

Memory & Storage Market Environment

Significant surge in demand across Memory & Storage since Sept'25 and forecasted through 2026 with demand outstripping supply capacity

Tightening Market

AI and Server producers engage in massive buying spree

- “Adata chairman Simon Chen projects that manufacturing shortages in RAM, flash memory, solid-state drives, and hard drives will continue driving prices upward well into 2026 - [Techspot](#)
- “Now, with demand surging, supply is tight and production can't ramp up fast enough” - [OneDayAdvisor](#)
- “US and CPSs are projected to increase procurement in 2026.” “PC/mobile demand slow, yet PC D5/D4 ,legacy and graphics DRAM prices rising due to supplier's strategy - [TrendForce](#)

Supplier Capacity Reallocation

Major DRAM & NAND suppliers shift capacity to fulfill server demand

- “DRAM suppliers' capacity shift toward HBM has tightened conventional DRAM supply, leading to sharp changes in price and profitability dynamics.” - [Omdia](#)
- “OpenAI's “[Stargate](#)” project has recently signed an agreement with Samsung and SK hynix for up to 900,000 wafers of DRAM per month. That figure alone would account for [close to 40% of global DRAM output](#).” - [OneDayAdvisor](#)
- “Cloud service providers are behaving similarly. High-density NAND products are effectively sold out months in advance. Samsung's [next-generation V9 NAND](#) is already nearly booked before it's even launched. Micron has [presold](#) almost all of its High Bandwidth Memory (HBM) output through 2026.” - [OneDayAdvisor](#)

Price Continues to Increase

Unprecedented demand outpacing supply through 2026

- “DRAM and NAND prices will rise broadly, especially in DDR5 and enterprise SSD in Q4'25-1H26” “AI adoption will continue to reshape memory demand, boosting NAND market value and sustaining DRAM growth via HBM transition and automotive applications.” - [AXTEK](#)
- “DDR4 supply remains constrained, contract prices are still expected to trend higher through the end of 2025.” - [Digitimes](#)
- Looming NAND and DRAM **shortages that will send SSD and memory prices skyrocketing** over the coming months and years, with some even predicting a shortage that will last a decade - [PCGamer](#)

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The Adata chairman expects shortages to last for at least four years, but others have an even more pessimistic outlook. Phison CEO Pua Khein-Seng recently projected NAND flash shortages to begin next year and last for a decade, creating a "supercycle."

Meanwhile, as the three suppliers aggressively shift capacity toward server DDR5, the supply of both PC DDR5 and DDR4 remains constrained. As a result, PC DRAM prices are forecast to continue edging upward through the quarter.

More broadly, this episode reflects a structural transformation in the DRAM industry, where AI-driven demand and disciplined supply are reshaping market fundamentals and establishing a new baseline for industry behavior.

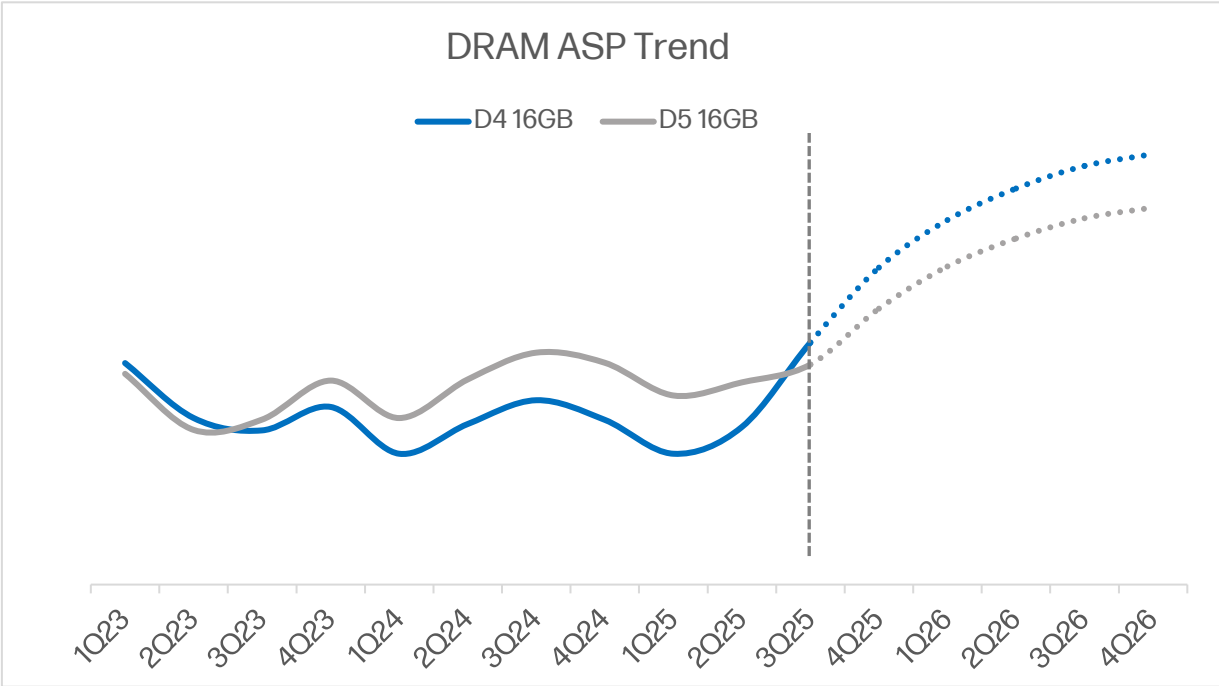
AI Demand Drives SSD & Memory Shortages: Prices Set to Rise for a Decade (2025)

