

## The US-China Trade War Rages On: DRAM Price Decline 3Q to Widen to 15%, Says TrendForce

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DRAMeXchange , a division of [TrendForce](#) , points out that, as ripples from the US ban continue to spread, Huawei's shipments of smartphone and server products are feared to face heavy obstacles for the next two to three quarters , impacting peak-season-demand for DRAM products 2H and the time of price precipitation. TrendForce officially adjusts its outlook for 3Q DRAM prices from its original prediction of a 10% decline to a widened 10-15%.

TrendForce points out that the chance of DRAM prices dropping below suppliers' fully-loaded costs was originally predicted to be extremely slim under the premises that the competition only consisted of three giants, and that DRAM production processes were nearing physical limits. Yet a heated US -China trade war may send demand in the second half of this year into quick-freeze, with the increasingly looming uncertainty compelling datacenters to make reductions to capex. Fragile DRAM suppliers may have to write off excess inventories by the end of this year, officially putting themselves in the red.

According to TrendForce's forecast, DRAM prices have a chance to see a rebound in 2020 due to price elasticity, limited supply bit growth and other factors. But for 2019, it is feared that suppliers will come under prolonged pressure to adjust prices downwards.

### 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](http://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.

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