

THE AUDACITY OF IMAGINATION

MICROELECTRONICS' NEW MILLENNIUM



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GSA

ITAC

Keynote Address: IDC Semiconductor Update: Semiconductor Industry Downturn Prolonged by Economic Reality

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At what point can we expect to reach the bottom of this current downturn? How does this downturn compare to 1996, 1998 and 2001?

- Which system markets do we expect will recover first? Will connectivity, mobile internet, multicore processors, and NAND drive the next wave of investments for semiconductor companies?
- DRAM and NAND markets do not stabilize until the fourth quarter this year and revenue growth does not return until 2010. Will this accelerate consolidation in DRAM?
- Dedicated foundry market remains unstable through 1H09. Utilization rates bottom by the middle of the year but will take longer to recover. What does this mean for TSMC, UMC, Chartered, and SMIC?
- Capital spending declines by nearly 50% this year. Who will spend this year?