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Greater China Technology Hardware | Asia Pacific

Monthly Databook: iPhone Build Strength to Carry into 3Q26 for New Premium Models Debut

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GREATER CHINA TECHNOLOGY HARDWARE
Asia Pacific
Industry View In-Line

Key Takeaways

- 2Q26e iPhone builds estimate stays at 52mn units (down 7% QoQ, up 12% YoY).
- 3Q26e iPhone builds introduced at 54mn units (up 4% QoQ, down 2% YoY).
- We keep 2Q26e iPad builds at 13mn units (up 8% QoQ, down 10% YoY).
- 3Q26 iPad builds introduced at 13mn units (flat QoQ, down 7% YoY).

We keep our 2Q26 iPhone build estimate at 52mn units, down 7% QoQ (+12% YoY), vs. the historical 15-25% QoQ declines previously seen for 2Q. Our checks suggest better-than-seasonal builds this quarter from major assembly partners including Hon Hai, with iPhone shipments in May up MoM. This indicates to us that iPhone sell-through continues to trend well amid memory cost hikes.

We introduce our preliminary 3Q26 iPhone build estimate at 54mn units, up 4% QoQ (-2% YoY). The slower run rate mainly reflects new model SKUs shifting to the premium segment (18 Pro/Pro Max and iPhone Fold), while the iPhone 18 model is scheduled for introduction in 1H27. We currently expect 7-8mn iPhone Fold builds in 2H26 and will closely monitor the ramp-up progress.

We keep our 2Q26 iPad build forecast at 13mn units, up 8% QoQ (-10% YoY). The YoY decline reflects a higher base in 2Q25 given product launches. **We introduce our preliminary 3Q26 iPad build forecast at 13mn units, flat QoQ (-7% YoY),** as we expect stocking to remain normal, although memory and material price hikes could have an impact.

