Fast Take

China Optical Fibre Industry

Equities

China

Telecommunications

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HEADLINE

China Mobile launched 2026-27 optical cable tender, with 69.2mn fkm covering 9 months

OUR TAKE

Annualized demand implies 92.3mn fkm, slightly down 7% from Jun'25 tender. Our channel checks suggest ASP cap at c.Rmb100/fkm, vs. Rmb57.4 previously (final price: Rmb47.5), pointing to a much stronger pricing environment and sector profitability.



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Valuation Method and Risk Statement

Upside risks to the optical fibre/cable industry include: 1) higher-than-expected global data traffic growth; 2) government-backed digital infrastructure initiatives; 3) improving competitive dynamics.
Downside risks to the optical fibre/cable industry include: 1) weakening telcos capex; 2) technological substitutes; 3) raw material cost volatility.