US semiconductor production: what the Federal Reserve's annual revision changed

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Short answer: US semiconductor production grew 8.4% over 2025 in the Federal Reserve's revised index, 5.5 percentage points less than previously estimated, according to the annual revision of the G.17 industrial production release published on 24 November 2026. High-technology capacity growth for 2025 was revised down sharply. It matters because analyses built on earlier series now overstate recent chip output and capacity growth.

TL;DR The short version

- The Federal Reserve's annual revision of 24 November 2026 puts US semiconductor production growth in 2025 at 8.4%, 5.5 percentage points less than previously estimated.
- High-technology capacity growth for 2025 was also revised down sharply.
- Analyses built on the earlier series now overstate recent chip output and capacity growth, so update them.

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What is the G.17 annual revision?

G.17 reports US industrial production, capacity and capacity utilisation. Once a year the Federal Reserve rebuilds the series with fuller data. This revision used Census Bureau production data for 2023 and 2024, utilisation survey data for 2025, and moved the index base year to 2022.

How the high-technology measures work

- Selected high-technology industries are computers, communications equipment, and semiconductors and related electronic components.
- Production indexes measure real output, so price change is removed.
- The Federal Reserve builds its own price indexes for semiconductors and computer storage devices.
- Annual growth below is measured from the fourth quarter of one year to the fourth quarter of the next.

Revised production growth

- Semiconductors and related components: 2.7% (2021), 9.7% (2022), 5.3% (2023), 4.5% (2024) and 8.4% (2025).
- Changes from earlier estimates, in points: plus 1.3, plus 1.5, plus 1.3, minus 3.8 and minus 5.5.
- All selected high-technology industries: 9.0%, 10.0%, 7.3%, 7.5% and 6.7% over the same years.

- The 2025 high-technology figure is 4.0 points lower than before.

Revised capacity and utilisation

- High-technology capacity growth: 13.0% (2022), 13.1% (2023), 9.8% (2024), 4.8% (2025) and 11.9% expected for 2026.
- The 2025 capacity figure was revised down by 11.7 points.
- Semiconductor utilisation in the fourth quarter of 2025 was 79.4%, 6.2 points higher than before, against a 1972 to 2025 average of 79.1%.
- For total industry, utilisation in that quarter was 76.5%.

Limitations and open questions

- The indexes cover US production only, not global sales or the location of chip design.
- Some Census estimates were suppressed or discontinued and had to be imputed.
- Monthly releases published before 24 November use the earlier series.
- The revision does not forecast demand. The 2026 capacity figure is an expectation.

Sources were read on 27 November 2026. Products, rules and data change, so check the linked originals before you rely on any detail.

How to update your analysis

1. Download the revised series from the Federal Reserve or its data services.
2. Replace any 2017-based levels with the 2022 base; do not mix them.
3. Recalculate growth and utilisation charts and label the vintage.
4. Check conclusions that relied on rapid 2025 capacity expansion.
5. Compare with sales statistics, which measure value and a wider market.
6. Note the change in reports that quoted earlier numbers.

What it means for supply chain and market analysts

Output still grew, but more slowly than first reported, and higher utilisation suggests less spare capacity than the earlier series showed. That is an interpretation of the revision, not a Federal Reserve forecast. For a global sales view, compare semiconductor industry sales data.

Frequently asked questions

- **How fast did US semiconductor production grow in 2025?** 8.4% on a fourth quarter basis in the revised index.
- **Was the figure revised?** Yes, down 5.5 percentage points.
- **What is the new base year?** 2022.
- **Does this measure chip sales?** No. It measures real production in the United States.

Related reading

- Global semiconductor sales, Q3 2026
- Semiconductor investment credit bill
- US data processing and hosting revenue
- Certified Technical Practitioner

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Sources and further reading

1. Board of Governors of the Federal Reserve System. Industrial Production and Capacity Utilization: The 2026 Annual Revision (G.17). 24 November 2026. federalreserve.gov/releases/g17/revisions/20261124/defaultrev.htm

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