



a professional polyterpene resin producer

The Update of China Pine Chemical Industry Year 2021

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At Brazilian Virtual Conference, 8/Jul./2021

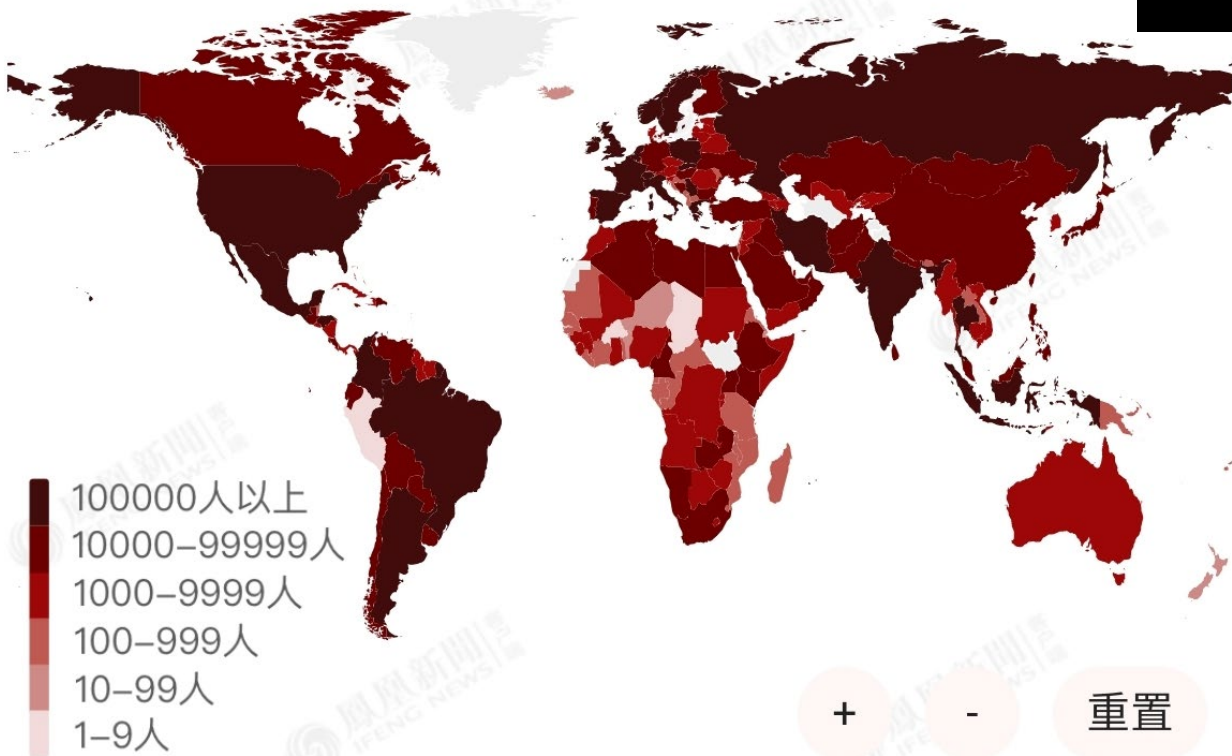


What we will briefly talk about

- Recovering from Covid-19 in china
- CGR past years production and forecast to year 2021
- Market in developing
- Analysis and conclusion



Global Covid-19 Today



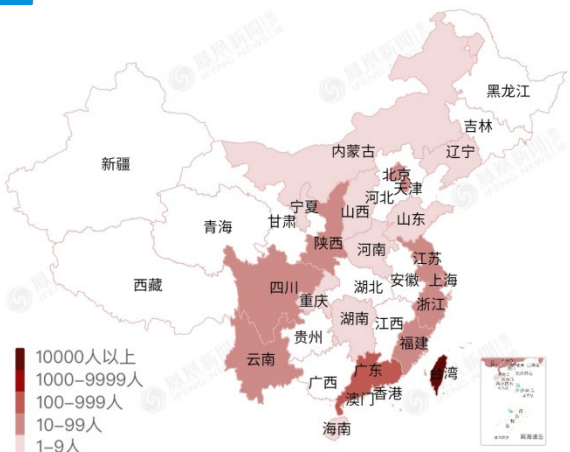
372219 **177273116** **146545347** **3830416**

