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Electronic parts: Data update

Global Markets Research
30 June 2026

EQUITY: JAPAN ELECTRONIC PARTS

Research Analysts

Japan electronic parts

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May 2026: MLCC exports up 18.6% y-y

Export growth driven by trading companies demand, weighting of AI server applications rising steadily

MLCC exports up 18.6%: Marked rise in exports to Hong Kong

Trade statistics for May 2026 show that yen-denominated MLCC exports rose 18.6% y-y (Figure 1). May trade statistics showed a 55.0% rise in exports to Hong Kong, much higher than growth to other key destinations, providing fresh evidence that the recent rise in demand was due to stockpiling by trading companies. Taiwanese and South Korean MLCC producers have been hiking prices on spot markets for commodity products supplied to trading companies, and we think there may have been a one-time increase in orders placed by trading companies in greater China to Japanese producers.

May export value was up 18.6% y-y for MLCCs (up 28.0% yin April, up 21.7% in March, up 8.0% in February), up 10.4% for inductors (up 10.5% in April, down 10.3% in March, down 3.9% in February), up 28.0% for fixed resistors (up 28.5% in April, up 16.0% in March, up 9.0% in February), and up 26.5% for aluminum electrolytic capacitors (up 11.3% in April, up 16.0% in March, up 1.8% in February). USD/JPY came in at 158.3 in May, representing yen appreciation of 0.6% versus 159.3 in March 2026 and yen depreciation of 8.6% versus 144.8 in May 2025. On a USD basis, exports were up 8.4% for MLCCs, up 0.9% for inductors, up 17.0% for fixed resistors, and up 15.7% for aluminum electrolytic capacitors. We think aluminum electrolytic capacitor prices may have been revised to reflect rising material costs (aluminum foil price).

MLCCs: Greater China trading companies and AI server applications driving demand, EV-related shipments also up

The countries and regions that saw the biggest y-y rises in MLCC export value in May were Hong Kong, China, Taiwan, Thailand, and Singapore, in that order. Demand related to AI servers has been rising in Taiwan (servers) and Thailand (power supplies), and inventory stockpiling by trading companies has likely been driving demand in Hong Kong and China. We get the impression that there is a mix of underlying and anticipatory demand in Singapore, as it is a production base for network equipment and a base for trading companies catering to the ASEAN region. Taiwan accounted for 16.9% of total exports, a record high, and Thailand for a record high of 3.3% (Figures 6 and 7). We expect the combined weighting of the two nations to rise to around 25% by next spring.

Average value-added (a measure of the product mix that shows a correlation with the gross margin at MLCC producers) came in at $1.05/g, up slightly from $1.01/g a month earlier (Figures 3, 5, 8, 9). Contributions from Singapore, the Netherlands, Germany, and Thailand tend to be large, and we think the product mix benefited from: (1) a recovery in EV-related demand in Europe, (2) increased demand for network equipment applications, and (3) increased demand for AI server power supply unit (PSU) applications.

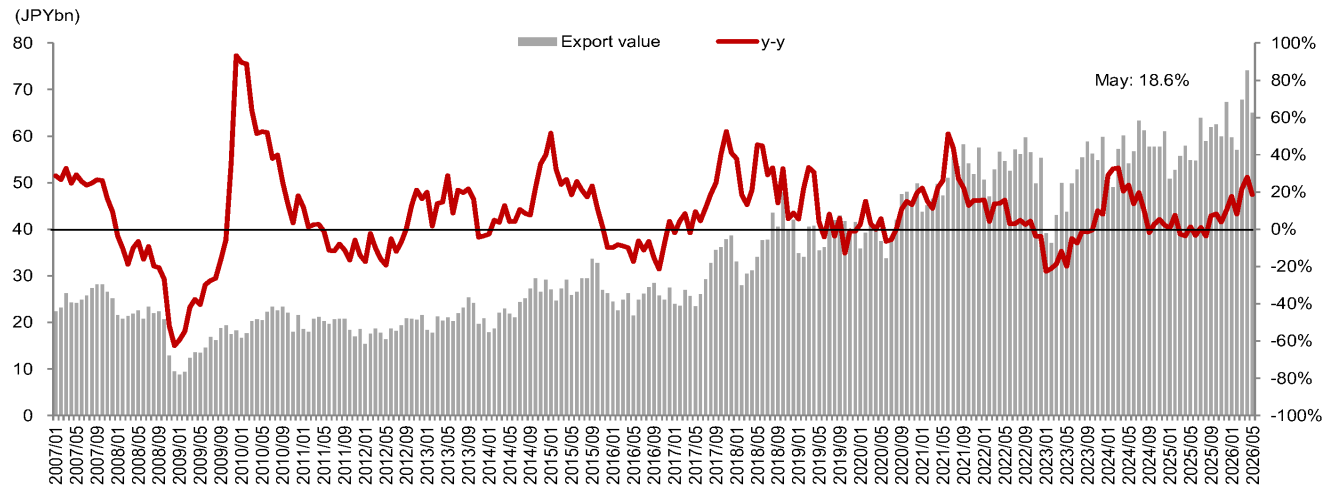
Taiwanese capacitor import statistics: Still not enough to cause MLCC supply-demand to tighten

Taiwanese import statistics are useful for assessing demand for parts for AI servers from a wider perspective. Taiwanese capacitor imports reached a record high of $296mn in May (Figure 10). Imports of tantalum electrolytic capacitors were up 98% versus their previous cyclical peak in August 2021, at $53mn, imports of aluminum electrolytic capacitors were up 64% at $52mn, and imports of MLCCs were up 24% at $191mn. Given that MLCCs registered the smallest growth among capacitor categories and the increase in the value of imports was not significant, we find it hard to envision MLCC supply-demand tightening solely on the basis of increased demand for use in AI servers, and think that disruptions reflect a rush by greater China trading companies to build inventory. That said, it is difficult to increase supply of high-voltage MLCCs for power supply units (PSUs) and AI power supplies, and we think underlying demand may already be exceeding supply (Figure 18).

See Appendix A-1 for analyst certification, important disclosures and the status of non-US analysts.

