CURRENT SITUATION ...

DEMAND FOR COMPUTER HARDWARE

The rates of expansion for mainframe, minicomputer, and microcomputer segments have been varied.

TOTAL SALES OF MAINFRAMES, MINICOMPUTERS AND MICROCOMPUTERS 1986 - 1989 (S$ MILLION)				
	1988	*1987*	*1986*	*1985*
Mainframe	80	78	56	76
Minicomputer	205	140	129	111
Microcomputer	285	193	145	105
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	570	411	330	292

Source : National Computer Board Computer Vendor Survey, SRI Analysis

Sales of mainframe slowed down in 1988 to a rate of 3% while sales of microcomputers increased by 46% (from S$140 million in 1987 to S$154 million in 1988).

Reflecting the trend of downsizing computer platforms, between 1987-88 microcomputers continued to penetrate the market growing by 48%. Microcomputer revenues which constituted approximately 44% of total hardware revenue in 1986 also increased its share to 50% in 1988.

Technological progress in microelectronics, the trend towards networking, and the national effort in promoting IT applications among the small and medium sized enterprises have been the main causes for the strong growth in microcomputer sales.