

A glowing blue microchip is centered on a circuit board. The chip has a grid of small squares on its surface and is surrounded by intricate circuitry. The entire scene is bathed in a blue light, giving it a futuristic and technological appearance.

TPC Semiconductor Market Survey

October 6, 2020

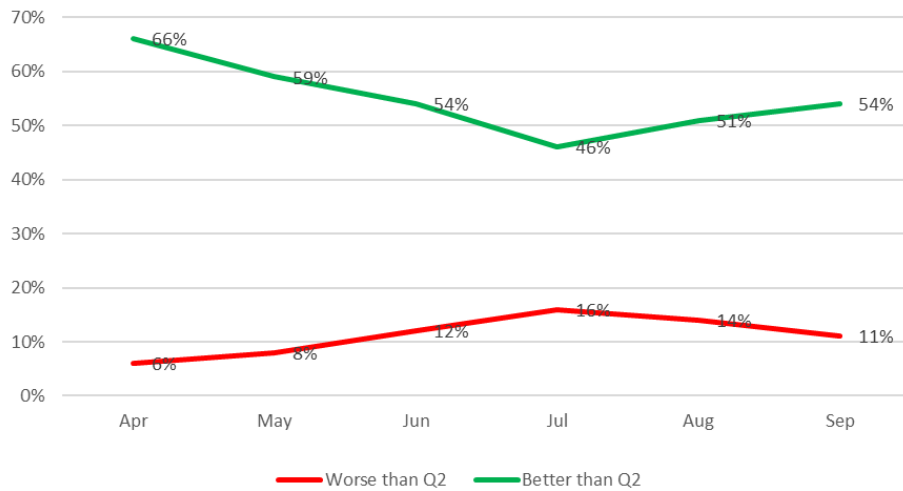
TPC September 2020 Survey Summary

*Survey Date: 10/1-4 Respondents: ~9,700 Location: Worldwide (~80% Asia) Who: Active Electronics Industry Professionals
Response Composition (multiple choices): Industrial 37%, Auto 21%, Comm 20%, Computing 21%, Mobile 37%, Data Ctr 18%, Other 16%*

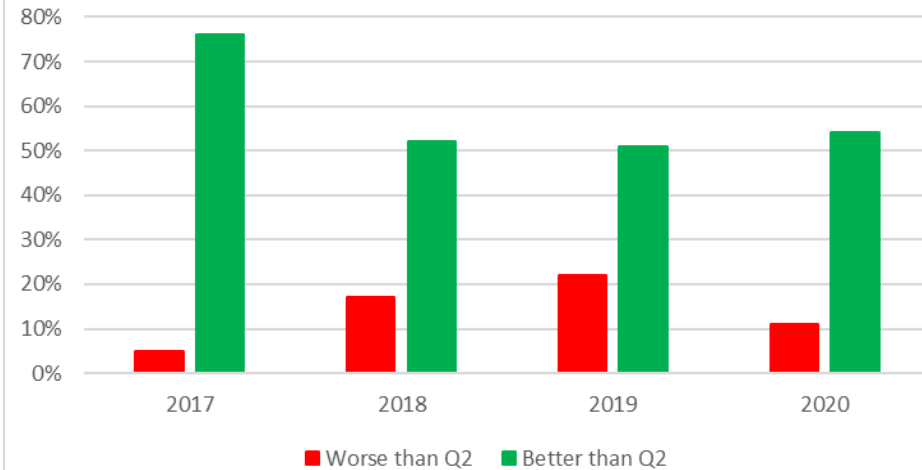
- We completed our monthly survey last weekend (~9,700 respondents) which saw slight improvement in C3Q growth while showing slight weakening in C4Q growth expectations. However, the seasonality outlook for C4Q improved for both quarters.
- In addition the initial C4Q outlook is weaker than last year.
- End customers have still been reluctant to cancel production to their manufactures instead pushing out production into future quarters but appear to be booking less for C4Q.
- The survey showed a growth outlook for C3Q20 slightly better vs. last month with 54% expecting q/q growth vs. 51% previously and 11% see it as weaker vs. 14% last month.
- The survey also showed improvement in bookings for C3Q20 with 29% expecting improving bookings vs. C2Q compared to 25% last month, and 25% now expect weaker bookings vs. 28% last month.
- The C4Q outlook weakened slightly with 5% expecting q/q growth vs. 7% previously and 62% see it as weaker vs. 59% last month. There were also slightly more respondents who saw C4Q bookings weakening vs. last month.
- Backlog cancellation expectations (slide 6) also improved slightly and remains more neutral vs. 2 months ago.
- Availability of critical parts continues to improve and in most cases are at or below normal levels. Slide 7, which shows a more granular view of inventory by key components, showed improvements across most products in inventory and availability.
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Q/Q Demand Growth Outlook

