

# RESEARCH BULLETIN

**DECEMBER 5, 2019**

## NAND Flash to Lead All Others As IC Market Growth Returns in 2020

*McClean Report 2020 forecasts return to growth for 26 of 33 IC product categories.*

IC Insights is in the process of revising its forecast and analysis of the IC industry and will present its new findings in *The McClean Report 2020*, which will be released in January 2020. Among the revisions is a complete update of forecast growth rates of the 33 main product categories classified by the World Semiconductor Trade Statistics organization (WSTS) through the year 2024. The top five categories for IC product growth are covered in this bulletin.

### MORE INFORMATION CONTACT

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Topping the chart of fastest-growing products for 2020 is NAND flash with DRAM in third place (Figure 1). The strong anticipated market growth for the two memory segments is not a big surprise given the complete market collapse that these two segments experienced in 2019. The 2020 NAND flash market is expected to rise by 19%, a solid follow-up to the 27% decline in 2019. Similarly, the 12% gain forecast for the DRAM market is a strong turnaround from 2019, when it demonstrated the poorest growth among all 33 IC product categories.

### IC Products Ranked by 2020F Sales Growth Rates

Product Category	2019	2020F
NAND Flash	-27%	19%
Auto—Spcl Purpose Logic	17%	13%
DRAM	-37%	12%
Display Drivers	12%	10%
Embedded MPUs	9%	10%

Source: IC Insights

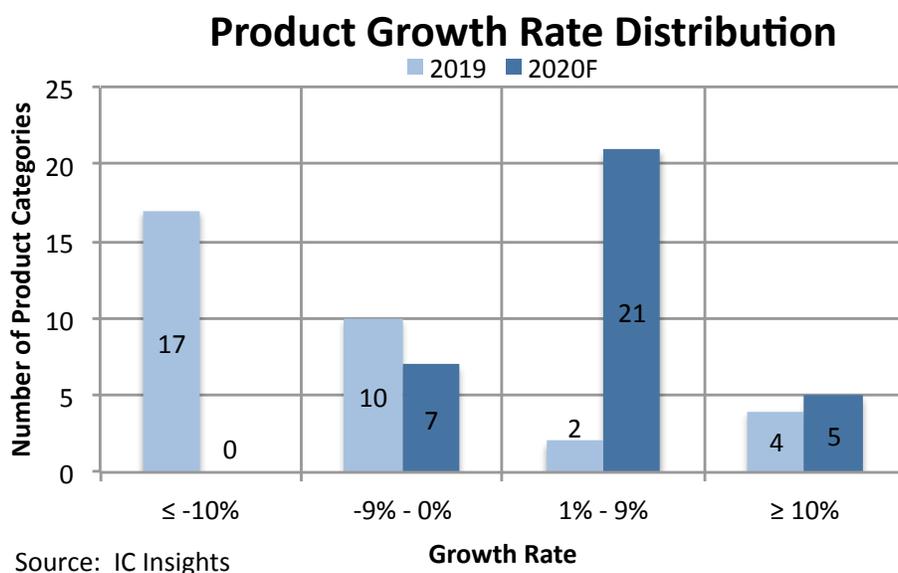
**Figure 1**

Solid-state computing is expected to drive demand for high-density, high-performance NAND flash next year even as mobile applications continue to be a significant application. Stronger growth in NAND flash and DRAM is forecast as momentum increases for 5G connectivity, artificial intelligence, deep learning, and virtual reality in mobile, data center and cloud-computer servers, automotive, and industrial markets.

Increasing electronic content onboard new cars is expected to provide the Automotive—Special Purpose Logic category with another solid year of growth. In fact, Automotive—Special Purpose Logic and Embedded MPUs have been on the Top-5 growth list the past three years.

Automobiles have been gaining traction as a growth driver for several IC product segments in recent years, but particularly for Automotive—Special Purpose Logic. Electronic systems that improve performance, increase safety, and add passenger convenience continue to be added or mandated in new model vehicles. In addition, advances in autonomous driving and the expansion of electronic vehicle sales around the world are collectively helping to boost the average semiconductor content per new car.

Among the complete list of 33 IC product categories, 26 are forecast to show growth in 2020, which is an impressive turnaround from 2019 when only six IC product segments showed sales gains. Five products are expected to enjoy double-digit growth in 2020, an increase from four in 2019 but far from the 17 product categories with double-digit growth in 2018. Seven products are forecast show flat growth or a market decline in 2020 (Figure 2).



**Figure 2**

### Report Details: *The McClean Report 2020*

Additional details on IC Insights’ 2020 IC market forecast are provided in *The McClean Report—A Complete Analysis and Forecast of the Integrated Circuit Industry*. A subscription to *The McClean Report* includes **free** monthly updates from March through November (including the 200+ page *Mid-Year Update*), and **free** access to subscriber-only webinars throughout the year. An individual-user license to *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.

As part of your 2020 subscription, you are entitled to free attendance at a *McClean Report* seminar (one seat for each copy purchased; company-wide licensees receive five free seats). The schedule for next year's *McClean Report* seminar tour is shown below.

**Tuesday, January 21, 2020 — Scottsdale, Arizona**

**Thursday, January 23, 2020 — San Jose, California**

**Tuesday, January 28, 2020 — Boston, Massachusetts**

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#### **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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