China Smartphones: Sep shipments -23% YoY/ +28% MoM; High memory costs weigh on demand

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Sep smartphone shipments in China were -23% YoY to 20m units, or +28% MoM. Monthly shipments saw sequential increase in Sep post Aug shipments at 5% MoM. 3Q26 smartphone shipment in China was 50m units, -28% QoQ / -30% YoY. We expect 2026 shipments to decline at 10% YoY (report link), given rising memory cost weighing on demand. **For cameras,** the number of cameras per phone peaked in 2022 at 3.8 cameras and declined to 3.1/ 3.0 cameras in 2025/ 2026 YTD; however, 20MPx+ penetration increased to 57%/ 68% in 2025/ 2026 YTD (vs. 52%/ 39% in 2024/23), in line with our view on camera specification upgrades for China smartphones (report link). Read more: Smartphone TAM.

Buy: Hon Hai (on CL), TSMC, Mediatek, Lingyi, Largan, SZS, Luxshare.

Key China smartphone data in Sep

China 5G phone market in Sep

- 5G phone shipments in China came in at 19m units in Sep, +29% MoM, -20% YoY, with a 88% penetration rate, per MIIT.
- The number of new 5G smartphone models launched in China was +44% YoY to 33 models in Sep 2026 vs. -26% YoY to 23 models in Aug 2026, per MIIT.

China smartphone market in Sep

- Smartphone shipments in China were -23% YoY to 20m units in Sep 2026 vs. -29% YoY to 15m units in Aug 2026, per MIIT.
- The number of new smartphone models launched in China was +35% YoY to 39 models in Sep 2026, per MIIT.

Smartphone camera pixels in leading China smartphone brands in 2026 YTD

- We reviewed the 255 models launched by Honor, Xiaomi, OPPO, Vivo and Transsion in 2026 YTD, totaling 767 cameras.
- Average number of cameras per model was at 3.0 in 2026 YTD, vs. 3.1/ 3.3/ 3.5/ 3.8 / 4.1 / 4.9 / 4.0 in 2025/ 2024/ 2023 / 2022 / 2021 / 2020 / 2019. Among the 767 cameras, 22% of cameras were 2MPx/5MPx/8MPx, vs. 31%/ 36%/ 45% / 51% / 50% / 57% / 46% in 2025/ 2024/ 2023 / 2022 / 2021 / 2020 / 2019.
- 38 models have been launched by Honor in 2026 YTD with a total of 111

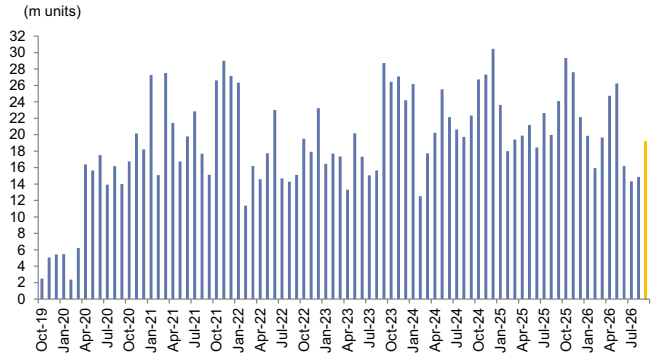
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cameras, or 2.9 cameras per model, vs. Huawei at 3.4 cameras, OPPO at 3.1 cameras, Xiaomi at 3.0 cameras, Vivo at 3.0 cameras, and Transsion at 2.6 cameras.

- Among the 238 cameras in the 78 models that Oppo has launched in 2026 YTD, 24% were 2MPx/5MPx/8MPx, vs. Huawei at 11%, Honor at 23%, Xiaomi at 21%, Vivo at 21%, and Transsion at 32%.