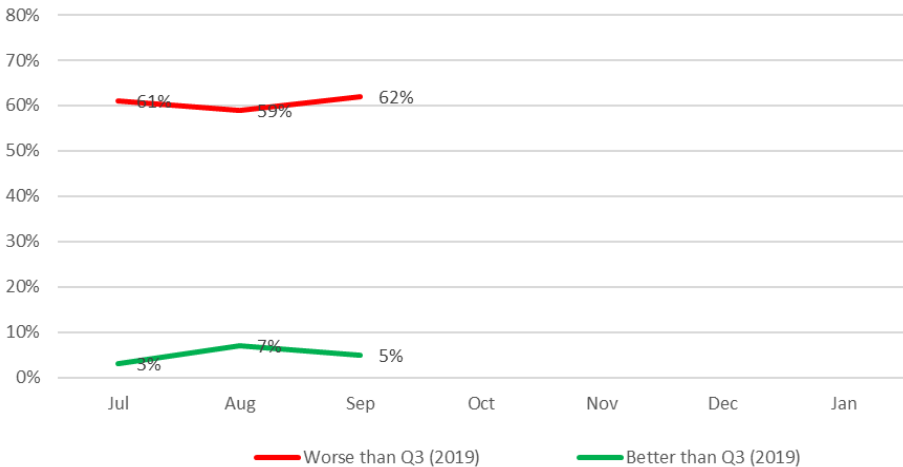
3Q Growth Expectations



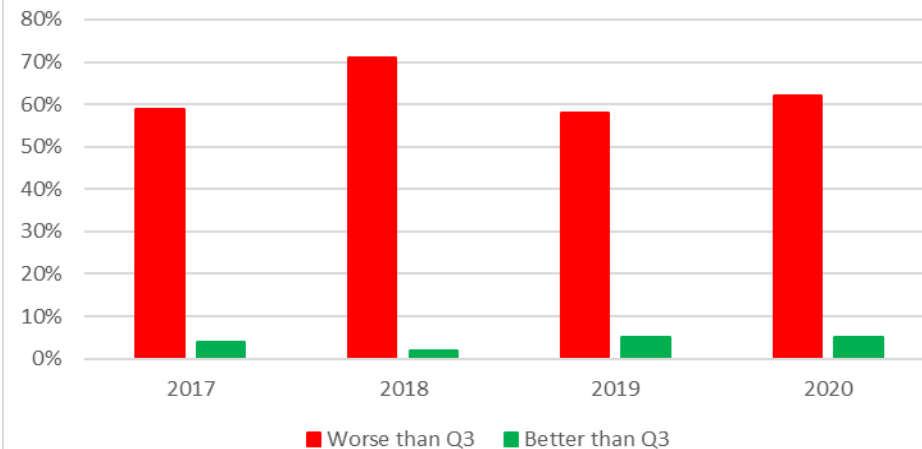
C3Q Growth Expectations vs. C2Q



4Q Growth Expectations

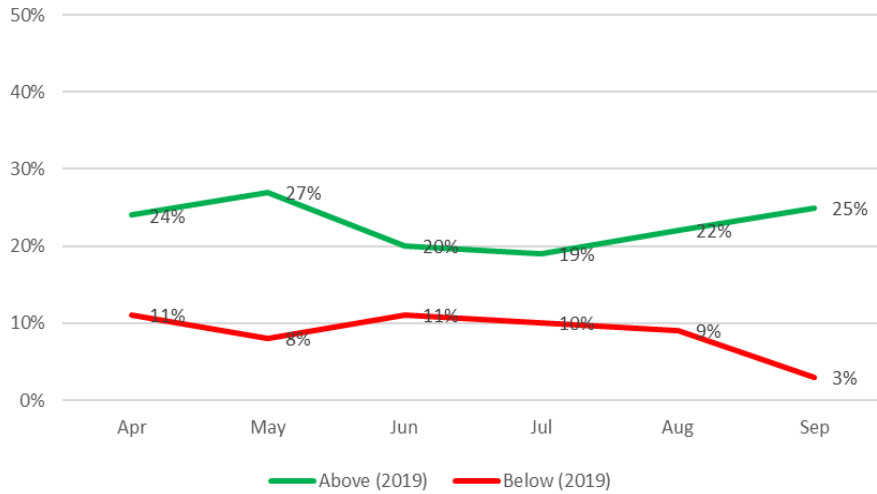