New Confirmed

Cumulation

All Recovered

Total Death



昨日 +284
12357
现存确诊

昨日 +36
421
无症状感染

昨日 +21
6314
境外输入

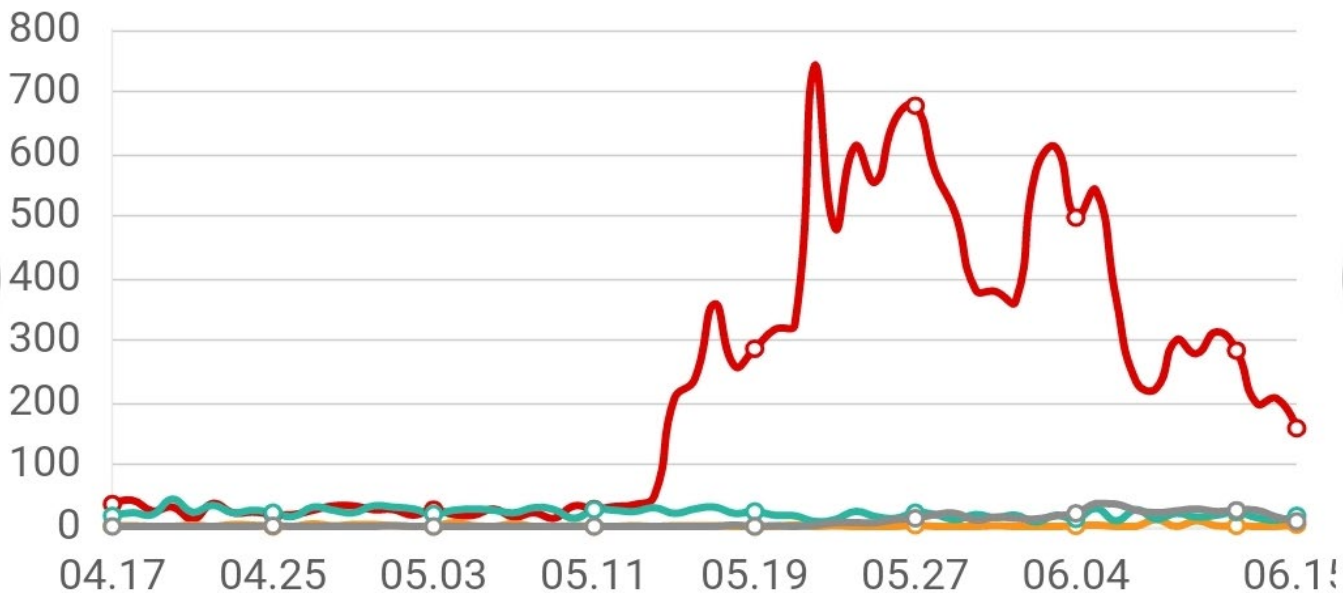
昨日 +326
116834
累计确诊

昨日 +17
99153
累计治愈

昨日 +26
5324
累计死亡

全国疫情新增趋势图

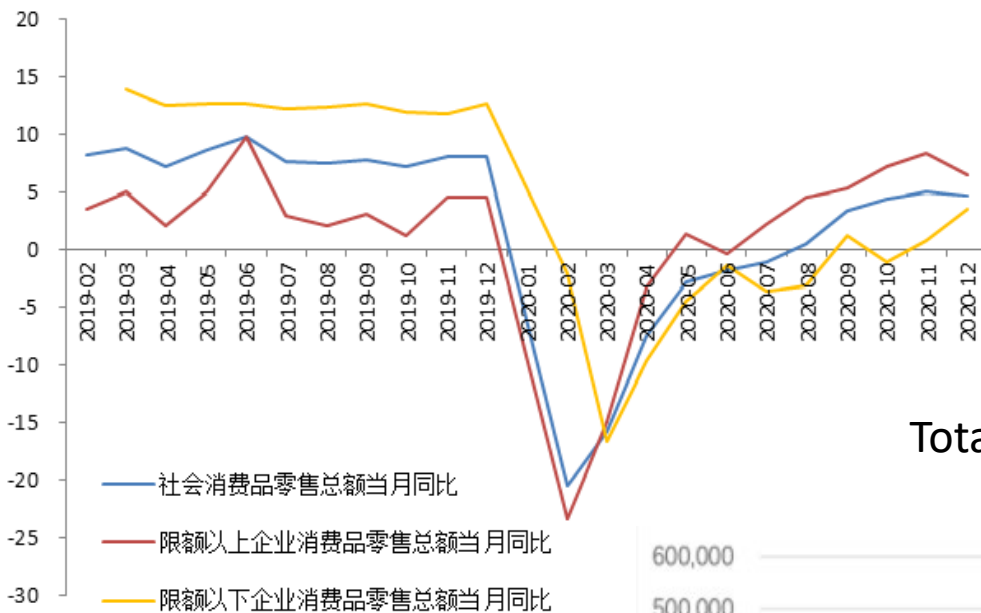
■ 确诊 ■ 疑似 ■ 治愈 ■ 死亡





Total retail sales of social consumer goods

社零总额同比增速回落



Total Export and Import of China

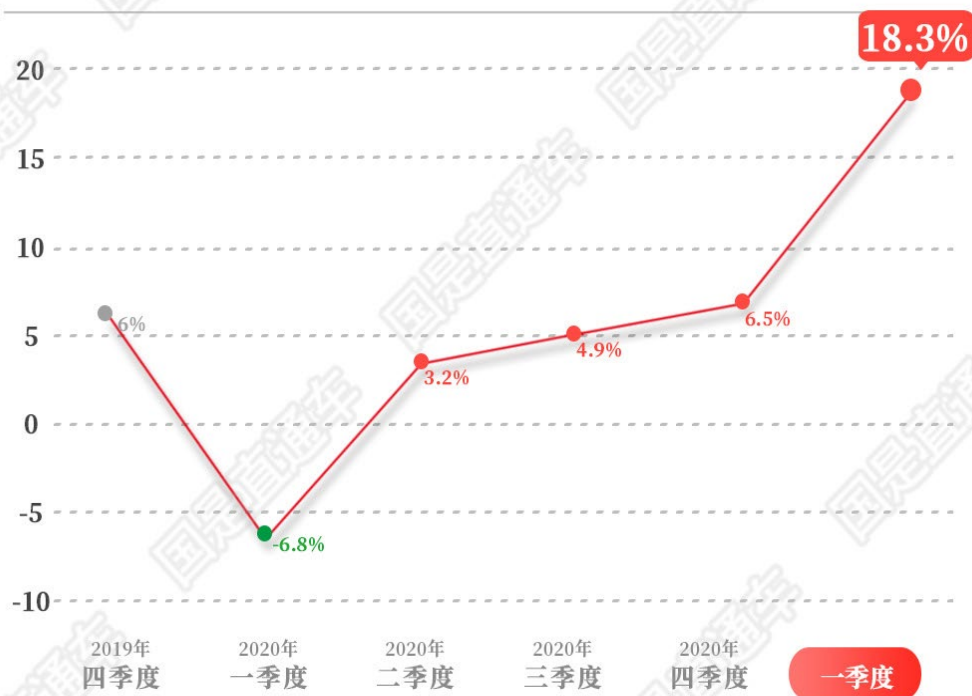




中国经济趋势图

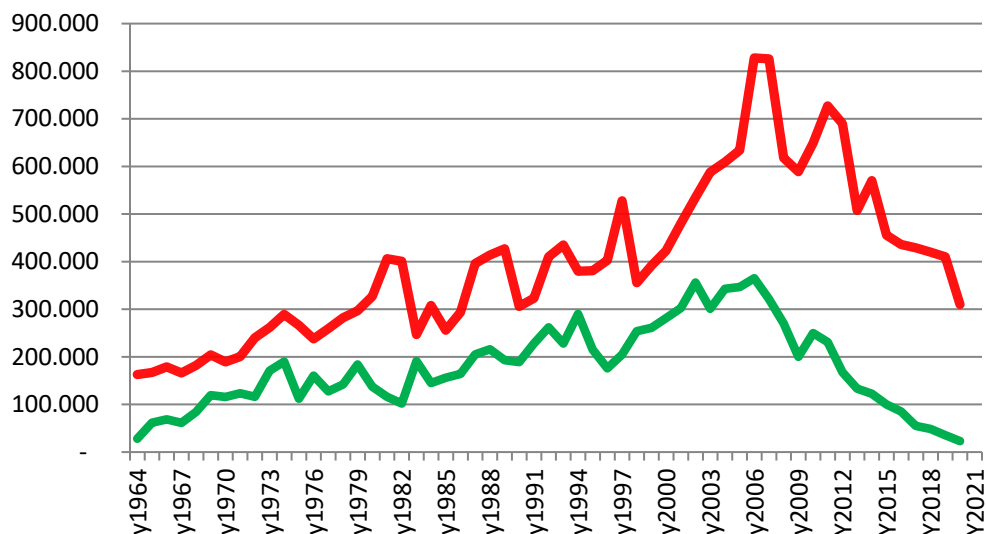
