

# RESEARCH BULLETIN

**JULY 27, 2010**

## 2010 to Show the Largest Semiconductor Market Increase in History!

*This year's increase is expected to surpass the previous record of \$59B set in 2000.*

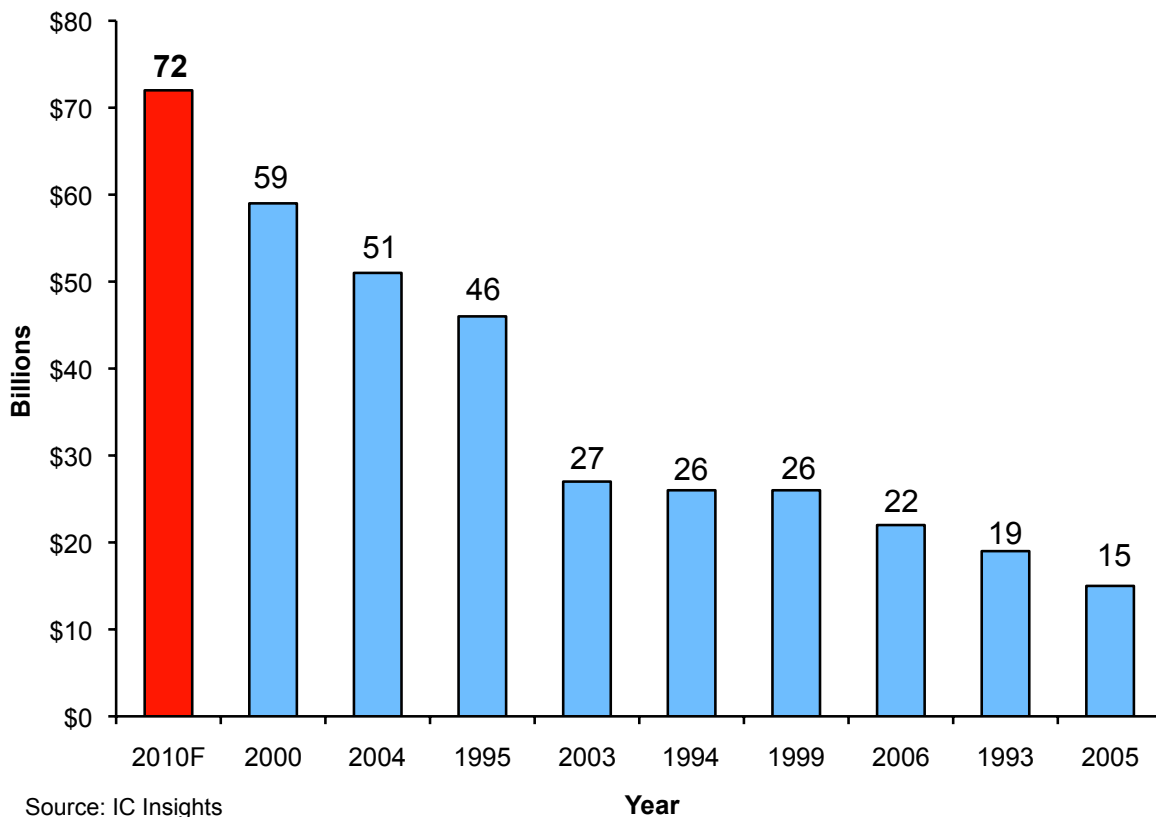
IC Insights' new 220-page *Mid-Year Update to The McClean Report* shows that the 2010 worldwide semiconductor market is forecast to register the largest dollar volume increase in history—\$72 billion (to \$310 billion total). As shown in Figure 1, the 2010 increase is expected to exceed the previous record high of \$59 billion, set in 2000, by 22%.

The \$72 billion increase in 2010 would equate to a growth rate of 30% over 2009. This 30% jump would be the sixth largest in the past 32 years and the highest since the 37% increase 10 years ago in 2000.

### MORE INFORMATION CONTACT

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**Top 10 Semiconductor Market (\$) Increases in History**



**Figure 1**

A large percentage of the \$72 billion 2010 semiconductor market increase is forecast to be quickly converted into a rush of capital spending by the semiconductor producers. As detailed in *The Mid-Year Update*, 2010 semiconductor industry capital spending is expected to surge by \$21.4 billion, an 83% jump over 2009 (to \$47.2 billion total)! This \$21.4 billion increase in capital spending represents 30% of the total semiconductor industry dollar volume growth forecast for this year.

Although worldwide GDP is forecast to grow by 3.9% in 2010, this growth rate is only 0.3 point above the long-term average rate of 3.6%. Thus, the real driving force behind the \$72 billion semiconductor market increase this year is the extremely strong growth in the PC and smartphone segments. In 2010, PC unit volume shipments are forecast to grow by at least 18%, to 338 million, with smartphone unit sales expected to surge by 21% to 275 million. Moreover, momentum is still building, with both segments forecast to register at least 10% higher unit volume shipments in the second half of this year as compared to the first half.

### **Report Details: The New "Half-Year" McClean Report Subscription**

The *2010 Mid-Year Update* to *The McClean Report* is a part of IC Insights' new *2010 "Half-Year" McClean Report* service. The *2010 Half-Year McClean Report* subscription includes the 220-page *Mid-Year Update* (to be released July 30, 2010), the August, September, October, and November *Monthly Updates*, as well as access to *The McClean Report* subscriber-only Webcasts in August and November. The new *2010 Half-Year McClean Report* subscription is **priced at only \$1,890 for a single user**.

Note: Current *2010 McClean Report* subscribers will receive the products/services described above as part of their full-year subscription.

To review additional information about IC Insights' new and existing market research products and services please visit our web site: [www.icinsights.com](http://www.icinsights.com)

#### **About IC Insights**

IC Insights, Inc., based in Scottsdale, Arizona USA, is dedicated to providing high-quality, cost-effective market research for the semiconductor industry. Founded in 1997, IC Insights offers coverage of global economic trends, the semiconductor market forecast, capital spending and fab capacity trends, product market details, and technology trends, as well as complete IC company profiles and evaluations of end-use applications driving demand for ICs.

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