

IT Hardware

US CSP positive capex outlook on rising AI demand

Key message

1. CSPs maintain solid capex growth outlooks for 2025F, and Meta (US) revised up its capex guidance by 9% (mid-point) to support AI investment. Consensus is 37% YoY capex growth in 2025 and 6% in 2026 for the Top-4 CSPs.
2. Although some CSPs reported lower-than-expected 1Q25 capex, we believe this is because of slow deployment of GB200 racks due to time needed for firmware readiness. However, GB200 racks will ramp-up faster in 2Q25.
3. Beyond the top CSPs, the focus of AI server capex will be other big projects, including Apple's (US) AI data center expansion in the US, the Stargate project in the US and Japan, growing AI demand for xAI (US), and sovereign funds. All AI demand will benefit Taiwan's supply chain, and we remain positive on Quanta Computer (2382 TT, NT\$251, OP), Hon Hai Precision (2317 TT, NT\$147.5, R), Wiyynn (6669 TT, NT\$2,065, OP), and Wistron (3231 TT, NT\$105.5, OP).

Event

The Top-4 US CSPs released positive guidance on AI investment, with total capex growth of 62% YoY in 1Q25. They remain positive on 2025F as the capex growth outlook is unchanged.

Impact

Bright US CSP capex outlook. During recent earnings calls, US CSPs indicated solid capex outlooks for 2025, and Meta (US) raised its full-year capex guidance by 9% (mid-point). Meta's 1Q25 capex doubled YoY to US\$13.7bn, below consensus by 8%. However, management revised up 2025 capex guidance from US\$60-65bn to US\$64-72bn, mid-point up 73% YoY, reflecting additional data center investment to support AI development and increasing costs of infrastructure hardware. In addition, Microsoft's (US) 3Q FY25 (FY ends June) capex rose 53% YoY, but fell 5% QoQ to US\$21.4bn, below consensus and guidance due to normal variability of the timing of delivery of data center leases. However, management maintained the same capex outlook for 2H FY25, which means capex will grow QoQ. Microsoft maintains guidance that capex will grow YoY in FY26, albeit at a lower rate than FY25. Google's (US) 1Q25 capex rose 43% YoY to US\$17.2bn, in line with consensus, while capex growth was for investment in technical infrastructure, with the largest share for servers and data centers. The firm maintains 2025 capex guidance of US\$75bn, up 43% YoY. Amazon (US) 1Q25 capex rose 68% YoY to US\$25bn for technology infrastructure, mainly for AWS to support AI demand, in line with consensus. Although some CSPs reported lower-than-expected 1Q25 capex, we believe this is due to slow deployment of GB200 racks due to time needed for firmware readiness. That said, GB200 rack production will ramp-up quickly in 2Q25F. The top four US CSPs still guide solid capex outlooks for 2025, and consensus is 37% YoY capex growth in 2025 and 6% in 2026. In addition, most CSPs note there is a supply-demand imbalance for AI servers. Despite its previous guidance of balanced AI supply-demand in June, Microsoft now expects some AI capacity constraints beyond June. We think a 2026 CSP capex growth slowdown is priced-in. The bright near-term capex outlook implies rising AI demand, and we should see AI shipments accelerate in 2Q-4Q25.

Beyond top CSPs, focus of AI server capex includes other big projects. AI demand from the top US hyperscale CSPs has been a major driver of sales, as their AI LLM models launched first. With AI demand coming from enterprises, governments, and some sovereign funds, we think the business focus will extend beyond the top CSPs. Recent information indicates that Apple (US) will spend US\$500bn on its AI data centers in Texas, US, with servers to support Apple Intelligence over the next four years. Moreover, the Stargate project in the US (investors are OpenAI (US), SoftBank (JP), Oracle (US), and MGX (UAE)) will also invest an initial US\$500bn over the next four years to create shared computing facilities to meet thriving demand for AI systems. We have also learned that a similar Stargate project is being developed in Japan by SoftBank for AI infrastructure. Meanwhile, xAI (US) has commenced fundraising for AI infrastructure expansion, with growing demand for Dell (US). In addition, Middle Eastern sovereign funds continue to increase their investment in AI infrastructure. On massive AI demand, Nvidia (US) has established a partnership with several Taiwan firms for up to US\$500bn of output value for AI infrastructure in the US, besides Taiwan, to meet growing AI server demand. We therefore believe cloud AI server sales growth in 2025 will not be the peak, and will continue growing in 2026.

