



Q2 2026

Market Insights

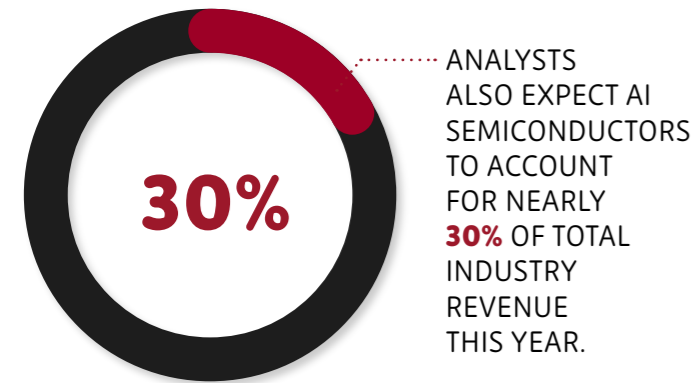


Rebound
Electronics

Global Semiconductor Market Overview

AI Infrastructure Continues Driving Semiconductor Growth

According to Gartner, global semiconductor revenue is projected to exceed US\$1.3 trillion in 2026, representing the strongest industry growth in more than two decades. AI accelerators, GPUs, advanced networking, and high-bandwidth memory (HBM) continued driving demand throughout April and May 2026 as hyperscalers expanded global AI infrastructure investment. Analysts also expect AI semiconductors to account for nearly 30% of total industry revenue this year.



DRAM and NAND Prices Continue Climbing

The memory market remained one of the tightest segments during Q2 2026, with DRAM and NAND pricing continuing to rise sharply as suppliers prioritised AI-related production. According to TrendForce, DRAM contract prices are expected to increase by 58% to 63% quarter-on-quarter in Q2, while NAND pricing could rise by as much as 75%. Gartner also estimates annual DRAM prices may increase by 125% in 2026, with NAND flash pricing potentially surging by more than 230% as supply remains constrained through at least 2027.

AI Demand Reshapes Global Supply Allocation

According to S&P Global, leading suppliers including Samsung Electronics, SK hynix, and Micron Technology continued reallocating production capacity towards HBM and enterprise SSDs for AI servers. This shift has reduced availability for conventional DRAM, PC memory, and consumer NAND products, resulting in tighter supply across smartphones, PCs, and industrial electronics. Industry analysts also estimate AI data centres could consume nearly 70% of global DRAM output in 2026.

Advanced Nodes and Packaging Capacity Remain Constrained

Leading-edge foundry and advanced packaging capacity remained heavily constrained during April and May 2026 as AI chip demand continued exceeding available supply. According to SupplyICs, 3nm and below manufacturing capacity is effectively sold out through 2027, while advanced CoWoS packaging used for AI accelerators remains under significant pressure. TSMC also confirmed plans to accelerate new fab and advanced packaging expansion projects to support long-term AI demand growth.

Automotive and EV Semiconductor Demand Stays Resilient

Automotive and EV semiconductor demand remained stable throughout Q2 2026, particularly across power semiconductors, silicon carbide (SiC), automotive MCUs, and analogue components. According to Ample Solutions, suppliers including Texas Instruments, Infineon Technologies, and Analog Devices implemented additional pricing increases across automotive and industrial product categories during April 2026. Demand linked to EV power systems, industrial automation, and energy-efficient technologies continued supporting strong order activity despite ongoing supply pressures.

New Fab Investments Accelerate Globally

Global semiconductor manufacturers continued accelerating fab expansion and localisation strategies during Q2 2026 as governments and companies prioritised supply chain resilience and AI capacity growth. According to reports cited by Reuters, TSMC plans to expand advanced-node and CoWoS packaging capacity aggressively through 2028, while Japan's Rapidus continued progressing next-generation semiconductor manufacturing projects. Industry investment remained heavily concentrated on AI-related infrastructure, advanced logic, HBM, and packaging technologies rather than mature consumer-focused capacity.

