

[21853001]



In addition , as of Sept. 30 , the company still had authorization to buy \$ 368 million of stock under a prior repurchase program .

[21853016]

Although IBM last year produced its first strong results in four years and was expected to continue to roll this year , it began faltering as early as January .

[21853017]

First , it had trouble manufacturing a chip for its mainframes , IBM 's bread-and-butter business .

[21853018]

Then it had a series of smaller glitches , including problems manufacturing certain personal computers and the delay in the announcement of some important workstations .

[21853019]

Finally , IBM had to delay the introduction of some high-end disk drives , which account for 10 % of its \$ 60 billion of annual revenue .

[21853020]

None of the problems is necessarily fatal , and they are n't all necessarily even related .

[21853021]

There are also other factors at work that are outside IBM 's control , such as currency exchange rates .

[21853022]

The strong dollar , which reduces the value of overseas earnings and revenue when they are translated into dollars , is expected to knock 80 to 85 cents off IBM 's per-share earnings for the full year .

[21853023]

Without that problem , IBM might have matched last year 's earnings of \$ 5.81 billion , or \$ 9.80 a share .

[21853024]

Still , investors will take some convincing before they get back into IBM 's stock in a big way .

[21853025]

Steve Milunovich , a securities analyst at First Boston , said that while investors were looking for an excuse to buy IBM shares a year ago , even the big institutional investors are looking for a reason to avoid the stock these days .