

NOVEMBER 9, 2016

Smartphone Unit Shipments Forecast to Grow at Single-Digit Rates Through 2020

IC Market Drivers 2017 analyzes end-use applications and their impact on IC market growth.

IC Insights will release the 2017 edition of its *IC Market Drivers Report* later this month. The newly updated report reviews many of the end-use system applications that are presently impacting the IC market and are forecast to help propel it through 2020.

Total smartphone shipments are forecast to grow by 4% in 2016 to 1,490 million units after jumping by 13% to 1,430 million in 2015. Moreover, smartphone shipments are forecast to grow by 5% in 2017, reaching 1,565 million units. Overall, smartphone unit shipments are now forecast to grow at single-digit annual rates through 2020.

Smartphones accounted for over 50% of total quarterly cellphone shipments for the first time ever in 1Q13 (Figure 1). Smartphone shipments fell to 340 million units in 1Q16 yet still represented 80% of total cellphones shipped that quarter, the same penetration as in 4Q15. In 4Q16, it is expected that smartphone shipments will surge to a new record high of 437 million and represent 84% of all cellphones shipped that quarter. On an annual basis, smartphones first surpassed the 50% penetration level in 2013 (54%) and are forecast to represent 97% of total cellphone shipments in 2020.

In contrast to smartphones, total cellphone handset shipments are forecast to decline by 2% in 2016 and are expected to drop by 1% in 2017 (Figure 2). As shown, non-smartphone cellphone sales dropped by 30% in 2015 and are forecast to fall by another 22% this year. Moreover, IC Insights expects the 2017 non-smartphone cellphone unit shipment decline to be steeper than 2016's drop with a decline of 26%.

