

Slow growth seen for DRAM

By Staff writers, TechWeb 12 April 2005 14:51 AEST Hardware

<http://www.itnews.com.au/newsstory.aspx?ClanCID=36&ClanID=18490>

Analyst firm Semico Research has predicted a three percent drop in revenue for the DRAM industry in 2005.

"Many computers have been upgraded this past year with new DRAM memory, and many new systems were already sold," according to Semico in the US.

"As a result, DRAM demand will not be as strong in 2005 as in 2004. Combined with the cyclical nature of the DRAM industry, this will result in a down year."

The research firm projected that the DRAM industry would pick up and grow 2.6 percent in 2006.

Semico forecasted sustained revenue with a compounded annual growth rate of 6.3 percent from 2005 to 2009.

Jim Feldhan, president at Semico, said the overall chip industry was set to rebound in the second half of 2005 and should enjoy strong growth through 2007 despite current weak demand.

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