



Traditional PC Market Exceeds Expectations with Flat Year-on-Year Shipment Growth, According to IDC

FRAMINGHAM, Mass., April 11, 2018 – Worldwide shipments of traditional PCs (desktop, notebook, and workstation) totaled 60.4 million units and recorded flat (0.0%) year-on-year growth in the first quarter of 2018 (1Q18), according to the International Data Corporation ([IDC Worldwide Quarterly Personal Computing Device Tracker](#)). The results exceeded the earlier forecast of a 1.5% decline and marks the third consecutive quarter where traditional PC shipment volume has hovered around flat growth year on year.

Although the numbers are preliminary, the data seems to indicate a continued build up in commercial renewal activity as the main driver for the stabilizing trend. Business uptake of Windows 10 systems appear to be steadily ongoing, benefitting commercially-focused PC OEMs such as HP, Dell, and Lenovo. Demand for premium notebooks in both the consumer and commercial segments have also helped major vendors retain better margins and garner buyer interest. Furthermore, continued focus on gaming systems has injected slight improvement in pockets of the consumer space. Unlike the first quarter of 2017, an improved supply of key notebook components also loosened pressures on both supply and pricing, leading to some recovery of share for the smaller vendors.

From a geographic perspective, mature markets uniformly fared positively. The U.S. market saw modest growth after six quarters of year-on-year declines and Japan continued with its seventh consecutive quarter of growth. Emerging markets were more of a mixed bag as Asia/Pacific (excluding Japan) (APeJ) shrank for the quarter while Latin America continued to recover positively against a tough 2017.

"The component shortage that initially impacted portions of 2017 led some vendors to stock up inventory to avoid expected component price hikes, and that led to some concerns of excess stock that would be hard to digest in subsequent quarters," said [Jay Chou](#), research manager with IDC's [Personal Computing Device Tracker](#). "However, the market is continuing on a resilient path that should see modest commercial momentum through 2020."

"The year kicked off with optimism returning to the U.S. PC market, especially on the notebook side," said [Neha Mahajan](#), senior research analyst, Devices & Displays. "A likely rise in commercial activity amidst a positive economic environment is expected to further strengthen

demand. The retail platform too shows signs of stability especially with a fast-growing gaming community adding to the confidence."

Regional Highlights

The **USA** market saw a promising opening quarter for the year with almost all major vendors reporting increases in notebook sales. Overall, total PC shipments for 1Q18 stood at 13.5 million units.

In **Europe, the Middle East and Africa (EMEA)**, the traditional PC market showed stable growth for the quarter, benefiting from a positive performance across both product categories. Continued mobility adoption and increased customer awareness of the value proposition of more premium devices enabled notebooks to maintain a growth trajectory. On the other side, desktops posted strong results, driven by the growing gaming market as well as long-awaited commercial device refreshes in certain sub regions.

The **APeJ** traditional PC market ended the quarter slightly short of expectations. India and Indonesia showed better than anticipated results, but the PC market in China performed below forecast with shipments weakened by a smaller number of promotions in the consumer segment and softer demand from the public sector.

The **Japan** commercial market was a couple points below expectations due to slowing of the momentum seen in 4Q17, but it still maintained healthy growth in 1Q18. The consumer segment was slightly better than the previous quarter in term of growth, but IDC believes shipments during the first three quarters of 2017 affected future demand, causing growth to decelerate in 4Q17 and after.

Company Highlights

HP Inc. maintained a comfortable lead over all others in the market with its eighth consecutive quarter of overall growth (up 4.3% year on year) and growth in all regions except Latin America.

Lenovo saw a flat quarter in 1Q18, the third consecutive quarter in which the company saw year-on-year volume stabilize with flat global growth and a slower pace of decline in the U.S.

Dell Inc. posted the strongest year-on-year growth out of all the major companies, growing 6.4% and buoyed by strong performances in nearly every region.

