

Production and Market of Polyvinyl alcohol (PVA) in China

The Second Edition
February 2013



Research and prepared by:



Guangzhou CCM Information Science & Technology Co., Ltd.

Main contents:

| No. | Content | Page |
|-----|---|------|
| | Executive Summary | 1 |
| | Introduction and methodology | 2 |
| 1 | Introduction to PVA industry in China | 4 |
| 2 | Introduction to key raw materials | 5 |
| 3 | Supply situation in China | 6 |
| 3-1 | Summary of PVA production in China, 2008-2012 | 6 |
| 3-2 | Key producers | 6 |
| 3-3 | Price, 2011-2012 | 9 |
| 4 | Import and export, 2011-2012 | 11 |
| 5 | Demand, 2008-2012 | 13 |
| 5-1 | Summary | 13 |
| 5-2 | Downstream industries | 14 |
| 6 | Future trend and opportunity | 16 |

List of tables:

| Table No. | Table Title |
|-------------|---|
| Table 3.2-1 | Basic info of major PVA producers in China, as of Jan. 2013 |
| Table 3.2-2 | Capacity and output of PVA producers in China, 2012 |
| Table 3.2-3 | Geographic distribution of active PVA production in China, 2012 |
| Table 3.2-4 | Expansion plan of PVA in China, as of Jan. 2013 |
| Table 4-1 | Monthly export situation of PVA in China, 2011-2012 |
| Table 4-2 | Monthly import situation of PVA in China, 2011-2012 |

List of figures:

| Figure No. | Figure Title |
|--------------|--|
| Figure 2-1 | Output of calcium carbide in China, 2008-2012 |
| Figure 3.1-1 | Production situation of PVA in China, 2008-2012 |
| Figure 3.3-1 | Price change of PVA market price in China, 2011-2012 |

- Figure 4-1 Import and export situation of PVA in China, 2008-2012
Figure 5.1-1 Apparent consumption of PVA in China, 2008-2012
Figure 5.1-2 Consumption pattern of PVA in China, 2012

Description:

China initially introduced the PVA technology in the 1960s to produce vinylon which was used to make clothing at that time. The first production line was imported from Japan, with a capacity of 10,000t/a. Until the 1980s, there have been nine vinylon producers who produced PVA in China, with their total capacity less than 100,000t/a. However, all of these PVA producers couldn't produce vinylon continuously because of the unstable demand since 1980s.

Ever since the application of PVA in non-vinylon fields was discovered and started to develop in China in the 1980s, the PVA industry has began to boom. In 2000, the total capacity of PVA in China soared to about 330,000t/a. The PVA industry kept growing very fast due to the thriving global economy. In 2007, the capacity exceeded 660,000t/a and the output reached almost 480,000 tonnes.

In this report, CCM focuses on the supply and demand of China's PVA industry in the past five years (2008-2012), as well as analysis of the influencing factors.