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Industry Update

Auto Semi market tracker - pricing is gaining further momentum

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Auto Semis pricing has potential to increase going forward due to low key component inventories and strong competition for capacity from AI datacenter

In our last Auto Semis update from April (here), we pointed out an improving pricing environment for Auto Semis for the first time in over three years. We saw this as driven by: 1) reduced inventories of key Auto Semis across supply chains, 2) spill-over effects from AI-driven chip demand in categories like mid-voltage power MOSFETs but also memory (including specialized memory such as NOR Flash), and 3) continued strong content growth driven by SDVs (for high-end MCUs and Ethernet components, in particular). The above-mentioned areas, as well as analog components, remain the key drivers of a better pricing environment, in our view, while the situation for higher-voltage power semis for xEV drivetrains remains on the other end of the spectrum but is also set to improve into 2027 with demand drivers from AI datacenter accelerating from next year out to 2030 (SSCBs, SSTs and 800V architecture more broadly, as discussed here), Overall, we believe Auto Semis pricing is gaining further momentum on the back of the aforementioned drivers and despite a mixed Automotive end market. Our industry conversations indicate only low-single-digit price declines this year (vs. normal low- to mid-single-digit), but with scope for price increases (even on company Auto Semi portfolio levels and not just individual components) as we go into next year. Paired with ongoing strong content growth from SDV, ADAS and to some extent xEVs (especially in Europe), we believe the Auto Semis market can return to >10% growth this year and build further momentum in '27. Given margins for many players in this market remain somewhat depressed this year, we continue to see strong operating leverage ahead from better capacity utilization (helped by capacity reallocation towards AI), as well as pricing and we remain positive on the broader space, especially names with a strong AI story and potential to grow into existing capacity/ cleanroom space. Our top picks are Infineon, NXP, onsemi and STMicro.

From destocking to restocking as allocation fears are resurfacing

We believe general component and Auto semi destocking across the supply chain has largely played out in recent quarters. Our inventory analysis of the tier 1 auto supply chain shows a slight increase in $ inventory value sequentially in Q1/26 and inventory as a percentage of sales in Q1/26 increased to 12.2% (vs. ~12% in Q4/25). Our industry conversations point to a desire by tier 1s and OEMs to rebuild strategic inventory in certain areas with some industry discussions raising fears over allocation and "golden screw" key component shortages ahead again given the strong demand from AI datacenter for semis capacity.

We value stocks in the sector on a P/E, EV/ Sales and/or DCF basis, benchmarking the multiples vs. peers and/or expected growth rates. Key downside/upside sector risks: a macro/auto production slowdown or improvement, and design and/or market share losses or gains.

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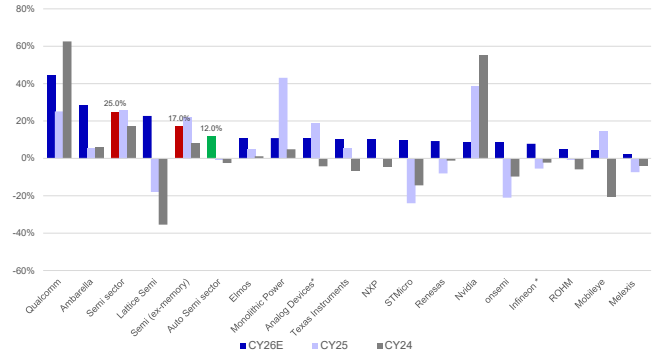
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From destocking to restocking into Q2 and H2/26

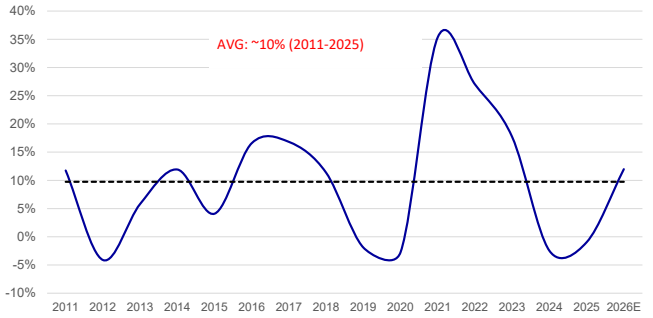
Looking back at the recent near-term picture and relative performance in Q1 (in US dollar terms), Auto semi players saw a revenue increase of +1% q/q, on fairly lean inventory conditions, partly offset by other macro factors. On y/y basis, the acceleration stood at +11%, back in-line with the five-year average growth trendline. Dynamics by companies are interesting in hindsight with industry bellwethers such as Qualcomm (+20% q/q), Analog Devices (+8% q/q) and Renesas (+4% q/q) seeing strong growth while Infineon (+1% q/q), Texas Instruments (flat q/q), onsemi (flat q/q) and Rohm (flat q/q) showed flat to modest growth. STMicro (-9% q/q) and NXP (-5% q/q) witnessed a sequential decline in revenue growth. Among smaller companies, Lattice Semi (+35% q/q), Mobileye (+25% q/q), Ambarella (+13% q/q) saw strong growth, while Elmos (-10% q/q), Melexis (-6% q/q) and Nvidia (-5% q/q) saw a sequential decline. For Q2/26e, our bottom-up model suggests +5% revenue growth sequentially, well above the five-year average performance (+3% q/q), implying the beginning of a restocking cycle that should last into H2, in our view.

Figure 1: Auto Semi sales growth for CY24/25/26e



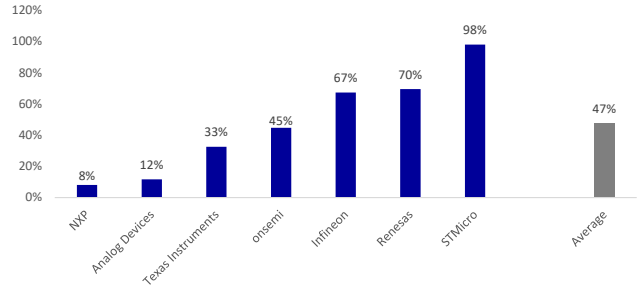
*Source : Deutsche Bank Estimates, Bloomberg Finance LP (growth is computed on US$ sales);) *IFX & ADI include Cypress and Maxim contribution on pro-forma basis, respectively.*

Figure 2: Auto Semi market growth (2011-2026e)



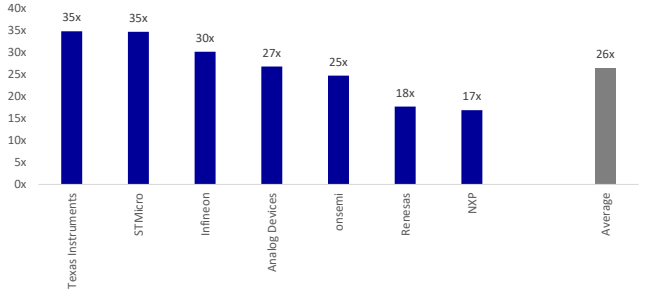
*Source : Deutsche Bank Estimates, Bloomberg Finance LP (growth is computed on US$ sales) * The annual growth is calculated based on consolidated auto semi sales of companies mentioned in figure 1.*

Figure 3: Current price/earnings ratio (1y fwd) vs. 5y avg



Source : Bloomberg Finance LP (pricing as on 3rd July 2026)

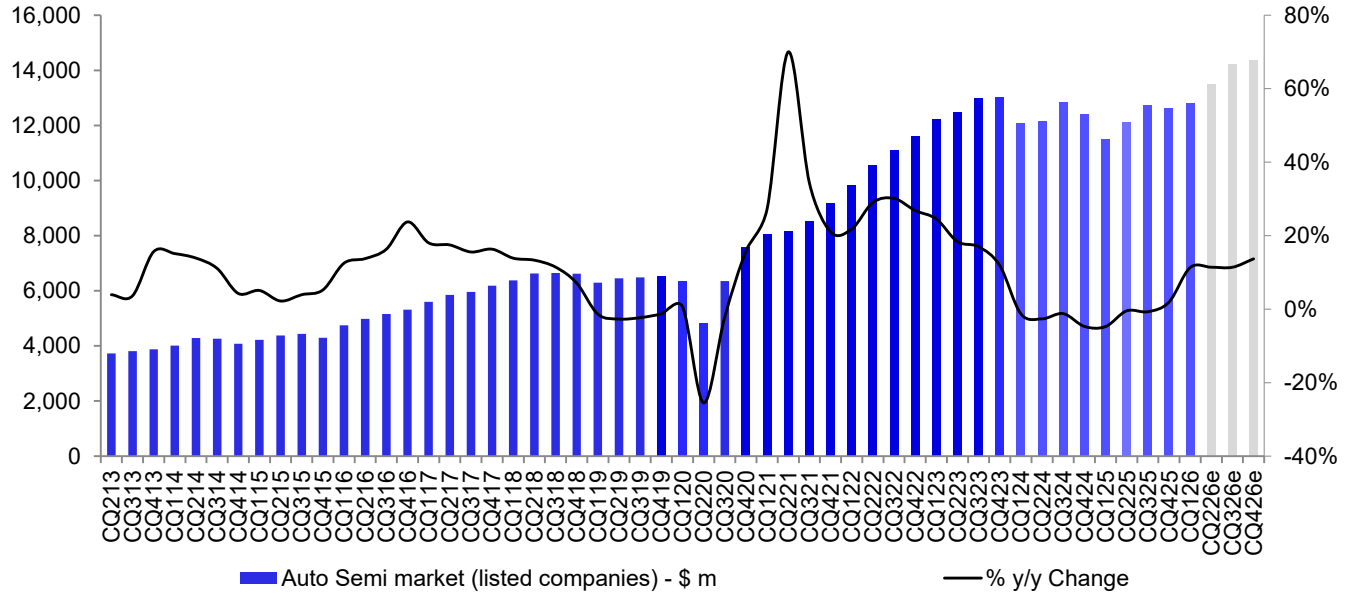
Figure 4: Current price/earnings ratio (1y fwd)



Source : Bloomberg Finance LP (pricing as on 3rd July 2026)

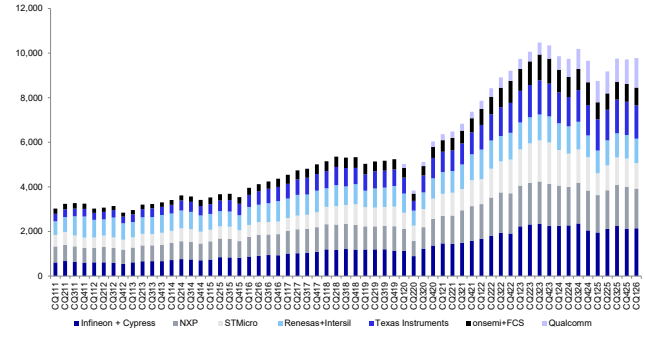
Auto Semi revenues up 11% y/y in Q1/26; ~11% y/y growth expected for Q2/26e

