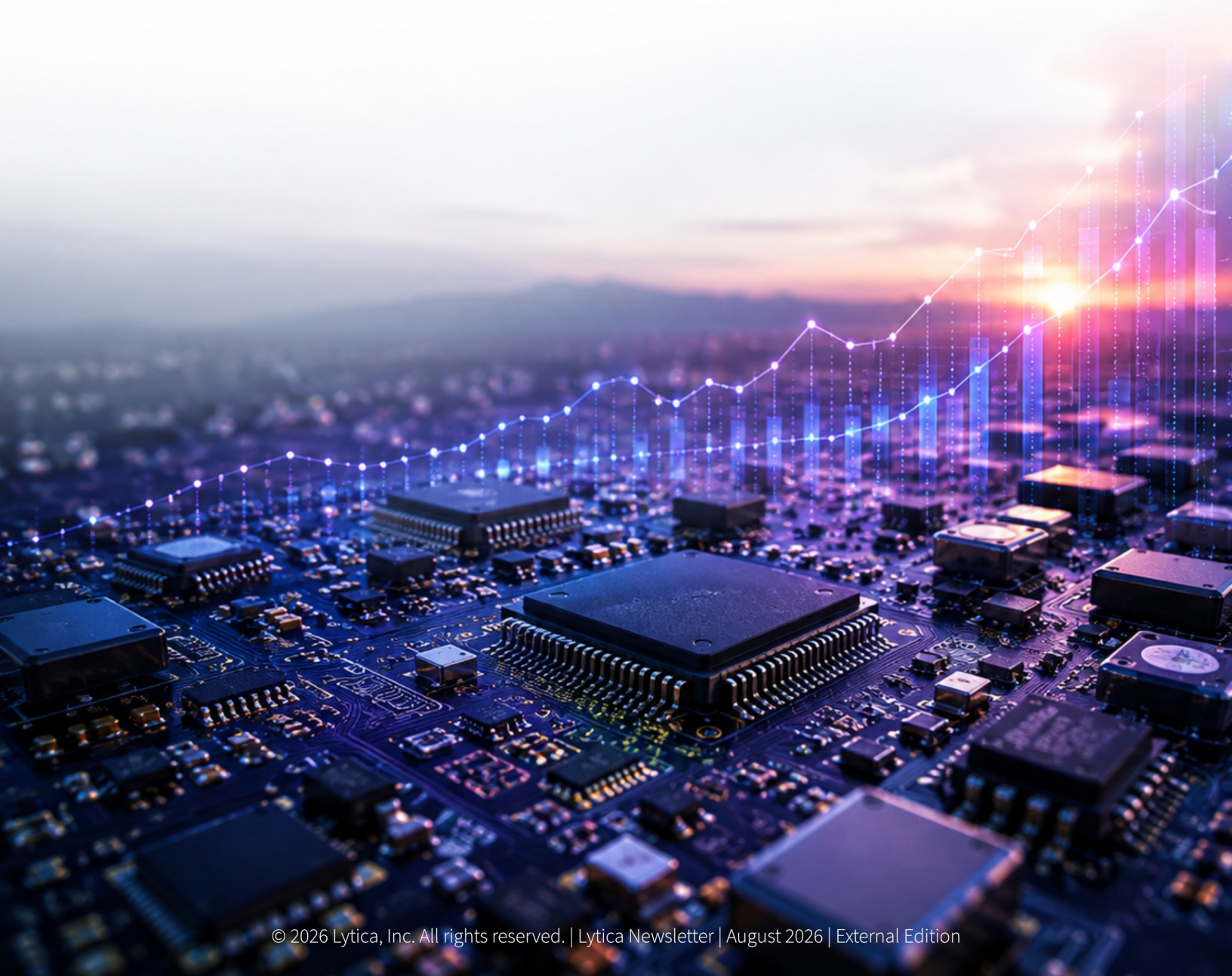
Newsletter August 2026

From Market Signals to Action

See what's changing. Know where to focus. Move with confidence.