一季度GDP总值249310亿元，同比增长18.3%

RMB 2,493,100,000,000



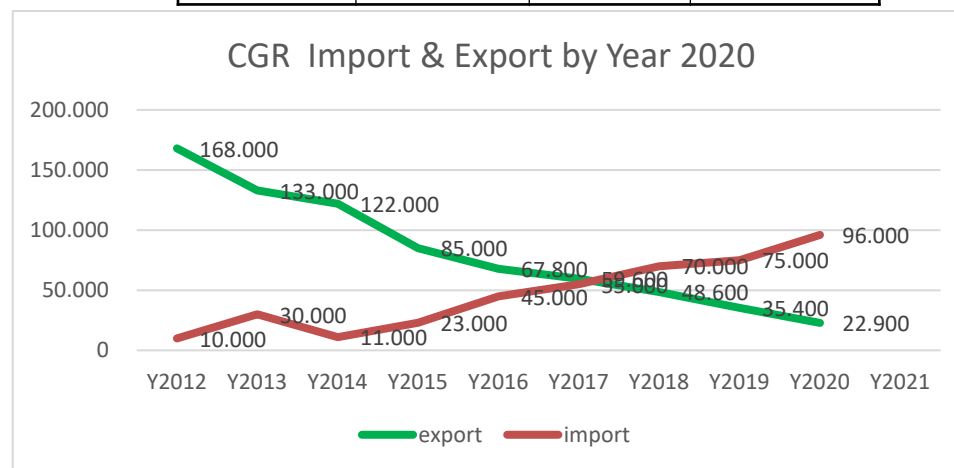


CGR Production and Export Y1964 to Y2020



2020 CGR Production			
	Y2018	Y2019	Y2020
Guangxi	145,000	133,000	83,000
Guangdong	45,000	49,600	44,750
Yunnan	62,000	60,000	49,900
Jiangxi	81,000	80,200	64,400
Hunan	22,000	21,200	18,500
Fujian	35,000	41,000	19,600
Others		25,000	27,000
Total	420,000	410,000	307,000

- In year 2020, CGR Production reduced 25% compare to year 2019.