Component Supply Crunch Deepens in Q2 2026 as Lead Times and Prices Rise Across the Board

The Q2 2026 market data reveals a broad based deterioration in component availability, with 9 out of 11 tracked categories showing worsening pricing or lead time conditions compared to Q1. (Based on Rebound Electronics' Trendliners Q1 Vs. Q2 2026) Memory has seen the sharpest shift, with NOR, NAND, eMMC, and DRAM lead times extending to 28+ weeks, driven directly by surging AI server and HBM demand, whilst programmable logic has reached a critical 42+ weeks, up from 18+ in Q1. MCUs, standard logic, and analog components have similarly moved in the wrong direction, with pricing trends turning upward across families that were holding stable just one quarter ago. The sole areas of relief are low and mid power LEDs, now at 4–10 weeks, and select power discretes improving marginally, but these bright spots do little to offset what is shaping up to be the tightest supply environment seen in several quarters.

Asia Faces Growing Supply Chain and Geopolitical Pressure

According to the Financial Times, Asia's semiconductor sector continues benefiting from a regional industrial investment cycle driven by AI infrastructure, renewable energy, and advanced manufacturing expansion. At the same time, geopolitical tensions across China, Taiwan, and the Middle East have increased supply chain concerns, particularly around critical semiconductor materials including neon gas, gallium, germanium, helium, and lithography chemicals. Samsung Electronics also entered emergency labour negotiations in May 2026 to prevent a large-scale strike that could disrupt global HBM and memory supply, highlighting the growing operational pressure facing Asian chipmakers.

US Strengthens AI and Semiconductor Trade Controls

The United States continued tightening semiconductor policy during Q2 2026 as lawmakers pushed for stricter export controls targeting advanced chipmaking equipment supplied to China. According to Reuters and Tom's Hardware, bipartisan proposals introduced in April would further restrict exports of lithography and etching tools linked to Chinese AI and semiconductor development, particularly affecting firms such as SMIC and Huawei. AI investment across the US also remained aggressive, with hyperscale demand continuing to drive growth across GPUs, advanced CPUs, and AI networking infrastructure, while concerns surrounding intellectual property protection and AI competition with China intensified.



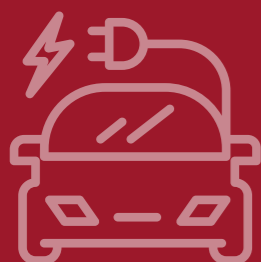
Europe Pushes for Greater Semiconductor Independence

Europe accelerated efforts to strengthen semiconductor self-sufficiency during April and May 2026 as policymakers prepared revisions to the EU Chips Act aimed at increasing direct investment into new fabs and advanced semiconductor technologies. According to Bloomberg, the proposed "Chips Act II" would allow the European Commission to invest directly in manufacturing projects following delays and cancellations tied to earlier semiconductor expansion plans. European governments also continued prioritising domestic semiconductor supply resilience, advanced packaging, automotive semiconductors, and industrial chip production as dependence on Asian manufacturing remains a key strategic concern.

Advanced Packaging Expansion Accelerates Worldwide

Global semiconductor packaging and testing investment accelerated significantly throughout Q2 2026 as AI-related demand continued pushing advanced packaging capacity to its limits. According to TrendForce, ASE launched its largest-ever global fab expansion programme, while Samsung Electronics and Amkor increased packaging and testing investment in Vietnam to support AI, automotive, and high-performance computing demand. Industry analysts also noted that advanced packaging, including CoWoS and HBM integration, has become one of the most critical bottlenecks across the global AI semiconductor supply chain.

Key End-Market Drivers



Automotive and Electric Vehicles

According to S&P Global, the automotive semiconductor market remained strong throughout Q2 2026 as rising EV production, ADAS adoption, and demand for silicon carbide, automotive MCUs, and AI-enabled vehicle platforms continued driving higher semiconductor content per vehicle.



Consumer Electronics

According to Gartner, consumer electronics manufacturers faced continued pressure during Q2 2026 as DRAM and NAND pricing increased sharply due to AI-related demand redirecting memory supply away from smartphones, PCs, and other traditional consumer devices.