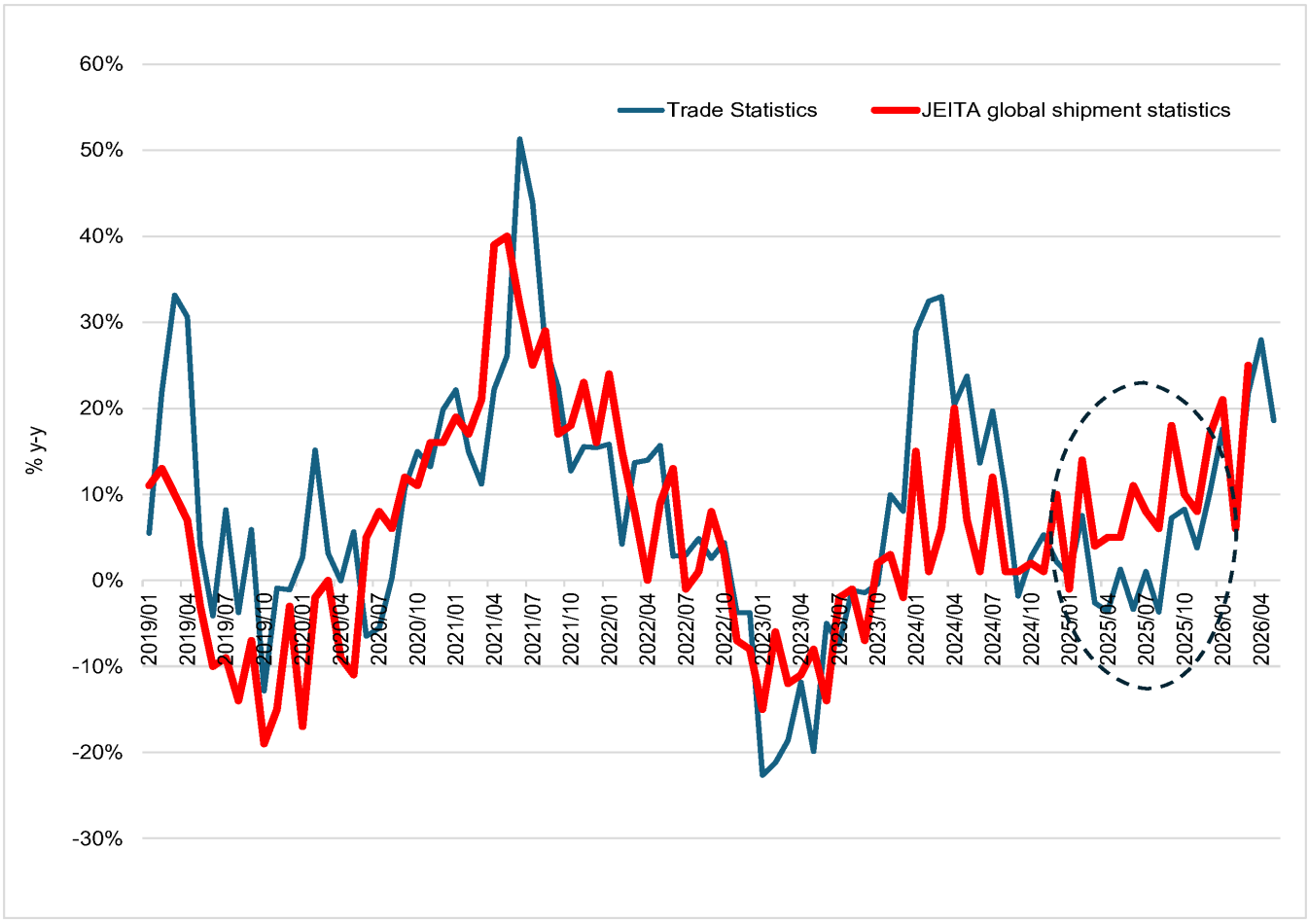
Reference figures

Fig. 1: Value of MLCC exports from Japan (JPY)



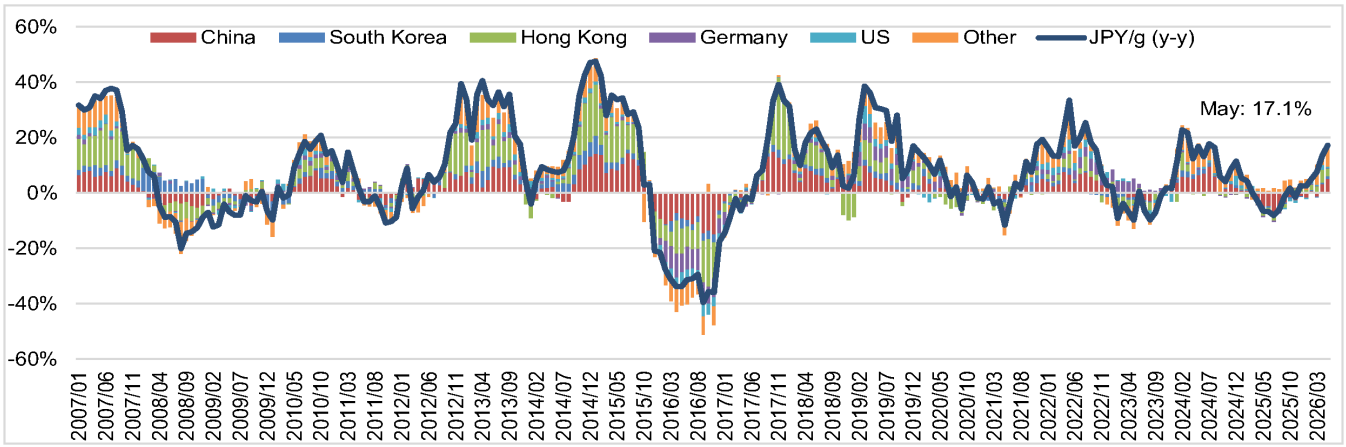
Source: Nomura, based on MOF trade statistics

Fig. 2: MLCC exports versus JEITA global shipment statistics: capacitors



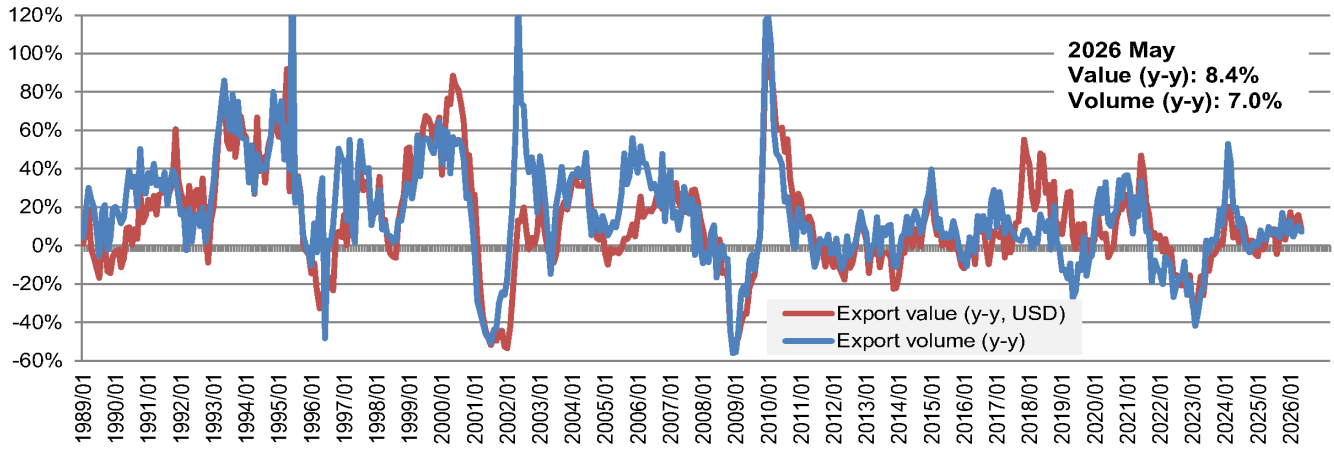
Source: Nomura, based on JEITA, MOF trade statistics

