Corning

Display Monthly: Weak Consumer Demand and Memory Inflation Pressure Panel Pricing, Setting Up a Challenging 2H26

Neutral

GLW, GLW US
Price (24 Jul 26):$146.65

IT Hardware/ Telecom & Networking Equipment

Joseph Cardoso [AC]
(1-212) 622-9036
joseph.cardoso@jpmchase.com

Marc Vitenzon
(1-212) 622-3342
marc.vitenzon@jpmchase.com

Manmohanpreet Singh
(1-212) 622-4527
manmohanpreet.singh@jpmchase.com

Akanksh Chauhan
(1-212) 622-0045
akanksh.chauhan@jpmorgan.com
J.P. Morgan Securities LLC

Following a period of stability, panel pricing declined across the board in July and is forecast to decline further in August, as TV makers push for price reductions and Market Development Funds (MDFs) to offset memory-driven cost inflation and support heavier promotions in 2H26 amid weak consumer demand. TV makers are taking losses because they cannot pass higher supply-chain costs through to consumers, and they are shifting production mix toward larger sizes, where memory is a smaller share of the BOM. That said, the mix shift may not be enough to offset weaker end market demand if panel makers respond to pricing pressure by lowering fab utilization. With some panel makers considering 3Q26 utilization cuts to control supply and preserve bargaining power, and 1H26 promotions likely pulling forward some 2H demand, the setup points to a more challenging 2H26 for panel volumes.

Average LCD TV panel prices for the month of July, tracked by Omdia, were -2.1% m/m (vs. flat m/m in June), compared with an average sequential decrease -1.4% seen historically going from the month of June to July, driven by weaker sequential pricing across all LCD TV panel sizes. On a year-over-year basis, panel prices declined -2.1% y/y in July (vs. -4.7% y/y in June, -6.0% y/y in May), marking the sixteenth consecutive month of y/y decline. However, looking forward into expectations from Omdia for the month of August, pricing is expected to decline -2.7% m/m, compared to an average sequential increase of +1.4% seen historically going from the month of July to August.

- **Key Takeaways from Omdia:** TV makers are pushing for panel price cuts and MDFs because memory costs are squeezing TV BOMs, TV maker losses are widening, and consumer demand remains weak. Panel makers are trying to defend pricing, but some are already offering larger cuts on large and ultra-large panels, and some may lower fab utilization in 3Q26 to protect bargaining power. Chinese TV makers have cut 3Q26 panel demand forecasts, while South Korean buying plans remain at risk. The US market looked comparatively better in 1H26, but that was promotion-driven and may have pulled demand forward. Panel restocking could occur later in 3Q26 or 4Q26 if TV makers believe panel prices are bottoming, but purchasing plans remain fluid and dependent on promotional results.
- **Panel prices by segment:** Prices for LCD TV panels less than 49" were -2.0% m/m in July (vs. flat m/m in June), compared with the historical average of a -0.6% m/m decrease from June to July. On a y/y basis, prices for TV panels less than 49" were +1.0% y/y. Panel prices for LCD TV panels greater than 49" were -2.1% in July (vs. flat m/m in June), compared with the historical average of a -1.7% m/m decrease from June to July. On a y/y basis, prices for panels greater than 49" decreased -2.8% y/y.
- **Direct read-through to Corning.** In our coverage, large-sized LCD panel are relevant to Corning, which manufactures the glass used in the panels

See page 4 for analyst certification and important disclosures.



and for which the Display segment accounts for a material percentage of profits. Corning estimates that 97% of the global viewing area (e.g., 5 bn+ square feet) is covered by LCD displays (vs. 3% covered by OLED), of which TV displays constitute more than 70% (remaining accounted for by notebooks, desktops, etc.).

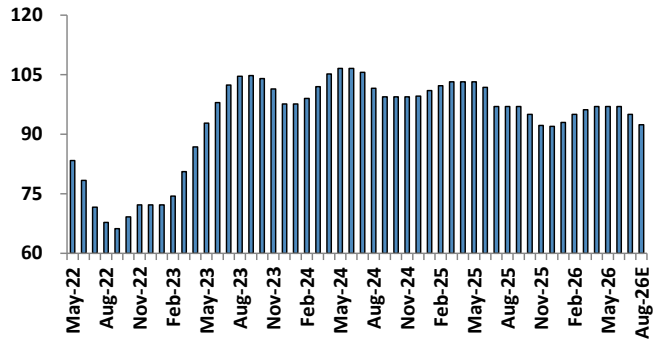
Joseph Cardoso [AC]
(1-212) 622-9036
joseph.cardoso@jpmchase.com

