11:11 SYSTEMS

AI-Driven Hardware Availability and Pricing Outlook

What You Need to Know Now

Memory and storage prices are climbing fast as AI demand outpaces supply. Here is what is driving the squeeze, who is behind it, and how long it could last - plus what infrastructure and IT leaders can do to stay ahead of it.

Why Hardware Prices Are Climbing

AI data-centre demand is absorbing memory and storage faster than suppliers can addcapacity. These figures show the scale of the squeeze now facing every buyer of servers, PCs and mobile devices.

+13-18%

Projected rise in DRAM contract prices in Q3 2026, quarter-on-quarter

Source: TrendForce, Jul 2026

+17%

Forecast rise in average PC prices by the end of 2026 as memory costs feed through

Source: Gartner

50-200%

Range across which memory prices rose during the first half of 2026

Source: Gartner

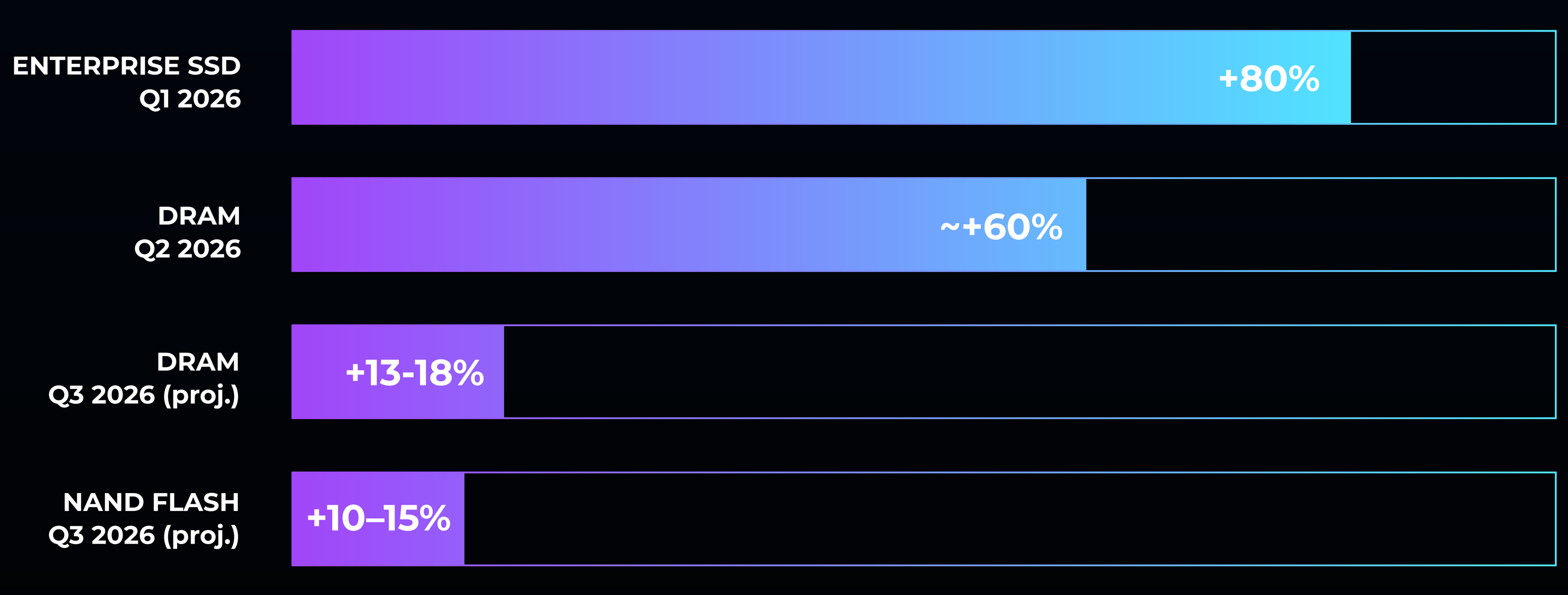
90%+

Share of the global DRAM market held by just three suppliers — Samsung, SK hynix & Micron

Industry-standard estimate

Contract Prices Keep Climbing

Quarter-on-quarter increase in memory & storage contract prices through 2026



Source: TrendForce (via EE Times / Astute Group), 2026. Each fi gure is that quarter's rise; increases compound on theprevious quarter.

What's Driving the Squeeze — and How 11:11 Helps

AI infrastructure demand, concentrated supply and multi-year fab lead times are reshaping the hardware market. Here is what sits behind the pressure — and how 11:11 Systems helps you respond.

AI DATA-CENTRE DEMAND

Market Pressure

- The bulk of new memory output is being routed to AI data centres
- Priority given to high-bandwidth memory (HBM) for AI accelerators is squeezing standard DRAM and NAND supply
- Hyperscaler AI capital spending is running into the hundreds of billions

How 11:11 Helps

- Consume compute and storage as a service — no scramble for scarce silicon
- Scale capacity up or down on demand
- Right-sized cloud environments that avoid costly over-provisioning

CONCENTRATED SUPPLY

Market Pressure

- Just three makers supply more than 90% of global DRAM
- Adding fabrication capacity takes years, not months
- Little slack in the system to absorb demand shocks

How 11:11 Helps

- Managed infrastructure insulates you from procurement bottlenecks
- Predictable, contracted capacity
- No exposure to volatile spot-market pricing

LONG LEAD TIMES

Market Pressure

- New fabs are not expected to ramp meaningfully before 2028–2030
- Analysts and chip-makers warn of no substantial near-term relief
- Refresh and expansion projects face delay

How 11:11 Helps

- Deploy in the cloud now rather than waiting on hardware
- Avoid stalled refresh cycles
- Bridge capacity gaps without capital purchases

RISING TOTAL COST

Market Pressure

- Component increases pass through to servers, PCs and phones
- PC prices forecast to rise ~17% and smartphones ~13% (Gartner)
- Budgets set before 2026 are now under strain

How 11:11 Helps

- Shift from capital hardware spend to predictable operating cost
- Extend the life of existing assets with cloud and DRaaS
- Protect budgets from further hardware infl ationg

Why Infrastructure Leaders Turn to 11:11

As hardware costs climb and supply tightens, leading organisations rely on 11:11 Systems to scale without the capital burden.

Cloud capacity on demand- scale without buying scarce hardware

Predictable operating costs in place of volatile capital spend

Resilient, UK/EU-compliant cloud and immutable backup

Fully managed platform, monitored 24x7x365

Disaster Recovery as a Service (DRaaS) with rapid recovery

Right-sized environments that avoid over-provisioning

TrendForce (memory & NAND contract-price projections, 2026, via EE Times / Astute Group) · Gartner (memory price rises and 2026 device-price forecasts) · IDC (PC pricing) · Kearney, Intel and SK hynix (supply and lead-time outlook to 2028–2030). Figures are the most recent available at time of publication; component and device figures use different bases and timeframes.

Your Next Step - Get Ahead of the Hardware Squeeze

Facing rising infrastructure costs? Explore how 11:11 can help reduce hardware exposure, control infrastructure costs and scale with resilience. To discuss your options, speak to our cloud strategy team.

THE RESILIENT
CLOUD PLATFORM

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