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Machine Tools in China

Industry Study with Forecasts for **2012 & 2017**

Study #2390 | September 2008 | \$5100 | 210 pages



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Advances will be supported by rapid growth in durable goods production, the expansion and modernization of infrastructure and a rise in demand for higher-value CNC machine tools.

Demand in China to grow 13% yearly through 2012

Demand for machine tools in China is projected to increase 13.0 percent annually to ¥606 billion in 2012, outpacing growth in most other parts of the world. Advances will be supported by rapid growth in durable goods production, especially for industrial machinery, transportation equipment, primary and fabricated metals, and electrical and electronics goods. In addition, the expansion and modernization of China's infrastructure will result in increases in ceramic, glass, stone and wood product demand, which will further contribute to machine tool market gains. Moreover, a rise in demand for higher-value computerized numerical control (CNC) machine tools will also boost overall market value.

Metal cutting machine tools to outpace all others

Metal cutting machine tools -- including lathes, milling machines, machining centers, grinding and polishing machines, and laser and electrical discharge machines -- accounted for 38 percent of overall Chinese machine tool demand in 2007. Metal cutting machine tool demand is expected to outpace that of other machine tool products, spurred by strong growth in investment by the manufacturing sector. In addition, improving capabilities in CNC technology, which is mostly employed in metal cutting machine tools such as machining centers, will contribute to market advances in this category. Sales of machine tool

Machine Tool Demand in China (328.5 billion yuan)

Metal Cutting
38%

Metal Forming
21%

Nonmetal
6%

Machine Tool
Accessories
35%



accessories will also climb at an above-average rate, driven by fast growth in machine tool production in China. Sales of metal forming machine tools will grow at a healthy pace, fueled by continued growth in manufacturing output and further increases in fixed investment spending by both domestic and foreign-owned enterprises. In addition, demand for nonmetal machine tools is projected to grow at a respectable rate, driven by growth in wood, stone, glass and other nonmetal durable goods production.

Industrial machinery to remain largest market

Industrial machinery is expected to remain the largest market for machine

tools in China due to the wide range of applications and significant machine tool requirements in many of these industries. Fastest growth by far is expected in the electrical and electronics sector, which in many cases requires high-precision, higher-end tools to meet the stringent tolerances involved in electronic products manufacture. Transportation equipment represented the second largest machine tool market in China in 2007 and will maintain this position for the foreseeable future, supported by continuing foreign investment in the Chinese automotive industry, and fast growth in automotive parts production. In the primary and fabricated metals market, end use output increases will stimulate healthy segment gains.

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**Sample Text,
 Table & Chart**

PRODUCTS

CNC -- Demand for CNC lathes, milling and related projected to grow through 2012 to ¥ addition, CNC pr category. Deman end, general purp replacing old ine also boost deman will restrain total s from growing at a faster pace through 2012.

CNC lathes are rapidly replacing older types due to t installation and operation; they are also designed to use m tooling and fully utilize modern processes. Parts may be d a computer-aided manufacturing (CAM) process, and the uploaded to the machine. Once set and operating, the ma continue to produce parts, requiring only the occasional su an operator. The machine is controlled electronically via a computer menu-style interface and the program may be modified and displayed on the machine, along with a simulated view of the process.

CNC milling machines are computer controlled vertical mills with the ability to move the spindle along the vertical axis. This extra degree of freedom permits their use in engraving applications, and also allows the creation of 2.5D surfaces such as relief sculptures. When combined with the use of conical tools or ball nose cutters, it also significantly improves milling precision without impacting speed, providing a cost-ef-ficient alternative to most flat-surface hand-engraving work.

CNC lathes, milling and other related machines are widely used in the production of automobile parts, motorcycle parts, bearings, fasteners, moldings, valves, measuring instruments, electronic items and other

**SAMPLE
 TEXT**

TABLE IV-3

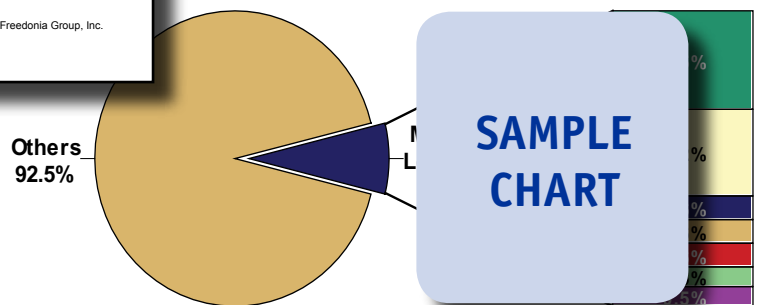
**INDUSTRIAL MACHINERY MACHINE TOOL DEMAND IN CHINA
 (million yuan)**

Item	1997	2002	2007	2012	2017
Indust Machinery FCF (bil ¥)					
¥ machine tools/000¥ IM FCF					
Indust Machinery MT Demand					
General Industrial Machinery:					
Pumps, Valves & Compressors					
HVAC					
General Machinery Parts					
Other					
Special Purpose Machinery:					
Mining, Oilfield & Construct					
Farm Machinery					
Textile & Garment Equip					
Other					
% industrial machinery					
Total Machine Tool Demand (bil ¥)					

