

Rising memory chip prices to push up tech costs

29th June 2026



Smartphones, computers, and other devices have become indispensable parts of our lives. Many people spend a small fortune on ensuring they have the latest tech. However, keeping up to date with the

latest gadgets is set to become more expensive. This is because of the explosive rise in demand for servers in AI data centres. AI systems need to store huge amounts of data and move it much faster than traditional computing requires. Suppliers are struggling to keep up with demand. Yahoo.com wrote: "The enormous sums of money going into the AI race are driving up costs for resources and components throughout the economy."

Tech giants Apple and Microsoft have announced price rises for their products. However, Apple said its iPhone would be insulated from the price hikes. Apple said: "We have never seen a component price increase this much, this quickly." It added: "We have shielded our customers from these increases so far, but we have now reached a point where we need to begin raising prices on a number of products." Microsoft said: "The entire consumer electronics industry is struggling with the current components crisis." People are now worrying about rising tech prices affecting their pockets. In addition, the growth of AI data centres has increased demand for electricity, pushing up utility bills in some areas.

Sources: yahoo.com / foxbusiness.com / cnbc.com

Writing

Cheap tech should be a human right. Discuss.

Chat

Talk about these words from the article.

smartphones / computers / a small fortune / gadget / AI data centres / servers / costs / tech giants / Apple / Microsoft / price hikes / consumers / electronics / crisis / bills

True / False

- 1) The article says digital devices are an indiscriminate part of our lives. T / F
- 2) The article says many people have made a small fortune from tech. T / F
- 3) The article reports an explosion in an AI data centre. T / F
- 4) The article says there is a race to put money into AI. T / F
- 5) Apple said it would not raise the price of iPhones. T / F
- 6) Microsoft said the consumer electronics industry was having a hard time. T / F
- 7) People are worrying about whether or not tech will fit in their pockets. T / F
- 8) AI data centres are increasing people's electricity bills in some areas. T / F

Synonym Match

(The words in **bold** are from the news article.)

- | | |
|----------------------|----------------|
| 1. devices | a. dramatic |
| 2. ensuring | b. part |
| 3. explosive | c. battling |
| 4. struggling | d. budgets |
| 5. sums | e. protected |
| 6. insulated | f. gadgets |
| 7. component | g. hitting |
| 8. pockets | h. making sure |
| 9. affecting | i. expansion |
| 10. growth | j. amounts |

Discussion – Student A

- a) What do you think about what you read?
- b) What tech giant is your favourite?
- c) What do you think of the prices of smartphones?
- d) Do we need to spend so much on tech?
- e) What issues are there with AI data centres?
- f) What bad things could happen if AI took over?
- g) What will tech look like in 20 years from now?
- h) What questions would you like to ask chip makers?

Phrase Match

- | | |
|--------------------------------------|----------------------------|
| 1. devices have become indispensable | a. with the latest gadgets |
| 2. Many people spend a | b. money |
| 3. keeping up to date | c. bills |
| 4. the explosive rise in demand | d. small fortune |
| 5. enormous sums of | e. components crisis |
| 6. its iPhone would be insulated | f. for servers |
| 7. We have shielded | g. industry |
| 8. The entire consumer electronics | h. our customers |
| 9. struggling with the current | i. parts of our lives |
| 10. pushing up utility | j. from the price hikes |

Discussion – Student B

- How indispensable is your smartphone to you?
- What would life be like without gadgets?
- What's your favourite gadget?
- What do you think of the price of gadgets?
- How did people live without smartphones 25 years ago?
- How important is it to keep up to date with tech?
- What do you think of AI?
- How important is AI in your life?

Spelling

- devices have become eslnsniadbiep
- people spend a small rnetouf
- the latest ggdaest
- the ipoexsevl rise in demand
- noeomsru amounts of data
- resources and pcomnsoent
- snteladiu from the price hikes
- We have sldheide our customers
- The reinte consumer electronics industry
- tech prices gniaftcef their pockets
- the ogtwrh of AI data centres
- pushing up ituyilt bills

Answers – Synonym Match

1. f	2. h	3. a	4. c	5. j
6. e	7. b	8. d	9. g	10. i

Comprehension Questions

Listen to / read the news article. Answer these questions. (Answers are on p. 27 of the 27-page PDF.)

1.	How much does the article say people spend on buying the latest tech?
2.	What has there been an explosive rise in demand for?
3.	What does the article say AI systems need to store?
4.	What are suppliers having a hard time doing?
5.	What are enormous sums of money going into?
6.	What tech product will not increase in price?
7.	What has Apple been doing to its customers?
8.	What did Microsoft say the consumer electronics industry was doing?
9.	What are people worried might be affected?
10.	What has the growth of data centres increased in some areas?

Speaking – Uses of AI

Rank these with your partner. Put the best uses of AI at the top. Change partners often and share your rankings.

- | | |
|-------------------------|-----------------------|
| • Conversation practice | • Relationship advice |
| • Grammar help | • Image creation |
| • Holiday ideas | • Research assistant |
| • Decision helper | • Personal coach |

Answers – True False

1	F	2	F	3	F	4	T	5	T	6	T	7	F	8	T
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Answers to Phrase Match and Spelling are in the text.