Intel's stock price drops to a 16-year low due to tariffs and semiconductor market weakness

Intel's stock has fallen to its lowest level since July 2009, at \$18.13 per share. The company's market capitalization has shrunk to \$79 billion.

This marks another blow for the tech giant amid new import tariffs and a continuing slump in demand for processors and semiconductors.

According to SeekingAlpha, shares dropped by 7.36% following the announcement of U.S. tariffs introduced by the Trump administration. While the new tariffs do not directly apply to chips yet, the sector has already felt the impact: rising PC prices might reduce demand, while manufacturers' costs could increase.

Intel's drop is part of a broader decline in the semiconductor sector. AMD's stock fell by 6.5%, Micron by 4.1%, and Qorvo by nearly 10%. Losses were also seen by NVIDIA, Qualcomm, Apple, and TSMC.

Currently, Intel's fate largely depends on the launch of Panther Lake processors using the new 18A process technology. If the company can achieve competitive performance and profitability, investor confidence may be restored.

Otherwise, experts suggest that Intel might have to abandon in-house production and focus on chip development.