



Forecasting Apocalypse

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OBJECTIVE ANALYSIS – Semiconductor Market Research

Few Things Are Easy to Forecast

(But Some Aren't All That Hard)

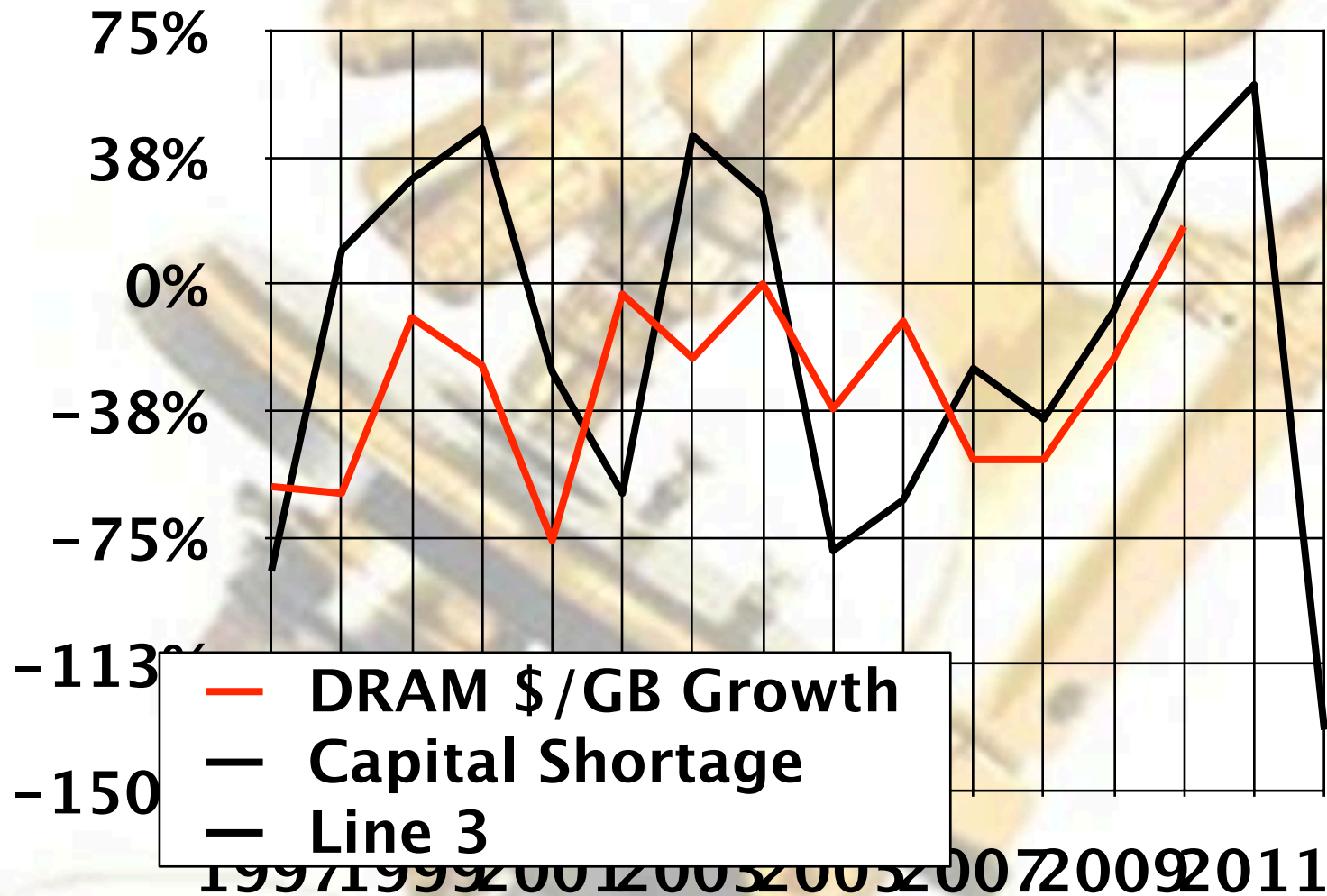
- Memory Boom/Bust is investment driven
 - Overcapacity/Undercapacity is cyclical
 - Pricing follows predictable patterns
 - Current bust is well underway
- Demand changes require more understanding
 - Conversion from HDD to NAND in iPods
 - Weak SSD adoption in PCs
 - New markets like Netbooks & Tablet PCs