Stocks for Action

Positive CSP capex outlooks will enhance AI server demand for the supply chain, with the main system assemblers being Wiyynn (6669 TT) for Meta, Microsoft, and AWS, as well as Quanta Computer (2382 TT) for all four US CSPs, and Hon Hai Precision (2317 TT) for Microsoft and AWS. Wistron (3231 TT) will benefit from Dell, while Hon Hai will benefit from Oracle on rising AI server demand.

Risks

Sluggish demand; higher production and financing costs.

Key takeaways from CSP earnings calls
Google

- Google 1Q25 capex rose 43% YoY and 21% QoQ to US\$17.2bn, in line with consensus. The capex primarily reflects spending on servers, followed by data centers.
- The company maintained 2025 capex guidance of US\$75bn, but the amount may fluctuate quarterly due to the delivery schedule.
- The company reiterated that it still sees higher customer demand for cloud business than its current capacity, and believes cloud revenue is correlated with the timing of deployment of new capacity.
- Main assemblers for Google include Quanta Computer (2382 TT, NT\$251, OP) and Hon Hai Precision (2317 TT, NT\$147.5, R), as well as motherboard supplier Inventec (2356 TT, NT\$41.7, N).

Meta

- 1Q25 capex (including financial leasing) doubled YoY to US\$13.7bn, below consensus by 8%, driven by investments in servers, data centers and network infrastructure.
- Management revised up capex (including principal payments on finance leases) guidance from US\$60-65bn to US\$64-72bn, mid-point up 73% YoY, for core business. The upward guidance revision reflects additional data center investments to support AI efforts and increased cost of infrastructure hardware.
- Main assemblers for Meta include Quanta (GPU AI and general server) and Wiywynn (general and ASIC AI server).

Microsoft

- Despite a weaker-than-expected 3Q FY25 capex (including financial leasing) of US\$21.4bn due to normal variability of the timing of delivery of data center leases, Microsoft maintained capex estimates for 3Q-4Q FY25, implying 4Q FY25 will grow QoQ.
- Management guides FY26 capex will grow YoY, but at a lower rate than FY25, the same as guidance last quarter. FY26 capex will include a greater weighting of short-lived assets (such as server equipment), which are more directly correlated to revenue than long-lived assets (data center-related infrastructure).
- Microsoft cited that roughly half of its cloud- and AI-related spending was on long-lived assets that will support monetization over the next 15 years and beyond. While it guides an increase in short-lived assets (server equipment) in FY26, its capex will continued to grow YoY, which is quite a positive outlook, reducing market concerns.
- Microsoft expects to have some AI capacity constraints beyond June, despite guidance of achieving balanced supply-demand that month in its last conference call.
- Microsoft reported better-than-expected Azure sales YoY growth of 35% in 3QFY25, beating consensus by 4ppts on strong demand for its services. It guides Azure sales to grow 35% YoY in 4QFY25, better than consensus.
- Main assemblers for Microsoft include Hon Hai and Quanta for AI servers, motherboard suppliers include Inventec, and Quanta and Wiywynn for general servers.

Amazon

- Capex rose 68% YoY to US\$25bn in 1Q25, in line with consensus, to support the need for technology infrastructure, primarily related to AWS as the firm invests to support demand for AI services, Trainium chips, and tech infrastructure to support its North America and international segments.
- Amazon mentioned Trainium 2 has 30-40% better price performance than other GPU-based instances. Its Trainium 2 is starting to lay in capacity in larger quantities and is likely to see significant demand.
- AWS sales grew 17% YoY in 1Q25, and now annualized revenue run rate is US\$117bn. The firm continues to see growth from both generative AI and non-generative AI offerings.
- Main assemblers for Amazon include Quanta for GPU AI servers, Wistron for ASIC AI servers, Hon Hai for general servers, and Inventec for AI server motherboards.

