Hardware & Networking

Smartphone Shipment Tracker: Higher than Seasonal Shipment Decline in 2Q26; Sharp Moderation Implied for 2H26

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Global smartphone shipments for 2Q26, tracked quarterly by Omdia (see press release here), saw a -8% sequential decline (vs. typical seasonality of +2% increase in 2Q), which on a y/y basis led to a decline of -4% in 2Q26, following ten consecutive quarters of y/y growth. Headwinds relative to smartphone shipments were primarily driven by the well-discussed memory headwinds; with steepest volume declines in the sub-$400 mass market segment, where supply constraints and price sensitivity are highest, and *where memory/storage now dominates the BOM at **60%+** vs. **30%+** in high-end models, compared to 3Q25 where memory/storage BOM share tracked closer to **30%+** for sub-$400 and **10%+** for high-end models*, forcing vendors to raise prices and cut/reshape portfolios, leading many budget buyers to delay or shift to refurbished/financing. As per Omdia, the sharpest volume declines are expected in 2H26, which based on Omdia's May 2026 forecast of low-double digit % y/y decline in 2026 implies a decline of -19% y/y in 2H vs. a decline of only -1% y/y in 1H.

Shipments for the above $400 market, where Qualcomm has its highest exposure, are expected to track to +6% y/y in 2026 (as per May 2026 forecast - see here).

Details specific to the 2Q26 Omdia data include:

- **Global smartphone shipments tracked lower than seasonal trends in 2Q26.** Global smartphone shipments declined -8% q/q in 2Q26 relative to the typical +2% increase the industry has seen going from 1Q to 2Q historically, following largely in-line seasonal trends in 1Q26 (-12% q/q). *Seasonality is based on a pre-COVID 5-year average.*
- **Market share tracked better for OEMs with stronger leverage to the premium end of the market.** Samsung retained its share position at the top of the smartphone market for 2Q26, tracking to 22% (vs. 20% a year ago) and was followed by Apple at 20% (vs. 16% a year ago). Both companies gained share due to their exposure to the premium end of the market, while the mass market (e.g., budget-end), with a less favorable supply chain position and higher price sensitivity, tracked to significant unit declines (*including mid-to-low end smartphones expected to decline more than -22% y/y in 2026*).

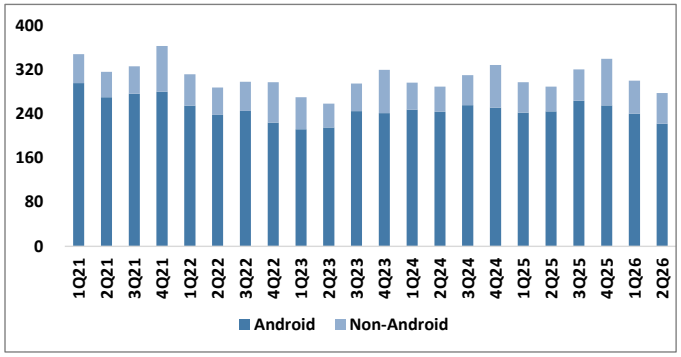
See page 3 for analyst certification and important disclosures.

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Figure 1: Global Smartphone Shipments

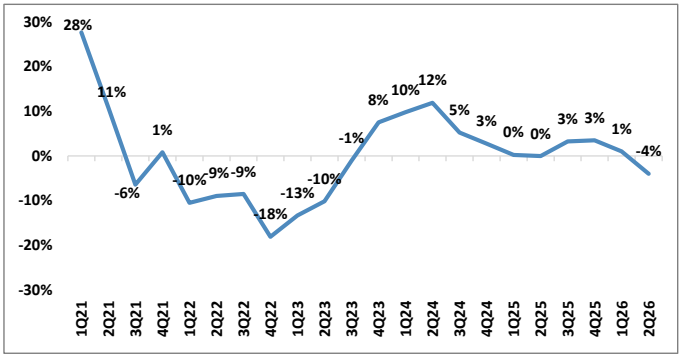
mn units



Source: Omdia.

Figure 2: Global Smartphone Shipments

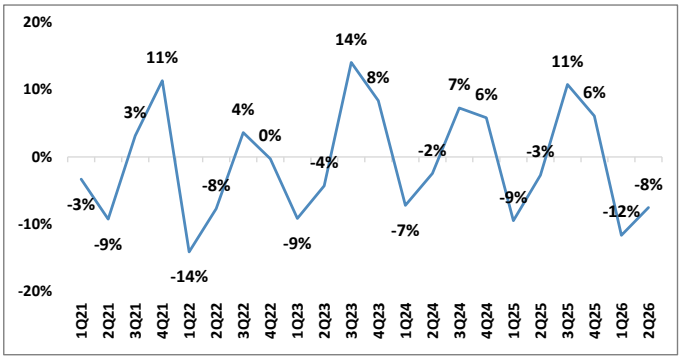
Y/Y % Change



Source: Omdia.

Figure 3: Global Smartphone Shipments

Q/Q % Change



Source: Omdia.

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