

From: Richard Kahn <[REDACTED]>

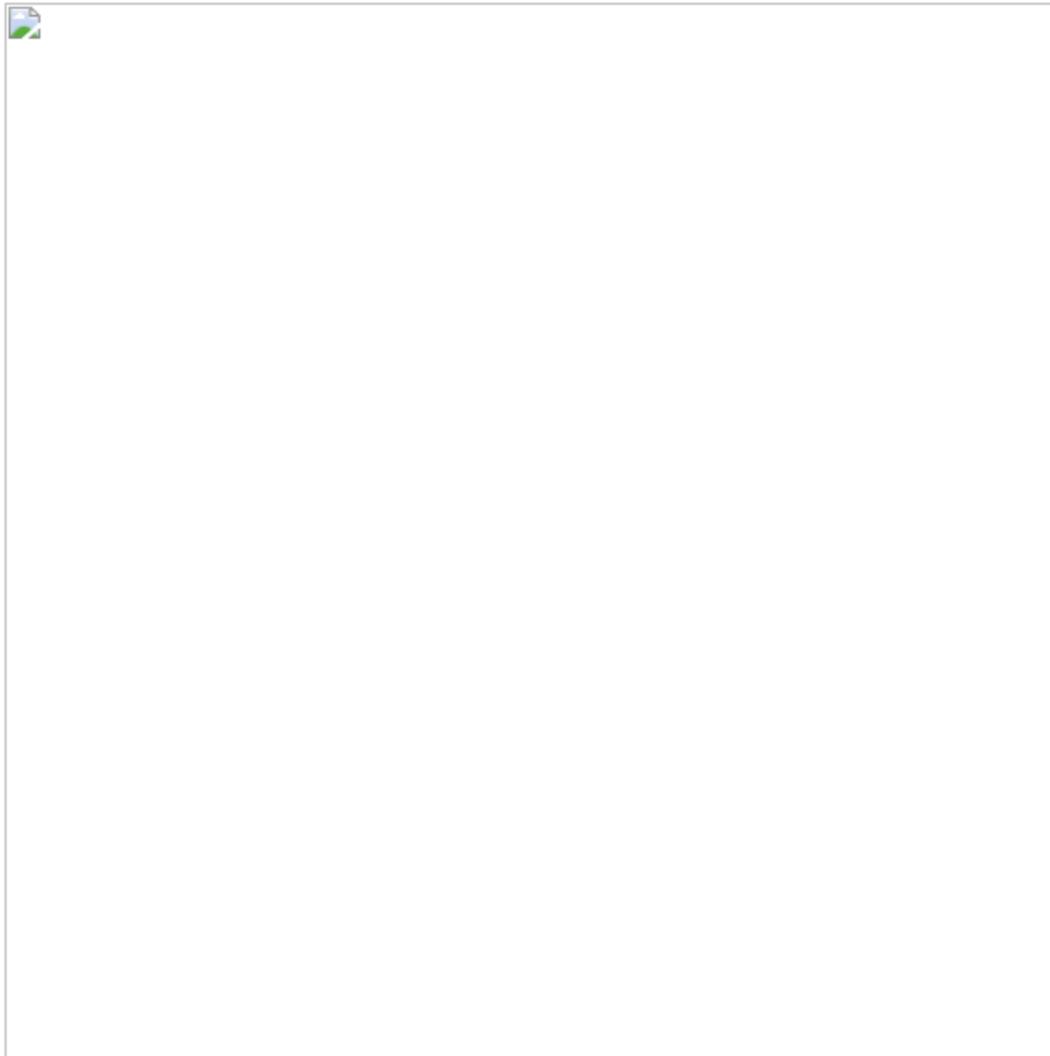
To: Jeffrey Epstein <jeevacation@gmail.com>

Subject: Apple iPhone X will be killed off this year, analyst says

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Apple's iPhone X will be killed off this year, analyst says

[Arjun Kharpal](#)



Justin Sullivan | Getty Images

[Apple's](#) iPhone X is likely to be discontinued this year if earnings from one of the company's top suppliers is anything to go by, according to an analyst.

Taiwan Semiconductor Manufacturing, or [TSMC](#), the world's largest semiconductor foundry company, revised its full-year revenue target [to the low end of its forecast](#). Shares in the company closed 6.3 percent lower on Friday.

One of the biggest concerns for Neil Campling, the co-head of the global thematic group focusing on technology at Mirabaud Securities, is the oversupply of chips. This "has never been higher," according to Campling's note to clients Thursday. His firm has tracked inventory data at TSMC for over a decade.

The chipmaker's current situation could give investors concerns over [AMS](#), Apple's key supplier of 3-D sensing technology in the iPhone X. The 3-D sensors are key for [the Face ID feature](#) that lets you unlock the device by looking at it.

TSMC's record inventory levels are due to Apple not buying components for any future iPhone X models, suggesting the device will be killed off this year, Campling said.

"With the declines in iPhone X orders and the inventory issue at TSMC at record highs, which basically reflect a need to burn off inventory. Why? Because the iPhone X is dead," Campling wrote in his note.

"The simple problem with X is that it is too expensive," Campling told CNBC by phone on Friday, talking about the device's \$999 price tag. "Consumers are turning their backs on high-priced smartphones."

He clarified that any old inventory of iPhone X models will still be on sale, but no new ones will be produced.

Apple had yet to respond to a request for comment when contacted by CNBC.

The iPhone X has had a rocky road to market. It was [delayed after being announced last year](#), and a recent report from the Nikkei suggested Apple had [cut its production targets](#) for the phone.

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 The chips are getting crushed and all signs point to Apple

New iPhones?

Campling expects Apple to bring out a number of new iPhones. One could be a cheaper model priced at around \$500. One could be a model that has space for two SIM cards, which is a popular choice for businesses and the Asian market.

Another new iPhone could keep the form factors of the iPhone X but with a cheaper price tag.

Meanwhile, Kuo said at the end of last year that he thinks Apple will launch three new iPhones in 2018, with features [mirroring what Campling expects](#).

AMS revenue fall

Campling said any cancelation of the iPhone X will have a big impact on AMS. The chipmaker could see as much as a 35 percent quarter-on-quarter decline in revenue in the second quarter, worse than the expected 18 percent reduction.

"If the iPhone X is being killed off then you may go from a production of 12 million in Q1 to potentially zero in Q2, then that is a \$60 million hit alone (to revenues)," Campling said in a note.

One of the biggest issues for AMS is the cost of 3-D sensing components, which is between \$50 and \$60, according to the analyst. The price could put off other major manufacturers such as Samsung and Huawei from buying the technology.

Campling took his "buy" rating off the stock and removed it from his top list of 11 stocks. AMS reports first quarter earnings on April 23.

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 Waiting for our replacement.

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue, 4th Floor
New York, NY 10022
Phone [REDACTED]
Fax [REDACTED]
Cell [REDACTED]