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# Alleviation of Semiconductor Shortage Moving Ahead

## *Preparations underway for recovery production in motor vehicle industry*

Economic Research Dept.  
**Kazuma Kishikawa**

### Summary

- The semiconductor supply chain is heading toward normalization. Days sales in inventory at the world's major semiconductor manufacturers has recovered to the same level as just before the Corona Crisis, and the global supply-demand balance for semiconductors is easing, partly due to the impact of declining demand for PCs and other products. In particular, shipments and inventories of microcontroller units, a semiconductor that has been in short supply, are increasing for use in industrial machinery and consumer electronics.
- Although there is still a shortage of microcontroller units for motor vehicles, the situation is improving, as seen in the upward trend in the business outlook for motor vehicle manufacturers. In addition, a series of production cuts have resulted in the accumulation of automobile work-in-process inventories, and the groundwork is being laid for recovery Domestic and overseas automobile supply-demand conditions have been tighter than ever before, and we expect the domestic economy to receive a boost from increased motor vehicle production backed by excessive savings and pent-up demand in the future.

### Attention

This report is a summary translation. The official document is only in Japanese.