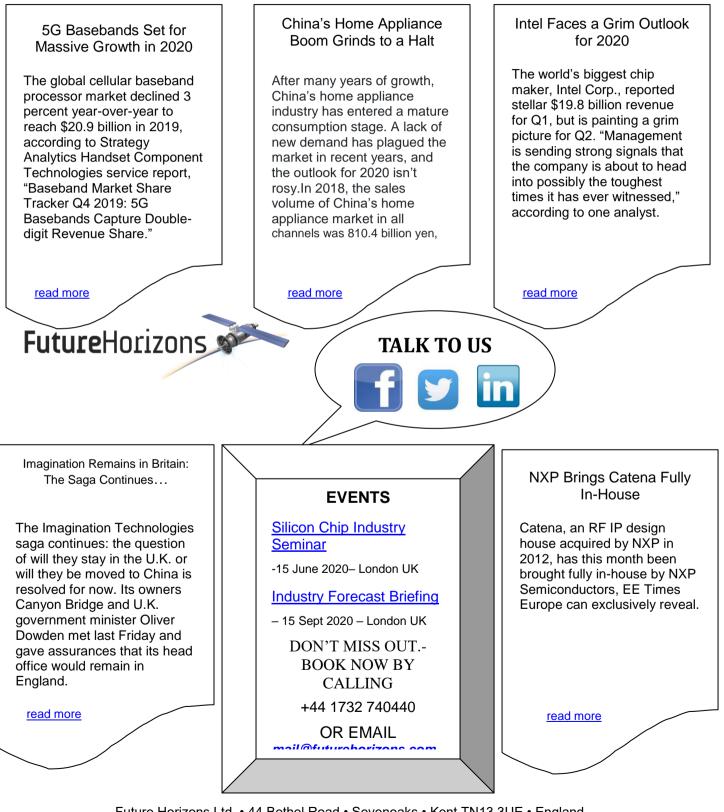
FutureHorizons

The Global Semiconductor Industry Analysts

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5G Basebands Set for Massive Growth in 2020

The global cellular baseband processor market declined 3 percent year-over-year to reach \$20.9 billion in 2019, according to Strategy Analytics Handset Component Technologies service report, "Baseband Market Share Tracker Q4 2019: 5G Basebands Capture Double-digit Revenue Share."

According to this Strategy Analytics research Qualcomm, HiSilicon,Intel, MediaTek, and Samsung LSI captured the top-five revenue share rankings in the global cellular baseband processor market in 2019. Qualcomm led the baseband market with 41 percent revenue share in 2019 followed by HiSilicon with 16 percent and Intel with 14 percent.

5G baseband shipments saw a significant traction in the first year and accounted for almost 2 percent of total baseband shipments while capturing 8 percent revenue share, thanks to high average selling prices (ASPs).

HiSilicon, Qualcomm and Samsung LSI were the key 5G baseband vendors in 2019 with significant design-wins.

Strategy Analytics believes that 5G will be a bright spot in the COVID-19 world and will likely defy the downward trend as handset OEMs prioritize 5G over 4G for their new launches.

4G LTE baseband shipments declined year-over-year for the first time in 2019. Except for Intel and Unisoc, all other major baseband vendors saw their LTE shipments decline in 2019.

China's Home Appliance Boom Grinds to a Halt

After many years of growth, China's home appliance industry has entered a mature consumption stage. A lack of new demand has plagued the market in recent years, and the outlook for 2020 isn't rosy.

In 2018, the sales volume of China's home appliance market in all channels was 810.4 billion yuan, according to public data. In 2019, this figure dropped to 803.2 billion yuan, a decrease of 7.2 billion yuan. Entering 2020, the sudden coronavirus outbreak has depressed demand further.

Insufficient domestic demand, slow sales of external orders

China is the world's largest home appliance manufacturing and exporting country. The outbreak of the coronavirus epidemic has brought unprecedented challenges to China's domestic demand and export orders. Home appliance companies have been "resuming work and then taking a holiday" since March.

Intel Faces a Grim Outlook for 2020

The world's biggest chip maker, Intel Corp., reported stellar \$19.8 billion revenue for Q1, but is painting a grim picture for Q2. "Management is sending strong signals that the company is about to head into possibly the toughest times it has ever witnessed," according to one analyst.

In the semiconductor industry, volatility is the norm, but Intel has long been an exception. Going into Q2, the company is citing capacity constraint; is struggling to ramp its 10nm process; and faces the economic uncertainty that Covid-19 has wrought on the electronics industry. As Intel flounders on the process side, according to analysis firm EnerTuition, Advanced Micro Devices Inc. is gaining share at Intel's expense.

What's behind Intel's sudden reversal of fortune?

Covid-19 was actually a boon for the chip industry as demand surged from datacenters, consumer products and IoT/mobile developments — a trend that will continue into Q2. Intel's Q2 guidance was mixed, however. Revenues are forecast to be above consensus; EPS forecast fell below consensus; the company dropped its Q2 gross margin forecast and pulled full-year 2020 guidance.

Imagination Remains in Britain: The Saga Continues...

The Imagination Technologies saga continues: the question of will they stay in the U.K. or will they be moved to China is resolved for now. Its owners Canyon Bridge and U.K. government minister Oliver Dowden met last Friday and gave assurances that its head office would remain in England.

This might sound like good news to those concerned about keeping the company's HQ in Britain, but what exactly does that mean when the company is ultimately owned by Chinese funders?

NXP Brings Catena Fully In-House

Catena, an RF IP design house acquired by NXP in 2012, has this month been brought fully in-house by NXP Semiconductors, EE Times Europe can exclusively reveal.

Since NXP acquired all the shares in the company eight years ago, it allowed Catena to operate as a separate IP design company serving external customers. At the time of acquisition, NXP represented 60% of Catena's sales, and now it represents around 80%.

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