

EXTRACT

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The Global Financial Crisis Should Have Been Better for China, But...

DATE: 2009-08-28

Growing production surpluses resulting from the government's stimulus package and loose credit policies are constraining the rebound of industry and the economy, and may undermine their recovery.

Data from the Ministry of Industry and Information Technology (MIIT) show that current overcapacity in the steel industry has reached more than 100 million tons, with 20% growth of new projects this year. Cement production surpluses total nearly 300 million tons, and over 200 new production lines are under construction with new capacity of more than 200 million tons. The capacity utilization rate of the aluminum industry is only about 65% of its production capacity of 5.6 million tons and 2 million tons for alumina and electrolytic aluminum. In addition, industries such as shipbuilding, chemicals, and flat glass, among others, also face serious problems of excess production capacity, and projects in emerging industries such as solar, wind energy are duplicating each other.

Production surpluses result from new projects and the interruption of capacity adjustment by the financial crisis. This round of China's economic adjustment cycle began at the end of 2007. It was expected that the market would regulate automatically, but government intervention set the manufacturing sector back onto the old road of expansion. Insiders in China's textile industry, for instance, spoke of its serious overcapacity, and saw the financial crisis as a good opportunity for adjustment. Due to support from export tax rebate policies, however, many marginal companies are hanging on. "Enterprises that should have disappeared still survive."

Wang Minghui, chairman of Yunnan Baiyao Group, a manufacturer of Chinese traditional medicine, says that the financial crisis could have been an excellent opportunity for promoting structural adjustment and improving industrial concentration. Although the pharmaceutical industry is in a period of transition, adjustment has been insufficient and the transition will certainly be delayed.

Industrial adjustment that should have been left to the market is now once again in the hands of the government. The State Council is implementing a series of policies such as government-controlled market, credit, and land access, and environmental protection to enhance control of industries such as iron and steel, cement, plate glass, coal chemicals, polysilicon, and wind power equipment. MIIT and other ministries are drawing up policies on mergers, reorganization, and the elimination of laggard production capacity.

With the introduction of economic stimulus policies since the end of last year, the State Council has issued ten plans for industrial revitalization. A deeper government intervention is entering micro-areas, resulting in an unprecedented expansion of state-owned enterprises, exacerbating overcapacity.

According to MIIT statistics, industrial added value of large-scale enterprises in June and July increased by more than 10%. It is expected that industrial added value of large-scale enterprises in the third quarter will increase by approximate 11.5%, year-on-year, and the annual growth rate will reach 11%-12%. The issue of production surplus, however, will become more serious.

As industrial restructuring is occurring across the whole country in response to the global recession, emerging industries such as new energy have caught more attention. Many local governments are developing them as key industries. However, too much dependence on an undiversified emerging field will bring new excess capacity in such technologies as wind and photovoltaic power generation.

Mastering core technology is key to the development for new energy industries. In the current situation, the least affected in the global photovoltaic industry are large upstream enterprises with core silicon purification technology, while middle and downstream manufacturers for solar cells and components are greatly hurt. Unfortunately, China is the world's largest downstream solar panel producer.

Before 2007, there were only three domestic firms producing polysilicon, with total output of less than 600 tons. By the first half of 2008, there were nearly 20 polysilicon companies with total capacity of over 50,000 tons, accounting for almost 90% of the world's production, and more polysilicon projects are under construction by local governments.

Source: www.chinastakes.com

China's top economic planner forecasts long-term stable prices

DATE: 2009-08-28

China's top economic planner said Thursday the country would avoid large, widespread and long-term price rises as overall supply would match demand in the foreseeable future.

The National Development and Reform Commission (NDRC) said in a statement that a "surge in credit and continuous price rises of certain products and property resulted in rising inflation expectations in the country."

"Sufficient material supply," such as ample reserves of grain and competitive pressures would help stabilize prices, the NDRC said, without providing details.

The NDRC asked local authorities to step up strict price monitoring and to stabilize prices of important products, including food, gas and transport.

Efforts should be made to avoid concentrated price rises and large price rises, said the statement.

Average pork prices nationwide stood at 17.79 yuan (2.6 U.S. dollars) per kilogram Tuesday, up 3.3 percent from a week earlier. By Aug. 12, pork prices had risen for nine consecutive weeks, up 15.8 percent, according to the Ministry of Agriculture Monday.

