



IT Market Alert November 2024

Welcome to this month's IT Market Alert, delivering you key market knowledge viewed during **October 2024**. Get more from your IT procurement with KnowledgeBus.

The largest number of price increases happened on October 17th with **51,306**

- Q3 global smartphone shipments up
- Global semiconductor sales break records
- Consumer demand for memory products is soft

Tech industry fortunes are mixed at the moment, with global sales of smartphones up and semiconductor sales hitting impressive highs. At the same time, analysts predict soft demand for memory products.

According to CONTEXT Research, the UK had a strong third quarter to the end of August. Overall distribution revenue was up 7.5% for July and August, leading the pack in Europe, although these positive numbers were partly due to a 12.5% decline in the UK during Q3 2023. Average revenues per reseller hit €130,000 in August, the company said in a report published at the end of October, which is more than double the second highest (€60,000) in France. The UK also contributed heavily to an overall rise of 3.6% in cybersecurity revenues for the year to date in Europe.

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Exchange Rate

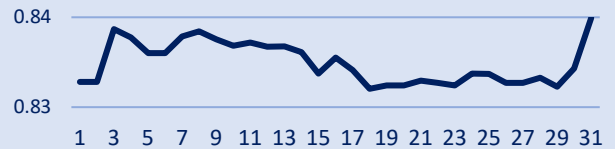
The EUR/USD picture was grim in October. Starting at a high of 1.1095, it fell steadily all the way through to 1.0784 on Oct 23, finally managing a weak rally to hit 1.0863 at the month's end.

Things looked more volatile against the pound. From a start of 0.8328, the euro rose sharply to 0.8387 on Oct 3 before dipping and then almost regaining its value on Oct 8. Then came a decline to the month's low of 0.8320 on Oct 18. EUR/GBP then ranged until Oct 29, when it took off for an astonishing Halloween rally that saw it jump from 0.823 to finish the month at a high of 0.8399.

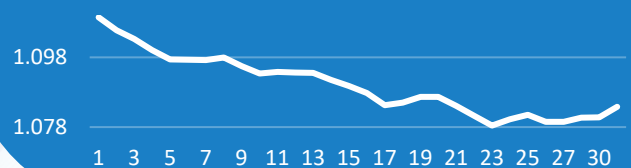
The euro's negative fortunes against the dollar were a mix of positive US retail and jobs data and a 0.25% rate cut by the European Central Bank - its third since June.

The euro's late-month fortunes against the pound were clearly a negative reaction to the new Labour government's budget. Finance minister Rachel Reeves announced a tax-and-spend budget that onlookers worried would rekindle inflation and drag down growth.

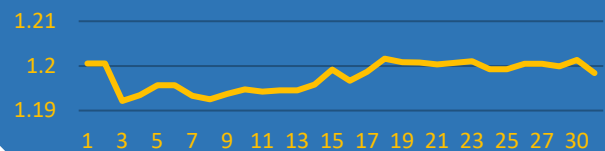
BRITISH POUND (GBP) PER 1 EURO (EUR)



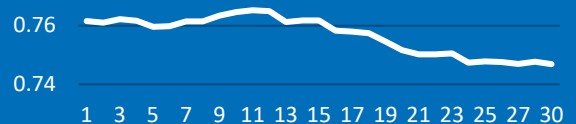
US DOLLAR (USD) PER 1 EURO (EUR)



EURO (EUR) PER 1 BRITISH POUND (GBP)



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





Price Changes and News Through October 2024

Phones and Tablets

Global smartphone shipments rose 5% YoY in Q3 2024, said [Canalys](#), reaching nearly 310m units. This marks the strongest Q3 performance since 2021. Samsung led the market with 57.5m shipments, followed closely by Apple at 54.5m, which benefited from the successful launch of the iPhone 16 series in emerging markets. Xiaomi secured third place with 42.8m units, while OPPO and vivo rounded out the top five with 28.6m and 27.2m shipments, respectively.

Apple's record shipments were a factor of optimised supply chains and production diversification in India, although geopolitical issues may impact future performance, the analyst firm said. Brands are increasingly focusing on mid-tier growth in emerging markets, with Xiaomi and vivo expanding their offerings to capture this segment.

Canalys remains cautiously optimistic about growth into 2025, especially in regions like Southeast Asia and Latin America, despite profitability concerns in the ultra-low-end segment. Premium segment growth in mature markets is expected to be driven by AI phones.

