November 4, 2026 03:32 PM GMT

Greater China Technology Hardware | Asia Pacific

Another key US CPU vendor's 3Q26 earnings call – key implications for our coverage

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GREATER CHINA TECHNOLOGY HARDWARE

Asia Pacific
Industry View **In-Line**

Key Takeaways

- We continue to view negative PC comments as bearish for OEMs and ODMs positioned in the lower-end consumer segment, like Acer and Compal.
- Strong server CPU unit growth from AMD would be positive for Lotes, Wiwynn, Unimicron, and NYPCB...
- ...and indirectly benefit GCE, EMC, TUC, and Co-Tech.
- We see positive implications for Lotes if AMD takes share in both the PC and Server segments.

(-) PC OEMs and ODMs: AMD (covered by Joseph Moore) mentioned that PC sell-through slowed down in late 3Q, particularly in the consumer segment, and that it estimates PC units will fall in double digits (%) in CY27. This aligns with Morgan Stanley's estimate at a ~11% y/y decline (report link). AMD also mentioned that it expects to outgrow the market in CY27.

(+) Server OEMs, ODMs, and component makers: AMD expects CPU TAM to reach US$220bn by 2030, implying a ~50% CAGR. It also mentioned that its Venice CPU began shipments in 3Q and cloud providers are deploying it in 4Q.

(+) ABF substrates: AMD said that it has secured the wafers, substrates, advanced packaging, and memory needed for much higher 2027 growth, and is planning to add more. It also mentioned that its supply chain is quite "fungible" across its PC and server business, but overall it still "has more demand than it has supply."

Exhibit 1: Worldwide PC Vendor Ranking, 3Q26

Worldwide PC Vendor Ranking, 3Q26

Rank	Vendor	3Q26 Shipments	3Q26 Market share	2Q26 Shipments	2Q26 Market share	3Q25 Shipments	3Q25 Market share	QoQ	YoY
1	Lenovo	14,933	23.8%	16,659	24.2%	19,305	24.6%	-10%	-23%
2	HP	10,344	16.5%	13,016	18.9%	14,975	19.1%	-21%	-31%
3	Dell	7,581	12.1%	9,286	13.5%	10,107	12.9%	-18%	-25%
4	Apple	5,946	9.5%	7,162	10.4%	6,702	8.5%	-17%	-11%
5	ASUS	5,459	8.7%	4,995	7.2%	5,974	7.6%	9%	-9%
	Others	18,422	29.4%	17,859	25.9%	21,431	27.3%	3%	-14%
	Total	**62,685**		**68,977**		**78,495**		**-9%**	**-20%**

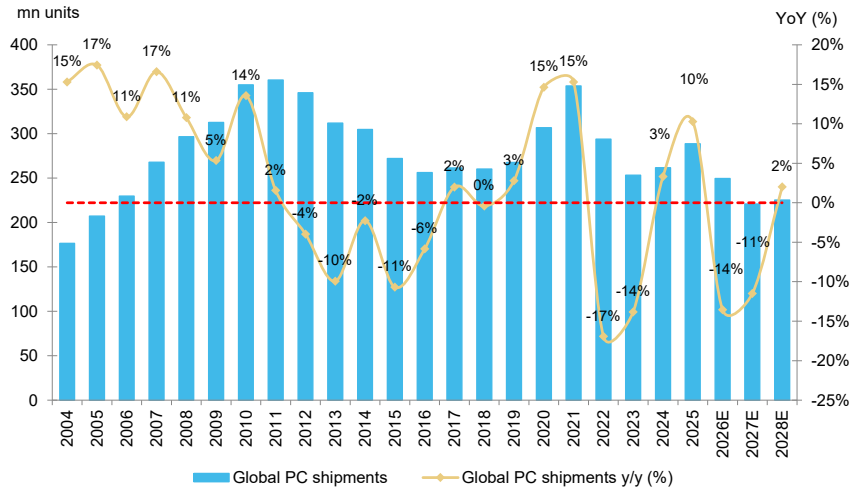
Source: IDC, Morgan Stanley Research.