Exhibit 1: iPhone Sell-in Data, by Quarter

mn units	1Q22	2Q22	3Q22	4Q22	2022	1Q23	2Q23	3Q23	4Q23	2023	1Q24	2Q24	3Q24	4Q24	2024	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26e	3Q26e
iPhone Sell-in																							
iPhone SE3 / SE 5G / 16e / 17e	3.0	13.0	6.0	2.0	24.0	1.0	2.5	5.0	3.0	11.5	1.0	2.0	5.0	3.0	11.0	4.0	9.0	4.0	1.0	18.0	2.0	10.0	8.0
iPhone XR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 11	1.0	1.0	0.5	0.5	3.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 12 mini (5.4")	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 12 (6.1")	2.0	1.0	1.0	0.5	4.5	0.5	0.5	-	-	1.0	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 12 Pro (6.1")	1.0	0.5	0.5	0.5	2.5	0.5	-	-	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 12 Pro Max (6.7")	1.0	0.5	0.5	0.5	2.5	0.5	-	-	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 13 mini (5.4")	5.0	2.0	2.0	1.0	10.0	1.0	0.5	-	-	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 13 (6.1")	16.0	11.5	8.0	3.0	38.5	1.0	0.5	-	-	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
iPhone 13 Pro (6.1")	13.0	8.0	6.0	3.5	30.5	1.0	2.0	1.0	-	4.0	0.5	0.5	-	-	1.0	-	-	-	-	-	-	-	-
iPhone 13 Pro Max (6.7")	12.0	7.5	5.0	4.0	28.5	2.0	2.0	1.0	-	5.0	0.5	0.5	-	-	1.0	-	-	-	-	-	-	-	-
iPhone 14 (6.1")			6.5	13.0	19.5	7.0	4.0	5.0	2.0	18.0	1.0	0.5	-	-	1.5	-	-	-	-	-	-	-	-
iPhone 14 Plus (6.7")			2.0	13.5	15.5	5.0	3.0	1.0	1.0	10.0	1.0	0.5	-	-	1.5	-	-	-	-	-	-	-	-
iPhone 14 Pro (6.1")			6.0	16.0	22.0	15.0	12.0	7.0	3.0	37.0	2.0	2.0	1.0	1.0	6.0	1.0	1.0	1.0	-	3.0	-	-	-
iPhone 14 Pro Max (6.7")			6.0	19.0	25.0	19.5	14.0	9.0	4.0	46.5	2.0	2.0	1.0	1.0	6.0	1.0	1.0	1.0	-	3.0	-	-	-
iPhone 15 (6.1")								6.0	12.0	18.0	6.0	5.0	4.0	1.0	16.0	1.0	0.5	0.5	0.5	2.5	-	-	-
iPhone 15 Plus (6.7")								5.0	10.0	15.0	4.0	3.0	1.0	1.0	9.0	1.0	0.5	0.5	0.5	2.5	-	-	-
iPhone 15 Pro (6.1")								8.0	16.0	24.0	12.0	10.0	8.5	2.0	32.5	2.0	2.0	2.0	1.0	7.0	1.0	1.0	-
iPhone 15 Pro Max (6.7")								2.0	24.0	26.0	18.0	13.0	10.5	3.0	44.5	3.0	3.0	2.0	1.0	9.0	1.0	1.0	-
iPhone 16 (6.1")											-	-	6.0	12.0	18.0	5.0	4.0	4.0	1.0	14.0	2.0	2.0	1.0
iPhone 16 Plus (6.7")											-	-	5.0	6.0	11.0	4.0	3.0	1.0	-	8.0	-	-	-
iPhone 16 Pro (6.3")											-	-	8.0	17.0	25.0	11.5	9.5	4.0	2.0	27.0	2.0	2.0	2.0
iPhone 16 Pro Max (6.9")											-	-	4.0	26.0	30.0	16.5	13.0	10.0	4.0	43.5	5.0	3.0	2.0
iPhone 17 (6.1")											-	-	-	-	-	-	-	6.0	16.0	22.0	10.0	8.0	6.0
iPhone Air (6.7")											-	-	-	-	-	-	-	4.0	4.0	8.0	-	-	-
iPhone 17 Pro (6.3")											-	-	-	-	-	-	-	8.0	22.0	30.0	18.0	13.0	9.0
iPhone 17 Pro Max (6.9")											-	-	-	-	-	-	-	7.0	23.0	30.0	15.0	12.0	9.0
iPhone 18 Pro (6.3")																							8.0
iPhone 18 Pro Max (6.9")																							8.0
iPhone Fold																							1.0
Total	**54.0**	**45.0**	**50.0**	**77.0**	**226.0**	**54.0**	**41.0**	**50.0**	**75.0**	**220.0**	**48.0**	**39.0**	**54.0**	**73.0**	**214.0**	**50.0**	**46.5**	**55.0**	**76.0**	**227.5**	**56.0**	**52.0**	**54.0**
YoY	7%	1%	0%	-9%	-2%	0%	-9%	0%	-3%	-3%	-11%	-5%	8%	-3%	-3%	4%	19%	2%	4%	6%	12%	12%	-2%
QoQ	-36%	-17%	11%	54%		-30%	-24%	22%	50%		-36%	-19%	38%	35%		-32%	-7%	18%	38%		-26%	-7%	4%

Source: Company data, Morgan Stanley Research. e = Morgan Stanley Asia Research estimates based on company announcements and supply chain checks.

