

Subject :	GlobalTRONICS 2008
Publication :	Insis.com
Issue :	1 September 2008
Type of Article:	GlobalTRONICS 2008 News
Address:	<a href="http://www.insis.com/Web/Main.aspx?ID=,a11d633a-5ab1-400d-a5e1-26f0eba483e4&amp;NLT=300&amp;AID=7e08ab27-7aae-4ab8-9b6f-92b54c7929e7">http://www.insis.com/Web/Main.aspx?ID=,a11d633a-5ab1-400d-a5e1-26f0eba483e4&amp;NLT=300&amp;AID=7e08ab27-7aae-4ab8-9b6f-92b54c7929e7</a>
Tone:	Positive



### **Outlook for electronics sector still positive: experts**

By Lynn Ng, Insis.com – 1 September 2008

<http://www.insis.com/Web/Main.aspx?ID=,a11d633a-5ab1-400d-a5e1-26f0eba483e4&NLT=300&AID=7e08ab27-7aae-4ab8-9b6f-92b54c7929e7>

The sub-prime meltdown and housing market downturn in the US, coupled with moderating growth and accelerating inflation in Asian economies, has left many in the electronics industry worried about a looming recession.

This is especially so for the Singapore market, since electronics exports account for a large portion of total domestic exports. In fact, the Ministry of Trade and Industry (MTI) has stated in its

Economic Survey of Singapore (Second Quarter 2006) report that it foresees electronics demand to remain soft for the rest of 2008.

However, industry experts gathered at a roundtable for GlobalTRONICS, a biennial trade show organised by Reed Exhibitions that will be held later this month, are more optimistic.

Despite the fear of a further slowdown in the global economy, the electronics market has continued to grow, said economist David Cohen, Director of Asian Economic Forecasting from Action Economics.

Citing figures from industry body Consumer Electronics Association (CEA), Mr Cohen said a growth rate of 10 percent and a global revenue projection of US\$700 billion (SG\$997 billion) for 2008 are signs that bode well for the trade.

Consumers from the BRIC (Brazil, Russia, India and China) economies, as well as Asia are driving the growth even if the US market may seem shaky, he added.

China is predicted to account for nearly 15 percent of the global consumer electronics market this year. The year-on-year growth forecast for Asia is 13 percent, as compared to the seven percent for the US market.

The continued demand for mobile phones, laptop computers, video games, DVD players and LCDs will help buoy the semiconductor sector, Mr Cohen pointed out.

Sales of semiconductor chips worldwide in the first half of 2008 went up by 5.4 percent year-on-year to reach US\$127.5 billion. This is in spite of the weakening in Dynamic Random Access Memory (DRAM) chip pricing. Mr Cohen concluded that demand for consumer electronics especially in emerging countries will "hold up" the market.

Sharing this view is Mr Christopher Fussner, President of TransTechnology, a distributor of semiconductor equipment. He said that with the change in taxation and labour laws in China, some production has shifted back to South-east Asia, notably Indonesia.

Mr Fussner also observed that solar technology is the "new hot thing", and that the increasing cost of silicon wafers, by as much as 500 percent in some areas, has created a big push for integrated circuits to be printed onto plastic substrates instead.

This so-called "plastic printed electronics" is one of the emerging technologies driving innovation in the electronic sector today, according to Singapore Institute of Manufacturing Technology (SIMTech) Senior Scientist Dr Albert Lu.

Dr Lu said that with this technology, flexible and foldable displays for watches and televisions will become a reality. It is also being applied for printing radio frequency identification (RFID) antennae onto paper and packaging materials.

The ninth edition of GlobalTRONICS will be held at Suntec Singapore from September 9 to 12. Visit [www.globaltronics.com.sg](http://www.globaltronics.com.sg) for more information.