

China: Tire export difficulties still exist, but will remain stable

Tire proportion of Chinese rubber (Reuters) China's exports in recent years has accounted for about 42% of the production, stability or otherwise of the export market is closely related to the stable development of China's tire industry. In September of this year, the tires safeguard is about to expire; November 1, the EU tire labeling law was formally implemented; Europe's debt crisis continue to simmer, the foreign market full of uncertainty. These factors superposition of the first half of tire export market in the end how the second half of the year how the market trend? Tire Branch of China Rubber Industry Association held on August 8 2012 meeting of tire exports, the industry express their views were fully discussed. The first half of the year: exports to maintain a certain growth This year due to the debt crisis in Europe continue to simmer, the international market recovery seems to be not very optimistic, in addition to various tire companies due to different products and the main target market, the export situation are quite different, the industry as a whole feeling of the first half of the export market than in previous years. "But the data of customs statistics, exports of automobile tires and we feel different in the first half, China's exports of automobile tires remain a certain amount of growth." Xu Ying, Deputy Secretary-General of the China Rubber Industry Association, the first half of the motor cars new pneumatic tires of rubber (hereinafter referred to as the passenger car tire) exported 732,000 tons, an increase of 11.3%; passenger motor vehicles or freight motor vehicle with a new pneumatic tires of rubber (referred to as truck and bus tires) exported 1.122 million tons, an increase of 20.8%; last year's total export growth of 4.5 and 8.8 percentage points higher, respectively. However, export prices year-on-year increase in the average small, 1-May car tires per kg of export prices increased slightly by 2.3 percent, truck and bus tire was flat. Her analysis, on the one hand, due to continued low prices of raw materials this year, on the other hand also shows that China's tire export prices is still room for improvement. Rubber Association Tire Branch Secretary-General Cai Weimin, according to the statistics of the member companies of the tires Chapter 42 tire exports, the export of tire shipments (article) in the first half grew 3.3%, 22 enterprises which export growth, a decrease of 20 home; radial tire export delivery volume () growth of 2%, of which exports radial tire 36 tire enterprises, an increase of 22, a decrease of 14. Overall, large enterprises and foreign-funded enterprises fell more, the overall situation than in previous years.

Giti Tire (China) Investment Co., Ltd. export, senior manager of money Beifen that the reason for the feeling of the industry and export statistics differences may be due to the continuous expansion of China's tire production is related to. Constantly new capacity release, new business production, each family would increase the number of total number will go up with each export region, and are always ups and downs, so the individual feel and overall actual data a difference. " Xu Ying, the export data from the first half, the U.S. is still the first target country of China's tire exports. Which exports 173,000 tons of car tires in the United States, accounting for 23.6% of the total exports of passenger car tire; Export truck and bus tire of 206,000 tons, accounting for 18.4% of the total exports of truck and bus tires. Tires exported to Europe

accounted for about 46 percent of China's total exports tires, Europe and the United States is still the major export markets of China's tire. In addition, the passenger car tire exports to the U.S. in the first half of the number of year-on-year increase of 14.3% to stop the declining trend since the special protective case, on the one hand, the U.S. economic recovery, on the other hand, said the Mint Paul last year and their impact weakened. Passenger car tire, Russian export growth, export volume grew by 118.9 percent, nearly 50 percent increase in exports of Saudi Arabia and Canada; truck and bus tires, the larger countries of export growth in Saudi Arabia, an increase of 100% . Cai Weimin, 26 key enterprises in the export of data analysis, the number of tires exported to the U.S. () accounted for 23.38% of the 26 companies tire of the total export volume, exports to the EU accounted for 17.5% in other regions accounted for 59.12%. Among them, steel and semi-steel radial tire exports to the U.S. number () accounted for 24.25% and 18.81% respectively, exports to the EU accounted for 6.33% and 22.74% respectively, exported to Europe still accounts for the bulk. Enterprise: the market than in previous years From the export statistics, this year the United States, Russia, South America, the Middle East market better, decline in the larger EU market, some export destination in the European market enterprises affected large enterprises overall feeling of the export market than in previous years. According to Double Coin Holdings Ltd. International Trade, the vice director Jin Xiaobo, with the expansion of business scale, double the money in recent years exports have been steady growth, the export growth is basically maintained at 10% -15%. This year's economic situation has been less decline in the European market, through the construction of the North American market, export growth in the first half of 10%. He said that the company has been great emphasis on brand building in foreign markets, pay attention to the connotative development, not on price, active in overseas channel construction, still achieved good results in difficult circumstances. Customs data show that the highest-funded enterprises, including the export price of the last two years, double the money truck and bus tires. Aeolus Tyre Co., Ltd. major export markets in Europe, the decline in export growth. The Fengshen marketing vice director Yang Jisheng said exports rose 12 percent in the first half of this year, but in previous years, an increase of more than 20%. Xingyuan Tyre Group Co., Ltd. Vice President Song said that peace and quiet, they steel tire exports in the first half of last year, he thinks the main reason is the problem of market structure. Xingyuan exported to the Middle East market and the Southeast Asian market in the steel tire market the better the U.S. market and the Russian market more than exports, but also to gradually adjust the export market layout. Exquisite Group Limited overseas marketing general manager Wang Guomei, the benefit from the enterprise than the entire product line, tire export growth in the first half in about 20%. She stressed that enterprises should pay attention to brand building, past exports are "tire", and now foreign customers has begun to accept the Chinese tire brands. Hangzhou Zhongce Rubber Co., Ltd. General Manager of International Trade Su Yongmin, said this year's economic situation than last year's grim, but the second choice this year than last year and a larger increase in exports than last year, down 2 percent. Mainly due to the implementation of the EU REACH regulations and

