Velocity ELECTRONICS
A JABIL COMPANY

June 2026 Market Intelligence Report

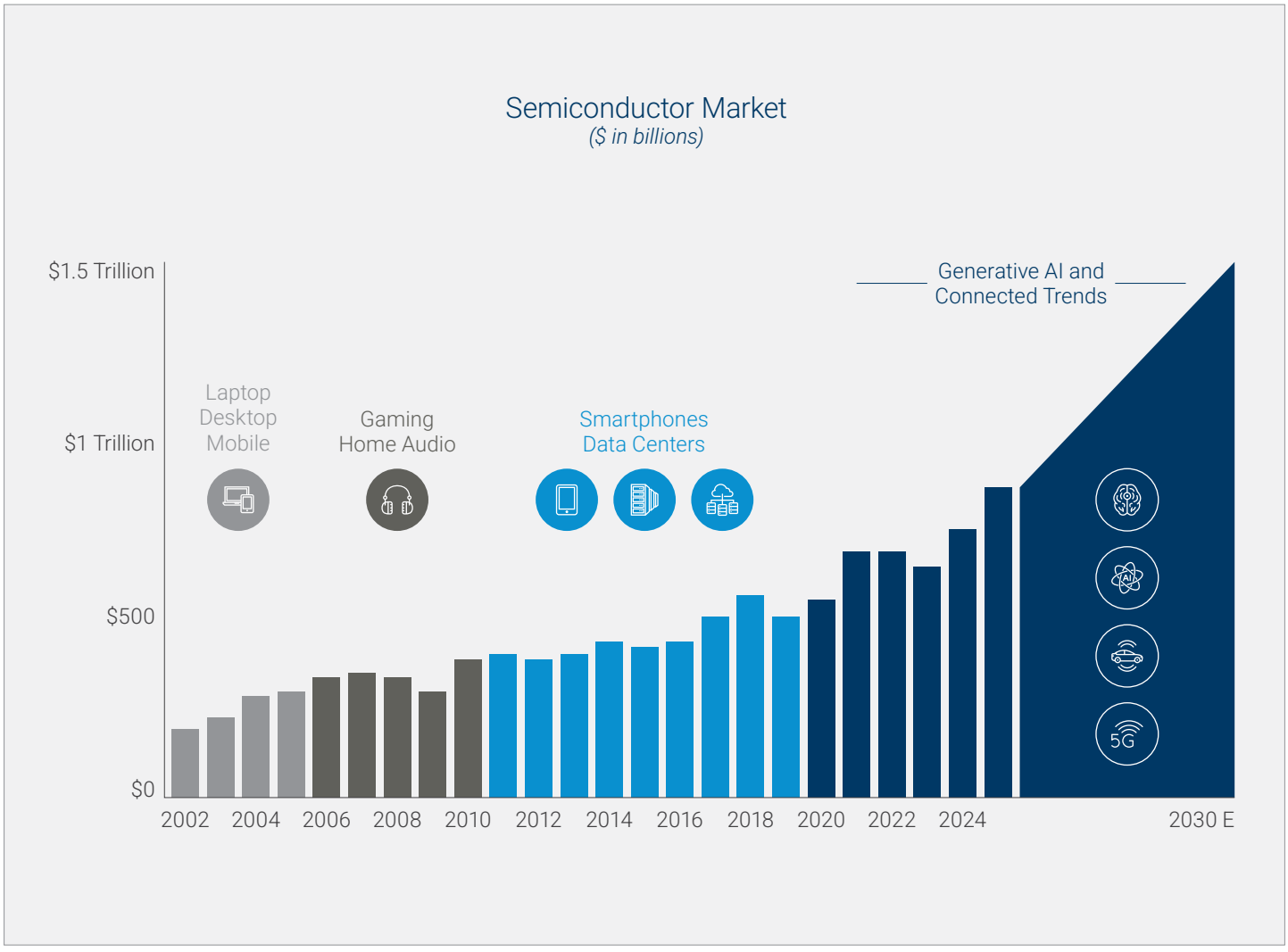
Semiconductor Growth Is Reshaping the Electronics Supply Chain

1.0 AI Is Pushing the Market Toward a Trillion-Dollar Era

Traditional semiconductor sales exceeded $630 billion in 2024 and are forecast to reach $738.6 billion in 2026, while broader market-value estimates point to a potential $1.6 trillion industry by 2030.

