

IRSG Secretary-General Expects ‘Sustained Growth and Demand’

Speaking as principal guest at the opening of Tyrexpo Asia 2013, the secretary-general of the International Rubber Study Group (IRSG) has predicted strong global demand for tires through the coming decade. Dr. Stephen Evans said that large scale Chinese and Indian car registration growth is projected to help increase the world's vehicle pool by more than 50% in the next decade. The ninth staging of the show opened in Singapore on March 19, with more than 250 exhibitors in tire, rubber, equipment, machinery and accessory suppliers participating. Evans said: "Following two years of disappointing economic growth, in response to the European Sovereign Debt crisis, the weak U.S. economic recovery and budget issues, plus the economic slowdown in China, our latest forecasts point to a period of sustained growth and strong demand for new vehicles and tires through the coming decade." "Much of the demand will originate from China and to a lesser extent India, but from an overall perspective the years through to 2022 will be a period of opportunity for tiremakers and the replacement and service sectors." As evidence for his forecast, Dr. Evans pointed to strong growth in OE and replacement tire sales as a result of increased vehicle production forecasts. Global OE passenger car tire sales are predicted to grow from 333 million units in 2012 to 524 million units by 2022, while replacement car tire sales are projected to move from 786 million units in 2012 to 1.3 billion units by 2022. "We believe there are currently around 1.1 billion vehicles in use around the world and predict that figure will rise to as many as 1.7 billion towards the end of the coming decade. China alone is set to reach a target of an extra 250 million vehicles over the same time frame," said Dr. Evans. With around 70% of natural rubber and 50% of synthetic rubber going into tire production, global rubber consumption is expected to follow increased tire manufacture accordingly. 2012 consumption of 10.9 million tons of natural rubber for all markets (tire and non-tire) is forecast to grow to 17.2 million tons by 2022. The comparable figures for all synthetic rubber markets are 15.0 million tons in 2012, rising to 21 million tons by 2020. (Tyres & Accessories) tirereview.com