



World Siding (Cladding)

Industry Study with Forecasts for **2013 & 2018**

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The Freedonia Group

767 Beta Drive

Cleveland, OH • 44143-2326 • USA

Toll Free US Tel: 800.927.5900 or +1 440.684.9600

Fax: +1 440.646.0484

E-mail: info@freedoniagroup.com

www.freedoniagroup.com

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Growth will largely be driven by residential construction, which is expected to rebound in many industrialized countries and fare well in developing countries that face housing deficits.

Global demand to rise 2.6% yearly through 2013

World demand for siding is forecast to expand 2.6 percent per year through 2013 to 4.8 billion square meters. Growth in the global siding market will largely be driven by advances in residential construction, which in many industrialized countries is expected to rebound from a low 2008 base. Residential construction will also fare well in developing countries, many of which are facing housing deficits. Additionally, rising personal income levels in developing countries will make siding products more affordable, discouraging the use of single-layer construction methods (in which loadbearing walls are left uncovered). While decelerating economic growth will constrain nonresidential construction activity and related siding product sales, several countries -- including China, India, and Russia -- will post large increases in nonresidential demand for siding.

Asia/Pacific market to be among fastest growing

The Asia/Pacific region is projected to be one of the fastest growing siding markets during the 2008-2013 period, with China and India accounting for the majority of new demand. North America will achieve above average gains through 2013, but nearly all new growth will occur in the US. The residential siding segment in the US is projected to see substantial growth as new housing construction



recovers from its depressed 2008 level, but nonresidential siding demand is expected to decline slightly. From 2008 to 2013, the overall market in Western Europe will experience restrained growth because of flat nonresidential siding demand, although this rate will be an improvement from the 2003-2008 pace. Other important markets, including Japan and Australia, will also experience weak growth.

Masonry, concrete siding to remain strong segment

Demand for masonry and concrete products will remain strong through 2013. Sales of concrete and stone products, which tend to be fairly expen-

sive, are expected to grow nearly three percent per year because of the increased use of concrete and stone siding in high-end applications. The use of brick and tile, and stucco and EIFS products is projected to grow more moderately. Between 2008 and 2013, demand for fiber cement siding will grow strongly because of a recovery in the US siding market; additionally, the use of fiber cement products is expected to increase in a number of countries, including China and India. Sales of vinyl siding are expected to surge through 2013 because of higher levels of US demand; outside North America, vinyl products will account for just a small portion of overall siding demand.

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Sample Text, Table & Chart

ASIA/PACIFIC

India: Siding Demand

In 2008, siding demand in India was 184 million square meters accounting for ten percent of Asia/Pacific region demand. The intensity of siding product use in India is far lower than in most of regional countries because a large portion of the population lives in rural areas, where modern construction practices are not used. Siding is not used in traditional construction methods, which do not utilize siding products, a fact that is true throughout India. As a result, high-end projects account for a small portion of siding product sales. From 2003 to 2008, the siding market grew 10.1 percent per year. Rising personal income levels and a large number of housing starts led to increased residential demand for siding products. Gains in industrial and commercial construction boosted demand for siding for nonresidential applications.

Demand for siding in India is expected to continue to grow steadily through 2013 to 2018, with a slight increase in demand from the 2003-2008 period. India is expected to be one of the world's fastest growing economies through 2018, and the nonresidential segment is expected to continue to grow. Demand for residential building construction is expected to increase because of gains in building construction expenditures, added residential floor space and housing starts. As India's middle class continues to grow, the use of siding products in residential construction will become more frequent.

Brick and tile siding products, valued for their durability and long lifespan, are the most commonly used type of siding in India. Concrete and stone siding products are popular for similar reasons, but are used less because of their higher cost. Since 2003, the use of fiber cement siding in India has grown considerably, and it will continue to grow in the future; fiber cement siding offers important performance qualities (e.g., durability; resistance to fire, rot, warping, infestation and cracking) at a

152

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**SAMPLE
TEXT**

TABLE VI-8

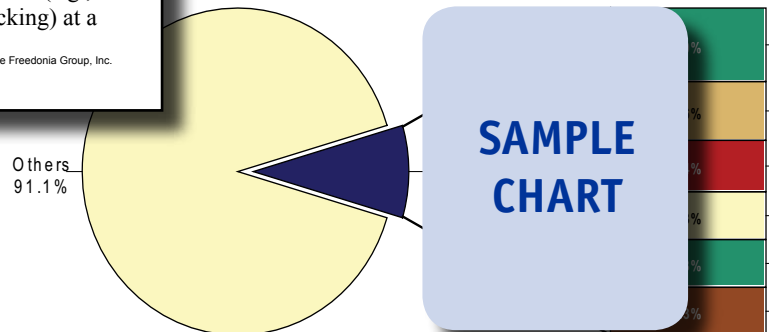
INDIA -- SIDING DEMAND
(million square meters)

Item	1998	2003	2008	2013	2018
Bldg Construction Expend (bil 2007\$) 17					
sq m siding/000\$ bldg construction					
Siding Demand					
By Type:					
Masonry & Concrete					
Brick & Tile					
Stucco & EIFS					
Concrete & Stone					
Fiber Cement					
Metal					
Vinyl					
Wood					
Other					
By Market:					
Residential Buildings					
Nonresidential Buildings					
% India					
Asia/Pacific Siding Demand	1388	1583	1827	2114	2507