**SAMPLE
 TABLE**

CHART VI-1

**TOOL MARKET SHARE IN CHINA BY COMPANY, 2007
 (¥328.5 billion)**



**SAMPLE
 CHART**

**Sample Profile,
 Table & Forecast**

TABLE III-8
**METAL FORMING MACHINE TOOL
 SUPPLY & DEMAND IN CHINA**
 (million yuan)

Item	1997	2002	2007	2012	2017
Gross Fixed Capital Formation (bil ¥)	25	40	50	60	70
¥ metal forming/000¥ GFCF					6
Metal Forming Machine Tool Demand (bil ¥)	1	1	1	1	1
Forging Machines	7	7	7	7	7
Bending & Shearing Machines	2	2	2	2	2
Other Metal Forming Machines	2	2	2	2	2
- imports	7	7	7	7	7
+ exports					
Metal Forming Machine Tool Shpts	4760	12500	47100	89500	158500
% metal forming	25.2	26.6	20.6	19.4	19.0
Total Machine Tool Demand (bil ¥)	46.5	101.5	328.5	606.0	1020.0

**SAMPLE
 TABLE**

COMPANY PROFILES

Jiangsu Yangli Group
 99 Middle Yangzijiang Road
 Yangli Sci-tech Park
 Yangzhou, Jiangsu 225127
 China
 86-514-784-8251
 http://www.yangli.com

**SAMPLE
 PROFILE**

Annual Sales: company, 3/08)
 Employment:
 Key Products: shearing ma-
 chines, press r
 International C er

Jiangsu Yangli Group primarily develops and produces press machines. The Company is privately held. The company was the seventh largest supplier of machine tools to the Chinese market in 2007.

The Company is active in the Chinese machine tool industry through the manufacture of computer numerical control (CNC) machine tools, folding machines, sheet shearing machines, press machines and related products, which can be used in the automotive, agricultural, electrical, medical appliance, hardware and other markets. Among Jiangsu Yangli's CNC machine tool offerings are turret-type punch presses, MS series sheet shearing machines, and MB series folding machines. The turret-type punch presses include EP20, MP7, MP8 and MP9 series types. EP20 turret-type punch presses are metal processing machines constructed with all-electric servo drives. Presses in this range offer high speed, noise reduction and low power consumption

"Sales of forging machines will rise 11.0 percent annually through 2012 to ¥65.5 million, below average metal forming machine demand gains. Aside from improving business fundamentals and the wide applicability of these products, gains will be driven by technological innovation offering superior product performance."
 --Section III, pg. 57

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OTHER STUDIES

World Plastics Processing Machinery

Global demand for plastics processing machinery will climb 4.7% annually through 2012. China will post the largest gains and claim nearly one-fourth of demand. Extrusion equipment will pace gains, followed by RIM, rotomolding and rapid prototyping and manufacturing machinery. This study analyzes the \$19.8 billion world plastics processing machinery industry, with forecasts for 2012 and 2017 by product, application, world region and for 30 major countries. It also evaluates company market share and profiles industry competitors.

#2381 10/2008..... \$5600

World Material Handling Products

Global demand for material handling products will grow 5% annually through 2012, with the strongest gains in rapidly developing areas such as China and India. Growth in the nondurable goods sector will outpace the larger durable goods manufacturers market. Advanced/automated products will grow the fastest. This study analyzes the \$104.6 billion world material handling product industry, with forecasts for 2012 and 2017 by type, market, world region and 37 countries. It also evaluates market share and profiles industry players.

#2392 09/2008..... \$5700

Insulated Wire & Cable in China

Demand for insulated wire and cable in China will grow 13% annually through 2011. Gains will be fueled by strong investment in the power grid, telecommunication and building construction sectors, as well as by further increases in the manufacture of products that use insulated wire and cable. This study analyzes the ¥181 billion insulated wire and cable industry in China, with forecasts for 2011 and 2016 by material, product, market and region. It also evaluates company market share and profiles industry participants.

#2338 05/2008..... \$5100

World Mining Equipment

Global demand for specialized mining machinery and equipment will grow 5.9% annually through 2011. Gains will be fueled by continued demand for commodities such as iron ore and copper, and an ongoing boost in coal output. China and India are the fastest growing markets. This study analyzes the \$25.2 billion world mining equipment industry, with forecasts for 2011 and 2016 by type, application, world region and for 33 countries. It also evaluates company market share and profiles major players.

#2308 03/2008..... \$5700

Packaging Machinery in China

Chinese packaging equipment demand will rise 8% yearly through 2011, fueled by strong manufacturing output and rising domestic incomes. Filling and form/fill/seal equipment will remain the largest segment while labeling and coding machinery leads gains. Packaged food and beverages will stay the top markets. This study analyzes the ¥35 billion Chinese packaging machinery industry, with forecasts for 2011 and 2016 by product, market and region. It also evaluates market share and profiles major players.

#2300 02/2008..... \$4900

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