

THE MARKET FOR OPTICS IN CHINA

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Abstract

Demand for optics from Chinese service providers surprised the industry in 2010-2019. 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 2020-2024. 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 and plan to deploy 400GbE optics next.

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 CSPs, ICPs, equipment manufacturers and suppliers of optical components and modules. Appendix C of the report includes a translation of key production goals from the latest Roadmap of Optoelectronics Industry in China.

The report discusses the history of optical component and module manufacturing in China and the analyses challenges ahead. It presents data on the ranking of the TOP 10 suppliers of optical transceivers in 2010-2018 and our estimates for 2019 and 2020, illustrating increasing presence of Chinese vendors in the global market. The report 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.