The bigger story for sourcing teams is not just market expansion, but demand concentration. AI, cloud/data centers, and GPU-enabled microprocessors are pulling more value into memory, storage, networking, interconnect, power management, advanced packaging, and mature-node components that support power and connectivity.

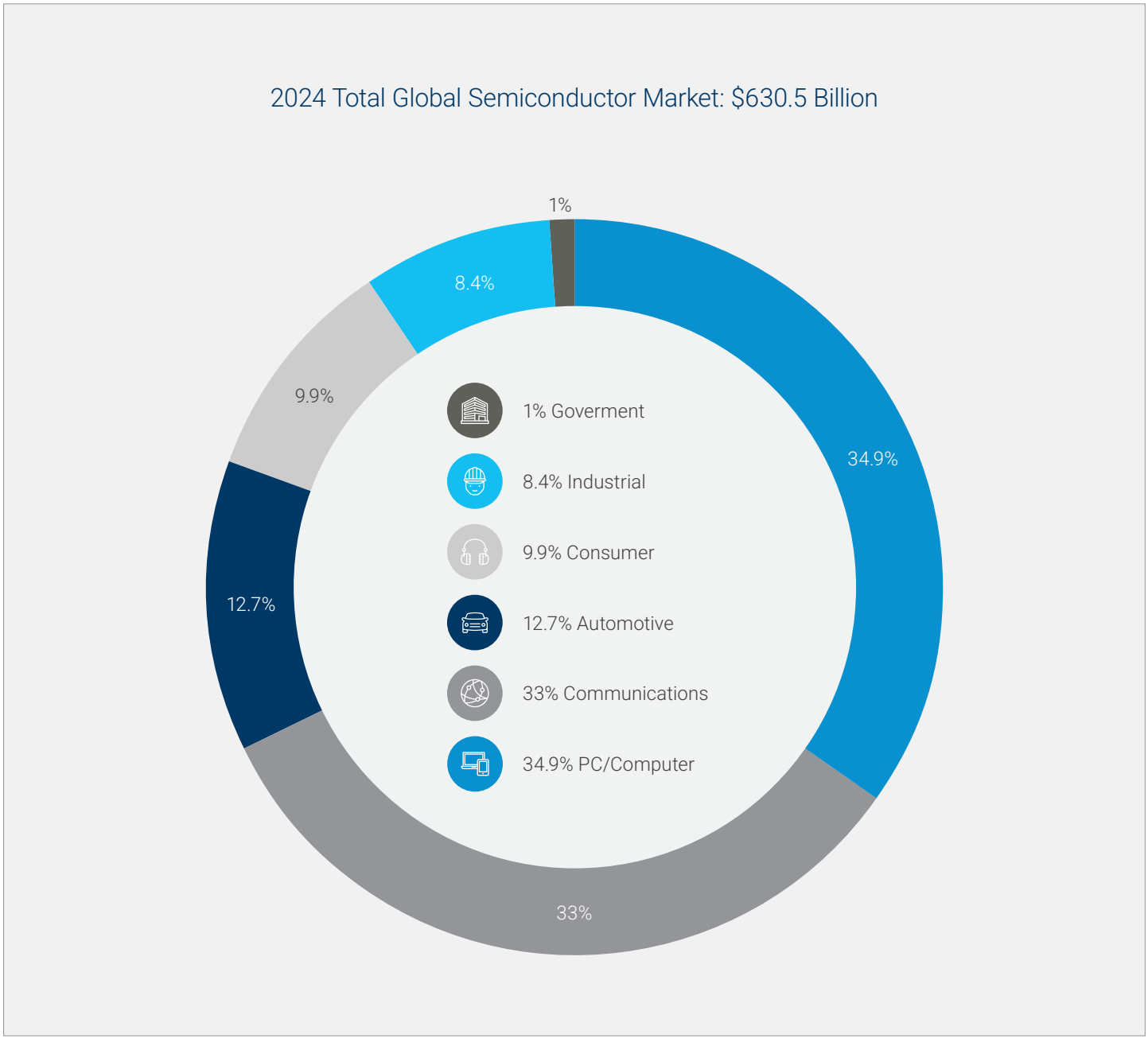
That concentration can create pressure quickly. AI server volumes are projected to grow at a 40% to 50% CAGR between 2024 and 2027, while AI servers require roughly four times more die area and 10 times more power than general-purpose servers. As AI infrastructure scales, buyers will need to monitor not only total market growth, but also where capacity, availability, and supply risk are concentrating.



