

WSTS Projects 2.3 percent global semiconductor growth in 2007

Worldwide Chip Market to Grow 2.3 percent in 2007, 10.2 percent in 2008

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WSTS is an independent non-profit organization representing the vast majority of the world semiconductor industry (Internet address: www.wsts.org). These forecasts will be released twice a year, in May and November.

The global semiconductor market is expected to grow 2.3 percent on an annualized basis to \$253.5 billion in 2007, according to the spring 2007 forecast of the World Semiconductor Trade Statistics (WSTS). Projected growth in the worldwide semiconductor market will decrease to 2.3 percent in 2007 after the industry has seen a growth rate of 8.9 percent in 2006. This is below projections issued last autumn, mainly due to revenues in first quarter 2007 being lower than expected for almost all products. However already for the second half of 2007 a moderate recovery is expected, which led to a projection of 10.2 percent growth in 2008. Asia-Pacific continues to show growth rates well above the worldwide average.

The WSTS foresees a continuously growing demand for electronic products such as PCs, digital consumer appliances and mobile communications, enhanced by the increase of semiconductor content per installed system. These trends are expected to unfold in a challenging, yet generally healthy world economy.

The current forecast anticipates a positive growth throughout the forecasting period, peaking in 2008. While the forecasted semiconductor market does not show a pronounced cyclical pattern, some product groups maintain cycles similar to historical patterns. The Asia Pacific region continues to be the fastest growing geographical area, now primarily due to strongly rising domestic demand, whereas the manufacturing shift will contribute to a lesser extent to the dynamics of this region.

Spring 2007	Amounts in US\$M				Year on Year Growth in %			
	2006	2007	2008	2009	2006	2007	2008	2009
Americas	44,912	41,508	44,460	46,658	10.3	-7.6	7.1	4.9
Europe	39,904	41,468	44,821	46,891	1.6	3.9	8.1	4.6
Japan	46,418	47,618	50,939	52,495	5.3	2.6	7.0	3.1
Asia Pacific	116,482	122,912	139,023	147,725	12.7	5.5	13.1	6.3
Total World - \$M	247,716	253,506	279,243	293,769	8.9	2.3	10.2	5.2
Discrete Semiconductors	16,587	17,064	18,545	18,718	8.8	2.9	8.7	0.9
Optoelectronics	16,280	17,053	18,946	19,818	9.3	4.7	11.1	4.6
Sensors	5,339	5,555	6,287	6,829	17.6	4.0	13.2	8.6
Integrated Circuits	209,510	213,834	235,465	248,403	8.7	2.1	10.1	5.5
Analog	36,939	36,770	41,209	43,328	15.7	-0.5	12.1	5.1
Micro	53,939	53,311	58,235	62,253	-1.4	-1.2	9.2	6.9
Logic	60,158	63,999	71,954	75,958	4.3	6.4	12.4	5.6
Memory	58,473	59,753	64,068	66,863	20.5	2.2	7.2	4.4
Total Products - \$M	247,716	253,506	279,243	293,769	8.9	2.3	10.2	5.2

Note: Numbers are rounded to whole millions of dollars, which may cause totals by region and product group to differ slightly.

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