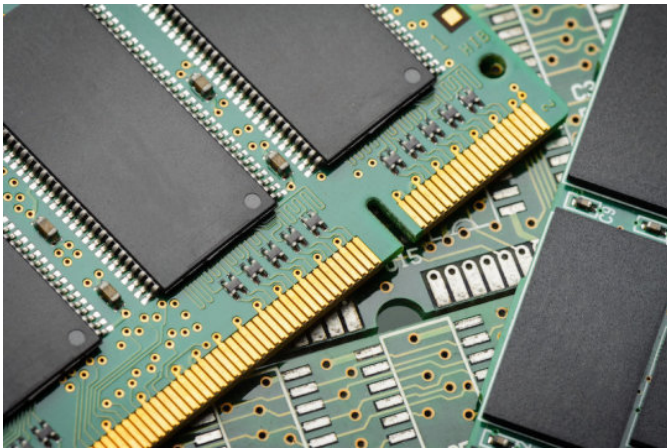


## TrendForce: DRAM, NAND Prices to Drop in Q4 2018

Written by Alice Marshall  
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According to TrendForce's DRAmEXchange, DRAM products are seeing a "weak" price trend, with prices growing by just 1-2% Q-o-Q in Q3 2018 despite the coming holiday sales season--the result of continued oversupply.



The analyst expects DRAM prices to drop by -5% Q-o-Q (if not more) in Q4 2018, bringing an end to the growth "super cycle" of the past 9 consecutive quarters. NAND Flash prices are also expected to drop by around 10% in Q3 2018, before a Q4 2018 fall of 10-15%, considering the impacts of potential trade war. Contract prices of 3D TLC NAND flash may even drop by over 15% in Q4 2018.

TrendForce points out a number of reasons for falling DRAM demand-- including a weak smartphone market, "uncertain" server shipments and a shortage of Intel CPUs impacting the notebook and PC market. Such factors, combined with growing output in Q3 and Q4 2018, lead to possible DRAM oversupply and lowering ASPs (by around 15-20%) in 2019.

Meanwhile the NAND flash market is affected by a sluggish demand for consumer electronics, even if the enterprise SSD market remains stable. However competition among enterprise SSD is "increasingly fierce," and as such enterprise SSD prices should continue decreasing in 2019. In addition, NAND flash suppliers are expanding production capacity and improving yield rates of 64/72-layer 3D NAND production.

The analyst believes NAND flash manufacturers can decrease the gap between supply and demand if they postpone capacity expansion and transition to 96-layer 3D NAND. The overall production capacity of NAND flash should grow by 5% Y-o-Y by Q4 2019, with a significant 20% Y-o-Y increase in 3D NAND production capacity.

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Go [DRAM and NAND Flash Products to See Price Decline in 4Q18 and 2019 due to Gap Between Supply and Demand](#)