IT Market Alert
August 2026

KnowledgeBus

The largest number of price increases happened on July 27th with

41,841 out of **161,662** products

- Memory costs jumped over 80% QoQ in Q2
- PC shipments fell 4.9% YoY to 68.2m units
- Smartphone shipments slid 6% YoY to 272.0m units per Omdia, while Apple posted a record 20% share on 55.1m units

Prices spiked in key areas in July, with the sticker shock particularly showing up in memory pricing.

That helped to bump smartphone costs but it has also impacted notebook prices because vendors are revising their bills of materials to accommodate the extra expenditure and passing these on to customers. This squeeze is pulling unit shipments down across multiple categories, but revenues are also holding up because higher pricing is offsetting losses from fewer units going through the door.
As seems to be the trend these days, AI is the 500-pound gorilla in the room. Demand for this technology is tightening everything, as high-bandwidth memory and AI server allocation keep memory scarce. This has a knock-on effect for the rest of the supply chain as vendors do their best to serve that market. Buyers are front-loading to secure supply in a constrained environment, and scale wins out here, with large vendors grabbing as much as they can.

This monthly IT Market Alert from KnowledgeBus provides procurement and IT professionals with timely market intelligence, pricing trends, and supply chain insights across the global IT market.

Our goal is to equip organisations with the insight and data needed to make informed IT procurement decisions - helping teams deliver value, transparency, and stronger governance across their technology purchasing.

Drawing on live market data, real-time pricing analysis, and benchmarking insights from the KnowledgeBus platform, this report supports informed procurement decisions across organisations in both the public and private sectors. It helps teams identify hidden inefficiencies in the IT supply chain, benchmark pricing, secure value for money, and maintain transparency in a rapidly evolving technology market.

The current IT supply chain environment is experiencing unprecedented volatility. Component shortages, surging demand for AI infrastructure, and memory supply constraints are driving rapid price increases and stock allocation pressures across the market.

For organisations planning IT purchases, delayed decision-making can significantly impact budgets and project timelines. Prices submitted during traditional procurement or tender processes may already be outdated by the time awards are completed.

Maintaining both speed and informed procurement decision-making has never been more critical.

This report highlights the market forces shaping IT procurement decisions for organisations in 2026.

Severe IT Stock Constraints & Rapid Price Escalation

Procurement teams must act quickly while remaining fully compliant.

Exchange rate

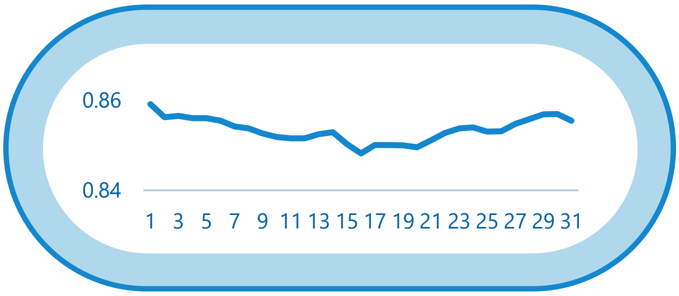
Sterling had the sharper move against the euro in July. EUR/GBP slid from 0.8597 on 1 July to 0.8557 at month-end, a drop of 0.47%, having touched a low of 0.8487 on 16 July before clawing back most of the ground lost mid-month. The high for the period, 0.8597, came on the very first trading day and was never retested.

EUR/USD told a different story. The euro climbed from 1.1383 to close at 1.1485, up 0.90%, with the entire gain concentrated in the final trading session: the pair was actually sitting at its monthly low of 1.1367 on 28 July before jumping to 1.1485 by 31 July. That's a swing of over a full cent in three trading days.