- CGR export dropped continually down to 22.9 kton, -35% compare to 2019.
- In the meantime, imported rosin keeps growing up to 95.9 kton, increased 27%.





CGR Production Vs Domestic Demand

Production

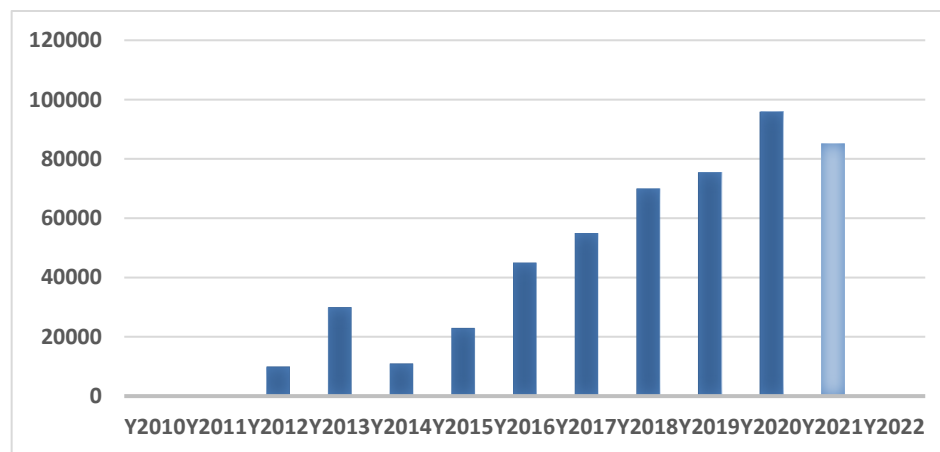
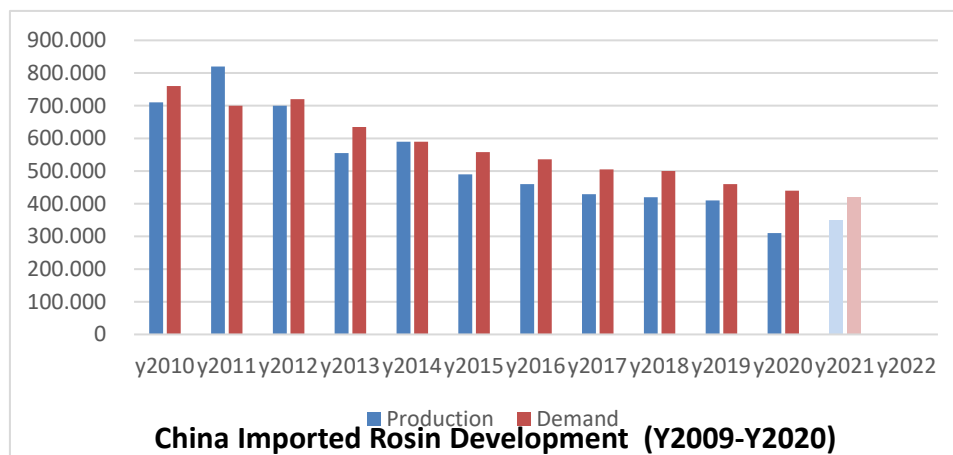
In the past 10 years, Chinese rosin annual output and domestic consumption both takes down trend, and this trend is going to be remained in coming years.

