

Global Growth in Cable Assembly Industry Predicted

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A new report into the global Cable Assembly industry looks at the global value of the cable assembly industry and industries where demand is set to grow.

Five industry segments are growing faster than the industry average for demand of cable assembly and these include: Computers, Telecommunications, Medical, Consumer and Business/Office. In 2010 these industries in five market sectors represented 80 percent of the total market value.

A new report looking at the Global Cable Assembly Market has projected five-year compound annual growth rate of 8.0 percent, the industry value will grow to \$130,693 million by 2014.

The report highlights the importance of the military/aerospace market for cable assemblies over the last five years, stating that this market segment represented approximately 11% of the worldwide market for all cable assemblies in 2010, at a value of \$12.7 billion.

In 2010, China had the most growth, at 21%, and Japan had the least growth, 8%. On average, over the last five years, governments worldwide have consistently spent 2.7% of the global gross domestic product on military expenditures.

The report shows that the sale of advanced military hardware by the US to areas such as the Middle East and Taiwan will help maintain the cable assembly market for military /aerospace products in 2011 and 2012.

The report also looks at cable assembly demand in China, but as it highlights that much of China's military spending for connectors and cable assemblies remains invisible to the outside world, as the products are produced in government-run factories, and the components are not purchased on the open market.

With such anticipated growth in electrical manufacturing likely to occur in the next few years, outsourcing vital operations such as cable assembly is set to become increasingly important as the industry expands.