

3Q24 Semiconductor Earnings Summary—Final

3Q Strength Rebounds, Healthy 4Q Guidance Fades, Share Performance Mixed

The 3Q earnings season is now complete with all 56 companies in my Tokeneke Universe having reported. The 3Q growth rate finished as expected with the late-season AI turbocharge rebounding to +10.6% consistent with industry statistics. However, 4Q guidance did not benefit or rebound with the AI contributions but faded slightly to a still very healthy +6.0% growth rate. Most companies also continued to miss expectations.

Also surprising is semiconductor share price performance so far this quarter with the SOX index slightly declining but over half of my Universe advancing by an average of +8.5%, somewhat consistent with the NASDAQ.

Unruly Memories: Memories account for over 20% of total semiconductor industry sales and three-quarters of those memory suppliers are *NOT* in my Tokeneke Universe (Samsung, Hynix and Kioxia). According to WSTS, expected 2024 industry growth of +16% (now +19%) is boosted by memories at +77% (now +81%). I exclude MU and WDC in the table below due to their potential growth rate differentials—although I am reconsidering this after my Universe unexpectedly outperformed industry stats over the last two quarters. Recall my US-equity based Tokeneke Universe does *not* include most large international firms, although it does include wafer foundries and IP companies that count as manufacturing costs rather than industry sales. I normalize fiscal quarters to the best fitting two out of three months, but I do *not* segregate non-semiconductor revenue on a corporate basis.

3Q Strength Rebounds: 3Q semiconductor revenue growth rebounded in the closing weeks, as expected, and finished well above average and expectations due to strength from AI. The weighted average sales growth across my Tokeneke Universe reflected a sequential quarterly gain of +10.6%, as noted in the adjacent table. SIA/WSTS industry statistics for 3Q released earlier last month reflected nearly identical growth of +10.5%. Company 3Q guidance from 2Q earnings was centered at +7.0% ranging from +4.3% to +9.7%, and preannouncements included only two reiterations from LSCC and SIMO. 3Q is seasonally the strongest of the year with an average sequential revenue increase of +5.9%, a high of +19.9%, a low of -11.3%, and only four declines in the last 38 years—including only one in the last 22, per industry statistics.

		3Q	4Q	4Q Range
Week 1	Weighted	12.0%	9.7%	+7.6+11.9%
7 co's	excl mem	12.0%	9.7%	+7.7+11.7%
\$39.7B	co. avg	3.2%	6.1%	+1.4+10.9%
Week 2	Weighted	9.7%	7.3%	+4.5+10.0%
22 co's	excl mem	9.3%	6.7%	+4.0+9.5%
\$69.7B	co. avg	6.1%	5.6%	+2.0+9.2%
Week 3	Weighted	8.9%	6.2%	+3.2+9.1%
46 co's	excl mem	8.4%	5.6%	+2.6+8.6%
\$90.9B	co. avg	7.0%	3.4%	-0.4+7.1%
Final	Weighted	10.6%	6.0%	+3.6+8.5%
56 co's	excl mem	8.8%	5.8%	+3.2+8.4%
\$145.7B	co. avg	7.9%	4.1%	+0.3+7.9%

Strong 4Q Guidance Unexpectedly Softens: The 4Q revenue outlook based on management guidance across my Universe surprisingly did *not* rebound with late-season AI reports—but softened—in the closing weeks as noted in the table above, although it remains very strong and well above average. The specific weighted average guidance for revenue calls for a sequential gain of +6.0% this quarter, ranging from +3.6% to +8.5%. The 4Q is seasonally the second weakest of the year with an average revenue increase of +1.6%, a high of +16.0%, a low of -24.2%, and 15 declines in the last 38 years—including eight of the last 14, per industry statistics.

Most Companies Miss Expectations: The Performance to Expectations histogram on Page 2 shows most companies in my Universe missed expectations last quarter. The category of outperforming companies meeting or exceeding expectations rose to 43% from 39% Week 3, 36% Week 2 and 57% Week 1, while those reporting 'mixed' results simultaneously missing, meeting and exceeding expectations fell to 50% from 52%, 59% and 43%. Losers missing and/or meeting expectations accounted 7% from 9%, 5% and 0%. Recall this compares investor expectations to reported results for 3Q revenue and EPS, as well as 4Q revenue guidance. Note the grading Legend on Page 2 and company details on Pages 3-5.