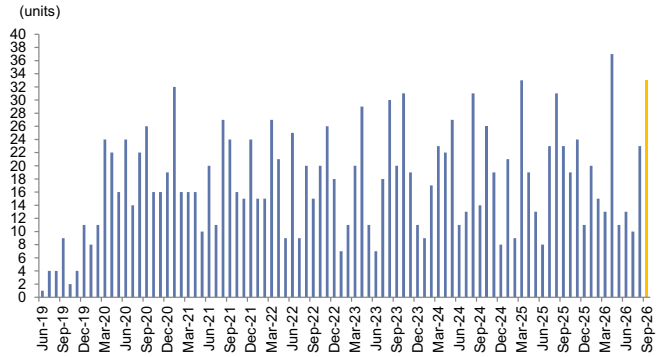
China smartphone shipments and specification

Exhibit 1: 5G smartphone shipments in China: 19m units in Sep



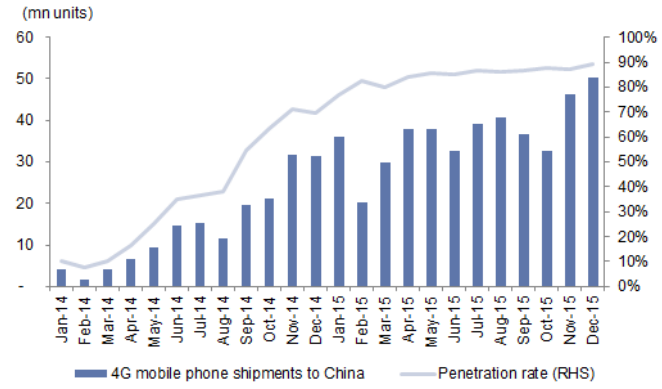
Source: MIIT

Exhibit 2: Monthly # of new 5G smartphone models launched in China



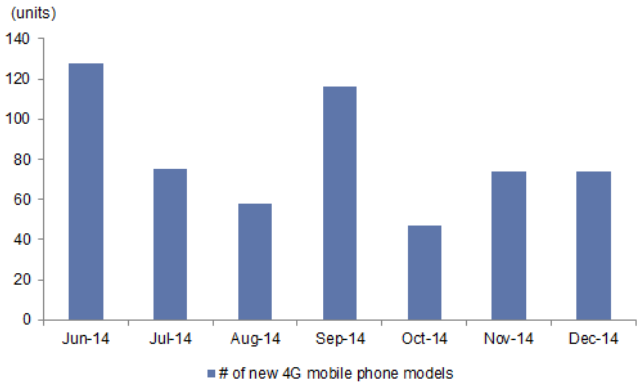
Source: MIIT

Exhibit 3: 2014-15 4G mobile phone shipments and penetration rate



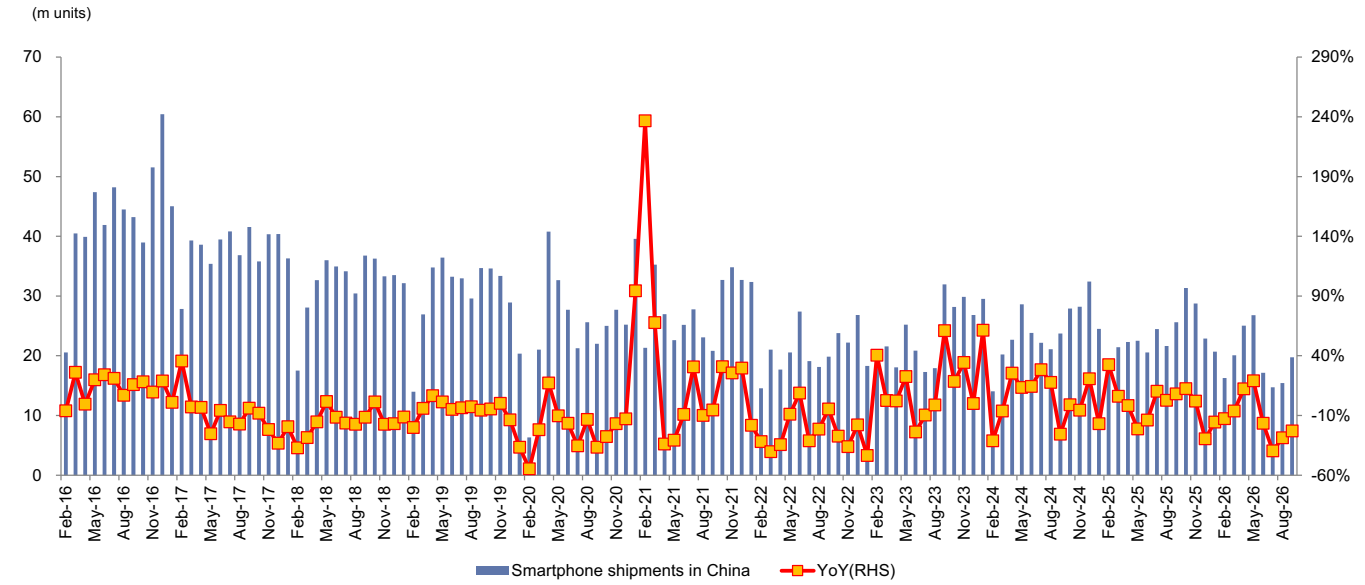
Source: MIIT

Exhibit 4: Monthly # of new 4G mobile phone models launched in China



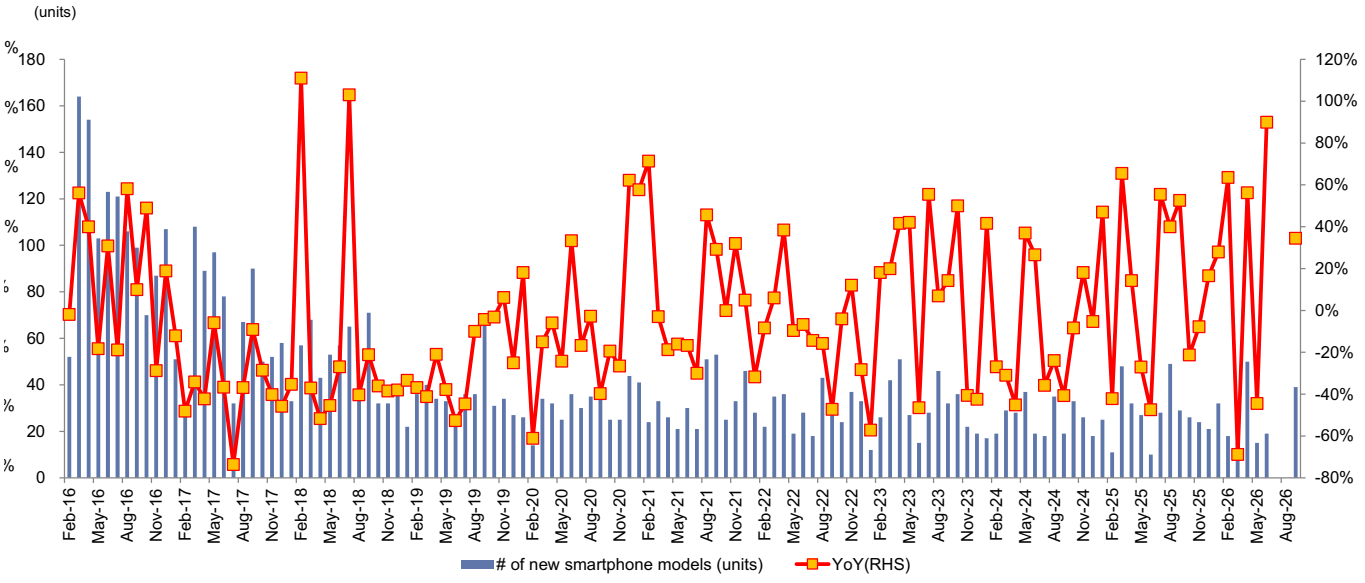
Source: MIIT

Exhibit 5: Smartphone shipments in China



Source: MIIT

Exhibit 6: Number of new smartphone models launched in China



