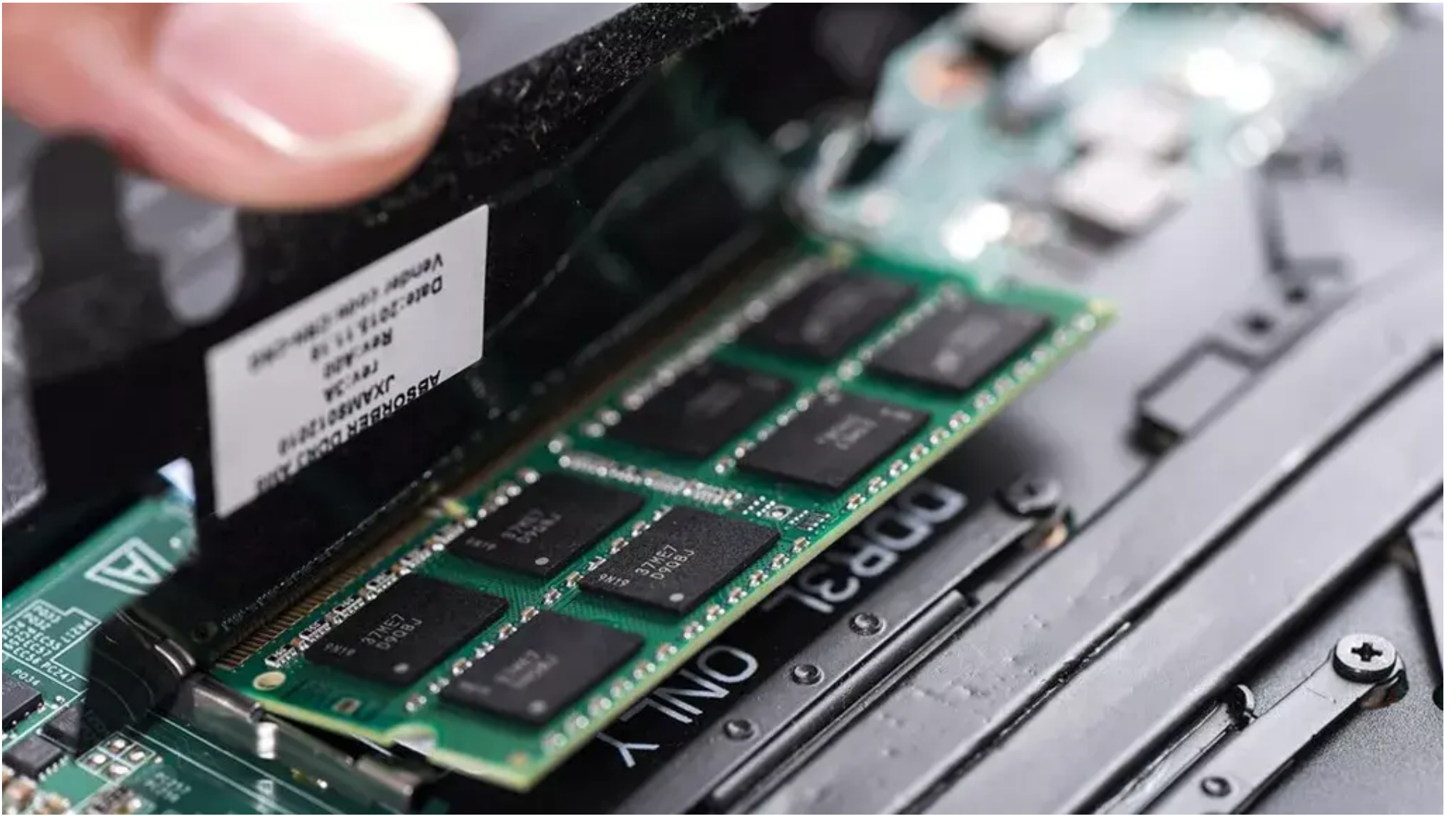


Les Echos

“The main bottleneck is no longer finding customers, but having enough memory”: How AI is sending tech prices soaring

Nvidia, Apple, Qualcomm and OVHcloud are preparing to significantly raise prices this fall as a shortage of memory components shows no sign of easing.



