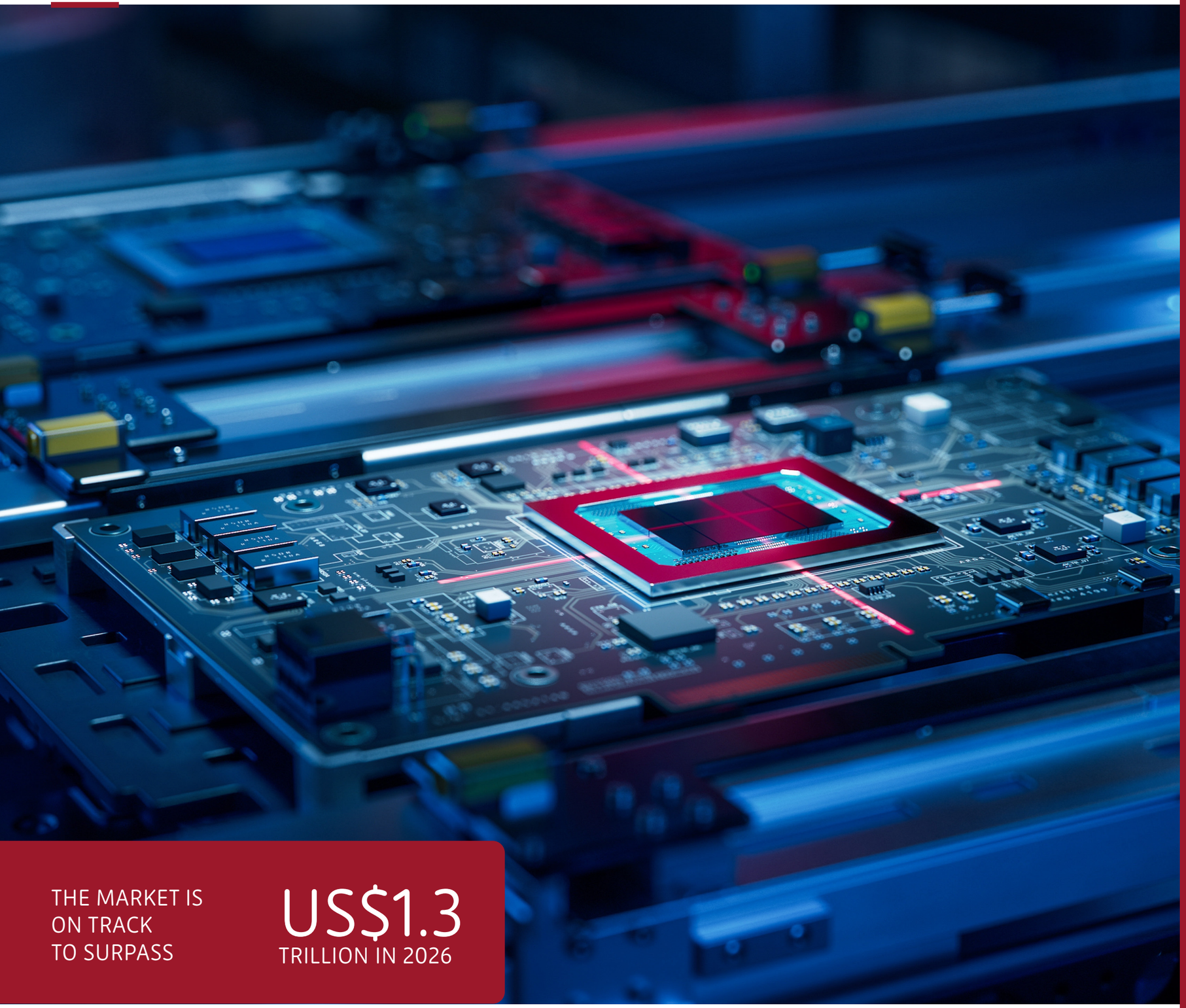
May 2026

Monthly Market Insights

Rebound Electronics

Market Updates



General Market: Strong Growth Led by High-Value Segments

The global semiconductor industry continues to show strong upward momentum, with growth increasingly driven by AI, data centres, and high-performance computing. According to Gartner, the market is on track to surpass US$1.3 trillion in 2026, signalling one of the most significant expansion cycles in recent years. As reported by Semiconductor Industry Association, global sales remain resilient with consistent double-digit year-on-year growth. This reflects a market that is not just growing, but evolving towards higher-value, innovation-led applications.

AI and Memory: High-Growth Segment with Strong Pricing Environment

Artificial intelligence continues to unlock premium demand and pricing power, particularly across advanced memory solutions. As reported by Samsung Electronics, high-bandwidth memory (HBM) demand is driving significant earnings growth, underlining the strategic value of AI-focused products. According to Micron Technology, DRAM and NAND pricing trends are strengthening, supported by sustained demand from hyperscale data centres. This signals a healthy pricing environment, with suppliers benefiting from optimised allocation and higher-margin product mix.