Figure 5: Q1/26 +1% q/q (+11% y/y), coming out of a trough



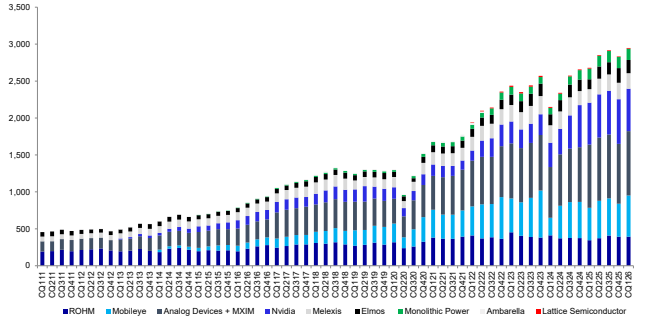
Source : Company data, Deutsche Bank estimates

Figure 6: Tier-1 Auto Semi players



*Source : Company data, Deutsche Bank, (in US$ m); *:-Intersil acquired by Renesas on 24 February 2017; IFX acquired Cypress on 20th Apr 2020*

Figure 7: Tier-2 Auto Semi players



*Source : Company data, Deutsche Bank, (in US$ m);*ADI+Maxim PF numbers*



Long-term content-driven growth story remains intact, cyclical bottom behind us

Figure 8: Auto Semi vendors management commentary

Company	Management commentary on automotive business
Analog Devices	*"So if we look at what we think at the midpoint of the guide, what we expect to see in FQ3 (June ending) is continued above-seasonal growth across industrial, automotive and communication...So from an industrial and automotive perspective, we'd expect to grow sort of mid to high single-digits sequentially. "* *"Now, on the inventory build-up question, we're not seeing that yet, right? After the digestion, which we talked about, particularly in BMS, we feel like automotive customers are fairly lean on inventory, at least the ones we talk to and which is very supportive of our growth expectation going forward."*
Infineon	*"Generally speaking, the near-term outlook for the automotive market remains relatively muted. In its April update, market researchers S&P Global revised down its light vehicle production numbers for 2026. They are now more or less in line with our view. As you know, what matters more than car units is structural content growth. Here, we see the adoption of software-defined vehicles accelerating. Also, the trend towards E-mobility is intact. However, xEV penetration is progressing more slowly than predicted."* *"we expect revenues of around EUR4.1bn for our fiscal third quarter, corresponding to 8% growth quarter-over-quarter. By segment, for ATV (automotive), a slight revenue growth is predicted." "For the full year 2026 fiscal year, we now expect revenues to be significantly up compared to the previous fiscal year, translating into a level of EUR16bn...ATV should see slight revenue growth, driven by its broad product portfolio and the early adoption of software-defined vehicles burdened by the decrease of the high voltage drivetrain business."*
Melexis	*"One quarter ago, actually, two months ago, we have indeed mentioned that our customer has informed us that the second half of the year will be better than the first half. And I would say this is indeed confirmed in the order intake. We see clearly order intake improving week after week, day after day."* *"We are seeing increased opportunities in ADAS as the industry continues its structural shift towards steer-by-wire and break-by-wire architecture."*
NXP Semiconductor	*"Our outlook is better than we anticipated 90 days ago. We are guiding second quarter revenue to $3.45bn, up 18% year-over-year, and up 8% sequentially. This sequential growth represents an acceleration of our company's specific drivers . Automotive is expected to be up in the low-double digit percent range year-on-year, and up in the high-single digit range sequentially." "* *our auto business NXP is performing well. You can see from the front, in Q1, it grew 10% after you account for the sensor business. And Q2 guidance implies a high-teens year-over-year growth on the same basis. So, you can see that clearly the momentum is improving. And so, that tells you already that this is not necessarily a story about unit growth. This is a story about the transformation, the architecture transformation that is driving content growth. "*
onsemi	*"So, automotive in Q2/26, we think it will be roughly flat. So, as I said, we think we're shipping to natural demand. We haven't seen the full recovery or the replenishment cycle in automotive yet. If that were to happen later in the year, that's going to be a good thing. But right now in Q2/26, we're looking at flat."* *"I talked about China specifically, given you brought it up. Q1 is seasonally down. The number of passenger vehicle was down 6%. Our revenue was actually up. Therefore, that tells you it is a content story. In certain areas, it is a share gain story as well. So, we are both gaining share, but also gaining more and more content."*
ST Micro	*"Automotive design momentum progressed with various OEM and Tier 1 ecosystems. We had design wins across electric, hybrid, and traditional vehicles spanning onboard chargers, DC-DC converters, powertrain active suspension, and vehicle control electronics." "Well, then what will be, again, positive on the year 2026, looking at the current dynamic in terms of growth? Well, in automotive, we confirm that '26 will be a growth for ADAS, for sensor, of course, and also with the boost of the acquisition of MEMS from NXP and for silicon carbide."*
Texas Instruments	*"I want to see automotive and see how it develops in Q2. It's too soon to call it. I will remind us, though, that during the COVID cycle, even automotive was the last to join in, also the last to peak, right? So, I'm not surprised by the behavior of this market. I will say that secular growth in automotive continues for the foreseeable future, and that is my encouragement. We are seeing cars adding features, we are seeing more content added to vehicles across the powertrains, whether it's BEV or ICE or the hybrids."*

Source : Deutsche Bank, company data

Figure 9: Recent commentary from our Automotive research team

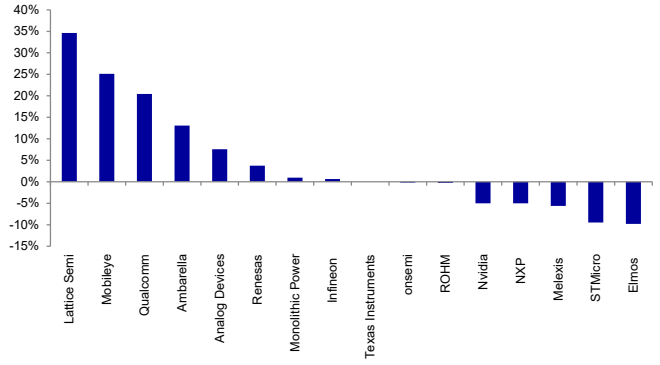
Recent Auto production datapoints (DB Commentary)	DB research report title	Date of Publication
May 26: Another gain despite the calendar impact: Posting a gain for the forth consecutive month this year, May registrations came in just over 1.0mn units, +3% y/y in W. Europe off a weak base. The overall numbers were adversely impacted by 1-2 less working days in all the countries. With the switch to NEV powertrains outweighing the decline in demand for traditional ICE vehicles, the structural change in the market seems to be a permanent shift by now. So far the quarter is trending with volumes up by 5% y/y and ytd volumes have reached around 5.2mn units, +5%	European Registrations: May 2026: Another gain despite the calendar impact	9-Jun-26
Taking into account the prevailing trends in the region, we have slightly upped the estimates for UK and Italy while downgraded our estimate for the smaller markets. Thus, for 2026, we now estimate Auto demand to see a gain of 2% y/y to reach just under 12.0mn, although the outlook remains rather murky given the continuation of the Middle Eastern conflict that is impacting the energy markets and resulting inflation spikes.	European Registrations: May 2026: Another gain despite the calendar impact	9-Jun-26
BEV regs up 50% y/y in May, electrification regs (BEV+PHEV) outperform the market by 34ppt: Building on a strong start to the year, the EU5 region continued to show solid momentum in car electrification in May. Electrified cars (BEV+PHEV) rose 37% y/y in volume, clearly outperforming the broader market, where registrations increased 3% y/y, implying an outperformance of 34ppt. BEV registrations climbed 50% y/y, lifting BEV penetration to 21%, while PHEV volumes increased 19% y/y, taking PHEV share to 11%.In the first five months of 2026, electrified car sales grew 38% y/y, versus c.5% growth in the wider EU5 car market, resulting in a 7ppt increase in electrified market share to 30%.	European Automotive: Kickstarting electrification – May 2026: BEV-led outperformance	11-Jun-26
dbAccess European Champions Conference feedback: In the conference, we hosted a broad set of companies within our European Automotive coverage as well. Overall, the messaging from the OEMs was in line with previous communication. Europe remains constructive with new models supporting the momentum. The US is solid with tariffs impacting the imported vehicles. China, however, stays muted with no signs of improvement.	Auto Weekly: That was the week	29-May-26
US Autos: June Sales Review - US Auto sales in June were stronger than expectations, running at a SAAR of ~16.7m, stronger than our 16.3m estimate and well above the prior year at ~15.6m units. Absolute sales were ~1.379m units, down from May's ~1.480m units but higher than June 2025's ~1.275m. As part of our ongoing build-out, our production file now includes days of inventory by vehicle segment. In our preview, we raised our 2026 anticipated SAAR to 16.0m units, which is relatively in line with most OEM estimates. While this month's sales came in stronger than our preview, we maintain our full year outlook as well as our 16.1m SAAR in 2027.	US Autos: June Sales Review	2-Jul-26

Source : Deutsche Bank



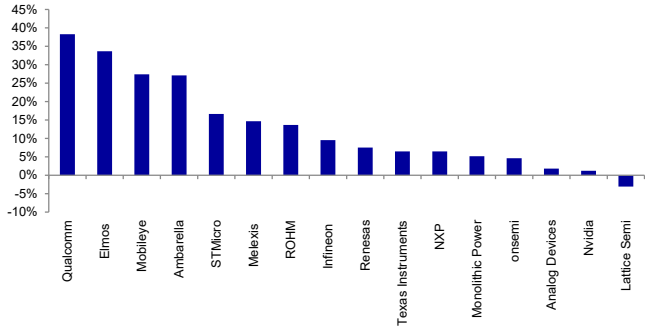
Q1/26 Auto Semi revenue performance

Figure 10: Q1/26 Auto Semi revenue growth q/q



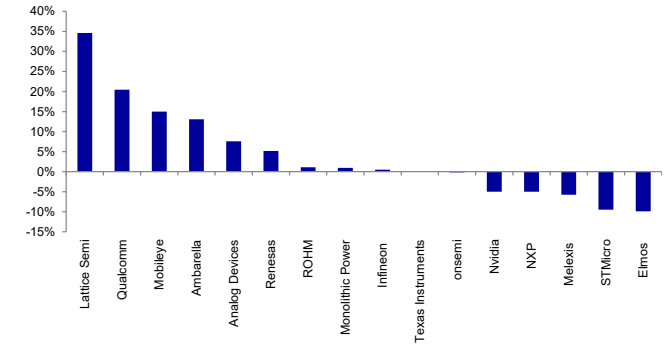
Source : Company data, Deutsche Bank; Growth is calculated on US$-based revenue