labeling laws, sea freight increased, the impact of exchange rate changes, tire costs are dramatically higher prices, the cost advantage is no longer; In addition, the U.S. tire special protective case, the unrest in the Middle East, the United States sanctions against Iran, some countries anti-dumping of Chinese tires, but also affect exports. He believes that rely on cheap labor advantage, low-cost expansion will be more and more markets, tire exports will also benefit from price competition to brand, quality, environmental protection, energy-based competition. He said that in recent years the company has been in transition to the pursuit of efficiency, and will actively develop new products to meet the new requirements of the international market for energy saving and environmental protection tires. The money Beifen good through the first half of the export growth rate also declined, which is rare in recent years, with the downturn in world economic situation, exchange rate fluctuations have a relationship. She believes that enterprises should develop export strategies for different regions, while the emphasis on tire quality, tire wear, fuel economy, renovation, providing customers with value-added services. The second half of the year: export should remain stable

The second half of the export market, the industry generally believe that there are still many uncertainties and greater difficulties, but still have confidence in the market. Cai Weimin, the second half of the export market will not be worse than the first half, the recovery of major markets, the U.S. market is relatively stable, others such as South America, Southeast Asia, the Middle East market better. In September, the U.S. special safeguard case expires, the possibility of an extension from the moment this is beneficial to China's tire exports. Therefore, as long as the second half could not trade friction events, exports should remain steady growth. Song with peace and quiet in the second half should be better than the first half from the enterprise statistics, the export growth month by month. “ In addition, key tire enterprises believe that the EU labeling law implemented on November 1 will not be much impact on exports. Mainly due to the enterprise in recent years have been doing this preparation, labeling law to bring the cost of upgrading is allocated every year, not this year, a concentrated expression of the tire test results of some large enterprises in the E-Class, and even some already Dual Class B There will also be part of the implementation of the labeling law, rising costs, technical barriers to increased exports will be affected. However, market risk still exists. Xu Ying remind the business, this year, up to 6 in cases of trade friction against the rubber industry in China. Special protective case in September expiration, the United States is the largest country in China's tire exports, so companies must pay attention to. She stressed that companies must not be exported below cost, to prevent the foreign anti-dumping. Wang Guomei also said that three years of special protective case should the church tire companies how to safely respond to the market to adjust prices. Domestic enterprises should learn from Thailand's rubber enterprises, to Baotuan respond to the market is bad. She believes that each company should hold on to the bottom line price, to fully display the characteristics of their products should not rely on the price war to dominate the market. Qingdao Double Star Tire Industrial Co., Ltd., deputy general manager, general manager of the Import and Export Corporation, GE said that the tire industry should establish export

management system, the master terminal market. China tire export terminal market price is not lower than in other countries too, but that is because companies do not have the terminal market, the benefits are intermediate channel absorption, which is very detrimental to China's tire exports, he said, should strengthen work in this area . China Rubber Association stressed Fan Rende, the tires safeguard expires in September this year, this is a sensitive period, what response to post-market, the stability of China's tire in the second half of export and industry development is very important. The same time, the EU REACH legislation and tire labeling law, which greatly improve China's tire exports to the EU threshold. The development of our green tire behind than abroad for at least five years, so in the future to promote the industrialization of the green tire will be the center of China's rubber industry. He said that Chinese tires in the past rely on massive exports maintain growth, but the United States and Europe have changed the strategy of starting to focus on the development of the manufacturing sector, China's future is difficult to maintain the tire export situation should change the model of development strategy in the past. He believes that the second half of the tire companies to pay attention to the overall situation of domestic and international economic operation, and rubber sectors of the economy, in order to determine the enterprise's development strategy and export strategy. At the meeting, the Suzhou Jiutai Corporation Chairman Feng Bai Rong, Hangzhou Sino-German Chemical Industry Co., Ltd., general manager Zhang Wei, and indeed as assistant general manager of Silicon Chemical Corporation quarter Calling off also describes the exports of raw materials, as well as environmentally friendly rubber, oil, tire additives , silica and other green materials development and market conditions. After the meeting, the plenary meeting of representatives visited the the rubber Valley.