C4Q Growth Expectations vs. C3Q

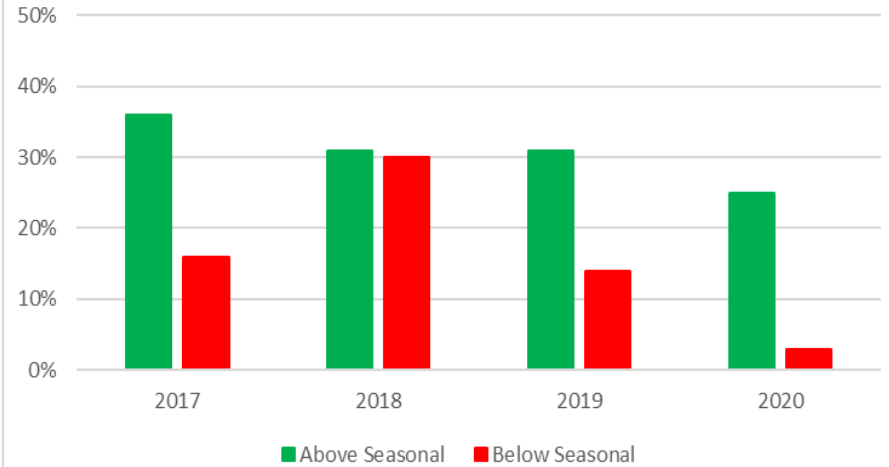


Q/Q Seasonality Expectations

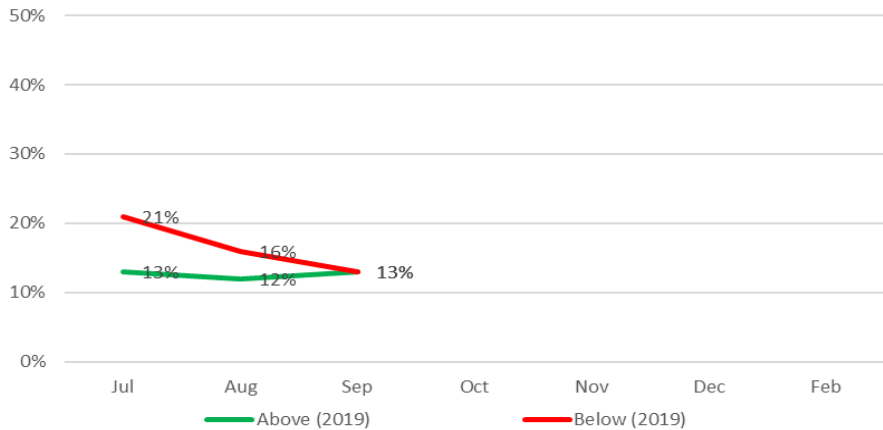
3Q Seasonality Expectations



