Americas Technology: Semiconductors: SIA data shows generally above seasonal in July, with select segments weaker

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Broadly above-seasonal shipment trends in July

Shipments of integrated circuits units (ex. memory) decreased 5% month over month in July, better than typical seasonality, according to data from Semiconductor Industry Association (SIA). Most segments shipped at above-seasonal levels for the month, although Logic, DRAM, NAND, and MPUs all saw worse-than-seasonal M/M unit declines - which we would attribute to PC softness. Despite these areas of softness, overall shipments are now tracking 7% above long-term demand on a three-month moving average basis (vs. 4% above trend in June). Improving trends over the past few months are consistent with companies' constructive commentary, particularly for analog where shipments are now also running ~7% above trend. **Performance by sub-segment was as follows.**

- **IC ex. Memory:** Units were 5.8% above trend vs. 3.6% above in June.
- **Analog:** Units were 6.6% above trend, better than 4.6% above trend in June.
- **MCU:** Units were 20.9% below trend, better than 22.3% below trend in June.

Exhibit 1: M/M % change in revenue, units and ASPs vs. historical levels

	Revenue			Units			ASPs		
July 2026	M/M Rev % Chg	Hist. M/M % Chg	Y/Y % Chg	M/M Unit % Chg	Hist. M/M Unit % Chg	Y/Y Unit % Chg	M/M ASP % Chg	Hist. M/M ASP %	Y/Y ASP % Chg
Total Semiconductors	-10%	**-8%**	131%	0%	**-5%**	16%	-9%	**-3%**	99%
Discretes	-5%	**-8%**	14%	1%	**-3%**	6%	-7%	**-3%**	7%
Integrated Circuits	-10%	**-9%**	149%	-5%	**-9%**	29%	-6%	**1%**	93%
DRAM	-18%	**-16%**	428%	-24%	**-16%**	23%	8%	**7%**	328%
NAND	-15%	**-21%**	532%	-22%	**-16%**	8%	10%	**-5%**	485%
ICs ex. Memory	1%	**-3%**	40%	-5%	**-9%**	22%	6%	**4%**	15%
MPU	-8%	**-4%**	36%	-9%	**-6%**	17%	1%	**5%**	17%
MCU	-2%	**-13%**	17%	-4%	**-10%**	-1%	2%	**-4%**	18%
DSP	7%	**-12%**	3%	5%	**-12%**	16%	2%	**-4%**	-11%
Analog	3%	**-3%**	16%	-6%	**-8%**	22%	10%	**5%**	-5%
Logic	-5%	**-3%**	18%	-6%	**-2%**	9%	2%	**-1%**	9%

Source: SIA, Goldman Sachs Global Investment Research

Stock implications: We expect shipments to stabilize above trend given the duration of below-trend shipments over the past four years, which is consistent with more constructive company commentary on improving demand trends and normalizing customer inventory levels. We continue to prefer Microchip, NXP, and Analog Devices as we focus on companies which had shipped furthest below trend in the

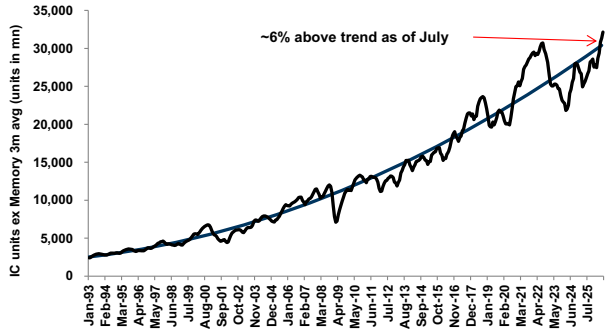
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downturn.

IC Units ex. Memory

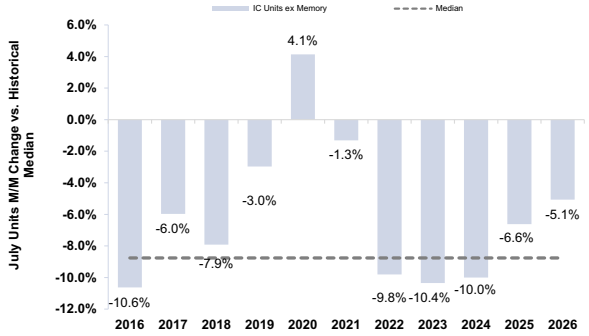
IC units ex. Memory relative to trend are shown below (see Exhibit 2).

Exhibit 2: IC units ex. Memory are ~6% above trend as of July
IC units ex. Memory 3 months average (units in millions)



Source: SIA, Goldman Sachs Global Investment Research

Exhibit 3: IC units ex. memory were down~5% M/M, better than typical history
M/M % change in units