Fig. 3: Contribution to change in average value-added of MLCC exports from Japan (y-y, JPY)



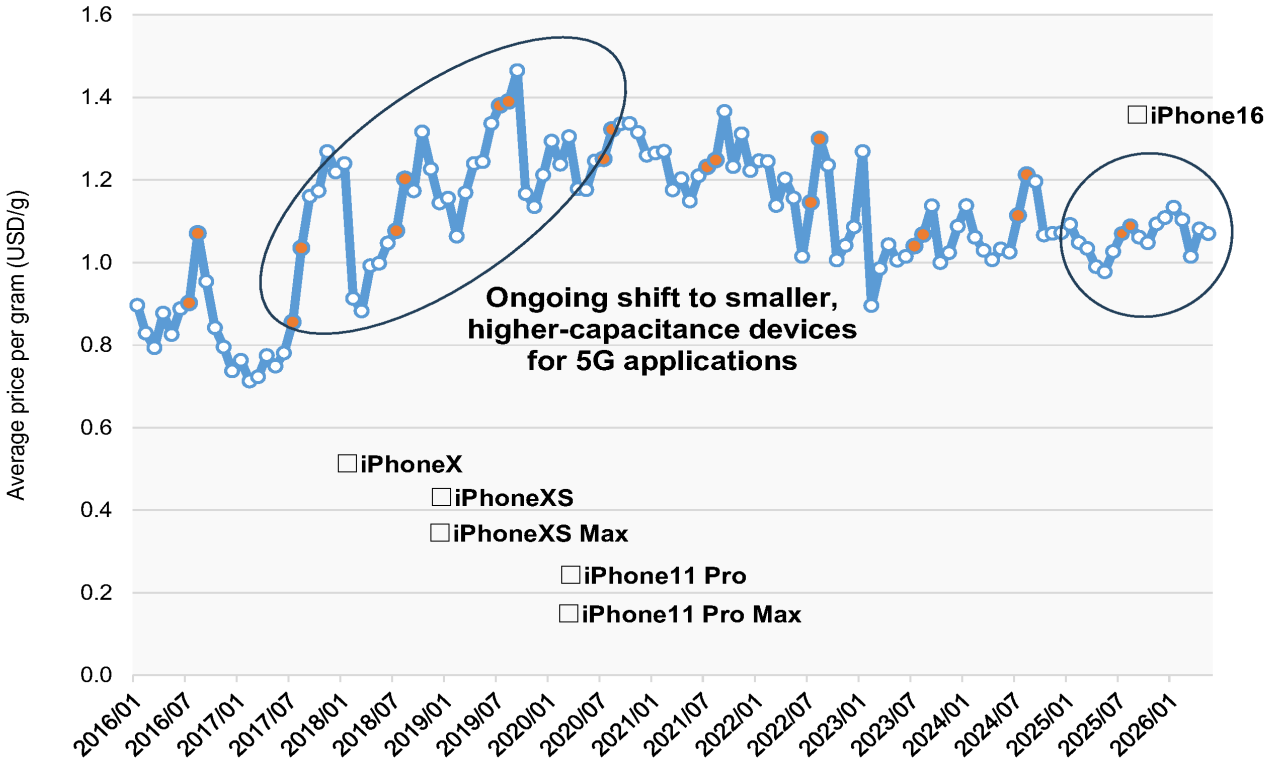
Source: Nomura, based on MOF trade statistics

Fig. 4: Factor analysis for MLCC shipment value (USD)



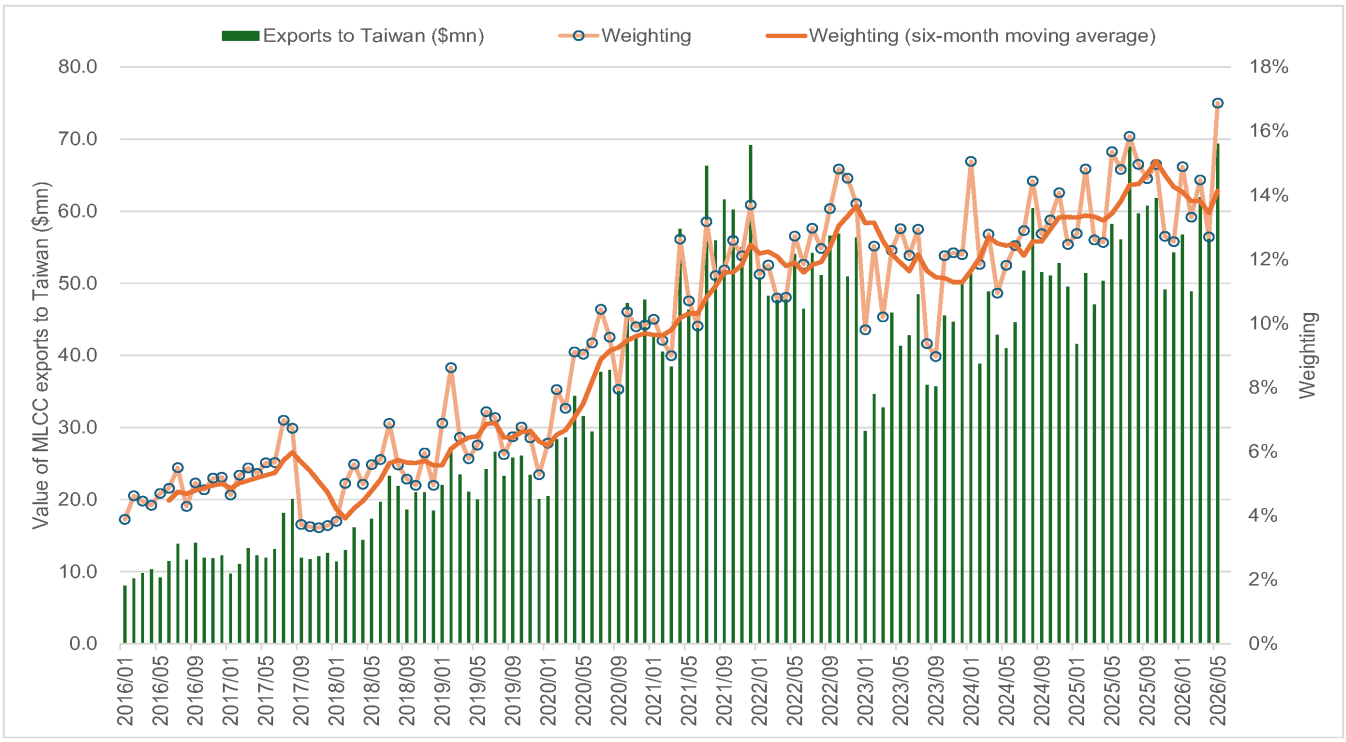
Source: Nomura, based on MOF trade statistics

