ASML Raises Outlook, Plans Capacity Hike

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SUMMARY

ASML's shares rose by 6% after the company raised its annual sales forecast for the second time this year, driven by increased demand for its chip-making machines due to a surge in AI spending. The company's strong quarterly earnings and positive outlook for the coming years reflect a growing need for production capacity among its customers.

- *ASML's stock increased by 6% following a positive earnings report.*
- *The company raised its annual sales forecast for the second time in 2023.*
- *Demand is primarily driven by increased AI capital expenditure (capex).*
- *ASML's customers are securing longer-term agreements to boost production capacity.*
- *The firm provided a detailed outlook extending to 2027 and 2028.*
- *ASML is currently Europe's most valuable company.*

Shares of ASML, higher. That is the positive story in the tech space and higher by 6%. Look at that after the firm lifted its annual sales forecast for the second time this year and laid out plans to increase production as the surge in AI spending drives demand for the Dutch company's chip-making machines. Natasha, talk us through the earnings then. Where is that demand coming from for ASML? >> So, for the quarter, ASML beat on both sales and net income, but what we really care about is the forward-looking indicators. And for the full year, you got quite a significant increase in the outlook, as you said, for the second time. Of course, that's driven by AI capex spending. ASML's customers are scrambling to get more capacity, and then therefore, at least for logic and DRAM, their their own customers are putting in longer-term agreements. So, that's why ASML has given this this much more detailed update with greater visibility for '27 and '28.

>> Natasha, thank you for that update on course a company that is currently Europe's most valuable with the stock up close to 6%.