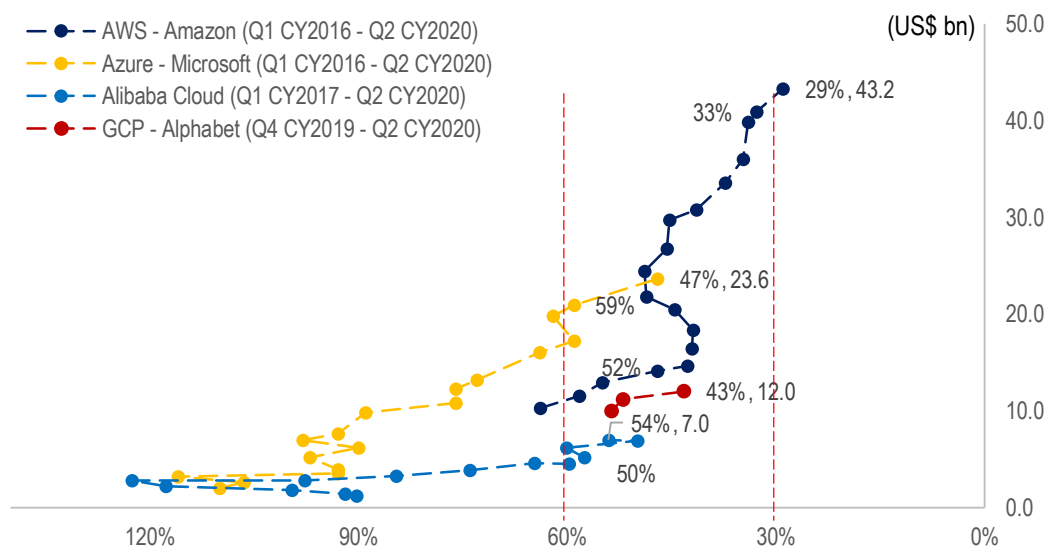




Cloud computing (IaaS) – growth and scale

Figure 1: annual revenue run rate vs growth rate, YoY



Source: company data, AMTD Research

**AMTD views:** Major IaaS vendors have already released their 2Q results. The revenue growth of Alibaba cloud reaccelerated to 54% YoY from 50% YoY in 1Q, thanks to that China was the first to recover from the pandemic. While the other three – Azure, GCP, and AWS’s revenue growth fell to 47% YoY, 43% YoY, and 29% YoY in 2Q from 59% YoY, 52% YoY, and 33% YoY last quarter, respectively. Although we mentioned in 1Q that COVID-19 accelerated the adoption of cloud computing, the upside brought by this catalyst was offset by spending cuts of some industries, such as hospitality and travel, due to the prolonged and widespread lockdowns. In terms of revenue, AWS is still leading the industry with an annual revenue run rate of US\$43.2bn, followed by followed by Azure, GCP (incl. G Suite), and Alibaba Cloud at a run rate of US\$23.6bn, US\$12.0bn, US\$7.0bn, respectively.

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## News update

22 Aug 2020

Smartphone

Huawei

### Huawei Mate40 powered by 5nm Kirin 9000 could feature 90Hz FHD+ screen

Huawei Mate40 will be the first model to adopt 5nm Kirin 9000. Besides, Huawei Mate40 will have a curved screen for the first time. Panel has reportedly started production this month with a screen size of 6.5 inches, a resolution of 2340×1080 and a refresh rate of 90Hz. (Source: [Cntechpost](#))

20 Aug 2020

Smartphone

Xiaomi

### A new Xiaomi Poco phone to launch with 120Hz OLED display

Xiaomi is going to launch another Poco phone to global markets by the end of the month. The first two features to be teased are the AMOLED display supporting 120Hz refresh rate. Rumored specs include Snapdragon 765G 5G chipset, 33W fast charging and a 64MP main camera, but those are yet to be confirmed. (Source: [Gsmarena](#))

18 Aug 2020

Semiconductor

Tesla/TSMC

### Tesla is working on HW4.0 chip with TSMC for mass production in 4Q 2021

Tesla is working on HW4.0 self-driving chip with TSMC with a timeline for mass production in Q4 2021. Tesla will be using TSMC's 7nm process and SoW (System on Wafer) technology. Elon Musk announced that Tesla is already working on the next-generation of the chip and they expect it to be 3 times better than the new chip and roughly 2 years from production. (Source: [Electrek](#))

18 Aug 2020

Semiconductor

MediaTek

### MediaTek unveiled the Dimensity 800U, a mid-range 5G chip for smartphones

MediaTek has just announced the Dimensity 800U, a new mid-range chipset in the company's Dimensity 800 series. It is fabricated on a 7nm manufacturing process. It has an integrated 5G modem with support for 5G+5G Dual Sim Dual Standby (DSDS), sub-6GHz 5G on SA and NSA networks, dual Voice over New Radio (VoNR), 5G two carrier aggregation (2CC 5G-CA), and MediaTek's 5G UltraSave technology. (Source: [MediaTek](#))

18 Aug 2020

Smartphone/5G

China

### China's 5G smartphone shipment were 13.9 mn in July, accounting for 62.4%

According to CAICT, China smartphone shipment in July reached 22.30 million units, down 34.8%, and 5G smartphone shipment reached 13.9 million, accounting for 62.4% of total shipments. On the other hand, nearly 40 new models were launched in July, down 23.1%, among them, 14 new models were 5G products, accounting for 35% of total new models. (Source: [CAICT](#))

