

RESEARCH BULLETIN

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Power Transistor Sales and ASP Will Both Increase 11% in 2022

Tight supplies, device shortages are driving up the average selling price of power transistors by the highest percentage since 2010, says update report.

Power transistor sales are on pace to grow 11% in 2022 and expected to reach a sixth-straight record high level, totaling \$24.5 billion this year, primarily because of the highest increase in the average selling price (ASP) for products in this large discrete semiconductor segment in more than a decade. The ASP for power transistors is expected to rise 11% in 2022 after increasing 8% in 2021, according to the third-quarter update of *The McClean Report* service.

MORE INFORMATION CONTACT

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Last year, power transistor sales climbed 26% due to a 13% increase in unit shipments and bottlenecks in the expansion of production capacity that drove up the ASP. The string of record-high sales for power transistors is projected to end in 2023 when revenues are forecast to drop 2% to \$24.0 billion as a result of a slowdown in global economic growth next year and a 4% drop in the average selling price of devices. Figure 1 shows the power transistor market is expected to begin another growth cycle in 2024, with annual sales steadily increasing through 2026 and hitting \$28.9 billion, which represents a compound annual growth rate (CAGR) of 5.5%, based on the *3Q22 Update* outlook.

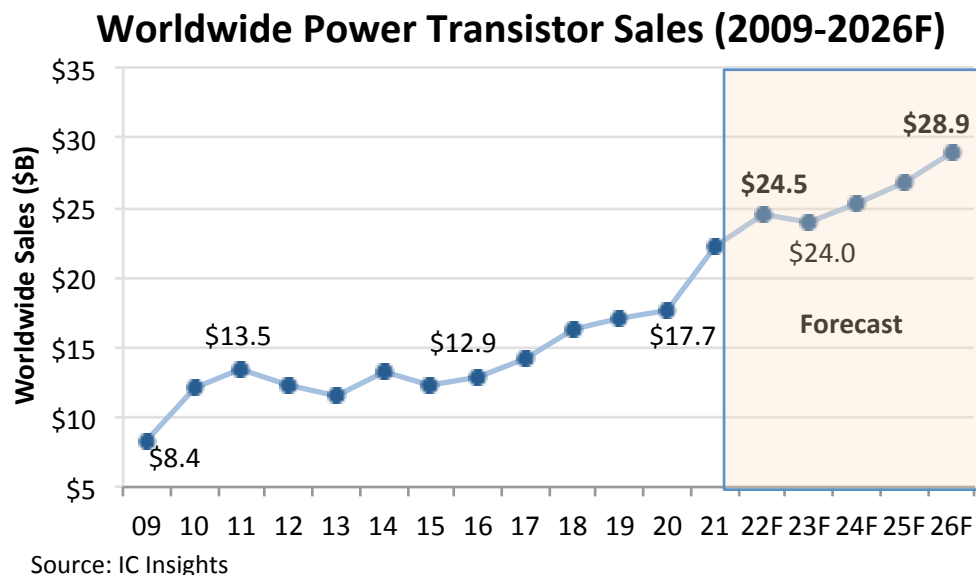


Figure 1

Power transistor prices have moved higher since 2021 when many system manufacturers began ramping up production after the outbreak of the Covid-19 virus pandemic and emergency lockdowns worldwide in 2020. Tight supplies and shortages of power transistors and other widely used semiconductors have kept ASPs high in a number of manufacturing industrial sectors—especially in automotive and industrial equipment—despite recent slowdowns in economic growth, belt tightening by consumers and companies in response to high inflation, and rising interest rates initiated by the U.S. Federal Reserve to combat the risk of a full-blown recession.

The projected 11% jump in the average selling price of power transistors is the highest percentage increase since the 2010 recovery year from the 2009 downturn that was triggered by the 2007-2008 financial crisis. In 2020, the power transistor ASP increased 11% to about \$0.24. Since then, the average selling price has grown at a CAGR of 3.3% to slightly over \$0.35 this year. Before the 8% increase in 2021 and the expected 11% rise this year, the ASP of power transistors had grown at a CAGR of just 2.1% in the 10 years before the start of the global Covid-19 virus crisis in 2020.

Details: *The 2022 McClean Report*

The McClean Report—A Complete Analysis and Forecast of the Semiconductor Industry, is now available. A subscription to *The McClean Report* service includes the January *Semiconductor Industry Flash Report*, which provides clients with IC Insights' initial overview and forecast of the semiconductor industry for this year through 2026. In addition, the third of four *Quarterly Updates* to the report was released in August, with one additional *Quarterly Update* to be released in November of this year. An individual user license to the 2022 edition of *The McClean Report* is available for \$5,390 and a multi-user worldwide corporate license is available for \$8,590. The Internet access password and the information accessible to download will be available through November 2022.

<https://www.icinsights.com/services/mcclean-report/pricing-order-forms/>

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