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Lytica's Monthly Newsletter

> "Chance favours the prepared mind."
>
> — *Louis Pasteur*

Electronic component markets continue to show signs of broadening pressure, with lead times accelerating well ahead of pricing in several categories.

This month, we look at what the market is signalling, why earlier recognition matters, and how better intelligence creates more time to act.

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- Webinar: The 90-Day Advantage - Shifting Left on Supply Chain Disruption
- What Should an Agentic AI Negotiation Platform Actually Do?
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- Upcoming Webinar: The Hidden Vulnerability in Your BOM

01 — What We're Seeing

Latest State of the Electronic Components Market: July 2026

Price Inflation Cools, but Lead Times Flash a New Warning

Lytica's July market data shows overall electronic component pricing increased +1.09% month over month, down from +1.38% in June.

But beneath the headline, a new signal is emerging. Overall lead times remained elevated at +4.89%, with significant extensions appearing across Linear, Communication, Power and Standard Logic — even while availability in those categories remains above 97%.

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What We're Watching

+1.09%	+4.89%	+22.1%
Overall Price Index	Overall Lead Time Index	Linear Lead Times

Three areas stand out:

1. Analog and Power are moving to the front of the queue. Linear lead times increased +22.1%, Communication +19.5%, Power +18.9% and Standard Logic +18.6%.

2. Memory and Capacitor remain important cost exposures. Memory pricing increased +4.8%, while Capacitor accelerated +4.5% — nearly double its June increase.

3. High availability may be masking what comes next. Communication, Power, Standard Logic and Linear all remain above 97% availability, despite rapidly extending delivery windows. Inventory is available today, but replenishment is taking longer.

The takeaway: The market is becoming increasingly category-specific rather than universally inflationary. Don't interpret strong availability as an all-clear — expanding lead times can provide an earlier indication of where future supply and pricing pressure may emerge.

Read the report →

Month	Overall Price Index (MoM)	Key Development
January 2026	+1.8%	Broad-based increases begin
February 2026	+1.6%	Memory acceleration continues
March 2026	+2.3%	Peak pressure; lead times accelerate
April 2026	+1.1%	Inflation becomes more concentrated
May 2026	+1.5%	AI-critical and mature categories diverge
June 2026	+1.4%	Inflation broadens; lead times surge
July 2026	**+1.09%**	Inflation cools; lead-time pressure rotates

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02 — Why it Matters

The 90-Day Advantage: Shifting Left on Supply Chain Disruption

Risk doesn't begin when the shortage makes headlines.

The DRAM crisis, COVID shortages and the 2018 MLCC shortage were building long before buyers reacted. In a recent ISM webinar, Lytica's Varun Narayanan explored how earlier recognition gives procurement teams more time, options and leverage.



What Procurement Leaders Should Know

- **Earlier recognition creates decision time.** The goal isn't to predict the exact day a shortage will occur. It's to identify conditions early enough to investigate, prioritize and act.
- **The signals already exist.** Demand, supply and capacity signals can reveal when pressure is building before a traditional disruption event occurs.
- **The DRAM back-test showed the opportunity.** Lytica identified high-pressure conditions 2–3 months before businesses began experiencing extended lead times, allocation and significant DDR4 spot-price increases.

Gain a 90-Day advantage and see disruption while you still have options.