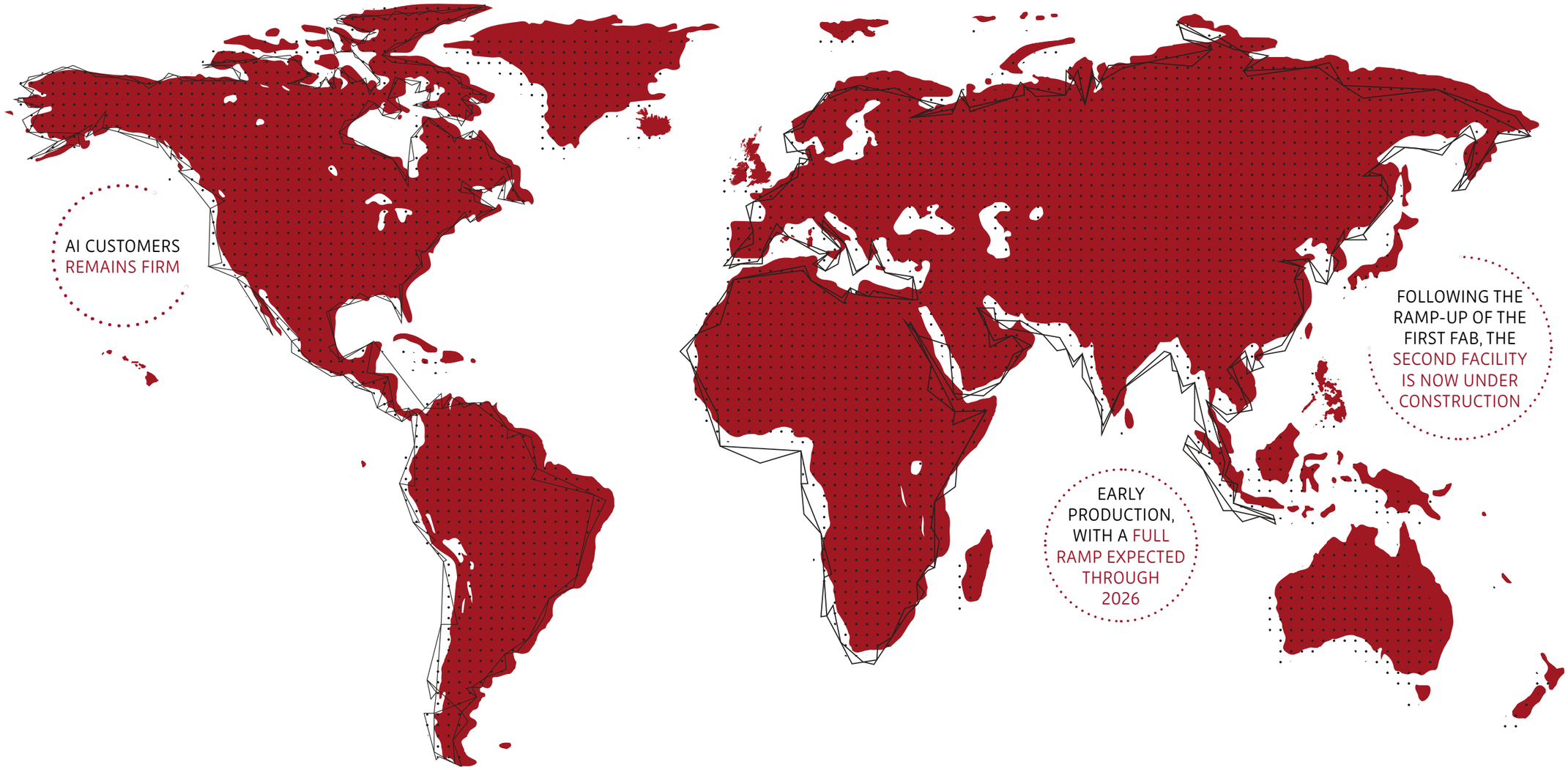
Supply Chain: Strategic Allocation Enhancing Market Efficiency

The semiconductor supply chain is becoming more strategic, structured, and forward-looking, as companies adapt to evolving demand patterns. According to SEMI, capacity for advanced nodes and packaging remains highly utilised, reflecting strong and sustained demand. As reported by TSMC, leading-edge production is fully committed to long-term customers, signalling confidence and visibility across the value chain. This environment is encouraging stronger partnerships, long-term agreements, and improved supply chain planning.

