

RESEARCH BULLETIN

JANUARY 6, 2017

Memory Market Poised for Strongest Annual Growth Through 2021

Solid upside potential for DRAM, flash memory markets in 2017 and much of forecast period.

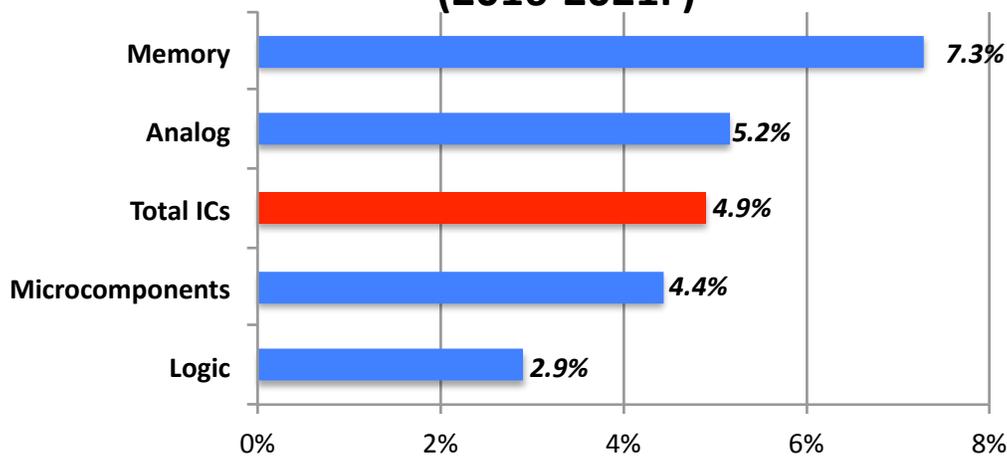
Sales of memory ICs are expected to show the strongest growth rate among major integrated circuit market categories during the next five years, according to IC Insights' new 2017 *McClean Report*, which becomes available this month. The 20th anniversary edition of *The McClean Report* forecasts that revenues for memory products—including DRAMs and NAND flash ICs—will increase by a compound annual growth rate (CAGR) of 7.3% to \$109.9 billion in 2021 from \$77.3 billion in 2016.

MORE INFORMATION CONTACT

Brian Matas
 Vice President
 Phone: +1-480-348-1133
 Email: bmatas@icinsights.com

The 2017 *McClean Report* separates the total IC market into four major product categories: analog, logic, memory, and microcomponents. Figure 1 shows the forecasted 2016-2021 CAGRs of the four major IC product categories compared to the projected total IC market annual growth rate of 4.9% during the five-year period. As shown, the memory IC category is forecast to show the strongest growth rate through 2021 while the weakest increase is expected to occur in the logic category, which includes general-purpose logic, ASICs, field-programmable logic, display drivers, and application-specific standard products.

Market CAGRs of Major Product Categories (2016-2021F)



Source: IC Insights

Figure 1

The strong memory CAGR is driven by surging low-power memory requirements for DRAM and NAND flash in portable wireless devices like smartphones and by growing demand for solid-state drives (SSD) used in big-data storage applications and increasingly in notebook computers. Moreover, year-over-year DRAM bit volume growth is expected to increase throughout the forecast to support virtualization, graphics, and other complex, real-time workload applications.

Analog ICs, the second-fastest growing segment, are a necessity within both very advanced and low-budget systems. Power management analog devices are critical for helping extend battery life in portable and wireless systems and have demonstrated strong market growth in recent years. In 2017, the signal conversion market is forecast to be the fastest-growing analog IC category, and the second-fastest growing IC product category overall, trailing only the market growth of 32-bit MCUs.

Total microcomponent sales have cooled significantly. Fortunately, marginal gains in the cellphone MPU market and strong gains in the 32-bit MCU market have helped offset weakness of standard PC and tablet microprocessor sales.

The McClean Report includes sales history and forecast information for each IC product within these four large product categories for the 2014-2021 time period. Included are market, unit, average selling price (ASP), and 2016-2021 compound average growth rate (CAGR) for all IC categories. Further trends and analysis relating to the IC market are covered in the 400-plus page 2017 edition of *The McClean Report*.

Report Details: *The 20th Anniversary 2017 McClean Report*

Additional details and forecasts for the worldwide semiconductor through 2021 are included in the new 20th anniversary 2017 edition of IC Insights' flagship report, *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 a 250+ page *Mid-Year Report*), and **free** access to subscriber-only webinars throughout the year. An individual-user license to the 2017 edition of *The McClean Report* is priced at \$4,090 and includes an Internet access password. A multi-user worldwide corporate license is available for \$7,090.

To review additional information about IC Insights' new and existing market research products and services please visit our website: 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 • **Phone:** +1-480-348-1133 • **E-mail:** info@icinsights.com