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Cellphone Shipments on Pace to Set New Record High in 2011

More than 1.5 billion shipments expected in 2011, representing 9% growth over 2010.

Shipments of cellular handsets are on pace to reach a new record high in 2011. IC Insights forecasts 1.55 billion cellular phones will ship in 2011, a 9% increase over the 1.4 billion shipped in 2010 according to its recently released *Update* to its *IC Market Drivers* report.

As shown in Figure 1, good growth is forecast to continue for cellphone unit shipments in 2012 (8%) before declining slightly in the cyclical slowdown year of 2013. In 2014, cellphone sales are forecast to reach 1.79 billion units, about 26% higher than the shipments registered in 2010.

MORE INFORMATION CONTACT

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Cellular Phone Handset Shipment Forecast (2002-2014)

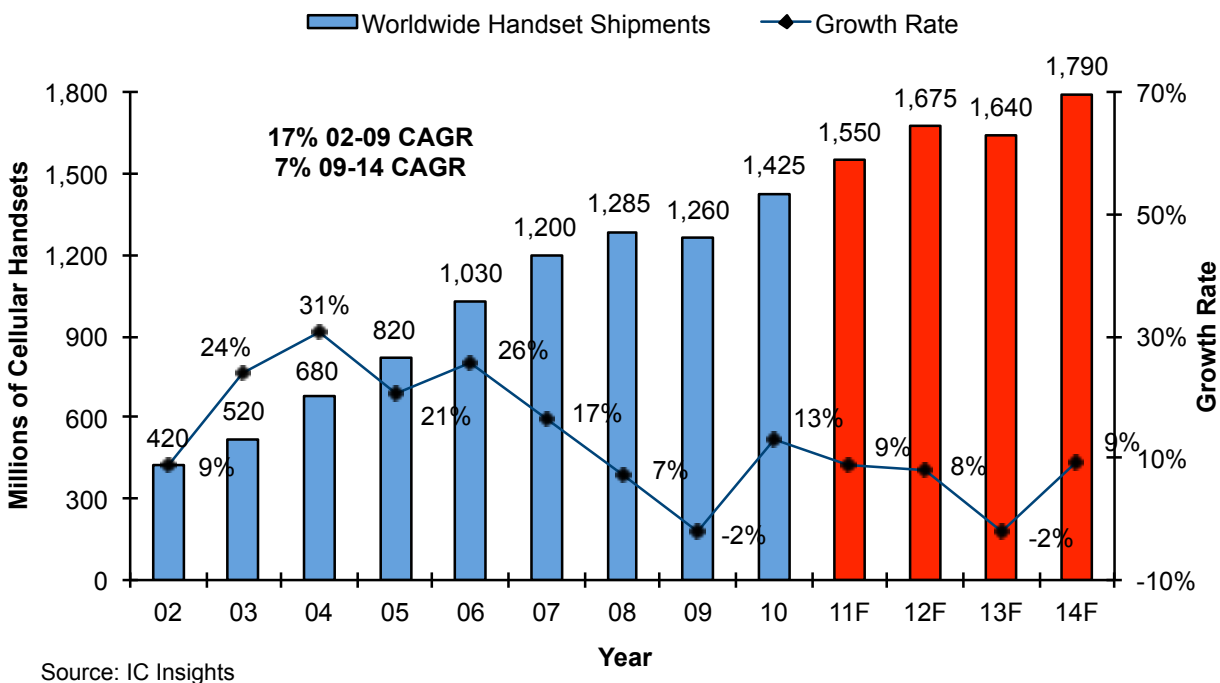


Figure 1

As shown in the figure, the 2009-2014 cellphone unit shipment CAGR is forecast to be less than half the 2002-2009 CAGR. However, surging shipments of smartphones, and their associated high IC content, are forecast to have a huge impact on the IC market through the forecast period. For example, a typical smartphone contains 7x as much NAND flash memory as a typical 2G handset.

Smartphones accounted for about 25% of total cellphone shipments in 1Q11 compared to 16% in the same quarter a year earlier. In 2011, total smartphone shipments are forecast to grow 60% to 440 million units, after increasing 56% to 275 million in 2010!

Between 2009 and 2014, smartphone shipments are expected to rise at a CAGR of 37% to 845 million units in the final year of the forecast period. That growth rate is more than 5x the projected CAGR for total cellphone unit shipments (7%) in the five-year timeframe. Almost half of all cellphone handsets shipped in 2014 (47%) are expected to be some type of smartphone, up from 19% in 2010.

Report Details

IC Insights has released its mid-year update to its 2011 *IC Market Drivers* report. With over 100-pages, the update provides new data and forecast information on the end-use markets that are big users of ICs. The 2011 *IC Market Drivers* report details and forecasts automotive and other electronic systems that are driving the IC market. It examines leading applications for ICs and evaluates the potential growth for new applications that are expected to fuel the market for ICs through 2014.

Price: (original report including the Update): **\$2,990** in electronically delivered PDF format (including single-user Internet password); **\$6,190** for multi-user corporate license (includes PDF, CD, and multi-user Internet access password). Visit <http://www.icinsights.com/services/ic-market-drivers/> for more information.

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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