Figure 1: Upward revision of top four US CSP capex in 2025F to 37% YoY; capex uptrend to continue in 2026F

Capex (US\$m)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25 Actual	1Q25 Consensus forecast	Diff(%)	2023	2024	2025F	2026F
Meta (Facebook)	6,842	6,216	6,543	7,665	6,400	8,173	8,258	14,425	12,941	14,110	(8)	27,266	37,256	64,453	68,771
Amazon	14,207	11,455	12,479	14,588	14,925	17,620	22,620	27,834	25,019	25,444	(2)	48,133	82,999	103,937	107,442
Microsoft	6,607	8,943	9,917	9,735	10,952	13,873	14,923	15,804	16,745	16,285	3	35,202	55,552	70,265	78,179
Google	6,289	6,888	8,055	11,019	12,012	13,186	13,061	14,276	17,197	17,189	0	32,251	52,535	74,859	78,288
US hyperscale subtotal	33,945	33,502	36,994	43,007	44,289	52,852	58,862	72,339	71,902	73,028	(2)	142,852	228,342	313,514	332,681
YoY (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	1Q25		2023	2024	2025F	2026F
Meta (Facebook)	25.7	(17.9)	(30.2)	(15.2)	(6.5)	31.5	26.2	88.2	102.2	120.5		(13.3)	36.6	73.0	6.7
Amazon	(5.0)	(27.1)	(23.8)	29.5	5.1	53.8	81.3	90.8	67.6	70.5		(17.5)	72.4	25.2	3.4
Microsoft	23.7	30.2	57.8	55.2	65.8	55.1	50.5	62.3	52.9	48.7		42.1	57.8	26.5	11.3
Google	(35.7)	0.9	10.7	45.1	91.0	91.4	62.1	29.6	43.2	43.1		2.4	62.9	42.5	4.6
US Hyperscale subtotal	(4.4)	(9.4)	(5.9)	25.8	30.5	57.8	59.1	68.2	62.3	64.9		(2.2)	59.8	37.3	6.1
QoQ (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	1Q25		2023	2024	2025F	2026F
Meta (Facebook)	(24.3)	(9.1)	5.3	17.1	(16.5)	27.7	1.0	74.7	(10.3)	(2.2)					
Amazon	26.1	(19.4)	8.9	16.9	2.3	18.1	28.4	23.1	(10.1)	(8.6)					
Microsoft	5.3	35.4	10.9	(1.8)	12.5	26.7	7.6	5.9	6.0	3.0					
Google	(17.2)	9.5	16.9	36.8	9.0	9.8	(0.9)	9.3	20.5	20.4					
US Hyperscale subtotal	(0.7)	(1.3)	10.4	16.3	3.0	19.3	11.4	22.9	(0.6)	1.0					

Note: Capex without financial leasing

Source: Company data; Bloomberg; KGI Research

Figure 2: Consensus is for CSPs' capex to grow 39% YoY in 2025F

Capex, US\$m	2020	2021	2022	2023	2024	2025F	2026F
Meta	15,115	18,567	31,431	27,266	37,256	64,453	68,771
Amazon	35,044	55,396	58,321	48,133	82,999	103,937	107,442
Microsoft	17,592	23,216	24,768	35,202	55,552	70,265	78,179
Google	22,281	24,640	31,485	32,251	52,535	74,859	78,288
Baidu	738	1,689	1,586	1,580	1,130	1,487	1,596
Alibaba	6,379	8,311	5,014	4,477	10,542	15,347	20,004
Tencent	5,719	4,808	4,611	3,017	6,127	11,980	11,646
Hyperscale subtotal	102,867	136,627	157,216	151,926	246,141	342,328	365,927
Apple	8,702	10,388	11,692	9,564	9,995	11,441	12,456
IBM	2,618	2,062	1,346	1,245	1,048	1,519	1,595
Oracle	1,833	3,118	6,678	6,935	10,745	19,035	21,129
Coreweave	N.A.	N.A.	72	2,943	8,702	18,398	13,951
Dell	2,082	2,796	3,003	2,756	2,652	2,878	3,034
Salesforce	710	717	798	736	658	787	889
Netflix	498	525	408	349	440	538	578
Uber	616	298	252	223	242	315	359
Enterprise subtotal	17,059	19,904	24,249	24,751	34,482	54,911	53,992
Total	119,926	156,530	181,465	176,677	280,622	397,239	419,919
YoY growth, percent	2020	2021	2022	2023	2024	2025F	2026F
Meta	0.1	22.8	69.3	(13.3)	36.6	73.0	6.7
Amazon	107.8	58.1	5.3	(17.5)	72.4	25.2	3.4
Microsoft	29.9	32.0	6.7	42.1	57.8	26.5	11.3
Google	(5.4)	10.6	27.8	2.4	62.9	42.5	4.6
Baidu	(20.7)	129.1	(6.1)	(0.4)	(28.5)	31.6	7.3
Alibaba	(2.1)	30.3	(39.7)	(10.7)	135.5	45.6	30.3
Tencent	45.6	(15.9)	(4.1)	(34.6)	103.1	95.5	(2.8)
Hyperscale subtotal	27.9	32.8	15.1	(3.4)	62.0	39.1	6.9
Apple	(5.9)	19.4	12.6	(18.2)	4.5	14.5	8.9
IBM	14.5	(21.2)	(34.7)	(7.5)	(15.8)	45.0	5.0
Oracle	15.2	70.1	114.2	3.8	54.9	77.2	11.0
Coreweave	N.M.	N.M.	N.M.	3,964.9	195.7	111.4	(24.2)
Dell	(19.2)	34.3	7.4	(8.2)	(3.8)	8.5	5.4
Salesforce	10.4	1.0	11.3	(7.8)	(10.6)	19.6	12.9
Netflix	96.8	5.4	(22.3)	(14.5)	26.1	22.4	7.5
Uber	4.8	(51.6)	(15.4)	(11.5)	8.5	30.3	14.0
Enterprise subtotal	(0.7)	16.7	21.8	2.1	39.3	59.2	(1.7)
Total	22.2	30.5	15.9	(2.6)	58.8	41.6	5.7

