Gartner Forecasts Worldwide Semiconductor Revenue to Exceed $1.3 Trillion in 2026

STAMFORD, Conn., April 8, 2026

Overview

- **Semiconductor Revenue to Grow 64% in 2026**
- **DRAM Prices to Increase by 125% in 2026 and Storage Crisis to Extend into 2027**

Global semiconductor revenue is projected to exceed $1.3 trillion in 2026, exhibiting the highest growth in the last two decades, according to Gartner, Inc., a business and technology insights company.

"Amid high demand for **AI (https://www.gartner.com/en/products/ai-use-case-insights)** processing, **data center networking and power (https://www.gartner.com/en/newsroom/press-releases/2025-11-17-gartner-says-electricity-demand-for-data-centers-to-grow-16-percent-in-2025-and-double-by-2030)**, and memory price inflation (memflation), the semiconductor industry is projected to achieve a third consecutive year of double-digit growth in 2026 – a milestone that underscores the sector's pivotal role in the **AI technology stack (https://www.gartner.com/en/newsroom/press-releases/2025-09-29-gartner-says-ai-vendor-race-is-reshaping-competition-across-the-entire-ai-technology-stack)**," said **Rajeev Rajput (https://www.gartner.com/en/experts/rajeevk-rajput)**, Senior Principal Analyst at Gartner.

Gartner forecasts semiconductor revenue will grow 64% in 2026, with memory revenue expected to increase threefold amid memflation (see Table 1). Gartner analysts said that memflation is profound, but it is not perennial. Gartner estimates DRAM and NAND flash annual prices in 2026 will increase by 125% and 234%, respectively, and any meaningful pricing relief is not expected until late 2027.

Table 1. Semiconductor Revenue Forecast, Worldwide, 2025-2027 (Billions in U.S. Dollars)

	2025	2026	2027
Memory	216.3	633.3	748.1
Nonmemory	589.0	686.9	806.4
Total Market	**805.3**	**1,320.2**	**1,554.5**

Source: Gartner (April 2026)

> "Memflation will destroy, or at least delay, non-AI demand into 2028, to varying degrees depending on the application," – Rajeev Rajput, Senior Principal Analyst at Gartner

AI Semiconductors Will Represent 30% of Total Semiconductor Revenue in 2026

AI semiconductors are expected to account for approximately 30% of total semiconductor revenue in 2026 and will remain the driving force behind the overall industry growth. Hyperscaler investment in AI infrastructure buildouts remains strong with spending expected to increase by more than 50% in 2026, driving demand for AI accelerators, including GPUs and custom non-GPU chips.

Netlist EX2102
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"Memflation will destroy, or at least delay, non-AI demand into 2028, to varying degrees depending on the application," said Rajput. "Technology suppliers should prepare for higher prices during the first half of 2026, followed by persistent but moderating price increases throughout the rest of the year. CIOs and IT leaders should be cautious about signing supply agreements with unfavourable pricing terms that extend beyond 2027."

Gartner clients can read more in **Forecast: Semiconductors and Electronics, Worldwide, 2024-2030, 1Q26 (https://www.gartner.com/document-reader/document/7638429)** and **How Long Will AI Demand Sustain Memory Prices. (https://www.gartner.com/document-reader/document/7524053)** A complimentary webinar on **1Q26 Semiconductor Reset: Who Wins in a Constrained Market? (https://www.gartner.com/virtualevent/7555597?ref=solrWbnr&refval=545063225&)** will take place on April 22 at 11:00 AM ET and registrations are available **here (https://www.gartner.com/virtualevent/7555597?ref=solrWbnr&refval=545063225&)**.

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(https://www.gartner.com/en/newsroom/press-releases/2026-04-08-gartner-forecasts-worldwide-semiconductor-revenue-to-exceed-us-dollars-one-point-3-trillion-in-2026.+Read+more+here.+%23Semiconductor+%23Memflation+%23DRAM&source=Gartner)

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