2.0 Demand Is Broad, But Growth Is Concentrated

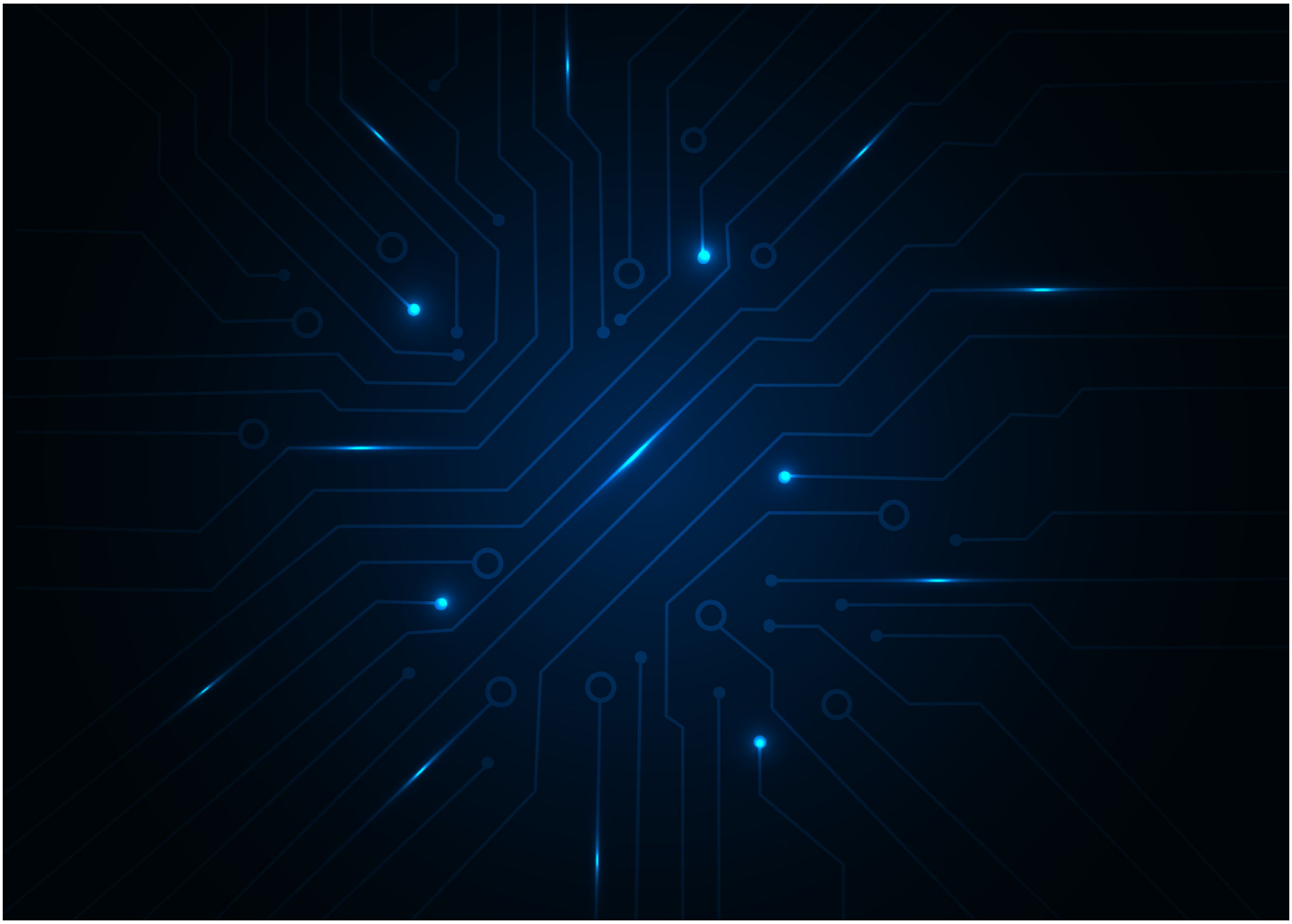
Semiconductor demand is broad, but the largest verticals remain tied to products ultimately purchased by consumers.

