



IT Market Alert

August 2025

Welcome to this month's IT Market Alert, delivering you key market knowledge viewed during **July 2025**.
Get more from your IT procurement with KnowledgeBus.

The largest number of price increases happened on July 28th with **52,445**

- Tariff deals reshape tech pricing
- AI drives hardware spending surge
- Currency volatility impacts imports

July bought turbulence to global technology markets as manufacturers and distributors adapted to new trade realities. The [EU-US deal](#) announced July 27 set 15% tariffs on most European goods, following the UK's [separate agreement](#) in May.

The broader technology landscape remained resilient despite economic headwinds, with [Gartner forecasting](#) worldwide IT spending to reach \$5.61 trillion in 2025, a 9.8% increase driven primarily by AI-optimized hardware investments that will account for \$202 billion in server spending alone. Much of this nominal growth will be absorbed by [vendor price increases](#) rather than expanded purchasing power, with [generative AI spending](#) projected to hit \$644 billion as enterprises shift from custom projects to commercial solutions.

The UK technology sector faced particular challenges with [May GDP contracting 0.1%](#) and the pound's weakness against both the euro and dollar increasing import costs. Even so, the [UK-US technology partnership](#) announced in May opened pathways for collaboration in quantum computing, biotechnology, and aerospace that could offset near-term pricing pressures.

The UK's only fully Certified IT Price Benchmarking Solution – Find out more at www.knowledgebus.co.uk



Exchange Rate

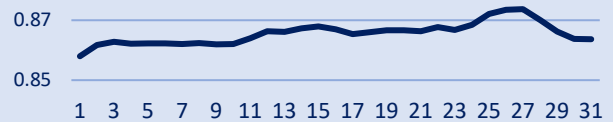
EUR/GBP strengthened 0.7% during July, rising from an opening rate of 0.8588 to close at 0.8649. The month began with the euro at its weakest point, rising to its high of 0.8715 on July 25.

The euro weakened 3.1% against the US dollar during July, falling from 1.1810 to 1.1446. The month began with the euro at its strongest point of 1.1810, then weakened to reach 1.1446 on July 31.

The euro's divergent performance against the pound and dollar in July reflected differing monetary policy stances and economic fundamentals across the three major economies. The European Central Bank [held rates](#) steady at 2% on July 24, maintaining its pause after eight consecutive cuts, while citing an "exceptionally uncertain" environment due to trade disputes. The breakthrough EU-US trade deal announced on July 27, which set tariffs at 15% rather than the threatened 30%, initially provided some relief but markets viewed it as more favourable to the US, contributing to the late-month euro weakness against the dollar. Meanwhile, eurozone [inflation remained](#) stable at 2% in July, matching the ECB's target, while [Q1 GDP](#) growth of 0.4% and [Q2's expansion](#) of just 0.1% highlighted the region's economic fragility amid trade uncertainty.

Sterling's relative weakness against the euro stemmed from mounting UK economic pressures. The UK economy [unexpectedly contracted 0.1%](#) in May, failing to shake off the impact of US tariffs and business uncertainty, while [unemployment rose](#) to 4.7% in the March-May period. The final week of July saw the euro lose heavily against the dollar, as robust US economic data and the perception that the trade deal favoured Washington accelerated capital flows toward dollar assets.

EURO POUND (EUR) PER 1 BRITISH POUND (GBP)



US DOLLAR (USD) PER 1 EURO (EUR)



BRITISH POUND (GBP) PER 1 EURO (EUR)



US DOLLAR (USD) PER 1 BRITISH POUND (GBP)





Price Changes and News Through July 2025

Phones and Tablets

Global smartphone shipments [increased 1% YoY](#) to 295.2m units in Q2 2025, marking the eighth consecutive quarter of growth since 2013. Despite economic headwinds including tariff volatility, forex instability, and inflation pressures across global markets, the industry demonstrated surprising resilience. Samsung consolidated its market leadership with 19.7% share, driven by strong performance of its Galaxy A36 and A56 models featuring AI capabilities in mid-range segments. Apple maintained second position at 15.7% share, though China performance remained weak despite 618 festival promotions. Xiaomi held steady in third place while vivo showed solid 4.8% growth.