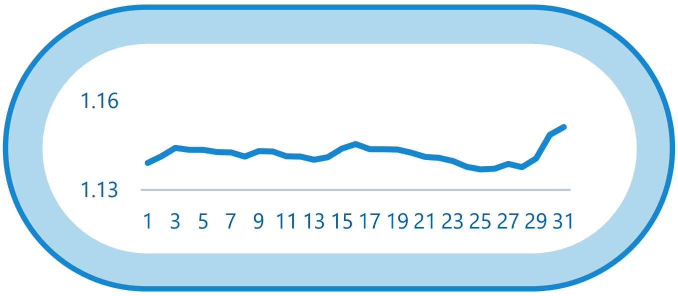
Three central banks sat on their hands in the closing stretch of the month. The ECB left its benchmark at 2.25% on 23 July, a decision taken on a day Brent crude touched $100 a barrel after attacks on shipping near the Bab al-Mandeb Strait. Traders had gone into the meeting pricing around a one-in-five chance of a hike. The Federal Reserve also held on 29 July at 3.5% to 3.75%, with three FOMC members dissenting in favour of a quarter-point rise.

The Bank of England made a hat-trick the following day, keeping the bank rate at 3.75% on a 6-3 vote, with three dissenters wanting 4%. Sterling edged up 0.1% to $1.339 on the decision. The euro's late run against the dollar ran through the same 48 hours, though nothing in the record ties it to either bank; what the split votes on both sides of the Atlantic do suggest is that neither hold was as settled as the headline made it look.

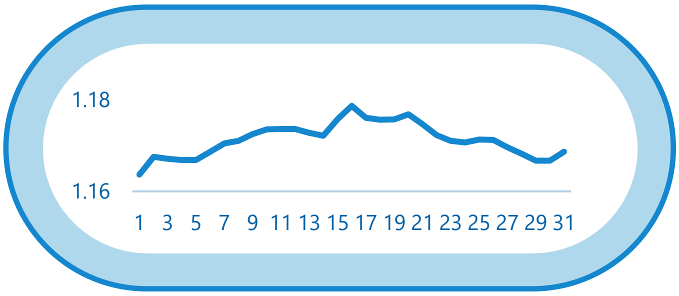
**Euro (EUR)
per 1 British Pound (GBP)**



**1 Euro (EUR)
per US Dollar (USD**



**British Pound (GBP)
per 1 Euro (EUR)**



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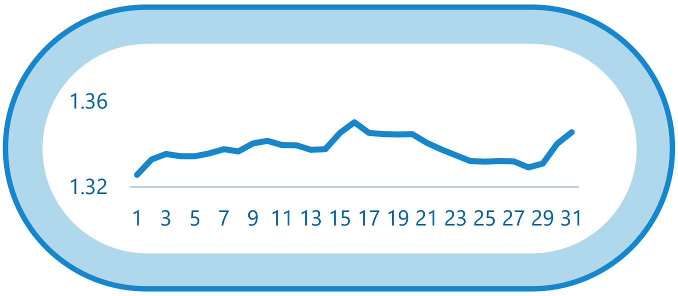


Phones and Tablets

Global smartphone shipments dropped 6% YoY to 272m units in the second quarter, per Omdia, with Apple bucking the trend by posting 55.1m units and a record 20% share, up 23% YoY according to the tracker. Samsung held top spot at 60.5m units, shipping 5% higher YoY, while Xiaomi and vivo each fell double digits. Memory-cost inflation forced vendors to rethink pricing. India's market dropped 13% to 33.9m units, with normalisation unlikely before H1 2027 Omdia warned, a risk European distributors sourcing components from the same squeezed supply chains should watch closely.

Traditional PCs

Worldwide PC shipments fell 4.9% YoY to 68.2m units in Q2 2026, the first drop after nine straight quarters of growth. A memory chip shortage drove the reversal here, too, which is one IDC expects to persist until early 2028. Vendors raised retail notebook prices 15-30% to cover BOM costs, so revenue climbed despite fewer units shipped. Scale mattered: Apple, Dell and Lenovo leaned on adjacent business lines to lock supply, and Apple's gain tracked the MacBook Neo launch, leaving European distributors reliant on the largest brands' allocation decisions.

Premium Ultramobiles & Wearables

Edge AI is spreading through wearables faster than the category's shipment totals suggest. Counterpoint Research put Edge AI-capable smartwatches at 25% of global shipments in Q1 2026, up 70% YoY, and expects 32% penetration by year end. Apple takes roughly 90% of those units, on the four-core Neural Engine it has shipped since the S9 in 2023. Health features are doing the pulling: blood-pressure monitoring shipments doubled YoY in the quarter and sleep apnoea detection tripled, both cases where the inference has to happen on the wrist. Principal analyst Anshika Jain put the appeal as "real-time health insights and faster responses while helping ensure data privacy". Research director Mohit Agrawal argued the wider unlock is smaller models and OS-level access letting any app run inference locally, rather than a handful of vendor-built features. Rivals are closing the silicon gap ahead of the share gap: Huawei's Kirin W80 landed in 2025, Qualcomm's Snapdragon Wear Elite added a dedicated NPU this year, and Google's Tensor-based wearable part is still to come. For distributors, premium wearable demand now turns on the chip inside, and Apple has the volume.