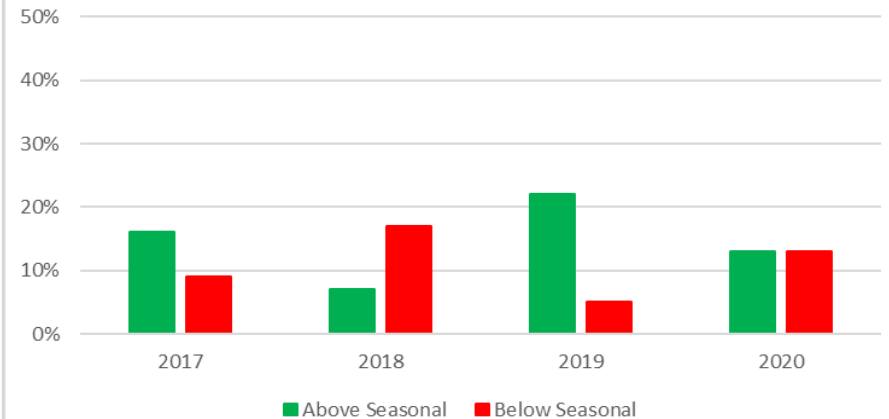
C3Q Seasonality Expectations



4Q Seasonality Expectations

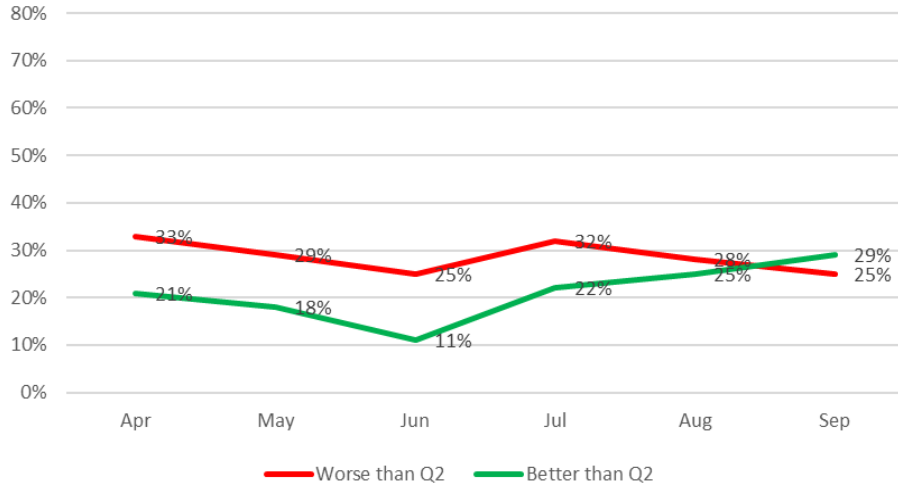


C4Q Seasonality Expectations

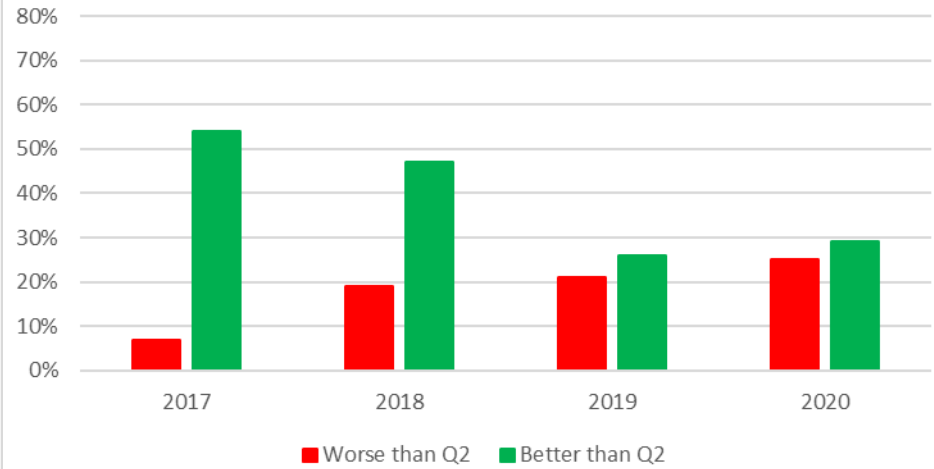


