

# RESEARCH BULLETIN

**MARCH 7, 2019**

## Intel Expected to Recapture #1 Semi Supplier Ranking in 2019

*Steep memory market plunge likely to push Samsung's 2019 semiconductor sales down by 20%.*

IC Insights is currently updating its 2019-2023 semiconductor market forecasts that will be presented later this month in the *March Update*, the first monthly *Update* to the 500-page, 2019 edition of *The McClean Report—A Complete Analysis and Forecast of the Integrated Circuit Industry* (released in January 2019).

For 2019, a steep 24% drop in the memory market is forecast to pull the total semiconductor market down by 7%. With 83% of Samsung's semiconductor sales being memory devices last year, the memory market downturn is expected to drag the company's total semiconductor sales down by 20% this year. Although Intel's semiconductor sales are forecast to be relatively flat in 2019, the company is poised to regain the number 1 semiconductor supplier ranking this year (Figure 1), a position it held from 1993 through 2016.

### MORE INFORMATION CONTACT

Bill McClean  
President  
Phone: +1-480-348-1133  
Email: bill@icinsights.com

## Top 10 Worldwide Semiconductor Sales Leaders

| 2016               |              |             | 2017         |             |        | 2018         |             |        | 2019F   |             |        |
|--------------------|--------------|-------------|--------------|-------------|--------|--------------|-------------|--------|---------|-------------|--------|
| Rank               | Company      | Sales (\$B) | Company      | Sales (\$B) | Change | Company      | Sales (\$B) | Change | Company | Sales (\$B) | Change |
| 1                  | Intel        | \$57.0      | Samsung      | \$65.9      | 48.8%  | Samsung      | \$78.5      | 19.2%  | Intel   | \$70.6      | 1.0%   |
| 2                  | Samsung      | \$44.3      | Intel        | \$61.7      | 8.2%   | Intel        | \$69.9      | 13.2%  | Samsung | \$63.1      | -19.7% |
| 3                  | TSMC (2)     | \$29.5      | TSMC (2)     | \$32.2      | 9.1%   | SK Hynix     | \$36.8      | 37.6%  |         |             |        |
| 4                  | Qualcomm (1) | \$15.4      | SK Hynix     | \$26.7      | 79.5%  | TSMC (2)     | \$34.2      | 6.4%   |         |             |        |
| 5                  | Broadcom (1) | \$15.2      | Micron       | \$23.9      | 76.7%  | Micron       | \$31.0      | 29.6%  |         |             |        |
| 6                  | SK Hynix     | \$14.9      | Broadcom (1) | \$17.8      | 16.9%  | Broadcom (1) | \$18.5      | 3.7%   |         |             |        |
| 7                  | Micron       | \$13.5      | Qualcomm (1) | \$17.0      | 10.5%  | Qualcomm (1) | \$16.4      | -3.8%  |         |             |        |
| 8                  | TI           | \$12.5      | TI           | \$13.9      | 11.3%  | Toshiba*     | \$14.9      | 12.1%  |         |             |        |
| 9                  | Toshiba      | \$10.9      | Toshiba      | \$13.3      | 21.9%  | TI           | \$14.9      | 6.8%   |         |             |        |
| 10                 | NXP          | \$9.5       | Nvidia (1)   | \$9.4       | 36.1%  | Nvidia (1)   | \$12.0      | 27.1%  |         |             |        |
| Top 10 Total (\$B) |              | \$222.8     | —            | \$281.9     | 26.5%  | —            | \$327.0     | 16.0%  |         |             |        |
| Semi Market (\$B)  |              | \$364.0     | —            | \$445.2     | 22.3%  | —            | \$504.1     | 13.2%  | —       | \$468.9     | -7.0%  |

Source: IC Insights (1) Fabless (2) Pure-Play foundry

\*Includes Toshiba Memory

Figure 1

With both the DRAM and NAND flash markets forecast to show big declines this year, IC Insights expects greater than 20% sales declines for the other top-10 ranked memory suppliers (SK Hynix, Micron, and Toshiba/Toshiba Memory) in 2019 as well. Similar to Samsung, the steep sales declines expected for SK Hynix, Micron, and Toshiba in 2019 are likely to lower these companies' revenue back to, or even below, what they were in 2017. This year will likely prove once again that the infamous volatile IC industry cycles are still very much alive and well in the memory market.

The *March Update* will also examine the latest capital spending budgets of the major semiconductor companies for this year. With the memory suppliers expected to encounter a very difficult year in 2019, large capital spending cutbacks from these producers are likely to drag down worldwide semiconductor industry capital spending by at least 14% this year.

### **Report Details: *The 2019 McClean Report***

Additional details on semiconductor market trends are provided in *The McClean Report—A Complete Analysis and Forecast of the Integrated Circuit Industry* (released in January 2019). A subscription to *The McClean Report* includes **free** monthly updates from March through November (including a 200+ page *Mid-Year Update*), and **free** access to subscriber-only webinars throughout the year. An individual-user license to the 2019 edition of *The McClean Report* is priced at \$4,990 and includes an Internet access password. A multi-user worldwide corporate license is available for \$7,990.

To review additional information about IC Insights' new and existing market research products and services please visit our website: [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.

**Web Site:** [www.icinsights.com](http://www.icinsights.com) • **Phone:** +1-480-348-1133 • **E-mail:** [info@icinsights.com](mailto:info@icinsights.com)