IDC highlighted how economic uncertainty particularly impacts low-end Android segments, where price sensitivity constrains demand. Vendors are responding by incorporating AI features into more affordable devices to justify higher price points and offset unit shipment slowdowns across emerging markets.

Traditional PCs

Global PC shipments [grew 6.5% YoY](#) to 68.4m units in Q2 2025, driven by strong performance outside the US market. European demand remained robust, fuelled by aging installed bases and steady Windows 11 transitions, while American shipments stagnated due to tariff concerns and inventory buildup.

Lenovo strengthened its market leadership with 24.8% share and impressive 15.2% growth, followed by HP Inc at 20.7% share. Apple demonstrated remarkable momentum with 21.4% growth, capturing 9.1% market share as enterprises increasingly adopted Mac systems. ASUS also showed strong performance with 16.7% growth.

Vendors are accelerating shipments ahead of potential tariff deadlines, says IDC, which creates inventory risks. While global demand remains healthy, the industry faces uncertainty regarding Q3 performance as price increases may trigger promotional activities to clear excess stock. European markets continue benefiting from refresh cycles and Windows 11 migration momentum.

Premium Ultramobiles & Wearables

Global wrist-worn device shipments [surged 10.5% YoY](#) to 45.6m units in Q1 2025, with Western Europe contributing significantly to the recovery alongside strong US and Asia-Pacific performance. European consumers drove substantial adoption of health-focused wearables, while government subsidies in China boosted regional demand to 17.6m units.

Huawei captured global leadership, leveraging HarmonyOS ecosystem synergy and successful Band 10 launch across international markets including Europe. Xiaomi recorded fastest growth among top vendors, with strong European and Asia-Pacific expansion. Apple achieved highest YoY growth since 2023, as European retailers increased inventory ahead of potential supply chain disruptions.

Samsung faced pressure from Chinese competitors in European markets, while Garmin returned to top-five status through strategic expansion into accessible price points. IDC highlighted smartwatch shipments growing 4.8% globally to 34.8m units, while wristband volumes jumped 34.0% to 10.8m units. European health initiatives and aging demographics continue supporting wearables adoption across diverse price segments.



Processors, MEMS, Semiconductors

Global semiconductor sales [reached £43.43bn](#) in May 2025, marking a robust 19.8% YoY increase and 3.5% month-on-month growth. European chip sales demonstrated solid momentum with 4.1% YoY growth and 4.0% monthly improvement, reflecting continued digitalization across enterprise and automotive sectors.

The data revealed strong regional performance variations, with Americas leading at 45.2% YoY growth, followed by Asia Pacific at 30.5%, and China at 20.5%. Japan showed modest 4.5% YoY expansion. European market resilience continued despite challenging macroeconomic conditions, supported by automotive semiconductor demand and industrial automation investments.

Monthly sequential growth patterns indicated sustained momentum across all regions, with Asia Pacific leading at 6.0% month-on-month expansion. European performance of 4.0% monthly growth suggests healthy inventory rebuilding and project deployments. The semiconductor industry maintains its recovery trajectory, with European markets contributing steadily to global demand driven by automotive electrification and industrial IoT adoption.

NVIDIA's Blackwell GPU platforms are driving significant transformation in European datacenter infrastructure, with [TrendForce projecting](#) Blackwell will represent over 80% of high-end GPU shipments in 2025. European enterprise customers are increasingly adopting liquid cooling solutions as GB200 and HGX B200 platforms ramp production from Q2.

Memory

DDR4 memory markets continue to suffer severe supply constraints with European buyers facing particularly acute fulfilment challenges in consumer DRAM segments. [TrendForce reported](#) contract prices high as demand significantly outpaces supply, forcing European manufacturers to adjust sourcing strategies and consider alternative density configurations.