Processors, MEMs, Semiconductors

Apple inked a £22.4bn deal with Broadcom to design custom ASICs through 2031, part of a pledged £448.8bn US manufacturing push expected to yield over 15bn chips. TSMC's numbers underline the AI-driven demand behind such moves: Q2 net income jumped 77%, revenue climbed 36% to £30.1bn, and 2026 capital spending was also up. Forrester rates semiconductor manufacturing as the strongest sovereignty gainer through 2030, with US-South Korea scores rising to 79%.

Memory

Smartphone memory costs jumped more than 80% QoQ in the second quarter, pushing the 1TB iPhone 18 Pro Max's bill of materials roughly £224.38m higher than its predecessor's. TrendForce pegged the DRAM sufficiency ratio at negative 1-2% for 2026, with HBM allocation and AI server demand keeping supply tight into 2027. Enterprise buyers reacted accordingly: clients shifted late-June capex toward servers, storage and memory to secure allocation. At least NAND should finally turn positive in 2027, TrendForce said, easing further by next year's second half, though AI remains the dominant demand driver for European resellers to plan around.

Storage

Enterprise buyers redirected quarterly capex toward servers, storage and memory in the final weeks of June, per Constellation Research. That late pivot came after clients spent much of Q2 distracted by fast-moving, industry-wide cybersecurity concerns, delaying purchase decisions until the quarter's close. The rush reflected an effort to secure supply-constrained infrastructure ahead of expected price rises. For European channel partners, the pattern signals compressed order windows and tighter allocation as buyers front-load storage spend before costs climb further.

Displays

Automotive CID/DIC demand slipped 2% YoY in Q1 2026, down 2% and off a further 15% QoQ after strong Q4 2025 seasonal orders, Counterpoint noted. LCD still held 98.7% of the segment, but the backplane mix shifted: LTPS climbed to 18.8% of demand from 11% two years earlier, and within 10-20-inch panels specifically Low Temperature PolySilicon's share rose to 28%. That format now accounts for 65% of demand, up from 54%, as sub-10-inch panels fell to 35%. European tier 1 buyers will need to price that shift into cockpit sourcing.

Printers

Industrial 3D printing extended its run in Q1 2026, per Context, with industrial system shipments up 18% YoY and revenues up 23%. This was its third consecutive quarter of growth. Total 3D printer system revenues rose 32%, driven heavily by defence programmes and drone production alongside the consumer electronics sector's appetite for titanium foldable-phone hinges and frames.

China led the industrial regions at +29%, ahead of Western Europe at +11% and North America at +9%. Metals grew 10% overall, but powder bed fusion — 81% of the industrial metals market — climbed 24%, and Nikon SLM Solutions' advanced systems 42%. Polymers ran hotter at +31%.

The squeeze is in the middle: midrange systems ($20,000-$100,000) fell 6%, and professional ($2,500-$20,000) dropped 22% in units and 31% in revenues. Entry-level machines under $2,500 now take 54% of all 3D printing revenues, with Bambu Lab,

