

# Gartner, Forrester upbeat on global IT spend

## fe Bureau

**Mumbai, Apr 12:** The Indian IT industry is expected to witness an upswing in spending, with research firms Gartner and Forrester revising their estimates on global purchases. Gartner, in its latest report, said it expects global IT spending to touch \$3.4 trillion in calendar year (CY) 2010, up by 5.3 %, against \$3.2 trillion in CY 2009. The industry will continue to show steady growth, with IT spending in CY 2011 projected to surpass to \$3.5 trillion, up by 4.2%, it said.

Meanwhile, Forrester said it predicts the IT purchase in 2010 in US dollar terms to be a bit lower at 7.7% (versus 8.1% in its earlier prediction), as the weakness of the euro due to the Greek financial crisis strengthened the US dollar.



### Better times ahead

- Global IT spending expected to touch \$3.4 trillion in CY 2010
- IT spending in CY 2011 projected to surpass to \$3.5 trillion
- Computing hardware spending may reach \$353 billion in 2010

However, Forrester adds that the US technology spending will revive to 8.4% in the year as against its earlier prediction of 8.1%.

Clearly, the recovery is expect-

ed to come from the computer hardware and IT software and services areas. According to Gartner, worldwide computing hardware spending is forecast to reach \$353 billion in 2010, a 5.7% increase from 2009. George Shiffler, research director at Gartner, said, "Consumer PC spending will contribute nearly 4 percentage points of hardware spending growth in 2010, powered by strong consumer spending on mobile PCs. Additionally, professional PC spending will contribute just over 1 percentage point of spending growth in 2010 as organisations begin their migration to Windows 7 toward the end of the year."

Also, the US market, which continues to be the largest contributor to the revenues of the IT services and software companies, is expect-

ed to see the strongest revival. Forrester, in its report says that in the US, it sees computer equipment and software as the strongest growth sectors in 2010. "For software, growth will result from a mixture of the revival of deferred licensed software purchases following the 2009 capital freeze, ongoing growth in SaaS software, and continued strong growth in Smart Computing platform technologies like SOA infrastructure, virtualisation software, and analytics," said analyst Andrew Bartels at Forrester. "We have raised our forecast for communications equipment purchases to 7.2%, based on better-than-expected results for network equipment vendors in Q4 2009 based on better-than-expected results for network equipment vendors in Q4 2009."