Suppliers are maintaining aggressive price increases while shifting production capacity toward advanced nodes for AI applications, further tightening DDR4 availability. European buyers are responding by increasing DDR3 stocking due to DDR4 cost concerns, while some manufacturers evaluate DDR5 migration to control expenses.

Storage

The enterprise SSD markets faced significant headwinds in Q1 2025, with European datacenter operators experiencing similar inventory challenges alongside North American counterparts. TrendForce revealed ASPs down nearly 20% as major cloud service providers scaled back orders due to production challenges in next-generation AI systems.

Samsung maintained market leadership despite 34.9% revenue decline to £1.39bn, though PCIe 5.0 shipments continued growing, indicating European enterprise adoption of advanced storage interfaces. SK Group faced steeper challenges with a 50% revenue drop to £732m, while Micron's £629m performance reflected more resilient positioning in high-capacity segments.

TrendForce expects a Q2 recovery as NVIDIA's new chip shipments accelerate AI infrastructure deployment across European markets. SanDisk's launch of 1PB capacity SSDs underscores technology leadership in hyperscale applications. European cloud providers are gradually resuming capacity expansion plans, while automotive and industrial segments maintain steady demand for enterprise-grade storage.

Recovery momentum is building as inventory corrections complete and European digitalization initiatives drive renewed infrastructure investment across financial services, manufacturing, and telecommunications sectors.



Display

Large-area display shipments face continued pressure across European markets as global panel makers navigate economic uncertainty and tariff concerns. [Omdia forecasted](#) modest 2.9% YoY growth to 875.5m units in 2025, with European demand patterns reflecting broader cautious consumer spending on electronics.

Printers

Global 3D printer markets diverged sharply in Q1 2025. European industrial buyers delayed capital expenditure while entry-level demand surged ahead of tariff implementations. [CONTEXT Research](#) revealed overall revenues up 5% YoY despite contrasting sector performance across price segments.

European industrial 3D printer shipments declined 14% YoY as high interest rates constrained capital spending. Metal powder bed fusion systems showed resilience through vendors like Nikon SLM Solutions, while polymer systems faced steeper 18% declines. Midrange shipments fell 16% YoY as European manufacturers postponed equipment investments amid economic uncertainty.

Entry-level printer shipments surged 15% YoY to over 1m units globally, driven by European distributors and consumers accelerating purchases ahead of tariff deadlines. Chinese vendors captured 95% of entry-level shipments, with Bambu Lab achieving 64% growth while Creality maintained 39% market share. European recovery in industrial segments is projected for 2026 as interest rates moderate and capital becomes more affordable for manufacturing investments.

Network Products

Price increases ranged from a low of 7,289 on July 22 to a peak of 52,445 items on July 28, with an average of 24,247 daily price increases. This represented a significant increase of 27.6% compared to the previous month. Notable spikes occurred during the month, particularly on July 28. Price reductions were equally dynamic, fluctuating between 3,689 items on July 9 and a substantial peak of 37,182 items on July 11, averaging 19,071 daily decreases. Stock replenishment displayed the most extreme variance, from just 2,336 units on July 10 to a massive 20,283 units on July 11, averaging 6,120 daily additions. The low on July 10 coincides with significant market activity, suggesting coincidental market activity requiring further analysis. Stock reductions ranged from their low of 7,572 units on July 10 to the peak of 26,095 units on July 9, with an average daily decrease of 11,693 units.

Monthly Statistics

Price increases ranged from a low of 3,624 on June 27 to a peak of 52,460 items on June 19. Price reductions fluctuated between their 2,892 low on June 19 and a substantial peak of 40,509 items on June 25. Stock replenishment displayed significant variance, from just 2,844 on June 2 to 11,897 units the following day. Stock reductions ranged from their low of 8,782 units on June 18 to the peak of 19,423 units on June 9.

