Estlas Command & Optical Systems

Domestic AI Chip Server

AI Overview

China's domestic AI chip servers now account for around 40–41% of the national market, led by Huawei and other local chipmakers, reflecting a strategic push for technological self-reliance.Market OverviewChina is rapidly advancing toward self-reliance in AI server chips, aiming for about 40% domestic production by 2025 to reduce dependence on foreign suppliers like NVIDIA and AMD . In 2025, Chinese manufacturers collectively captured 41% of the domestic AI server market, with Huawei shipping approximately 812,000 AI chips, followed by Alibaba's T-Head, Baidu Kunlunxin, and Cambricon . This shift is driven by geopolitical tensions, US export restrictions, and government support through subsidies, tax incentives, and funding for research and fabrication facilities .Key Domestic PlayersHuawei: The leading domestic supplier, with products like the Ascend 950PR, a 1.56-petaflop AI inference chip optimized for large language model workloads. It features 112 GB of proprietary HiBL 1.0 memory and 1.4 TB/s bandwidth, offering 2.8 times the FP4 performance of Nvidia's H20 . Huawei plans to ship 750,000 units in 2026, supported by major orders from companies like ByteDance.Alibaba T-Head: Second-largest domestic supplier, shipping around 265,000 AI chips.Baidu Kunlunxin and Cambricon: Each shipped approximately 116,000 units, contributing to the growing domestic ecosystem .Technological and Strategic SignificanceDomestic AI chips are tailored for deep learning and neural network applications, focusing on performance optimization, cost efficiency, and software compatibility. The Ascend 950PR, for example, supports a CUDA-compatible software stack, easing migration from foreign GPUs . China's domestic AI servers are increasingly deployed in data centers and AI labs, compensating for limitations imposed by US export controls, which capped the performance of imported chips .Market ImplicationsSupply Chain Resilience: By increasing domestic production, China reduces reliance on foreign semiconductors...

Article Content

Apple to Start Production of AI Server Chips in 2026, New Data

Apple will produce AI server chips by 2026 and build new data centers by 2027, boosting domestic production and creating 20,000 jobs.

Huawei, Cambricon to hold 56% of China AI server chip market in 2026

Chinese domestic chip suppliers — led by Huawei and Cambricon — plus in-house ASIC designers are set to control nearly 80% of China''s AI server market in 2026, slashing Nvidia and

Huawei and Cambricon lead China''s AI server chip surge, piling

Huawei and Cambricon are set to dominate China''s AI server market as geopolitics and self-reliance accelerate Nvidia''s retreat.

China drafts $295 billion plan to build national AI data center grid ...

China is drafting a plan to spend roughly 2 trillion yuan ($295 billion) over five years on a nationwide web of AI data centers. The goal is for at least 80% of the underlying technology, AI chips ...

DeepSeek begins developing its own AI chips to reduce reliance on ...

DeepSeek has since shifted many of its newer AI workloads to Huawei''s Ascend AI chips. However, relying on outside suppliers — whether foreign or domestic — still carries risks related to ...

Exclusive-ByteDance in talks with China''s Iluvatar CoreX to purchase AI ...

BEIJING, June 15 (Reuters) - Chinese technology company ByteDance is in talks with Shanghai-based Iluvatar CoreX to purchase AI chips for inference work and is also considering a similar deal with

Cold shoulder: Why Beijing is freezing Nvidia''s access to the ...

The country''s regulators, however, blocked access to those Nvidia chips after summoning domestic AI chip makers and concluding they had reached performance comparable to

China''s AI Server Chip Market Aims for 40% Domestic Production by

China''s AI server market is rapidly advancing toward self-reliance, targeting about 40% domestic production of AI server chips by 2025. This strategy aims to reduce dependence on foreign suppliers

Huawei Chips Claim 41% of China''s AI Server

China''s AI hardware landscape shifted dramatically in 2025, with domestic chip makers claiming nearly half the country''s AI accelerator server

China AI Data Center Grid Locks Out Nvidia With $295 Billion

China AI data center buildout: Beijing is drafting a $295 billion plan to build a nationwide AI computing grid run on 80% domestic chips, structurally excluding Nvidia and AMD. Huawei

Alibaba Unveils Zhenwu M890 AI Chip and Qwen3.7-Max Model

Alibaba introduced Qwen3.7-Max, the Zhenwu M890 AI chip, and Panjiu AL128 server for agentic AI, coding, and domestic infrastructure.

Chinese chipmakers claim nearly half of local market as

Chinese GPU and AI chip makers captured nearly 41% of China''s AI accelerator server market last year, eroding Nvidia''s once-dominant position in

SMIC AI Chip Strategy 2026: Inside China''s 5nm Power Play

Uncover SMIC''s bold 2026 AI chip strategy. See how it''s scaling 5nm production for China''s AI self-sufficiency despite sanctions. Get the full expert analysis.

DeepSeek Also Joins the Race to Build Its Own AI Chips

DeepSeek is reportedly developing its own AI inference chips, aiming to reduce its reliance on third-party silicon from Nvidia and Huawei.

China''s Server Procurement Fuels Domestic Arm Chip Shift

Key Takeaways China Telecom selected suppliers for 40,000 servers valued up to 11.55 billion yuan for its 2026 to 2027 build cycle. Arm-based systems tied to Huawei''s Kunpeng

Exclusive: China bans foreign AI chips from state

China discouraged local tech giants from purchasing advanced Nvidia chips over security concerns this year, while showing off a new data centre

China Semiconductor Self-Sufficiency and the 70

China''s semiconductor self-sufficiency push hits a new milestone: a 70% domestic wafer target. It set the same goal before. This time the capacity

Chinese Chipmakers Capture 41% of Domestic AI Server Market in 2025

Data from 2025 shows Chinese chipmakers gained 41% of China''s AI accelerator server market, reducing Nvidia''s dominance, as domestic firms like Huawei expanded amid U.S. export

China AI server chip market sees domestic share near 80 percent ...

Domestic chip suppliers led by Huawei and Cambricon are expected to account for close to 80 percent of China''s AI server chip market this year, TrendForce forecast.

Apple AI Infrastructure 2025: Inside the $600B US Plan

This strategy changed in 2025 with a public plan to build a proprietary AI server and chip manufacturing base, increasing its domestic investment commitment from an initial $500 billion to $600 billion over

China''s Domestic AI Chips Boom on Revenue

China''s domestic chip companies are growing because demand exists. But demand for AI compute infrastructure in China is structurally inelastic - it does not disappear when the best chips

What is China''s AI Strategy in 2026? A Comprehensive Analysis of

China AI token usage hit 140 trillion daily in March 2026. A comprehensive look at DeepSeek, Qwen, Huawei Ascend chips, and the state strategy driving it all.

Chinese AI chips gaining market traction

This 10,000-chip club signals that domestic AI chips are gaining tangible market traction based on their performance, stability and cost. It heralds

ITPro Today, Network Computing, IoT World Today combine

ITPro Today, Network Computing and IoT World Today have combined with TechTarget . The page you are looking for may no longer exist.

China''s Alibaba unveils new AI chip, LLM in push for domestic ...

Alibaba Group on Wednesday unveiled a new AI chip, the Zhenwu M890, as the Chinese technology giant intensifies efforts to build domestic alternatives to Nvidia processors amid

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