



Severe IT Stock Constraints & Rapid Price Escalation



Procurement teams must act quickly while remaining fully compliant.

The largest number of price increases happened on February 6th with

46,078 out of **188,947** products

- Emerging markets drove smartphone growth while Europe's market declined 1%
- Memory prices surged dramatically
- AI infrastructure spending soars. Semiconductor vendors rejoice

The technology sector entered 2026 amid sharply divergent regional performance and unprecedented price pressures across core components.

Emerging markets demonstrated resilience in consumer devices, with Africa, the Middle East, and Latin America posting double-digit smartphone growth, while Europe's mature market contracted. Meanwhile, the semiconductor and memory sectors saw fast expansion driven by AI infrastructure investment. Network infrastructure and storage technologies also advanced quickly in response to the AI frenzy, with optical transport equipment markets growing 10% and data center interconnect demand surging nearly 40%.

The refurbished PC market gained momentum in Europe, particularly in the UK, as desktop pricing climbed sharply and consumers sought value alternatives. Korean technology exports reached record levels in January 2026, with ICT exports up 78.5% YoY. This reflects the sector's robust momentum as manufacturers navigate capacity constraints and accelerating demand across multiple product categories.

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.

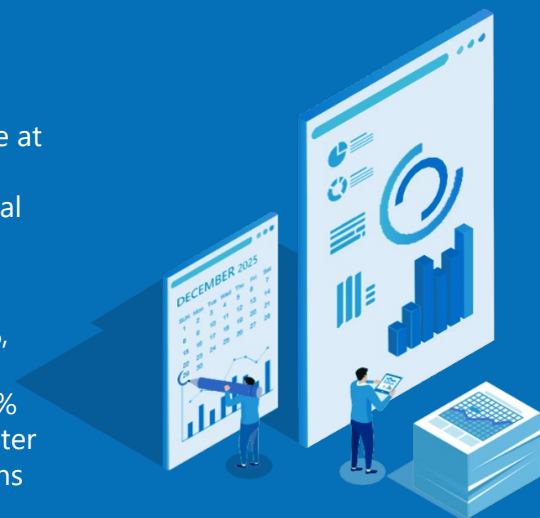
Exchange rate

The euro finished February essentially flat against the dollar, closing at 1.1805 compared to an opening rate of 1.184. The pair experienced considerable intra-month swings, touching a high of 1.19 on February 11 before retreating to a low of 1.1753 on February 19. The 1.21% range between peak and trough marked a period of heightened volatility for the currency pair.

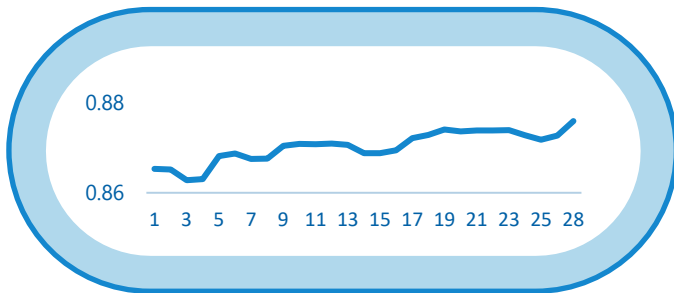
EUR/GBP posted stronger performance, appreciating 1.21% over the month. The pair opened at 0.8658 and closed at 0.8763, with the euro gaining ground steadily through the latter half of February. After touching a monthly low of 0.8616 on February 4, the cross climbed to its peak of 0.8763 on February 27.

Both the European Central Bank and Bank of England maintained their policy rates in early February, with the ECB holding the deposit facility rate at 2.00% and the BoE keeping the Bank Rate at 3.75%. The 175 basis point differential between UK and eurozone rates continued to provide structural support for sterling, though this advantage narrowed in relative terms as inflation dynamics diverged.

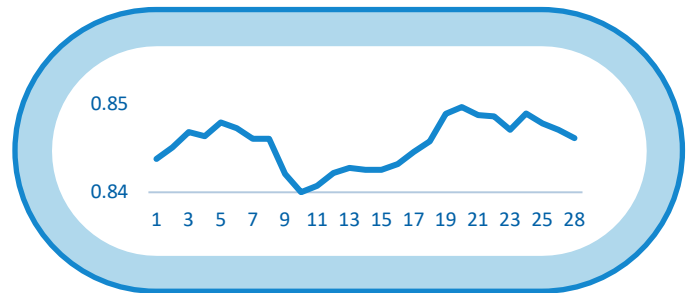
Eurozone headline CPI fell to 1.7% while core inflation moderated to 2.2%, both moving closer to the ECB's target. UK CPI eased to 3%. Growth data released during the month showed the eurozone economy expanded 0.3% QoQ in Q4 2025, outpacing the UK's 0.1% growth. The combination of faster eurozone growth and converging inflation rates supported the euro's gains against sterling.



