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Study: IC Market to Boom through 2007

By Mike Buetow

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SAN JOSE -- Research firm Semico yesterday forecasted semiconductors would see an 18% jump in revenues next year, pushing out the start of the next downcycle to the second half of 2008.

The firm also called for stronger second half sales this year, due to traditional and emerging markets.

Semico forecasted unit growth of 17% for ICs earmarked for computers and cellphones.

The firm sees 40% growth for chips headed for consumer markets, headed by digital televisions (98% growth) and DVD recorders (54%).

In reported comments, the company said that spiking oil prices would be offset by gains in housing net worth, improving consumer confidence, and stable interest rates.

Capacity utilization rates are expected to continue to improve throughout the rest of the year, Semico said.