Defence and Aerospace

The defence and aerospace sector continued increasing investment in AI-enabled defence systems, secure communications, radar technologies, and advanced compute platforms during Q2 2026 amid growing geopolitical concerns surrounding semiconductor supply security and export controls.



Healthcare and Medical Technology

Healthcare and medical technology demand remained stable throughout Q2 2026 as growing adoption of connected medical devices, diagnostic imaging systems, wearable healthcare technologies, and AI-assisted platforms continued supporting demand for analogue, sensing, and low-power semiconductor solutions.

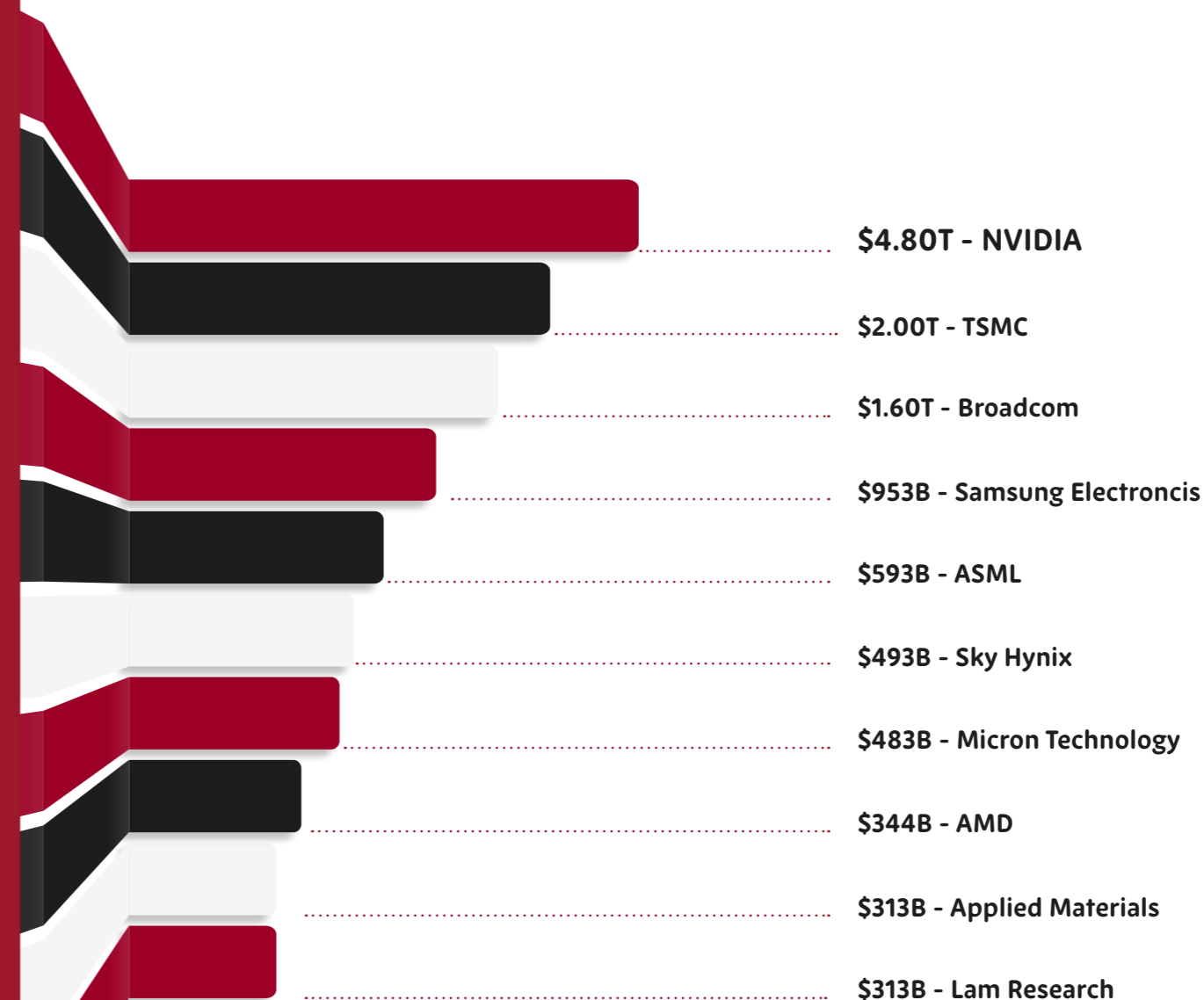
Rebound Electronics will be exhibiting at Eurosatory 2026 (15–19 June, Paris Nord Villepinte, France) - visit us at Hall 6, Stand G240 to connect with our team and discover our global supply chain solutions.

