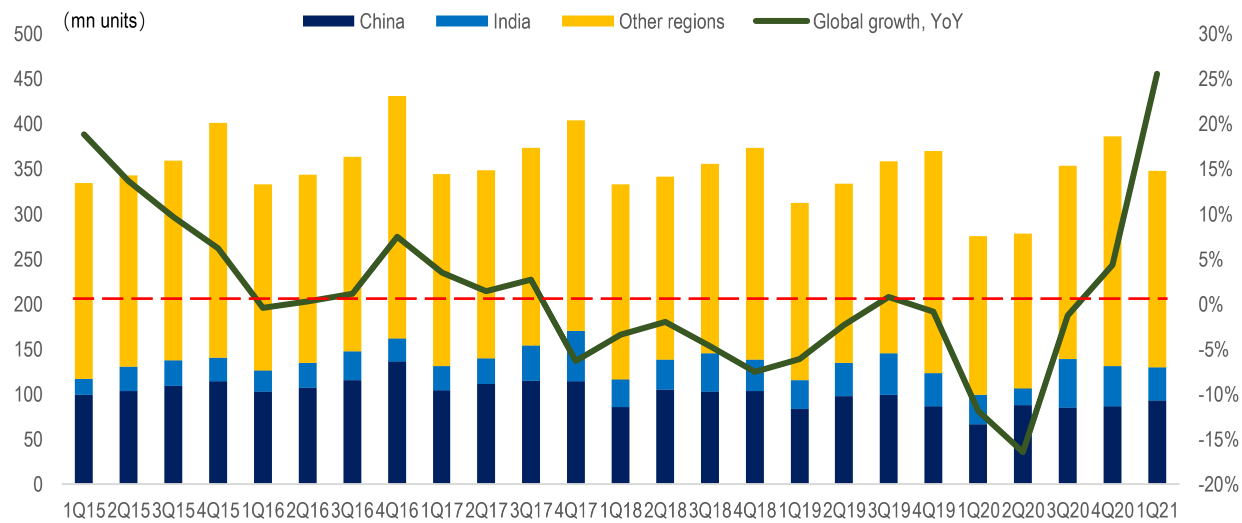
AMTD Global Tech Biweekly vol.41

Monday
17 May 2021

Global smartphone shipment – growth accelerated in 1Q21

Figure 1: Global smartphone shipment and growth, YoY



Source: Canalys, AMTD Research

AMTD views: According to Canalys, global smartphone shipment reached 347.4mn units in 1Q21, up 27.5% YoY/down 3.4% QoQ. Given the low base last year and 5G upgrade cycle, the strong YoY growth was within the expectation, however, the seasonal sequential decline narrowed to 3.4% indicated that the sector recovery was gaining steam. China market grew 6.9% QoQ, thanks to a large number of new models launched. Vivo, Oppo, Xiaomi, and Apple continued to gain market share from Huawei and Honor. In Europe, the shipment was recovering as the easing of pandemic restrictions unleashed the demand. Xiaomi clocked its best single-quarter performance ever and surpassed Apple to rank top 2 for the first time in Europe market. However, India, as the important smartphone market and manufacturing base, has recently seen a surge in COVID-19 cases, which might arouse concerns in shipment growth ahead, in our view.

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Smartphone

Shipment

Samsung: regained top position in 1Q backed on S21 lineup's sales momentum
According to Canalys, Samsung smartphone shipment was 76.5mn units in 1Q21, up 28.4% YoY, mainly thanks to the strong performance of the earlier launched S21 series in Jan incl. S21, S21 Plus and S21 Ultra. The starting price of S21 lineup was US$200 lower than that of S20 flagship, allowing the company to tap into more customers in different segments. In 1Q, the S21 lineup has earned double sales than last year' S20 launch in North America. Besides, more affordable A series 4G and 5G along with promotion campaigns contribute to Samsung's growth momentum in mass market. Looking forward, with Galaxy Z Fold 3 / Z Flip 2 in pipeline, Samsung will grab more share from Huawei and LG's exit in premium market.

Apple: benefiting from iPhone 12 series' continued success
According to Canalys, iPhone smartphone shipment reached 52.4mn units in 1Q21, up 41.2% YoY, driven by the continued success of iPhone 12 lineup. In Q1 2021, iPhone 12 models were the three most popular smartphones in Asia Pacific, driven by strong 5G penetration, and pent up demand for a 5G-capable iPhone, according to Canalys. In late Apr, Apple further expanded its iPhone 12 series by introducing iPhone 12 and iPhone 12 mini.in all-new purple finish, delivering more stunning options for different groups.

