

Research News—Semiconductors

NAND Zooming Toward 2nd Largest Memory Market Spot, Says Semico

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Semico Research Corporation's just-released NAND forecast underscores that market's enormous growth, and shows that even with expected price collapses the market will shoot past NOR to become the second-largest memory market after DRAM.

Although NAND will experience a price slide in 2005 from an industry-wide overcapacity and the emergence of new competitors, the market will take a weaving path upwards, peaking at \$38.9 billion in 2008 before a price collapse in 2009.

"Since its inception NAND has consistently enjoyed an annual megabyte growth greater than 100%, the highest of any memory technology in history," said Jim Handy, Director of Nonvolatile Memory Services at Semico Research Corp. "This growth has been fueled by the digital camera market, camera phones, USB flash drives, and MP3 players. When this extreme megabyte growth encounters periods of stable pricing revenues explode!"

Semico says that its NAND forecast methodology is one of the most complete and accurate models in the market. Semico's quarterly 2003 flash forecasts hovered within 4% of actual 2003 revenues, and in 2004, a year marked by a 65% NAND price collapse, Semico's flash forecast remained within 13% of actual over the course of the year. The forecast is built upon a model that compares end-application demand using the Semico MAP model to production capacity from Semico's exhaustive fab database. This is layered upon pricing models extracted from historical market behavior, and is continually tested against WSTS history and Semico's Inflection Point Indicator.

This study is available for immediate delivery for \$3,495. To purchase, please contact the market research firm directly, and reference NV101-05, "NAND's Price Fall Takes a Breather: First Quarter 2005 Pricing & Forecast".