

# FutureHorizons



The Global Semiconductor Industry Analysts

## **Future Horizons Newsletter**

### **December 2017**

**Happy Christmas**

## **Contents Page**

<b>Industry News by Company</b>	<b>Page 03 - 05</b>
<b>Industry News &amp; Trends</b>	<b>Page 06</b>
<b>East European News &amp; Trends</b>	<b>Page 07</b>
<b>World Economic Round Up</b>	<b>Page 08</b>
<b>Future Horizons &amp; Industry Events</b>	<b>Page 09</b>

## **Industry News By Company**

### **[Apple's Plans Could Doom Dialog Semi](#)**

DENVER — Speculation that Apple will begin designing its own power management chips by next year could be bad news indeed for its primary supplier of these parts, Dialog Semiconductor.

Japan's Nikkei reported Thursday (Nov. 30) that Apple is designing its own power management chips for use in iPhones as early as next year, adding fresh fuel to a fire that has been smoldering for months. The story, which cites unnamed sources, caused Dialog's stock price to plummet nearly 18 percent in one day.

Speculation that Apple will bring its power management chip design in house is not new. In April, Dialog's stock value dropped by 20 percent after analyst Karsten Iltgen at Bankhaus Lampe warned there was strong evidence that Apple was developing its own power management chips in an effort to replace Dialog at least in part.

### **[Audi Relies On Infineon: World's First Series Production Car With Autonomous Driving Features](#)**

Munich, Germany – 30 November 2017 – Infineon supplies key components for the Audi A8, the world's first series production car featuring level 3 automated driving. The ability of cars to self-drive is split into a number of different levels: With level 3 (see explanation below), drivers can temporarily take their hands off the steering wheel under certain conditions. For example, the A8 allows this when parking and exiting, in slow-moving traffic or in traffic congestion. Thanks to microelectronics from Infineon Technologies AG (FSE: IFX / OTCQX: IFNNY), a car can take over in this kind of driving situation.

“Around 90 percent of innovations in the car are driven by electronics and hence by semiconductors,” says Peter Schiefer, President of the Automotive Division at Infineon. “We have been a recognized semiconductor partner of Audi for many years. Motoring is now safer, more convenient and more environmentally-friendly with “Vorsprung durch Technik” (Progress through Technology) and chips from Infineon. We are proud of our contribution toward the mobility of the future.”

### **[Qualcomm Launches New Processor Despite Apple And Broadcom Battles](#)**

Qualcomm launched its latest Snapdragon processor and a renewed push into Windows PCs at an event in Hawaii this week, as it looks for sources of revenue beyond the smartphone. The event showed how the chipmaker is trying to maintain a business as usual approach despite the increasing distractions of its legal battle with Apple and a hostile takeover bid from rival Broadcom. The Snapdragon 845 will offer new artificial intelligence capabilities, more sophisticated virtual- and augmented-reality applications, and a new “secure processing unit” to better guard passwords and biometric information from hackers, Qualcomm said on Wednesday. Xiaomi, the Chinese smartphone maker, said it would be among the first companies to use the new Snapdragon platform to power its main devices next year.

### **Samsung's Capex Seen Crushing Memory Startups**

TAIPEI — Samsung, which has nearly half of the global DRAM market, is likely to crush smaller rivals after more than doubling its plan for capital expenditures in its semiconductor unit for this year, according to market analyst IC Insights.

The world's biggest chipmaker will boost 2017 capex from the \$11.3 billion it spent last year to an unprecedented \$26 billion.

Buoyed by strong prices for memory chips, Samsung said it sailed to a record quarterly operating income of 14.5 trillion won (\$12.8 billion) in October. The outlook continues to be bullish as DRAM prices are expected to increase about 10 percent in the fourth quarter largely due to strong demand in the mobile DRAM market.

### **STMicro Augments Low-power MCU Family**

SAN FRANCISCO — European chip vendor STMicroelectronics this week rolled out the successor to its STM32L4 series microcontrollers, offering significantly higher performance at ultra-low power consumption.

The STM32L4+ devices, part of STMicro's STM32 family, feature an Arm Cortex-M core and can achieve performance of 150DMIPS (233 ULPMark-CP) at 120MHz, according to ST (Geneva). The devices can serve as the central controller in range of products, including fitness bands, smart watches, medical devices, smart meters and industrial sensors, according to the company.

"We all now expect smart objects to fit seamlessly into our lives, anticipating our needs, yet requiring minimal attention themselves," said Michel Buffa, general manager of ST's Microcontroller Division, in a press statement. "Leveraging the controllers' largest-in-class memory and super-efficient graphics capabilities, STM32L4+ microcontrollers series will enable new classes of smart products with more sophisticated features and smoother interactions."

### **Automotive Technology Is Poised To Drive This Semiconductor Manufacturer To High Growth**

Texas Instruments is a semiconductor manufacturer that holds a leading position in an industry that is only continuing to grow.