Network Products

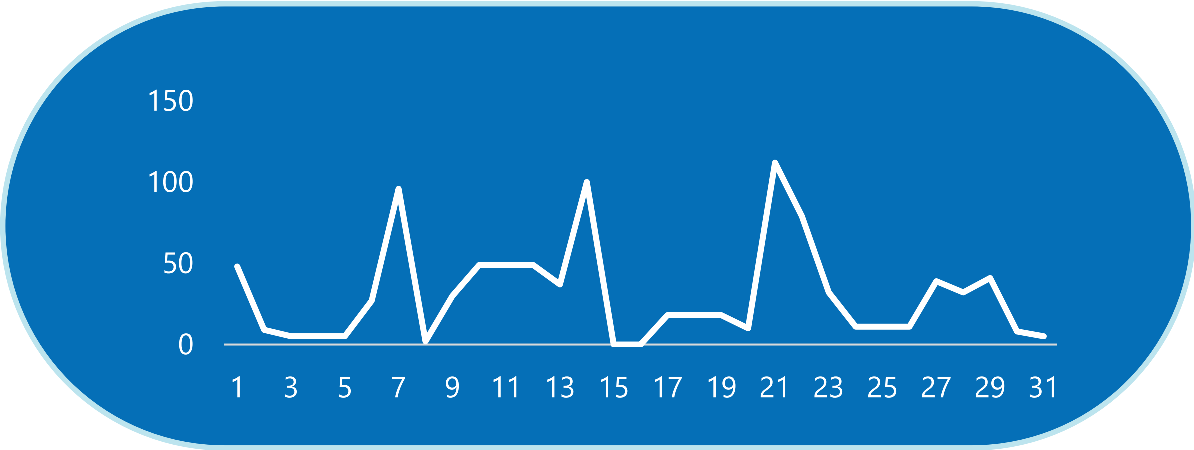
The retail Wi-Fi CPE market shrank 6% YoY in Q1 2026, its fourth straight annual decline and nearly 34% below its 2021 peak, with TP-Link and Xiaomi still controlling almost 33% of shipments. ASUS, Google and Amazon's Eero were the only vendors to grow YoY, as mesh systems and gaming routers bucked the downturn. Delloro nonetheless expects Wi-Fi 7 revenue to grow steadily despite lower unit volumes, though component shortages could derail European ISP expansion plans.

Price increases bottomed out at 3,142 on July 3 and peaked at 41,841 items on July 27; the daily average came to 18,400, down 12.7% against the previous month. That July 27 spike stood out against an otherwise choppy month.

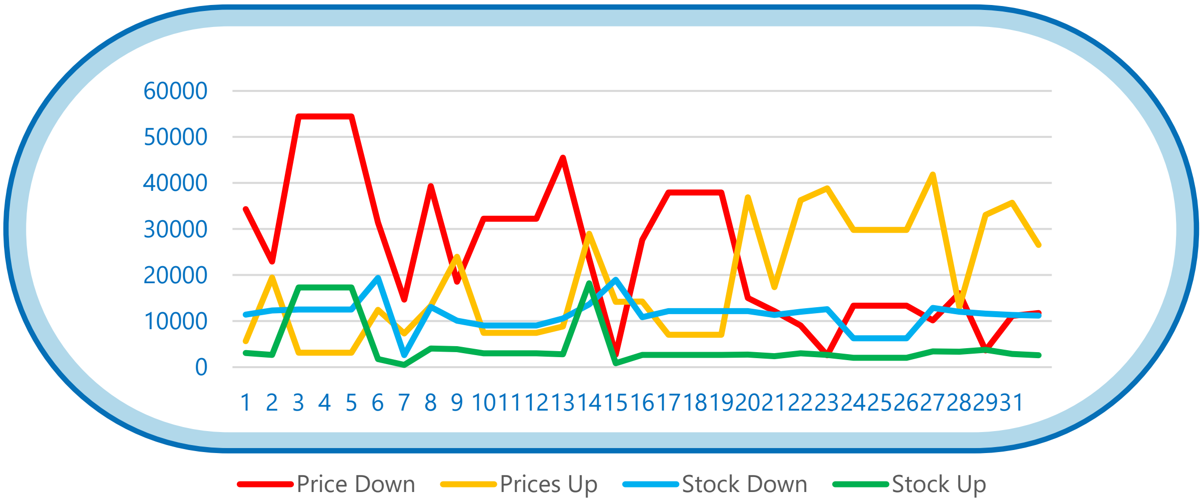
Price reductions moved the other way. The low came on July 23 at 2,582 items, while July 3 produced the month's high of 54,451 items, with a daily average of 24,718.

Stock replenishment swung hardest of all. Additions ran from just 493 units on July 7 to 18,218 units on July 14, averaging 4,596 units a day. Stock reductions ran from 2,620 units on July 7 to 19,387 units on July 6, averaging 11,295 units daily.

New Products



Monthly stats



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