SOX Underperforms but Breadth Keeps Up: In an unusual combination this quarter, the SOX has declined while my Universe has kept up with broader equity market gains. Quarter-to-date the Philadelphia Semiconductor Index Option (SOX) is down by -0.4% while 31 out of 56 stocks in my Tokeneke Universe have advanced by an average of +8.5% versus the NASDAQ, S&P500 and DOW at +9.6%, +5.0%, and +3.5%, respectively.

Stocks Still Scary: While AI is growing the rest of the semiconductor industry's markets continue to struggle. In the meantime, the SOX index remains way over-extended compared to the S&P500 and most fundamental valuations across the sector are unattractive, in my opinion. I would continue to be very careful and extremely selective considering potential chip sector opportunities at this time.

*CY3Q24 earnings announcements through December 13, 2024. Most earnings and gross margins are non-GAAP.
Companies sorted alphabetically by ticker across all compilations in this report.*

* includes acquisition (and/or divestiture)

Note: 'no guidance' is calculated as flat revenue.

Total: 56 companies with estimates or guidance

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ADEA	2 est.	<i>Adeia</i>		CY24rev:	-3%	DIOD	4 est.	<i>Diodes</i>		CY24rev:	-21%
Qtr:	3Q	Grade:	D	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	D	Growth	(qtr-qtr)
Rev:	86.1	Rev:	---	Rev:	-1.5%	Rev:	350.1	Rev:	+++	Rev:	9.5%
GM:	100.0%	EPS:	---	Fcst:	+31+66%	GM:	33.7%	EPS:	+	Fcst:	-7-1%
EPS:	\$0.27	Fcst:	+++	Div:	\$0.05	EPS:	\$0.43	Fcst:	---	Div:	
ADI	26 est.	<i>Analog Devices</i>		FY25rev:	8%	GFS	14 est.	<i>GlobalFoundries</i>		CY24rev:	-9%
Qtr:	F4Q	Grade:	B	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	B	Growth	(qtr-qtr)
Rev:	2,443.2	Rev:	++	Rev:	5.7%	Rev:	1,739	Rev:	+	Rev:	6.6%
GM:	67.9%	EPS:	++	Fcst:	-8+0%	GM:	24.7%	EPS:	+++	Fcst:	+4+6%
EPS:	\$1.67	Fcst:	+	Div:	\$0.92	EPS:	\$0.41	Fcst:	+	Div:	
ALAB	11 est.	<i>Astera Labs</i>		CY24rev:	231%	GSIT	0 est.	<i>GSI Technology</i>		FY25rev:	na
Qtr:	3Q	Grade:	A	Growth	(qtr-qtr)	Qtr:	F2Q	Grade:	C	Growth	(qtr-qtr)
Rev:	113.1	Rev:	+++	Rev:	47.1%	Rev:	4.55	Rev:	o	Rev:	-2.6%
GM:	77.8%	EPS:	+++	Fcst:	+11+15%	GM:	38.6%	EPS:	na	Fcst:	+3+21%
EPS:	\$0.23	Fcst:	+++	Div:		EPS:	(\$0.21)	Fcst:	na	Div:	
ALGM	8 est.	<i>Allegro Micro</i>		FY25rev:	-32%	HIMX	1 est.	<i>Himax</i>		CY24rev:	-6%
Qtr:	F2Q	Grade:	D	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	B	Growth	(qtr-qtr)
Rev:	187.4	Rev:	o	Rev:	12.3%	Rev:	222.4	Rev:	++	Rev:	-7.2%
GM:	48.8%	EPS:	+++	Fcst:	-9-4%	GM:	30.0%	EPS:	+++	Fcst:	-2-0%