Xiaomi: record-high shipment in single quarter
According to Canalys, Xiaomi clocked its best single-quarter performance ever, with a total shipment of 49.0mn units in 1Q21, up 62.3%, ranking third for the second consecutive quarter. In particular, Xiaomi surpassed Apple and ranked top 2 for the first time in Europe, with a share of 23% in Q1. The strength came in: 1) enriched product matrix, incl. the new-launched Mi 11 Pro, Mi 11 Ultra and Mi 11 Lite this Mar with colorful variants, covering the price range of RMB2,299 to RMB 5,999 to address more customers; 2) cutting-edge technologies such as liquid lens, 108MP sensor, and Snapdragon 888 processor; 3) Acceleration of offline channels, where the total number of Mi-Home Store in China exceeded 5,000 as of 3 Apr 2021. We expect Xiaomi is solidifying strong position in premium segment with its Mi 11 series strong sales and its first foldable, the Mix Fold.

Oppo: ranking fourth driven by diversified products mix and channel expansion
According to Canalys, Oppo smartphone shipment was 37.6mn units in 1Q21, up 60.0% YoY. Its low-end model Oppo A93 5G and Oppo A15 tapped fourth and sixth best-selling smartphones in Asia Pacific in 1Q21, respectively, while Reno 5 and Find X3series help the company advance into mid-/high-end market. Besides, heavy promotions, offline channel expansion and relatively abundant inventory stock, contributes Oppo's share gain from Huawei's decline. On the other hand, apart from Apple, Huawei and Xiaomi, Oppo announced its entry into the EV business in Apr, which will become a new growth engine, in our view.

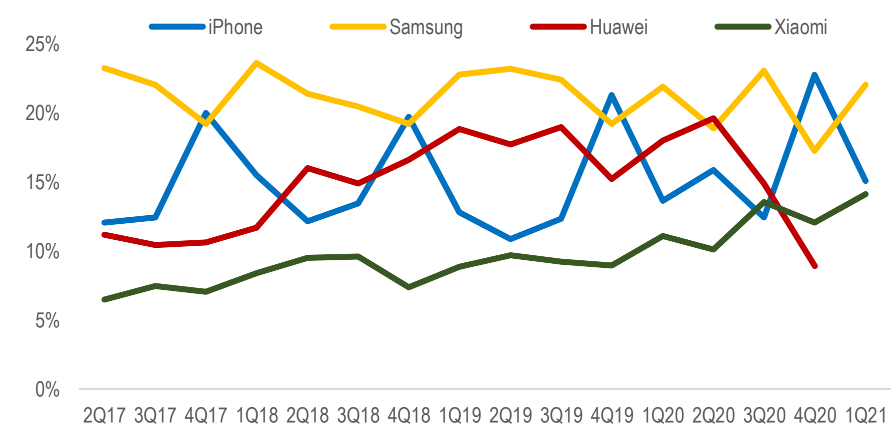
Vivo: overtaking Huawei to rank the top in China market
According to Canalys, Vivo shipped 36.0mn units smartphone in 1Q21, up 48.8% YoY, driven by competitive strength in the affordable 5G segment with a variety of products priced just below RMB2,000. Besides, Vivo overtook Huawei to rank the top in 1Q21 for the first time, with a market share of 23%. We expect that, Vivo's collaboration with Zeiss enhances its mobile imaging and smartphone photography, which will provide a privilege to grab more share especially when camera still dominates the competition today.

Figure 2: Quarterly global smartphone shipments and YoY growth by manufacturer

				Shipment (mn units)		Growth, YoY	
Company	**1Q20**	**2Q20**	**3Q20**	**4Q20**	**1Q21**	**1Q20**	**1Q21**
Apple	37.1	45.1	43.2	81.8	52.4	-7.7%	41.2%
Samsung	59.6	53.7	80.2	62.0	76.5	-16.6%	28.4%
Huawei	49.0	55.8	51.7	32.0	n.a.	-17.1%	n.a.
Xiaomi	30.2	28.8	47.1	43.4	49.0	8.6%	62.3%
OPPO	23.5	25.8	n.a.	34.7	37.6	n.a.	60.0%
Vivo	24.2	n.a.	31.8	32.1	36.0	3.0%	48.8%
Total	**272.5**	**284.7**	**348.0**	**359.6**	**347.4**	**-13.2%**	**27.5%**

Source: Canalys, AMTD Research

Figure 3: Global smartphone manufactures' market share by shipment



Source: Canalys, AMTD Research

News update

6 May 2021

Semiconductor

Samsung

Samsung announced its next generation 2.5D integration solution 'I-Cube4'

Samsung's new generation 2.5D packaging technology Interposer-Cube4 (I-Cube4), can incorporate four HBM chips and one logic chip (CPU, GPU, etc.) on top of a silicon interposer, making chips operate as a single chip in one package. It is reported that I-Cube4 is expected to bring another level of fast communication and power efficiency. (Source: Samsung)