Watch the webinar →

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03 — How to Act

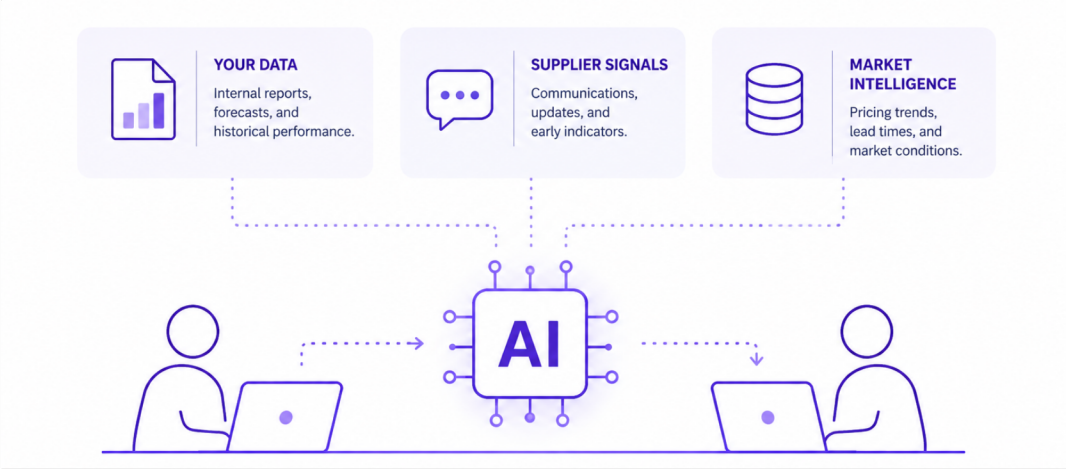
What Should an Agentic AI Negotiation Platform Actually Do?

The best AI negotiation platforms shouldn't just help procurement teams respond faster — they should help them see where leverage is building before the negotiation even starts.

Three Capabilities That Matter

- **Anticipate market pressure early.** Identify demand, supply and capacity pressure before it appears as a higher quote or longer lead time.
- **Prioritize where negotiation effort matters most.** Focus teams on the parts and suppliers where spend, sourcing concentration and risk create the greatest exposure.
- **Negotiate from real market evidence.** Buyer-paid transaction data provides a stronger foundation than list prices, rate cards or generic AI recommendations.

The opportunity isn't AI for AI's sake. It's connecting risk intelligence, market pricing and negotiation intelligence so procurement teams know where to focus, when to act and what evidence to bring to the table.



Our latest blog breaks down the 5 capabilities every agentic AI supplier negotiation platform should have in 2026.

Read the full blog →

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04 — How to Measure It

Are You Tracking the Right Procurement KPIs?

Your KPIs tell you how you're performing. But do they tell you how you're performing against the market? Electronics procurement teams have no shortage of metrics. But the most valuable KPIs are the ones that show how you're performing against the market — not just against your own history.

Three Measures Worth Rethinking

- **PPV is more meaningful when measured against the market.** Comparing against prior price tells you how you performed against yourself; market benchmarks show whether you are actually competitive.
- **Cost avoidance needs evidence.** External market movement helps demonstrate whether negotiated supplier increases actually protected value.
- **Risk KPIs need to be forward-looking.** Component-level shortage exposure and supplier concentration can help teams act before options and negotiating leverage disappear.



Our latest blog breaks down the 10 procurement KPIs electronics teams should be tracking in 2026 — and how market intelligence makes each one more actionable.

Read the full blog →

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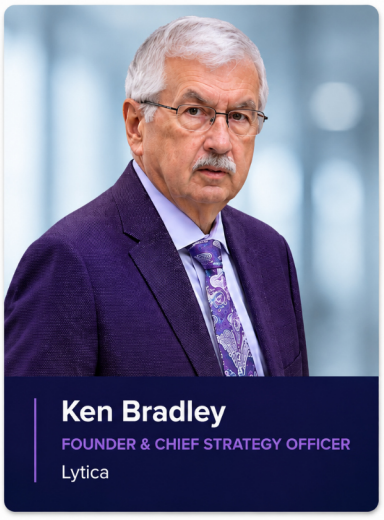
05 — Continue the Conversation

Upcoming Webinar: The Hidden Vulnerability in Your BOM

What you don't know about your electronic component supply chain can cost millions — or stop production entirely. Join **Ken Bradley,** Founder & Chief Strategy Officer at Lytica, and **Marc Tassé**, CEO of SIRA International Risk Advisors, as they explore why enterprise procurement teams need to move beyond reactive crisis management toward proactive, predictive risk intelligence.

SEP
9

11:00 AM – 12:00 PM ET





You'll Learn How To

- Expose hidden BOM vulnerabilities before they become production problems.
- Identify single-source, availability and supplier concentration risks earlier.
- Build perpetual resiliency by shifting from panic and reaction to predictive risk intelligence.

Don't wait until risk becomes a crisis.

Reserve your spot →

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