

S&P sees strong global chip outlook

Standard & Poor's said Monday the global semiconductor industry's outlook should be stable this year and next.

The New York-based credit-rating agency said in its report on chip manufacturers worldwide that the "industry has experienced nearly four years of recovery from the 2001-2002 industry crash."

"The industry is believed to be maturing, and long-term growth is estimated to be in the 8 percent to 12 percent range, so single-digit growth for the balance of 2005 and going into 2006 is almost a natural offset to the strong growth seen in 2004," credit analyst Bruce Hyman said in a news release. "If sales for the balance of 2005 remained flat with the \$18 billion July level, the year would end with sales 3 percent above 2004. Looking ahead, we expect, at best, fairly muted expansion into 2006," he added.

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