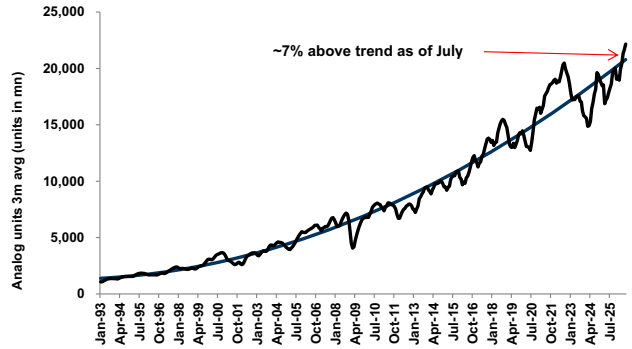


Source: SIA, Goldman Sachs Global Investment Research

Analog

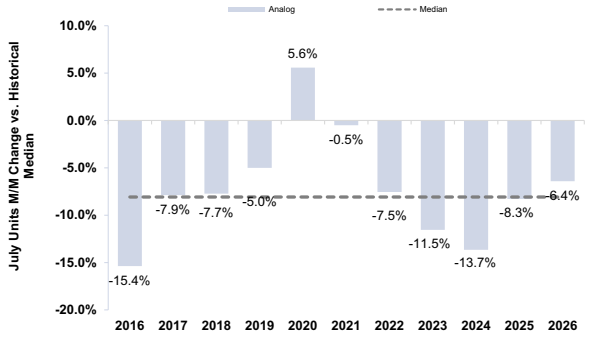
Analog units relative to trend are shown below (see Exhibit 4).

Exhibit 4: Analog units are roughly 7% above trend as of July
Analog units 3 months average (units in millions)



Source: SIA, Goldman Sachs Global Investment Research

Exhibit 5: Analog units were down ~6% M/M, better than typical history
M/M % change in units

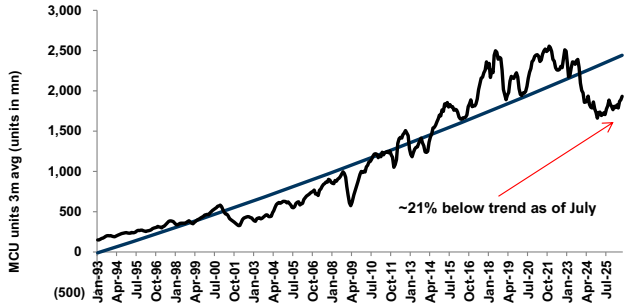


Source: SIA, Goldman Sachs Global Investment Research

Microcontrollers (MCU)

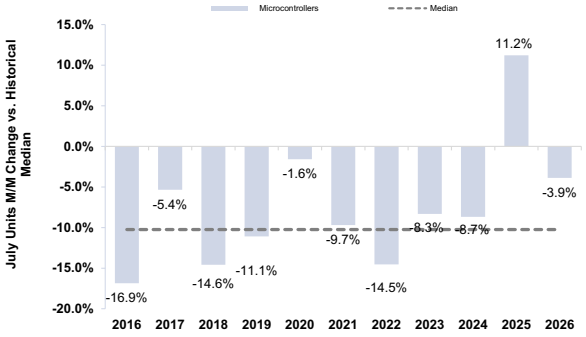
MCU units relative to trend are shown below (see Exhibit 6).

Exhibit 6: MCU units are ~21% below trend as of July
MCU units 3 months average (units in millions)



Source: SIA, Goldman Sachs Global Investment Research

Exhibit 7: MCU units were down ~4% M/M, better than typical history
M/M % change in units

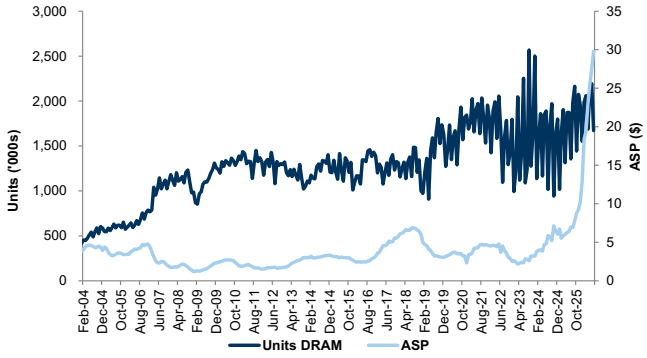


Source: SIA, Goldman Sachs Global Investment Research

Memory

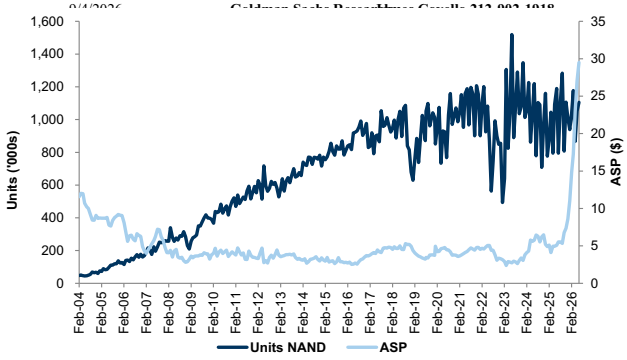
DRAM revenues were down 18% M/M, slightly worse than typical M/M seasonality. NAND revenues were down 15% M/M, better than typical M/M seasonality despite a worse-than-seasonal M/M decline in units.

Exhibit 8: DRAM units were down 24% M/M, worse than typical seasonality
DRAM units (in thousands) and ASP ($)



Source: SIA, Goldman Sachs Global Investment Research

Exhibit 9: NAND units were down 22% M/M, worse than typical seasonality
NAND units (in thousands) and ASP ($)



Source: SIA, Goldman Sachs Global Investment Research