Figure 11: Q1/26 Auto Semi revenue growth y/y (USD)



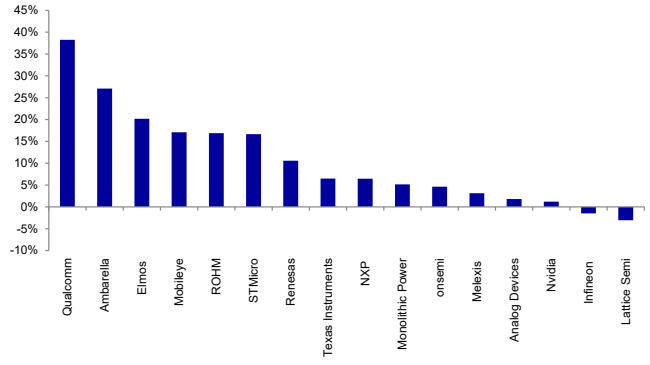
*Source : Company data ; Growth is calculated on US$ based revenue; *IFX+Cypress PF numbers are used for growth calculation*

Figure 12: Q1/26 Auto q/q growth (in reported currency)



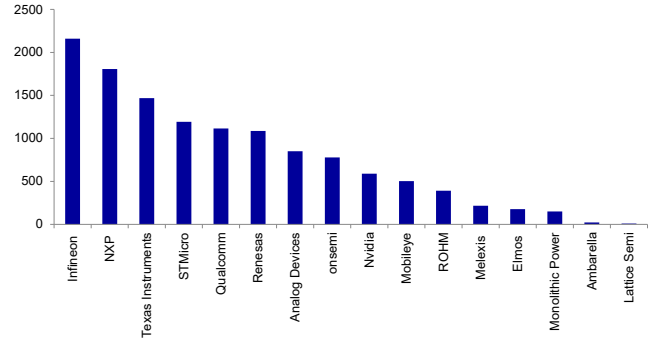
Source : Company data, Deutsche Bank

Figure 13: Q1/26 Auto y/y growth (in reported currency)



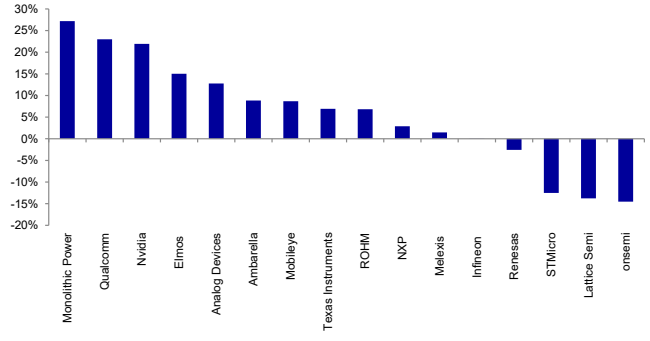
Source : Company data, Deutsche Bank

Figure 14: Auto Semis average quarterly sales (LTM; USD)



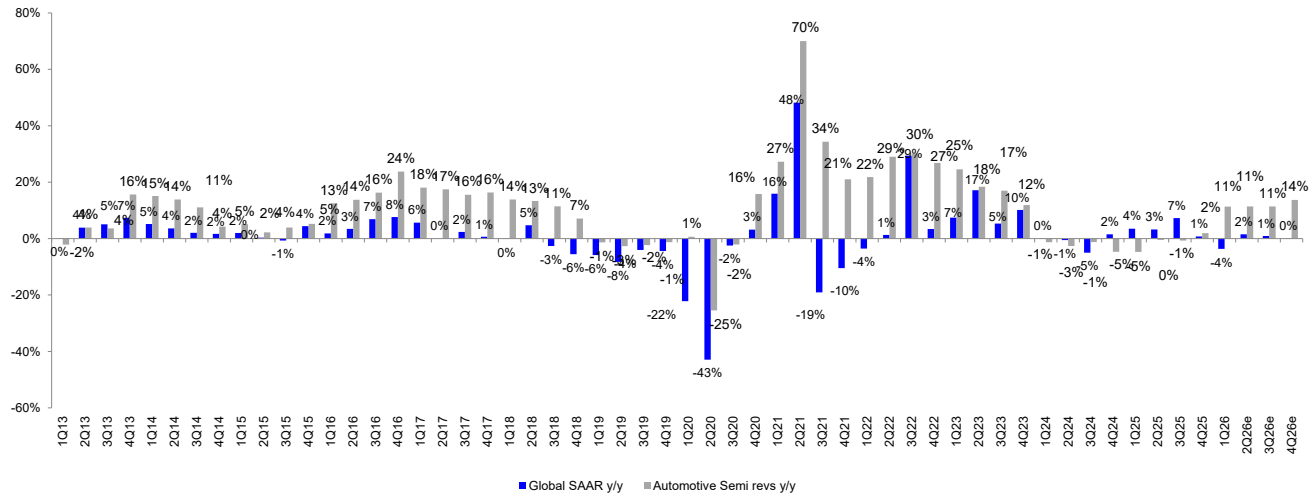
Source : Company data, Deutsche Bank

Figure 15: Auto Semis average quarterly sales LTM (y/y growth in USD terms)



Source : Company data, Deutsche Bank; ADI +Maxim PF numbers are used for calculation

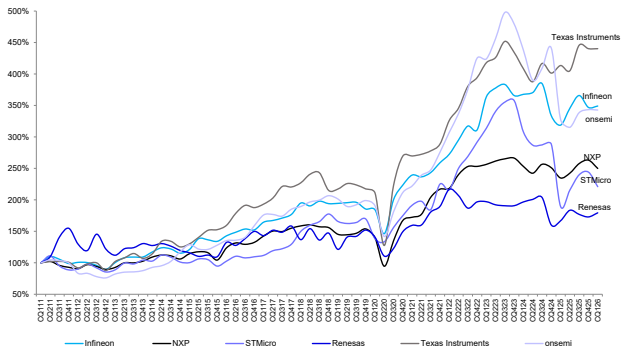
Figure 16: Global Auto Semi revenues vs SAAR - destocking headwinds subsiding into 2026



Source : Company data, IHS, Deutsche Bank estimates; Content gain = Automotive Semi revs (y/y) – Global SAAR (y/y); average Q1/13 – Q1/26 = ~10.0%

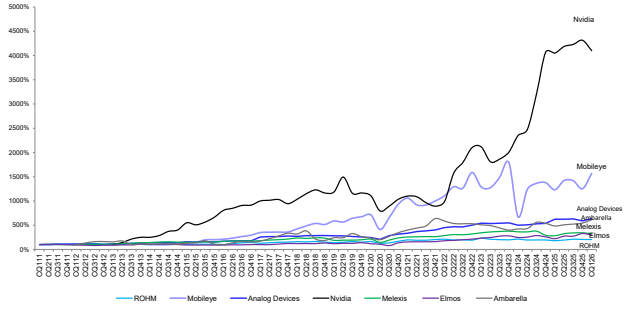
So who has gained share over time?

Figure 17: Renesas is underperforming ...



Source : Company data, Deutsche Bank

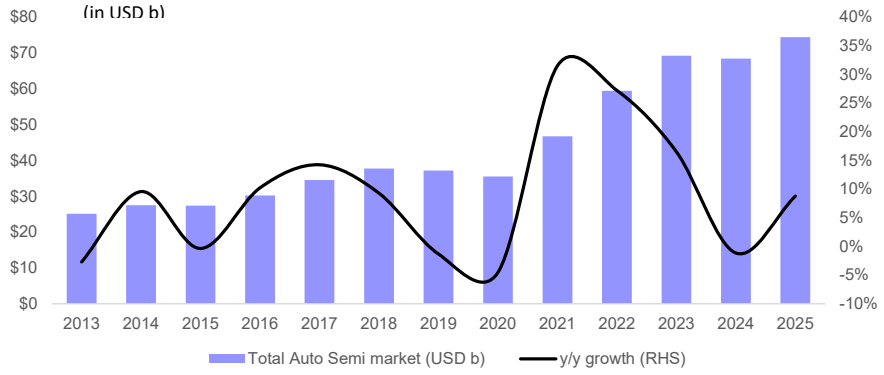
Figure 18: ...and Mobileye trends are remaining volatile



Source : Company data, Deutsche Bank; ADI +Maxim PF numbers are used for calculation

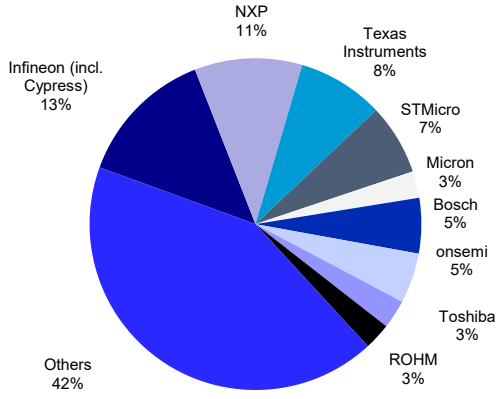
Auto Semis sales exposure and market share by product

Figure 19: Total Auto Semi market (including non-listed companies)



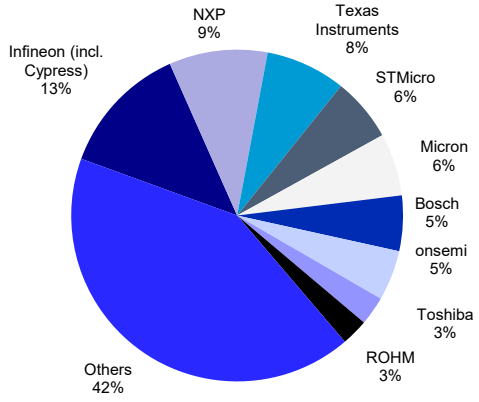
Source : Company data, Deutsche Bank

Figure 20: Automotive Semiconductor supplier share *(Market Size: ~$68.4b in FY24)*



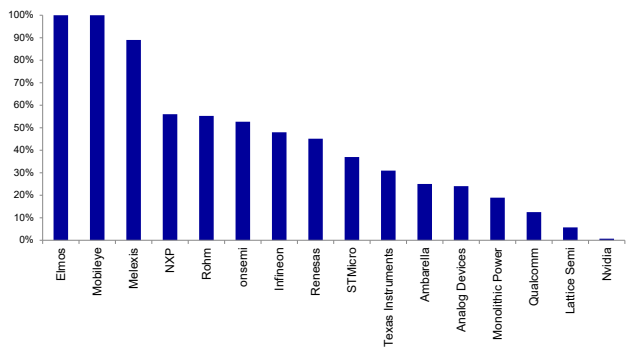
Source : Infineon investor presentation (FQ2/25 results); company data, TechInsights (March 2025); Deutsche Bank

Figure 21: Automotive Semiconductor supplier share *(Market Size: ~$74.4b in FY25)*



