



IT Market Alert September 2025

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

The largest number of price increases happened on August 18th with **46,721**

- AI data centre chips hit £152.2bn in 2025 shipments, though growth cooled from a blistering 250% to a still-respectable 67% YoY
- MFP makers bet big on A4 models – 70% of new launches target hybrid offices as global shipments eye 143m units
- Huawei snatched the wearables crown with 20.2% share in Q2, while China's wrist-worn market surged 20.1%

AI servers are basically carrying the electronics market this year while consumer kit struggles to find its mojo. The channel in North America is front-loading orders to dodge US tariffs, which has scrambled the usual seasonal patterns. AI server shipments will jump over 20% this year, keeping the tech sector afloat, but smartphones and notebooks are limping along at 1-2% growth. TVs actually fell 1.1%, and wearables dropped 2.8%. [CONTEXT Research found](#) sales growth overall racing ahead of volume at 7.8% to 2.2% YoY in the first half of the year, mostly thanks to software and infrastructure spending.

The 2026 outlook isn't rosy. Most consumer products will flatline or eke out 1% growth as the industry settles into a consolidation phase. Even those high-flying AI servers will slow down after two years of crazy growth and a massive base to build from. August's data paints a picture of an industry at a crossroads. Enterprises are still throwing money at AI infrastructure, but consumers are sitting on their wallets, spooked by economic uncertainty and tariffs. With that said, [UK distributors](#) managed a solid 6.5% YoY revenue bump in Q2, with consumer retail chain IT sales spiking 34% YoY thanks to Windows 11 refreshes.

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Exchange Rate

EUR/GBP finished August much as it started, after a tumultuous ride. It rose from an opening rate of 0.8665 to 0.8717 on August 06, but then weakened steadily to reach its low of 0.8610 on August 14. Then it recovered, weathering a dip in the last week of the month to close at 0.8668.

The euro's fortunes were far better against the dollar, strengthening 2.2% during August, as it posted a total rise from 1.1404 to 1.1658. Much of that came in the first half of the month, after the currency soared from its low start of 1.1404 to 1.1711 high on August 13. Volatility was 0.5% for the month.

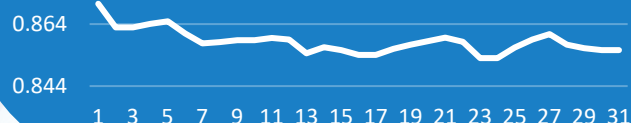
August 2025 saw some monetary policy divergence between the eurozone and the US, driving notable currency movements. The ECB held rates steady throughout August, maintaining its cautious stance despite trade uncertainties, whilst [Fed Chair Powell signalled at Jackson Hole](#) that conditions "may warrant adjusting our policy stance", opening the door to September rate cuts. [The US added just 22,000 jobs in August](#), with unemployment rising to 4.3%. This dismal labour market performance strengthened expectations for Fed easing, with [Powell noting the "marked slowing" in job growth](#), causing stocks to soar and Treasury yields to tumble as markets priced in an imminent policy shift.

Trade developments also influenced currency dynamics during August. [The EU-US Framework Agreement](#), published on 21 August, established a 15% tariff ceiling on most EU exports to the US, while the EU would eliminate tariffs on US industrial goods. [The agreement included conditional automobile tariffs](#), with the 15% rate applying only after Brussels introduces legislation to reduce industrial duties. [Trade Commissioner Maroš Šefčovič confirmed](#) the Commission's intention to present legislative proposals before month's end, enabling retroactive application from 1 August. The relative stability in EUR/GBP reflected both regions facing similar economic challenges, while the euro's 2.2% strength against the dollar was driven primarily by diverging central bank trajectories and severe US labour market weakness.

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 August 2025

Phones and Tablets

[IDC expects](#) global smartphone shipments will inch up 1% YoY to 1.24bn units in 2025, with iOS leading the charge at 3.9%. The US (3.6%) and MEA (6.5%) are keeping things afloat while China slips 1%. ASPs are jumping 5% as vendors push premium features like GenAI. They're expecting over 370m GenAI smartphones this year, grabbing 30% share. Foldables should grow 6% YoY, though they'll still be niche at under 3% of shipments by 2029.