Source: Company data; Bloomberg; KGI Research

Figure 3: Quanta Computer & Wiyynn's main server clients are CSPs; Hon Hai & Inventec have some enterprise clients

Shipments mix (%)	Inventec	Wiyynn	Wistron	Hon Hai	Quanta	Mitac
HPE	14		28	19		
Dell	12		30	20		
Inspur			2			64
Lenovo	5		1			
Google	13			3	16	
Meta		87			56	
Microsoft	9	7		20	12	
Amazon	23	5		22	7	29
Supermicro			24			
Others	25	1	15	15	9	7
Total	100	100	100	100	100	100

Note: Data is based on 4Q24 shipments

Source: Digitimes; KGI Research

Figure 4: Meta's upward revision of 2025F capex guidance will benefit its major ODMs, Wiyynn & Quanta

Shipments mix (%)	Inventec	Wiyynn	Wistron	Hon Hai	Quanta	Mitac	Others	Total
HPE	30		28	39			3	100
Dell	20		26	34			21	100
Inspur			3			50	47	100
Lenovo	24		2				75	100
Google	34			9	57			100
Meta		54			46			100
Microsoft	17	13		40	31			100
Amazon	33	8		33	13	13	1	100
Supermicro			27				73	100

Note: Data is based on 4Q24 shipments

Source: Digitimes; KGI Research

Figure 5: Comparison – Cloud peer valuations

Sector	Company	Ticker	Market cap. (US\$m)	Share price (LCY)	Rating	Target Price (LCY)	EPS (LCY)		EPS YoY (%)		PE (x)		PB (x)		ROE (%)		Cash yield (%)	
							2024	2025F	2024	2025F	2024	2025F	2024	2025F	2024	2025F	2023	2024F
ODM	Hon Hai	2317 TT	66,210	147.5	Restricted	N.A.	11.01	12.70	7.4	15.4	13.4	11.6	1.2	1.2	9.7	10.5	3.7	3.9
	Inventec	2356 TT	4,834	41.7	Neutral	47.0	2.03	2.63	18.5	30.1	20.6	15.8	2.4	2.3	11.8	14.9	3.6	4.1
	Quanta	2382 TT	31,330	251.0	Outperform	325.0	15.49	18.05	50.5	16.6	16.2	13.9	5.0	4.6	31.3	34.3	3.6	5.2
	Wistron	3231 TT	9,876	105.5	Outperform	135.0	6.11	8.47	49.8	38.5	17.3	12.5	2.3	2.0	14.7	17.1	2.5	3.6
	Wiiwynn	6669 TT	12,401	2,065.0	Outperform	2,700.0	126.57	154.15	83.7	21.8	16.3	13.4	4.4	3.8	34.9	30.3	2.0	3.6
	Gigabyte Tech	2376 TT	5,109	236.0	Outperform	255.0	15.03	17.03	101.4	13.3	15.7	13.9	2.9	2.8	21.5	20.8	2.8	5.0
	Asrock	3515 TT	717	179.5	Outperform	257.0	10.54	14.30	39.8	35.6	17.0	12.6	2.4	2.2	14.8	17.9	3.8	3.0
	Mitac Holdings*	3706 TT	2,094	53.7	Not rated	N.A.	3.28	4.67	121.6	42.4	16.4	11.5	1.1	N.A.	N.M.	N.M.	2.4	1.9
Socket/ Connector/cable	Lotes	3533 TT	4,755	1,320.0	Outperform	1,950.0	82.77	92.91	63.4	12.3	15.9	14.2	4.5	3.9	30.8	29.9	2.0	3.1
	Fit Hon Teng Ltd*	6088 HK	1,966	2.09	Not rated	N.A.	0.13	0.20	70.5	47.4	15.7	10.7	6.0	5.6	7.2	8.5	0.0	0.0
	Argosy*	3217 TT	424	145.5	Not rated	N.A.	11.25	12.57	38.7	11.7	12.9	11.6	2.8	N.A.	20.7	25.9	3.7	6.0
	Altop	3526 TT	514	248.5	Outperform	350.0	16.80	19.46	43.8	15.8	14.8	12.8	5.9	5.9	39.5	48.3	4.7	6.7
Rail kit	King Slide Works	2059 TT	5,666	1,840.0	Outperform	2,240.0	64.59	82.97	127.6	28.4	28.5	22.2	8.2	6.9	32.6	33.8	0.8	1.7