EPS:	\$0.08	Fcst:	---	Div:		EPS:	\$0.074	Fcst:	++	Div:	\$0.0725
AMBA	12 est.	<i>Ambarella</i>		FY25rev:	23%	IDCC	3 est.	<i>InterDigital</i>		CY24rev:	56%
Qtr:	F3Q	Grade:	A	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	A	Growth	(qtr-qtr)
Rev:	82.7	Rev:	+++	Rev:	29.8%	Rev:	128.7	Rev:	+++	Rev:	-42.4%
GM:	62.6%	EPS:	+++	Fcst:	-8-3%	GM:	62.5%	EPS:	+++	Fcst:	+86+94%
EPS:	\$0.11	Fcst:	+++	Div:		EPS:	\$1.63	Fcst:	+++	Div:	\$0.45
AMD	33 est.	<i>Adv Micro Devices</i>		CY24rev:	13%	INFN	7 est.	<i>Infinera</i>		CY24rev:	-11%
Qtr:	3Q	Grade:	D	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	F	Growth	(qtr-qtr)
Rev:	6,819	Rev:	+++	Rev:	16.9%	Rev:	354.4	Rev:	---	Rev:	3.4%
GM:	53.6%	EPS:	+	Fcst:	+6+14%	GM:	40.4%	EPS:	--	Fcst:	na
EPS:	\$0.92	Fcst:	-	Div:		EPS:	\$0.00	Fcst:	na	Div:	
AOSL	3 est.	<i>Alpha & Omega</i>		FY25rev:	4%	INTC	31 est.	<i>Intel</i>		CY24rev:	-3%
Qtr:	F1Q	Grade:	D	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	D	Growth	(qtr-qtr)
Rev:	181.9	Rev:	+	Rev:	12.8%	Rev:	13,284	Rev:	+++	Rev:	3.5%
GM:	25.5%	EPS:	-	Fcst:	-12-1%	GM:	18.0%	EPS:	---	Fcst:	+0+8%
EPS:	\$0.21	Fcst:	---	Div:		EPS:	(\$0.46)	Fcst:	+	Div:	\$0.00
ARM	23 est.	<i>ARM</i>		FY25rev:	22%	LSCC	12 est.	<i>Lattice Semi</i>		CY24rev:	-31%
Qtr:	F2Q	Grade:	B	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	E	Growth	(qtr-qtr)
Rev:	844	Rev:	+++	Rev:	-10.1%	Rev:	127.1	Rev:	o	Rev:	2.4%
GM:	97.2%	EPS:	++	Fcst:	+9+15%	GM:	69.0%	EPS:	o	Fcst:	-12-4%
EPS:	\$0.30	Fcst:	+	Div:		EPS:	\$0.24	Fcst:	---	Div:	
AVGO	32 est.	<i>Broadcom</i>		FY25rev:	19%	MBLY	23 est.	<i>Mobileye Global</i>		CY24rev:	-21%
Qtr:	F4Q	Grade:	D	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	D	Growth	(qtr-qtr)
Rev:	14,054	Rev:	-	Rev:	7.5%	Rev:	486	Rev:	+	Rev:	10.7%
GM:	76.9%	EPS:	+	Fcst:	+4%	GM:	68.1%	EPS:	+	Fcst:	-6+2%
EPS:	\$1.42	Fcst:	+	Div:	\$0.59	EPS:	\$0.10	Fcst:	-	Div:	
CEVA	5 est.	<i>Ceva</i>		CY24rev:	8%	MCHP	20 est.	<i>Microchip Tech</i>		FY25rev:	-40%
Qtr:	3Q	Grade:	B	Growth	(qtr-qtr)	Qtr:	F2Q	Grade:	D	Growth	(qtr-qtr)
Rev:	27.2	Rev:	++	Rev:	-4.3%	Rev:	1,163.8	Rev:	++	Rev:	-6.2%
GM:	87.0%	EPS:	+++	Fcst:	-3+5%	GM:	59.5%	EPS:	+	Fcst:	-12-6%
EPS:	\$0.14	Fcst:	+	Div:		EPS:	\$0.46	Fcst:	---	Div:	\$0.455
CRUS	6 est.	<i>Cirrus Logic</i>		FY25rev:	0%	MPWR	11 est.	<i>Monolithic Power Sys</i>		CY24rev:	20%
Qtr:	F2Q	Grade:	D	Growth	(qtr-qtr)	Qtr:	3Q	Grade:	B	Growth	(qtr-qtr)
Rev:	541.9	Rev:	+++	Rev:	44.9%	Rev:	620.1	Rev:	+++	Rev:	22.2%
GM:	52.2%	EPS:	+++	Fcst:	-11-0%	GM:	55.8%	EPS:	++	Fcst:	-3+0%
EPS:	\$2.25	Fcst:	---	Div:		EPS:	\$4.06	Fcst:	+	Div:	\$1.25

