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Rising memory chip prices to push up tech costs – 29th June 2026

Level 4

Smartphones and computers are a big part of our lives. People spend a small fortune on them. However, keeping up to date with the latest models will be more expensive. This is because of the huge rise in demand for AI memory chips. AI data centres need to store huge amounts of data and move it much faster than before. Chip makers cannot keep up with demand. Yahoo.com wrote: "The enormous sums of money going into the AI race are driving up costs."

Apple announced price rises for its products. However, the iPhone will be protected from price rises. Apple said: "We have never seen a component price increase this much, this quickly." It added: "We have shielded our customers... but we have now reached a point where we need to begin raising prices." People are worried about rising tech prices. In addition, the growth of AI data centres has increased demand for and price of electricity.

Level 5

Smartphones and computers have become essential parts of our lives. People spend a small fortune on the latest tech. However, keeping up to date with the latest gadgets will become more expensive. This is because of the huge rise in demand for servers in AI data centres. These need to store massive amounts of data and move it much faster than before. Chip makers 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."

Apple and Microsoft have announced price rises for their products. However, the iPhone will be insulated from the price rises. Apple said: "We have never seen a component price increase this much, this quickly." It added: "We have shielded our customers... but we have now reached a point where we need to begin raising prices." Microsoft said: "The entire consumer electronics industry is struggling." People are now worried about rising tech prices. In addition, the growth of AI data centres has increased demand for electricity, which is pushing up utility bills in some areas.

Level 6

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.