Thermal module	Sunonwealth	2421 TT	796	90.1	Outperform	118.0	5.46	6.96	5.7	27.6	16.5	12.9	3.2	3.0	20.0	23.9	3.9	4.1
	Auras	3324 TT	1,518	512.0	Outperform	800.0	21.23	38.17	48.7	79.8	24.1	13.4	5.2	4.4	24.3	34.9	1.3	2.0
	AVC	3017 TT	6,352	507.0	Outperform	675.0	21.21	33.75	50.4	59.1	23.9	15.0	6.8	5.5	32.1	40.5	1.4	2.0
	Kaori	8996 TT	649	219.5	Outperform	385.0	6.56	14.08	1.7	114.6	33.5	15.6	5.9	4.6	20.7	33.2	1.8	1.8
Heat spreader	Jentech*	3653 TT	4,642	1,005.0	Not rated	N.A.	24.15	34.56	45.6	43.1	41.6	29.1	9.9	N.A.	N.M.	N.M.	1.0	1.4
BBU	Simplo Tech	6121 TT	2,134	357.0	Outperform	460.0	28.88	30.70	(5.8)	6.3	12.6	11.6	1.9	1.8	15.0	15.6	6.1	5.6
	AES-KY	6781 TT	2,471	895.0	Outperform	1,085.0	25.39	40.66	10.2	60.2	35.3	22.0	5.2	4.6	15.7	22.3	1.4	2.3
Chassis	Chenbro	8210 TT	1,015	259.5	Outperform	373.0	16.05	20.70	77.7	29.0	16.2	12.5	4.4	3.7	30.4	32.0	1.9	2.9
BMC	Aspeed Tech*	5274 TT	3,850	3,150.0	Not rated	N.A.	68.04	82.59	155.2	21.4	46.3	38.1	21.1	17.8	52.1	49.0	0.6	1.7
Silicon photonics	Land Mark Opto	3081 TT	831	278.0	Neutral	300.0	(0.59)	5.21	N.M.	N.M.	N.M.	53.3	6.8	6.8	(1.4)	12.8	0.2	0.2
CCL	Iteq*	6213 TT	765	65.2	Not rated	N.A.	2.26	3.84	21.5	69.8	28.8	17.0	1.1	1.1	5.1	7.1	2.3	2.8
	Elite Material	2383 TT	6,844	611.0	Outperform	786.0	27.81	39.27	70.1	41.2	22.0	15.6	6.0	5.6	30.9	37.3	1.6	2.8
ABF	Unimicron Tech	3037 TT	4,676	94.6	Outperform	114.0	3.34	5.64	(57.6)	68.7	28.3	16.8	1.6	1.5	5.5	9.0	3.2	1.6
PCB	Gold Circuit	2368 TT	3,330	209.5	Outperform	262.0	11.42	15.02	57.5	31.6	18.4	14.0	4.8	4.0	29.3	31.1	1.7	2.9
Power	Delta	2308 TT	29,715	354.0	Outperform	428.0	13.56	17.03	5.5	25.6	26.1	20.8	4.0	3.5	16.4	18.0	1.8	2.0
	Lite-On Tech	2301 TT	7,623	100.5	Outperform	116.0	5.21	6.77	(18.1)	29.9	19.3	14.8	2.6	2.4	13.6	16.6	4.5	4.5
	Chicony Power	6412 TT	1,412	109.0	Not rated	N.A.	8.34	9.84	0.8	17.9	13.1	11.1	2.8	2.6	24.8	25.0	5.5	5.5
	AcBel Polytech*	6282 TT	735	26.5	Not rated	N.A.	(0.04)	N.M.	N.M.	N.M.	N.M.	N.A.	1.0	N.A.	N.M.	N.M.	1.9	0.0
Foundry	TSMC	2330 TT	796,125	950.0	Outperform	1,000.0	45.25	58.79	39.9	29.9	21.0	16.2	5.7	4.6	30.3	31.6	1.4	1.8
Design service	Alchip Tech	3661 TT	6,002	2,300.0	Outperform	4,550.0	77.72	78.55	70.9	1.1	29.6	29.3	5.0	4.5	22.4	16.1	1.0	1.0
	Global Unichip	3443 TT	4,699	1,085.0	Neutral	1,340.0	25.75	29.95	(1.6)	16.3	42.1	36.2	12.9	11.0	32.9	32.8	1.3	1.5
IC package/testing	Winway	6515 TT	1,017	878.0	Outperform	1,700.0	34.31	51.38	153.7	49.8	25.6	17.1	6.3	4.6	28.5	31.4	1.3	1.3
	Chroma	2360 TT	4,419	321.5	Not rated	N.A.	12.72	N.A.	16.8	N.A.	25.3	N.A.	5.5	N.A.	22.5	N.A.	2.2	2.6
Networking	Luxnet	4979 TT	701	154.0	Outperform	225.0	3.79	8.97	13.4	137.0	40.7	17.2	6.4	4.9	16.6	31.4	0.9	1.0
	Accton Tech	2345 TT	11,260	621.0	Outperform	930.0	21.49	31.03	34.4	44.3	28.9	20.0	11.2	9.5	42.7	51.4	1.6	1.8