Gartner predicts that DRAM revenue will increase by 246.6% by 2026. (Photo Shutterstock)

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Semiconductor giant Nvidia continues to post record revenue quarter after quarter. But its gross margin is expected to decline during the current quarter despite growing customer demand. The reason: the memory “supercycle,” which is pushing component prices to levels never seen before.

“The main bottleneck for AI is no longer finding customers, but having enough memory. This pressure is beginning to weigh on Nvidia’s margins, which are now expected to bottom out between 71% and 72% before recovering as future price increases take effect,” explains Josh Gilbert, market analyst at eToro.

The biggest winners in the AI race

Over the past year, the world’s three leading memory-chip producers — South Korea’s Samsung and SK Hynix and US-based Micron — have faced enormous demand for components used to equip artificial intelligence data centers.

The oligopoly has pushed prices sharply higher, to the point where even the largest technology companies, including Nvidia, are now being hit by runaway inflation.

According to TrendForce, the price of DRAM memory climbed 90% in the first quarter of 2026 compared with the previous year, followed by another 58% increase in the second quarter.

Storage memory, or NAND, also rose sharply, increasing 55% in the first quarter and 70% in the second.

Both types of components are critical to processing the enormous amounts of information required by graphics processing units, or GPUs, during both AI-model training and inference.

“The consequence of this phenomenon is the rising cost per token across all models,” observes Alex Roy, founder of the platform SalesboxAI. “That could accelerate in the coming months. As a result, some companies are turning toward ‘edge AI’ — models that run directly on a PC or smartphone rather than in the cloud — to reduce costs.”

Professional and consumer electronics are not escaping the price increases either.

HP, Asus, Lenovo and Xiaomi have already significantly raised prices on PCs and mobile devices, while Sony has increased the price of its popular PlayStation 5.

Sales are already declining: according to IDC, 5% fewer PCs have been sold since the beginning of the year.

Higher prices for end customers

Jensen Huang’s company informed major customers last week that it plans to raise the price of its latest-generation servers by 15% beginning next January.

The pressure has become so intense for AI providers that companies ranging from OpenAI and Amazon to Google and Anthropic are all working to develop their own inference chips in an effort to protect their margins.

But Nvidia is far from the only company anticipating price increases. Apple and Qualcomm are doing the same.

In France, hosting provider OVHcloud has also warned customers that it will raise prices on its storage and public-cloud offerings beginning October 1.

“Memory now costs us six times more than it did a year ago, and storage is following the same trajectory,” the company explained in a blog post.

“The exercise remains something of a balancing act: we have to place the right volume of orders, month by month, over a 12-month period, with no guarantee of the purchase price and without knowing what actual customer demand will be,” founder and CEO Octave Klabá wrote on X.

For a time, processor manufacturers, electronics companies and cloud providers tried to absorb some of the increase in memory costs. But prices have risen so dramatically that companies are now choosing to pass significant increases on to consumers.

And the shortage does not appear likely to end anytime soon.

The semiconductor market is surging

Gartner analysts have been forced to update their estimates for 2026.

According to their latest study, the semiconductor market is expected to grow by 92% this year, reaching approximately **\$1.555 trillion**, compared with **\$809 billion** last year.

The Semiconductor Market, Driven by Memory

Global semiconductor market revenue forecast (in billions)

Category	2025	2026 forecast	2027 forecast
Memory	\$220.1B	\$837.3B	\$1,075.5B
Non-memory	\$589.0B	\$717.9B	\$864.4B
Total	\$809.0B	\$1,555.2B	\$1,939.9B

Source: Gartner / Les Echos

The memory-chip market, forecast to reach **\$837 billion in 2026**, is expected to surpass the combined value of all other semiconductor components, which are forecast at approximately **\$718 billion**.

For the full year, Gartner predicts that revenue from **DRAM memory will jump 246.6%**, while revenue from **NAND flash memory will surge 371.9%**.

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