

THE MARKET FOR OPTICS IN CHINA

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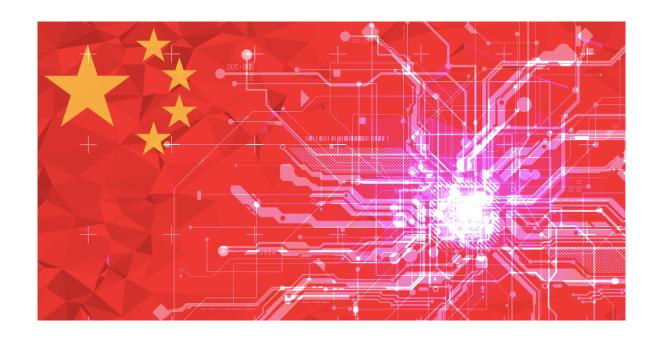




Table of Content

Table of Content	1
Abstract	5
Executive Summary	6
Demand for optics from Chinese Cloud companies was weaker than expected in 2021	6
Demand for optics from Chinese Service providers remains steady	8
Chapter 1: Telecommunication Service Providers in China	11
Broadband deployments in China	11
CSPs in China reduce their spending	14
Networking Infrastructure Projects in China	16
China Mobile continues to expand	21
China Telecom continues to grow but loses its leadership in wireline broadband	23
China Unicom is building a cloud business in partnership with leading ICPs	27
China Broadcasting Network Company to enter the 5G race	29
Chapter 2: Internet Content Providers in China	31
Chinese ICPs are growing faster	31
Chinese consumers are leading the world in the adoption of cloud services	32
Regulation of China's online economy continued to tighten in 2021	39
Infrastructure investments of Chinese ICPs are still modest but are growing fast	40
datacenters in China	42
There is a hidden value in networks of smaller data centers	45
Venturing outside of China	45
China's cyberspace remains inhospitable to foreigners	46



	Increasing competition will drive adoption of 200G and 400G technology in China, but it is taking longer than expected	. 48
С	hapter 3: Network and Datacenter Equipment Manufacturers	. 50
	5G deployment has benefited china's domestic equipment makers	. 50
	China's Data center investment growth is no longer a given	. 51
	Dark clouds ahead for China's ICPs	. 53
	FiberHome sales rebounded in 2021 after Covid hit in 2020	. 54
	H3C is doing well, powered by HP products	. 55
	Huawei faces unprecedented challenges	. 57
	Western sanctions take a bite out of Huawei's growth	. 60
	Inspur has quadrupled sales in four years	. 61
	Lenovo's datacenter group on a growth trend	. 63
	ZTE reached new heights in 2021	. 64
С	hapter 4: Chinese Manufacturers of Optical Components and Modules	. 66
	Sales of Chinese optical component vendors exceeded \$4.4 billion in 2021	. 67
	Innolight emerges as a new role model for the Chinese startups	. 70
	Wuhan Optical Valley after COVID-19	. 70
	Xian is attracting a new wave of investments	. 72
	Chengdu is attracting more optical companies	. 73
	The search for lower manufacturing cost continues	. 73
	Laser chip manufacturing in China	. 75
	The government PLAN for chip manufacturing in China	. 76
	Is Silicon Photonics the best option for China to SURpass the west?	. 78
С	hapter 5: Sales of Optical Components and Modules for deployments in China	. 79
	Demand for Ethernet optics in China	. 80
	forecast for deployments of DWDM modules in China	. 83



	China will account for more than 50% of FTTx and wireless fronthaul optics sales in 2022 026	
N	Market for AOCs and EOMs in China	89
App	pendix A: Profiles of selected Chinese Cloud companies	92
	VNET Group	92
	Alibaba	93
	baidu	95
	Bytedance	97
	CEC Cloud	98
	Huawei Cloud	99
	JD Cloud & AI	. 100
	Kingsoft Cloud	. 101
	QingCloud	. 101
	Sugon Cloud	. 102
	Tencent	. 103
	UCloud	. 107
	Vipshop	. 107
App	pendix B: Profiles of selected Chinese optical component and transceiver companies	. 109
	Accelink	. 109
	ATOP Corporation	. 109
	CIG	. 110
	Cloudlight	. 110
	Crealights	. 111
	Eoptolink Technology Inc., Ltd	. 112
	Gigalight	. 112
	HG Genuine	113



HISENSE BROADBAND	114
Hi-Optel	115
Innolight	116
Linktel	117
O-NET	117
Sunstar Communication Technology	118
XGIGA (now Amphenol)	118
Xiamen San-U Optronics Co.,Ltd	119
YOFC	110



Abstract

Demand for optics from Chinese service providers surprised the industry in 2010-2016. It started with massive deployments of FTTx systems and continued with optical fronthaul in the access markets. Adoption of 10G PON and 25G fronthaul optics will sustain demand for access optics in 2022-2026. First deployments of 100/200G DWDM ports and ROADMs in core networks set high expectations for the scale of future projects.

Chinese Internet Content Providers (ICPs) started to upgrade their datacenters with 25G AOCs and 100GbE transceivers in 2018-2020 and plan to deploy 200GbE and 400GbE optics next. These deployments started in 2021, but we reduced our forecast for 2022-2026 because on uncertainly related to the future of Chinese Cloud companies.

This report discusses current and future infrastructure projects of Communication Service Providers (CSPs) and ICPs in China. It analyses the impact of these projects on the demand for optical networking equipment, optical modules and components. It includes profiles of the leading Chinese Cloud Companies and suppliers of optical components and modules.

The report discusses the history of optical component and module manufacturing in China and the analyses challenges ahead. It includes a companion spreadsheet containing a detailed 5-year history and 5-year forecast for shipments, pricing and sales of optical components deployed in China and compares those with the global market for these products.