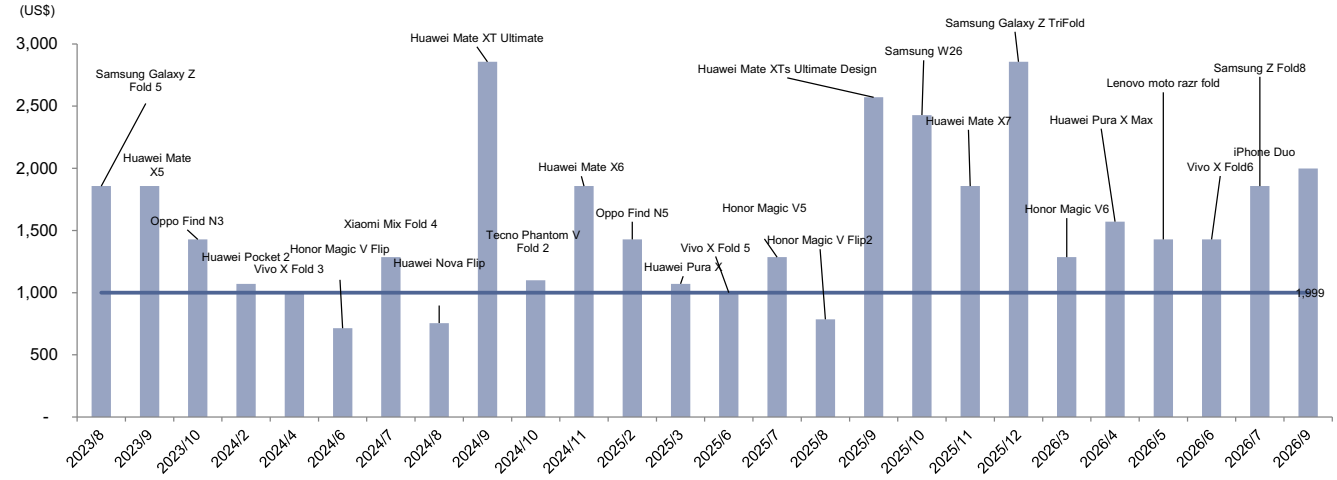
Source: MIIT

Exhibit 7: Mobile phone shipments in China

m units	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Mobile phones	28	32	30	24	23	17	21	26	28	19	17	17	22
YoY	10%	9%	2%	-29%	-16%	-15%	-7%	3%	17%	-15%	-40%	-26%	-22%
MoM	24%	16%	-7%	-19%	-7%	-27%	26%	22%	7%	-31%	-13%	0%	30%
5G	**24.1**	**29.3**	**27.6**	**22.1**	**19.9**	**15.9**	**19.7**	**24.7**	**26.2**	**16.2**	**14.3**	**14.9**	**19.2**
5G to mobile phones	86%	91%	92%	90%	87%	95%	93%	96%	95%	85%	86%	89%	88%
Chinese Brands	24	25	23	21	20	14	18	22	24	16	14	15	18
Chinese Brands to mobile phones	85%	78%	77%	87%	88%	86%	84%	86%	87%	83%	84%	89%	83%
Smartphone	**26**	**31**	**29**	**23**	**21**	**16**	**20**	**25**	**27**	**17**	**15**	**15**	**20**
YoY	**8%**	**12%**	**2%**	**-29%**	**-16%**	**-13%**	**-6%**	**12%**	**19%**	**-17%**	**-40%**	**-29%**	**-23%**
MoM	18%	22%	-8%	-20%	-9%	-21%	24%	25%	7%	-36%	-14%	5%	28%
Smartphone to mobile phones	92%	97%	95%	93%	91%	97%	95%	97%	97%	90%	88%	92%	90%
# of new smartphone models (units)	29	26	24	21	32	18	15	50	15	19	na	na	39
YoY	53%	-21%	-8%	17%	28%	64%	-69%	56%	-44%	90%	na	na	34%
MoM	-41%	-10%	-8%	-13%	52%	-44%	-17%	233%	-70%	27%	na	na	na
# of new mobile models (units)	47	45	31	41	37	23	19	59	19	28	21	36	45
5G	**23**	**19**	**24**	**11**	**20**	**15**	**13**	**37**	**11**	**13**	**10**	**23**	**33**
5G to total new mobile models	49%	42%	77%	27%	54%	65%	68%	63%	58%	46%	48%	64%	73%