Strategic Outlook

AI Expansion, Supply Constraints, and Regionalisation to Shape the Semiconductor Market Through 2026

The semiconductor industry is expected to maintain strong momentum through Q3 and the remainder of 2026, largely driven by continued hyperscale investment in AI infrastructure, high-bandwidth memory (HBM), advanced packaging, and next-generation data centre expansion. According to Gartner, global semiconductor revenue is projected to surpass US\$1.3 trillion this year, although supply tightness across DRAM, NAND, CoWoS packaging, and advanced-node foundry capacity is likely to keep pricing elevated well into 2027. Automotive, industrial, and defence sectors are expected to remain resilient, supported by growing demand for power semiconductors, silicon carbide, and embedded AI technologies, while consumer electronics and traditional PC markets may continue facing pressure from higher component costs and uneven demand recovery. Geopolitical uncertainty, export controls, and ongoing regionalisation of semiconductor manufacturing are also expected to accelerate investment into new fabs, supply chain diversification, and domestic semiconductor policies across the US, Europe, and Asia.

Largest Companies by Market Capitalization



Company - Specific Updates

AMD

- AMD reported stronger AI and server processor demand supported by advanced 2nm manufacturing capacity at TSMC.
 - The semiconductor company expanded its AI accelerator portfolio to strengthen its position in hyperscale data centres.
 - Improved enterprise investment in cloud and AI infrastructure continued supporting AMD's growth momentum.
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Analog Devices

- Analog Devices confirmed additional pricing adjustments across analogue and industrial product lines amid ongoing supply constraints.
 - The company saw stronger demand linked to automotive electrification and industrial automation projects.
 - ADI continued investing in high-margin power management and mixed-signal technologies.
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Broadcom

- Broadcom expanded its long-term custom AI chip partnership with Meta through 2029.
 - The company continued benefiting from robust demand for AI networking and custom ASIC technologies.
 - Growth in advanced switching solutions further strengthened Broadcom's AI data centre business.
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Diodes Inc.

- Diodes Incorporated continued benefiting from rising industrial and automotive semiconductor demand.
 - The semiconductor supplier saw stronger pricing across power management and analogue component categories.
 - The company maintained focus on expanding automotive-qualified semiconductor solutions.
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Infineon

- Infineon Technologies announced further investment in power semiconductors supporting AI and electrification demand.
 - The company expanded its silicon carbide and automotive power technology capabilities.
 - Stronger industrial demand for energy-efficient semiconductor solutions continued benefiting Infineon's portfolio.
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Intel

- Intel saw renewed investor optimism after stronger AI-related server CPU demand improved sentiment around its data centre business.
 - The technology company continued progressing its foundry expansion strategy to improve competitiveness.
 - Intel also increased focus on AI-enabled processors across enterprise and cloud markets.
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Kyocera

- Kyocera benefited from stronger demand across electronic components and industrial applications.
 - The Japanese manufacturer expanded its advanced ceramic and semiconductor packaging capabilities.
 - Improving momentum in automotive and factory automation sectors continued supporting Kyocera's outlook.
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Lattice

- Lattice Semiconductor reported 42% year-on-year first-quarter revenue growth driven by edge AI demand.
 - The company announced the acquisition of AMI to strengthen its secure edge AI platform business.
 - Adoption of low-power FPGA solutions continued expanding across industrial and automotive markets.
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Murata

- Murata Manufacturing benefited from continued AI-related growth in the passive components market.
 - The company saw stronger MLCC and capacitor demand across server and automotive applications.
 - Murata also continued investing in next-generation component technologies for AI markets.
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Nexperia