Fig. 5: Product mix (average value-added) of MLCCs for consumer electronics



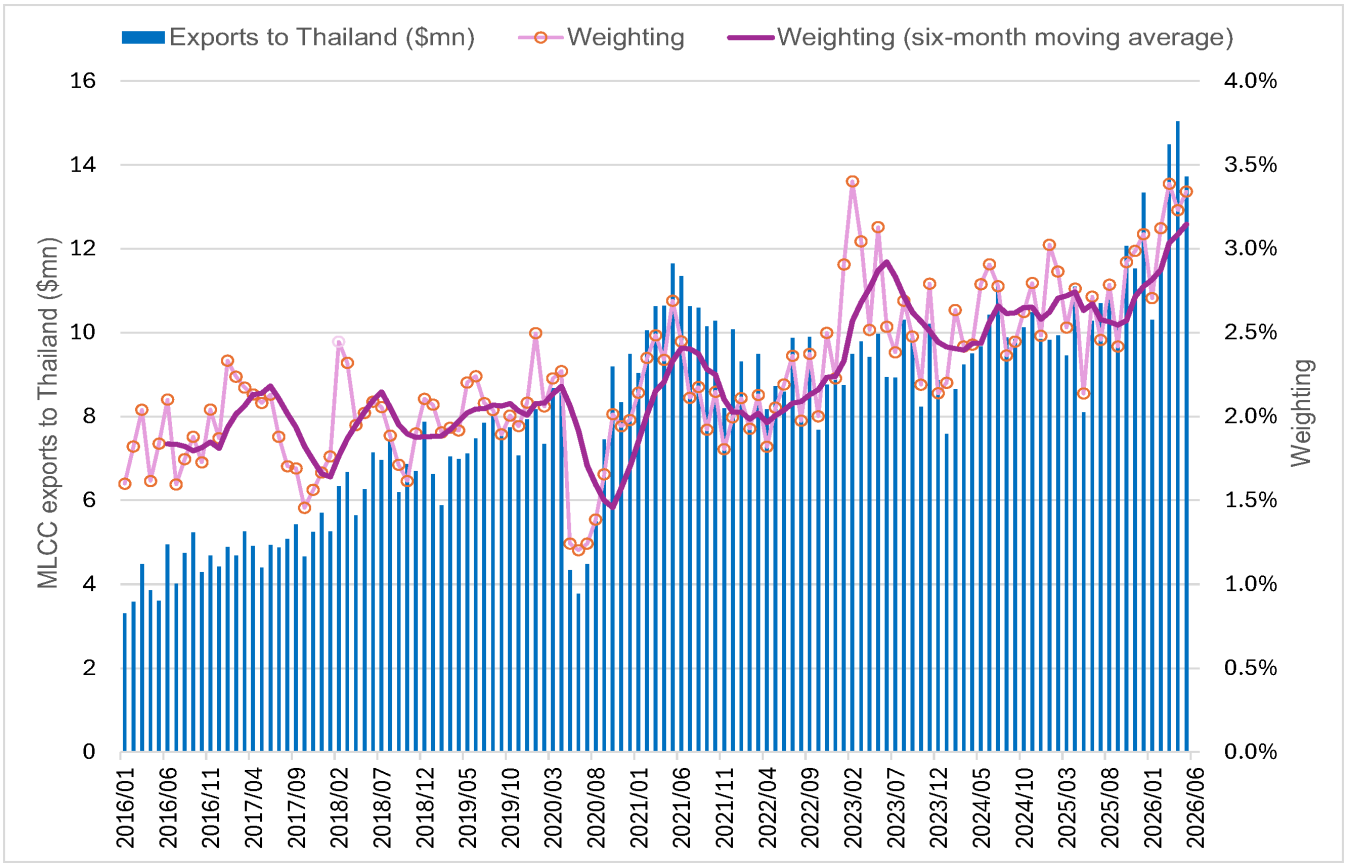
Source: Nomura, based on MOF trade statistics

Fig. 6: MLCC exports to Taiwan and weighting thereof



Source: Nomura, based on MOF trade statistics

Fig. 7: MLCC exports to Thailand and export weighting



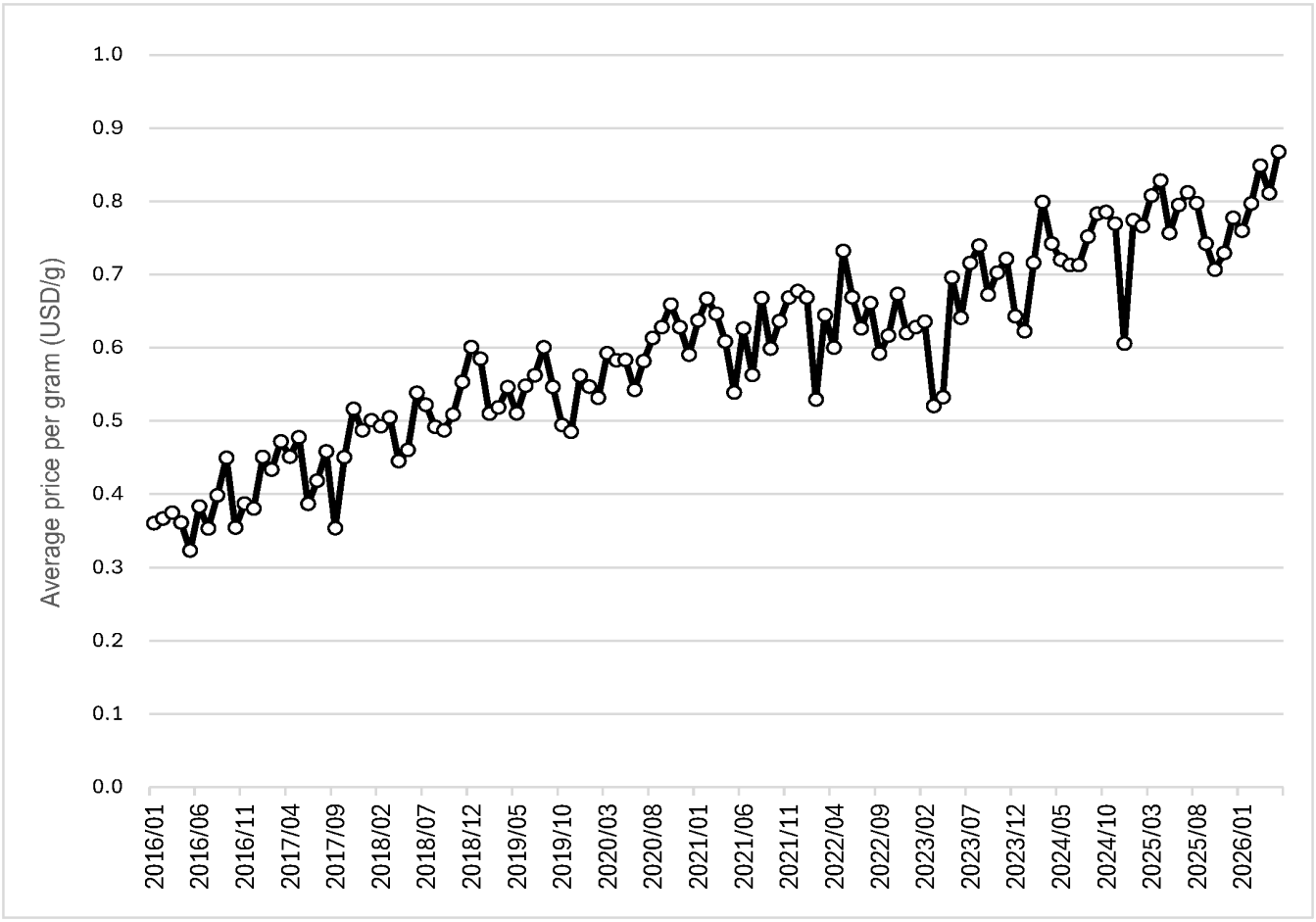
Source: Nomura, based on MOF trade statistics