MRAM	2 est.	<i>Everspin Tech</i>	CY24rev:	-22%	POWI	5 est.	<i>Power Integrations</i>	CY24rev:	-6%
Qtr:	3Q	Grade: D	Growth	(qtr-qtr)	Qtr:	3Q	Grade: D	Growth	(qtr-qtr)
Rev:	12.1	Rev: +	Rev:	13.6%	Rev:	115.8	Rev: ++	Rev:	9.0%
GM:	49.2%	EPS: +++	Fcst:	-1+8%	GM:	55.1%	EPS: ++	Fcst:	-14-5%
EPS:	\$0.10	Fcst: -	Div:		EPS:	\$0.40	Fcst: - - -	Div:	\$0.21
MRVL	29 est.	<i>Marvell</i>	FY25rev:	4%	PXLW	3 est.	<i>Pixelworks</i>	CY24rev:	-27%
Qtr:	F3Q	Grade: B	Growth	(qtr-qtr)	Qtr:	3Q	Grade: D	Growth	(qtr-qtr)
Rev:	1,516.1	Rev: ++	Rev:	19.1%	Rev:	9.5	Rev: o	Rev:	11.6%
GM:	60.5%	EPS: +	Fcst:	+13+25%	GM:	51.3%	EPS: +	Fcst:	-6+5%
EPS:	\$0.43	Fcst: +++	Div:	\$0.06	EPS:	(\$0.12)	Fcst: -	Div:	
MTSI	13 est.	<i>MACOM Tech</i>	FY25rev:	24%	QCOM	24 est.	<i>Qualcomm</i>	FY25rev:	9%
Qtr:	F4Q	Grade: C	Growth	(qtr-qtr)	Qtr:	F4Q	Grade: B	Growth	(qtr-qtr)
Rev:	200.7	Rev: +	Rev:	5.4%	Rev:	10,244	Rev: +++	Rev:	9.1%
GM:	58.1%	EPS: o	Fcst:	+6+9%	GM:	57.0%	EPS: +++	Fcst:	+3+10%
EPS:	\$0.73	Fcst: +++	Div:		EPS:	\$2.69	Fcst: +	Div:	\$0.85
MU	26 est.	<i>Micron Tech</i>	FY25rev:	52%	QRVO	21 est.	<i>Qorvo</i>	FY25rev:	-2%
Qtr:	F4Q	Grade: B	Growth	(qtr-qtr)	Qtr:	F2Q	Grade: D	Growth	(qtr-qtr)
Rev:	7,750	Rev: ++	Rev:	13.8%	Rev:	1,046.5	Rev: ++	Rev:	18.0%
GM:	36.5%	EPS: +	Fcst:	+10+15%	GM:	47.0%	EPS: +	Fcst:	-16-12%
EPS:	\$1.18	Fcst: ++	Div:	\$0.115	EPS:	\$1.88	Fcst: - - -	Div:	
MX	3 est.	<i>MagnaChip</i>	CY24rev:	0%	QUIK	2 est.	<i>QuickLogic</i>	CY24rev:	-3%
Qtr:	3Q	Grade: D	Growth	(qtr-qtr)	Qtr:	3Q	Grade: D	Growth	(qtr-qtr)
Rev:	66.5	Rev: +	Rev:	25.0%	Rev:	4.3	Rev: +	Rev:	3.4%
GM:	23.3%	EPS: - - -	Fcst:	-11-4%	GM:	60.0%	EPS: -	Fcst:	+27+55%
EPS:	(\$0.34)	Fcst: na	Div:		EPS:	(\$0.06)	Fcst: - - -	Div:	
MXL	9 est.	<i>MaxLinear</i>	CY24rev:	-48%	RMBS	3 est.	<i>Rambus</i>	CY24rev:	25%
Qtr:	3Q	Grade: D	Growth	(qtr-qtr)	Qtr:	3Q	Grade: E	Growth	(qtr-qtr)
