

3:03 PM; Posted January 2, 2019 at 2:38 PM # Apple says it " did not foresee the magnitude of the economic deterioration " in markets including China. (Dreamstime) # By Tony Romm, The Washington Post # Apple on Wednesday fed fears that the global economy could be slowing faster than anticipated by announcing it would miss its first-quarter revenue estimate, a rare misfire that the company blamed on unexpected challenges in the Chinese economy and the trade conflict between the United States and China. # Months after unveiling two new iPhones in time for the holiday season, Apple CEO Tim Cook said in a note to investors that the company had lowered its revenue guidance to \$84 billion, compared to its previous estimate of revenue between \$89 billion and \$93 billion. The news sent Apple's stock plunging after hours. # The news also hit Apple suppliers in Oregon. Intel, which makes modems for the iPhone and microprocessors for the Mac, fell 1.6 percent. Qorvo, which makes iPhone communications chips in a Hillsboro factory, fell 5.2 percent. # In explaining the diminished outlook, Cook said Apple " did not foresee the magnitude of the economic deterioration " in markets including greater China. Cook said that most of the revenue shortfall to the company's initial guidance " occurred in greater China across iPhone, Mac and iPad. " Along with slowed growth there in the second half of last year, Cook said that the " economic environment in China has been further impacted by rising trade tensions with the United States. " # " As the climate of mounting uncertainty weighed on financial markets, the effects appeared to reach consumers as well, with traffic to our retail stores and our channel partners in China