Exhibit 2: iPad Sell-in Data, by Quarter

mn units	1Q22	2Q22	3Q22	4Q22	2022	1Q23	2Q23	3Q23	4Q23	2023
iPad Sell-in										
iPad mini 4	-	-	-	-	-	-	-	-	-	-
iPad mini 4	-	-	-	-	-	-	-	-	-	-
iPad mini 5	1.5	1.5	1.0	1.0	5.0	0.5	-	-	-	0.5
iPad mini 6						1.0	2.5	3.0	2.0	8.5
iPad mini 7						-	-	-	-	-
The iPad (9.7")	-	-	-	-	-	-	-	-	-	-
The iPad (10.2")	4.5	3.3	3.5	-	11.3	-	-	-	-	-
The iPad (10.9")	-	-	3.0	7.0	10.0	4.0	4.5	4.5	6.0	19.0
iPad Air (10.5"/10.9"/11")	3.5	5.0	4.0	3.0	15.5	3.0	2.0	3.0	4.0	12.0
iPad Air (12.9"/13.0")										
iPad Pro 12.9"	-	-	-	-	-	-	-	-	-	-
iPad Pro 10.5"	-	-	-	-	-	-	-	-	-	-
iPad Pro 12.9" Face ID (2018)	-	-	-	-	-	-	-	-	-	-
iPad Pro 11" Face ID (2018)	-	-	-	-	-	-	-	-	-	-
iPad Pro 12.9" Face ID (2020)	-	-	-	-	-	-	-	-	-	-
iPad Pro 11" Face ID (2020)	-	-	-	-	-	-	-	-	-	-
iPad Pro 12.9" Face ID (2021)	1.5	1.0	0.5	-	3.0	-	-	-	-	-
iPad Pro 11" Face ID (2021)	1.0	1.0	0.5	-	2.5	-	-	-	-	-
iPad Pro 12.9" Face ID (2022)		0.2	2.5	3.5	6.2	1.0	1.0	1.0	1.5	4.5
iPad Pro 11" Face ID (2022)		1.0	3.0	3.5	7.5	1.0	1.5	1.5	1.5	5.5
iPad Pro 11" OLED (2024)										
iPad Pro 12.9" OLED (2024)										
Total	**12.0**	**13.0**	**18.0**	**18.0**	**61.0**	**10.5**	**11.5**	**13.0**	**15.0**	**50.0**
YoY	-21%	-23%	13%	38%	0%	-13%	-12%	-28%	-17%	-18%
QoQ	-9%	8%	38%	0%		-42%	10%	13%	15%	

mn units	1Q24	2Q24	3Q24	4Q24	2024	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26e	3Q26e
iPad Sell-in													
iPad mini 4	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad mini 4	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad mini 5	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad mini 6	1.0	1.0	2.0	3.0	7.0	-	-	-	-	-	-	-	-
iPad mini 7	-	-	1.0	1.5	2.5	2.0	2.0	1.5	0.5	6.0	0.5	0.5	0.5
The iPad (9.7")	-	-	-	-	-	-	-	-	-	-	-	-	-
The iPad (10.2")	-	-	-	-	-	-	-	-	-	-	-	-	-
The iPad (10.9")	3.5	2.5	5.5	5.5	17.0	5.5	6.0	6.0	6.0	23.5	5.5	6.0	6.0
iPad Air (10.5"/10.9"/11")	2.0	2.0	3.0	2.5	9.5	2.5	3.0	3.0	3.5	12.0	3.0	3.5	3.5
iPad Air (12.9"/13.0")	1.0	2.0	2.0	1.5	6.5	1.0	1.5	1.5	2.0	6.0	2.0	2.0	2.0
iPad Pro 12.9"	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 10.5"	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 12.9" Face ID (2018)	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 11" Face ID (2018)	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 12.9" Face ID (2020)	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 11" Face ID (2020)	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 12.9" Face ID (2021)	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 11" Face ID (2021)	-	-	-	-	-	-	-	-	-	-	-	-	-
iPad Pro 12.9" Face ID (2022)	1.0	-	-	-	1.0	-	-	-	-	-	-	-	-
iPad Pro 11" Face ID (2022)	1.0	-	-	-	1.0	-	-	-	-	-	-	-	-
iPad Pro 11" OLED (2024)	1.0	1.5	1.0	0.5	4.0	0.5	1.0	1.0	1.0	3.5	0.5	0.5	0.5
iPad Pro 12.9" OLED (2024)	1.0	1.5	1.0	0.5	4.0	0.5	1.0	1.0	1.0	3.5	0.5	0.5	0.5
Total	**11.5**	**10.5**	**15.5**	**15.0**	**52.5**	**12.0**	**14.5**	**14.0**	**14.0**	**54.5**	**12.0**	**13.0**	**13.0**
YoY	10%	-9%	19%	0%	5%	4%	38%	-10%	-7%	4%	0%	-10%	-7%
QoQ	-23%	-9%	48%	-3%		-20%	21%	-3%	0%		-14%	8%	0%