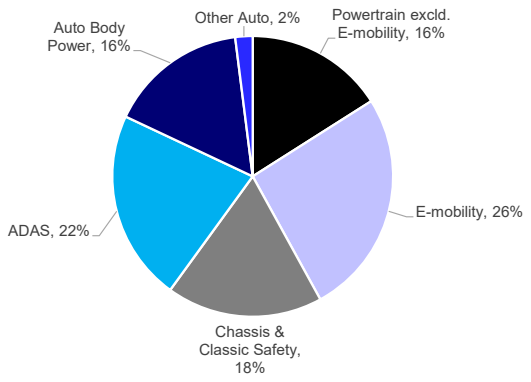
Source : Infineon investor presentation (FQ2/26 results); company data, TechInsights (April 2026); Deutsche Bank

Figure 22: Automotive as percentage of total sales (Q1/26)



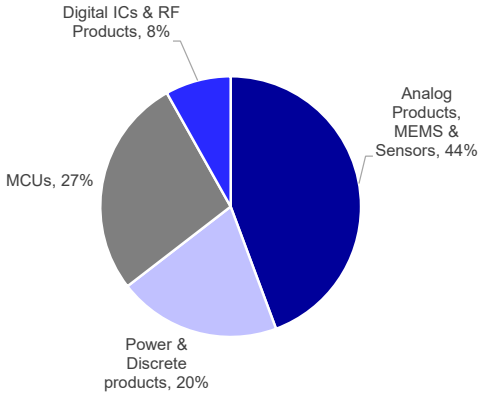
Source : Deutsche Bank, company data

Figure 23: Infineon Auto revenue split by products



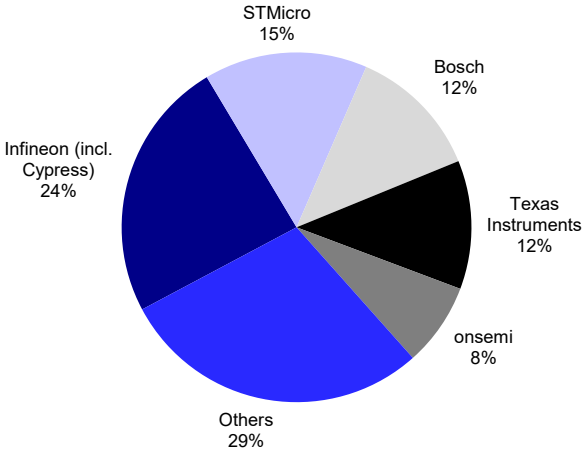
Source : Company data (based on FY25 revenue)

Figure 24: STM Auto revenue split by products



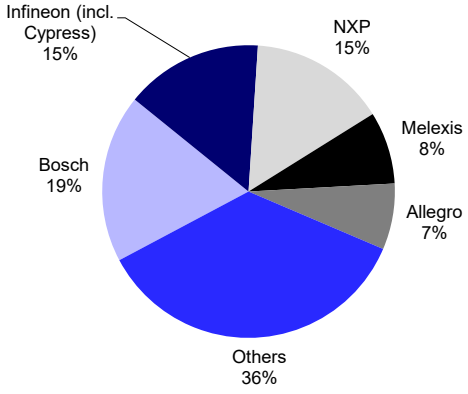
Source : Source : DB estimates, company data (based on FY25 revenue)

Figure 25: Market share in Auto power semis



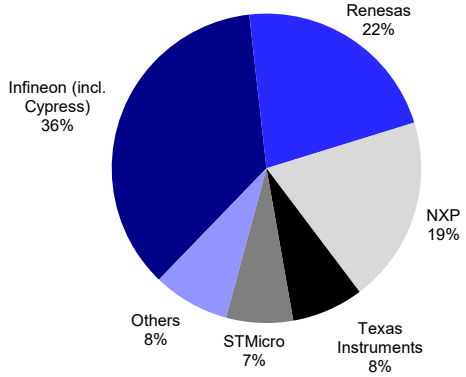
Source : Infineon, company data, TechInsights (2025)

Figure 26: Market share in Auto sensors



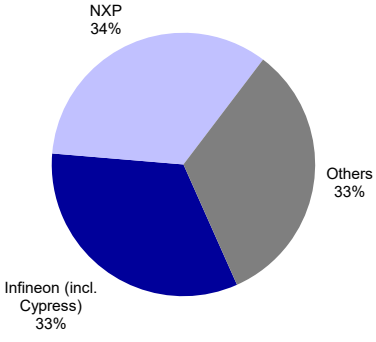
Source : Infineon, company data, S&P Global (2025)

Figure 27: Market share in Auto microcontrollers



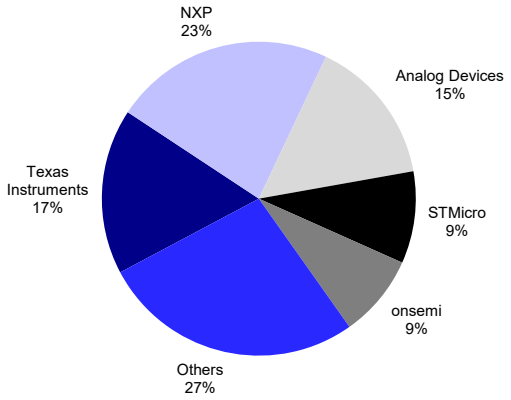
Source : Infineon, company data, TechInsights (2025)

Figure 28: Auto radar market share*



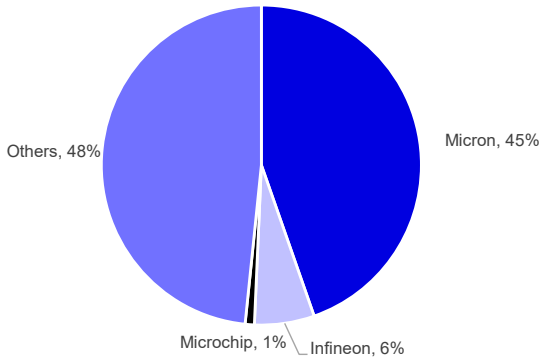
*Source : DB estimates, company data (2020); *transceiver and controller*

Figure 29: Auto (non-power) Analog market share



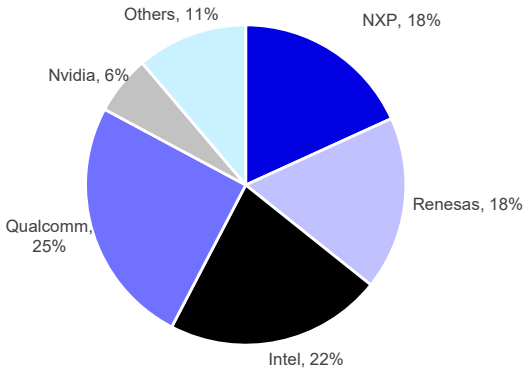
Source : Company data, Deutsche Bank (2025)

Figure 30: Auto Memory market share



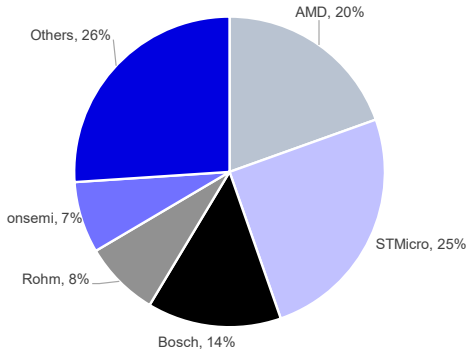
Source : Company data, Deutsche Bank (2025)

Figure 31: Auto SoC market share



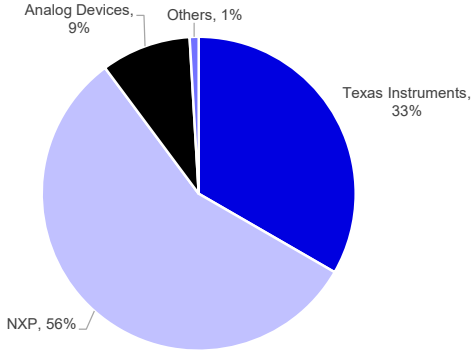
Source : Company data, Deutsche Bank (2025)

Figure 32: Auto Logic ICs market share



Source : Company data, Deutsche Bank (2025)

Figure 33: Auto DSP market share



Source : Company data, Deutsche Bank (2025)

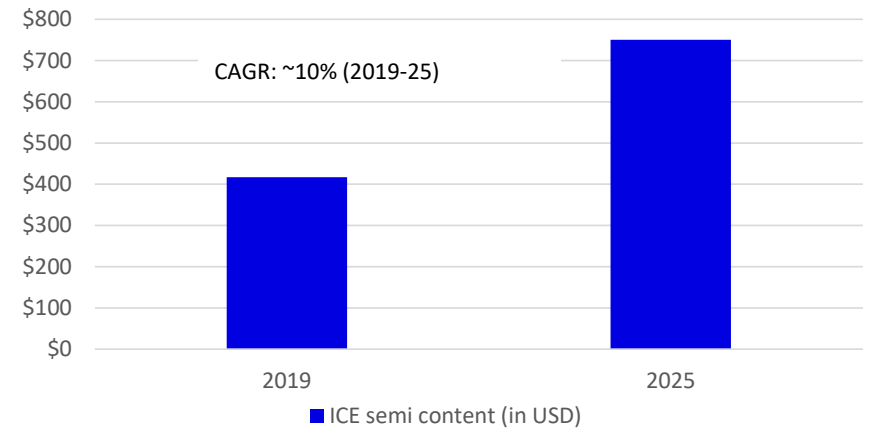
Figure 34: End-market exposure of the Automotive Semiconductor suppliers

Company	Major automotive semiconductor products/End market area
Infineon***	Number 1 in Power Semis, Assistance & Safety Systems, Comfort & Body, Security, Connectivity, Microcontrollers and high-performance memory
NXP	Car access & immobilizers, In-vehicle networking, Car entertainment, ADAS, ABS, Gateways, Battery Management, Automotive Lighting, Sensors, Telematics, Transmission/throttle control
STMicroelectronics	Infotainment & Connectivity, Auto Microcontrollers, ADAS, Sensors, Power drive, SiC devices, Body, Chassis & Safety
Renesas	Number 1 in Microcontrollers, also present in powertrain, safety, chassis & safety,Camera Video signal processing, Power systems
Texas Instruments	Infotainment & Cluster, ADAS, Passive Safety, Hybrid, electric & powertrain systems, Body electronics & lighting
onsemi	Powertrain, Power Management, In-Vehicle Networking, Infotainment, ADAS, AI, Sensors, LED Lighting
Rohm	High exposure to audio/infotainment, also HVAC control, body, electronic power steering, battery management/charging
Analog Devices**	ADAS, Infotainment, Powertrain, Body and Chassis & Safety; LED Lighting, Smart Key, Infotainment, Sensors, High-Integration Power, EV battery
Mobileye	Advanced Driver Assistance Systems (ADAS)
Nvidia	Infotainment and navigation, ADAS, Rear seat entertainment, Digital instrument clusters
Melexis	Actuators, Analog and digital semiconductors, Sensors, Smart motor drivers
Elmos	Sensors, Motor control, Embedded systems
Ambarella	Video recorders, in-cabin and driver monitoring cameras, electronic mirrors, around view monitoring and front camera advanced driving assistance systems
Monolithic Power	Infotainment, digital cockpits and connectivity applications
Lattice Semi	Low power FGPAs for ADAS, safety, infotainment, and quality/reliability applications
Qualcomm	Advanced driver assistance and automated driving (ADAS/AD), connectivity, digital cockpit