Prices of eggs Tuesday stood at 7.83 yuan per kilogram, up 2.5 percent from a week earlier. By Aug. 23, egg prices had risen for five consecutive weeks, up 6.2 percent, according to the Ministry's website.

However, the rises were a natural result of previous prices being too low, said Lin Songli, a microeconomic analyst with Guosen Securities Thursday.

The current average pork price was 23.5 percent lower than the same time last year and 17.1 percent down from the highest level this year, said Liu Yuman, an economic researcher with the Chinese Academy of Social Sciences Wednesday.

Government data showed that Chinese banks lent a record of 7.37 trillion yuan in the first half to shore up the economy, exceeding this year's total target of 5 trillion yuan in lending.

However, the CPI, which was down 1.8 percent year on year in July, had declined for seven consecutive months this year, said Deng Yusong, a researcher with the Institute of Market Economy, Development Research Center of the State Council.

'Pork and egg prices often acted as major driving force for inflation in the past, so though the price hikes pose no immediate threat to inflation, the government should be cautious,' Lin said.

Deng predicted the CPI would rebound before October.

Source: CNTEX

China's central bank reaffirms 17% money supply growth target for 2009

DATE: 2009-08-28

The People's Bank of China (PBOC), the central bank, published its Annual Report 2008 on August 25, emphasizing the stability of the moderate increase in monetary credit and reaffirming the growth target of total annual money supply, making M2 growth stand at about 17 percent.

The annual report also pointed out that there will always be conflict between currency and prices, but in general the overall level of prices will gradually stabilize in the second half and the risk of another sharp economic decline in the short-term has reduced markedly.

The annual report said that the central bank needs to make sure that the monetary credit can increase moderately and steadily by considering macro-control policy and flexibly utilizing various monetary policies and instruments.

Financial institutions should resist focusing too much on short-term profits and affecting long-term stable and healthy operation. They should also continue to actively issue loans in a balanced and reasonable manner.

Analysts believe that fluidity in the second half may be gradually tightened by slight adjustments needed to reach the 17 percent growth target, given the current growth of M2, which is already as high as 28 percent.

In addition, the annual report pointed out that with price trends and the impact of factors including a decline in economic growth and overcapacity, pressure from short-term price drops remains. In general however, with gradual economic recovery in the second half of 2009, and accelerating investment growth in particular, the increased prices of investment products will promote the gradual recovery of the overall level of prices.

The annual report also said that the central bank will research policies and measures to cope with unusual changes in the international balance of payments and strengthen the management of the balance of cross-border capital flows, so as to effectively control foreign exchange reserves operation risks.

Source: People's Daily Online

CNTAC & ITMF to convene for Annual Conference in Shanghai

DATE: 2009-08-26



By invitation of the China National Textile & Apparel Council (CNTAC) the International Textile Manufacturers Federation (ITMF) will convene for its Annual Conference in Shanghai, China from October 23 to 25, 2009.

The general theme of this year's ITMF Annual Conference Structural Adjustments in the World Textile Industry indicates that during the Conference delegates will have the opportunity to discuss ongoing structural changes and to exchange views on important topics along the entire value chain in the light of the biggest global financial and economic crisis in decades.

The keynote speaker of the Conference is Gerhard Schröder, former Chancellor of Germany (1998-2005).

The following topics are on the Conference's agenda:

- **Fibers:** Outlook for Cotton and Man-made Fibers with Special Focus on China
- The Impact of the Global Financial and Economic Crisis on the Global Textile Industry
- Interdependence between the Textile and Retail Industry
- Adjustments and Revitalization of the Chinese Textile Industry
- Technical Textiles: Growth Segment of the Future?
- Ways to Innovation (Workshops) Various renowned international speakers will present their views in the respective topics thus preparing the ground for interactive exchange with the Conference's delegates.