Fig. 8: Product mix in MLCC exports to Taiwan



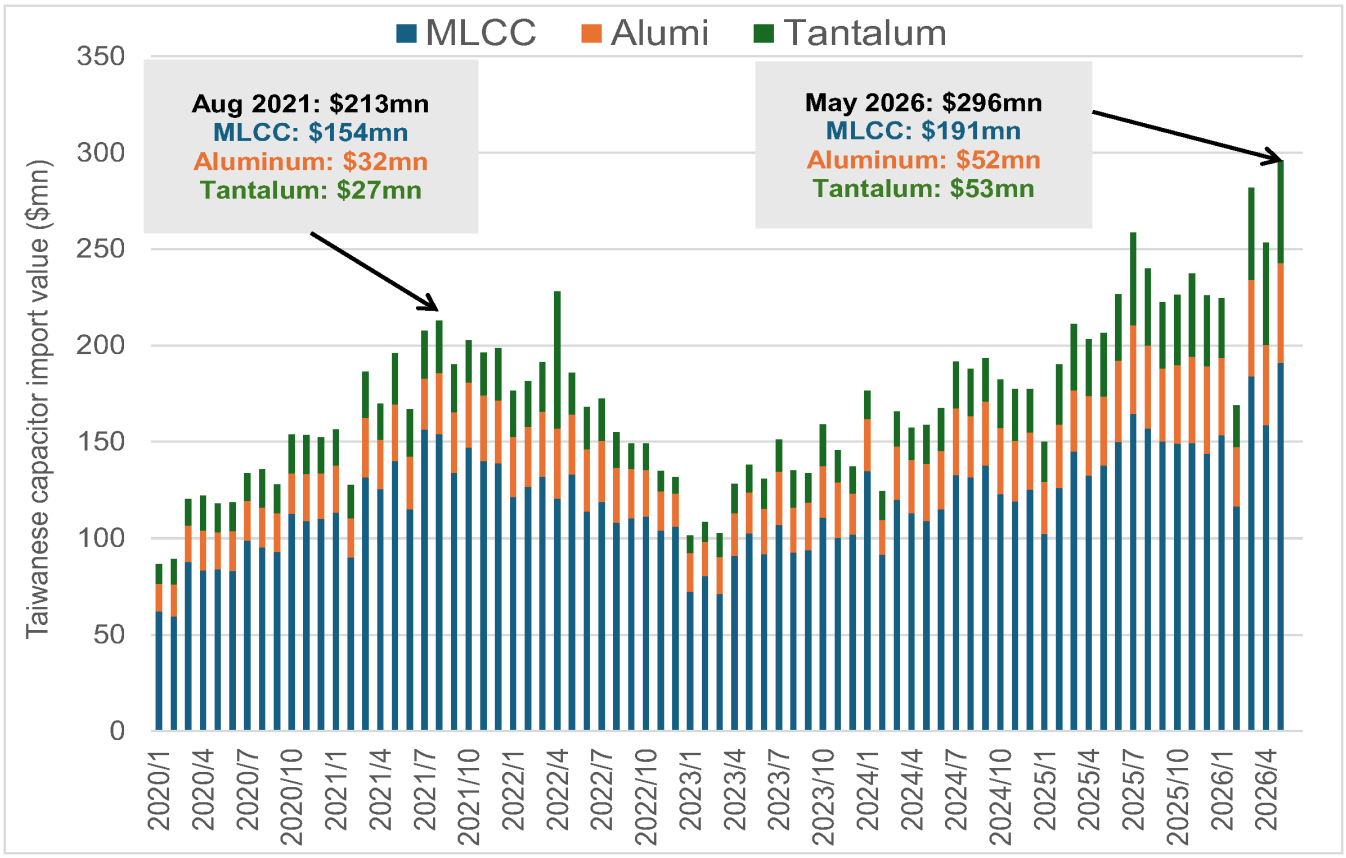
Source: Nomura, based on MOF trade statistics

Fig. 9: Product mix in MLCC exports to Thailand



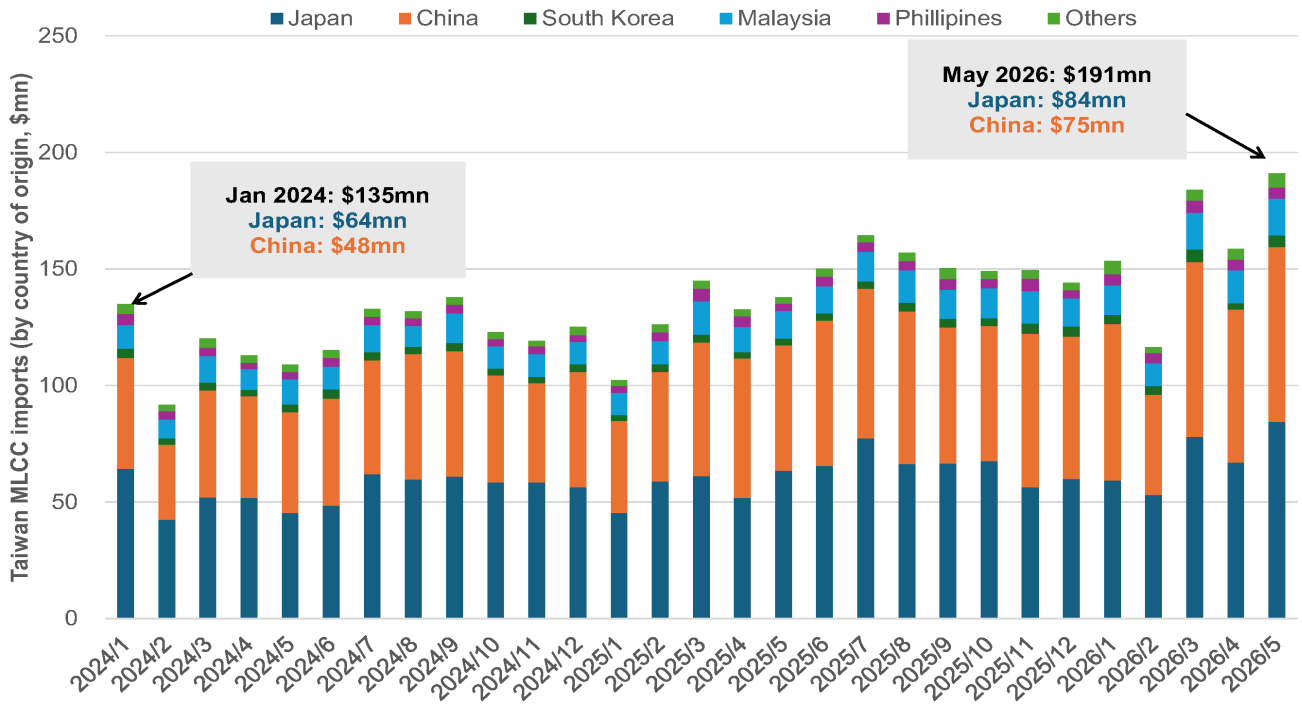
Source: Nomura, based on MOF trade statistics

