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Optoelectronics, Sensors/Actuators, and Discretes Hit Record Sales Again

After a strong increase in 2018, O-S-D growth is expected to pull back in the next two years because of slowing economic growth, but optoelectronics, sensors/actuators, and discretes are each forecast to reach their third straight year of record-high revenues in 2019.

Combined sales of optoelectronics, sensors and actuators, and discrete semiconductors (known collectively as O-S-D) increased 9% in 2018 to reach a ninth consecutive record-high level of \$82.4 billion, according to IC Insights' new 2019 *O-S-D Report—A Market Analysis and Forecast for Optoelectronics, Sensors/Actuators, and Discretes*. The new annual report shows total O-S-D sales growing 6% in 2019 to reach a record-high \$87.1 billion.

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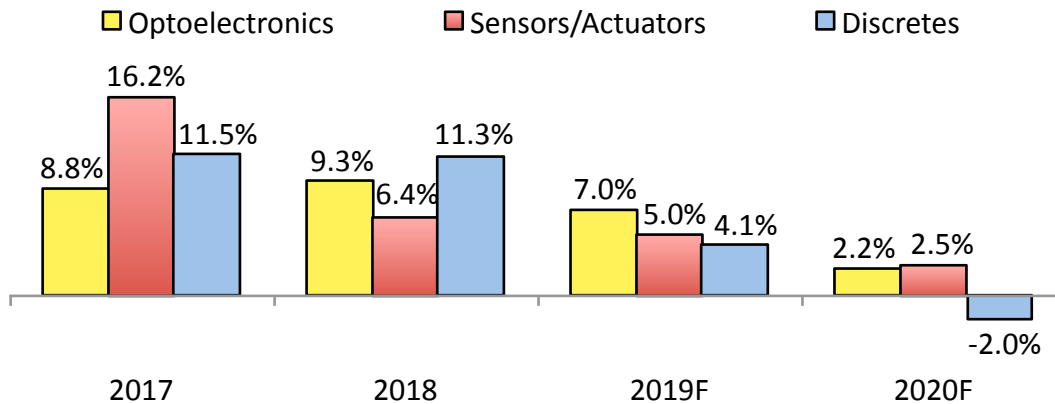
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For the second year in a row, all three segments of O-S-D achieved all-time high sales in 2018 with different growth rates being driven by a variety of factors and market conditions in the year, says the new 350-page report. O-S-D products accounted for 16% of the world's \$504.1 billion in total semiconductor sales in 2018 with the rest of the revenues coming from integrated circuits.

The 2018 increase in total O-S-D sales was nearly 1.5x the average annual growth rate for these semiconductors since the mid-1990s. The *O-S-D Report's* five-year forecast shows revenue growth in optoelectronics, sensors/actuators, and discretes declining in 2019 and 2020 with the global economy slowing in the next two years (Figure 1). All three O-S-D market segments are once again forecast to reach record-high revenues in 2019 with a "soft landing" expected to occur in most product categories during the slowdown in 2020.

While the expansion of total O-S-D sales was strong in 2018, this diverse group of semiconductors displayed a mixed bag of substantial and below-normal growth rates with average selling prices (ASPs) heading in different directions in the three market segments during the year, based on the findings of the new *O-S-D Report*.

O-S-D Sales Growth Drifts Lower as the Economy Slows



Source: IC Insights

Figure 1

Strong unit growth in optoelectronics (+18%) offset a significant drop in ASPs (-7%) to lift revenues in the opto market by 9% to \$40.3 billion in 2018. Meanwhile, inventory corrections and pullbacks in purchases of many sensors and actuators held back sales growth in this market segment, resulting in a modest 6% increase to \$14.7 billion in 2018. For the second year in a row, the commodity-filled discretes market increased by more than double its historical average annual growth rate, rising 11% in 2018 to \$27.4 billion. Discretes sales were exceptionally strong last year because continued shortages in power transistors, diodes, and other widely used devices, which caused the ASP for all discretes to surge by 12% in 2018, says the new *O-S-D Report*.

Report Details: *The 2019 O-S-D Report*

In a one-of-a-kind study, IC Insights continues to expand its coverage of the semiconductor industry with detailed analysis of trends and growth rates in the optoelectronics, sensors/actuators, and discretes market segments in its newly revised 350-page *O-S-D Report—A Market Analysis and Forecast for the Optoelectronics, Sensors/Actuators, and Discretes*.

Now in its 14th annual edition, the 2019 *O-S-D Report* contains a detailed forecast of sales, unit shipments, and selling prices for more than 30 individual product types and categories through 2023. Also included is a review of technology trends for each of the segments. The 2019 *O-S-D Report*, with more than 240 charts and figures, is attractively priced at \$4,190 for an individual-user license and \$7,290 for a multi-user corporate license.

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