

# Nobody Wants To Buy Apple's Stupid Spying iPhone Anymore!

## Analysts worry Apple iPhone sales are even worse than they thought

- Bank of America Merrill Lynch and J.P. Morgan warn their clients that Apple's iPhone sales may come in below expectations.
- Taiwan Semiconductor Manufacturing said Thursday that its revenue guidance range for the second quarter is \$7.8 billion to \$7.9 billion versus the Wall Street estimate of \$8.8 billion. The firm blamed "weak demand" in the mobile sector for its forecast.
- "Given TSM's guidance, we could see some additional downside to iPhone units," Bank of America Merrill Lynch analyst Wamsi Mohan writes.

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A disappointing forecast from a key [Apple](#) chipmaking partner has some Wall Street analysts worried about iPhone sales forecasts.

On Thursday Bank of America Merrill Lynch and J.P. Morgan warned their clients that Apple's iPhone sales may come in below expectations.

[Taiwan Semiconductor Manufacturing](#) (TSMC) said Thursday that its revenue guidance range for the second quarter is \$7.8 billion to \$7.9 billion versus the Wall Street estimate of \$8.8 billion. The firm blamed "weak demand" in the mobile sector for its forecast.

"Given TSM's guidance, we could see some additional downside to iPhone units," Bank of America Merrill Lynch analyst Wamsi Mohan wrote in a note to clients Thursday. "In our opinion, investors are already expecting a weaker CQ2, but the magnitude could be surprising to some."

In similar fashion, J.P. Morgan said TSMC's forecast is bad news for Apple.

"TSMC's 2Q18 guidance missed consensus expectations ... largely due to weakness in high end smartphones (Apple iPhones, in our view)," analyst Gokul Hariharan wrote in note to clients Thursday. "We believe the guidance now bakes in very weak iPhone shipments in 1H as well as a more cautious view on new iPhone build in 2H18."


Analysts have already [repeatedly lowered](#) their iPhone forecasts so far this year, and this announcement may spur another round of cuts.

Mohan said TSMC's new forecast may mean Apple iPhone sales for the June quarter will fall as many as 5 million units short of the 42 million to 43 million Wall Street consensus. He estimated a 5 million-unit shortfall could incrementally hurt the company's sales by roughly \$3.5 billion.

TSMC is the world's largest semiconductor foundry and manufactures chips for Apple and its component suppliers.

Apple did not respond to a request for comment. The company's stock fell 2.8 percent Thursday.

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