

Utmel: The chip shortage seems hard to get better in 2023

In 2023, the chip problem is still a persistent problem in the automotive industry.

HONGKONG, CHINA, March 28, 2023 /EINPresswire.com/ -- There have been a number of institutions and many industry experts are optimistic about the chip dilemma in 2022, that the chip capacity will gradually increase.

However, entering 2023, the chip problem is still a persistent problem in the automotive industry.

According to estimates, the average car carries about 1,600 semiconductors, these semiconductor devices are distributed in various devices and systems of the car, leading them to work together in precisely the car chip, such as [logic computing chips](#), storage chips, [microcontroller](#) MCU, etc.

From the application point of view, the car is small to the tire pressure monitoring system TPMS, and the camera, large to the whole vehicle controller, automatic driving domain controller, is inseparable from a variety of chips. It can be said that the intelligence of the car is the intelligence of the chip.

The number of chips in traditional cars is about 500 to 600, and with the increase of functions such as autonomous driving and new energy, the number of chips is now about 1000 to 1200. And some models with intelligence as the main focus, the number of chips needed is even more.

According to the research of various industry research institutions in 2021, new energy vehicle chip up to 1500 or more, there are also media gave estimates that high-end electric vehicle models chip uses even up to 3000.

In 2021, the demand for chips in traditional fuel vehicles is estimated to be around 900 chips on average.

"Intelligence and electrification is the future development trend of the automotive industry, which also makes more and more chips required for a single vehicle.

According to the data, by 2030, the number of chips required per vehicle will increase to 1,000, and by 2035 each vehicle may need 3,000 chips.

In this regard, the industry generally believes that the production of a traditional car requires 500 to 600 chips, automotive chip demand has soared, it can be said that the current car gauge chip not only makes up for lost capacity but also steps up the pace to catch up with the incremental volume.

Of course, there is also consumer chip production capacity to seize the production line, automotive chip production at the same time often needs to produce cell phones, and computer chips, from the statistics of the automotive chip market size, is smaller than cell phones and personal computers, so manufacturers are likely to give priority to the production of higher interest consumer chips.

As well as accidents led to the shutdown of several chip factories in February 2021, the United States semiconductor town of Texas was hit by a blizzard, and the snowstorm led to several chip suppliers in Texas being forced to shut down production.

March 2021 Japan AKM factory fire, which lasted 91 hours of fire damage to the core fab, these accidents make it difficult for manufacturers to restore capacity in the short term.

Many industry insiders expect the chip shortage will continue until the end of 2023 or early 2024. And [Utmel](#) expects the global car production cut is expected to climb to about 2.75 million units by the end of this year due to chip shortages.

Bank of America said that due to the shortage of chips, Volkswagen is expected to cut about 6.5 million vehicles from the first quarter production plan. Toyota is expected to lose about 5.8 million vehicles in the first quarter, while Geely may cut production by 50,000 vehicles.

Although the latest data show that the global chip shortage is slowly improving, some automakers are still cautious.

Honda Motor also cut its vehicle sales forecast for the current fiscal year (April 2022 to March 2023) by 6.1 % to 3.85 million units from 4.1 million units. The German automobile industry association VDA warned in particular that if the supply shortage of semiconductor parts continues, the global factory cars will be reduced by up to 20 percent by 2026. The German automobile industry association VDA warned in particular that if the supply shortage of semiconductor parts continues, the global factory cars will be reduced by up to 20 percent by 2026. Therefore, the EU is called upon to give special support to automotive-related semiconductors.

VDA pointed out that by 2030, the automotive industry demand for semiconductor zero will increase by 2 times compared to the current, higher than the global semiconductor market

demand growth of 1.8 times.

In particular, the process is older than 90 nanometers and more mature made of semiconductors for the automotive industry is still important.

At present, only less than 20% of the capital expenditure will be used for node 65 nanometers or more mature node process, which is far from enough for the automotive industry's future demand for semiconductors. New energy vehicles in the short term can not escape the lack of core situation. Although the auto companies are chasing each other on the road of self-research chips, the high cost of self-research often makes the auto companies unwilling to waste too much money.

Alan Smith

Utmel Electronic CO.,LTD

+86 131 8975 2889

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