Acer held onto the fourth position. Its ongoing expansion into gaming and continued investments in Chromebooks have paid dividends for the company, but also caused some tough going in other arenas.

Apple finished the quarter in the fifth position with a year-on-year decline in shipments of 4.8%.

Top Companies, Worldwide Traditional PC Shipments, Market Share, and Year-On-Year Growth, First Quarter of 2018 (Preliminary results) (Shipments are in thousands of units)

Company	1Q18 Shipments	1Q18 Market Share	1Q17 Shipments	1Q17 Market Share	1Q18/1Q17 Growth
1. HP Inc	13,676	22.6%	13,108	21.7%	4.3%
2. Lenovo	12,305	20.4%	12,300	20.4%	0.0%
3. Dell Inc	10,190	16.9%	9,573	15.9%	6.4%
4. Acer Group	4,085	6.8%	4,428	7.3%	-7.7%
5. Apple	4,000	6.6%	4,201	7.0%	-4.8%
Others	16,128	26.7%	16,787	27.8%	-3.9%
Total	60,383	100.0%	60,397	100.0%	0.0%

Source: IDC Quarterly Personal Computing Device Tracker, April 11, 2018

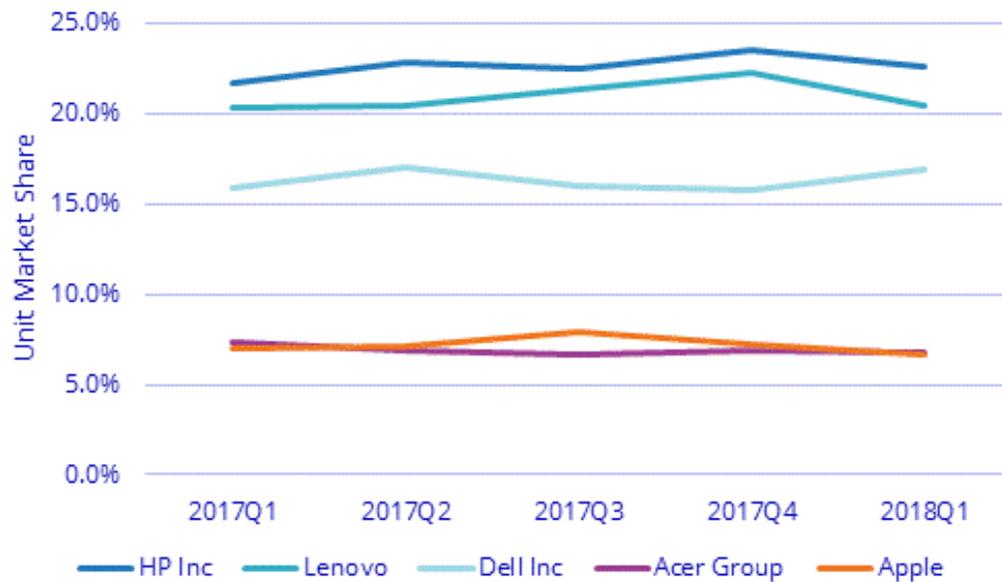
Table Notes:

- Some IDC estimates prior to financial earnings reports.
- Shipments include shipments to distribution channels or end users. OEM sales are counted under the company/brand under which they are sold.
- Traditional PCs include Desktops, Notebooks, and Workstations and do not include Tablets or x86 Servers. Detachable Tablets and Slate Tablets are part of the Personal Computing Device Tracker but are not addressed in this press release.
- Data for all companies are reported for calendar periods.

Figure 1



Worldwide Top 5 PCD Companies, 2018Q1 Unit Market Share (Traditional PCs)



Source: IDC Quarterly PCD Tracker 2018 Q1

IDC's [Worldwide Quarterly Personal Computing Device Tracker](#) gathers detailed market data in over 90 countries. The research includes historical and forecast trend analysis among other data.

For more information, or to subscribe to the research, please contact Kathy Nagamine at 650-350-6423 or knagamine@idc.com.

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