Q/Q Bookings Growth Expectations

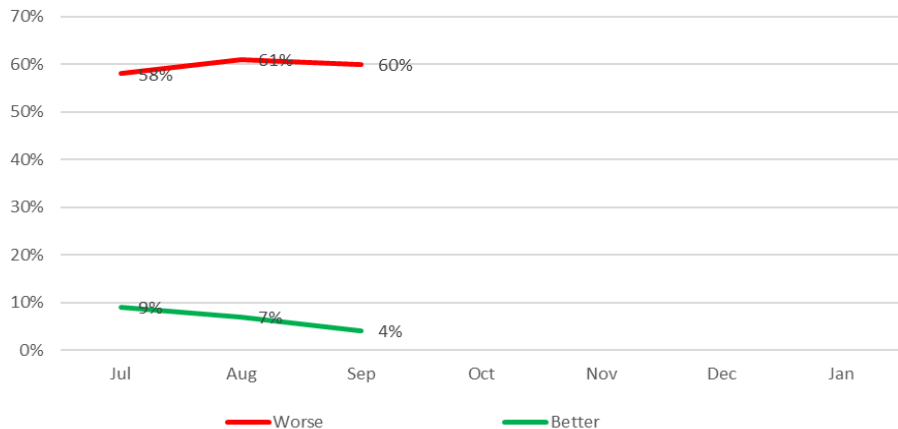
C3Q Bookings Expectations



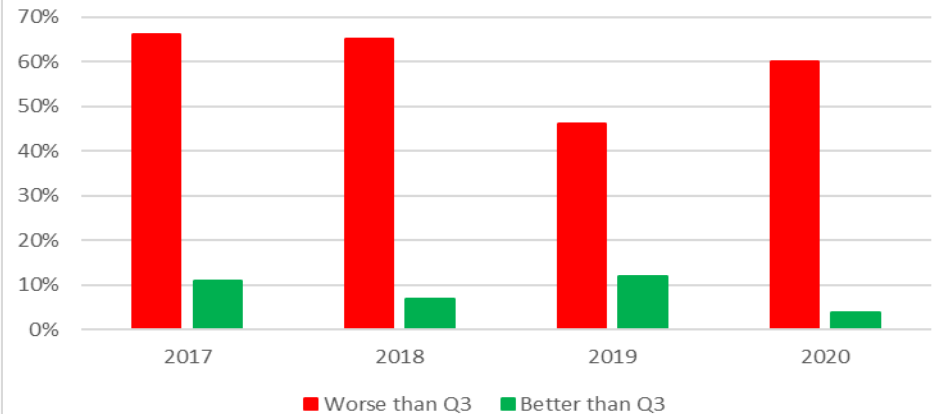
C3Q Bookings Expectations