Source: Company data, Morgan Stanley Research. e = Morgan Stanley Asia Research estimates based on company announcements and supply chain checks.

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(as of May 31, 2026)

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Equal-weight/Hold	1571	43%	369	40%	23%	723	44%
Not-Rated/Hold	3	0%	0	0%	0%	1	0%
Underweight/Sell	551	15%	86	9%	16%	201	12%
Total	3,667		920			1632	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

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INDUSTRY COVERAGE: Greater China Technology Hardware

COMPANY (TICKER)	RATING (AS OF)	PRICE* (06/12/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$42.92
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb204.97
BYD Electronics (0285.HK)	O (04/28/2023)	HK$24.78
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.40
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb15.95
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb506.46
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT$662.00
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.96

HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb30.24
Largan Precision (3008.TW)	E (10/17/2025)	NT$4,020.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb7.86
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb8.70
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$8.13
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb55.50
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$38.58
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb53.67
Sunny Optical (2382.HK)	E (03/23/2026)	HK$71.55
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb280.95
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb17.36
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$26.20
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb436.50
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	E (04/20/2023)	HK$226.60
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb117.30
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb32.39
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb1,149.00
ZTE Corporation (0763.HK)	O (06/04/2026)	HK$26.00
ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb36.35
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$2,335.00
Advantech (2395.TW)	O (01/20/2021)	NT$473.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,290.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$23.50
Bizlink (3665.TW)	O (03/10/2025)	NT$2,310.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb5.57
Chenbro (8210.TW)	O (07/23/2025)	NT$1,475.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$2,295.00
E Ink Holdings Inc. (8069.TWO)	O (05/11/2026)	NT$196.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$64.40
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$323.50
Innolux (3481.TW)	E (04/07/2025)	NT$48.55
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$6,910.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb41.14
Radiant Opto-Electronics Corporation (6176.TW)	E (03/01/2024)	NT$91.30
Sanan Optoelectronics (600703.SS)	U (08/21/2023)	Rmb13.92
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.55
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb7.51
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb196.30
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$36.70
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$785.00
Compal Electronics (2324.TW)	U (04/23/2025)	NT$36.35
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$7.36
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT$342.00
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT$1,320.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb57.86
Lenovo (0992.HK)	E (11/16/2025)	HK$22.34
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT$2,240.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$819.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$93.10
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$372.00
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb151.28
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb379.50
Unimicron (3037.TW)	O (02/23/2026)	NT$902.00

Wistron Corporation (3231.TW)	O (07/12/2023)	NT$156.00
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$4,850.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$855.00
Zhen Ding (4958.TW)	O (05/18/2026)	NT$552.00
Sharon Shih		
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$2,405.00
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$1,055.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT$205.50
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$2,215.00
Fositek Corp (6805.TW)	O (06/25/2025)	NT$1,825.00
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb70.13
Foxconn Technology (2354.TW)	U (04/23/2025)	NT$57.00
GoerTek Inc (002241.SZ)	U (04/23/2025)	Rmb23.01
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$260.50
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$2,195.00
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb14.01
Lite-On Technology (2301.TW)	E (01/15/2025)	NT$217.00
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb63.76
Sunonwealth Electric Machine Industry Co (2421.TW)	E (02/23/2024)	NT$144.00
Tong Hsing (6271.TW)	E (03/18/2019)	NT$238.50
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$352.00

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