Decade-long SSD and RAM 'pricing apocalypse' predicted as AI data centers gobble up hardware on an epic scale

- * Short term (Q4 2025–H1 2026): DRAM and NAND prices will rise broadly, especially in DDR5 and enterprise SSD.
- * Medium term (2026–2027): AI adoption will continue to reshape memory demand, boosting NAND market value and sustaining DRAM growth via HBM transition and automotive applications.

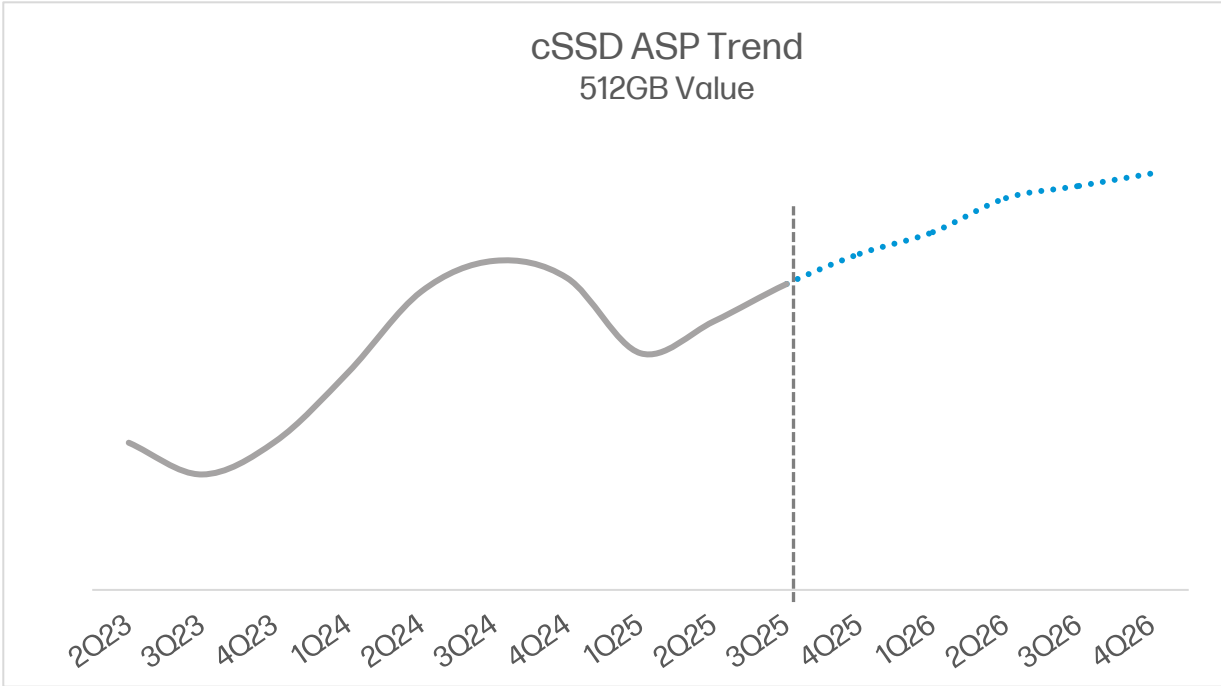
Industry Price Trend

Memory



Source: TrendForce Oct. '25

Storage



Source: TrendForce Oct. '25