

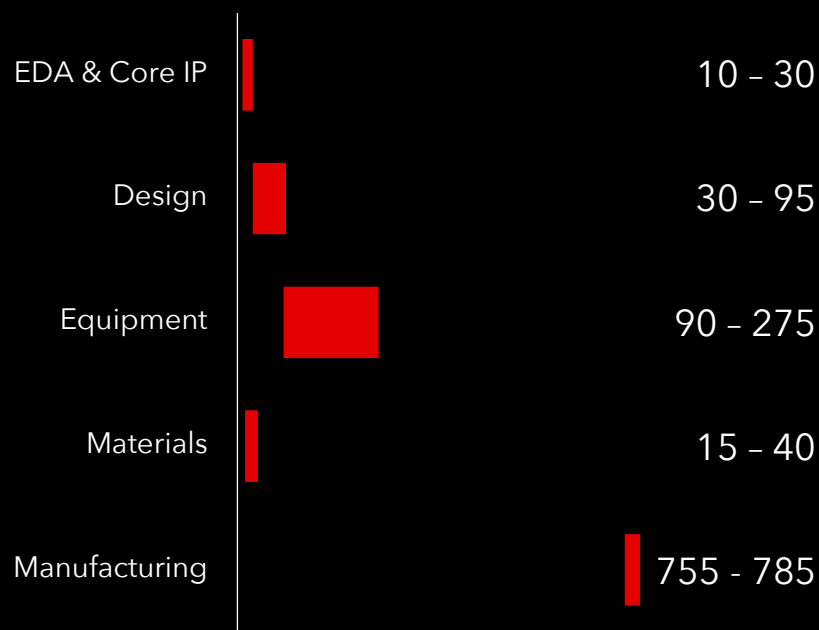
Chart of the Day

While semiconductors are strategically important for both economic growth and national security, a recent study from BCG concluded that developing “self-sufficiency” in every major region would require roughly \$1 trillion of upfront investment and up to \$125 billion of incremental annual cost

Incremental cost to cover 2019 demand with fully “self-sufficient” localized semiconductor supply chains

Upfront investment

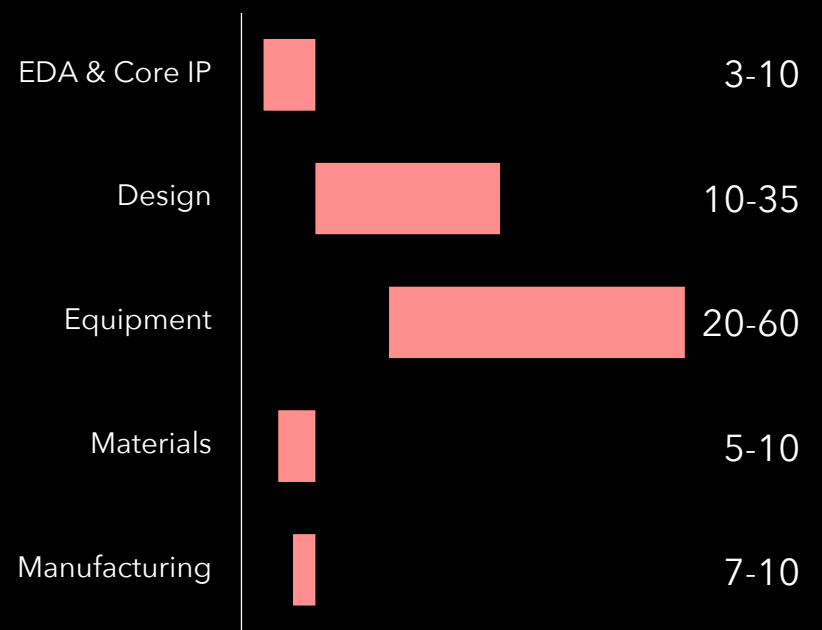
Est cost range (\$ bn)



Total: \$900 bn - \$1.2 trillion

Incremental annual cost

Est cost range (\$ bn)



Total: \$45 - \$125 billion

Source: (1-2) BCG, Semiconductors Industry Association “Strengthening the Global Semiconductor Supply Chain in an Uncertain Era”. April 2021. Manufacturing includes both wafer fabrication and assembly, packaging and testing. Range defined by number of local companies assumed to be required to meet the local needs in each activity of the value chain.

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