



IT Market Alert February 2025

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

The largest number of price increases happened on January 15th with **58,239**

- Smartphone sales rise for sixth consecutive quarter
- Tailwinds promised for PC market this year
- Semiconductor sales hit record highs again

The UK channel seemed largely unaffected during the early days of a new, economically belligerent administration in the US. President Trump has said that while the UK is "way out of line", any differences "could be worked out." So at least for now, it's business as usual. However, he has been far more aggressive about the EU, which accounts for around half of the UK's trade.

Shipments-wise, device shipments are largely positive, while semiconductor sales are also hitting record highs. There are also some unexpected developments, such as resurgence in hard drive sales.

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Exchange Rate

Starting at 1.0308, EUR/USD saw an early spike to 1.0383 on Jan 7 before falling to its low of 1.0218 - the worst since November 2022 and dangerously close to parity - on Jan 13. From there, it rose gradually to hit its high of 1.0490 on Jan 25. The rally fell off, with the currency pair ending January at 1.0383.

EUR/GBP began the month at 0.8296, staying static for the first week before beginning a smooth rise to its monthly high of 0.8450 on Jan 20. The euro then mirrored its performance against the dollar, slipping gently for the rest of the month to finish up at 0.8448.

EUR/USD's poor fortunes in general stem from poor Eurozone economic data in December. Its rising mid-month performance came on the back of mixed Consumer Price Index data from the US.

One thing dominated the discussion around the dollar in January: the spectre of tariffs. These had been a strong campaigning platform for incoming US President Donald Trump, and a boost for the dollar. However, after his inauguration on January 20, he failed to impose tariffs immediately, and adopted a softer tone on them when speaking at the Davos forum on Jan 23. This bolstered non-US currencies including the euro. However, stronger rhetoric toward the month's end, along with an interest rate cut by the European Central Bank on Jan 29, depressed the currency pair in the final week.

Meanwhile, poor December CPI data from the UK helped the EUR/GBP have a positive January.

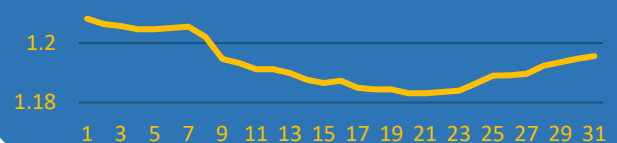
EURO POUND (EUR) PER 1 BRITISH POUND (GBP)



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 January 2025

Phones and Tablets

[IDC](#) saw global smartphone shipments grow 6.4% to 1.24bn units in 2024. Q4 shipments increased 2.4% YoY, marking the sixth consecutive quarter of growth. Vendor promotions helped this market flourish in tough economic times, especially in emerging markets.

Apple and Samsung retained their positions as the top two manufacturers, but both lost market share to Chinese competitors like Xiaomi. Chinese brands made up 56% of global shipments in Q4. Foldable phones are on the decline as vendors shift their focus to AI capabilities.

Traditional PCs

In 2024, global PC shipments increased by 3.8% to 255m units, [said Canalsys](#), marking a modest recovery in the market. The fourth quarter saw a 4.6% rise in shipments, with notebooks growing by 6.2% while desktop shipments declined by 1.4%. Holiday season demand rose due to significant discounts and financing options, particularly in price-sensitive markets. Government stimulus in China also contributed to increased notebook sales amid a weakening demand environment.

Looking ahead, the PC market is poised for accelerated growth in 2025, driven by businesses refreshing devices due to the upcoming end-of-support for Windows 10. Canalsys forecasts that AI-capable PCs will represent 35% of worldwide shipments in 2025 as advancements in technology continue.

Lenovo led the market in Q4 2024 with 16.9m units shipped, followed by HP and Dell, while Asus experienced the highest growth among top vendors at 21.6%.

Premium Ultramobiles & Wearables

Intel's share of the Chromebook market will fall to under 65% [say industry sources](#), even as Chromebook shipments are forecast to grow 20% in 2025, driven heavily by sales of the Chromebook Plus.

Processors, MEMS, Semiconductors

Global semiconductor sales hit a record high of \$57.8bn in November, up 20.7% from \$47.9bn YoY and up 1.6% rise from October, said [the Semiconductor Industry Association](#). This is the eighth consecutive month-to-month sales increase, while YoY sales have risen by over 20% for four straight months. However, Europe didn't see much of that action, with sales falling 5.7% YoY.



Memory

Demand for DRAM has shown slight improvement in the spot market, according to [TrendForce](#), with some buyers seeking quotes due to incoming orders, although transaction prices remain low. Overall market conditions for both DRAM and NAND remain cautious, largely due to high inventory levels and low demand. Buyers are still testing the market with low price offers, affecting transaction volumes. [The analyst firm reported](#) initial declines of 8-13% as some DRAM suppliers and PC OEMs finalised 1Q25 DRAM module contracts in the second half of January.

Storage

There's life in the old dog yet. While SSDs dominate consumer storage, HDDs continue to be critical for cost-effective, large-scale data storage solutions, especially as the demand for cloud and data center infrastructure expands, according to [Horizon Technology](#).