PCs, communications devices, automobiles, connected products, and industrial systems often rely on overlapping component families, which means demand growth in one vertical can quickly affect availability, pricing, and sourcing risk in another.



3.0 Where Semiconductor Growth Is Accelerating

COMPUTING & DATA STORAGE	WIRELESS	AUTOMOTIVE
$350B in 2024 - $810B by 2030	+$150B through 2030	EVs + ADAS are increasing chip value
AI servers are expected to account for much of the increase, intensifying demand for advanced nodes, HBM, and data-center infrastructure components.	Growth reflects higher-value smartphones, more semiconductor content in wireless devices, and smaller node sizes for SoCs, modems, Wi-Fi chips, and NAND memory controllers.	Vehicle electrification and advanced driver-assistance systems are expanding demand across both advanced and mature nodes.



4.0 From Component Pressure to Sourcing Resilience

As semiconductor demand becomes more concentrated, buyers are facing risk at the component, node, supplier, and channel level. In this environment, distribution strategy becomes more than a purchasing function, it becomes a resilience lever.

CHALLENGE	SOLUTION
CHALLENGE 1: CRITICAL COMPONENTS ARE BECOMING PRESSURE POINTS Logic, memory, analog, and MPU products accounted for almost 80% of semiconductor sales in 2024, putting core sourcing risk in the same categories powering AI, data centers, industrial systems, and automotive platforms. Memory is a key watch area, with the market projected to grow from $189B in CY24 to more than $420B by 2028.	**SOLUTION** • Monitor high-pressure categories before shortages surface. • Validate supply and plan alternatives for memory, advanced processing, and long-lifecycle analogcomponents.
CHALLENGE 2: CAPACITY GROWTH DOES NOT REMOVE SOURCING RISK Aggregate supply may appear to be improving, but risk can still emerge at the node and component level. Annual wafer demand is projected to grow 4% from 2024 to 2027, while fab capacity is projected to expand 8%; however, more than 40% of surveyed supply chain leaders still expect shortages in advanced <8nm nodes, and 30% expect shortfalls in the 8nm–22nm range.	**SOLUTION** • Plan around constraints by node, component, supplier, and region. • Build sourcing flexibility before constrained parts become urgent.
CHALLENGE 3: TRADITIONAL CHANNELS MAY NOT COVER EVERY NEED The electronic components distribution market is projected to grow from $200.7B in 2025 to $391.2B by 2035, reflecting the growing need for sourcing flexibility as buyers manage shortages, allocation, lifecycle risk, price volatility, and uncertain supply conditions.	**SOLUTION** • Use franchised channels for planned, manufacturer-backed supply. • Use independent or hybrid channels for urgent, obsolete, allocated, or hard-to-find components.
CHALLENGE 4: FLEXIBLE SOURCING REQUIRES STRONG QUALITY CONTROLS Open-market sourcing can help buyers respond to shortages and lifecycle challenges, but it also introduces risk. Counterfeit exposure, price volatility, supplier variability, and inconsistent documentation make quality controls essential.	**SOLUTION** • Pair sourcing flexibility with supplier validation, documentation, and counterfeit mitigation. • Protect production continuity by finding the right parts, not just available parts.

SIA 2025 Factbook; WSTS Fall 2024 Semiconductor Industry Forecast; McKinsey, Hiding in Plain Sight: The Underestimated Size of the Semiconductor Industry, Jan. 2026; KPMG / GSA, 2025 Global Semiconductor Industry Outlook; Kearney / SEMI, Braving the Storm: State of Semiconductors 2025; D.A. Davidson, Long Live the Memory, April 2026; Bernstein Research, Global Analog Semis, May 2026; Research Nester, Nov. 2025; WT Microelectronics Co., Ltd. 2025 Annual Report / Company AR 2025; Velocity Electronics / Jabil Internal Market Intelligence Presentation, Electronics Components and Distribution Market Overview, May 2026.