# Apple may have a problem with iPhone demand as well as supply

Apple is indicating to its iPhone 13 component suppliers that it may not order as many units as expected due to a drop in demand, according to a report in Bloomberg.

While the company had already cut orders for the year to 80 million – down from a target of 90 million – it was reportedly planning to make up for much of the drop next year. Now, though, Apple is said to have told manufacturing partners that this may not happen and they might not see the expected boost in orders.

Like almost every other technology company, Apple has been dealing with supply issues brought on by the global semiconductor shortage. CEO Tim Cook said the company's last quarterly earnings took an estimated $6 billion hit due to the shortage as well as the impact of COVID-19 on manufacturing in Southeast Asia, and Apple was expecting an even bigger impact on this current holiday quarter.

If Bloomberg's report is accurate, though, it suggests that the iPhone 13 range might not meet Apple's initial expectations even without the supply crunch. The original plan to assemble 90 million units for 2021 reflected a forecast of increased demand, as Apple usually orders around 75 million iPhones for the year of each launch.

https://www.theverge.com/2021/12/1/22813347/apple-iphone-demand-suppliers-chip-shortage-report