Traditional PCs

Apple announced the M4 MacBook, but not an M4 MacBook Air. Display analyst [Ross Young said](#) that display shipments for that device, along with the iPhone SE 4, would start in late Oct/early Nov. Display shipments generally begin three months before devices ship, so we can presumably expect the M4 MacBook Air around January.

Incidentally, [CONTEXT Research](#) warned that notebook computers sold in the UK generated 1.2m tonnes of CO₂ equivalent in 2023, with the lion's share (1m tonnes) coming from manufacturing. You'd need to reforest Malta to counterbalance those emissions, it said. The channel and its vendors have opportunities to reduce the carbon notebook footprint to cater to an increasingly sustainability-conscious customer base, it added.

Organisations can stand out by educating customers about the carbon footprints of their products, enabling informed purchasing decisions. Vendors should assess emissions throughout the product life cycle, invest in green technologies, and improve supply chain logistics, it concluded.

Premium Ultramobiles & Wearables

Ray-Ban Meta glasses are currently the [top-selling product](#) in 60% of Ray-Ban stores across the EMEA region, according to the CEO of Ray-Ban parent company EssilorLuxottica during the company's Q3 2024 earnings call. The partnership between Meta and EssilorLuxottica has been extended into the 2030s, with plans for multi-generational smart eye wear products. Competitors like Samsung, Google, and Apple are also reportedly developing similar products, indicating a growing market for smart eye wear.



Processors, MEMS, Semiconductors

The [Semiconductor Industry Association \(SIA\)](#) reported a 20.6% YoY spike in global semiconductor sales to a record \$53.1 billion in August 2024. That also represents a 3.5% month-on-month rise. The YoY growth figure is the largest since April 2022, the SIA said, and was driven heavily by a 43.9% increase in sales in the Americas.

Europe was the poor performer, with sales down 9% YoY, compared to a 192.% growth in China, 17% in Asia Pacific, and a meagre 2% in Japan. Europe saw a better month-to-month performance, at 2.4%.

[SK hynix](#) Inc reported record-breaking financial results for the third quarter, achieving revenues of 17.57tn won, an operating profit of 7.03tn won, and a net profit of 5.75tn won. These figures surpassed previous records, with revenues exceeding the prior high of 16.42tn won from the second quarter.

The company attributed its success to strong demand for AI memory, particularly from data centre customers, and significant sales growth in premium products like HBM and eSSD. HBM sales increased over 70% from the previous quarter and more than 330% YoY.

Memory

According to [TrendForce](#), consumer demand for memory products weakened through Q3 2024, with AI servers remaining the primary demand driver. It expects a slowdown from previous quarters, with conventional DRAM prices seeing only a 0-5% increase in Q4, while overall DRAM prices may rise by 8-13%. PC DRAM prices will stabilise, it said, as OEMs face high procurement costs and cautious inventory management. In the server segment, DRAM prices are projected to increase by 0-5% QoQ, aided by improving DDR5 momentum despite reduced procurement from US cloud service providers.

LPDDR4X mobile DRAM will decline by 5-10% due to oversupply and cautious procurement strategies from smartphone brands. Conversely, LPDDR5X prices will remain stable due to healthy inventory levels, TrendForce predicted. Graphics DRAM prices should stay flat as demand remains weak, with suppliers adopting a conservative approach to production. In the consumer DRAM market, DDR3 prices may drop by 0-5% due to oversupply, while DDR4 prices will remain stable despite increases in production from Chinese manufacturers.

Storage

The SSD market is consolidating. [TrendForce](#) reported that the top five SSD module makers increased their market share from 59% in 2022 to 72% in 2023. Shipments of branded SSDs grew 3.7% YoY to 118m units, driven by users upgrading from standard 256GB or 512GB SSDs to larger capacities over 2TB. In the second half of 2023, NAND Flash suppliers reduced production to raise average selling prices, prompting early purchases and boosting overall shipments.

Kingston retained its top position in the retail market, followed by ADATA, Lexar, and Kimtigo, with Biwin making a notable entry in fifth place. Colorful and Gigabyte also improved their standings, while Teclast, PNY, and Transcend rounded out the top ten. Although fewer Chinese manufacturers appeared in the top rankings, local companies are closing the technology gap with advancements in production capabilities.

The SSD retail sector faces headwinds, as the demand for HDD replacements diminishes with the prevalence of SSDs in new notebooks. Future growth will depend on the need for higher capacity and better performance, necessitating strategic planning from retail brands to adapt to potential declines in purchase volumes.



