

Global Top Ten IC Foundries Ranked for 1Q19, with TSMC Expected to Reach 48.1% Market Share, Says TrendForce

2019-03-18 [Kurt Chen](#)

TrendForce points out that the 1Q19 rankings for foundries remains almost the same as last year's save for Powerchip, who might be surpassed by TowerJazz due to falling demand in the 12-inch foundry market . However, upon closer examination of the top ten foundries (including TSMC, Samsung LSI, GlobalFoundries, UMC, SMIC, Powerchip etc.), they all exhibited double-digit downslides in revenue performance compared to the same quarter last year. This is also due to the weakening demand in the 12-inch foundry market.

In contrast, though companies who have 8-inch foundries as their main focus, such as TowerJazz, Vanguard, Hua Hong, Dongbu HiTek etc., did not show an outstanding YoY revenue performance comparable to the same period last year due to the gradual alleviation of the shortage situation, these 8-inch focused foundries still managed to hold their ground in a relatively gloomy semiconductor market of the first season compared to the double digit decline suffered by their 12-inch counterparts.

Although market share champion TSMC scrapped wafers due to the defective photoresist chemical incident in the first quarter, and was affected by the lower-than-expected sales performance among its major smartphone customer base and the subsided cryptocurrency gold rush, it still sits snugly atop the throne in foundry market shares. Looking forward, TSMC's 2019 market performance will be aided not only by the first quarter shipment orders pushed to the second, but also by contributions to revenue from collaboration with customers such as HiSilicon, Qualcomm, Apple and AMD etc. We may get a chance to see TSMC's revenue climb its way out of the 1Q19 valley season by season.

Samsung Foundry, which split off back in 1H17, landed second place in market shares thanks to contributions from its System LSI division. Yet according to our estimations, their revenue from external customers contribute to only about 40% of its revenue. Samsung has also been promoting multi-project wafer (MPW) services in recent years. Apart from the active acquisition of advanced manufacturing services, their 8-inch production line located in Giheung, Korea will gradually contribute to Samsung Foundry's revenue as well. Samsung aims to secure a 25 % market share by 2023.

The global foundry production capacity will near the 70 billion USD threshold in 2019 looking forward. However various nuisances have impacted the 1Q19 market: Apart from the traditional offseason, weakening demand for consumer products, rather high inventory levels, falling demand in the car market, the Intel CPU shortage and the slowing of China's economic growth, the US-China trade dispute also presents major uncertainties for the global market. If the politico-economic situation doesn't see significant improvement in the first half of the year, we at TrendForce will maintain a cautious view on the global foundry industry of 2019. We won't even rule out the possibility of rare negative numbers in total production capacity growth.

Figure: Top Ten Foundries in 1Q19, Ranked

(Unit: Million USD)

Rank	Company Name	1Q18 Revenue	1Q19 Revenue (E)	1Q19 Market Share (E)	1Q19 Revenue Growth YoY (E)
1	TSMC	8,547	7,028	48.1%	-17.8%
2	Samsung	3,253	2,785	19.1%	-14.4%
3	GlobalFoundries	1,513	1,234	8.4%	-18.4%
4	UMC	1,292	1,058	7.2%	-18.1%
5	SMIC	831	654	4.5%	-21.3%
6	Tower Semiconductor	313	310	2.1%	-0.9%
7	Powerchip Semiconductor	341	251	1.7%	-26.4%
8	VIS	221	225	1.5%	1.6%
9	Hua Hong Semiconductor	210	220	1.5%	4.7%
10	Dongbu HiTek	131	132	0.9%	1.1%

Note:

1. Samsung's revenue include those from its System LSI and Foundry Business
2. GlobalFoundries' revenue include that of its IBM Business
3. Only foundry revenue was included for Powerchip Semiconductor

Source: TrendForce, Mar. 2019

About TrendForce

TrendForce is a global provider of the latest development, insight, and analysis of the technology industry. Having served businesses for over a decade, the company has built up a strong base membership base of 435,000 subscribers. TrendForce has established a reputation as an organization that offers insightful and accurate analysis of the technology industry through five major research divisions: DRAMXchange, WitsView, LEDinside, EnergyTrend and Topology. Founded in Taipei, Taiwan in 2000, TrendForce has extended its presence in China since 2004 with offices in Shenzhen and Beijing. For more details about TrendForce, please visit www.trendforce.com

Major research divisions:

DRAMeXchange focuses on memory, storage and the consumer electronics industry including PC DRAM, Mobile DRAM, Server DRAM, NAND Flash, SSD and smartphone.

WitsView offers comprehensive coverage of the display industry from upstream components, midstream panels/touch modules to downstream system integrators, brands and channels.

LEDinside covers all aspects of the LED supply chain from upstream equipment/materials, midstream chip/packaging to the downstream backlight and lighting market.

EnergyTrend specializes in green energy research, such as solar energy, lithium battery, energy storage systems and xEVs.

Topology studies structural trends of technology industries in the Greater China Region and beyond, focusing on semiconductors, photovoltaic technology, telecommunications, and IA.

Media Contact

Pinchun Chou +886-2-8978-6488 ext.669 PinchunChou@TrendForce.com

Lindsay Hou +886-2-8978-6488 ext.667 Lindsayhou@TrendForce.com

Source URL: Trendforce - Press Center [Global Top Ten IC Foundries Ranked for 1Q19, with TSMC Expected to Reach 48.1% Market Share, Says TrendForce](#)