**SAMPLE
TABLE**

CHART VIII-1

SIDING MARKET SHARE BY COMPANY, 2008
(\$53.1 billion)

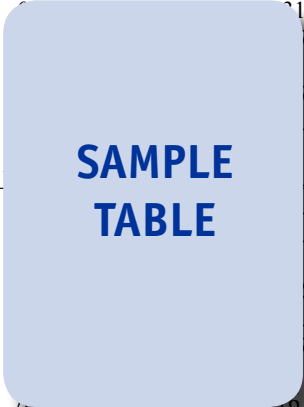


**SAMPLE
CHART**

Sample Profile, Table & Forecast

TABLE VI-7
INDIA -- ECONOMIC INDICATORS

Item	1998	2003	2008	2013	2018
Population (mil persons)					1.18
per capita GDP					1,000
Gross Domestic Product (bil 2007\$)					5,000
\$ building construction/000\$ GDP					9
Bldg Construction Expend (bil 2007\$)					10
Residential					10
Nonresidential					10
sq m siding/capita					4
sq m siding/mil \$ GDP					5
sq m siding/000\$ bldg construction					1
Siding Demand (mil square meters)					16.0



COMPANY PROFILES

Louisiana-Pacific Corporation
 414 Union Street, Suite 2000
 Nashville, TN 37219
 615-986-5600
 http://www.louisianapacific.com

Sales: \$4.2 billion in 2008
 Geograph: 4% and Canada and
 Other Co: 4% and Canada and
 Employ: 10,000

Key Prod: Siding, trim, hardboard
 siding, and trim, hardboard

Louisiana-Pacific (L-P) is a forest products firm that manufactures lumber, pulp, structural and other panel products, hardwood veneers and cellulose insulation. The Company operates through four segments: Oriented Strand Board, Siding, Engineered Wood Products and Other Products.

The Company is active in the world siding industry through the Siding segment, which had 2008 sales of \$424 million. The segment produces exterior siding and other cladding for use in residential and commercial applications. Specific products from L-P include SMARTSIDE oriented strand board (OSB)-based siding and trim, as well as hardboard siding and accessories. In 2008, the Company manufactured 68 million square meters of wood-based siding.

L-P's OSB-based exterior products accounted for sales of \$350 million in 2008. The Company's SMARTSIDE OSB-based siding, which generated 2008 sales of \$316 million, is made with enhanced

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"India, which has considerably lower levels of siding product use, saw demand increase 10.1 percent per year between 2003 and 2008. As institutional (e.g., hospitals, schools) commercial and industrial construction in India surged during this period, sales of siding products for nonresidential applications rose by more than twelve percent per year."

--Section VI, pg. 135

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OTHER STUDIES

Gypsum Products in North America

This study analyzes the North American gypsum industry. It presents historical demand data for the years 1998, 2003 and 2008, and forecasts for 2013 and 2018 by product (e.g., gypsum board, cement additive, agricultural gypsum, fillers), market (residential, nonresidential and nonbuilding construction; industrial; agricultural) and country (US, Canada, Mexico). The study also considers market environment factors, details industry structure, evaluates company market share and profiles industry players.

#2516 08/2009..... \$4700

World Insulation

Global insulation consumption is projected to grow 3.8% yearly through 2012. The fastest growth will occur in developing Asian countries based on strong building construction activity and increasing production of insulated products. Foamed plastic will remain the largest segment while fiberglass gains market share. This study analyzes the \$29.2 billion world insulation industry, with forecasts for 2012 and 2017 by material, market, world region and for 46 countries. It also evaluates company market share and profiles major players.

#2434 02/2009..... \$5800

Siding

Demand for siding materials in the US will exceed 115 million squares in 2012. Gains will derive largely from a recovery in residential construction, particularly in single-family housing. Demand in the key vinyl siding segment will be moderated by competition from fiber cement siding. Stucco and related materials will also outpace vinyl. This study analyzes the \$10.4 billion US siding industry, with forecasts for 2012 and 2017 by material, market and region. It also evaluates market share and profiles industry players.

#2376 07/2008..... \$4700

Brick & Block

US demand for brick and block will reach \$7.9 billion in 2012. Growth will be greatest in concrete products, reflecting stronger growth in key nonresidential building markets. Demand for clay brick will benefit from a recovery in residential building activity, especially in new single-family housing. This study analyzes the 14.2 billion unit US brick and block industry, with forecasts for 2012 and 2017 by product, market, application and US geographic region. It also evaluates company market share and profiles major players.

#2331 05/2008..... \$4500

World Drywall & Building Plasters

Global demand for drywall will grow 4.5% annually through 2012. Prospects in the Asia/Pacific region will be particularly robust, while sales growth in the dominant North American market will significantly lag all other regions. Drywall based on synthetic gypsum will account for an increasing share of demand. This study analyzes the 7.8 billion square meter world drywall industry, with forecasts for 2012 and 2017 by product, market, world region and for 14 countries. It also evaluates market share and profiles major players.

#2335 04/2008..... \$5500

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