TPC Semiconductor Market Survey

April 29, 2020
We completed our monthly survey last weekend (~8,500 respondents) which showed little change in C2Q growth expectations. However, both C1Q and C2Q bookings expectations improved. We believe while this signals near term demand remaining OK and indicates an anticipation in better demand and ship rates moving into 2H.

End customers have been reluctant to cancel production to their manufactures instead pushing out production into future qtrs.

The survey showed a growth outlook for C2Q20 remaining generally the same as last month with 53% expecting q/q growth vs. 58% previously, but only 12% see it as weaker vs. 19% last month.

The survey showed an improvement in bookings growth outlook for C2Q20 with 34% expecting improving bookings vs. C1Q compared to 18% last month. Only 11% expect weaker bookings.

Backlog cancellation expectations (slide 6) shows a trend of decreasing cancellations over the last 3 months which we view as positive.

Availability of critical parts are still a concern with lead-times extending and inventories remaining low. Slide 7, which shows a more granular view of inventory by key components, continued to show a marked decrease in inventory and availability (especially DRAM & Passives) as we believe we are headed towards longer component lead-times and allocation is some instances.
C1Q20 & C2Q20 Growth Outlook

C1Q Growth Expectations vs. C4Q

C1Q20 Growth Expectations

C2Q Growth Expectations vs. C1Q

C2Q20 Growth Expectations
Q/Q Seasonality Expectations

C1Q Seasonality Expectations

C1Q20 Seasonality Expectations

C2Q Seasonality Expectations

C2Q20 Seasonality Expectations

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Q/Q Bookings Growth Expectations

C1Q Bookings Expectations

C1Q20 Bookings Expectations

C2Q Bookings Expectations

C2Q20 Bookings Expectations

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Backlog Order Cancellations vs. 30 Days Ago
(Delta between increasing and decreasing cancellations – Higher % is more positive)

Increasing/Decreasing Delta

January
February
March
April
May
June
July
August
September
October
November
December
January
February
March
April
May
June
July
August
September
October
November
December
January
February
March
April

Increasing/Decreasing

50%
40%
30%
20%
10%
0%
-10%
-20%
-30%
-40%
-50%
Still seeing most products now at or BELOW normal inventory levels. Leadtimes in DRAM & Caps continue to extend.
Q/Q Inventory Growth

C1Q20 Inventories vs. C4Q19

C2Q20 Inventories vs. C1Q20
Q/Q Pricing Trends

C1Q20 Pricing vs. C4Q19

C2Q20 Pricing vs. C1Q20
Vertical Outlook

The outlook for Communications continues to be above previous years while Auto continues to erode.