*Source : Company data, Deutsche Bank; ***Infineon acquired Cypress during Q2/20; ** ADI acquired Maxim during CQ3/21*

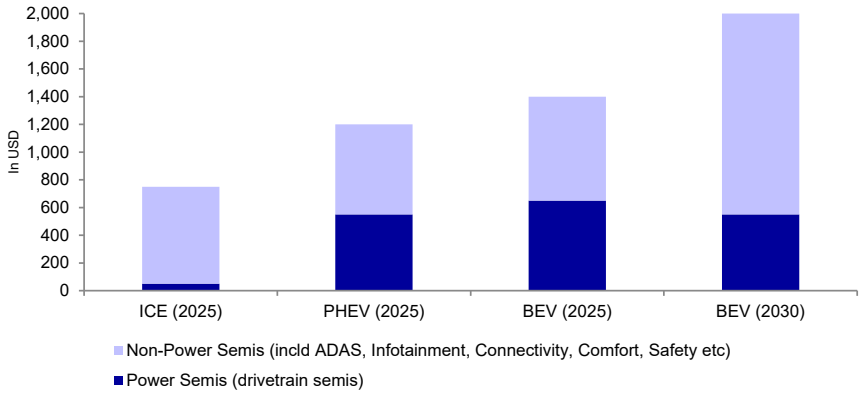
Automotive Semi content the major driver of industry growth

Figure 35: ICE semi content (in USD) reaching ~$750 in 2025



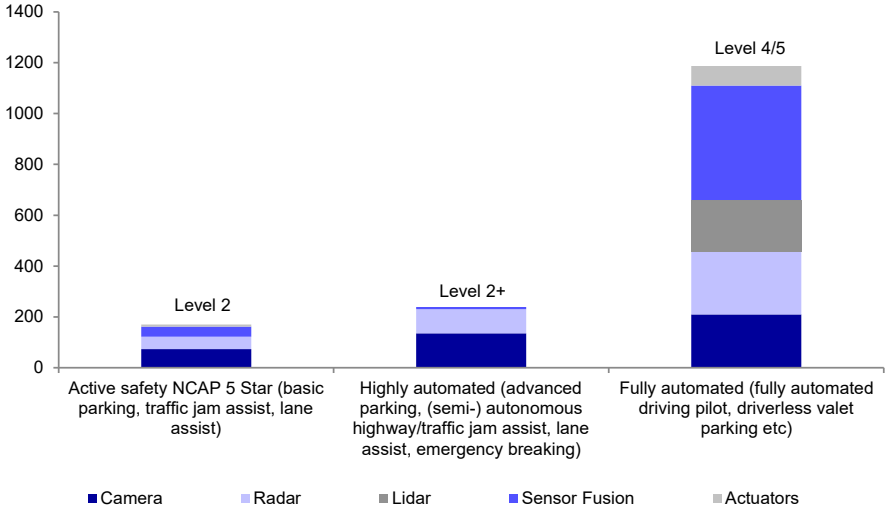
Source : Company data (Infineon based on S&P Global dataset; Deutsche Bank

Figure 36: Semiconductor content per car ($) – drivetrain power semis content in EV/PHEV is substantially above ICE



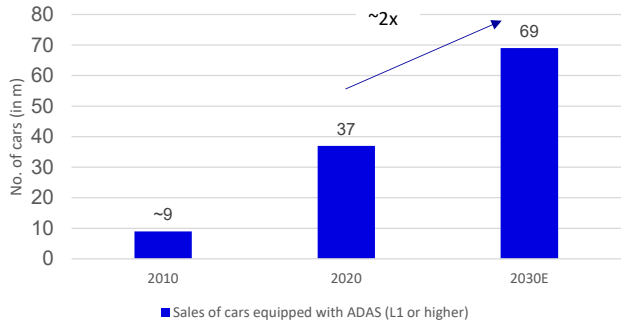
Source : Company data (Infineon based on S&P Global dataset), Deutsche Bank

Figure 37: ADAS semi content per level of automation (in $)



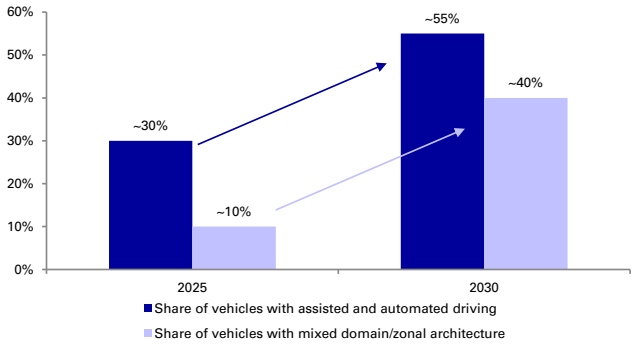
Source : Company data (Infineon based on TechInsights), Deutsche Bank

Figure 38: Sales of cars equipped with ADAS (L1 or higher) to almost double by 2030



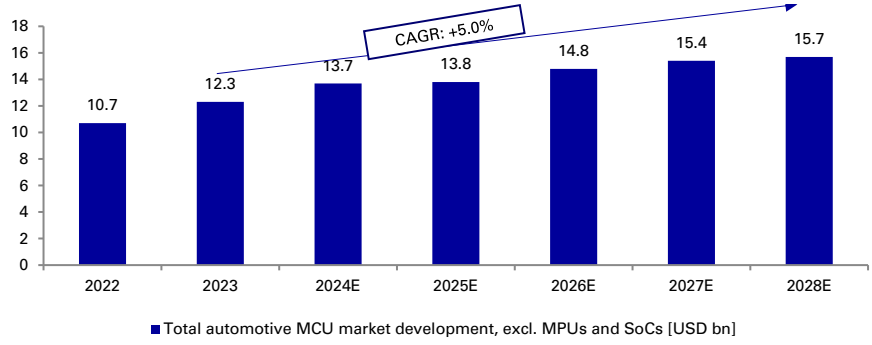
tsche Bank

Figure 39: ADAS and SDV seeing strong increase in penetration till 2030



Source : Company data, Deutsche Bank

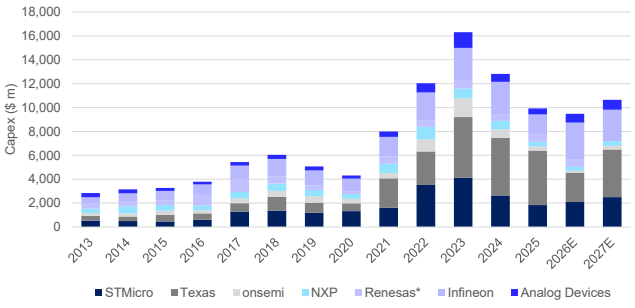
Figure 40: Auto MCU market is likely to see strong growth



Source : Infineon, company data, Deutsche Bank

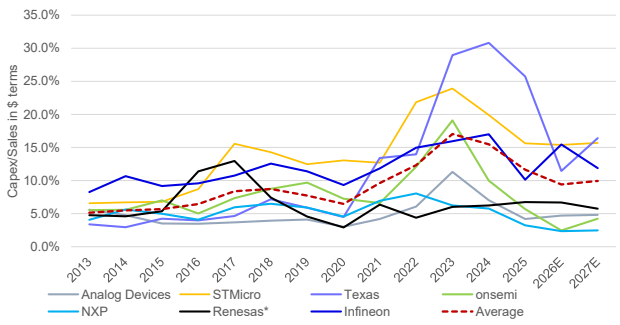
Auto Semi supplier CapEx expected to normalize in 2025/26e

Figure 41: Top 7 Auto Semi CapEx has peaked in 2023...



*Source : Company data, Deutsche Bank estimates & Bloomberg Finance LP; * FY21 underlying CapEx for Renesas is estimated excluding CapEx for fire response*

Figure 42: ...and so has relative CapEx intensity



*Source : Company data, Deutsche Bank estimates & Bloomberg Finance LP; * FY21 underlying CapEx for Renesas is estimated excluding CapEx for fire response*

Automotive end market - mixed trends in BEVs with Europe strong

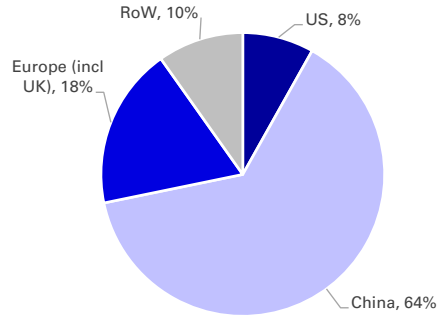
The global EV market presents a differentiated landscape across key regions. In **Western Europe**, while overall car market registrations grew ~3% y/y in May (~8% y/y in April), BEV and PHEV registrations demonstrated robust growth of 50% y/y and 11% y/y, respectively. The EU5 electrified car market (BEV+PHEV) held on to a firm footing in May registering 37% y/y growth, resulting in overall electrification market share of ~32%, suggesting EV adoption is a key driver supporting the European auto market and a major driver of Auto semis growth here. On a ytd basis, EV sales grew ~38% y/y as compared to ~5% y/y growth in EU5 car market, resulting into overall market share of ~30%.

The **US automotive** market performed stronger than expectations in Jun'26, running at a SAAR of 16.7m, stronger than prior-year SAAR of ~15.6m. out to the rest of 2026, we raised our 2026 anticipated SAAR to 16.0m, which is relatively in-line with most OEM estimates. For 2027, we maintain our full-year outlook at 16.1m SAAR. According to Omdia, US EVs (BEV + PHEV) witnessed a 21% decline in May'26 and registered as market share of ~7% (vs. 9% in May'25).

In May 2026, the **Chinese passenger car** market saw a subdued performance, with retail sales down by 22% y/y, reaching 1.51m, while increasing by 9% m/m, according to China Passenger Car Association (CPCA). NEV passenger vehicle sales in China reached 950k, down 7.5% y/y in May 2026. The market share of NEVs reached ~63%, implying decent momentum for electric vehicles (link).