As the automotive industry becomes more high tech, the amount of semiconductors used per vehicle is increasing, which provides lucrative opportunity for Texas Instruments.

This report is part of a "deep dive analysis" provided to members of "Insights For Future Wealth". Full report includes fundamentals analysis, all growth drivers,risk profile, and full valuation/price targets.

Texas Instruments Inc. (NYSE: TXN) engineers and produces semiconductor products. With about 100,000 customers across the world using Texas Instruments "chips", the range of applications is practically infinite. Ironically, Texas Instruments started as an oil and gas company in 1930, and evolved into the semiconductor company it is today after decades of shifting technologies. What are these "chips" used for today? Every electronic

device imaginable contains these chips including computers, phones, automobiles, and much more. The more society moves into the technological age, the bigger the market becomes for semiconductor products.

## **Industry News & Trends**

### **Inside 5 AR/VR Headsets**

Augmented and virtual reality headsets will see use in companies faster than in our living rooms, but that's not stopping developers from pushing the limits to woo consumers.

Here's a sampler of some of the most interesting recent products from more than 150 AR/VR headsets we track at Greenlight Insights. We expect many of these to be short-lived efforts. Long term, systems that are compelling for both consumer and business users are most likely to succeed.

While consumer AR/VR gets most of the attention, businesses are finding headsets can help them increase efficiency and reduce time to market, while improving safety, quality and worker satisfaction.

A recent Deloitte survey of 500 executives from mid-market companies across various industries found 67 percent are experimenting, building, or have developed mature applications of mixed reality technology. It reported that 53 percent have AR/VR pilot projects in the works or already underway, and 33 percent have mixed reality projects in deployment.

### **South Korea Takes Bigger Slice Of Mobile DRAM Market**

SAN FRANCISCO — Mobile DRAM sales grew by more than 4 percent sequentially in the third quarter, with South Korea's memory chip giants taking a bigger slice of the pie, according to memory price tracking firm DRAMeXchange.

While the gradual recovery of the smartphone market and the arrival of the year-end holiday cycle boosted the market for mobile DRAM chips in the third quarter, the average selling price of devices increased by less than 5 percent during the quarter, according to DRAMeXchange. The firm expects mobile DRAM sales growth to increase in the fourth quarter.

South Korea's Samsung Electronics and SK Hynix continued to dominate the market, holding a combined 85.6 percent of the mobile DRAM market in the third quarter, up more than 2 percent compared with the second quarter, DRAMeXchange said.

## **East European News & Trends**

### **Government Fund Backs Medical IT Developers**

Russia's Advanced Research Fund (ARF) announced a new round of active support for developers of IT projects to be used in medicine, the Russian news agency RIA Novosti reported, citing ARF Deputy CEO Sergei Garbuk who is in charge of the IT department at the Fund.

“We're witnessing a growing number of IT projects in the field of medicine. These primarily include mobile apps for telemedicine, nervous disorder diagnostics by analyzing the way a person speaks, rehabilitation following strokes and brain damages, and many others,” Mr. Garbuk was quoted as saying.

## **World Economic Round Up**

The Organization for Economic Cooperation and Development said that the global economy is on course for its best year since 2010 as both the U.S. and the euro zone grow more rapidly than had been expected. The Paris-based research body said further acceleration is likely in 2018, but warned that growth would slow from 2019 without new measures to encourage business investment, which remains short of pre-crisis levels. There's something about economic growth and stock markets, across the developed and emerging world, that doesn't add up.

*The latest economic news by country to include USA, Europe, UK, Japan, China, Asia Pacific and India can be found each month in our [Semiconductor Monthly Report](#).*



## Industry Events 2018

### Future Horizons Events

- [Silicon Chip Industry Training Seminar](#) – London – March 2018
- [Industry Forecast Briefing](#), London – 16<sup>th</sup> January 2018

*To book your place on any of our events please contact us on:*

*Telephone: +44 1732 740440*

*Email: [mail@futurehorizons.com](mailto:mail@futurehorizons.com)*

[Download Future Horizons Full Events Calendar Here](#)

### Industry Events

- 

**MARK YOUR CALENDER FOR THE NEXT**

**SILICON CHIP INDUSTRY WORKSHOP**

**MONDAY March 2018**

**AND**

**INDUSTRY FORECAST BRIEFING**

**TUESDAY 16<sup>th</sup> January 2018**

**BOTH BEING HELD AT**

**HOLIDAY INN KENSINGTON FORUM, LONDON**

**Follow Us On Twitter**

For weekly semiconductor news and updates follow us on Twitter.

Future Horizons Ltd, • 44 Bethel Road • Sevenoaks • Kent TN13 3UE • England

Tel: +44 1732 740440 • Fax: +44 1732 740442

Affiliates in Europe, India, Israel, Japan, Russian, San Jose California, USA

e-mail: [mail@futurehorizons.com](mailto:mail@futurehorizons.com) • [www.futurehorizons.com](http://www.futurehorizons.com)