Morgan Stanley | RESEARCH

UPDATE

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Greater China Technology Hardware | Asia Pacific

Monthly Databook: No change for 3Q iPhone/iPad builds

Key Takeaways

- 3Q26e iPhone build unchanged at 54M units (+4% q/q, -2% y/y).
- 3Q26e iPad build unchanged at 13M units (flat q/q, -7% y/y).

2Q26 iPhone build was in-line at 52M units (-7% q/q, +12% y/y), vs. 15-25% q/q declines usually seen for 2Q. Our checks indicated better-than-seasonal builds this quarter from major assembly partners including Hon Hai, with iPhone shipments in June up m/m. This indicates to us that iPhone sell-through continues to trend well amid memory cost hikes.

We keep our 3Q26 iPhone build estimate unchanged at 54M units (+4% q/q, -2% y/y). The slower y/y run rate 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 continue to expect 7-8M iPhone Fold builds in 2H26 (no change) and will monitor the ramp-up progress to see if there is any upside or downside to builds.

2Q26 iPad build is in-line with MSe at 13M units (+8% q/q, -10% y/y). The y/y decline reflects a higher base in 2Q25 given product launches. **We keep our 3Q26 iPad build forecast unchanged at 13M units (flat q/q, -7% y/y),** 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.

MORGAN STANLEY TAIWAN LIMITED+

Howard Kao
Equity Analyst
Howard.Kao@morganstanley.com +886 2 2730-2989

Derrick Yang
Equity Analyst
Derrick.Yang@morganstanley.com +886 2 2730-2862

MORGAN STANLEY ASIA LIMITED+

Andy Meng, CFA
Equity Analyst
Andy.Meng@morganstanley.com +852 2239-7689

MORGAN STANLEY TAIWAN LIMITED+

Irene Yen
Research Associate
Irene.Yen@morganstanley.com +886 2 2730-2869

Vivi Huang
Research Associate
Vivi.Huang@morganstanley.com +886 2 2730-2860

MORGAN STANLEY ASIA LIMITED+

Betty Chen
Research Associate
Betty.H.Chen@morganstanley.com +852 2239-7213

GREATER CHINA TECHNOLOGY HARDWARE

Asia Pacific

Industry View **In-Line**

Exhibit 2: iPad 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
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	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")	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	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")	3.5	5.0	4.0	3.0	15.5	3.0	2.0	3.0	4.0	12.0	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)	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	1.0	-	-	-	1.0	-	-	-	-	-	-	-	-
iPad Pro 11" Face ID (2022)		1.0	3.0	3.5	7.5	1.0	1.5	1.5	1.5	5.5	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	**12.0**	**13.0**	**18.0**	**18.0**	**61.0**	**10.5**	**11.5**	**13.0**	**15.0**	**50.0**	**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	-21%	-23%	13%	36%	0%	-13%	-12%	-28%	-17%	-18%	10%	-9%	19%	0%	5%	4%	38%	-10%	-7%	4%	0%	-10%	-7%
QoQ	-9%	8%	38%	0%		-42%	10%	13%	15%		-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 June 30, 2026)

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Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1544	42%	453	49%	29%	757	44%
Equal-weight/Hold	1577	43%	390	42%	25%	769	44%
Not-Rated/Hold	3	0%	1	0%	33%	1	0%
Underweight/Sell	544	15%	89	10%	16%	204	12%
Total	3,668		933			1731	

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.

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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.

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INDUSTRY COVERAGE: Greater China Technology Hardware

COMPANY (TICKER)	RATING (AS OF)	PRICE* (07/13/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$38.18
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb216.00
BYD Electronics (0285.HK)	O (04/28/2023)	HK$21.46
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.03
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb16.79

Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb512.50
Genius Electronic Optical Co. Ltd. (3406.TW)	E (04/23/2025)	NT$609.00
GoerTek Inc (002241.SZ)	U (04/23/2025)	Rmb21.82
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.28
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb33.19
Largan Precision (3008.TW)	O (07/10/2026)	NT$4,345.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb6.19
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb13.64
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb58.98
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb8.79
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$6.50
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb52.30
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$30.38
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb64.43
Sunny Optical (2382.HK)	E (03/23/2026)	HK$55.05
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb259.31
Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb21.10
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$25.84
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb381.87
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	E (04/20/2023)	HK$139.70
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb111.22
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb29.66
Zhongji Innolight Co Ltd (300308.SZ)	++	Rmb1,108.00
ZTE Corporation (0763.HK)	O (06/04/2026)	HK$24.92
ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb40.04
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$2,405.00
Advantech (2395.TW)	O (01/20/2021)	NT$536.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,320.00
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$2,225.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$29.25
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$905.00
Bizlink (3665.TW)	O (03/10/2025)	NT$1,865.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb6.83
Chenbro (8210.TW)	O (07/23/2025)	NT$1,135.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$1,850.00
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$1,890.00
E Ink Holdings Inc. (8069.TWO)	O (05/11/2026)	NT$196.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$60.90
Fositek Corp (6805.TW)	O (06/25/2025)	NT$1,410.00
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$332.00
Innolux (3481.TW)	E (04/07/2025)	NT$61.00
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$8,080.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb39.53
Lite-On Technology (2301.TW)	E (01/15/2025)	NT$222.00
Radiant Opto-Electronics Corporation (6176.TW)	E (03/01/2024)	NT$90.00
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.81
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb7.16
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb297.10
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$31.95
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$704.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT$192.50
Compal Electronics (2324.TW)	U (04/23/2025)	NT$36.65
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$5.99

Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb63.08
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT$335.50
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT$1,045.00
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$236.50
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb85.49
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$1,990.00
Lenovo (0992.HK)	O (07/10/2026)	HK$23.30
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT$1,980.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$1,270.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$82.60
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$378.00
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb134.45
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb393.59
Unimicron (3037.TW)	O (02/23/2026)	NT$903.00
Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$329.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT$143.50
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$4,960.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$816.00
Zhen Ding (4958.TW)	O (05/18/2026)	NT$646.00

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