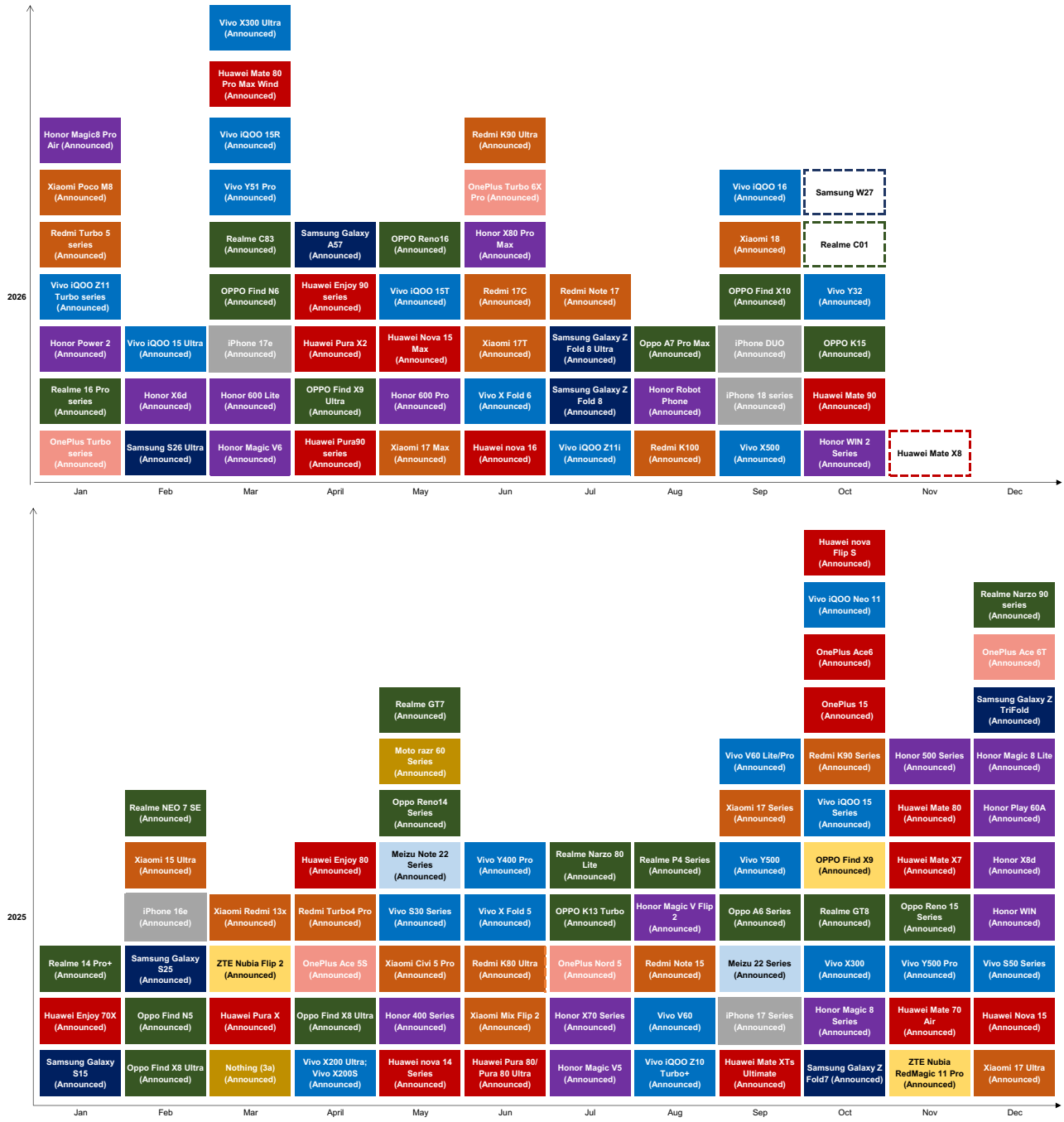
Source: MIIT

Exhibit 8: Model pricing for various foldable smartphone brands



Source: Company data, Data compiled by Goldman Sachs Global Investment Research

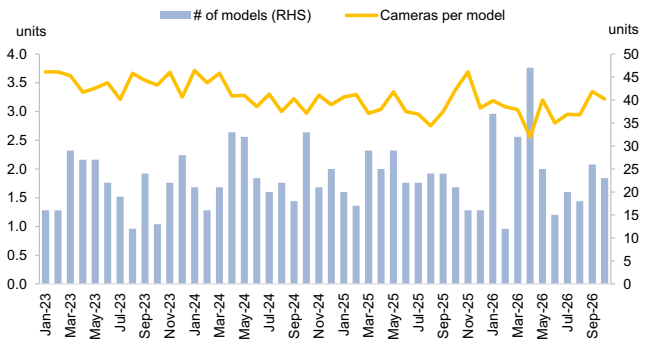
Exhibit 9: 2025 to 2026 smartphone model launch pipeline across key vendors



Expected model and launch date for those cells with white background

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