Europe's smartphone market was less pretty. [Canalys saw shipments there tumble 9% YoY to 28.7m](#) units in Q2, which was the worst globally. Samsung kept the top spot despite dropping 10% to 10.3m units, partly because EU eco-design rules blocked the Galaxy A06. Apple slipped 4% to 6.9m units, Xiaomi fell 4% to 5.4m units (though Italy bucked the trend with 50% growth). The big five now control a record 87% of the market as telcos, retailers and direct sales channels duke it out.

[TrendForce believes](#) Apple's foldable, likely arriving in H2 2026, will push foldable penetration from today's 1.6% to over 3% by 2027. The foldable hinge market alone hits £882m in 2025, eating up 5-8% of device costs. Samsung's Teardrop hinge from 2023 set the standard, and now vendors are trying to cut costs through modularisation. Apple might shake things up with 'liquid metal' as a structural material when it finally joins the party.

Tablets had a solid quarter. [IDC counted 38.3m units shipped worldwide in Q2](#), up 13.1% YoY. Credit goes to product refreshes, education deals, and everyone panic-buying ahead of tariffs. Apple led the pack with 12.7m units (though only 2.4% growth), while Amazon enjoyed 205% growth to 3.1m units. Samsung held second with 7.2m units, up 4.2%, by pushing hard in Europe and MEA where value-conscious buyers snapped up subsidised deals.

Traditional PCs

[CONTEXT found](#) distribution channels handle 48% of business PC sales across Europe, versus 29% through resellers and 23% direct.

[Gartner's betting](#) AI PCs grab 31% of the market by year-end, shipping 77.8m units, though tariff jitters and buyer hesitation are slowing things down. By 2026, it predicts they'll have 55% share (143m units). Business buyers prefer x86 Windows at 71% versus Arm's 24%. Within two years, 40% of software vendors will bake in on-device AI features, up from just 2% last year. Small language models running locally are the key here.

[CONTEXT spotted](#) personal systems growing a healthy 11.7% YoY in June, with Windows 11 notebook refreshes doing the heavy lifting.

Premium Ultramobiles & Wearables

[Market Research Future's August forecast](#) puts the AR/VR headset market at £33.0bn in 2025, heading to £135.3bn by 2034 – that's nearly a 17% CAGR. Gaming owns this space with over 40% of revenue in 2023. North America has the biggest chunk but Asia-Pacific is growing fastest.



Processors, MEMS, Semiconductors

[The Semiconductor Industry Association reports](#) global chip sales up 7.8% £132.1bn QoQ in Q2 and 19.6% YoY. June alone saw £44.0bn in sales. Asia Pacific and Americas markets drove the growth, surging 34.2% and 24.1% respectively. China managed 13.1%, and Europe 5.3%, but Japan slipped 2.9% YoY, making it the only region that declined.

[Omdia sees](#) the AI data centre chip market reaching £210.3bn by 2030, with 2025 shipments at £152.2bn (up from £90.4bn in 2024). Growth will cool from a super-heated 250% YoY (2022-2024) to a merely piping hot 67% for 2024-2025, and AI infrastructure spending will peak as a share of data centre investment in 2026.

NVIDIA still rules the roost, but alternatives are nibbling at its heels, including Google's TPUs, Huawei's Ascend chips, and AMD's Instinct GPUs. Smaller, specialised models and better AI efficiency are taking some heat off compute demand. [Jon Peddie Research found](#) client CPU shipments jumping 7.9% QoQ and 13% YoY in Q2, which is unseasonal, and mostly about tariff pre-buying and the refresh sparked by Windows 10 EOL. Server CPUs were also up 22% YoY.

Memory

Memory's a disaster for buyers right now. [TrendForce reports](#) DDR4 and LPDDR4X shortages through H2 2025, with consumer DDR4 contract prices rocketing 85-90% QoQ in Q3. In a sign of how topsy-turvy the market is, PC DDR4 modules now cost more than DDR5. OEMs are scrambling to switch to DDR5. LPDDR4X prices shot up 38-43% QoQ as US and Korean suppliers plan to cut production in 2025-2026, triggering panic buying. Server orders are hogging all the supply, leaving PC and consumer markets high and dry. Even LPDDR5X, which has decent supply, saw prices jump 10-15% QoQ.

