

# China economy weighs on consumer tech spending

LAS VEGAS - Spending on personal tech gadgets is taking a hit from the economic slowdown in China and the strong US dollar, researchers from the Consumer Technology Association said Monday.

The CTA forecast that \$950 billion will be spent globally on consumer electronics this year in a two percent drop from the \$969 billion spent last year, while the number of actual units shipped will see little change.



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"We are seeing pretty flat demand while we want for new innovations to reach consumers," CTA senior director of market research Steve Koenig said as the premier Consumer Electronics Show prepared to get under way in Las Vegas.

Koenig cautioned that technology spending comparisons were "challenged" by a very strong dollar and prices dropping on market mainstays such as smartphones and tablets.

"We really see the global economy starting to get back on track as we wrestle with a range of issues," Koenig said.

"I think the biggest thing we are starting to come to grips with is the normalization of the slowdown in China."

Smartphones and tablet computers were expected to account for 46% of the money spent this year on consumer electronics, but new categories such as wearables, drones and virtual reality gear should be making their presence felt in

the market, according to Koenig.

When mobile computers such as laptops are included with smartphones and tablets, the share of sales in the year was predicted to be 58% or some \$551 billion.

"Over half a trillion US dollars", Koenig said of the forecast.

"I give you technology's triumvirate: laptops, smartphones and tablets."

**Source:** AFP

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