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5 May 2021

AI

Oxbotica/Navtech

Oxbotica and Navtech launched radar-based localization system

Oxbotica has combined with Navtech's patented FMCW radar sensor to launch Terran360, a radar localization system, which can accurate to less than 10cm on any vehicle, in any environment. It can utilize a single long-range, high-definition radar sensor to give a detailed 360 degree picture of a vehicle's surrounding. (Source: Oxbotica)

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5 May 2021

Semiconductor

TSMC

TSMC reportedly planned to build five additional fabs in Arizona

TSMC is eyeing expanding its Arizona chip fab to six factories, before the first one even gets off the ground. The first 12-inch wafer fab is expected to start volume production in 2024, with a planned output of 20,000 wafers a month. TSMC acquired a large piece of land in Arizona to provide flexibility. (Source: Reuters)

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4 May 2021

Semiconductor

Intel

Intel to invest US$3.5 billion to boost advanced packaging technologies

Intel has announced plans to invest US$3.5 billion to equip its New Mexico operations for the manufacturing of advanced semiconductor packaging technologies, including its Foveros 3D packaging technology. Planning activities begin immediately, with construction expected to start in late 2021. (Source: Digitimes)

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3 May 2021

Smartphone

Samsung/Apple

Samsung expected to supply 120Hz displays for iPhone 13 Pro models

Apple's upcoming iPhone 13 Pro and iPhone 13 Pro Max models are expected to feature OLED displays with up to a 120Hz refresh rate. These panels will be supplied exclusively by Samsung Display. (Source: Thelec)

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3 May 2021

Smartphone

Vivo

Vivo launched Y52s (T1 Version) with Snapdragon 480 SoC

Vivo Y52s (T1 Version) was launched in the Chinese market on May 3. The phone is an offshoot of the Vivo Y52s that launched in China in December last year. The Vivo Y52s (T1 Version) is powered by a Qualcomm Snapdragon 480 SoC, whereas the previously launched Vivo Y52s is powered by a MediaTek Dimensity 720 SoC. The new Vivo Y52s (T1 Version) is priced in China at CNY 2,099 (roughly Rs. 23,900). (Source: Gadgets)

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3 May 2021

Smartphone

Xiaomi

Redmi Note 10S debuted in India on May

The Redmi Note 10 lineup will debut in India with three devices on May 13. It comes with Helio G95 SoC that is built on the 12nm process technology. Besides, the model has a 6.43" AMOLED screen with Full HD+ resolution and 5,000 mAh battery with 30W fast charging. The price is expected to be approx. US$180. (Source: Gsmarena)

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3 May 2021

Game

Sony

Sony inked integration deal with chat app Discord

Sony and Discord have announced a partnership that will integrate the latter's popular gaming-focused chat app with PlayStation's own built-in social tools. The amount given by Sony has not been disclosed but it is thought to be a small fee that came within Discord's latest round of funding, which is thought to have raised US$100 million. (Source: TechCrunch)

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3 Mar 2021

Semiconductor

TSMC

TSMC: possibly satisfy the minimum demand of auto chips by the end of June

TSMC said that it is expected to be able to catch up with the minimum requirement of customer demand for auto chips by the end of June. TSMC also announced that the supply chain of car chips is long and complex, the supply will take about seven to eight months. (Source: Reuters)

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2 May 2021

Semiconductor

AMD

More details about AMD next-generation processor have been exposed

AMD next-generation processor, the Navi 33 GPU is reported to feature the same specification as the Navi 21 GPU. It can be expected that a total of 80 compute units which will pack a total of 5,129 stream processors, and will be based on the next-generation RDNA 3 GPU IP core simultaneously. (Source: Wccftech)

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2 May 2021

Cloud

Google/Vodafone

Vodafone teamed up with Google Cloud on data analytics

Mobile operator Vodafone and Google Cloud entered a strategic partnership to jointly develop a cloud-based data platform to help telecommunication operator find new opportunities and improve relationships with customers. The deal is set to last for six years and will involve a collaboration of up to 1,000 staff from both mobile operator Vodafone and tech giant Google, located in the US, Spain and the UK. (Source: Reuters)

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1 May 2021

Semiconductor

Intel

Intel sought US$10 billion in subsidies for European chip plant

Intel wants 8 billion euros (US$9.7 billion) in public subsidies towards building a semiconductor factory in Europe, as the region seeks to reduce its reliance on imports amid a shortage of supplies. (Source: Reuters)

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28 Apr 2021

Semiconductor

Fabless suppliers held a record 33% of the 2020 IC market

IC Insights has updated the McClean Report to describe how the sales growth rates of fabless IC companies versus IDM IC suppliers be historically different. Usually speaking, the sales growth rate registered by the fabless IC suppliers is better than IDM's. In 2020, fabless IC company sales surged by 24% while IDM sales increased by only 8%. (Source: ICInsights)

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