Storage

[TrendForce tracked](#) NAND Flash revenue jumping 22% QoQ to £10.8bn in Q2, thanks to hungry AI servers needing enterprise SSDs. SK Group posted record revenue of £2.5bn (up 52.5% QoQ), grabbing 21.1% market share and pushing past everyone except Samsung (32.9%). Q3 looks slower though, as China's subsidies dry up and the US tariff stockpiling effect wears off.

Display

[Omdia counted](#) 47.1m units globally in Q2, down 2.1% YoY. Western Europe fell 9.7%, North America dropped 7.4%, Japan slid 4.5%. The channel is still working through inventory that it panic-bought ahead of tariffs. Brands pivoted to MEA (up 8.7%) and Asia & Oceania (up 6.4%) where there's more demand.

In Europe, even OLED dipped 1.8% as retailers dumped 2024 models, killing demand for newer stuff. [CONTEXT noticed](#) consumers getting into docking monitors (index hit 140 by Week 26) while gaming monitors lost their appeal as buyers spent on PCs instead.

Conversely, OLED monitors are having their moment. [TrendForce expects](#) 2.66m units in 2025, up 86% YoY to reach 2% overall penetration. Europe's share will rise to 33%, matching North America, while China will jump from 14% to 21% as brands dodge US tariff risks. Gaming's driving this, with penetration maybe hitting 5% by 2028. Chinese internet cafés keep upgrading to fancy monitors, setting up OLED for a premium push.



Printers

[Business Research Insights' August report](#) has the home printer market growing from £6.2bn in 2024 to £8.2bn by 2033, representing a 3% CAGR as remote work keeps demand ticking. Canon launched compact inkjets back in August 2023 with mobile connectivity and eco-friendly features.

MFPs look healthier. [Astute Analytica sees](#) the market hitting £48.7bn by 2033, growing 5.8% CAGR from £29.3bn in 2024. It expects 143m units to ship in 2025, mostly A4 models for hybrid offices. Inkjet MFPs are grabbing over half of unit sales, but laser still owns the enterprise. Seven out of ten new models in 2025 are A4-focused.

Consumables

[Business Research figures](#) show ink and toner growing from £26.2bn in 2024 to £28.3bn by 2033, which indicates a healthy 4% CAGR. Rising literacy worldwide means more books, printouts, and magazines, especially for students.

Care Packs

Home warranty services look set to grow nicely. [August reports show](#) the market reaching £10.0bn by 2030 from £5.4bn in 2020, at a 6.3% CAGR. These contracts cover repairs and replacements for home systems and appliances such as HVAC, plumbing, electrical. Appliances show the highest CAGR, while renewals did best in 2020 as customers kept coverage despite the pandemic. [CONTEXT saw](#) software and services up 11% in H1, with Fortinet, Check Point, and Red Hat each pulling about 20% YoY growth.

Network Products

[Dell'Oro Group expects](#) enterprise WLAN revenue to grow 12% in 2025, with Wi-Fi 7 already accounting for over a third of indoor AP revenues. By 2028, Wi-Fi 7 should hit 90% of indoor AP revenues, beating Wi-Fi 6's peak. Lower prices help, plus vendors keep pushing software revenues through subscriptions. Enterprises deploying AI puts pressure on networks, driving WLAN spending.

Campus switches are bouncing back. [Dell'Oro sees](#) sales topping £14.7bn in 2025 after 2024's slump. Those 5.0 Gbps ports should grow over 20% CAGR through 2029, pushed by faster Wi-Fi access points, which need better networks.

Monthly Statistics

Price increases ranged from a low of 1,356 on August 15 to a peak of 46,721 items on August 18, with an average of 20,086 daily price increases, down 17.2% on last month. Notable spikes occurred during the month, particularly on August 18.

Price reductions were equally dynamic, fluctuating between 4,636 items on August 21 and a substantial peak of 44,846 items on August 15, averaging 26,238 daily decreases.

Stock replenishment displayed significant variance, from just 672 units on August 26 to a massive 6,095 units on August 25, averaging 3,902 daily additions.

Stock reductions ranged from their low of 3,482 units on August 26 to the peak of 14,351 units on August 4, with an average daily decrease of 10,711 units.

