

Gartner lowers 2012 tech spending growth forecast

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Research firm Gartner Inc. has lowered its global technology spending growth forecast because of the sluggish economy and the euro crisis.

Gartner said Thursday that the computer hardware sector will be the hardest hit, hurt by supply constraints in the [hard disk drive](#) industry. Floods that have left one-third of Thailand under water upended hard-drive production in the country - a major manufacturing hub for the industry.

Gartner now expects worldwide spending on technology to grow by 3.7 percent this year, to \$3.8 trillion. That's down from its earlier forecast of 4.6 percent growth. In 2011, global tech spending grew 6.9 percent from the prior year, to \$3.7 trillion.

Though the outcome of the euro crisis is not yet clear, Gartner expects businesses and consumers in Europe to be cautious about spending money on technology. The research firm now expects 2012 spending to grow by just 0.7 percent in Western Europe, down from its earlier forecast of 3.4 percent growth.

Gartner includes hardware, software and [information technology services](#) in its spending forecast. It also includes spending on [telecom equipment](#) and services. It expects all sectors to see slower spending growth than in 2011, though [telecommunications services](#), just barely.

Through 2015, Gartner expects tech spending to grow by 5 percent,

down slightly from its earlier forecast of 5.4 percent growth.

The effects of the Thailand floods will continue to affect companies through this year and possibly into 2013, Gartner said. The research firm estimates that hard drive supplies will be reduced by as much as a quarter, possibly more, during the next six to nine months. The biggest PC makers will be in the best position to weather the effect of the shortages, but all will be affected, Gartner said.

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