4Q Bookings Expectations

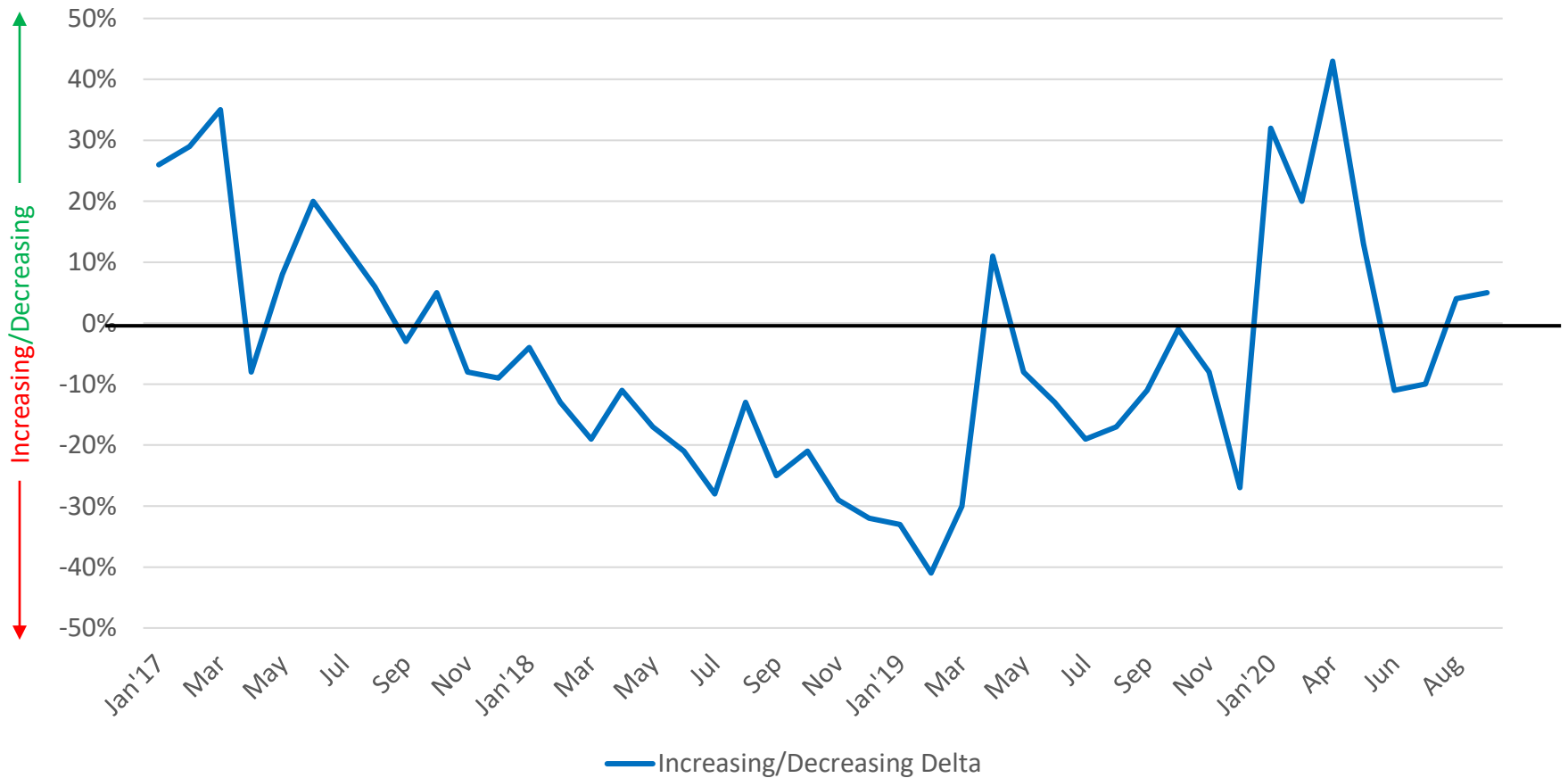


C4Q Bookings Expectations Seasonality



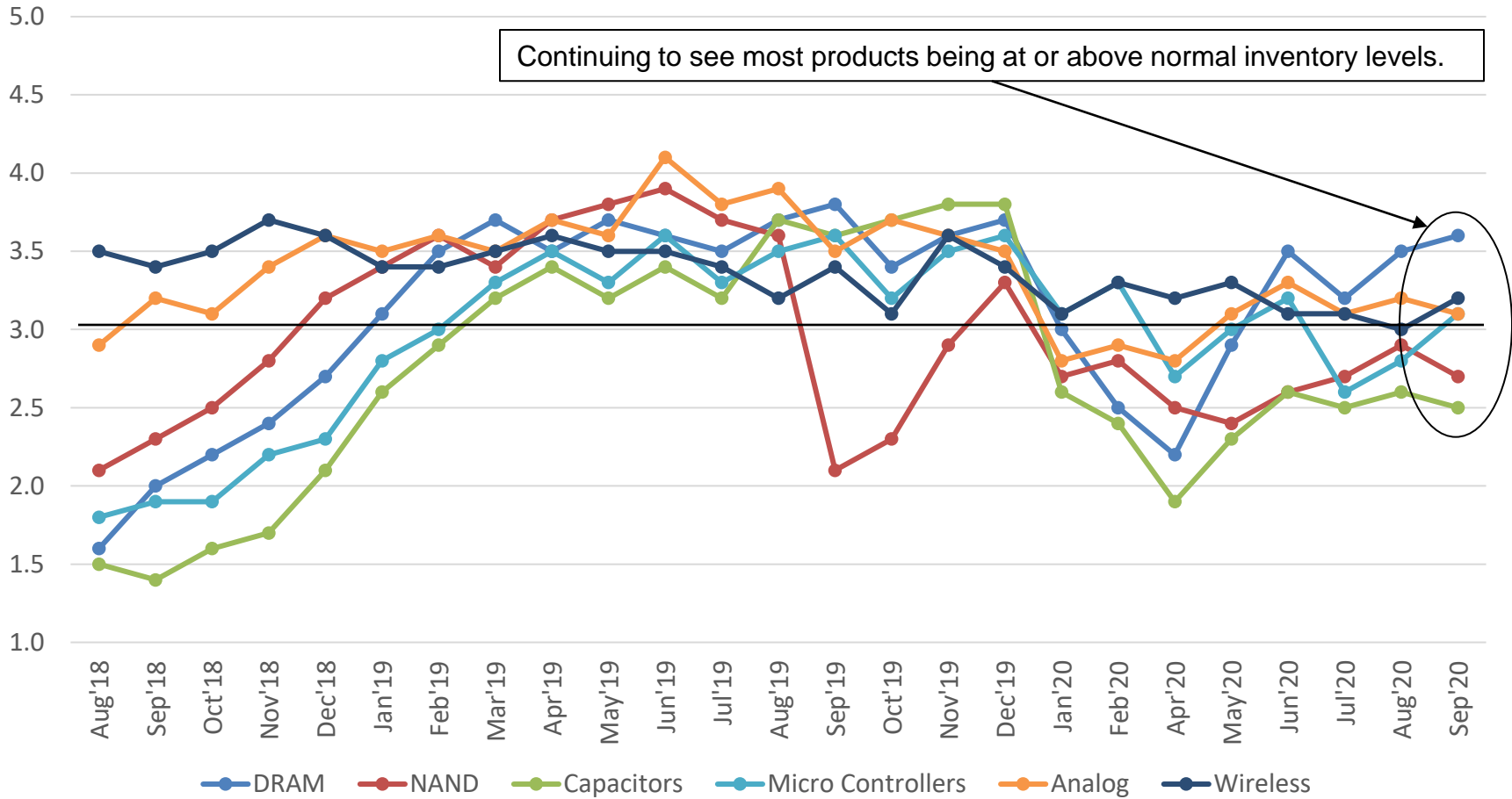
Backlog Order Cancellations vs. 30 Days Ago