* Bloomberg consensus

Source: Bloomberg; KGI Research estimates

Figure 6: Global server shipments by brand

Vendor	Server shipments ('000 units)																	
	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	2019	2020	2021	2022	2023	2024
Dell EMC	542	496	526	484	366	362	343	366	332	365	363	381	2,050	1,950	2,064	2,048	1,437	1,441
HPE	300	269	345	380	252	238	209	212	231	235	216	210	1,546	1,392	1,319	1,294	911	892
Inspur Electronics	343	340	348	337	212	285	333	275	319	329	354	340	1,131	1,230	1,323	1,368	1,105	1,342
Lenovo	126	197	236	216	187	171	184	186	200	212	208	212	755	702	773	775	728	831
Supermicro	171	208	227	217	151	120	116	161	147	127	147	141	N.A.	496	614	823	548	561
xFusion Digital Technologies	120	136	139	144	90	114	105	135	120	142	144	159	N.A.	N.A.	154	539	444	565
H3C	88	109	92	132	73	90	79	96	99	113	79	101	254	345	458	422	339	391
Cisco	40	48	40	31	35	29	36	37	32	28	29	25	279	228	200	160	136	114
PowerLeader	61	60	62	75	47	54	57	65	46	60	63	75	109	119	150	258	222	244
ZTE	N.A.	N.A.	N.A.	N.A.	44	102	77	77	69	80	76	94	N.A.	N.A.	N.A.	N.A.	300	319
Sugon	28	36	50	46	29	52	50	55	31	42	49	57	347	209	213	160	186	180
Fujitsu	28	23	33	37	36	26	26	24	26	27	25	25	212	168	150	122	113	103
Huawei	8	10	13	20	19	22	25	33	29	32	35	39	746	784	310	50	98	133
Others	1,528	1,536	1,354	1,722	1,228	1,240	1,276	1,388	1,260	1,281	1,334	1,446	6,344	6,228	5,850	6,140	5,132	5,320
Total	3,307	3,387	3,379	3,754	2,679	2,828	2,830	3,017	2,852	2,986	3,032	3,215	12,537	12,672	12,918	13,827	11,353	12,086
	YoY (%)																	
Dell EMC	11.0	(6.3)	5.6	(11.7)	(32.6)	(26.9)	(34.8)	(24.2)	(9.3)	0.9	5.8	3.8	(9.6)	(4.9)	5.8	(0.8)	(29.8)	34.5
HPE	(7.1)	(20.6)	9.0	11.2	(16.0)	(11.6)	(39.3)	(44.2)	(8.3)	(1.1)	3.3	(1.0)	(8.6)	(10.0)	(5.2)	(2.0)	(29.6)	27.7
Inspur Electronics	48.8	(2.3)	(2.3)	(13.2)	(38.2)	(16.2)	(4.2)	(18.5)	50.4	15.6	6.1	23.8	6.6	8.8	7.5	3.4	(19.2)	61.7
Lenovo	(25.4)	(2.4)	9.1	16.2	48.8	(13.2)	(22.1)	(13.8)	6.7	23.9	13.1	13.7	(1.3)	(7.1)	10.1	0.3	(6.0)	53.4
