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Power Management, Industrial Analog Units Post Strong Gains

Total shipments of analog devices forecast to jump 14% in 2013.

Sales and unit shipments of both analog and digital ICs are forecast to post gains in 2013, but the strength of these increases will differ considerably, according to information presented in a September webcast to subscribers of *The 2013 McClean Report*. Figure 1 compares market results and forecasts for the analog and digital IC markets in 2012 and 2013. The total analog market has struggled to post meaningful sales growth over the past five years. Things are not expected to change much in 2013 as the total analog IC market is forecast to grow only 1%. For 2013 market for digital ICs is forecast to grow 6%.

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2012-2013 Analog and Digital IC Market Forecast

Total Analog IC Market										
2012	1Q	1Q/4Q	2Q	2Q/1Q	3Q	3Q/2Q	4Q	4Q/3Q	Total 2012	12/11 % Change
Market (\$B)	\$10.25	1%	\$10.5	2%	\$10.66	2%	\$9.92	-7%	\$41.32	-7%
Units (B)	21.58	0%	23.33	8%	24.54	5%	23.15	-6%	92.60	-2%
ASP	\$0.47	0%	\$0.45	-5%	\$0.43	-3%	\$0.43	-1%	\$0.45	-5%
2013	1Q	1Q/4Q	2Q	2Q/1Q	3QF	3Q/2Q	4QF	4Q/3Q	Total 2013F	13/12 % Change
Market (\$B)	\$10.07	2%	\$10.43	4%	\$10.85	4%	\$10.41	-4%	\$41.76	1%
Units (B)	23.18	0%	26.45	14%	28.70	9%	27.20	-5%	105.53	14%
ASP	\$0.43	1%	\$0.39	-9%	\$0.38	-4%	\$0.38	1%	\$0.40	-11%
Total Digital IC Market										
2012	1Q	1Q/4Q	2Q	2Q/1Q	3Q	3Q/2Q	4Q	4Q/3Q	Total 2012	12/11 % Change
Market (\$B)	\$50.64	-2%	\$53.70	6%	\$54.38	1%	\$54.76	1%	\$213.48	-3%
Units (B)	23.52	-2%	24.83	6%	25.18	1%	23.95	-5%	97.48	-1%
ASP	\$2.15	0%	\$2.16	0%	\$2.16	0%	\$2.29	6%	\$2.19	-3%
2013	1Q	1Q/4Q	2Q	2Q/1Q	3QF	3Q/2Q	4QF	4Q/3Q	Total 2013F	13/12 % Change
Market (\$B)	\$52.51	-4%	\$55.85	6%	\$59.14	6%	\$59.62	1%	\$227.11	6%
Units (B)	23.21	-3%	25.14	8%	26.68	6%	26.17	-2%	101.20	4%
ASP	\$2.26	-1%	\$2.22	-2%	\$2.22	0%	\$2.28	3%	\$2.24	2%

Source: IC Insights

Figure 1

There was a very strong 14% upturn in analog unit shipments in 2Q13. IC Insights believes this was due to general inventory rebuilding and but also from growth of portable mobile devices, which have been a catalyst for power management analog and Consumer analog IC unit growth to date. This momentum carried into 3Q13 as well, and was forecast to result in a 9% increase in analog unit growth. Historically, sales and unit shipments of ICs slow down in the fourth quarter of the year as the buildup to the holiday buying season ends. For the year, analog unit shipments are forecast to exceed 100-billion devices for the first time in history.

The analog IC ASP is forecast to decline 11% in 2013. IC Insights believes increased competition for design wins in medical/health applications and in portable consumer/communication systems helped drive down the total analog ASP. In addition, many analog manufacturers have moved production to 200mm wafers (300mm wafers, in some cases), which has helped cut manufacturing costs per die and led to lower ASPs.

Some of the strongest analog IC unit growth in the first half of 2013 came from power management devices, which help extend useful battery life and operation of battery-powered, portable and mobile systems (Figure 2). In the application-specific segment, very strong unit growth for Communications and Industrial analog devices offset significant declines in Consumer and Computer analog shipments in the first half of the year. IC Insights believes rising sales of personal and portable medical/health electronics contributed to the uptick in Industrial analog shipments.

1H13/1H12 Analog Unit Shipments (B)

	1H12	1H13	% Change
Total Analog	43.8	48.5	11%
General Purpose Analog			
Amplifiers	6.2	6.0	-3%
Interface	3.3	3.7	10%
Power Management	16.7	19.8	18%
Signal Conversion	1.1	1.1	2%
Application Specific Analog			
Consumer	2.4	2.0	-20%
Computer	2.7	2.3	-14%
Communications	4.9	5.8	19%
Automotive	3.3	3.5	6%
Industrial/Other	3.1	4.3	39%

Source: WSTS, IC Insights

Figure 2

Report Details: *The 2013 McClean Report*

Data in this research bulletin was excerpted from the IC Insights' September webcast, one of three webcasts throughout the year that are included **free** with a subscription to *The McClean Report—A Complete Analysis and Forecast of the Integrated Circuit Industry*. A subscription to *The McClean Report* also includes **free** monthly updates from March through November, including the 250+ page *Mid-Year Update*. An individual-user subscription to the 2013 edition of *The McClean Report* is priced at \$3,390 and includes an Internet access password. A multi-user worldwide corporate license is available for \$6,390.

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