Fig. 10: Taiwanese capacitor import value: MLCCs, aluminum electrolytic capacitors, tantalum capacitors



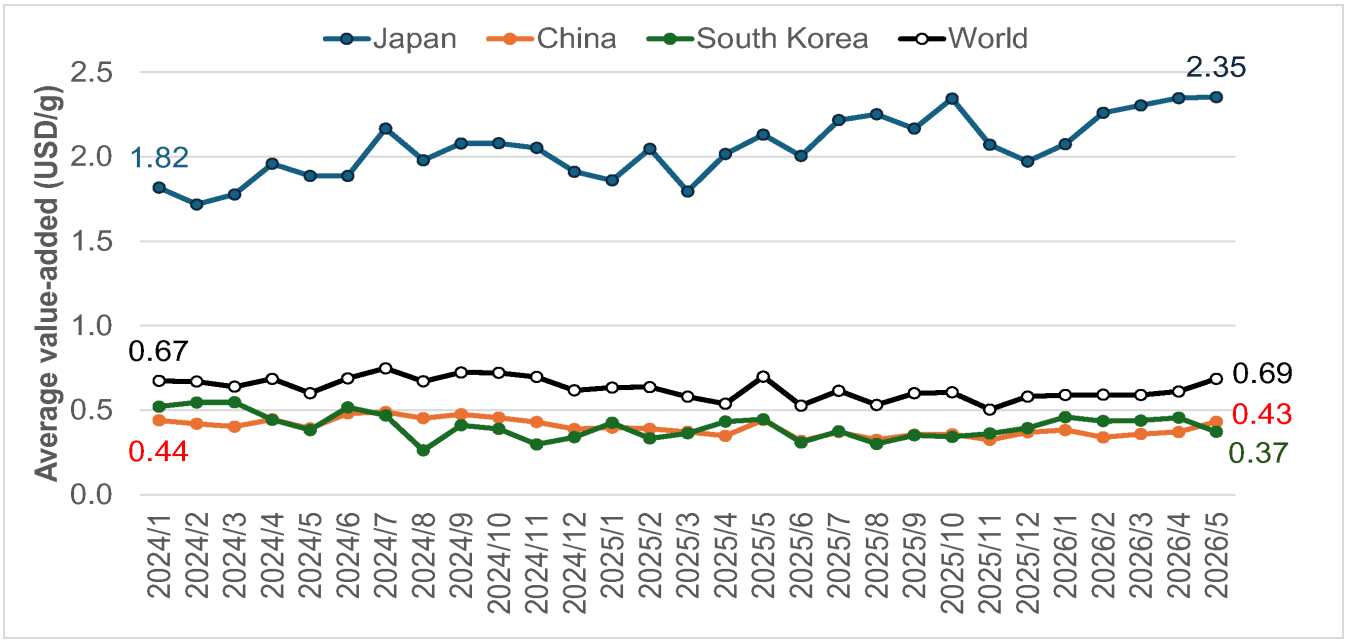
Source: Nomura, based on Taiwan trade statistics

Fig. 11: Taiwan MLCC imports (by country of origin)



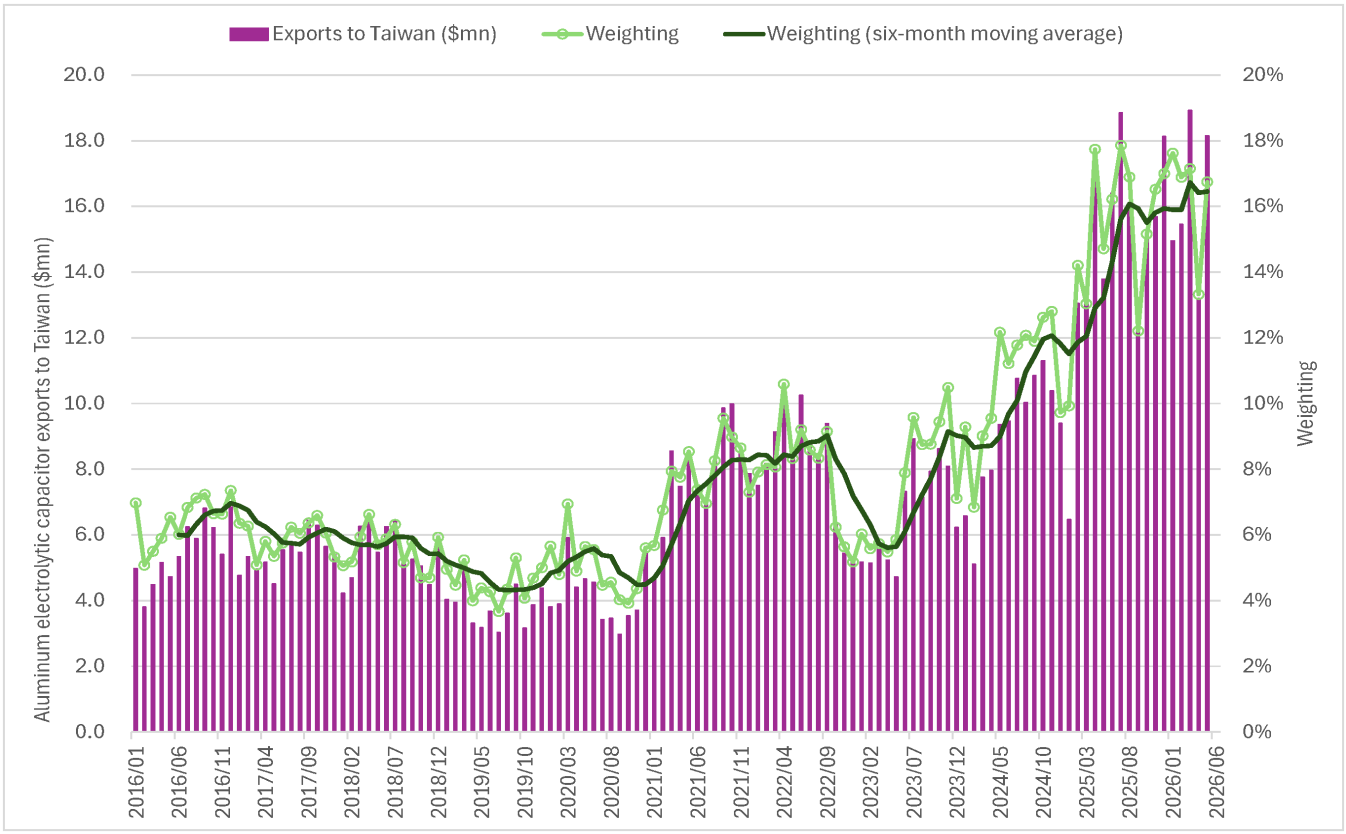
Source: Nomura, based on Taiwan trade statistics

