iPhone sales see a return to growth on a record holiday 2016 quarter (ending 31 December 2016)-- the iPhone 7 leads to sales of 78.3 million, a 5% increase over the same period last year.

Since iPhone sales are up, Apple financials are also back on the positive track. The company reports all-time record quarterly revenues of $78.4 billion, with international sales accounting for 64% of the sum. It also managed to exceed Wall Street expectations of $77.4bn in revenue.

“We’re thrilled to report that our holiday quarter results generated Apple’s highest quarterly revenue ever, and broke multiple records along the way. We sold more iPhones than ever before and set all-time revenue records for iPhone, Services, Mac and Apple Watch,” CEO Tim Cook says. “Revenue from Services grew strongly over last year, led by record customer activity on the App Store, and we are very excited about the products in our pipeline.”

Macs see a slight uptick in sales reaching 5.4m, up from 5.3m a year ago. However the iPad remains on a downwards track, as sales are down from 16.1m last year to 13.1m. No word is available on Watch sales, even if Cook says revenues from the smartwatch reached another quarterly record. The Watch remains lumped in "Other Products," and since revenues for the category are down Y-o-Y, one has to assume the smartwatch failed to offset losses from things such as Beats, the iPod, Apple TV and accessories.

Looking to the future, for fiscal Q2 2017 Apple hopes for revenues of $51.5-53.5bn with gross margin of 38-39%.

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