Demand

It is an irreversible trend for china to import more rosin and turpentine in future from all of the world, and it will be remaining the largest single down stream processing market and consumption market.

Crude gum

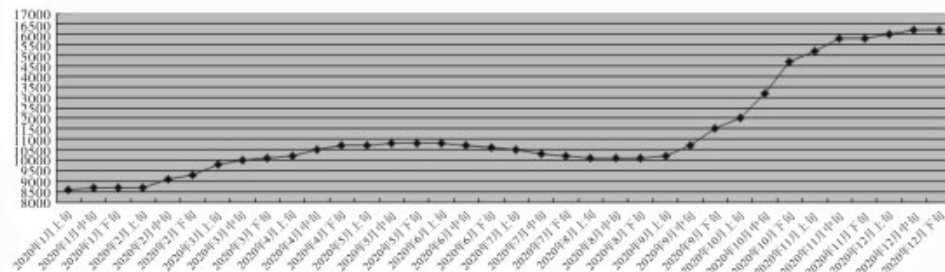
importation dropped down to 20k tons 2020 compare to 30k tons in 2019. Considering cost advantage of imported crude gum, this is reasonable business and it is helpful to balance basic demand of china.



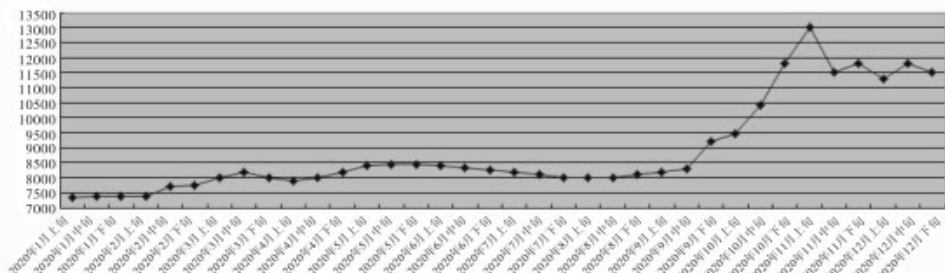




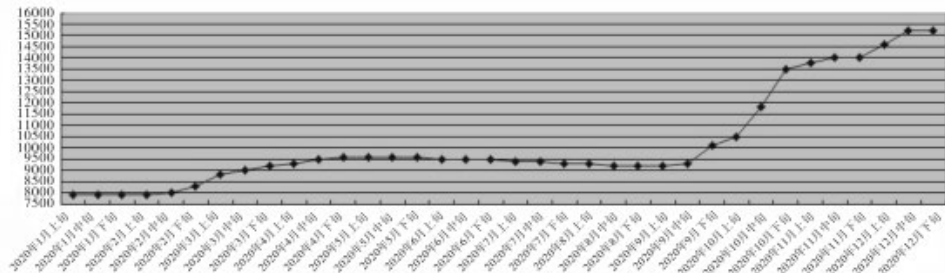
2020年黄埔一级马尾松香价格走势图 (单位: 元/吨)