MORE INFORMATION CONTACT

Bill McClean
President
Phone: +1-480-348-1133
Email: bill@icinsights.com

Smartphone Marketshare Trends

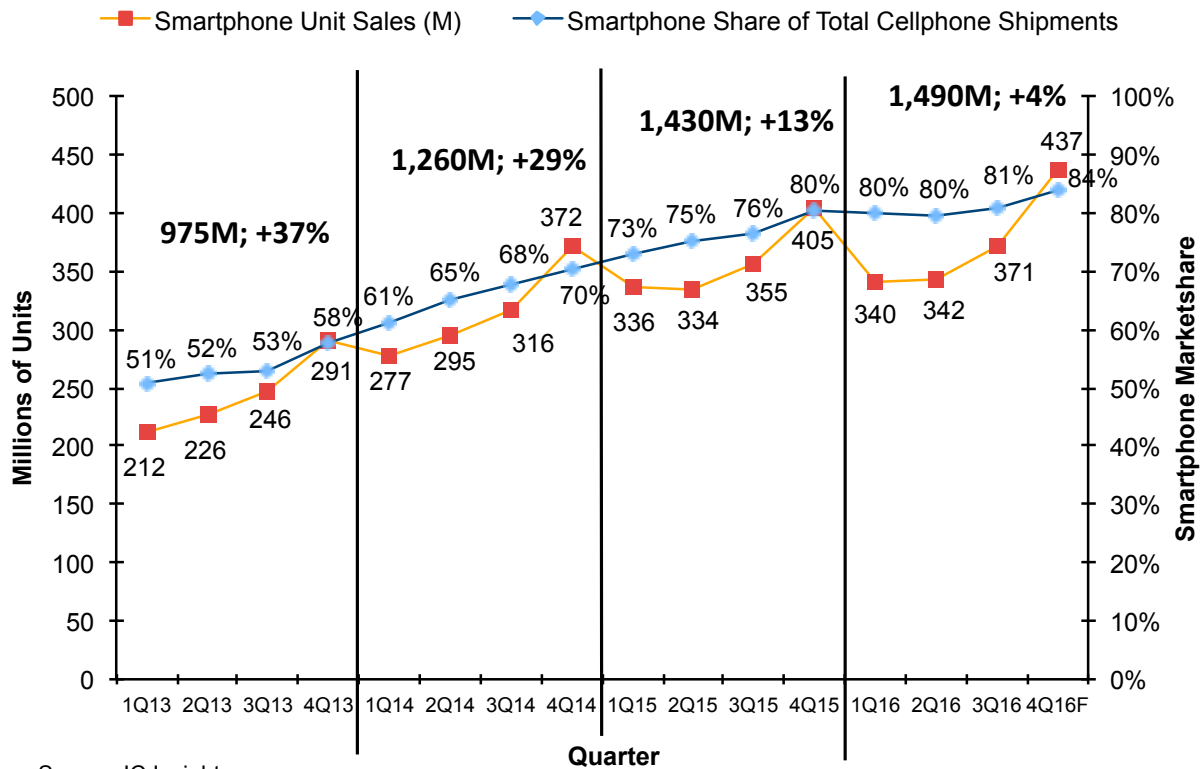


Figure 1

Cellphone Unit Shipment Growth Rates

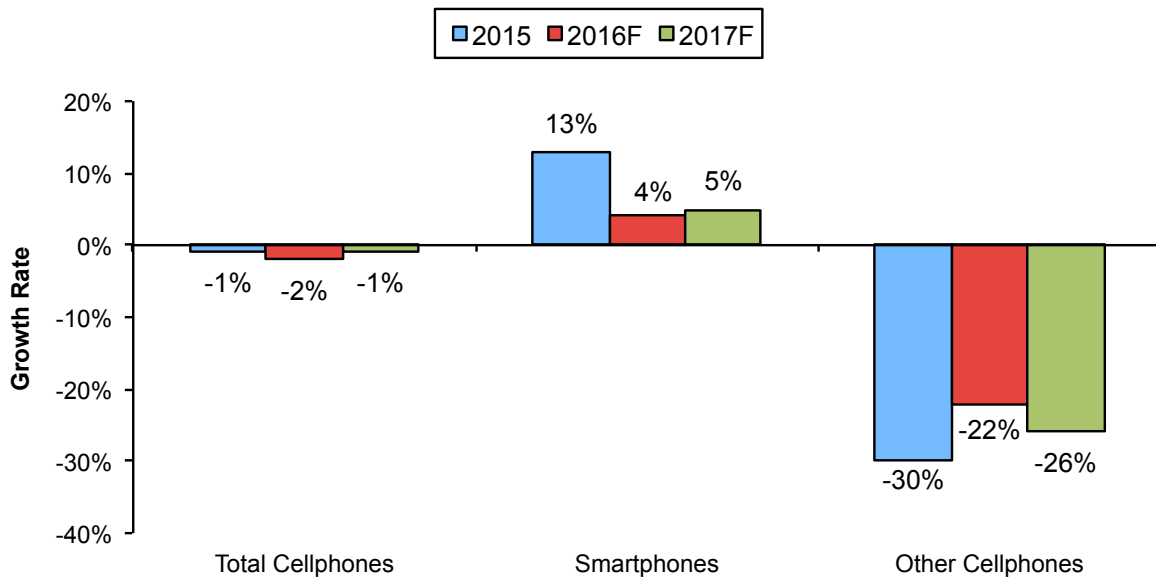


Figure 2

Report Details: *IC Market Drivers 2017*

IC Market Drivers 2017—A Study of Emerging and Major End-Use Applications Fueling Demand for Integrated Circuits examines the largest, existing system opportunities for ICs and evaluates the potential of new applications that are expected to help fuel the market for ICs.

IC Market Drivers is divided into two parts. Part 1 provides a detailed forecast of the IC industry by system type, by region, and by IC product type through 2020. In Part 2, the *IC Market Drivers* report examines and evaluates key existing and emerging end-use applications that will support and propel the IC industry through 2020. Some of these applications include the automotive market, smartphones, Internet of Things, personal/mobile computing (including tablets), medical and health systems, and a review of many applications to watch like virtual reality, robotics, and drones, that may potentially provide significant opportunity for IC suppliers later this decade. The *2017 IC Market Drivers* report is priced at \$3,690 for an individual-user license and \$6,790 for a multi-user corporate license.

To review additional information about IC Insights' new and existing market research products and services please visit our website: www.icinsights.com

About IC Insights

IC Insights, Inc., based in Scottsdale, Arizona USA, is dedicated to providing high-quality, cost-effective market research for the semiconductor industry. Founded in 1997, IC Insights offers coverage of global economic trends, the semiconductor market forecast, capital spending and fab capacity trends, product market details, and technology trends, as well as complete IC company profiles and evaluations of end-use applications driving demand for ICs.

Web Site: www.icinsights.com • **Phone:** +1-480-348-1133 • **E-mail:** info@icinsights.com