

As COVID-19 Outbreak Officially Becomes Pandemic, Global System-Wide Risks to Distress Memory Industry, Says TrendForce

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DRAMeXchange research division of [TrendForce](#), despite the apparent slowdown of the COVID-19 outbreak in China, the virus is now rapidly multiplying across the Middle East, Europe, and the United States. Earlier, the World Health Organization declared the COVID-19 outbreak a pandemic, which poses dire, system-wide risks for the global economy. Similarly, the memory market may take a turn for the worse and go into a slump earlier than expected.

As the global economy cools down, and consumer confidence dips, demand for electronic devices will continue to decrease

1. The general public begins allocating relatively conservative amounts of its income to personal spending, in turn deferring the demand for consumer electronics and diminishing the average spending in the market.
2. The pandemic results in higher logistics and human resource costs within the consumer electronics supply chain while lowering revenues, potentially triggering an industry-wide reorganization and reshuffle.

Sluggish demand means limited growth for 2H20 memory prices, with NAND Flash prices possibly decreasing

Note: Current Projections are based on data from the beginning of March, 2020. Bear Case Scenarios are newly added forecasts based on data from March 12, 2020.

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.

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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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