Following a challenging period for HDD manufacturers, demand has rebounded significantly in the data centre market, with projections indicating a 42% YoY increase in high-capacity near-line HDD shipments for 2024. The relentless growth in data generation, particularly driven by AI, is propelling the construction of new data centres, with predictions that hyperscale data center capacity will nearly triple by 2030.

Cloud storage remains strong, with 89% of data stored by leading cloud providers still residing on HDDs. Analysts anticipate that HDD capacity shipments could reach around 7.3 zettabytes by 2029, with near-line HDDs making up over 90% of these shipments. Innovations such as heat-assisted magnetic recording (HAMR) are set to enhance HDD capacity and efficiency further.

The retail market for PC SSDs and smartphone storage has begun to recover, aided by Chinese government subsidies, which has moderated a decline in spot prices, said TrendForce.

Display

A magnitude 6.4 earthquake struck southern Taiwan on Jan 21. There was minimal damage to the TSMC and UMC fabrication plants in the Tainan region, crucial for panel manufacturing, may face supply disruptions that could worsen the already tight TV panel supply anticipated in the first quarter of 2025, [warned TrendForce](#).

Printers

The global 3D printing market faced significant challenges in Q3 2024, said [CONTEXT Research](#), with a notable decline in industrial and mid-range printer shipments, down 24% and 8% respectively YoY. All regions suffered, with particularly steep drops in China, North America, and Western Europe. Despite this downturn, entry-level printer shipments rose by 28%, indicating a shift in market dynamics. The long-term forecast suggests a return to strong double-digit growth across all sectors by 2026, following a turbulent period marked by high interest rates and muted spending.



Network Products

[Dell'Oro Group expected](#) WLAN revenues to jump 11% this year, reversing a 2024 contraction. Wi-Fi 7 will be responsible for the jump, providing a third of indoor access point revenues in 2025 and surpassing Wi-Fi 6E shipments by mid-2025, the company said. A significant increase in Wi-Fi 7 shipments during 2H 2024 signalled the coming revenue rise. While Wi-Fi 7 average selling prices were unusually low in 2024, this dynamic is expected to change in 2025 and beyond. Software revenues for WLAN vendors in North America and Europe are on the rise, and this will continue over the next five years, the company added.



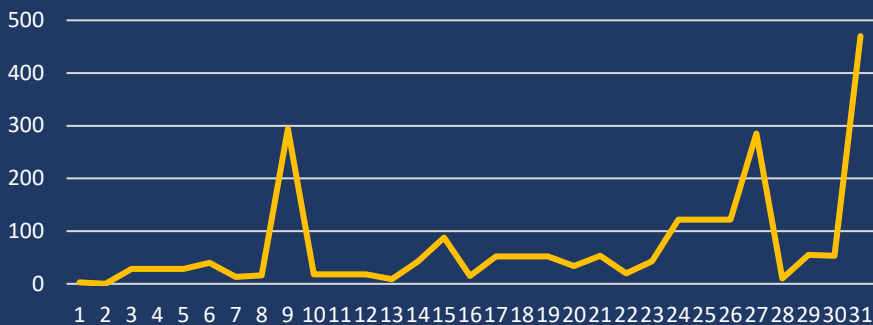
Monthly Statistics

The highest number of price increases was 58,239 on January 15th, with another significant surge to 55,100 on January 9th. In contrast, the lowest value was 2,165 on January 22nd.

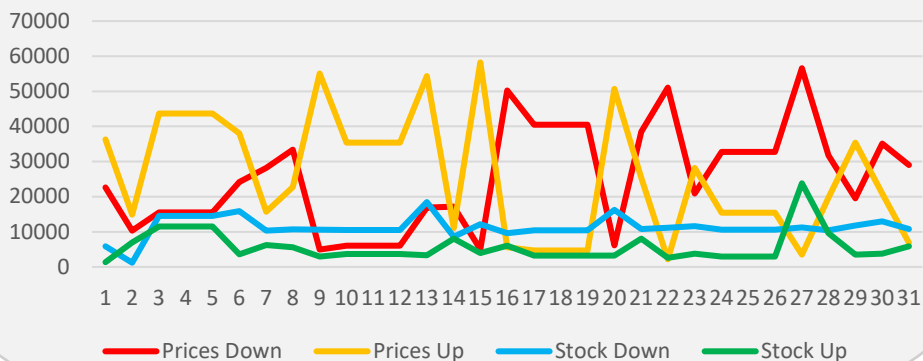
Peak price drops came on January 27th at 56,585, following a notable increase to 50,252 on January 16th. The low point of 4,949 occurred on January 9th.

The highest number of stock increases by far (23,818) happened on January 27th, while the lowest was 1,358 on January 1st, indicating significant variability in restocking levels over the course of the month. The most substantial stock drop of 18,469 occurred on January 13th, compared to a modest drop of 1,210 on January 2nd.

NEW PRODUCTS



MONTHLY STATS





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