



---

# Apple Shares Drop 5% Following MacBook and iPad Price Hikes

## Description

Apple has announced price increases for its MacBook and iPad products. This is the first time the company has officially passed on higher costs for memory and storage to its customers. CEO Tim Cook revealed that these price hikes were necessary due to rising costs in the market.

After the announcement, Apple's shares dropped by about 5%, marking its biggest decline since February. The new prices include the MacBook Neo, which now costs £699 instead of £599, and the iPad Air, which has risen from £599 to £749.

Apple stated that the consumer electronics sector is currently facing significant challenges. The demand for memory and storage has surged due to the rapid growth of artificial intelligence (AI) data centres. The company has said that this is the most severe price increase in components they have seen.

Apple added they may raise prices on more products in the future. Cook recently commented that Apple could no longer protect its customers from rising component costs linked to the AI boom. For example, memory and storage prices have quadrupled over the last three quarters.

Research suggests that the higher costs could lead to an additional £200 charge per iPhone. Analysts predict more price increases across Apple's product range, especially for models with higher memory.

---

## Vocabulary List:

1. **surged** //sɜːdʒd// (verb): increased very quickly and by a lot
2. **components** //kəm'pɒnənts// (noun): small parts that make something work
3. **quadrupled** //kwə'drupəld// (verb): became four times larger or more
4. **decline** //dɪ'klaɪn// (noun): a fall or drop in amount
5. **analysts** //ˈænəlɪsts// (noun): people who study information and give opinions
6. **significant** //sɪg'nɪfɪkənt// (adjective): large or important enough to notice

## Comprehension Questions

### Multiple Choice



- 
1. What new price does the MacBook Neo now cost after the increase?
    - Option: £599
    - Option: £649
    - Option: £699
    - Option: £749
  
  2. How much did Apple's shares drop after the price announcement?
    - Option: 2%
    - Option: 3%
    - Option: 5%
    - Option: 10%
  
  3. Who is the CEO of Apple?
    - Option: Steve Jobs
    - Option: Tim Cook
    - Option: Jeff Bezos
    - Option: Bill Gates
  
  4. What was the previous cost of the iPad Air before the price increase?
    - Option: £499
    - Option: £549
    - Option: £599
    - Option: £649
  
  5. What factor has caused Apple to increase prices according to Tim Cook?
    - Option: Increased labor costs
    - Option: Rising component costs
    - Option: Higher marketing expenses
    - Option: Declining sales
  
  6. What is the expected additional charge per iPhone due to higher costs?
    - Option: £100
    - Option: £150
    - Option: £200
    - Option: £250

**True-False**

7. Apple's price increase for MacBook and iPad products is the first time they have passed on higher costs



to customers.

8. The new prices for Apple products have caused a surge in their share prices.
9. Tim Cook stated that Apple could continue protecting its customers from rising costs.
10. The demand for memory and storage has decreased due to the AI boom.
11. Apple expects to raise prices on more products in the future.
12. The price of memory and storage has remained stable over the last three quarters.

### Gap-Fill

13. The price of the iPad Air has risen from £599 to \_\_\_\_\_.
14. Tim Cook indicated that costs for memory and storage have \_\_\_\_\_ over the last three quarters.
15. According to Apple, they are facing significant challenges in the \_\_\_\_\_ electronics sector.
16. The recent price increase is the most severe Apple has \_\_\_\_\_ in components.
17. Apple's price increase is attributed to rising \_\_\_\_\_ costs linked to AI.
18. Research suggests higher costs could lead to an additional \_\_\_\_\_ charge per iPhone.

### Answer

**Multiple Choice:** 1. £699 2. 5% 3. Tim Cook 4. £599 5. Rising component costs 6. £200

**True-False:** 7. True 8. False 9. False 10. False 11. True 12. False

**Gap-Fill:** 13. £749 14. quadrupled 15. consumer 16. seen 17. component 18. £200

### CATEGORY

1. Business - LEVEL3

### POST TAG



1. Apple
2. ESL learning
3. esl news
4. iPad
5. Level 3
6. MacBook
7. price hikes
8. stock

**Tags**

1. Apple
2. ESL learning
3. esl news
4. iPad
5. Level 3
6. MacBook
7. price hikes
8. stock

**Date Created**

2026/06/26

**Author**

aimeeyoung99

ESL-NEWS.COM