



AAPL +0.37% | TSLA +3.39% | AMZN +0.86% | META -0.20% | AMD -1.93% | NVDA -0.45% | PEP -1.56% | COST -0.23% | ADBE -0.17% | GOOG +0.61% | AMGN -1.32% | HON -113% | INTC +1.64% | INTU -0.47%

MARKETS | TSM -1.93%



This 1 Number May Ensure TSMC's Market Dominance

August 17, 2024 — 04:00 pm EDT

Written by **Jeremy Bowman** for The Motley Fool →



Taiwan Semiconductor Manufacturing Corporation (NYSE: TSM) might not be a household name, but it could be the world's most important company.

TSMC, as the company is also known, makes more semiconductors than anyone else in the world. It's the manufacturer that chip designers and tech giants like Apple, Nvidia, AMD, Broadcom, Qualcomm, and others all rely on.



In other words, TSMC is a crucial linchpin in the global economy as the electronics the world depends on wouldn't get made without the company. The chart below helps illustrate just how big a role it plays in the chip industry.

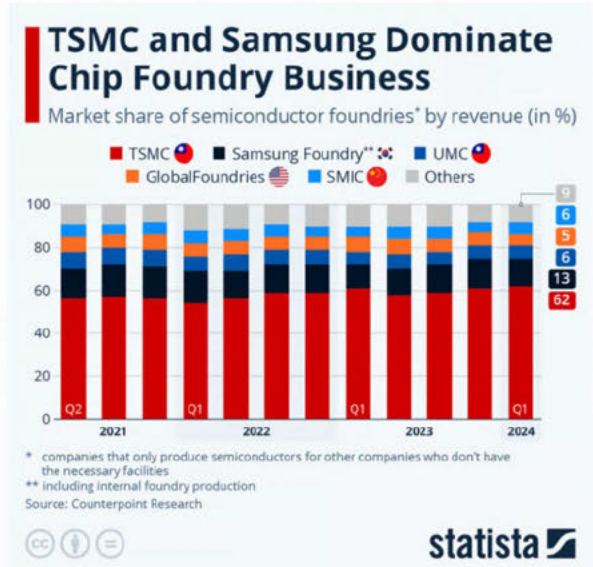
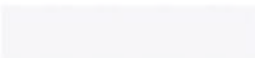
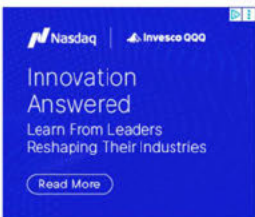


Image source: Statista.




Stocks mentioned

TSM -1.93%



Feedback

Feedback

TSMC's wide economic moat

As you can see in the chart above, the company controls a solid majority of worldwide contract semiconductor manufacturing. Its market share has risen slowly but steadily in recent years, and it's now above 60%.

Not only that, but TSMC has an even larger 90% market share of advanced chip manufacturing. That includes 3-nanometer chips that are quickly growing in popularity and becoming standard, as well as advanced chip packaging for larger components.

Companies like Apple and Nvidia rely on TSMC to make their chips because no other company can provide its capacity or level of technology.

A whole care team in your pocket.

Virtual care with real people in your corner changes everything.

[Learn more about the Omada app](#) →



OMDA NasdaqListed

This advantage is not going to go away easily as the company's close relationships with industry giants also give it an advantage. Even Intel, which has its own foundry, relies on TSMC to manufacture some advanced chips, showing how entrenched its leadership is.

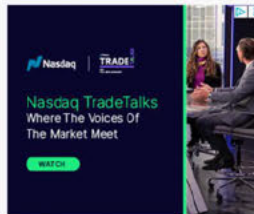
As the [semiconductor sector](#) rebounds from an earlier post-pandemic decline and benefits from growth in demand for artificial intelligence (AI) components, TSMC has seen revenue accelerate. Given its position in the foundry industry, it's best positioned to capitalize on future growth in AI-related demand.

While other chipmakers and cloud infrastructure companies duke it out in the emerging AI space, TSMC seems like one of the easiest AI stocks to own today as it's already the clear leader in the foundry business.

Should you invest \$1,000 in Taiwan Semiconductor Manufacturing right now?

