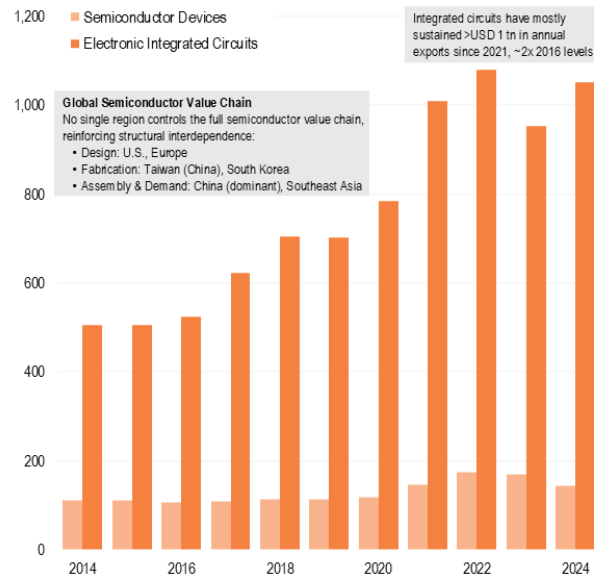


The World's Most Strategic Supply Chain Is Highly Concentrated and Interdependent

Integrated circuits exceed USD 1 trillion in global trade, with supply concentrated in East Asia and demand anchored in China, reinforcing structural dependencies across the value chain.

World Exports of Semiconductors, USD bn (2014-2024)



Top 10 Traders of Electronic Integrated Circuits, USD bn, YoY Growth, % (RHS) (2025)



Semiconductors underpin virtually every modern industry, from consumer electronics and automotive to energy systems and defence, making them the critical input behind both economic activity and technological capability. Their role at the core of digital infrastructure and advanced manufacturing is what makes this the world's most strategic supply chain.

Global trade reflects that importance. Integrated circuits have mostly sustained exports above USD 1 trillion annually since 2021, roughly double the 2016 level, highlighting both scale and structural growth. Supply, however, is highly concentrated. Taiwan (China) and South Korea anchor global fabrication capacity, while Hong Kong's exports largely reflect re-exports rather than underlying production.

On the demand side, China dominates by a wide margin, importing around three times as many semiconductors as the next-largest market. This reflects its central role in assembling finished goods for global markets and its heavy reliance on imported high-end components.

The result is a deeply fragmented system: design is concentrated in the U.S. and Europe, fabrication in East Asia and assembly and end-demand in China and emerging Asian hubs. No single region controls the full value chain. This structure drives efficiency and scale but also

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creates structural interdependence, where disruption at any one node can propagate rapidly across the global industry.

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