Rev:	81.1	Rev: +++	Rev:	-11.8%	Rev:	145.5	Rev: - - -	Rev:	10.1%
GM:	58.7%	EPS: - - -	Fcst:	-1+23%	GM:	80.7%	EPS: - - -	Fcst:	+4+16%
EPS:	(\$0.36)	Fcst: +	Div:		EPS:	\$0.45	Fcst: o	Div:	
NLST	1 est.	<i>Netlist</i>	CY24rev:	106%	SIMO	8 est.	<i>Silicon Motion</i>	CY24rev:	27%
Qtr:	3Q	Grade: B	Growth	(qtr-qtr)	Qtr:	3Q	Grade: D	Growth	(qtr-qtr)
Rev:	40.2	Rev: ++	Rev:	9.1%	Rev:	212.4	Rev: +++	Rev:	0.8%
GM:	2.8%	EPS: +	Fcst:	na	GM:	46.8%	EPS: +++	Fcst:	-10-5%
EPS:	(\$0.04)	Fcst: na	Div:		EPS:	\$0.92	Fcst: - - -	Div:	\$0.50
NVDA	43 est.	<i>NVIDIA</i>	FY25rev:	112%	SITM	6 est.	<i>SiTime</i>	CY24rev:	38%
Qtr:	F3Q	Grade: B	Growth	(qtr-qtr)	Qtr:	3Q	Grade: B	Growth	(qtr-qtr)
Rev:	35,082	Rev: +++	Rev:	16.8%	Rev:	57.7	Rev: ++	Rev:	31.5%
GM:	75.0%	EPS: +++	Fcst:	+5+9%	GM:	58.1%	EPS: +++	Fcst:	+9+13%
EPS:	\$0.81	Fcst: +	Div:	\$0.01	EPS:	\$0.40	Fcst: +++	Div:	
NXPI	22 est.	<i>NXP Semi</i>	CY24rev:	-5%	SKYT	5 est.	<i>Skywater Tech</i>	CY24rev:	19%
Qtr:	3Q	Grade: D	Growth	(qtr-qtr)	Qtr:	3Q	Grade: D	Growth	(qtr-qtr)
Rev:	3,250	Rev: o	Rev:	3.9%	Rev:	93.8	Rev: -	Rev:	0.5%
GM:	58.2%	EPS: +	Fcst:	-8-2%	GM:	22.3%	EPS: +++	Fcst:	-23-19%
EPS:	\$3.45	Fcst: - -	Div:	\$1.014	EPS:	\$0.08	Fcst: - - -	Div:	
ON	27 est.	<i>ON Semiconductor</i>	CY24rev:	-14%	SLAB	9 est.	<i>Silicon Labs</i>	CY24rev:	-25%
Qtr:	3Q	Grade: D	Growth	(qtr-qtr)	Qtr:	3Q	Grade: D	Growth	(qtr-qtr)
Rev:	1,761.9	Rev: +	Rev:	1.5%	Rev:	166.4	Rev: +	Rev:	14.4%
GM:	45.5%	EPS: +	Fcst:	-3+3%	GM:	54.5%	EPS: +++	Fcst:	-3+3%
EPS:	\$0.99	Fcst: -	Div:		EPS:	(\$0.13)	Fcst: - - -	Div:	
PI	9 est.	<i>Impinj</i>	CY24rev:	19%	SMTC	11 est.	<i>Semtech</i>	FY25rev:	20%
Qtr:	3Q	Grade: B	Growth	(qtr-qtr)	Qtr:	F3Q	Grade: B	Growth	(qtr-qtr)
Rev:	95.2	Rev: +++	Rev:	-7.1%	Rev:	236.8	Rev: +++	Rev:	9.9%
GM:	52.4%	EPS: +++	Fcst:	-4-1%	GM:	52.4%	EPS: +++	Fcst:	+4+8%
EPS:	\$0.56	Fcst: +	Div:		EPS:	\$0.26	Fcst: ++	Div:	