17 Aug 2020

Semiconductor

ASML/TSMC

### ASML to set up US\$16 million EUV tech training center in Taiwan

ASML announced it will set up an extreme ultraviolet (EUV) technology training center at Southern Taiwan Science Park, giving a boost to the EUV technology cluster headed by TSMC. Total investment in the training center will come to €13.5 million (US\$16 million). Besides, ASML said it will continue to invest in Taiwan and plans to open a new R&D center that will nearly double its local R&D workforce to 500 within three years. Hiring for the R&D center will begin next year. (Source: [Digitimes](#))

17 Aug 2020

Semiconductor

IBM

### IBM rolled out newest processor chip, taps Samsung for manufacturing

IBM announced a new processor chip for data centers, and the IBM-designed Power 10 chip will be manufactured by Samsung using 7 nm chip manufacturing process. The company said that the Power10 chip has been designed to be faster at artificial intelligence computing tasks than its predecessor, doing such work up to 20 times faster than its previous generation of chip. (Source: [Reuters](#))

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17 Aug 2020

Smartphone

Vivo

### iQOO 5 Series launched with 120W fast charging support

The new iQOO series brings with itself two new phones -- iQOO 5 and iQOO 5 Pro. The iQOO 5 offers its Snapdragon 865 SoC, with itself a 120Hz refresh rate AMOLED display that's 6.56-inches in size. For battery, the iQOO 5 Pro comes with a 4,000mAh battery and supports 120W Flash Charge. (Source: [Cnbeta](#))

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17 Aug 2020

Cloud

Amazon

### Amazon to help Toyota build cloud-based data services

Amazon Web Service will help Toyota to build a platform to help manage and monetize data gathered from the automaker's global vehicle fleet. Toyota said its Mobility Services Platform will enable it to process and analyze data that can be used to develop vehicle services from ride and car sharing to behavior-based insurance and maintenance notifications. The deal is an expansion of AWS's existing collaboration with Toyota, and marks Amazon's expanding foray into the transportation business. (Source: [Reuters](#))

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17 Aug 2020

6G

Google

### Google is trying to test a secret 6GHz network in 17 US states

Google is trying to secretly test a 6GHz network in 17 different states, according to FCC filings. But exactly what Google is trying to test is unclear. It is reported that Google expects the experiments to take place over 24 months, and has asked permission to do the tests in 26 cities and towns across 17 states. (Source: [Business Insider](#))

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14 Aug 2020

E-commerce

Amazon

### Amazon launched online pharmacy in India

Amazon has launched an internet pharmacy in India, marking its entry into the country's online medicine market. The Amazon Pharmacy service offers prescription, over-the-counter and traditional Ayurveda medication as well as basic health devices. (Source: [Techcrunch](#))

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13 Aug 2020

Smartphone

Apple

### Apple reportedly launched subscription bundles with new iPhones this Oct.

Apple is planning to unveil a range of subscription bundles alongside its new iPhones this October. Internally, the bundles are being referred to as "Apple One". A number of different tiers will be available, starting with a basic combo of Apple Music and Apple TV+, while more expensive bundles will add Apple Arcade, then Apple News+ at the next tier, then extra iCloud storage for the tier above that. (Source: [CNBC](#))

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12 Aug 2020

Smartphone

Microsoft

### Microsoft to launch two-screened Android phone Surface Duo for US\$1,399.99

Microsoft announced that the Surface Duo will be launched on 10 Sep., starting at US\$1,399.99. The Surface Duo is Microsoft's two-screened Android phone. It allows users to run two apps side-by-side in different screens that are split by a 360-degree hinge. (Source: [CNBC](#))

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12 Aug 2020

Smartphone

Realme

### Realme to unveil two Realme 5G phones with a dual-battery design

Two Realme 5G smartphones made their first appearance on TENAA. The listing shows that these devices come with model numbers RMX2176 and RMX2200. Both devices support dual SIM cards and 5G network connections. The website also reveals that the RMX2176 model will use a 6.43-inch screen with a size of 160.9×74.4×8.1 mm. However, the RMX2200 model uses a slightly larger 6.52-inch screen with a dimension of 164×76×8.6 mm. (Source: [GizChina](#))

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11 Aug 2020

Smartwatch

Apple

### Micro LED screens coming to Apple Watch, but not until 2023 or 2024

Though Apple Watch Series 6 might still use OLED display, Apple will first use a micro LED display in a future Apple Watch as soon as 2023. Compared with LCD and OLED displays, Micro LED screens can result in devices that are slimmer, brighter, and use less power. (Source: [Appleinsider](#))

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4 Aug 2020

IoT

Google

### Google to invest US\$450 million in ADT to boost Smart-Home security offerings

Google has agreed to buy a 6.6% stake in security-monitoring provider ADT Inc. for US\$450 million, as part of Google's effort to bolster its hardware business and capitalize on growth in the market for smart-home security products. This cooperation will integrate Google's hardware and services and ADT's DIY and professionally installed smart home security solutions to innovate the residential and small business security industry. (Source: [Techcrunch](#))

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We, Brian Li, Halsey Wu and Alyssa Han, hereby certify that (i) all of the views expressed in this research report reflect accurately our personal views about the subject companies and their securities; and (ii) no part of our compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed by us in this research report, nor is it tied to any specific investment banking transactions performed by AMTD Global Markets Limited.

As of the date the report is published, Brian Li holds financial interest in the securities of Amazon mentioned in the report.

### Firm Disclosure

AMTD Global Markets Limited has an investment banking relationship with Xiaomi Corporation and/or its affiliate(s) within the past 12 months.

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