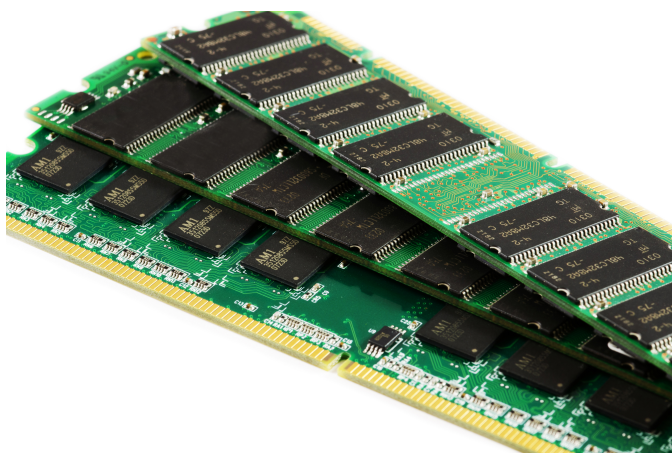


DigiTimes: DRAM Industry to Face Oversupply in 2019

Written by Frederick Douglas
02 August 2018

According to DigiTimes, the currently robust global DRAM market faces the threat of oversupply in 2019, the result of recent capacity ramps by Micron and upcoming commercial production by China-based Fujian Jin Hua Integrated Circuit and Innotron Memory.



The news site reports both Samsung and SK Hynix believe the current state of the memory industry will be over by end 2018. The two companies have both previously announced plans to ramp up memory chip capacity, but aggressive moves by rivals are leading to hesitation. After all, according to IHS Markit, Samsung memory market share has been falling since the 50.2% high of Q3 2016 (standing at 44.4% in Q1 2018), while Micron share is up from 20% in Q4 2016 to 23.1% in Q1 2018.

That said, Samsung plans to start volume production of 10nm LPDDR5 chips in 2019, and start a wafer foundry business in 2020 using a 3nm process. SK Hynix is expected to rival the Samsung development with LPDDR5 chips of its own in early 2019.

Micron is gearing up more capacity, with expanded production of 10nm-class DRAM at Taiwan-based fabs during 2018-2019, as well as the migration from the 1Xnm process to 1Ynm at a factory site in Taoyuan, Taiwan by end 2018. Another Micron site is set to transition to a newer 1Znm process in H2 2019, after kicking off 1Xnm product volume production.

Meanwhile Jin Hua is trialling the production of 20 or 30nm DRAM chips in September, following a partial sales ban of Micron products in China, a protectionist move from the Chinese government. Innotron recently unveiled 19nm 8Gb DDR4 products, and should start mass producing the chips on H1 2019.

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Current industry estimates put the global DRAM market at a peak of \$104 billion in 2018--before it contracts by -1.8% in 2019 and -2.6% in 2020. The near future should also see automotive applications gradually replace smartphones as the biggest memory market.

Go [DRAM Industry Likely to Face Oversupply in 2019 \(DigiTimes\)](#)