

# Have industrial switch chips become more expensive



## Overview

While transistor scaling continues, the economics of advanced semiconductor productization - spanning design, fabrication, packaging and testing - have increased the costs involved dramatically. The global semiconductor industry is expected to reach US\$975 billion in annual sales in 2026, a historic peak fueled by an intensifying AI infrastructure boom (figure 1). 1 Growth reached 22% in 2025 and is projected to accelerate to 26% in 2026, and even if growth moderates thereafter, annual. Process nodes shrank from 28 nm to 7 nm, capital costs ballooned, and the gap widened between commodity components (tight margins) and performance parts (premium pricing). Rising US - China trade conflicts foreshadowed the next decade's challenges. But the right combination of incentives and support can help companies bring down costs. A leading-edge advanced logic fab built now will be at least two to three node generations beyond those. Introducing a new leading-edge semiconductor product has become a daunting task. Achieving high. The world's largest chipmakers, including Taiwan Semiconductor Manufacturing Company, Samsung Electronics, and Intel, decided to increase the prices of semiconductors. 4 percent from December 2021 to December 2024.

## Article Content

Why the Chip Shortage Drags On and On and On

Another issue is that not all chips are created equal. Simple components—power-control integrated circuits, microcontrollers, and

The future of semiconductor pricing

Macro and market pressures" growing role in semiconductor pricing Energy and sustainability: As chips grow more powerful and data centers become

Electronics are set to get even more expensive as chip

Products that rely on semiconductors are set to get even more expensive as chip foundries prepare to increase their prices, according to analysts.

Which Industries Are Driving Demand for Advanced

Conclusion The demand for advanced industrial chips is being driven by rapid advancements in AI, data centers, telecommunications, automotive,

What's next for the silicon carbide wafer market | McKinsey

The silicon carbide wafer market is facing rapid changes in supply and demand. We look at how manufacturers can succeed in the face of these new

Why manufacturing chips in US may make smartphones

President Biden's CHIPS Act is a new form of industrial policy key to future government and tech sector interaction. But one cost may be higher device

AI is gobbling up the world's memory chips, sending

A global shortage in memory chips sparked by artificial intelligence has dealt a "tsunami-like shock" to the smartphone industry, pushing prices to all

The future of semiconductor pricing

The semiconductor industry is experiencing significant shifts in cost drivers, from expensive advanced manufacturing equipment to rising input prices, prompting innovative risk

Did the Computer Chip Shortage Affect Inflation?

Chips are a key production component. Though they typically account for a small percentage of total input costs, the scarcity of chips can halt

Recent Price Trends in the Semiconductor Industry

Q: How have import semiconductor prices trended over the 2022–2024 period? (See chart 1) Semiconductor manufacturing import prices declined 1.4 percent from December 2021 to

### Recent Price Trends in the Semiconductor Industry

Higher raw material costs contributed to the rise of semiconductor import prices in 2022. Those input costs fell in 2023, causing price decreases for import semiconductors. In 2024, the

### Tariffs Impact Global Semiconductor Industry in 2025

Explore how tariffs are reshaping the global semiconductor landscape, affecting prices, supply chains, and AI chip development strategies in

### Why are industrial switches so expensive?

Industrial switches, also known as network switches, are an essential component of modern industrial networks. They are used to connect various devices, such as sensors, controllers, and computers, to

| IT News Archive | ComputerWeekly

Read all of the IT news from ComputerWeekly in this archive. Access all of our IT news articles and features published in the current month.

### Why Are Semiconductor Prices Rising? Key Factors

One of the biggest reasons for rising semiconductor prices is supply chain instability. The industry has been heavily affected by: Global chip shortages

### TSMC Price Hikes to Result in Higher Retail Pricing For

The recent increase in wafer quotes by TSMC, Samsung Foundry, GlobalFoundries, SMIC, UMC, and other contract chipmakers, particularly for

Electronics are set to get even more expensive as chip

The foundries are increasing their prices partly because they can, but also because it's becoming more expensive for them to fund their growing

### Navigating the Costly Economics of Chip Making | BCG

Semiconductor fabs have become increasingly complex in recent years, making them more expensive to build. But the right combination of incentives and support can help companies

### Beyond the Numbers: Understanding Recent Trends in

During the pandemic, a severe shortage of microchips was a visible and consequential snarl in the global supply chain. Since chips are integrated into

Electronic Devices to Become Costlier as Companies Hike Chip

The supply-demand mismatch and increase in chip prices will make most electronic products expensive. These chips are widely used in “critical industries” such as automotive, medical devices, and

2026 Semiconductor Industry Outlook | Deloitte Insights

Fabs, tools, design tools, and more: Since AI chips are high in value but low in volume, a decline in revenues would likely have relatively little impact on

2026 Semiconductor Industry Outlook | Deloitte Insights

In 2026, despite soaring sales, the chip industry may focus on managing risks, building integrated systems, and balancing investments

How Inflation Is Making Electronic Components More

The worldwide inflation trend is causing problems in the electronic components supply chain by making parts more expensive and harder to procure.

The Rising Tide of Semiconductor Cost

The lagging edge — older chips — is starting to get more expensive, too. The story here is not technological, but rather economic, and what was once

Many chips become more expensive: TSMC raises wafer prices

Many chips become more expensive: TSMC raises wafer prices TSMC is asking Nvidia in particular to pay. The chip contract manufacturer apparently also wants to benefit from the AI boom.

Nvidia shift, AI chip shortages threatening to hike gadget

The AI infrastructure buildout is creating shortages of components including various types of chips that are also used in consumer electronics.

Advanced Semiconductor Products: Overcoming Cost

Introducing a new leading-edge semiconductor product has become a daunting task. While transistor scaling continues, the economics of advanced

Navigating the Semiconductor Industry: Understanding the Factors ...

As the industry grapples with these complexities, understanding the intricacies behind semiconductor chip costs becomes essential for stakeholders. Companies must optimize their supply

## Contact Us

For more information, pricing, or custom solutions, please contact us:

Website: <https://pvprojekt.com.pl>

Email: [contact@pvprojekt.com.pl](mailto:contact@pvprojekt.com.pl)

Phone: +48 512 897 346

Address: ul. Tęczowa 17, 61-001 Poznań, Greater Poland Voivodeship, Poland

This document is for informational purposes only. Specifications subject to change without notice.