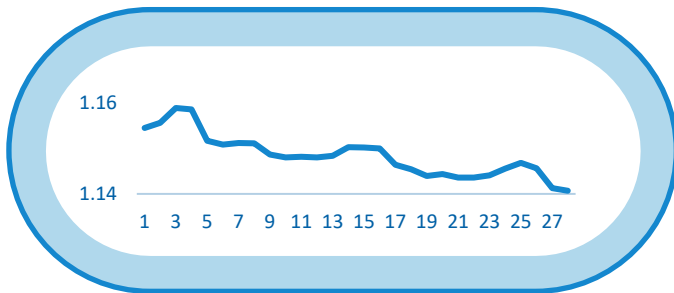
**Euro (EUR)
per 1 British Pound (GBP)**



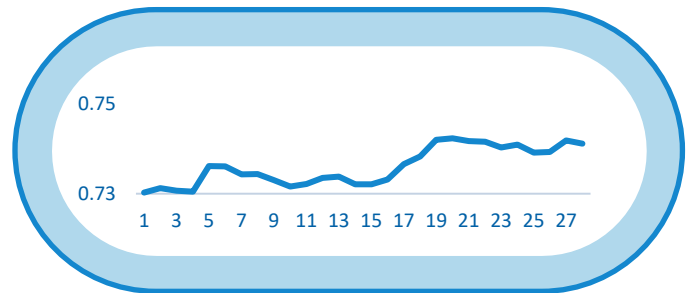
**US Dollar (USD)
per 1 Euro (EUR)**



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



**US Dollar (USD)
per 1 British Pound (GBP)**



Phones and Tablets

The global smartphone and tablet markets displayed diverged regionally in 2025, with emerging markets showing resilience while mature regions faced headwinds. Europe's smartphone market declined 1% to 134.2m units, per Omdia, with Samsung maintaining its lead at 46.6m units shipped. Motorola held fourth place despite a 5% decline to 7.7m units.

In contrast, Africa shipped 84.4m smartphones, growing 13% YoY, with fourth-quarter shipments rising 14% to 23.1m units driven by South Africa's 38% growth, Nigeria's 25% expansion, and Egypt's 22% increase. The Middle East reached 54.8m units, up 13%, with Saudi Arabia accounting for roughly 27% of fourth-quarter shipments. Latin America achieved record shipments of 140.5m units, growing 3% for the full year and 12% in the fourth quarter.

Traditional PCs

European desktop pricing climbed sharply over the past year, with the average distributor sell price rising from £484.01 at the start of 2025 to £526.36 in the opening weeks of 2026. In contrast, notebook pricing softened temporarily, falling from £663.79 to £629.21, reflecting continued sell-through of inventory purchased before the component price surge.

Meanwhile, CONTEXT Research noted that the refurbished PC market gained momentum, with the UK emerging as the fastest-growing market in Europe. The £172.86–£259.29 price band continued to dominate for refurbished notebooks, accounting for around 40% of sales. The £259.29–£345.72 segment expanded from 15% of the market in 2024 to 23% in 2025, indicating that consumers were prepared to spend slightly more for improved specifications within the refurbished category. One-third of refurbished tablet sales sat below £86.43. A similar proportion of refurbished desktops were sold in the £86.43–£172.86 range.

Premium Ultramobiles & Wearables

The global wearables market witnessed a significant shift in competitive dynamics as Omdia saw Xiaomi reclaimed the wearable band crown for the first time since 2020. The company's resurgence in this product category underscores the volatility of the wearables sector, where market leadership can shift based on product innovation, pricing strategies, and evolving consumer preferences.

Processors, MEMs, Semiconductors

The semiconductor and processor sector reported robust growth across multiple dimensions as AI continued to drive unprecedented infrastructure investment. Global semiconductor sales reached £593.92bn in 2025, marking a 25.6% increase over 2024, with projections pointing toward roughly £0.75 trillion in 2026, said the Semiconductor Industry Association. Logic products led the expansion, climbing 39.9% to total £226.48bn, while memory sales rose 34.8% to £167.37bn.

Worldwide spending on AI infrastructure reached a record £64.52bn in the third quarter of 2025, with full-year expenditure projected at £250.56bn and a trajectory toward more than £676.67bn by 2029. Servers accounted for nearly 98% of AI-centric spending at £63.02bn in the third quarter, while AI-centric storage reached £1.32bn. Combined capital expenditures by the world's eight leading cloud service providers—including Google, AWS, Meta, Microsoft, Oracle, Tencent, Alibaba, and Baidu—were projected to exceed £532.63bn in 2026, representing approximately 61% YoY growth. It's all grist to the mill for the processor and semiconductor market.

Memory

The global memory market saw dramatic price escalation and revenue growth through late 2025 and into early 2026, driven by constrained supply and surging demand. TrendForce said that total DRAM industry revenue reached £40.2bn in the fourth quarter of 2025, up 29.4% QoQ. Conventional DRAM contract prices rose 45–50% during the same period. Among individual manufacturers, Nanya's revenue surged 54.7% QoQ to £727.68m in the fourth quarter of 2025, while Winbond reported revenue of £222.81m, up 33.7%.

