# TSMC Increases Revenue Forecast Due to High Demand for AI

### 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 AI 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 AI 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** /ænˈtɪsɪˌpeɪts/ (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** /prəˈpɛld/ (verb): Driven or pushed forward.
6. **Escalating** /ˈɛskəˌleɪtɪŋ/ (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?

    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?

    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

Option: Deterioration

6. The maximum level of quantity that a factory can produce is referred to as:

   Option: Anticipates
   Option: Capacity
   Option: Constraints
   Option: Propelled

7. What term is used to describe demands or requests for payment as part of an insurance policy?

   Option: Escalating
   Option: Claims
   Option: Futures
   Option: Recycling

8. What is the system of money that a country uses?

   Option: Claims
   Option: Currency
   Option: Panic
   Option: Weakened

9. What limits or restrictions that affect a company's ability to achieve its goals are called:

   Option: Constraints
   Option: Recycling
   Option: Grateful
   Option: Overlook

10. What term refers to estimates or forecasts about future trends in sales revenues or economic indicators?

    Option: Anticipates
    Option: Deterioration
    Option: Projections
    Option: Escalating



**Gap-Fill ( Fill in the blanks with the correct word from the vocabulary list. )**

11. In times of crisis some see ________________________ while others see only challenges.

12. 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 incident.

17. Investors often speculate on the price movement of financial ________________________ like stocks and commodities.

18. During times of uncertainty individuals may act out of ________________________ instead of rational decision-making.

19. The company ________________________ an increase in demand for its new product 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. )**

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| 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 trading activity. |
| 26. The government implemented various strategies to stimulate economic and growth. |
| 27. Analysts reviewed the latest economic to assess market trends and consumer behavior. |
| 28. Investors expressed about the potential impact of trade tariffs on global markets. |
| 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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