Can the price of optical fiber cables continue to rise

Article Overview

Optical fiber and cable prices are expected to continue rising through 2026 due to sustained demand and constrained supply.

Current Market Drivers

Optical fiber prices have surged sharply since late 2025, with G.652.D and G.657A2 fibers experiencing unprecedented increases. In China, prices rose over 80% between November 2025 and January 2026, surpassing European levels for the first time in seven years, signaling a structural shift in supply-demand balance rather than a temporary fluctuation . The surge is driven by multiple factors:

o AI Data Centers: Hyperscale AI facilities require high fiber counts for internal and interconnect cabling, with a single 10,000-GPU cluster consuming tens of thousands of fiber kilometers .
o Military and UAV Applications: Loitering munitions and FPV drones have created additional demand for specialized fibers, particularly G.657A1 and G.657A2 grades .
o FTTH and Broadband Expansion: Global fiber-to-the-home rollouts and national broadband projects continue to increase consumption .

Supply Constraints

The primary bottleneck is the optical preform, which accounts for roughly 70% of fiber cost. Preform production is capital-intensive, highly technical, and currently operating at full capacity. Expanding capacity requires 1.5-2 years of investment, meaning short-term supply cannot keep pace with rising demand . Additionally, manufacturers have prioritized high-margin fibers for AI and military applications, further tightening availability for standard fibers .

Price Outlook

Analysts and market reports indicate that the price rally is likely to continue throughout 2026. Key points include:

o Seller's Market: Suppliers now have pricing power, with quotes often valid for only 24 hours due to extreme volatility .
o Sustained Demand: North American and global tech giants continue to invest heavily in AI infrastructure, ensuring strong fiber consumption through 2026-2027 .
o Structural Increase: The rise is not cyclical but reflects a long-term increase in fiber intensity per data center and new applications, suggesting that prices may remain elevated even after temporary demand spikes .

Conclusion

Given the combination of robust demand from AI, military, and broadband projects and limited preform production capacity, optical fiber and cable prices are expected to remain high and potentially continue rising through 2026. Buyers should anticipate shorter lead times, higher baseline costs, and consider strategic procurement approaches such as phased orders and flexible contracts to mitigate risk .

Discover the latest trends in optical fiber cables for 2026. Explore high-growth segments like SMF-28 and ribbon

The fiber optic cable market was valued at USD 12.18 Billion in 2025. The industry is expected to grow at a CAGR of

Bare Fiber Market Analysis: Current State, Price Surge Drivers, and Future Outlook The optical fiber industry is

Yes -- pre-terminated assemblies, patch leads, and other fibre products have seen similar

From late 2025 through the first quarter of 2026, the global fiber optic cable market experienced one of the sharpest

Optical Fiber prices rose in 2026 on strong demand from AI data centers and 5G. Tight preform capacity, higher raw

With monthly frequency, expanded fibre type coverage, and a commitment to methodological rigor, CRU ensures that subscribers

The global fiber optics market size is recorded USD 10.74 billion in 2025 and is projected to hit around USD 20.86

Fiber optic cable prices are ballooning and lead times are increasing amid a global supply shortage. According to

Since fiber production is capital-intensive and concentrated among a limited number of upstream suppliers, price fluctuations quickly

Fiber Optic Cable Market Size 2024-2028 The fiber optic cable market size is forecast to increase by USD

11.28 billion at a CAGR of

Input costs for fiber optic cable are adding upward pressure on fiber optic cable prices at a time when demand for fiber technology is

The Optical Fiber Market, valued at USD 9.51B in 2026, is projected to reach USD 13.52B by 2032, growing at a 5.9% CAGR.

Fibre Optic Cables Market Overview 2026-2033 The fibre optic cables market constitutes a critical segment within the

Global Fiber Optics Market Report Overview The Global Fiber Optics Market was valued at USD 8,220

In the latest Optical Fibre and Cable Market Outlook, CRU examines the recent

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