Price pressures intensified further into the first quarter of 2026, with conventional DRAM contract prices forecast to rise 90–95% QoQ. PC DRAM prices were expected to at least double QoQ during the same period. Limited supply and rapidly increasing prices were likely to grow the memory market's total worth to £413.8bn by 2026.

Storage

TrendForce projected NAND Flash contract prices were projected to increase 55–60% QoQ in the first quarter of 2026.



Displays

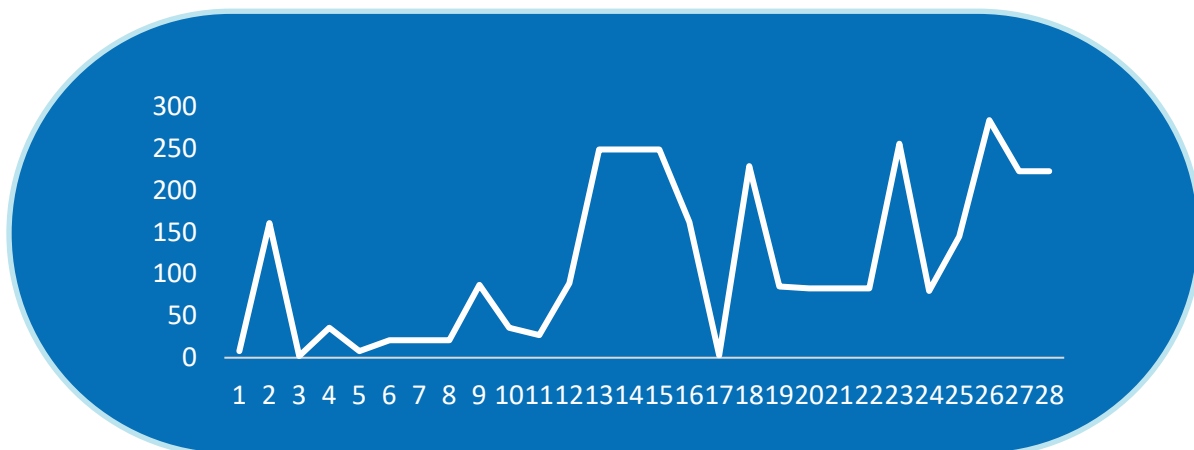
The depreciation of flat panel display manufacturing equipment accelerated markedly in recent years, according to Omdia, easing cost pressures on panel manufacturers. The company forecast depreciation to increase at a compound annual growth rate of 9.3% between 2021 and 2028. Fully depreciated global FPD manufacturing capacity will nearly double over that period from approximately 160m square meters to almost 300m. LCD capacity, which accounted for roughly two-thirds of all FPD production, saw depreciated capacity expand by 60% between 2021 and 2028, said Display Daily. Depreciated Gen 10.5 assets jumped from zero in 2024 to near 80% by 2028, the company added. In Korea, January 2026 export data reflected robust growth across technology sectors. Total exports reached £49.44bn, the highest ever for any January and up 33.9% YoY, Display Daily reported.

Network Products

Network infrastructure markets expanded in 2025, driven primarily by surging demand for data center interconnect and AI applications. The optical transport equipment market grew 10% during the year to reach £12bn, per Dell'oro. Within this segment, revenue from direct purchases of wavelength-division multiplexing equipment for data center interconnect grew nearly 40%. The disaggregated WDM market also expanded approximately 40% in 2025, fueled by strong demand across transponder units, optical line systems, and IPoDWDM ZR/ZR+ technologies. Direct cloud provider purchases grew around 50% as hyperscalers acquired more WDM transponders, ZR optics, and optical line systems. Looking ahead, Dell'oro also forecasted spending on data center switches deployed in AI back-end networks to surpass £75.02bn by 2030. Most switch ports in these networks will reach 1600 Gbps by 2027 and 3200 Gbps by 2030. The optical transport market is forecast to grow 10% again in 2026.

Price increases ranged from a low of 2,002 on February 26 to a peak of 46,078 items on February 6, with an average of 22,376 daily price increases. The market showed significant volatility with price increases fluctuating substantially throughout the month. This represented a significant increase of 31.6% compared to the previous month. Notable spikes occurred during the month, particularly on February 6. Price reductions were equally dynamic, fluctuating between 4,077 items on February 18 and a substantial peak of 40,052 items on February 26, averaging 19,787 daily decreases. Stock replenishment displayed significant variance, from just 1,520 units on February 17 to a massive 10,378 units on February 1, averaging 3,066 daily additions. The low on February 17 coincides with significant market activity, suggesting coincidental market activity requiring further analysis. Stock reductions ranged from their low of 8,361 units on February 17 to the peak of 21,801 units on February 2, with an average daily decrease of 11,070 units.

New Products



Monthly stats