(Delta between increasing and decreasing cancellations – Higher % is more positive)

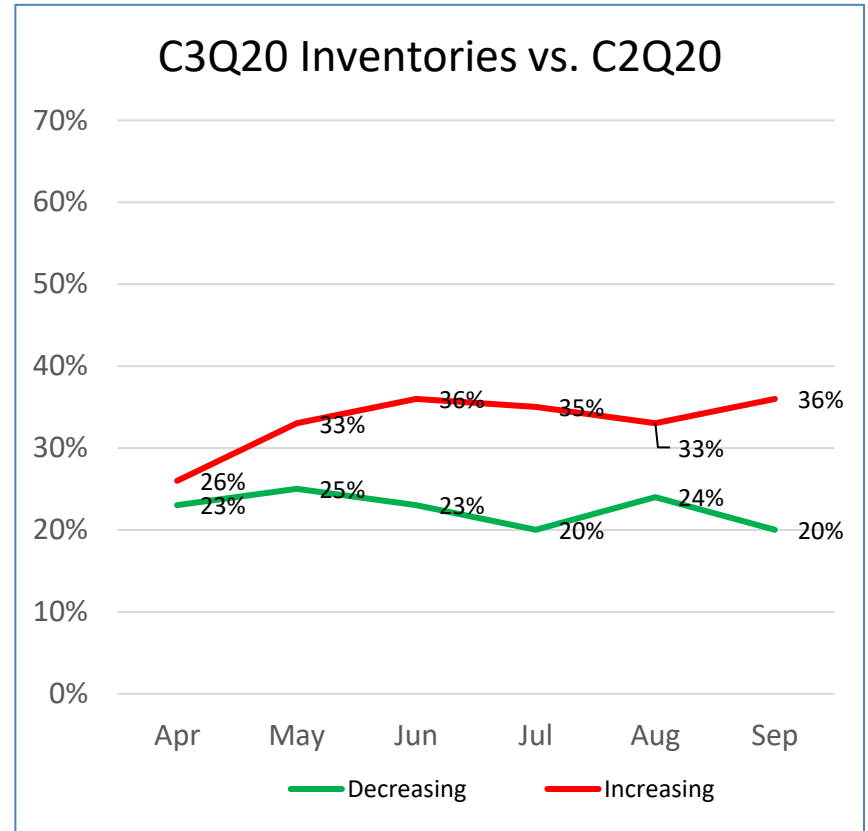
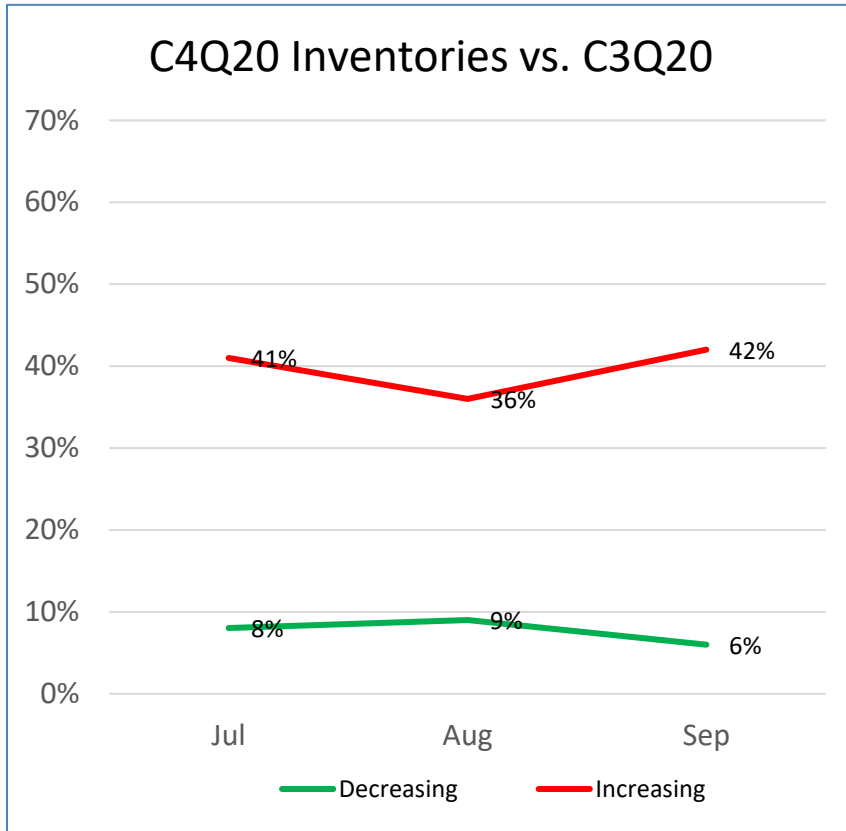


Inventory Status

(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?)