Fig. 12: Average value-added of MLCC imports of Taiwan (by country of origin)



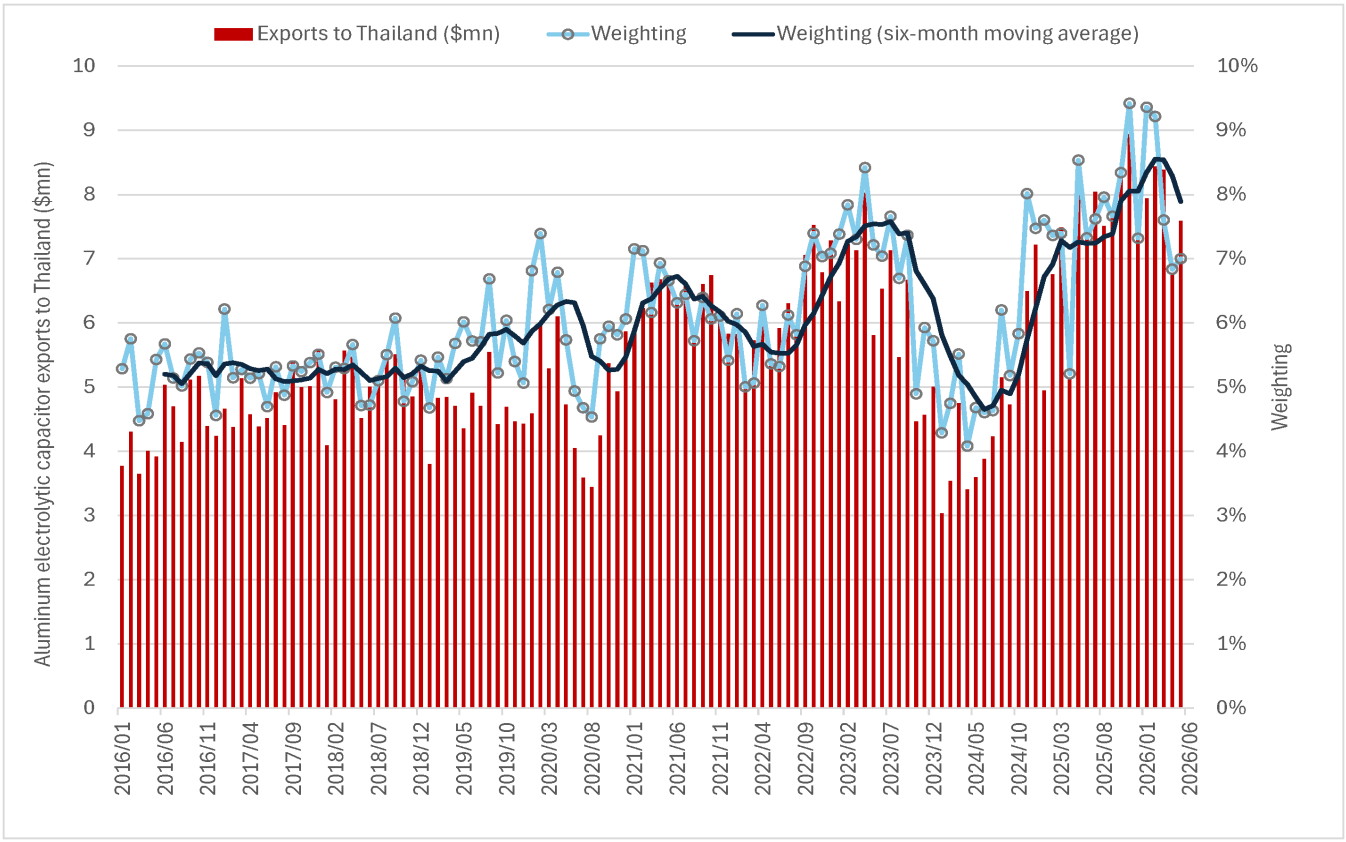
Source: Nomura, based on Taiwan trade statistics

Fig. 13: Aluminum electrolytic capacitor exports to Taiwan and weighting thereof



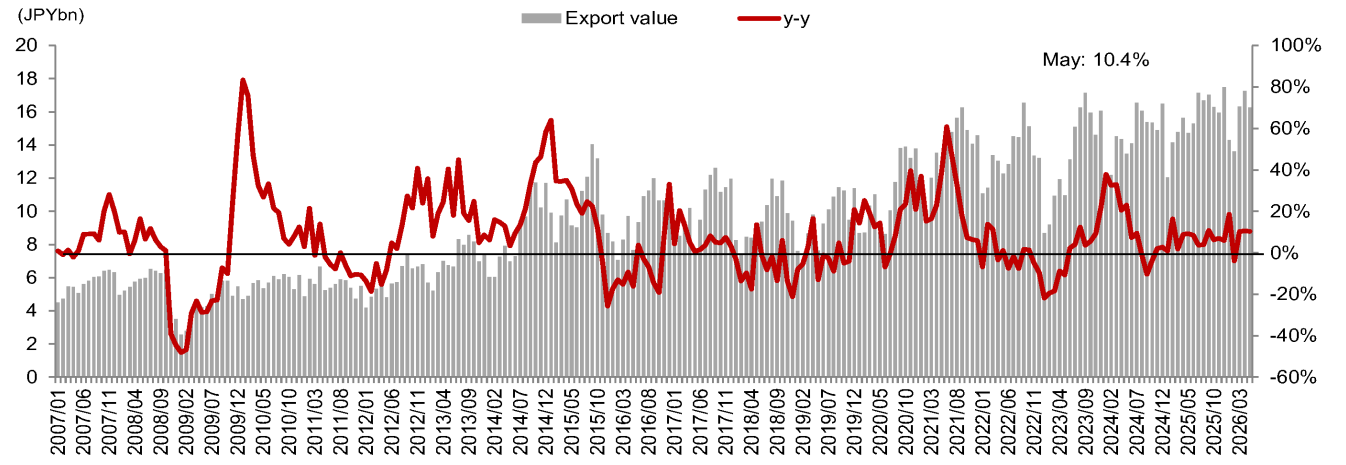
Source: Nomura, based on MOF trade statistics

Fig. 14: Aluminum electrolytic capacitor exports to Thailand and export weighting