The speakers are:

- Terry Townsend, ICAC, Washington/USA - Fang Gao, China Cotton Association, Beijing/China
- Friedrich Weninger, Lenzing Group, Lenzing/Austria
- Karen Jones, CMAI, Houston/USA
- Stephen Green, Standard Chartered Bank, Shanghai/China
- David Yuen Hoi Lee, UNIDO, Vienna/Austria
- Giuliano Noci, Dep. of Economics and Industrial Engineering, Politecnico di Milan, Milan/Italy
- Chien Chen, Walt-Mart, Shenzhen/China
- Badis Kouidrat, Devanlay Lacoste, Shanghai/China
- Arvind Singhal, Technopak, Gurgaon/India
- Peter Kreitals, Kreitals Consulting, Balwyn VIC/Australia
- Thomas Fischer, Center for Management Research, DITF, Denkendorf/Germany
- Jiri Militky, Technical University of Liberec, Liberec/Czech Republic
- Kunjuan Xu, CNTAC, Beijing/China
- Dekang Gao, Bosiden International Holdings, Jiangsu/China
- Shiping Xi, Shangtex Holding, Shanghai/China
- Hendrik van Delden, Gherzi van Delden, Krefeld/Germany
- Shunnian Shen, Haining China Warp Knitting, Zhejiang/China
- Loek de Vries, Royal Ten Cate, Almelo/Netherlands
- Pang Fengjian, Shangdong Helon, Shandong/China

Prof. Edmund S. Phelps, Nobel Laureate for Economics (2006), has also been invited as a keynote speaker (to be confirmed). The delegates will also have the chance to visit the Intertextile Shanghai Apparel Fabrics Fair on Oct. 22 as well as different Chinese textile mills on Oct. 26.

Source: *International Textile Manufacturers Federation (ITMF)*

Source: China Textile Network Company

Taobao Sees Significant New Trends in Chinese Online Consumption

DATE: 2009-08-26

2009 mid-year key metrics suggest significant numbers of people are turning to e-commerce for everyday items

Online shopping becoming channel for international brands to increase breadth and depth of reach in China

Taobao incentivizing Chinese manufacturers to create new brands for domestic consumption

Mid-year statistics released by Taobao, China's largest online retail shopping destination, show that e-commerce has reached a level of penetration that is satisfying the wide-ranging daily needs of consumers in China.

In addition, Taobao is creating significant opportunities for domestic manufacturers to build new brands on the Internet platform as well as for established, high quality international and Chinese domestic brand name products to access Chinese consumer in ways not easily done through traditional channels.

Daily Needs of Consumers Are Satisfied Through E-Commerce

According to sales statistics for the half-year ending June 30, Taobao is increasingly cementing its identity as the local superstore for tens of millions of people as more and more consumers are turning to Taobao for everyday needs. For example, household goods has become the top selling category by total sales transaction value for the first time, signaling a definitive shift in consumer perception of Taobao as a primary destination for essential daily products in addition to high-value goods such as laptop computers and cameras. In the first half of the year, Taobao merchants sold an average of 438 household items per minute.

New Platform to Build Consumer Brands

Additionally, companies who previously functioned as original design manufacturers for international brands destined for export have reported success in sales of home-grown branded products on Taobao. An example is Qilong Trading Company in Hangzhou, which had long served as a textile manufacturer supplying famous American and European labels. Qilong has since launched Top Kor, its own original brand of female apparel targeting professional women in their twenties and early thirties that is sold exclusively on Taobao. More and more of these contract manufacturers are realizing that the long-term growth of their business depends on developing a brand identity for products that is separate from their OEM work as they take advantage of rising domestic consumption within China.

New Channel for Established Brands to Reach More Consumers

Taobao is also helping prominent global mainstream brands make inroads across the country, especially in second- and third-tier cities where these brands may not have a retail presence. Well-known global brands joining Taobao Mall, the corporate retail section of the online shopping platform, include Dell, Lenovo, Proctor&Gamble and Uniqlo as well as many famous Chinese domestic brands. According to Taobao sales statistics, transaction volume on Taobao Mall for established brands has shown strong acceleration, tripling the level achieved in 2008. By June 2009, dozens of corporate online retail stores on Taobao Mall were reporting average monthly sales exceeding RMB1 million (US\$146,000). In July, the official Lenovo flagship online store achieved record sales of more than RMB10 million (US\$1.5 million) for the month.