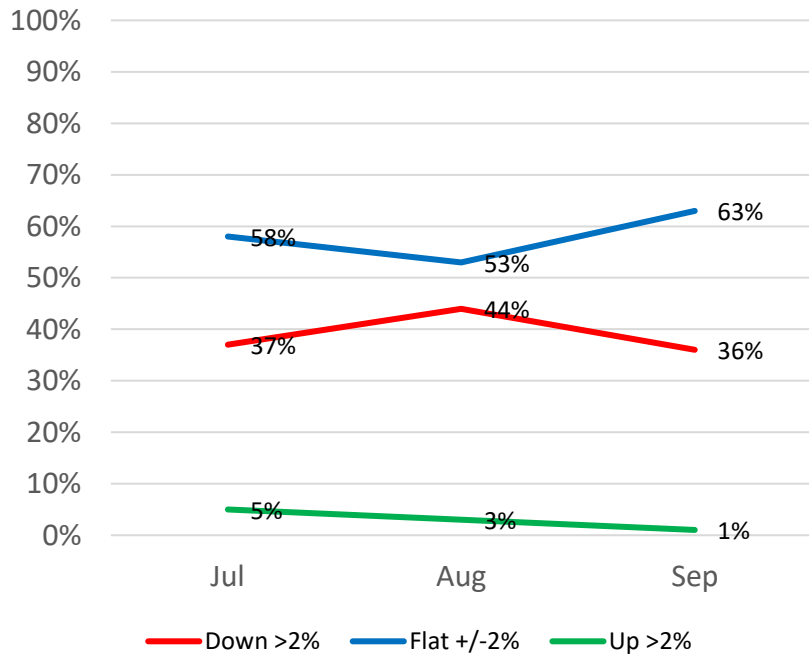


Q/Q Inventory Growth

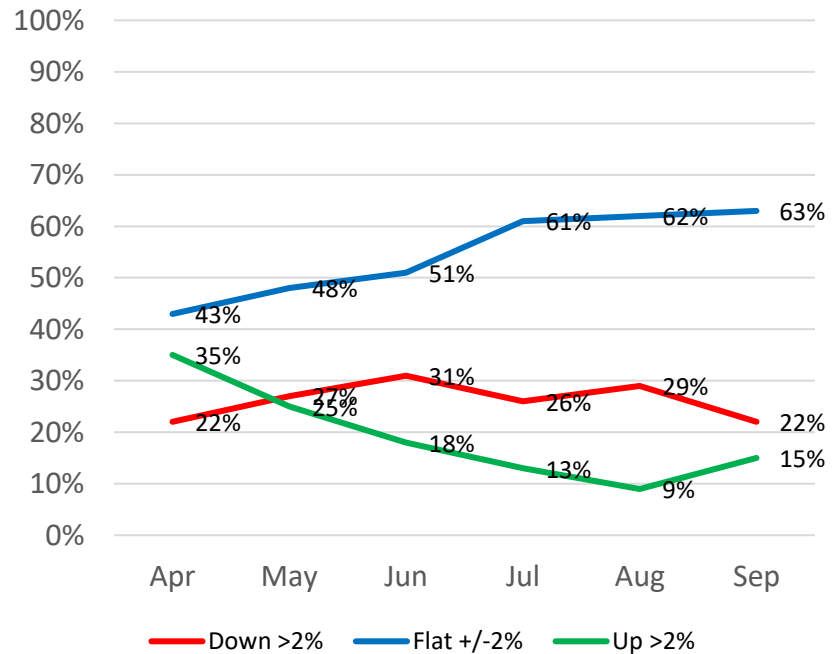


Q/Q Pricing Trends

C4Q20 Pricing vs. C3Q20



C3Q20 Pricing vs. C2Q20



Vertical Outlook

The outlook for Communications continues to be above previous years while Auto continues to erode