Supermicro	28.8	32.2	49.0	26.6	(12.1)	(42.3)	(48.7)	(25.7)	(2.5)	6.0	26.0	(12.8)	N.A.	N.A.	23.8	34.1	(33.4)	45.0
xFusion Digital Technologies	N.A.	N.A.	N.A.	(6.3)	(25.0)	(15.8)	(24.9)	(6.4)	33.8	24.3	37.8	17.6	N.A.	N.A.	N.A.	250.5	(17.7)	83.0
H3C	2.4	0.4	(28.3)	(1.3)	(16.8)	(17.3)	(14.2)	(27.4)	34.4	25.0	(0.3)	5.1	43.1	35.7	32.6	(7.8)	(19.7)	61.1
Cisco	(27.0)	0.4	(12.4)	(39.5)	(13.4)	(39.4)	(11.7)	18.9	(7.9)	(3.5)	(17.8)	(33.5)	(0.6)	(18.0)	(12.4)	(20.3)	(14.6)	14.6
PowerLeader	206.8	171.3	126.1	(7.2)	(22.6)	(10.6)	(8.2)	(13.3)	(1.6)	11.5	10.7	15.6	26.4	9.6	25.9	71.4	(13.6)	55.3
ZTE	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	55.2	(21.4)	(1.9)	23.3	N.A.	N.A.	N.A.	N.A.	N.A.	42.8
Sugon	(5.0)	6.0	3.9	(54.7)	4.8	43.2	(0.9)	20.3	5.9	(18.4)	(1.2)	3.3	4.3	(39.8)	1.9	(24.8)	16.1	37.1
Fujitsu	(30.9)	(44.7)	(8.5)	20.9	28.3	11.3	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	(5.1)	(20.6)	(10.7)	(18.7)	(7.9)	16.1
Huawei	(94.4)	(88.1)	(80.9)	(6.4)	139.9	124.8	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	(16.9)	5.0	(60.4)	(83.9)	95.2	104.5
Others	21.3	2.1	(3.1)	2.0	(19.6)	(19.3)	(5.8)	(19.4)	2.6	3.2	4.5	4.2	(3.5)	(1.8)	(6.1)	5.0	(16.4)	42.1
Total	20.7	4.4	7.6	(1.1)	(19.0)	(16.5)	(16.3)	(19.6)	6.5	5.6	7.2	6.6	(3.2)	1.1	1.9	7.0	(17.9)	45.0
	QoQ (%)																	
Dell EMC	(1.0)	(8.6)	6.2	(8.1)	(24.4)	(1.0)	(5.2)	6.8	(9.5)	10.2	(0.5)	4.8						
HPE	(12.4)	(10.2)	28.1	10.4	(33.9)	(5.4)	(12.1)	1.4	8.8	2.0	(8.1)	(2.8)						
Inspur Electronics	(11.6)	(0.9)	2.3	(3.2)	(37.1)	34.4	17.0	(17.5)	16.1	3.3	7.3	(3.8)						
Lenovo	(32.3)	56.3	20.0	(8.4)	(13.4)	(8.7)	7.6	1.4	7.2	6.0	(1.9)	1.9						
Supermicro	0.1	21.5	9.0	(4.6)	(30.5)	(20.3)	(3.0)	38.3	(8.9)	(13.3)	15.3	(4.2)						
xFusion Digital Technologies	(22.0)	13.1	2.8	3.3	(37.6)	26.9	(8.3)	28.7	(10.7)	17.9	1.7	9.8						
H3C	(34.1)	23.5	(15.2)	43.1	(44.5)	22.9	(12.1)	21.1	2.8	14.2	(29.9)	27.7						
Cisco	(22.4)	21.3	(17.0)	(22.7)	11.1	(15.0)	21.0	4.2	(14.0)	(11.0)	3.1	(15.7)						
