TPC July/August 2022 Survey Summary

We recently completed our monthly survey (~8,200 respondents) which saw decreases in both C2Q22’s and C3Q22’s outlook for growth and seasonality. Additionally, the bookings outlook for C3Q weakened vs. last month’s survey.

Our C2Q22 outlook finished with a weaker outlook vs. previous years including pre-COVID, with seasonality roughly in line with CY19. The bookings outlook for C2Q22 is much weaker vs. pre-COVID levels.

Our C3Q22 outlook also shows a return to more normal pre-COVID expectations; however, the bookings outlook for C3Q22 far weaker. We believe this is a harbinger of weakening demand for 2H.

The survey showed C2Q22 weaker vs. last month with 36% seeing the quarter being better vs. 41% previously; while 29% see it as better vs. 26% last month.

The survey also showed C3Q22 outlook weaker vs. last month; with 53% expecting q/q growth vs. 57% previously; while 19% see it as weaker vs. 17% last month.

Our initial C4Q22 survey showed both growth and bookings expectations weaker vs. pre-pandemic levels.

Backlog cancellation expectations (slide 8) continues to show negative trends.

Key product inventory and availability (slide 9) showed improvement in availability across all key products and are now at nominal levels. Of note is the significant increase in both DARM and NAND availability.

Inventories growth outlook (slide 10) continued to show significant increases in inventories for both C2Q and C3Q.
Q/Q Demand Growth Outlook

C2Q22 Growth Expectations

C2Q Growth Expectations vs. C1Q

C3Q22 Growth Expectations

C3Q Growth Expectations vs. C2Q
Q/Q Seasonality Expectations

C2Q22 Seasonality Expectations

3Q22 Seasonality Expectations

C3Q Seasonality Expectations

TPC Proprietary
July/August 2022
Q/Q Bookings Growth Expectations

C2Q22 Bookings Expectations

C3Q22 Bookings Expectations

C2Q Bookings Expectations

C3Q Bookings Expectations
C4Q22 Initial Outlook

C4Q Growth Expectations

C4Q Bookings Expectations
Book to Bill History & Trends

(Calendar quarters)

% Responses with Book-Bill ≥ 1.0

Qtr Begin  Qtr End or Curr Mo  4 per. Mov. Avg. (Qtr End or Curr Mo)
Backlog Order Push Outs/Cancellations vs. 30 Days Ago
(Delta between increasing and decreasing cancellations – Higher % is more positive)
Inventory Status

(Using a scale of 1 to 5 with 1 being extremely low inventory, 3 being the normal amount, and 5 being extremely high; how do you view inventory levels for the following products?)

Most critical product types are now above nominal inventory levels
Q/Q Inventory Growth

C2Q22 Inventories vs. C1Q22

C3Q22 Inventories vs. C2Q22

Decreasing
Increasing
Q/Q Pricing Trends

C2Q22 Pricing vs. C1Q22

C3Q22 Pricing vs. C2Q22
Vertical Outlook

- Automotive
- Industrial
- Communication
- Consumer