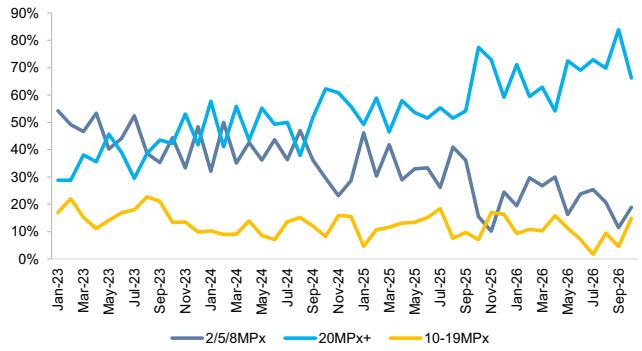
Exhibit 10: Cameras per smartphone model peaking out
Smartphone models launched by Huawei, Honor, Xiaomi, OPPO, Vivo, Transsion since Jan 2023



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

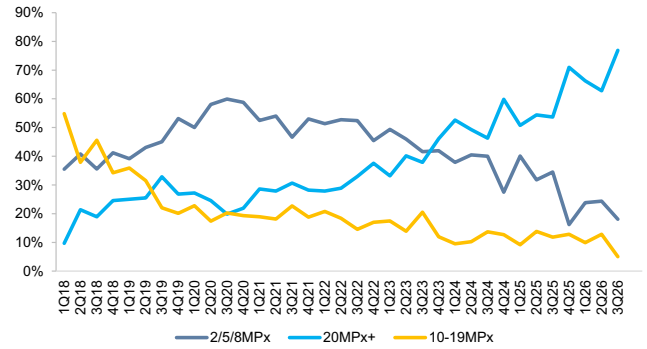
Exhibit 11: 20MPx+ becomes the main contributor
Cameras on smartphones launched by Huawei, Honor, Xiaomi, OPPO, Vivo, Transsion since Jan 2023, % of cameras in terms of pixels



