IDC: Q1 EMEA Servers Remain Positive

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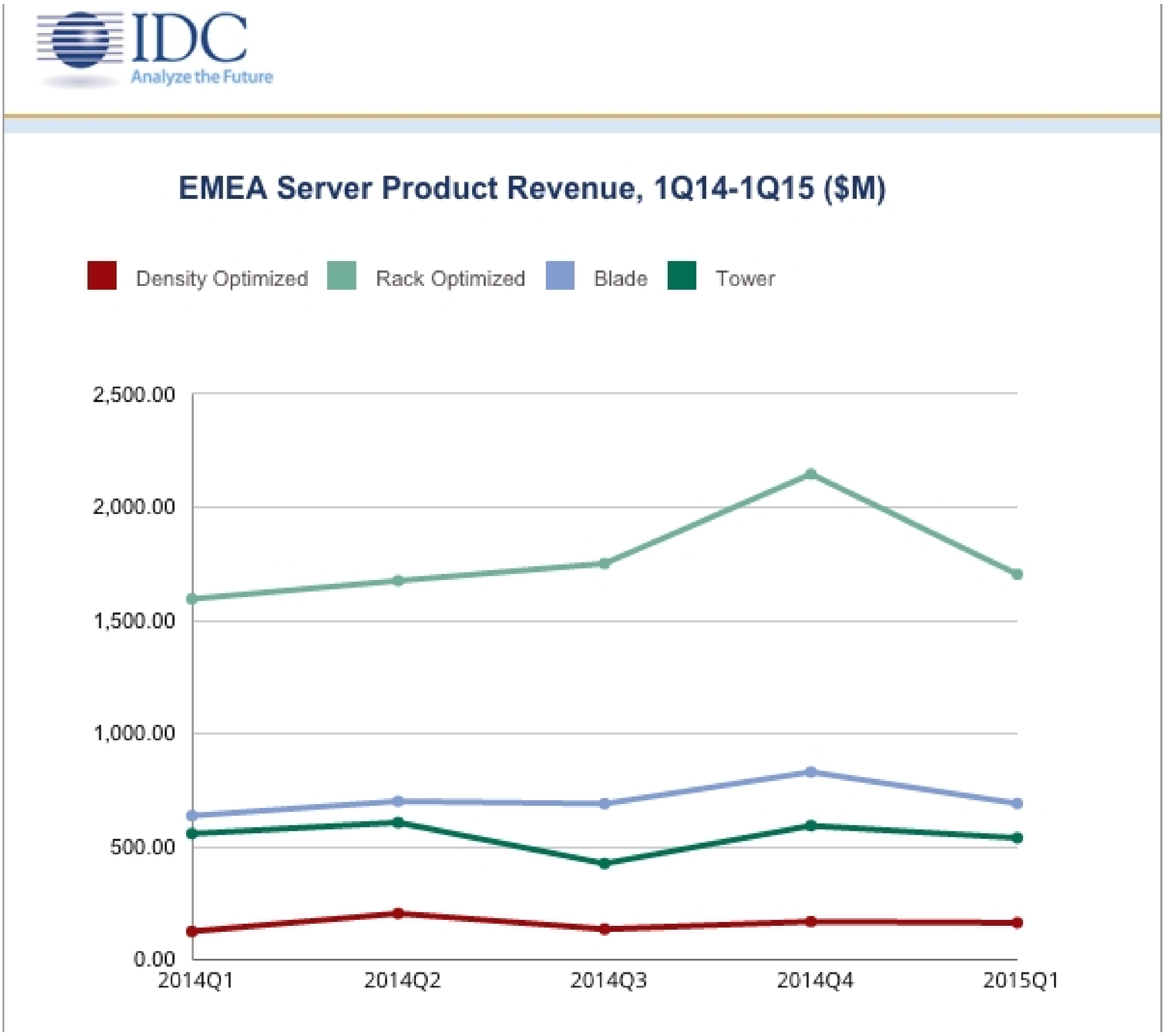
IDC reports a positive Q1 2015 for the EMEA server market, as revenues reach $3 billion with 6.3% Y-o-Y growth and shipments growing by 3.5% Y-o-Y to 557182 units in a 4th consecutive quarter of positive unit growth.

Vendor revenues see higher growth thanks to increased ASPs caused by the market moving towards richer configurations, even if larger US-based European vendors continue to feel the impact of the fluctuating euro.



In fact, the analyst says Q1 2015 revenues see stronger growth (29.2% Y-o-Y) in euro, but the weakening currency forced some vendors to adopt new European pricing structures.

Non-x86 servers report a "good" EMEA Q1 2015, building on a positive Q4 2014 with the first Y-o-Y revenue growth in over 15 quarters (2%) as CISC and traditional RISC machines show low-single-digit growth. The main contributor to Q1 2015 volume growth (up 102.4% Y-o-Y) was the second shipment of ARM-based servers, even if such systems make less than 1% of non-x86 servers.

"The macroeconomic fundamentals have remained strong and despite all major players having executed strong pricing adjustments to make up for the falling euro, server demand hasn't slowed down. New projects in the cloud space have combined with a fairly broad infrastructure refresh on latest generation x86 chips especially in large global organizations." IDC says. "At the same time, the rise in ODMs continues to put increasing pressure on established players, while competition is also heating up in niche areas with more vertical and workload specific models emerging. This trend drives the convergence of form factors and continuous advances in the hyper-converged space."

On a regional basis W. Europe sees strong (15.9% Y-o-Y) growth in Linux-based systems through the use of the OS in cloud, HPC and big data scenarios. CEMA sees Q1 2015 revenue declines of -2.4% Y-o-Y to $677.84m due to a lack of large projects during the beginning of the year, while Russia drags CEE revenues to -14.9% Y-o-Y declines.

MEA revenues are up by 10.7% Y-o-Y through a "large" HPC deal in S. Arabia and strong server sales in Turkey.

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