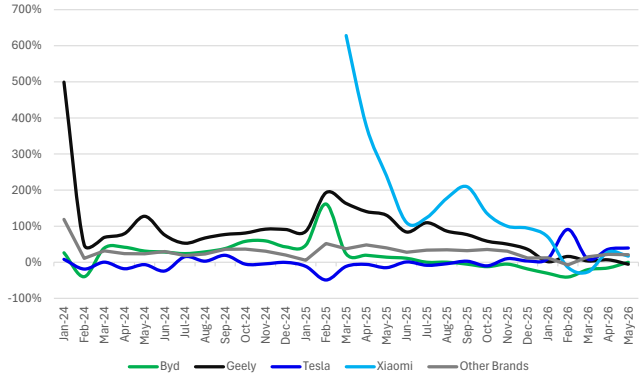
State of the EV market

Figure 43: EV sales break-up by regions (2025e)



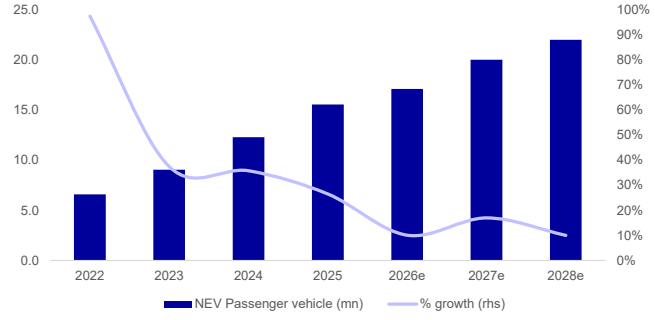
Source : Bloomberg Finance LP

Figure 44:BYD is underperforming in China



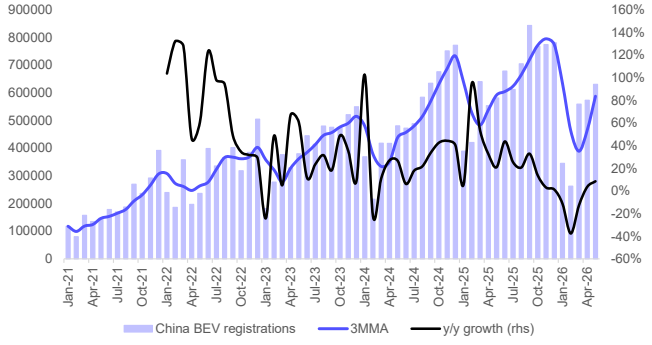
Source : Deutsche Bank, CAAM

Figure 45: Still expect China EV growth in '26



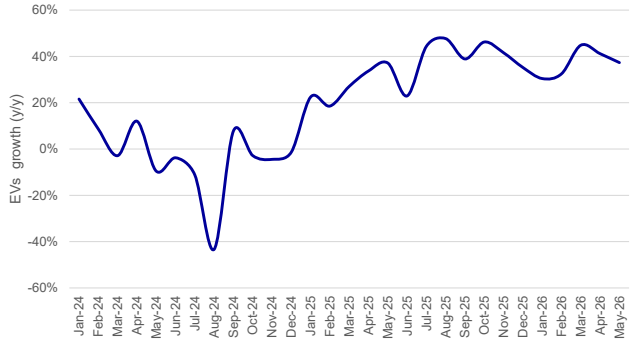
Source : Deutsche Bank, CAAM

Figure 46: China EV growth recovering from bottom in Feb'26



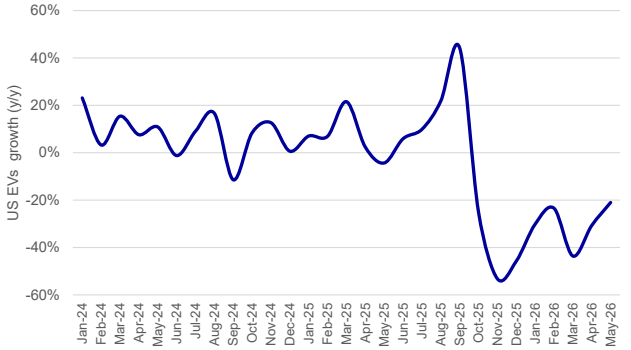
Source : Deutsche Bank, Bloomberg Finance LP

Figure 47: European EV momentum remains strong



Source : Deutsche Bank, KBA, CCFA, SMMT, ANFAC, ANIACAM (Europe top 5 countries monthly aggregate BEV and PHEV)

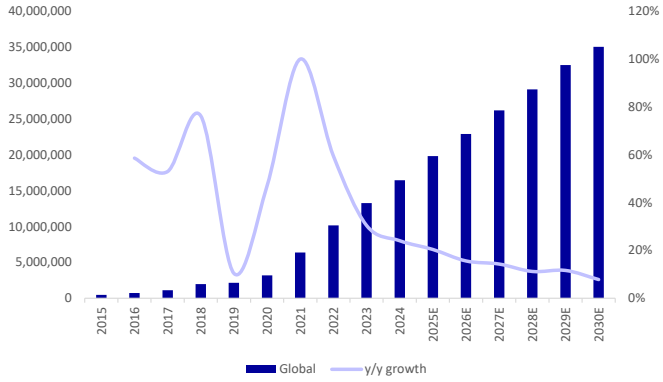
Figure 48: US EV momentum dropping after subsidy cuts in October but recovered recently



Source : Omdia(US monthly aggregate BEV and PHEV growth y/y)

Global EV sales volume statistics and forecast (units)