J.P.Morgan

Panel Price Tracker

Figure 1: LCD TV Panel Price – Average

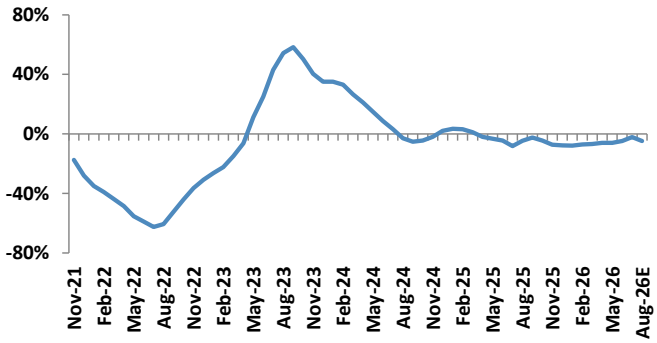
US$/pcs



Source: Omdia.

Figure 2: Y/Y Change in Average TV Panel Price

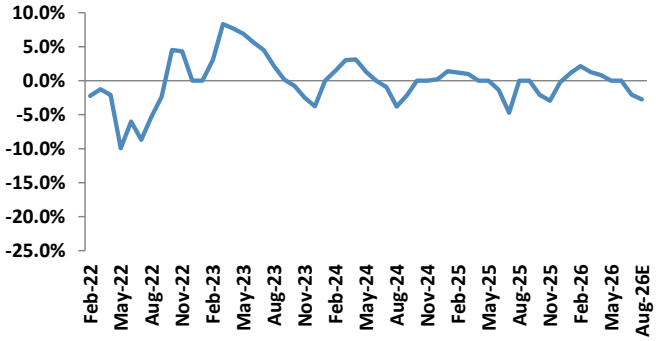
Y/Y Change (%)



Source: Omdia.

Figure 3: M/M Change in Average LCD TV Panel Price

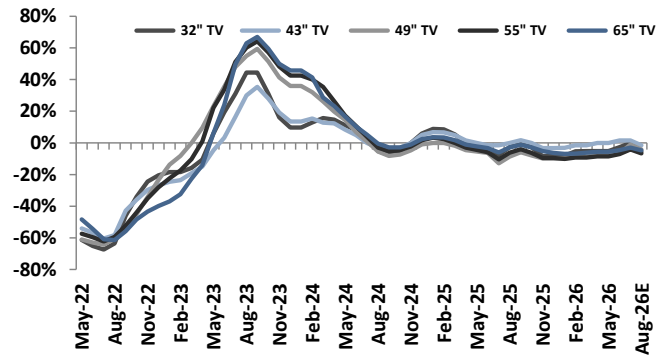
M/M % Change



Source: Omdia.

Figure 4: Y/Y Change in LCD TV Panel Price by Size

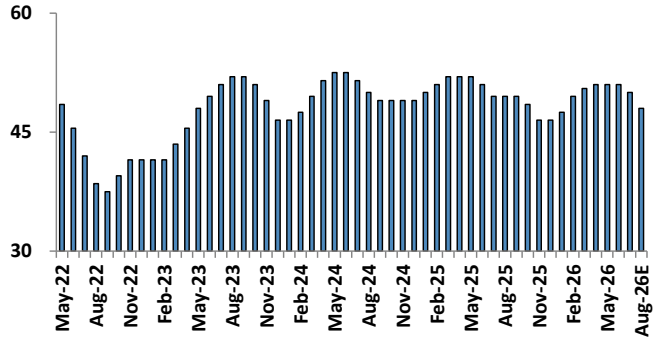
Y/Y Change (%)



Source: Omdia.

Figure 5: Average LCD TV Panel Price – Sizes Less than 49”

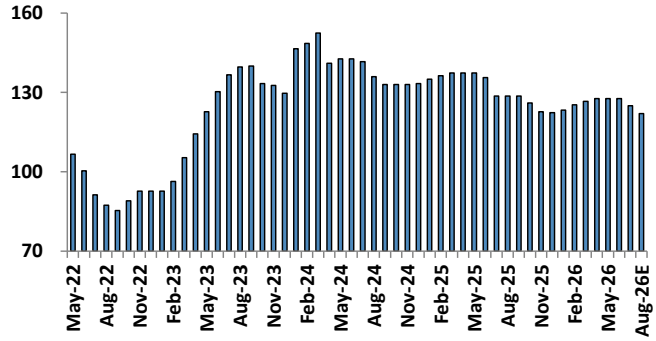
US$/pcs



Source: Omdia.

Figure 6: Average LCD TV Panel Price – Sizes Greater than 49”

US$/pcs



Source: Omdia.