Data as of Oct 21, 2026

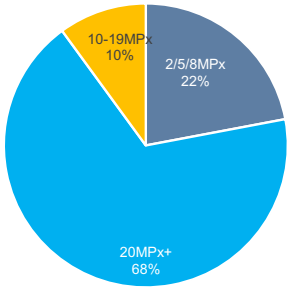
Source: Company data, Data compiled by Goldman Sachs Global Investment Research

Exhibit 12: Huawei/Honor/Xiaomi/OPPO/Vivo/Transsion: 20MPx+ becomes the main contributor
Cameras on smartphones launched by Huawei, Honor, Xiaomi, OPPO, Vivo, Transsion since 2018: % of cameras in terms of pixels



Source: Company data, Data compiled by Goldman Sachs Global Investment Research

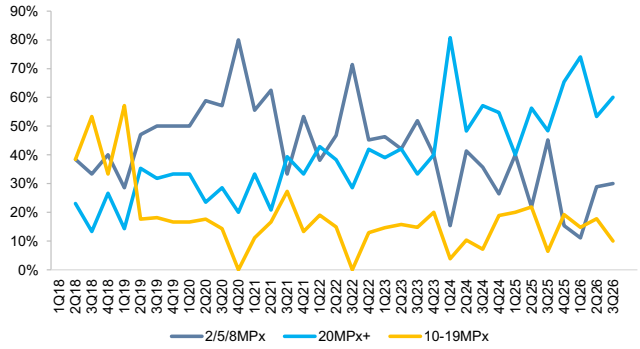
Exhibit 13: 2/5/8MPx at 22% in 2026 YTD
769 cameras on 225 models launched by Huawei, Honor, Xiaomi, OPPO, Vivo, Transsion in 2026 YTD, divided by pixel count



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

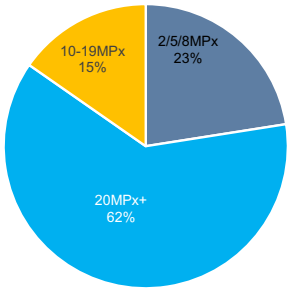
Exhibit 14: Honor: 20MPx+ remains the main contributor
Cameras on smartphones launched by Honor since 2018: % of cameras in terms of pixels



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

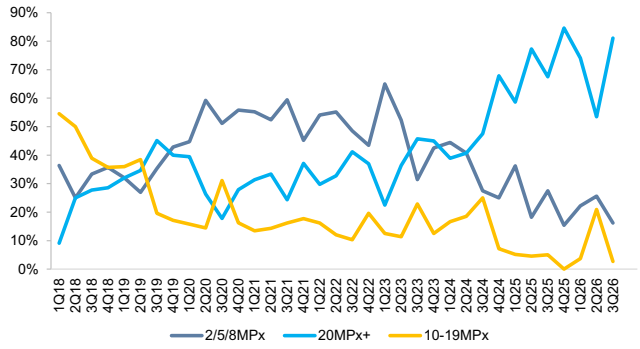
Exhibit 15: Honor: 23% at 2/5/8MPx
111 cameras on 38 models launched by Honor in 2026 YTD, by pixel number



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

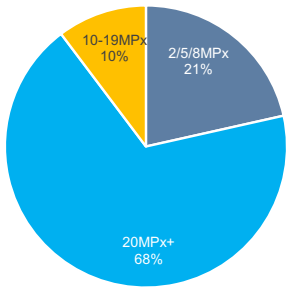
Exhibit 16: Xiaomi: 20MPx+ bouncing back
Cameras on smartphones launched by Xiaomi since 2018: % of cameras in terms of pixels



