



Memory Bulletin: DRAM, SRAM markets to fall

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SAN JOSE, Calif. — The DRAM and SRAM markets are projected to decline in 2005 after strong campaigns last year, according to Semico Research Corp. (Phoenix).

Economic factors, overcapacity and a slowdown in PCs and cellular phones will cause the DRAM market to hit \$25 billion in 2005, down 4 percent over 2004, according to Semico. In 2004, the DRAM market grew 56 percent, according to the research firm.

"The growth of 2004 in the DRAM market set the stage for excesses in 2005," according to Semico. "2005 revenue is forecast to decline driven by moderate falling prices. This of course will make the year more challenging. Some of this revenue decline is the result of smaller end-market growth, overall economic softness and oversupply."

In terms of units, the SRAM market is forecast to decline 8.5 percent to 1.18 billion units. Worldwide SRAM revenues are projected to fall 8.9 percent to \$2.9 billion, according to Semico.

"The SRAM market is increasingly threatened by both DRAM technology, which is more cost-effective and provides higher densities than SRAM can for many applications, as well as a trend toward embedded SRAM," according to the firm. This will result in the SRAM market slowly declining to 1.12 billion units by 2009."

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