

TSMC Increases Revenue Forecast Due to High Demand for Al

Description

Taiwan Semiconductor Manufacturing Co. has raised its revenue growth projections for 2024 following better-than-expected quarterly results. The company now anticipates sales to increase by more than the previously estimated mid-20%. This upgrade reflects TSMC's confidence in the continuous growth of global Al spending.

The chipmaker, known for supplying Apple Inc. and Nvidia Corp., is forecasting revenue of up to \$23.2 billion for the current quarter, surpassing analysts' expectations. Additionally, TSMC has adjusted its capital spending forecast to a range of \$30 billion to \$32 billion, showing its commitment to expanding capacity.

TSMC's optimism in AI spending remains strong despite escalating US-Chinese trade tensions. The company's CEO, C.C. Wei, emphasized the rising demand for AI services, stating that supply constraints are expected to persist until 2025.

Moreover, TSMC reported a 36% increase in June-quarter profit, with high-performance computing, particularly AI, accounting for over half of its revenue. The company's success in the AI sector has propelled its market value, with shares more than doubling since 2022.

Overall, TSMC's positive outlook reflects the ongoing growth in Al technology and its strategic position in meeting market demands.

Vocabulary List:

- 1. **Projections** /prəˈdʒɛkʃənz/ (noun): Estimates or forecasts of future trends or outcomes.
- 2. Anticipates /æn'tɪsɪ,peɪts/ (verb): Expect or predict something in the future.
- 3. Capacity /kəˈpæsɪti/ (noun): The maximum amount that something can contain or produce.
- 4. Constraints /kənˈstreɪnts/ (noun): Limits or restrictions that affect a process or situation.
- 5. **Propelled** /prəˈpεld/ (verb): Driven or pushed forward.
- 6. **Escalating** /'ɛskə,leɪtɪŋ/ (adjective): Increasing in intensity or magnitude.

Comprehension Questions



Multiple Choice

1. What factor has led to Taiwan Semiconductor Manufacturing Co. raising its revenue growth projections for 2024?

Option: Better-than-expected quarterly results

Option: Declining global AI spending

Option: Decreased demand from key clients

Option: Increased capital spending

2. Which companies are mentioned as clients of Taiwan Semiconductor Manufacturing Co. in the text?

Option: Google and Microsoft Option: Samsung and LG

Option: Apple Inc. and Nvidia Corp.

Option: Intel and AMD

3. What is the revenue forecast for Taiwan Semiconductor Manufacturing Co. for the current quarter? SL-NEWS.COI

Option: \$20 billion Option: \$23.2 billion Option: \$25 billion Option: \$28 billion

4. What is the revised capital spending forecast range for TSMC?

Option: \$20 billion to \$22 billion Option: \$25 billion to \$28 billion Option: \$30 billion to \$32 billion Option: \$35 billion to \$38 billion

5. Until when are supply constraints expected to persist according to TSMC's CEO C.C. Wei?

Option: 2023 Option: 2024 Option: 2025 Option: 2026

6. What percentage increase did TSMC report in June-quarter profit?

Option: 20% Option: 25% Option: 30% Option: 36%



Answer

Multiple Choice: 1. Better-than-expected quarterly results 2. Apple Inc. and Nvidia Corp. 3. \$23.2 billion 4. \$30 billion to \$32 billion 5. 2025 6. 36%

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What term is used when a lender takes possession of a property due to the borrower failing to make mortgage payments?

Option: Opportunity Option: Foreclosure Option: Impact Option: Grateful

2. What economic term defines a period of declining economic activity across the economy? ESL-NE

Option: Inflation Option: Recession Option: Claims Option: Investors

3. Which economic condition signifies a general increase in prices and a decrease in the purchasing value of money?

Option: Panic

Option: Weakened Option: Inflation Option: Challenges

4. What term describes a period of sustained increases in the prices of stocks bonds or commodities?

Option: Rally Option: Recovery Option: Volatility Option: Recession

5. What type of factors relate to the production distribution and consumption of goods and services in a country?

Option: Data Option: Concerns Option: Economic



Oı	otion: Deterioration
6. Th	ne maximum level of quantity that a factory can produce is referred to as:
O	otion: Anticipates
O	otion: Capacity
O	otion: Constraints
O	otion: Propelled
7. W	hat term is used to describe demands or requests for payment as part of an insurance policy?
O	otion: Escalating
O	otion: Claims
	otion: Futures
O	otion: Recycling
8. W	hat is the system of money that a country uses?
O	otion: Claims
	otion: Currency
-	otion: Panic
Ol	otion: Panic otion: Weakened
9. W	hat limits or restrictions that affect a company's ability to achieve its goals are called:
O	otion: Constraints otion: Recycling
O	otion: Recycling
O	otion: Grateful
O	otion: Overlook
10. V	What term refers to estimates or forecasts about future trends in sales revenues or economic indicators?
O	otion: Anticipates
O	otion: Deterioration
O	otion: Projections
O	otion: Escalating
Can	Fill / Fill in the blanks with the correct word from the vecabulary list \
чар	-Fill (Fill in the blanks with the correct word from the vocabulary list.)
11. I	n times of crisis some see while others see only challenges.
12. T	The economic downturn had a severe on small businesses.
13. [Despite facing hardships she remained for the support of her family.
14. (Overcoming is essential for personal growth and development.



15. Proper waste management includes reducing reusing and	materials.		
16. The company's reputation was after the product recall in	ncident.		
17. Investors often speculate on the price movement of financial	like stocks and		
commodities.			
18. During times of uncertainty individuals may act out of ir	nstead of rational		
decision-making.			
19. The company an increase in demand for its new product	t line.		
20. The tensions between the two countries led to concerns about a potential			
conflict.			
Matching Sentences (Match each definition to the correct word from the vocabulary list.)			
21. The stock market experienced increased fluctuations and uncertainty showing high levels of .			
22. The prolonged neglect of infrastructure led to the of roads and bridges in the region.			
23. Insurance companies processed numerous after the natural disaster resulting in	high payouts.		
24. It is crucial not to the potential risks associated with the investment opportunity			
25. Following positive economic reports the stock market experienced a strong in tra	ading activity.		
26. The government implemented various strategies to stimulate economic and gro	wth.		
27. Analysts reviewed the latest economic to assess market trends and consumer be	ehavior.		
28. Investors expressed about the potential impact of trade tariffs on global markets	S.		
29. Innovative technologies have advancements in various industries.			
30. The economic sanctions have the country's ability to participate in international	trade.		



Answer

Multiple Choice: 1. Foreclosure 2. Recession 3. Inflation 4. Rally 5. Economic 6. Capacity 7. Claims 8.

Currency 9. Constraints 10. Projections

Gap-Fill: 11. Opportunity 12. Impact 13. Grateful 14. Challenges 15. Recycling 16. Weakened 17. Futures

18. Panic 19. Anticipates 20. Escalating

Matching sentence: 1. Volatility 2. Deterioration 3. Claims 4. Overlook 5. Rally 6. Recovery 7. Data 8.

Concerns 9. Propelled 10. Weakened

CATEGORY

1. Business - LEVEL2

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