Written by Marco Attard 27 October 2016



Smartphones are to hit Q4 2016 PC shipments in more ways than one, DigiTimes remarks--"aggressive" short-term orders by smartphones vendors are leading to PC component shortages, hitting PC shipments for the quarter.

One chief factor leading to the increase in smartphone orders is the <u>Galaxy Note 7 recall</u>. Samsung is trying to minimise the recall's effect on sales by increasing increasing Galaxy S7 and S7 Edge orders, while Apple is trying to take advantage by doing likewise with the iPhone. As a result, memory component suppliers are shifting capacity from PC to smartphone memory, delaying delivery schedules from 10 weeks to over 20 weeks.

Memory components require a series of certifications and testing, and suppliers are "unlikely to be able to shorten the delay." This is despite the 3-4 weeks of inventory suppliers usually prepare for incidents, and as such DigiTimes predicts problems should arise after November, unless suppliers increase capacity or clients reduce orders.

Go <u>Component Shortages Expected in PC Market After November (DigiTimes)</u>