

December, 2012

China's construction machinery industry 2011

- Outlook
- Foreign trade structure of China's construction machinery
- Major importing countries
- Major exporting destinations
- China's construction machinery foreign trade in 2012 and characteristics

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: İnan Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

China's construction machinery industry 2011



Notes: Over 90% of Chinese Construction Machinery industries are concentrated in areas in deep blue color. The four major industrial bases, Shandong Province, Xuzhou City in Jiangsu Province, Changsha City in Hu'nan Province, and Yangtze River Delta, are involved in these blue areas.

Outlook

From 2004, the export of China's construction machinery saw a rapid growth. In 2006, the export of construction machinery exceeded the import for the first time, reaching a surplus of nearly 1.10 billion USD dollars. China's construction machinery industry greatly relies on the export. By the end of 2008, export had accounted for 30% of the sales revenue of the whole industry.

In 2009, Affected by international crisis, the export of China's construction machinery industry showed a substantial decline. The export value just reached 7.71 billion USD dollars, decreased by 42.60% over 2008. However, From January to November in 2010, the export value of China's construction machinery reached 9.31 billion USD dollars, increasing by 35.40% over 2009. The export began to resume growth.

In 2011, China's construction machinery foreign trade increased steadily. Export saw a rapid growth while import showed a slow upward trend. The value of China's construction machinery export and import was 24.95 billion USD dollars, up by 33.2% over 2010. Imports increased by 7.69% to 9.04 billion USD dollars, and exports increased by 53.8% to 15.91 billion USD dollars. The surplus of China's construction machinery in 2011 was 6.86 billion USD dollars, 4.92 billion USD dollars more than 2010.

The value of China's construction machinery import reached the highest point of the year at 1.07 billion in March, 2011. In October the number declined to the lowest point of the year at 535 million USD dollars before rebounding to 696 million USD dollars in December of 2011. Construction machinery exports were 1.05 billion USD dollars in January, and kept an upward trend in the whole year, ending at 1.74 billion USD dollars in December in 2011.

Foreign trade structure of China's construction machinery

Construction machinery trade includes machine and machinery parts trade. In 2011, China's construction machine import value was 5.23 billion USD

dollars, up by 0.79% over 2010. This number accounts for 57.85% of the whole construction machinery import of 2011. The rest of construction machinery imports were machinery parts import, which were 3.81 billion USD dollars, up by 18.87% than 2010. On the export side, China's construction machine exports were 10.45 billion USD dollars, up by 56.68%. Construction machinery parts exports rose 48.70% to 5.46 billion USD dollars. Construction machines and machinery parts exports accounted for 65.71% and 34.29% of total construction machinery exports respectively.

Major importing countries

The main sources of China's construction machinery import are Japan, Korea and Germany, among which Japan listed top one, followed by Korea and Germany in 2011. The main goods imported from Japan were crawler excavators, which worth 1.96 billion USD dollars, decreased by 20.48% over 2010. The worth of cranes and earth-moving machinery parts imported from Japan was 1.42 billion USD dollars, increased by 21.37% than 2010, which reflects China's dependence on Japan construction machinery parts.

Among China's construction machinery importing from Korea, cranes and earth-moving machinery parts were the most important products. The worth of imported cranes and earth-moving machinery parts from Korea reached 895 million USD dollars an increased by 2.18% year on year,

The major construction goods imported from Germany was also cranes and earth-moving machinery parts in 2011, which worth 186 million USD dollars, up by 14.49% year on year.

Major Importing Countries of China's Construction Machinery

Country	Imports(million USD dollars)	Change (%)	Share of total construction machinery imports (%)
Japan	3824	-5.97	42.07
Korea	1908	22.61	21.00
Germany	1209	27.61	13.30
the United States	628	20.80	6.91
Sweden	247	29.42	2.71
Italy	160	22.07	1.76
France	115	-5.00	1.26
Netherlands	114	-29.84	1.26
the United Kingdom	105	12.50	1.16
Australia	97	-24.41	1.07

Major exporting destinations

The major exporting destinations of China's construction machinery are US, India and Japan. The three countries listed top 3 of Chinese construction machinery exporting countries in 2011.

Construction machinery parts accounted for 64.3% of total exports of

construction machinery from China to US. Machinery parts, crawler crane, elevator, tower crane are main exporting goods to India. Among construction machinery exporting to Japan, machinery parts accounted for 93.7%.

Major exporting Countries of China's Construction Machinery

country	Exports(million USD dollars)	Change (%)	Share of total construction machinery exports(%)
---------	------------------------------	------------	--

the United States	1398	57.33	8.60
India	882	50.12	5.43
Japan	847	45.25	5.21
Russian	798	114.15	4.91
Brazil	673	18.35	4.14
Korea	576	55.94	3.54
Venezuela	504	876.36	3.10
Indonesia	488	73.95	3.00
Australia	479	73.07	2.94
Singapore	384	42.07	2.36

China's construction machinery foreign trade in 2012 and characteristics

In the first half of 2012, construction machinery exports of China soared while imports fell sharply. From January to June of 2012, China's construction machinery exports increased by 35.94% than the same period of 2010, reached 9.01 billion USD dollars. Imports of China's construction machinery during the same period were 3.31 billion USD dollars, decreased by 36.31% year on year.

As China's construction machinery products and technology are becoming more and more mature, they have been recognized by many countries. China has a great potential in entering and occupying emerging markets like India and Brazil, as they are showing great demand in infrastructure construction. Chinese

construction machinery enterprises have started to invest in emerging markets, for the purpose of further development and profit.

Except for the emerging market, the market shares of China's construction machinery products in every big world markets all show an upward trend. After the world's three biggest construction machinery enterprises- CIFA, Schwing and Putzmeister- were bought by Chinese companies Zoomlion, Xugong and Sany respectively, China's construction machinery industry raised its status unprecedentedly in the world market.

Moreover, China's proprietary brands of construction machinery are developing rapidly. More and more featured products with intellectual property are being launched by Chinese enterprises, which greatly boost competitiveness of China's construction machinery industry.