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

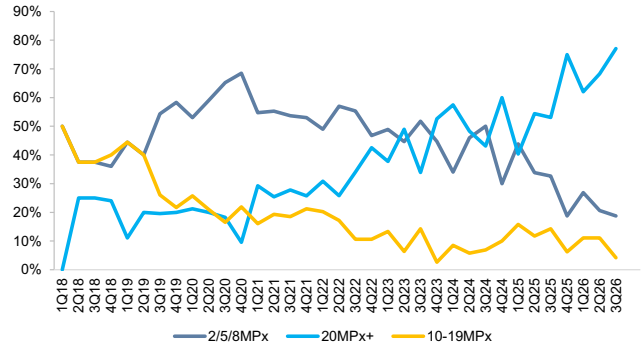
Exhibit 17: Xiaomi: 21% at 2/5/8MPx
107 cameras on 36 models launched by Xiaomi in 2026 YTD, by pixel number



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

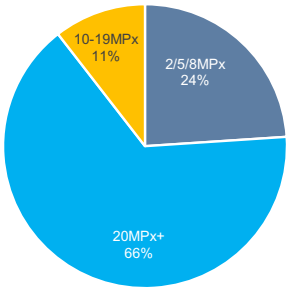
Exhibit 18: OPPO: 20MPx+ remains the main contributor
Cameras on smartphones launched by OPPO since 2018: % of cameras in terms of pixels



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

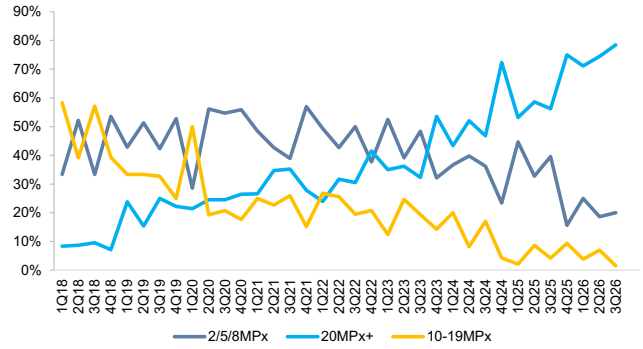
Exhibit 19: OPPO: 24% at 2/5/8MPx
238 cameras on 78 models launched by OPPO in 2026 YTD, by pixel number



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

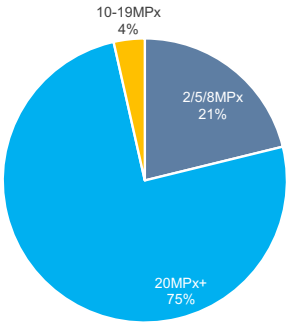
Exhibit 20: Vivo: 20MPx+ becomes the main contributor
Cameras on smartphones launched by Vivo since 2018: % of cameras in terms of pixels



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

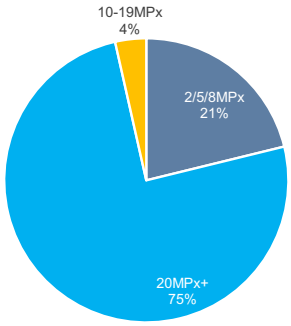
Exhibit 21: Vivo: 21% at 2/5/8MPx
170 cameras on 56 models launched by Vivo in 2026 YTD, by pixel count



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

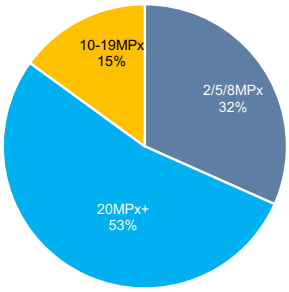
Exhibit 22: Transsion: 20MPx+ remains as the main contributor
Cameras on smartphones launched by Transsion since 2021: % of cameras in terms of pixels



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research

Exhibit 23: Transsion: 32% at 2/5/8MPx
60 cameras on 23 models launched by Transsion in 2026 YTD, by pixel



Data as of Oct 21, 2026

Source: Company data, Data compiled by Goldman Sachs Global Investment Research