On the Chip Side

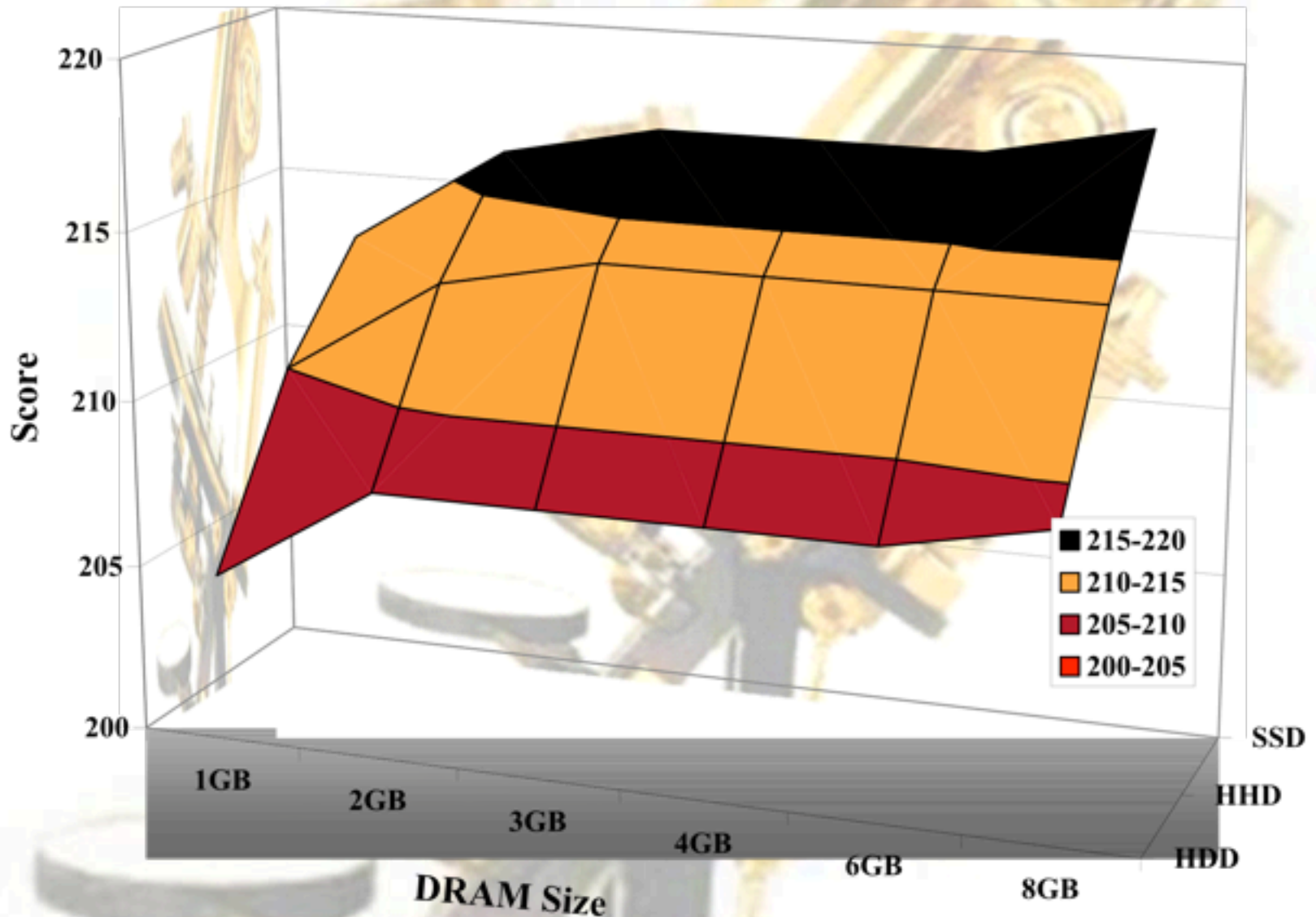
- Semiconductor Meltdown late 2011
 - DRAMs already on their way
 - NAND will follow suit
 - Other semis usually follow close behind
- Recovery in 2013
 - DRAMs may not participate
 - More on this soon

This is a standard semiconductor cycle

Memory Prices follow CapEx



DRAM Will Have Other Problems



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Thank You!

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