SQNS	1 est.	Sequans Comm	CY24rev:	8%	TXN	27 est.	Texas Instruments	CY24rev:	-11%
Qtr:	3Q	Grade:	A	Growth (qtr-qtr)	Qtr:	3Q	Grade:	D	Growth (qtr-qtr)
Rev:	10.1	Rev:	+++	Rev:	4.1%	Rev:	++	Rev:	8.6%
GM:	82.5%	EPS:	+++	Fcst:	+10%	GM:	59.6%	EPS:	++
EPS:	\$2.91	Fcst:	+++	Div:		EPS:	\$1.47	Fcst:	--
								Div:	\$1.36
STM	8 est.	STMicroelectronics	CY24rev:	-23%	UMC	2 est.	United Micro	CY24rev:	0%
Qtr:	3Q	Grade:	D	Growth (qtr-qtr)	Qtr:	3Q	Grade:	B	Growth (qtr-qtr)
Rev:	3,251	Rev:	+	Rev:	0.6%	Rev:	1,911	Rev:	+++
GM:	37.8%	EPS:	+++	Fcst:	-2+6%	GM:	33.8%	EPS:	+
EPS:	\$0.37	Fcst:	--	Div:	\$0.06	EPS:	\$0.183	Fcst:	++
								Div:	\$0.0335
SWKS	23 est.	Skyworks	FY25rev:	-4%	VSH	3 est.	Vishay Interconnect	CY24rev:	-14%
Qtr:	F4Q	Grade:	D	Growth (qtr-qtr)	Qtr:	3Q	Grade:	F	Growth (qtr-qtr)
Rev:	1,024.9	Rev:	+	Rev:	13.2%	Rev:	735.4	Rev:	---
GM:	46.5%	EPS:	+	Fcst:	+2+5%	GM:	20.5%	EPS:	---
EPS:	\$1.55	Fcst:	--	Div:	\$0.70	EPS:	\$0.08	Fcst:	---
								Div:	\$0.10
SYNA	9 est.	Synaptics	FY25rev:	8%	WDC	21 est.	Western Digital	FY25rev:	30%
Qtr:	F1Q	Grade:	B	Growth (qtr-qtr)	Qtr:	F1Q	Grade:	D	Growth (qtr-qtr)
Rev:	257.7	Rev:	++	Rev:	4.2%	Rev:	4,095	Rev:	-
GM:	53.9%	EPS:	+++	Fcst:	-3+9%	GM:	38.5%	EPS:	++
EPS:	\$0.81	Fcst:	+	Div:		EPS:	\$1.78	Fcst:	-
								Div:	\$0.50
TSEM	4 est.	Tower Semi	CY24rev:	1%	WOLF	15 est.	Wolfspeed	FY25rev:	1%
Qtr:	3Q	Grade:	C	Growth (qtr-qtr)	Qtr:	F1Q	Grade:	D	Growth (qtr-qtr)
Rev:	370.5	Rev:	o	Rev:	5.5%	Rev:	194.7	Rev:	---
GM:	25.1%	EPS:	+++	Fcst:	-1+10%	GM:	3.0%	EPS:	++
EPS:	\$0.57	Fcst:	+++	Div:		EPS:	(\$0.91)	Fcst:	---
								Div:	
TSM	7 est.	Taiwan Semi/TSMC	CY24rev:	30%	XPER	3 est.	Xperi	CY24rev:	-5%
Qtr:	3Q	Grade:	B	Growth (qtr-qtr)	Qtr:	3Q	Grade:	D	Growth (qtr-qtr)
Rev:	23,504	Rev:	++	Rev:	12.9%	Rev:	132.9	Rev:	++
GM:	57.8%	EPS:	+++	Fcst:	+11+14%	GM:	79.3%	EPS:	+++
EPS:	\$1.94	Fcst:	+++	Div:	\$0.625	EPS:	\$0.51	Fcst:	---
								Div:	\$0.05

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