Gartner forecasts global shipments of PCs, tablets and smartphones to reach 2.3 billion in 2017-- a -0.3% decline from 2016, with the market expected to return to slight growth in 2018 with a 1.6% shipment increase.

"Overall, the shipment growth of the device market is steady for the first time in many years," the analyst says. "PC shipments are slightly lower while phone shipments are slightly higher--leading to a slight downward revision in shipments from the previous forecast."

Table 1
Worldwide Device Shipments by Device Type, 2016-2019 (Millions of Units)

Device Type	2016	2017	2018	2019
Traditional PCs (Desk-Based and Notebook)	220	203	195	191
Ultramobiles (Premium)	50	59	72	82
PC Market	**270**	**262**	**267**	**272**
Ultramobiles (Basic and Utility)	169	160	159	158
Computing Device Market	**439**	**424**	**427**	**432**
Mobile Phones	1,893	1,904	1,936	1,934
Total Device Market	**2,332**	**2,326**	**2,362**	**2,363**

Note: The ultramobile (premium) category includes devices such as Microsoft Windows 10 Intel x86 products and the Apple MacBook Air. The ultramobile (basic and utility) category includes devices such as the Apple iPad and iPad mini, Samsung Galaxy Tab S2, Amazon Fire HD, Lenovo Yoga Tab 3 and Acer Iconia One.
Source: Gartner (July 2017)

As one might expect, PC shipments remain on the decline, with 2017 dropping by -3%. However such decline is slower than in recent years, thanks to Windows 10 replacement purchasing. The prices of components such as DRAM and SSDs continue to increase, creating headwinds for the global PC market and (to a lesser extent) the smartphone market. Manufacturers are absorbing at least some of the impact of PC component prices, due to fears that a PC price increase will reduce their share of a competitive market.

On the other hand smartphones are set for a 5% shipment increase in 2017, reaching nearly 1.6bn units. End-user spending is shifting from low-cost "utility" handsets to higher-priced "basic" and "premium" smartphones. As such the smartphone market is now more dependent on new devices offering something different, since users are extending their purchasing cycles and need to be enticed to make a replacement.

Gartner points out the Samsung S8 and S8 Plus as devices leaving a strong impact on the 2017 market so far, and the premium smartphone market will be "highly dependent" on the upcoming anniversary edition of the iPhone. Currently rumours suggest the next iPhone will feature more drastic feature and design upgrades, and maybe even the addition of augmented reality and improved machine learning.

Meanwhile, 2017 "basic" smartphone shipments are to reach 686 million, a 6.8% increase from 2016 thanks to devices offering a premium feel and features from Chinese players.

"In the near term, the device market will continue to be driven by incremental advances in traditional technology," Gartner concludes. "Looking 3 or 4 years ahead, the device market will begin to see very significant shifts in both usage patterns and form factors, especially as 5G wireless technology is introduced."

Go Gartner Forecast: PCs, Ultramobiles and Mobile Phones, WW 2016-2012 Q2 2017 Update