

Press Release

Third Quarter PC Graphics Market Grows 5 Percent

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Mercury Research announced today the results of its third-quarter, 2014 analysis of the PC graphics market.

The overall PC graphics market grew by 5.2 percent in the third quarter, and was up 2.1 percent compared to a year ago. The majority of market growth was from increases in desktop discrete GPU shipments and mobile integrated graphics CPUs.

Desktop graphics attach rates were higher, off the record-lows seen in the second quarter reflecting a recovery in shipments and increasing strength in the gaming GPU market. Mobile attach rates were lower, continuing the ongoing trend of reduced use of discrete GPUs in notebooks due to the growth of Chromebook and ultrabook notebook PCs.

Average GPU prices were down slightly, due to a slightly higher mix of value-priced graphics boards and large drops in the price of AMD-based boards at the high end of the market due to competition from Nvidia's new Maxwell Geforce GTX 980 and 970 GPUs.

Market share highlights include:

- ◆ Intel grew share overall for the sixth quarter in a row, and set a new record for total overall market share.
- ◆ Nvidia experienced a surge in desktop GPU shipments of nearly 25 percent, leading to substantial gains in market share in the desktop discrete segment.
- ◆ AMD slightly outperformed Nvidia in the mobile discrete GPU market, resulting in a market share gain in this segment.

Market shares for the overall graphics market, and discrete and mobile GPU markets for past five quarters are shown below. Mercury Research is reporting the shares as a four-quarter volume-weighted average to smooth the noise of seasonal inventory cycles and reveal ongoing share trends. Additional details are available in the full report supplied to clients earlier this week.

Total Market Share 4QMA	2013Q3	2013Q4	2014Q1	2014Q2	2014Q3
Intel	62.8%	63.2%	64.3%	65.8%	67.5%
Nvidia	16.5%	16.7%	16.4%	15.9%	15.7%
AMD	20.3%	19.8%	19.0%	18.0%	16.6%

Desktop Discrete 4QMA	2013Q3	2013Q4	2014Q1	2014Q2	2014Q3
Nvidia	64.0%	63.6%	63.7%	63.8%	65.8%
AMD	36.0%	36.4%	36.3%	36.2%	34.2%

Mobile Discrete 4QMA	2013Q3	2013Q4	2014Q1	2014Q2	2014Q3
Nvidia	65.4%	66.5%	66.8%	66.8%	66.5%
AMD	34.6%	33.5%	33.2%	33.2%	33.5%

About Mercury Research

Mercury Research is a small, focused research firm providing clear, concise, and detailed quantitative analysis of PC-related semiconductor and components markets. The company was founded in 1994.

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