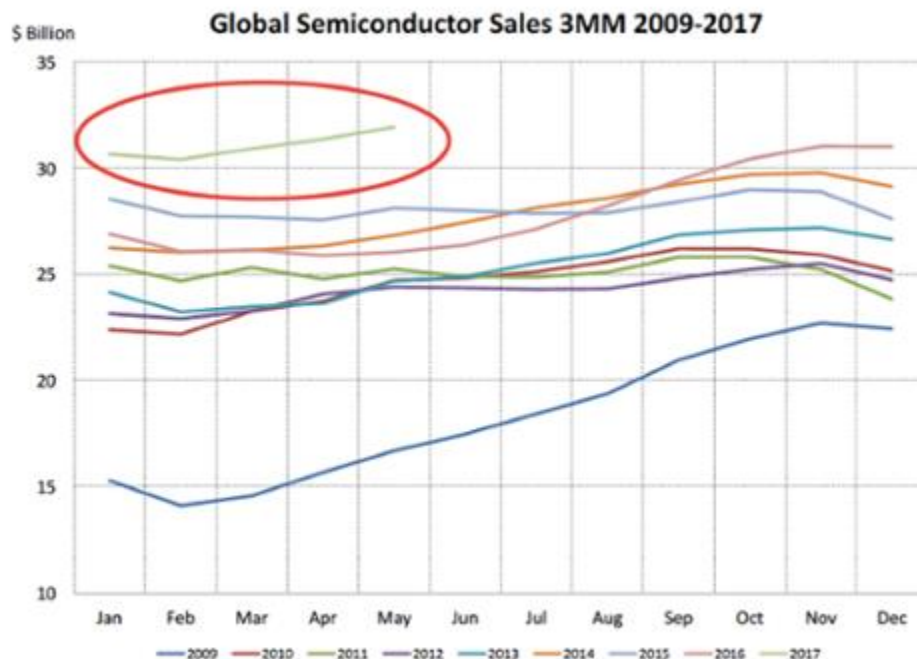


## How Have First-Half 2017 Semiconductor Sales Performed?

Tomorrow, SIA will release its June 2017 global sales report (GSR), which will include global semiconductor sales totals for the first half of 2017. As the midpoint approaches, this is a good time to assess sales performance to date, as well as to consider what to look for leading into the second half of 2017.

To date, 2017 has been an historically strong year for semiconductor sales. The table below shows monthly sales, on a three-month-moving average basis, through May (circled in red) compared with monthly sales for the eight previous years. Monthly sales in 2017 through May have been consistently higher than totals from any previous year. Barring a major sales downturn in June, first-half sales will almost certainly exceed first-half performance from any previous year.



In June, the World Semiconductor Trade Statistics organization (WSTS) revised its 2017 forecast up to 11.5 percent year-over-year growth from its December 2016 forecast of 3.3 percent growth. Several other industry analysts have also revised up their 2017 forecasts to reflect the strong first-half sales performance, including Gartner and IC Insights.

What should we look for from the June release that might indicate continued strong second-half sales? First, are Q2 sales totals greater than Q1 totals? WSTS has forecast Q2 sales to come in slightly lower than Q1 sales by 0.8 percent, but this is unlikely given the strong sales performance thus far in April and May. Second, is June's month-over-month growth greater than that of Junes in previous years? Per the table to the right, positive June month-over-month growth in 2016 and 2014 led to a very strong second half, while negative June month-over-month growth in 2015, 2012, 2011 led to a stagnant second half.

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What is clear is sales in 2017 to date have positioned the industry to experience high sales growth in 2017. The question is likely to be how positive will the year-end growth be. Will it exceed WSTS's forecast of 11.5 percent? Also, will sales growth accelerate in the second half compared to the first half, which historically it has done? Given where the industry is in terms of sales to date, further acceleration of growth in the second half could prompt WSTS to revise even higher its 2017 forecast in the Fall. It will certainly be interesting to see how June and the rest of the year play out.

### **To Keep Up to Date on Semiconductor Market Sales, Consider a WSTS Database Subscription**

ECIA members who are looking for reliable and consistent market trend data and statistics on the global semiconductor market might consider an annual subscription to the World Semiconductor Trade Statistic (WSTS) database from the Semiconductor Industry Association (SIA). Known as the industry standard for semiconductor market sales statistics, the WSTS database contains over 200 product lines for all major world regional markets. For all products, the database includes data on sales, units, and average selling prices. WSTS database subscribers benefit from having a consistent and reliable primary source of semiconductor market data, as well as twice-yearly industry forecasts. The WSTS database is the only source of monthly industry sales data available anywhere, a valuable tool for anyone who needs to follow the market closely. Additionally, with records spanning the past 40 years, the WSTS database is a useful tool for historical market trend analysis. To learn more about subscribing to the WSTS database, including special offers, please contact Falan Yinug of SIA at [fyinug@semiconductors.org](mailto:fyinug@semiconductors.org) or 202-446-1705.