Before you buy stock in Taiwan Semiconductor Manufacturing, consider this:

The *Motley Fool Stock Advisor* analyst team just identified what they believe are the [10 best stocks](#) for investors to buy now... and Taiwan Semiconductor Manufacturing wasn't one of them. The 10 stocks that made the cut could produce monster returns in the coming years.



Consider when **Nvidia** made this list on April 15, 2005... if you invested \$1,000 at the time of our recommendation, **you'd have \$763,374!***

Stock Advisor provides investors with an easy-to-follow blueprint for success, including guidance on building a portfolio, regular updates from analysts, and two new stock picks each month. The *Stock Advisor* service has more than quadrupled the return of S&P 500 since 2002*.

[See the 10 stocks »](#)

*Stock Advisor returns as of August 12, 2024

Jeremy Bowman has positions in Broadcom. The Motley Fool has positions in and recommends Advanced Micro Devices, Apple, Nvidia, Qualcomm, and Taiwan Semiconductor Manufacturing. The Motley Fool recommends Broadcom and Intel and recommends the following options: long January 2025 \$45 calls on Intel and short August 2024 \$35 calls on Intel. The Motley Fool has a [disclosure policy](#).

The views and opinions expressed herein are the views and opinions of the author and do not necessarily reflect those of Nasdaq, Inc.

Tags MARKETS



The Motley Fool

Founded in 1993 in Alexandria, VA., by brothers David and Tom Gardner, The Motley Fool is a multimedia financial-services company dedicated to building the world's greatest investment community. Reaching millions of people each month through its website, books, newspaper column, radio show, television appearances, and subscription newsletter services, The Motley Fool champions shareholder values and advocates tirelessly for the individual investor. The company's name was taken from Shakespeare, whose wise fools both instructed and amused, and could speak the truth to the king -- without getting their

heads lopped off.

[Visit Fool.com for more market news](#) →

[More articles by this source](#) →

More Related Articles

STOCKS

S&P 500 and Nasdaq 100 Rally to Record Highs on a Resilient US Economy

1 hour ago · Barchart



STOCKS

Solid US Economic News Boosts the Dollar

1 hour ago · Barchart



STOCKS

Wheat Futures Lower Across the Board

3 hours ago · Barchart



STOCKS

Soybeans Pushes Higher on Spillover Support from Bean Oil

3 hours ago · Barchart



STOCKS

Hogs Extend Bounce into Thursday

3 hours ago · Barchart



STOCKS

Hogs Extend Wednesday Buying into Thursday, Shakin and Bacon

5 hours ago · Barchart



STOCKS

Cattle Slip Lower From Contract Highs

5 hours ago · Barchart



STOCKS

Cattle Retreating on Thursday After New LOC Highs on Wednesday

5 hours ago · Barchart



STOCKS

A Thursday Fade? Corn Fractionally Lower at Midday After Wednesday Rally

5 hours ago · Barchart



STOCKS

Wheat Futures Lower in Chicago, KC and Minneapolis Markets

5 hours ago · Barchart



STOCKS

Cotton Closes Thursday with Gains

6 hours ago · Barchart



STOCKS

Crude Oil Prices Jump on Signs of a Tightening Supply Outlook

8 hours ago · Barchart



STOCKS

Hopes of Stronger US Demand Boost Sugar Prices

8 hours ago · Barchart



Sign up for the TradeTalks newsletter to receive your weekly dose of trading news, trends and education. Delivered Wednesdays.

First Name*

Last Name*

Email Address*

example@yourdomain.com

Location*

Select...

Job Role*

Select...

Industry*

Select...

Submit

Feedback

Feedback

STOCKS

Cotton Pushing Higher Ahead of Export Sales Report

8 hours ago · Barchart



STOCKS

Sugar Prices Rise on Hopes of Stronger US Sugar Demand

8 hours ago · Barchart



Feedback



INVESTOR RELATIONS

CAREERS

MOBILE APPS

TRUST CENTER

ACCESSIBILITY

CONTACT

ADVERTISE

NASDAQ MARKETSITE

NEWSLETTERS

PRIVACY POLICY

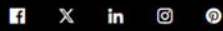
COOKIES

LEGAL

DO NOT SELL OR SHARE MY PERSONAL INFORMATION



© 2025, Nasdaq, Inc. All Rights Reserved.



MY QUOTES ^