

RESEARCH BULLETIN

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IC Market for Total Personal Computing Systems to Jump 6% in 2014

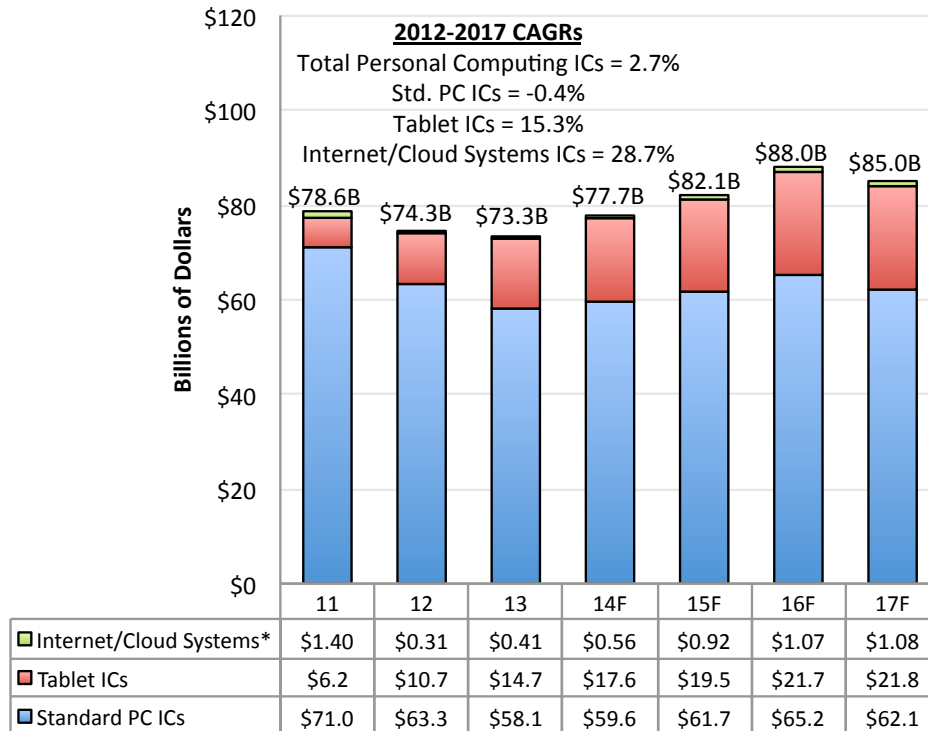
Three years of market growth forecast to offset past three years of sales declines.

Following three consecutive years of declines, the IC market for total personal computing systems is forecast to increase 6% to \$77.7 billion in 2014 and climb another 6% in 2015 to \$82.1 billion, which will be just shy of the record-high \$82.3 billion set in 2010, according to the 2014 edition of IC Insights' *IC Market Drivers—A Study of Emerging and Major End-Use Applications Fueling Demand for Integrated Circuits*. A new record high is forecast to be set in 2016, when sales reach \$88.0 billion. Between 2012 and 2017, personal computing IC sales are projected to rise by a CAGR of 2.7%, totaling \$85.0 billion in the final year of the forecast (Figure 1).

MORE INFORMATION CONTACT

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IC Market for Personal Computing Systems



*Includes mini-notebook "netbooks," which were superseded by tablets in 2012.

Source: IC Insights

Figure 1

Personal computing systems—standard PCs, tablets, and Internet/cloud-computing laptops—are forecast to remain the largest market for ICs with \$77.7 billion (27%) of integrated circuit sales expected from these systems in 2014. When all computer systems are considered (e.g., mainframes, supercomputers, servers, printers, monitors, and other peripherals as well as personal computing products), 36% of all dollars spent on ICs is forecast to be for computer equipment in 2014, according to the *IC Market Drivers* report.

In the last three years (2011-2013), personal computing system IC sales were pulled down by declines in integrated circuit purchases for standard desktop and notebook PCs. After surging 27% in the 2010 recovery year, PC IC sales slid 8% in 2011 to \$71.0 billion, followed by an 11% drop in 2012 to \$63.3 billion. In 2013, PC IC sales dropped 8% to \$58.1 billion. PC integrated circuit sales are expected to rise 3% in 2014 to \$59.6 billion. In the 2012-2017 period, PC IC sales are projected to fall by a CAGR of -0.4% to \$62.1 billion in the final year of the forecast.

Meanwhile, tablet integrated circuit sales increased 37% in 2013 to \$14.7 billion from \$10.7 billion in 2012, when revenues surged 73% from \$6.2 billion in 2011. IC Insights is forecasting a 20% increase in tablet integrated circuit sales in 2014 to \$17.6 billion, followed by 10% growth in 2015 to \$19.5 billion. Between 2012 and 2017, tablet IC sales are expected to grow by a CAGR of 15.3% to \$21.8 billion in the final year of the forecast. The Internet/cloud systems segment is expected to generate \$558 million in IC sales in 2014, which will be a 37% increase from about \$408 million in 2013. IC sales for Internet/cloud-computing systems are projected to grow by a CAGR of 28.7% in the forecast period, reaching \$1.1 billion in 2017.

Report Details: *IC Market Drivers 2014*

IC Market Drivers 2014—A Study of Emerging and Major End-Use Applications Fueling Demand for Integrated Circuits examines the largest, existing system opportunities for ICs and evaluates the potential for new applications that are expected to help fuel the market for ICs.

IC Market Drivers is divided into two parts. Part 1 provides a detailed forecast of the IC industry by system type, by region, and by IC product type through 2017. In Part 2, the *IC Market Drivers* report examines and evaluates key existing and emerging end-use applications that will support and propel the IC industry through 2017. Some of these applications include the automotive market, cellular phones (including smartphones), personal/mobile computing (including tablets), wireless networks, digital imaging, and a review of many applications to watch—those that may potentially provide significant opportunity for IC suppliers later this decade. The *2014 IC Market Drivers* report is priced at \$3,290 for an individual-user license and \$6,390 for a multi-user corporate license.

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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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