Figure 49: Global EV sales



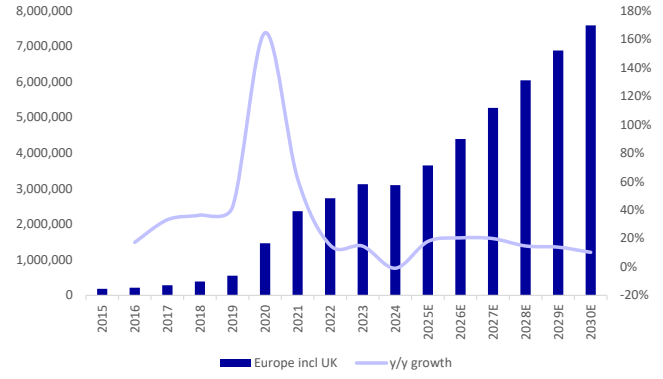
Source : Bloomberg Finance LP

Figure 50: US EV sales



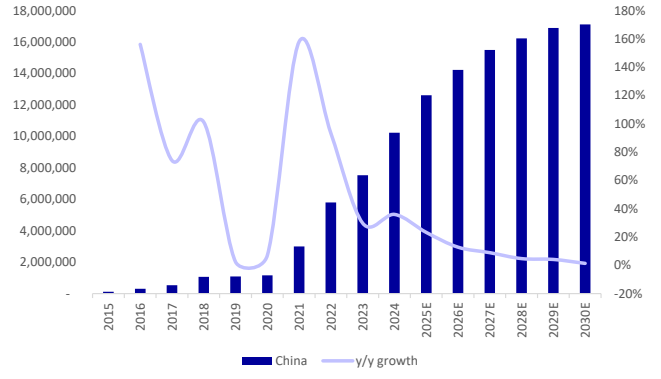
Source : Bloomberg Finance LP

Figure 51: Europe (incl. UK) EV sales



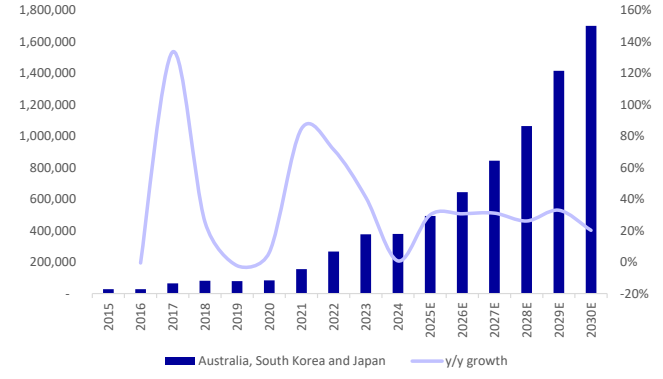
Source : Bloomberg Finance LP

Figure 52: China EV sales



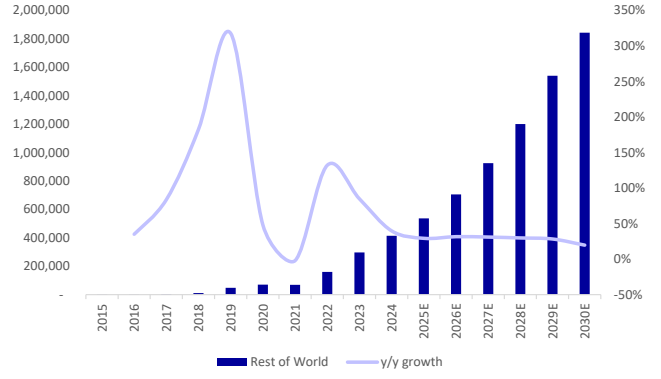
Source : Bloomberg Finance LP

Figure 53: Japan, S/Korea, Australia EV sales



Source : Bloomberg Finance LP

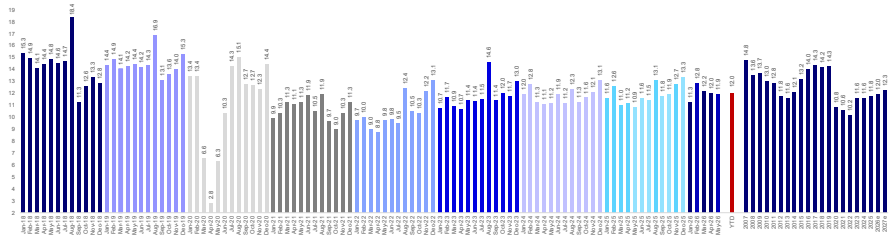
Figure 54: Rest of the World EV sales



Source : Bloomberg Finance LP

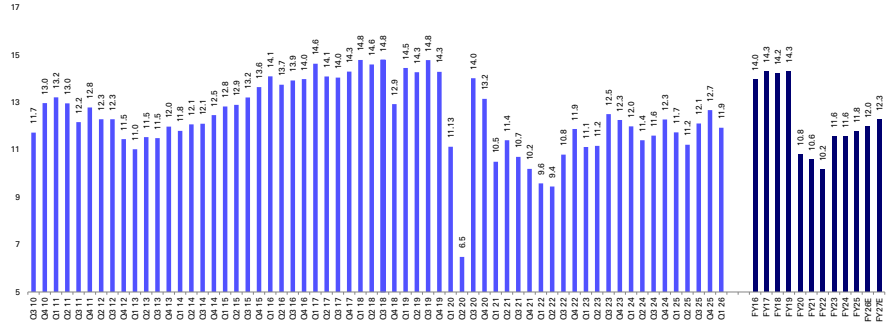
Auto production and demand trends

Figure 55: Europe SAAR on a monthly basis (Jan '18 – May' 26) and FY estimates



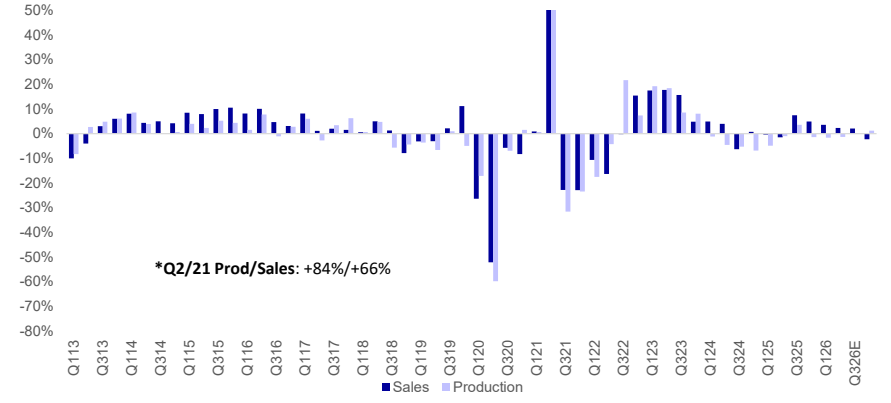
Source : Deutsche Bank, LMC Automotive

Figure 56: Europe SAAR on a quarterly basis (Q1/09 – Q1/26) – in m units



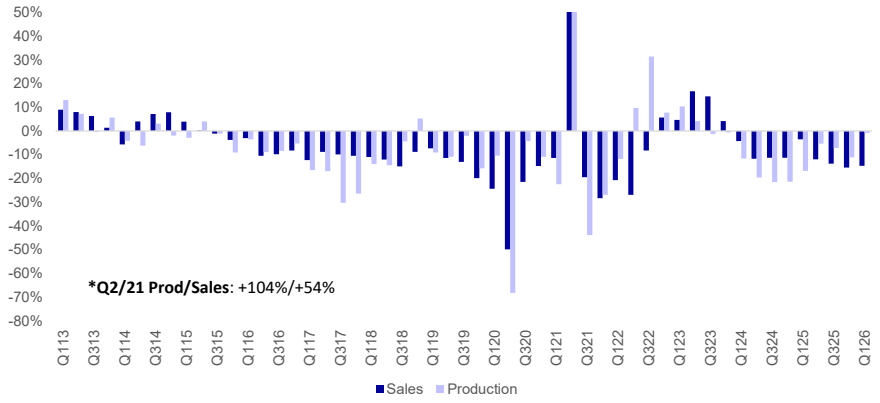
Source : Deutsche Bank, LMC Automotive

Figure 57: European car sales outperformed production in Q1/26



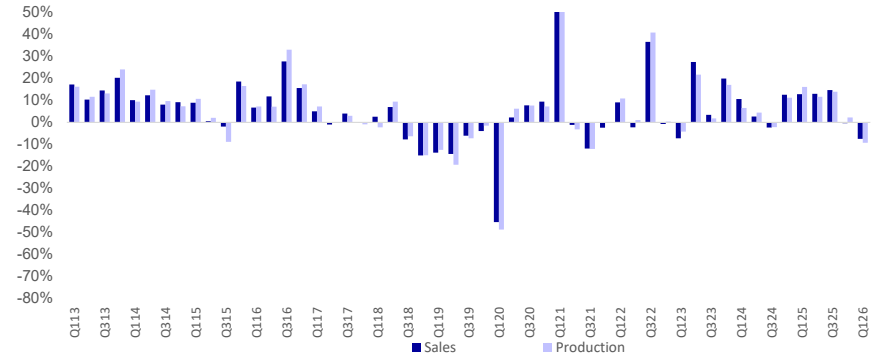
Source : Company data, Deutsche Bank Estimates, LMC Automotive

Figure 58: US sales and production both declined in Q1/26 and Q4/25



Source : Deutsche Bank & BEA

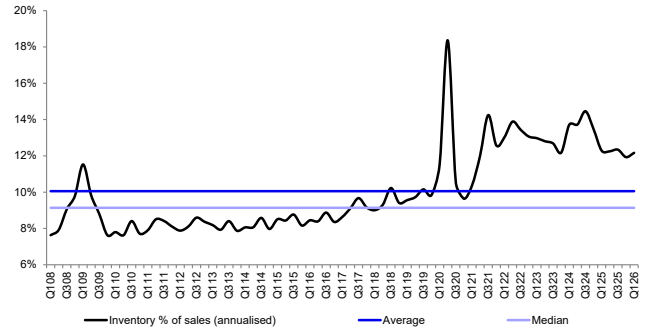
Figure 59: China car production and sales softened in Q1/26



Source : Bloomberg Finance LP

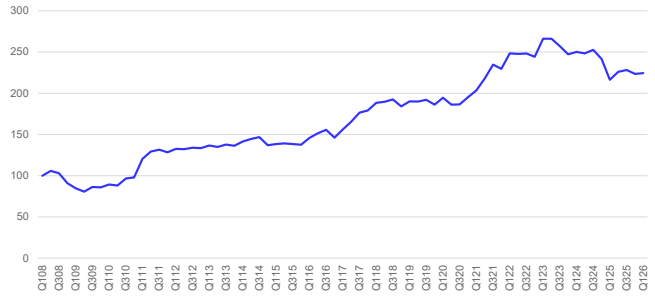
Auto supplier inventories are moderating

Figure 60: Auto Tier 1 inventories/sales are moderating



Source : Company data, Bloomberg Finance LP

Figure 61: Auto Tier 1 inventories (aggregated and indexed in Q1/08) also declined from peak



Source : Company data and Bloomberg Finance LP

DB global car production forecast: Auto production is expected to remain largely flat in 2026e, but make a mild recovery in 2027e

Figure 62: Global car production trends 2015-27e

Regions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
North America	17,496	17,824	17,065	16,959	16,314	13,024	13,047	14,298	15,643	15,553	15,267	14,939	15,443
Europe	20,935	21,537	22,210	21,991	21,155	16,571	15,891	15,829	17,970	17,175	17,031	16,905	17,239
China	24,023	27,370	28,012	26,851	24,665	23,588	24,843	26,403	29,043	30,087	33,095	32,713	32,803
Japan/Korea	13,266	12,914	13,264	13,204	13,107	11,200	10,878	11,110	12,803	11,976	12,071	11,904	11,570
South Asia	7,979	8,415	8,695	9,188	8,427	6,190	7,885	9,614	9,772	9,583	10,101	10,583	11,106
South America	3,073	2,741	3,287	3,432	3,272	2,246	2,608	2,824	2,913	2,962	3,056	3,205	3,343
Other	1,965	2,308	2,579	2,579	2,010	1,782	2,053	2,242	2,291	2,239	2,425	2,319	2,586
Global	**88,737**	**93,109**	**95,112**	**94,204**	**88,951**	**74,600**	**77,204**	**82,320**	**90,435**	**89,577**	**93,045**	**92,567**	**94,089**
Y/Y %													
North America	3%	2%	-4%	-1%	-4%	-20%	0%	10%	9%	-1%	-2%	-2%	3%
Europe	4%	3%	3%	-1%	-4%	-22%	-4%	0%	14%	-4%	-1%	-1%	2%
China	5%	14%	2%	-4%	-8%	-4%	5%	6%	10%	4%	10%	-1%	0%
Japan/Korea	-3%	-3%	3%	0%	-1%	-15%	-3%	2%	15%	-6%	1%	-1%	-3%
South Asia	3%	5%	3%	6%	-8%	-27%	27%	22%	2%	-2%	5%	5%	5%
South America	-20%	-11%	20%	4%	-5%	-31%	16%	8%	3%	2%	3%	5%	4%
Other	1%	17%	12%	0%	-22%	-11%	15%	9%	2%	-2%	8%	-4%	12%
Global	**1.6%**	**4.9%**	**2.2%**	**-1.0%**	**-5.6%**	**-16.1%**	**3.5%**	**6.6%**	**9.9%**	**-0.9%**	**3.9%**	**-0.5%**	**1.6%**

Source : Deutsche Bank Estimates, IHS Automotive



DB global car demand forecast - expecting some growth

Figure 63: Global demand trends (2013-27e): expecting ~2% growth in 2026e

(units '000)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Europe	17829	18149	18752	19664	20429	20379	20737	16575	16747	14815	17754	18362	18522	18771	19138
Y/Y %	*-2%*	*2%*	*3%*	*5%*	*4%*	*0%*	*2%*	*-20%*	*1%*	*-12%*	*20%*	*3%*	*1%*	*1%*	*2%*
N.America	17,315	18,342	19,344	19,488	19,233	19,227	18,900	16,048	16,611	15,401	17,246	17,622	18,103	18,044	18,108
Y/Y %	*7%*	*6%*	*5%*	*1%*	*-1%*	*0%*	*-2%*	*-15%*	*4%*	*-7%*	*12%*	*2%*	*3%*	*0%*	*0%*
China	21875	23630	24893	28021	28608	27748	25500	24450	25490	27097	25681	26146	27685	28064	26909
Y/Y %	*14%*	*8%*	*5%*	*13%*	*2%*	*-3%*	*-8%*	*-4%*	*4%*	*6%*	*-5%*	*2%*	*6%*	*1%*	*-4%*
Japan & Korea	6,759	7,061	6,799	6,688	6,916	6,978	6,879	6,395	6,089	5,822	6,457	6,015	6,227	6,400	6,346
Y/Y %	*0%*	*4%*	*-4%*	*-2%*	*3%*	*1%*	*-1%*	*-7%*	*-5%*	*-4%*	*11%*	*-7%*	*4%*	*3%*	*-1%*
South America (Brazil + Argentina)	4494	3979	3085	2672	3030	3248	3106	2280	2335	2339	2603	2893	3114	3269	3452
Y/Y %	*1%*	*-11%*	*-22%*	*-13%*	*13%*	*7%*	*-4%*	*-27%*	*2%*	*0%*	*11%*	*11%*	*8%*	*5%*	*6%*
Others	16,148	16,181	16,315	16,505	17,082	16,833	15,256	12,023	14,164	15,621	16,997	17,507	18,485	19,192	19,643
Y/Y %	*-2%*	*0%*	*1%*	*1%*	*3%*	*-1%*	*-9%*	*-21%*	*18%*	*10%*	*9%*	*3%*	*6%*	*4%*	*2%*
Global	**84,420**	**87,342**	**89,188**	**93,038**	**95,298**	**94,413**	**90,378**	**77,771**	**81,436**	**81,095**	**86,738**	**88,545**	**92,136**	**93,741**	**93,597**
Y/Y %	***4%***	***3%***	***2%***	***4%***	***2%***	***-1%***	***-4%***	***-14%***	***5%***	***0%***	***7%***	***2%***	***4%***	***2%***	***0%***
Mature markets (NA+EU+J+ S. Korea)	41,903	43,552	44,895	45,840	46,578	46,584	46,515	39,018	39,447	36,037	41,457	41,999	42,852	43,215	43,592
Y/Y %	*2%*	*4%*	*3%*	*2%*	*2%*	*0%*	*0%*	*-16%*	*1%*	*-9%*	*15%*	*1%*	*2%*	*1%*	*1%*
NA+EU+J + S. Korea % global sales	50%	50%	50%	49%	49%	49%	51%	50%	48%	44%	48%	47%	47%	46%	47%

