +5% growth. Looking over the past year the ECST survey results show the second half was a very challenging sales environment for electronic components channel participants. But there are strong expectations for a much brighter tomorrow starting in Q1 2025.







The ECST survey provides highly valuable and detailed visibility on industry expectations in the near-term through the monthly and quarterly surveys. This “immediate” perspective is helpful to participants up and down the electronics components supply chain. In the long-term, ECIA shares in the optimism for the future as the continued introduction and market adoption of exciting innovative technologies should motivate both corporate and consumer demand for next-generation products over the long term.

The complete ECIA Electronic Component Sales Trends (ECST) Report is delivered to all ECIA members as well as others who participate in the survey. All participants in the electronics component supply chain are invited and encouraged to participate in the report so they can see the highly valuable insights provided by the ECST report. The return on a small investment of time is enormous!

The monthly and quarterly ECST reports present data in detailed tables and figures with multiple perspectives and covering current sales expectations, sales outlook, product cancellations, product decommits and product lead times. The data is presented at a detailed level for six major electronic component categories, six semiconductor subcategories and eight end markets. Also, survey results are segmented by aggregated responses from manufacturers, distributors, and manufacturer representatives.