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Macro Roundup Article

Headline: Can Intel Become The Chip Champion The US Needs?

Article Link: https://www.ft.com/content/8fd0bb2b-429d-4699-a6d4-aac20e01641f

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Summary: Last year's US Chips Act committed $52bn in direct subsidies to support semiconductor manufacturing and boost research and development, along with an estimated $24bn worth of tax credits over the next eight years. Intel has announced a spate of giant new manufacturing plants, known as fabs, with the economies of scale needed to justify the capital-intensive processes. There are two fabs planned outside Phoenix, two more in Ohio and a new €17bn mega plant in Germany that represents the country's biggest investment since the second world war. The cost for the first phases of these developments has already reached around $60bn, and the German government is pushing Intel to expand its plans in exchange for the higher subsidies the company is seeking. Under the Chips Act, Intel could receive up to $12bn to support its new US facilities, with extra subsidies for an advanced chip packaging plant in New Mexico and further tax credits.

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