

## NVidia's Losing the Graphics Market

Written by Marco Attard  
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Jon Peddie Research says the graphics segment shows an increase in WW shipments of 10.3% for Q1 2011 from the last quarter, with shipments totalling 125m units-- raising concerns of inventory buildup that will run down in Q2 2011.



NVidia loses both growth and market share in the graphics segment, as its Q1 2011 market share totals 20% (from Q4 2010's 22.5%) and shows Y-o-Y growth of -28.4%. This is due to its losing (shipments-wise) to Intel and AMD, companies both showing growth this quarter within the graphics segment (as well as leading the segment).

Intel continues leading the segment with 54.4% market share for Q1 2011, thanks to its continued Atom for netbooks sales and Sandy bridge chips. Meanwhile AMD's share totals 24.8%, up from the previous quarter's 21.5% at NVidia's expense.

Such results show GPUs of the likes NVidia makes are losing to chips with embedded graphics (IGPs, HPU's and EPGs)-- and NVidia's working on a desktop ARM CPU makes more sense for the company's long-term survival.

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