

China Research Topical Report

China's Export Trade for Gray-market Handsets to Reach 110 Million Units in 2009

By Kevin Wang, Director

Forecast

Frequency, Time Period

- 5-year annual + 2-year rolling quarterly forecasts

Measures

- Revenues
- Units
- ASP
- Market Share

Regions, Markets

- China

Applications/Products Covered

- Handsets
 - 3G
 - Smart phone
 - Feature phone
- ICs
 - Baseband
 - RF
 - PA
 - CMOS Sensors

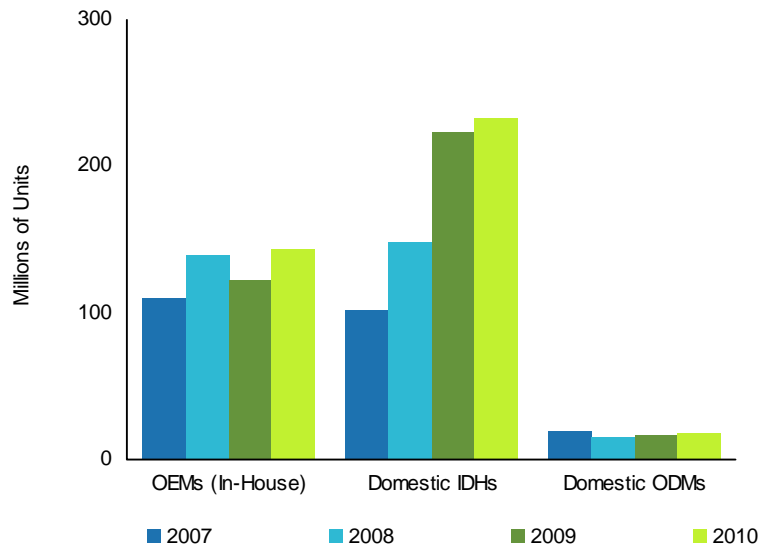
Technologies Covered

- GSM/GPRS/EDGE/WCDMA/HSDPA
- CDMA2000 1x/EV-DO
- TD-SCDMA

Operating alongside China's "official" handset market is the export trade for gray-market handsets, which has also grown rapidly during the first half of 2009. Gray-market handsets, which are characterized by a fake IMEI (International Mobile Equipment Identity) number and carry no test/quality assurances or network entry permits, are not recognized by the Chinese government.

Nevertheless, Chinese suppliers of gray-market handsets have been so successful that iSuppli believes they are grabbing market share away from international handset OEMs like Nokia. About 50 million gray-market handset units were exported from China during the first half of 2009, and the total export trade for gray-market handsets will grow to 110 million units when the year finishes, considerably up from 60 million units in 2008.

Domestically-designed Handset Shipments by Supplier



Critical Questions Answered

- When will the 3G handset market gain momentum?
- How will the gray market develop in the future?
- Who are the leading Chinese OEMs and IDHs?
- Why do Taiwanese handset IC suppliers succeed in China?
- Who will dominate the smart phone market?

Who Should Read This?

- Handset OEMs
 - Strategic Marketing
- Handset ICs
 - Strategic Marketing
- Financial Community

Lead Analyst

Kevin Wang, Director

At iSuppli, Kevin is responsible for managing iSuppli research in China including creating and implementing industry surveys, evaluating the impact of market factors, building long and short-term market forecasts and authoring research reports. He is also responsible for conducting research on wireless market, managing customized project and developing new products focused on China.

Prior to joining iSuppli, Kevin worked as a sales engineer for World Peace International and served as a sales executive for Integrated Circuit Solution, Inc. Kevin also served as an editor at an international electronics magazine where he wrote news and features about the electronics market in China.

Kevin earned his Bachelor of Science in Information Science and Management from Xi'an JiaoTong University and a Master of Business Administration from the University of Hong Kong.

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