Source : Deutsche Bank, LMC

Figure 64: Automotive Semiconductor revenues

All in USD m	CQ123	CQ223	CQ323	CQ423	CQ124	CQ224	CQ324	CQ424	CQ125	CQ225	CQ325	CQ425	CQ126	CQ226e	CQ326e	CQ426e
Infineon + Cypress	2,232	2,318	2,352	2,244	2,257	2,274	2,361	2,047	1,956	2,121	2,245	2,129	2,142	2,191	2,425	2,352
y/y %	*33%*	*28%*	*21%*	*18%*	*1%*	*-2%*	*0%*	*-9%*	*-13%*	*-7%*	*-5%*	*4%*	*10%*	*3%*	*8%*	*10%*
q/q %	*17%*	*4%*	*1%*	*-5%*	*1%*	*1%*	*4%*	*-13%*	*-4%*	*8%*	*6%*	*-5%*	*1%*	*2%*	*11%*	*-3%*
NXP	1,828	1,866	1,891	1,899	1,804	1,728	1,829	1,790	1,674	1,729	1,837	1,876	1,782	1,925	2,021	2,122
y/y %	*17%*	*9%*	*5%*	*5%*	*-1%*	*-7%*	*-3%*	*-6%*	*-7%*	*0%*	*0%*	*5%*	*6%*	*11%*	*10%*	*13%*
q/q %	*1%*	*2%*	*1%*	*0%*	*-5%*	*-4%*	*6%*	*-2%*	*-6%*	*3%*	*6%*	*2%*	*-5%*	*8%*	*5%*	*5%*
STMicro	1,626	1,766	1,842	1,853	1,594	1,487	1,489	1,494	982	1,117	1,243	1,265	1,145	1,240	1,318	1,341
y/y %	*45%*	*36%*	*32%*	*23%*	*-2%*	*-16%*	*-19%*	*-19%*	*-38%*	*-25%*	*-17%*	*-15%*	*17%*	*11%*	*6%*	*6%*
q/q %	*8%*	*9%*	*4%*	*1%*	*-14%*	*-7%*	*0%*	*0%*	*-34%*	*14%*	*11%*	*2%*	*-9%*	*8%*	*6%*	*2%*
Renesas+Intersil	1,203	1,172	1,163	1,164	1,201	1,225	1,243	976	1,018	1,119	1,079	1,055	1,094	1,172	1,192	1,209
y/y %	*-9%*	*-7%*	*2%*	*-3%*	*0%*	*4%*	*7%*	*-16%*	*-15%*	*-9%*	*-13%*	*8%*	*8%*	*5%*	*10%*	*15%*
q/q %	*0%*	*-3%*	*-1%*	*0%*	*3%*	*2%*	*2%*	*-22%*	*4%*	*10%*	*-4%*	*-2%*	*4%*	*7%*	*2%*	*1%*
Texas Instruments	1,418	1,446	1,533	1,473	1,384	1,315	1,414	1,362	1,402	1,374	1,512	1,493	1,493	1,568	1,646	1,679
y/y %	*28%*	*23%*	*19%*	*10%*	*-2%*	*-9%*	*-8%*	*-8%*	*1%*	*5%*	*7%*	*10%*	*6%*	*14%*	*9%*	*12%*
q/q %	*6%*	*2%*	*6%*	*-4%*	*-6%*	*-5%*	*8%*	*-4%*	*3%*	*-2%*	*10%*	*-1%*	*0%*	*5%*	*5%*	*2%*
Qualcomm	447	434	535	598	603	811	899	961	959	984	1,053	1,101	1,326	1,485	1,530	1,576
y/y %	*20%*	*13%*	*15%*	*31%*	*35%*	*87%*	*68%*	*61%*	*59%*	*21%*	*17%*	*15%*	*38%*	*51%*	*45%*	*43%*
q/q %	*-2%*	*-3%*	*23%*	*12%*	*1%*	*34%*	*11%*	*7%*	*0%*	*3%*	*7%*	*5%*	*20%*	*12%*	*3%*	*3%*
onsemi+FCS	986	1,062	1,158	1,114	1,017	907	951	1,026	762	733	787	798	797	798	854	900
y/y %	*38%*	*35%*	*33%*	*13%*	*3%*	*-15%*	*-18%*	*-8%*	*-25%*	*-19%*	*-17%*	*-22%*	*5%*	*9%*	*8%*	*13%*
q/q %	*0%*	*8%*	*9%*	*-4%*	*-9%*	*-11%*	*5%*	*8%*	*-26%*	*-4%*	*7%*	*1%*	*0%*	*0%*	*7%*	*5%*
ROHM	454	405	389	381	411	372	376	375	346	373	408	394	393	391	406	403
y/y %	*11%*	*9%*	*1%*	*5%*	*-9%*	*-8%*	*-3%*	*-2%*	*-16%*	*0%*	*9%*	*5%*	*14%*	*5%*	*0%*	*2%*
q/q %	*25%*	*-11%*	*-4%*	*-2%*	*8%*	*-10%*	*1%*	*0%*	*-8%*	*8%*	*9%*	*-3%*	*0%*	*-1%*	*4%*	*-1%*
Analog Devices + MXIM	745	733	743	752	686	696	725	740	856	856	865	810	872	937	984	954
y/y %	*21%*	*14%*	*16%*	*9%*	*-8%*	*-5%*	*-2%*	*-2%*	*25%*	*23%*	*19%*	*9%*	*2%*	*9%*	*14%*	*18%*
q/q %	*8%*	*-2%*	*1%*	*1%*	*-9%*	*1%*	*4%*	*2%*	*16%*	*0%*	*1%*	*-6%*	*8%*	*8%*	*5%*	*-3%*
Mobileye	458	454	530	637	239	440	485	490	438	506	504	446	558	494	467	456
y/y %	*16%*	*-1%*	*18%*	*13%*	*-48%*	*-3%*	*-8%*	*-23%*	*83%*	*15%*	*4%*	*-9%*	*27%*	*-2%*	*-7%*	*2%*
q/q %	*-19%*	*-1%*	*17%*	*20%*	*-62%*	*84%*	*10%*	*1%*	*-11%*	*16%*	*0%*	*-12%*	*25%*	*-12%*	*-6%*	*-2%*
Nvidia	296	253	261	281	329	346	449	570	567	586	592	604	574	631	694	660
y/y %	*114%*	*15%*	*4%*	*-4%*	*11%*	*37%*	*72%*	*103%*	*72%*	*69%*	*32%*	*6%*	*1%*	*8%*	*17%*	*9%*
q/q %	*1%*	*-15%*	*3%*	*8%*	*17%*	*5%*	*30%*	*27%*	*-1%*	*3%*	*1%*	*2%*	*-5%*	*10%*	*10%*	*-5%*
Melexis	223	234	241	245	236	235	245	190	184	211	221	223	211	214	211	224
y/y %	*20%*	*17%*	*22%*	*18%*	*6%*	*0%*	*2%*	*-23%*	*-22%*	*-10%*	*-10%*	*18%*	*15%*	*2%*	*-5%*	*1%*
q/q %	*7%*	*5%*	*3%*	*2%*	*-4%*	*0%*	*4%*	*-23%*	*-3%*	*15%*	*5%*	*1%*	*-6%*	*2%*	*-2%*	*7%*
Elmos	140	148	165	169	149	153	172	155	134	165	164	198	179	186	180	189
y/y %	*30%*	*31%*	*37%*	*32%*	*6%*	*3%*	*4%*	*-8%*	*-10%*	*8%*	*-4%*	*27%*	*34%*	*13%*	*9%*	*-4%*
q/q %	*10%*	*5%*	*11%*	*2%*	*-12%*	*3%*	*13%*	*-10%*	*-14%*	*24%*	*0%*	*20%*	*-10%*	*4%*	*-3%*	*5%*
Monolithic Power	105	104	95	90	87	87	111	128	145	145	152	151	152	152	168	184
y/y %	*93%*	*71%*	*9%*	*-8%*	*-17%*	*-16%*	*17%*	*43%*	*66%*	*66%*	*36%*	*18%*	*5%*	*5%*	*11%*	*22%*
q/q %	*8%*	*-1%*	*-9%*	*-6%*	*-3%*	*0%*	*28%*	*15%*	*13%*	*0%*	*4%*	*0%*	*1%*	*0%*	*10%*	*10%*
Ambarella	21	20	18	16	17	18	23	22	20	21	21	22	25	26	29	28
y/y %	*-14%*	*-8%*	*-16%*	*-25%*	*-17%*	*-12%*	*27%*	*35%*	*15%*	*18%*	*-7%*	*1%*	*27%*	*27%*	*36%*	*24%*
q/q %	*-5%*	*-3%*	*-10%*	*-10%*	*6%*	*2%*	*30%*	*-4%*	*-10%*	*5%*	*3%*	*4%*	*13%*	*5%*	*10%*	*-5%*
Lattice Semiconductor	16	18	18	16	13	11	10	10	10	9	9	7	10	11	12	12
y/y %	*107%*	*101%*	*59%*	*30%*	*-20%*	*-39%*	*-42%*	*-39%*	*-20%*	*-16%*	*-10%*	*-26%*	*-3%*	*14%*	*24%*	*68%*
q/q %	*26%*	*16%*	*-1%*	*-10%*	*-22%*	*-11%*	*-6%*	*-6%*	*3%*	*-7%*	*0%*	*-23%*	*35%*	*10%*	*8%*	*5%*
Auto Semi market (listed companies) - $ m	**12,238**	**12,487**	**12,994**	**13,003**	**12,079**	**12,157**	**12,837**	**12,393**	**11,506**	**12,103**	**12,747**	**12,631**	**12,808**	**13,484**	**14,202**	**14,361**
% qoq	*5%*	*2%*	*4%*	*0%*	*-7%*	*1%*	*6%*	*-3%*	*-7%*	*5%*	*5%*	*-1%*	*1%*	*5%*	*5%*	*1%*
% y/y Change	*25%*	*18%*	*17%*	*12%*	*-1%*	*-3%*	*-1%*	*-5%*	*-5%*	*0%*	*-1%*	*2%*	*11%*	*11%*	*11%*	*14%*

Source : Company data, Deutsche Bank Estimates



Appendix 1

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