Manufacturing and Fabs: Global Investments Reinforce Future Capacity

Investment in semiconductor manufacturing continues at pace, reinforcing long-term industry resilience and scalability. According to Semiconductor Industry Association, global fab expansion is accelerating across regions, driven by both commercial demand and national strategies. As reported by SEMI, these developments highlight a multi-year pipeline of capacity growth, particularly in advanced nodes and specialised manufacturing. This positions the industry for sustained innovation, improved supply security, and future demand readiness.

Top five regional fab updates



United States (Arizona) TSMC

The first fabs that broke ground in 2024 are now moving into tool installation and final fit-out, with production still scheduled for 2026, while the second phase is expected to follow in early 2027, as demand from AI customers remains firm.

Germany (Magdeburg) Intel

The project, approved in 2024, is progressing through site works and early construction; timelines have extended slightly, but initial operations are still targeted for 2027 as Europe continues to build out local capacity.

Japan (Kumamoto) TSMC

Following the ramp-up of the first fab, the second facility is now under construction, with production expected in late 2026 into early 2027, largely supporting automotive and industrial demand.

India (Sanand) Micron Technology

The backend facility launched in 2024 has already entered early production, with a full ramp expected through 2026, marking a clear step forward in India's role within the global supply chain.

United States (Idaho) Micron Technology

Construction on its new memory fab began in late 2024 and is now well into site development, with DRAM output expected to come online between 2026 and early 2027, aligned with tightening AI-driven memory demand.

Geopolitics and Supply Chain Resilience: Driving Diversification

Geopolitical dynamics continue to encourage greater resilience and diversification across the semiconductor ecosystem. As reported by U.S. Department of Commerce, export controls are shaping more regionally balanced supply chains and technology ecosystems. At the same time, developments involving Iran (strait of Hormuz) highlight the importance of stable logistics and energy supply in global operations. These factors are accelerating multi-region sourcing strategies and investment in supply chain security, strengthening the industry's long-term stability.

Electronics and Automotive: Expanding Opportunities Across End Markets

End markets continue to present diverse growth opportunities, with varying recovery speeds across segments. According to IDC, consumer electronics demand is gradually stabilising, creating a more balanced demand environment. Meanwhile, as reported by Infineon Technologies, automotive and EV applications are driving sustained semiconductor demand, particularly in power and connectivity solutions. This highlights a market that is broadening its growth base, supported by both next-generation technologies and recovering consumer demand.

Company-Specific Updates

AMD

- Continued to ride strong AI and data centre demand, with production heavily reliant on leading-edge foundry capacity amid tight supply conditions.
- Strengthened its position in high-performance compute chips, benefiting from industry-wide prioritisation of AI workloads over consumer segments.
- Maintained close alignment with advanced-node capacity at TSMC, reinforcing long-term supply security.

Infineon Technologies

- Implemented price increases of at least 10% on power semiconductors, reflecting sustained demand from EV and industrial sectors.
- Continued to benefit from strong electrification demand, particularly in automotive and energy-efficient applications.
- Aligned with broader industry moves to prioritise high-margin power and SiC solutions amid supply constraints.

Intel

- Announced a $14.2 billion deal to regain full ownership of its Ireland fab stake, strengthening control over manufacturing assets.
- Continued executing its IDM 2.0 strategy with focus on internal capacity and foundry services expansion.
- Positioned itself to stabilise capital structure while maintaining long-term fab investment commitments.

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- Introduced price adjustments effective April 1, particularly across power and industrial semiconductor products.
- Continued to see strong demand from EV and data centre applications, supporting pricing discipline.
- Focused on optimising product mix towards higher-margin intelligent power solutions.

Panasonic

- Increased pricing across passive components by 10% to 30%, reflecting rising input costs and demand recovery.
- Continued to benefit from resilient demand in automotive and industrial electronics.
- Strengthened its role in the supply chain through passives critical to power and EV systems.

TDK

- Benefited from rising demand for passive components and energy-related applications, particularly in EV and industrial markets.
- Operated within a broader trend of component price increases across passives and supply chain inputs.
- Continued to support miniaturisation and power efficiency trends across next-generation electronics.

Texas Instruments

- Implemented a major price increase ranging from 15% to 85% effective April 1, one of the most significant moves in the analogue market.
- Expanded pricing adjustments across industrial and automotive chips, reflecting strong end-market demand.
- Leveraged its IDM model to maintain supply control while improving margins.

TSMC

- Increased 8-inch wafer pricing by 10% to 15%, reflecting tight capacity in mature nodes.
- Continued operating at near-full utilisation across advanced nodes, driven by AI and HPC demand.
- Reinforced its position as the critical backbone of global semiconductor manufacturing, with long-term capacity largely pre-allocated.

Vishay

- Remained active in discrete and analogue supply chains, supporting industrial and automotive demand recovery.
- Benefited from tight supply conditions in mature nodes, where availability remains constrained.
- Continued to operate within a pricing environment shaped by rising material and wafer costs.

Disclaimer

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Data collected between mid-March and April 20th.

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