

Apple set to snap win streak on report of iPhone production cut

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Apple Inc. looks set to snap its longest win streak this year after a report that the iPhone maker is cutting production of its entry-level smartphone by a fifth amid lower demand for consumer electronics.

After nine straight sessions of gains, the stock fell as much as 1.6% Monday, moving it further away from fully erasing its year-to-date drop. As of Friday's close, the stock was down just 1.6% in 2022.

The Cupertino, California-based [company](#) plans to reduce output of iPhone SEs by about 20% next quarter compared with its original plan because of signs that [consumer-electronics](#) demand is being hurt by the war in Ukraine and rising inflation, Nikkei reported, citing unidentified people. The company told multiple suppliers it was lowering production orders by 2 million to 3 million units for the quarter, according to the [report](#).

Apple this month updated its iPhone SE line for the first time since 2020 and added 5G network support, possibly in an effort to persuade consumers with older iPhones to upgrade and lure Android users.

The company also cut orders for its AirPods earphones by more than 10 million units for 2022, according to the Nikkei report. Since their 2016 launch, AirPods have become the most widely sold truly wireless earphones, helping Apple grab more than 25% [global market share](#), according to research firm Counterpoint.

Shares of some Apple suppliers also fell, with Qorvo Inc. down 3.3% and Varta AG declining 6.5% after the Nikkei report.

While the hardware segment has been the company's mainstay for years, Apple has been aggressively building out its services business with subscription for games, music and video streaming.

On Sunday night, Apple bagged Best Picture Oscar for "CODA," becoming the first streaming service to win Hollywood's top award, beating out streaming pioneer Netflix Inc.

Wedbush analysts wrote that this (award) "should significantly bolster its subscriber base while attracting more A+ Hollywood talent to its platform for future projects."

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