- Nexperia continued expanding its position in automotive and power semiconductor applications.
 - Sustained global demand for mature-node semiconductor devices supported the company's market position.
 - The semiconductor manufacturer increased focus on energy-efficient solutions for industrial electronics markets.
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NVIDIA

- NVIDIA remained central to the global AI investment boom despite temporary market volatility.
 - The company continued dominating demand for AI GPUs used in enterprise and cloud data centres.
 - Strategic partnerships with major cloud providers continued supporting NVIDIA's generative AI infrastructure growth.
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NXP

- NXP Semiconductors forecast stronger second-quarter revenue following a rebound in automotive semiconductor demand.
 - Improving data centre and industrial semiconductor sales also supported investor confidence.
 - The company continued strengthening its automotive processing and connectivity portfolio.
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Onsemi

- onsemi implemented fresh price increases across power and industrial semiconductor products.
- The company continued benefiting from AI infrastructure and automotive electrification demand.
- Investment in silicon carbide technologies for EV power systems remained a strategic priority for onsemi.

Panasonic

- Panasonic Industry joined other passive component suppliers in implementing price increases during April 2026.
- The company saw stronger demand from AI server and automotive sectors.
- Continued investment in advanced capacitor and industrial component technologies remained a key focus area.

Rapidus

- Rapidus continued advancing Japan's next-generation semiconductor manufacturing ambitions.
- The company progressed development of advanced-node fabrication capabilities for AI applications.
- Strategic partnerships continued supporting Rapidus' efforts to strengthen domestic semiconductor supply chain resilience.

Renesas

- Renesas Electronics introduced additional pricing adjustments across automotive and embedded semiconductor products.
- Strong automotive microcontroller demand continued benefiting the company's performance.
- Renesas also expanded focus on industrial automation and embedded AI semiconductor solutions.

Samsung

- Samsung Electronics warned that AI-driven HBM memory demand could keep the memory market constrained through 2027.
- The company continued expanding advanced memory production capacity for AI server demand.
- Investment in next-generation HBM and AI semiconductor technologies remained a major strategic focus for Samsung.

Siemens

- Siemens deepened collaboration with TSMC on AI-driven electronic design automation solutions.
- The industrial technology group continued strengthening its semiconductor software and automation business.
- Growing demand for AI-enabled industrial digitalisation technologies further supported Siemens' expansion strategy.

ST Microelectronics

- STMicroelectronics maintained focus on automotive and industrial semiconductor growth opportunities.
- Stronger demand for power and analogue semiconductor solutions continued supporting the company's momentum.
- STMicroelectronics also expanded investment in silicon carbide technologies for EV applications.

Toshiba

- Toshiba Electronic Devices & Storage Corporation continued expanding its power semiconductor and automotive component portfolio.
- Rising demand linked to electrification and industrial automation supported stronger market conditions for the company.
- The Japanese semiconductor supplier also increased focus on energy-efficient automotive semiconductor solutions.

Texas Instruments

- Texas Instruments launched another major round of semiconductor price increases affecting industrial and automotive products.
- The analogue semiconductor leader continued seeing stronger demand for embedded processing solutions.
- Texas Instruments also maintained long-term investment in manufacturing capacity expansion strategies.

TSMC

- TSMC continued benefiting from surging AI chip demand during April 2026.
- The foundry leader advanced its 2nm production roadmap for next-generation AI processors.
- Strong momentum from high-performance computing and cloud customers continued supporting TSMC's outlook.

Vishay

- Vishay Intertechnology introduced new ultrafast rectifiers for automotive and industrial power applications.
- The company benefited from stronger demand for power management components.
- Vishay also expanded focus on automotive-grade passive and semiconductor technologies.

DISCLAIMER

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While we ensure the timeliness and quality of the data, please contact the Rebound Electronics team for any further questions.

The background is a solid dark red color. It features several thick white geometric lines that create a sense of movement and structure. One line starts from the bottom left and goes up towards the top center. Another line starts from the top center and goes down towards the right edge. A third line starts from the top center and goes down towards the bottom right. These lines intersect to form a large, abstract shape that resembles a stylized 'A' or a mountain peak.

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