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Exhibit 2: Morgan Stanley's PC forecast



Source: IDC, Morgan Stanley Research estimates (E) based on the MS Global PC Model.

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	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1575	43%	460	49%	29%	742	44%
Equal-weight/Hold	1537	42%	393	42%	26%	720	43%
Not-Rated/Hold	2	0%	1	0%	50%	1	0%
Underweight/Sell	570	15%	92	10%	16%	218	13%
Total	3,684		946			1681	

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INDUSTRY COVERAGE: Greater China Technology Hardware

COMPANY (TICKER)	RATING (AS OF)	PRICE* (11/04/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$36.96
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb98.23
BYD Electronics (0285.HK)	O (04/28/2023)	HK$21.18

China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb8.01
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb14.71
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb196.50
Genius Electronic Optical Co. Ltd. (3406.TW)	E (10/13/2026)	NT$939.00
GoerTek Inc (002241.SZ)	E (08/14/2026)	Rmb23.63
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.05
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb35.17
Largan Precision (3008.TW)	O (10/13/2026)	NT$5,010.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb5.24
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb11.77
Lingyi Itech Guangdong Co (1688.HK)	O (08/14/2026)	HK$5.55
Luxshare Precision Industry Co., Ltd. (2475.HK)	O (08/14/2026)	HK$50.60
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb49.51
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb5.68
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$4.39
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb74.00
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$35.64
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb58.76
Sunny Optical (2382.HK)	E (03/23/2026)	HK$63.80
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb136.00
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb11.97
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$28.76
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb271.50
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	O (07/15/2026)	HK$109.80
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb96.23
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb23.50
Zhongji Innolight Co Ltd (300308.SZ)	O (09/07/2026)	Rmb533.38
Zhongji Innolight Co Ltd (3308.HK)	O (09/07/2026)	HK$667.00
ZTE Corporation (0763.HK)	O (06/04/2026)	HK$20.26
ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb28.56
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$1,480.00
Advantech (2395.TW)	O (01/20/2021)	NT$629.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,050.00
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$2,820.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$29.10
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$1,300.00
Bizlink (3665.TW)	O (03/10/2025)	NT$1,570.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb4.63
Chenbro (8210.TW)	O (07/23/2025)	NT$634.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$1,470.00
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$1,220.00
E Ink Holdings Inc. (8069.TWO)	E (08/10/2026)	NT$144.50
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$56.70
Fositek Corp (6805.TW)	O (06/25/2025)	NT$2,080.00
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$302.50
Innolux (3481.TW)	E (04/07/2025)	NT$40.90
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$8,600.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb27.10
Lite-On Technology (2301.TW)	E (01/15/2025)	NT$226.00
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.68
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb5.69
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$29.45
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$877.00

Catcher Technology (2474.TW)	U (11/17/2025)	NT$186.50
Compal Electronics (2324.TW)	U (04/23/2025)	NT$33.25
Elite Material Co. (2383.TW)	O (09/14/2026)	NT$4,555.00
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$3.41
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb45.25
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT$324.50
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT$964.00
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$240.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb55.75
Kingboard Laminates Holdings Ltd. (1888.HK)	O (09/14/2026)	HK$37.32
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$2,100.00
Lenovo (0992.HK)	O (07/10/2026)	HK$20.84
Lotes Co. Ltd. (3533.TW)	O (10/27/2026)	NT$1,820.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$1,080.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$101.50
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$302.50
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb80.88
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb225.60
Unimicron (3037.TW)	O (02/23/2026)	NT$888.00
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$384.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT$176.00
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$1,785.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$449.00
Zhen Ding (4958.TW)	++	NT$433.00
Irene Yen		
Co-Tech Development Corp. (8358.TWO)	O (09/14/2026)	NT$366.50
Taiwan Union Technology Corporation (6274.TWO)	O (09/14/2026)	NT$1,115.00

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