Display

TrendForce said that the OLED monitor market will grow significantly, projecting shipments up 181% YoY to 1.44m units in 2024. The introduction of new 31.5-inch OLED models and aggressive launches by gaming brands are driving this growth.

Samsung will lead the market with a 31% share, bolstered by strong sales of its 49-inch OLED monitors. LGE will likely secure second place with a 19% market share, thanks to its extensive panel resources and product line expansion. ASUS aims to increase its OLED monitor shipments significantly, competing closely with Dell for third place. MSI is experiencing the highest growth rate in overall monitor shipments, with its OLED market share projected to reach 11%, making it the fifth-largest brand. Meanwhile, Gigabyte is set to rank sixth with new OLED model launches.

The analyst company said that QD-OLED monitors will dominate the market, with their share rising from 53.5% in 2023 to 73% in 2024. WOLEDs will decline to 26%, and RGB OLEDs will account for just 1% of the market.

Printers

Q2 2024 saw 3D printer shipments continue to decline in the industrial, midrange, and professional segments, while entry-level devices saw significant growth, said [CONTEXT Research](#). The industrial sector struggled, particularly with polymer systems, although metal systems showed a 7% YoY increase.

Despite short-term downgrades in forecasts, CONTEXT anticipates long-term growth in industrial shipments driven by lower capital costs and increased adoption of additive manufacturing for production. Entry-level printers accounted for 48% of global system revenues, surpassing industrial systems at 38%. Midrange printer sales fell 6%, with the west underperforming compared to Chinese vendors. The professional segment saw a 10% drop. Although entry-level printers did well globally, western companies faced challenges, including layoffs and bankruptcies, while consolidations accelerated in the sector.

Consumables

UK warranty purchases fell 34% YoY during the last week in August, [according to CONTEXT Research](#). However, computing warranties outperformed server warranties, it added.

Monthly Statistics

Price increases peaked at 48,980 on Oct 4, with three other prices above 40,000. They hit 46,909 on Oct 7, 41,150 on Oct 11, and 41,606 on Oct 25. They hit their low of 1,868 on Oct 10.

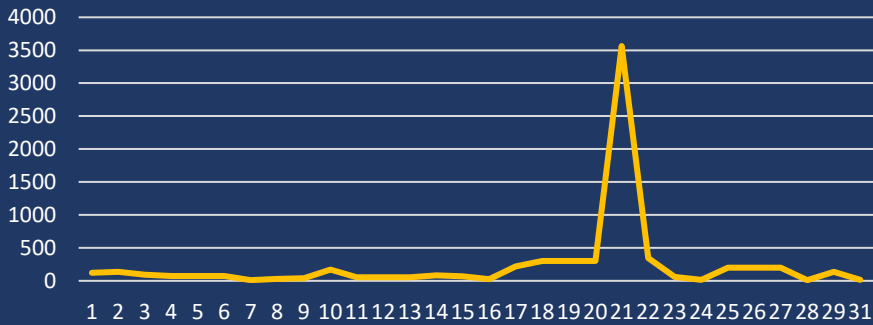
Price decreases peaked at 49,602 on Oct 14, and hit their low of 1,691 on Oct 10. Cisco made the most price increases and decreases during the month.

Stock increases broke five figures just twice in October. The highest was on Oct 17, when it hit 20,999, followed by 10,803 on Oct 22.

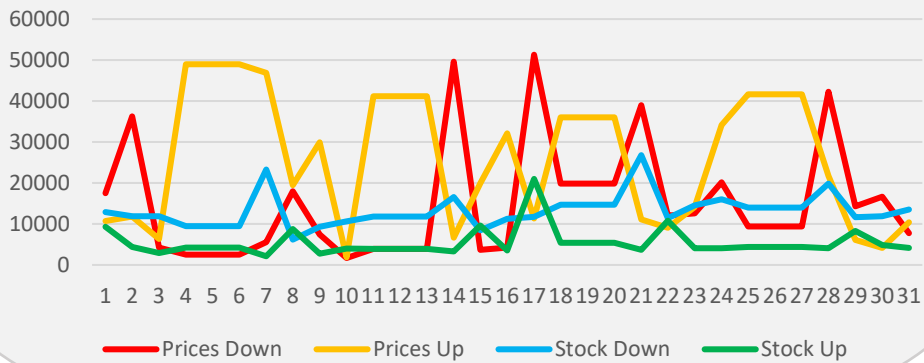
Stock decreases hit a high of 26,794 on Oct 21, and plunged to their low of 6,184 on Oct 8.



NEW PRODUCTS



MONTHLY STATS





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