

RESEARCH BULLETIN

AUGUST 25, 2020

MCUs Expected to Make Modest Comeback After 2020 Drop

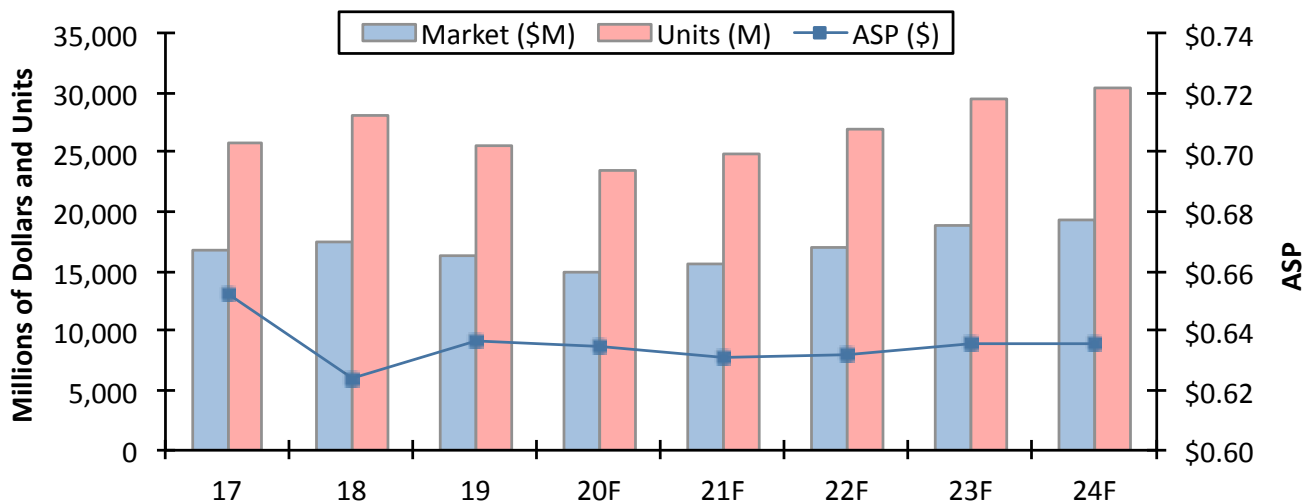
Economic impact of the Covid-19 virus crisis will cause microcontroller sales to fall the most among major IC product categories in 2020, says Mid-Year Update.

Far-flung microcontrollers used in vehicles, industrial and commercial equipment, home appliances, consumer electronics, and many other embedded systems applications are suffering the most among major IC product categories in the Covid-19 virus health crisis that wrecked the global economy six months ago, according to the *Mid-Year Update* of IC Insights' *2020 McClean Report* on integrated circuits. The mid-year forecast shows worldwide MCU sales falling 8% in 2020 to \$14.9 billion after dropping 7% in 2019, when the weak global economy lowered the microcontroller market from record-high revenues of \$17.6 billion in 2018 (Figure 1).

MORE INFORMATION CONTACT

Rob Lineback
Senior Market Research Analyst
Phone: +1-817-731-0424
Email: rob@icinsights.com

MCU Market History and Forecast



Source: IC Insights

Figure 1

A modest recovery in microcontrollers is now expected in 2021 with sales rising 5% to \$15.7 billion, followed by increases of 8% in 2022 and 11% in 2023, when MCU revenues are forecast to hit the next record-high level of \$18.8 billion. IC Insights' *Mid-Year Update* shows microcontroller shipments falling 8% in 2020 to 23.5 billion units after dropping 9% in 2019 and rising 9% in 2018. MCU shipments are

forecast to rebound by 6% in 2021 to 24.9 billion units, followed by increases of 8% in 2022 and 10% in 2023, when worldwide MCU deliveries are projected reach a new record-high of level 29.6 billion.

Ironically, the pervasiveness of microcontrollers in systems is playing against MCUs in the coronavirus crisis, which has crippled most end-use market applications this year. Computer demand is getting a lift from increased Internet usage by consumers, schools, and businesses in the virus pandemic, but these systems are expected to only account for 4% of MCU sales in 2020. The Covid-19 health crisis is pulling down the major MCU end-use applications—including automotive, which is expected to account for 40% of microcontroller sales in 2020 (\$6.0 billion), and industrial, which is forecast to represent 29% of the revenues this year (\$4.3 billion).

Report Details: *The 2020 McClean Report*

Additional details on IC market trends are provided in the 2020 edition of *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 180+ page *Mid-Year Update*), and **free** access to subscriber-only webinars throughout the year. An individual-user license to the 2020 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

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