

Huawei cuts orders to key suppliers after US blacklisting: Report

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The Trump administration in May added Huawei to a trade blacklist. (Image source: Bloomberg)

China's Huawei Technologies Co Ltd has cut or canceled orders to major suppliers for components that go into its smartphones and telecom equipment following its US blacklisting, the Nikkei reported on Wednesday, citing sources familiar with the matter.

Taiwan Semiconductor Manufacturing Co Ltd (TSMC) confirmed that orders from Huawei have declined after US President Donald Trump imposed a ban on the Chinese firm on national security grounds, according to the report.

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Both, Huawei and TSMC did not immediately respond to a request for comment.

The Trump administration in May added Huawei to a trade blacklist. The move put Huawei and 68 affiliates in more than two dozen countries on the Commerce Department's so-called Entity List, a move that bans the company from buying parts and components from American firms without US government approval.

Ever since, global tech companies have been cutting ties with the Chinese telecom giant and complying with the US ban. Tech giants such as Alphabet Inc suspended the transfer of hardware, software and technical services to Huawei while Microsoft Corp said it had stopped accepting new orders from the company, according to a media report.

Optical components maker Lumentum Holdings Inc ceased all its shipments to Huawei, while US chipmaker Qorvo Inc said it expects first-quarter revenue to take a \$50 million hit due to a halt in shipments to the Chinese company.

Huawei is allowed to buy US goods until August 19 to maintain existing telecoms networks and provide software updates to its smartphones.

- Reuters