

## Component Market Update

### February 2, 2026

Since issuing our prior briefing on the DDR4 and DDR5 memory environment, new industry announcements and supplier signals have emerged that provide additional clarity on timing, capacity expansion, and the ongoing impact of AI-driven demand. The most relevant updates are outlined below.

- **Supply Remains Structurally Constrained:** Recent industry updates continue to indicate that DDR4 and DDR5 supply tightness will persist into 2026–2027, with AI and server demand absorbing the majority of available and incremental memory capacity.
- **Pricing Pressure Continues:** Near-term pricing remains volatile and biased upward, with suppliers maintaining allocation controls and prioritizing higher-margin AI and server-class products.
- **Micron Expansion Activity (Long-Term Impact):** Micron announced multiple major investments across Idaho, New York, Virginia, and Taiwan totaling well over \$150B; however, meaningful incremental DRAM output from these efforts is not expected until 2027 or later, reinforcing the lack of near-term supply relief.
- **Asian Supplier Signals:** Taiwanese DRAM manufacturers, including Nanya, continue to signal tight supply conditions and strong booking behavior through at least mid-2027.
- **Industry Outlook:** Public market commentary published this week reinforces that current shortages are structural rather than cyclical, with new capacity additions lagging demand growth driven by AI workloads.
- **Our Actions:** VersaLogic is actively qualifying additional memory sources to mitigate supply risk and manage cost, while maintaining allocation controls aligned to confirmed customer purchase orders.

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# VersaLogic Supply Chain Brief

## Price Trends % Increase Since June 2025