PowerLeader	(25.4)	(1.2)	3.2	21.8	(37.8)	14.3	6.0	15.0	(29.3)	29.4	5.2	20.2						
ZTE	N.A.	N.A.	N.A.	N.A.	N.A.	130.4	(23.8)	(1.2)	(10.5)	16.6	(4.9)	24.2						
Sugon	(72.1)	28.6	38.1	(8.4)	(35.6)	75.9	(4.4)	11.1	(43.3)	35.5	15.7	16.2						
Fujitsu	(9.3)	(17.1)	43.1	12.3	(3.7)	(28.1)	1.7	(8.3)	6.1	3.2	(4.5)	(0.6)						
Huawei	(62.9)	23.6	30.2	56.9	(5.0)	15.9	12.4	32.3	(12.1)	10.3	10.2	11.2						
Others	(9.5)	0.6	(11.9)	27.2	(28.7)	1.0	2.8	8.8	(9.3)	1.7	4.1	8.4						
Total	(12.8)	2.4	(0.2)	11.1	(28.6)	5.6	0.1	6.6	(5.4)	4.7	1.5	6.0						
	Global market share (%)																	
Dell EMC	16.4	14.6	15.6	12.9	13.6	12.8	12.1	12.1	11.6	12.2	12.0	11.8	16.4	15.4	16.0	14.8	12.7	11.9
HPE	9.1	7.9	10.2	10.1	9.4	8.4	7.4	7.0	8.1	7.9	7.1	6.5	12.3	11.0	10.2	9.4	8.0	7.4
Inspur Electronics	10.4	10.0	10.3	9.0	7.9	10.1	11.8	9.1	11.2	11.0	11.7	10.6	9.0	9.7	10.2	9.9	9.7	11.1
Lenovo	3.8	5.8	7.0	5.8	7.0	6.0	6.5	6.2	7.0	7.1	6.9	6.6	6.0	5.5	6.0	5.6	6.4	6.9
Supermicro	5.2	6.1	6.7	5.8	5.6	4.2	4.1	5.3	5.1	4.3	4.8	4.4	N.A.	3.9	4.8	6.0	4.8	4.6
xFusion Digital Technologies	3.6	4.0	4.1	3.8	3.4	4.0	3.7	4.5	4.2	4.8	4.8	4.9	N.A.	N.A.	1.2	3.9	3.9	4.7
H3C	2.7	3.2	2.7	3.5	2.7	3.2	2.8	3.2	3.5	3.8	2.6	3.1	2.0	2.7	3.5	3.1	3.0	3.2
Cisco	1.2	1.4	1.2	0.8	1.3	1.0	1.3	1.2	1.1	0.9	1.0	0.8	2.2	1.8	1.5	1.2	1.2	0.9
PowerLeader	1.8	1.8	1.8	2.0	1.7	1.9	2.0	2.2	1.6	2.0	2.1	2.3	0.9	0.9	1.2	1.9	2.0	2.0
ZTE	N.A.	N.A.	N.A.	N.A.	1.6	3.6	2.7	2.5	2.4	2.7	2.5	2.9	N.A.	N.A.	N.A.	N.A.	2.6	2.6
Sugon	0.9	1.1	1.5	1.2	1.1	1.8	1.8	1.8	1.1	1.4	1.6	1.8	2.8	1.7	1.6	1.2	1.6	1.5
Fujitsu	0.9	0.7	1.0	1.0	1.3	0.9	0.9	0.8	0.9	0.9	0.8	0.8	1.7	1.3	1.2	0.9	1.0	0.8
Huawei	0.2	0.3	0.4	0.5	0.7	0.8	0.9	1.1	1.0	1.1	1.1	1.2	6.0	6.2	2.4	0.4	0.9	1.1
Others	46.2	45.4	40.1	45.9	45.8	43.9	45.1	46.0	44.2	42.9	44.0	45.0	50.6	49.1	45.3	44.4	45.2	44.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Gartner, KGI Research

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