

Startup Sim Gazette

World 2019-2021

Editors: Francis Bidault / Alessio Castello

Q2

BUSINESS OVERVIEW



Gazette editors observe that astute Startup Sim executives are on the lookout for useful information about future market conditions. Indeed the general business climate affects the demand for Startup Sim goods, both chips and PCs, sometimes positively, sometimes negatively, and companies need to anticipate these shifts in demand.

This quarter, your Gazette editors are proud to introduce the “Business Overview” that describes and forecasts the overall demand for chips and PCs over the following two quarters. This information is based on the pioneering work of the “Arthur de Big Institute” in Berlin. The base for demand is 100 in Q0 and moves up and down from there. It will be reported in every future issues of your Startup Sim Gazette, at no additional cost!

Looking backwards to Q1 (see table X-index), we find that demand for chips was slightly up in this quarter (see line: “actual”) in all three areas, with a marginally stronger growth in the US. For PCs (see table Y-index), on the other hand, demand grew more in Europe, and less in Brazil.

The landscape of the next two quarters, according to the Arthur de Big Institute (*Forecast*), is quite similar for chips in the three

market areas, with the same index across the board in Q3.

The picture is somewhat different when it comes to PCs with demand in Europe leading the charge. De Big’s spokesperson was quoted stating: “European consumers are thirsty for new technology, but Americans and Brazilians are not fed up yet!” It seems like the Startup Sim industry is looking at a rosy future, at least in the medium term.

X-index

		US	EU	BRA
Base	Q0	100	100	100
Actual	Q1	102	101	101
Forecast	Q2	102	101	102
Forecast	Q3	103	103	103

Y-Index

		US	EU	BRA
Base	Q0	100	100	100
Actual	Q1	103	104	102
Forecast	Q2	104	105	104
Forecast	Q3	106	108	107

DOLLAR DOWN



As we alluded to in our previous issue of La Gazette, the Euro is getting stronger relative to

the US\$ and the Real. The new worldwide exchange structure is as follows:

To/from	\$	€	Real	SF
\$		1,010	0,333	0,500
€	0,990		0,330	0,495
Real	3,003	3,033		1,502
CHF	2,000	2,020	0,666	

Arthur De Big's economists expect this trend will go on for in the short term, unless the US government takes serious measures. Stay tune to your favorite newspaper: La Gazette, the one and only reliable source of information for Startup Sim business leaders!

COSTS KEEP CREEPING UP



Costs are increasing in many areas, including in Japan, but somewhat more in Brazil where growth is the strongest.

X and Y cost	Q1	Q2	Q3
--------------	----	----	----

US			
Factory acquisition cost	100	100	100
Variable manufacturing cost	100	100	100

EU			
Factory acquisition cost	100	100	100
Variable manufacturing cost	100	100	100

BR			
Factory acquisition cost	100	102	107
Variable manufacturing cost	100	102	107

Make sure your CFO takes this info into account in computing your company's manufacturing cost planning and analysis. Otherwise, hire a good consultant. You know who!

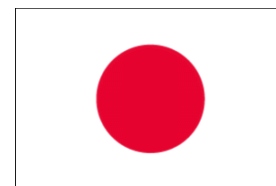
WANT TO CHECK YOUR PROGRESS?



If you are serious about keeping tabs on your progress in terms of financial performance, consumer market shares, and various other indicators, there is nothing like buying MR74 - preferably each Q.

Should you want to check competitors as well as yourself, consider MR74, which given the same data for the industry as whole.

THE JAPANESE ARE COMING



In a frank interview, M. Nippo San, CEO of Nippon declared: "As everyone knows, our company tested the market of X0 and Y0 in Q1. In Q2, we increase our prices moderately to match adverse cost conditions. By Q3, we plan to be more aggressive in the USA and the EEC. But we shall stick to our strong offering of X0s and Y0s. The company will keep its low profile and will still not advertise its products. Our strength is quality and low price as ever."

"Meanwhile, we will again in Q2 offer industrial customers around the world access to our products at competitive prices. This is however the last opportunity as Nippon will exit the B2B market later on".

Nippon listed consumer prices

	US	EU	REAL
X0	48	68	235
Y0	162	192	1180