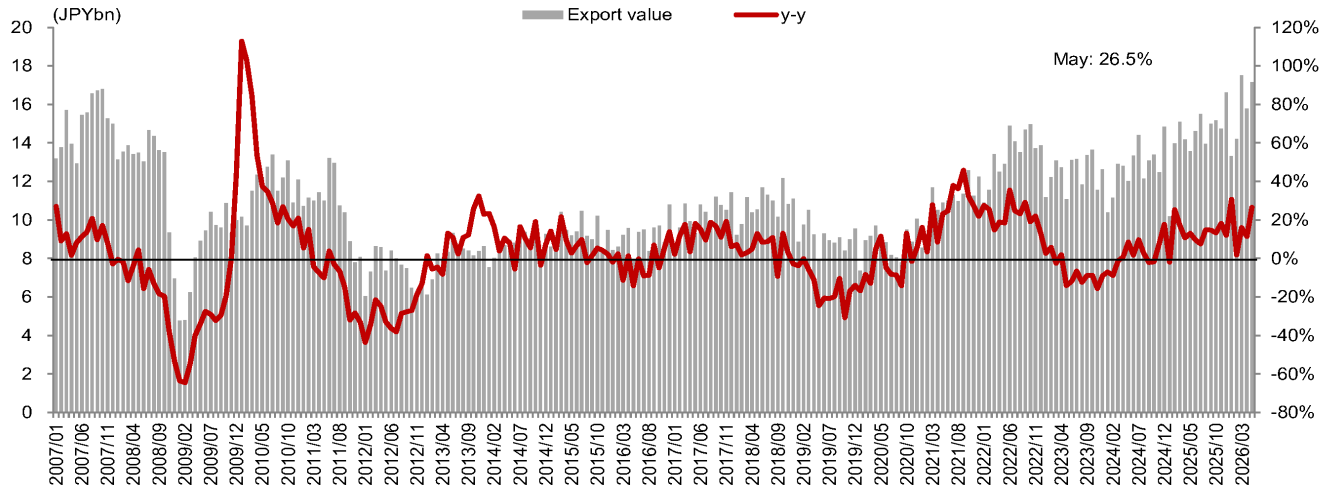
Source: Nomura, based on MOF trade statistics

Fig. 15: Value of inductor exports from Japan (JPY)



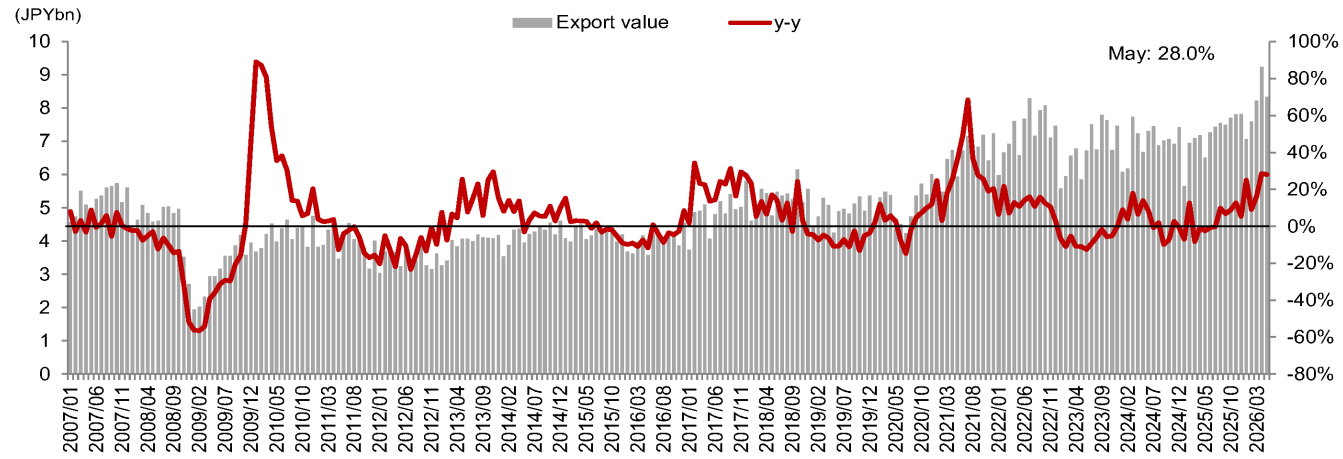
Source: Nomura, based on MOF trade statistics

Fig. 16: Value of aluminum capacitor exports from Japan (JPY)



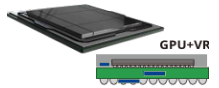
Source: Nomura, based on MOF trade statistics

Fig. 17: Value of fixed resistor exports from Japan (JPY)



Source: Nomura, based on MOF trade statistics

Fig. 18: Passive parts used in data centers

	AC High Voltage →			DC Low Voltage →			
	PW Grid  AC >	**UPS**  AC ~240V	**PSU**  AC~240V/DC 48V	**GPU Base Board**  48V	**Accelerator**  12V	<1V	**GPU Package**  <1V in Package
Capacitor business	• Ultra-high voltage ceramic capacitors	• Film capacitors • Large aluminum electrolytic capacitors • High-voltage MLCCs • High voltage ceramic capacitors	• Film capacitors • High-voltage MLCCs • High voltage ceramic capacitors • Horizontally mounted aluminum electrolytic capacitors	• Hybrid aluminum electrolytic capacitors • Polymer aluminum electrolytic capacitors • Medium-voltage MLCCs	• Polymer tantalum capacitors • Large, high-capacitance MLCCs	• Large, high-capacitance MLCCs • Multilayer aluminum catalytic capacitors (SP Cap) • Polymer tantalum capacitors	・Silicon capacitors ・Low-ESL MLCCs (LW reversed, multi-terminal) ・Substrate-embedded MLCCs
Inductors Transformers EMC	• Reactors	• Ferrite cores • Power supply inductors • Transformers	• Ferrite cores • Power supply inductors	• Power supply inductors • Ferrite beads	• Power supply inductors	• Power supply inductors	・Substrate-embedded inductors
Safety components	• Arrestors • Power supply varistors	• High-voltage conductors • Disk varistors • Arrestors • PTC thermistors	• Disk varistors • Arrestors • PTC thermistors	• Chip varistors	• Chip varistors	• Chip NTC thermistors	

Source: Nomura, based on TDK materials

Appendix A-1

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When Japanese government bonds (JGBs) for individual investors are purchased via public offerings, only the purchase price shall be paid, with no sales commission charged. As a rule, JGBs for individual investors may not be sold in the first 12 months after issuance. When JGBs for individual investors are sold before maturity, an amount calculated via the following formula will be subtracted from the par value of the bond plus accrued interest: (1) for 10-year variable rate bonds, an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used, (2) for 5-year and 3-year fixed rate bonds, an amount equal to the two preceding coupon payments (before tax) x 0.79685 will be used.
When inflation-indexed JGBs are purchased via public offerings, secondary distributions (uridashi deals), or other OTC transactions with Nomura Securities, only the purchase price shall be paid, with no sales commission charged. Inflation-indexed JGBs carry the risk of losses, as prices fluctuate in line with changes in market interest rates and fluctuations in the nationwide consumer price index. The notional principal of inflation-indexed JGBs changes in line with the rate of change in nationwide CPI inflation from the time of its issuance. The amount of the coupon payment is calculated by multiplying the coupon rate by the notional principal at the time of payment. The maturity value is the amount of the notional principal when the issue becomes due. For JI17 and subsequent issues, the maturity value shall not undercut the face amount.
Purchases of investment trusts (and sales of some investment trusts) are subject to a purchase or sales fee of up to 5.5% (tax included) of the transaction amount. Also, a direct cost that may be incurred when selling investment trusts is a fee of up to 2.0% of the unit price at the time of redemption. Indirect costs that may be incurred during the course of holding investment trusts include, for domestic investment trusts, an asset

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