2020年江西一级湿地松香价格走势图 (单位: 元/吨)

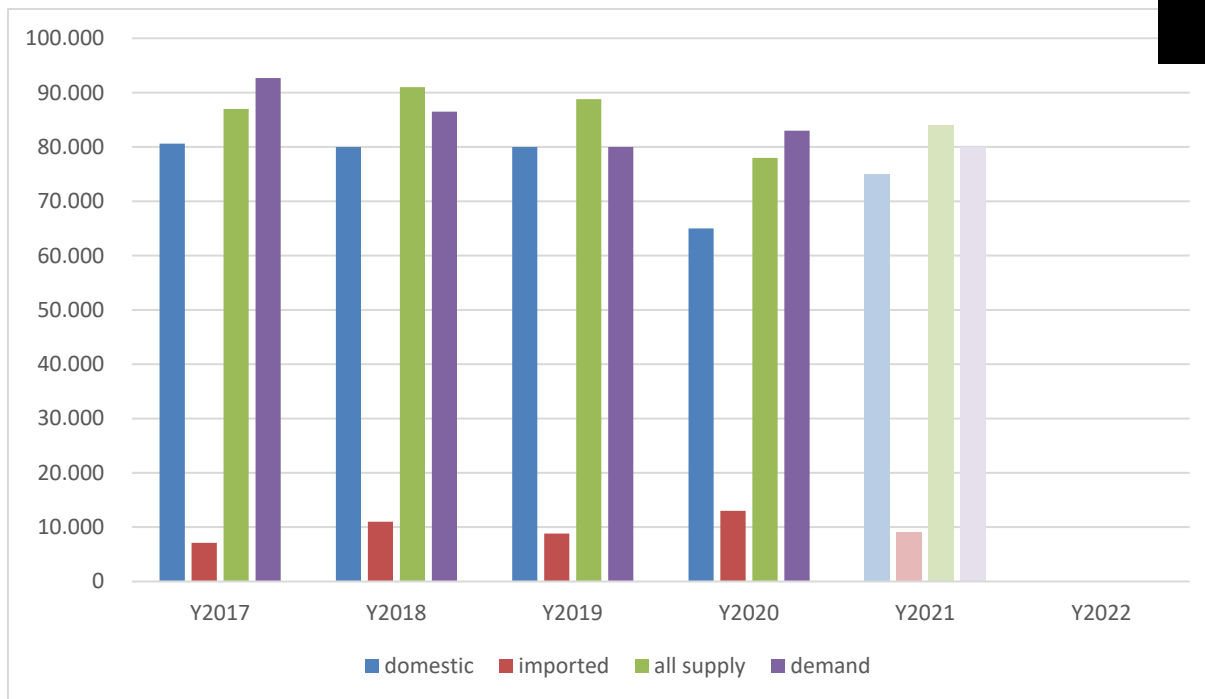


2020年云南一级松香价格走势图 (单位: 元/吨)





Gum Turpentine Overview of China



Year 2020, affected by worldwide Coronavirus pandemic, demand to products relative to detergents got big increase first half the year. Terpeneol, pine oil, camphor, isoborneol acetate, export volume increased about 30% to 50% according customs statistics, and pinene export dropped more than 40% in the meanwhile.



Analysis and Conclusion

- The disaster caused by the pandemic is much more heavier than people imagined, it has affected everyone's daily life and the worldwide economic recovery will take another one or two years;
- Economy growth of china in 2021 is about 8% as WB predicted based on the volume of chinese GDP US\$ 14.3 trillion in year 2020 ;
- It is an irreversible down trend for chinese rosin production. But stimulating by high crude gum market price, the output expected a 15% to 20% increase in crops of 2021 ;
- China as a huge pine chemical demand market, more crude gum/rosin/turpentine are needed from all over the world, especially from Brazil;
- Integration of the industry in china has been continuing and numbers of rosin plants were eliminated or retired in the past years, less than 100 rosin plants or fewer is going to be left;
- Pine chemical industry has to be more green and environmental friendship to compete with petrochemical industry, its future must be brighter. According The Paris Agreement, China will be getting the peak of carbon emission before 2030, and getting carbon neutrality before 2060.
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Thank you !

Lifeng Song
Brazilian Virtual Meeting of Pine Chemical
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