'Our top priority this year has been upgrading the Taobao experience and adding additional community building features to complement the desires and needs of our users, who tell us that they see Taobao as a place where shopping, socializing and sharing all take place in a seamless way', said Jonathan Lu, president of Taobao, 'We believe these three trends demonstrate that our customers' appreciate Taobao's ongoing commitment to and investment into their needs.

'What is most interesting is the level of mainstream acceptance of using online retail channels to shop for everyday items, a trend that both prominent global brands and small businesses have recognized. The convenience of online shopping, coupled with consumers' price-consciousness in today's economic climate, has prompted continued expansion of Taobao's reach, not just in terms of popularity among consumers, but also the way in which traditional retailers and brands access these consumers.'

Taobao recorded transaction volume (gross merchandise volume) of RMB80.9 billion (US\$11.8 billion) for the first half of 2009, a 97 percent year-on-year increase. Taobao's gross merchandise volume equated to 1.4 percent of total retail sales in China in the first half of this year, according to the Chinese Bureau of Statistics.

Taobao has become a primary shopping destination for China's rising middle class and young consumers. Forty-seven percent of Taobao users are between the ages of 26-35 and 39 percent are between the ages of 16-25. As of June 30, 2009, Taobao had nearly 145 million registered users, an increase of 101 percent year-over-year. While spending per order in the first half of this year has declined by RMB51.5 (US\$7.54) compared to last year due to the economic slow-down, the overall number of orders has increased by 184 percent over last year because of growing acceptance of e-commerce among the mainstream Internet population.

About Taobao

Launched in 2003, Taobao (www.taobao.com) is the largest Internet retail website in China with 78 percent of the Chinese domestic online consumer market. It provides the most comprehensive product offering and serves nearly 145 million registered users. Transaction volume on Taobao (gross merchandise volume or GMV) reached nearly RMB80.9 billion (US\$11.8 billion) in the first half of 2009, exceeding the largest retailer in China in transaction volume during the same period. According to government statistics, Taobao's GMV equaled approximately 1.4 percent of China's total retail trade in the first half of 2009. Taobao is the primary online shopping destination for the largest online population in the world.

About Alibaba Group

Alibaba Group is a global e-commerce leader and the largest e-commerce company in China. Since it was founded in 1999, Alibaba Group has grown to include the following core businesses: Alibaba.com, Alibaba Group's flagship company and the world's leading B2B e-commerce company; Taobao, China's largest consumer e-commerce company; Alipay, China's leading online payment service; and Yahoo! Koubei, a company providing online classified listings for local services and search.

Source: alibaba

Japan-China Trade Slips in the First Half of 2009

DATE: 2009-08-26

According to a report released today by the Japan External Trade Organization (JETRO), Japan's total trade with China (exports and imports combined) fell 21.4% year-on-year to US\$102.8 billion in the first half of 2009. This was the first decline (in semi-annual terms) since the second half of 2001. Japan's exports to China dropped by 25.3% to US\$46.5 billion, while Japan's imports from China shrank 17.8 % to US\$56.2 billion.

Overview of Japan-China trade in the first half of 2009

Japan's trade with China posted negative growth (year-on-year) for eight consecutive months, from November 2008 to June 2009. The decline was attributed to China's economic slowdown and a drop in external demand.

In the first quarter of 2009, imports and exports were down across the board due to weakened economies in Japan and China, as well as a build-up of inventories in China as external demand fell off.

The second quarter, however, saw an increase in exports of some machinery-related products, fueled by increased infrastructure investment in China due to the government's 4-trillion-yuan (approximately 56 trillion yen) economic stimulus package. A recovery was also seen in exports of parts and materials used in production of finished goods for sale in China, reflecting growing demand in the country for home appliances in part due to the government's consumption promotion measures such as the "Home Appliances to the Countryside" subsidy program. In addition, imports of some home appliances and food products showed signs of recovery in the quarter.

The drop in Japan's trade with China (with falls in both imports and exports) was smaller than that for the nation's overall trade. As a result, the share of Japan-China trade rose to 20.4% of Japan's total trade, the highest level ever (on a semi-annual basis). Japan's exports to China also set a record (also on a semi-annual basis), making the country Japan's largest export destination and eclipsing the US for the first time.

Japan's exports to China in the first half of 2009

Exports of textile machinery and steel, among other items, were down considerably, owing to sluggish growth in China's industrial production caused by a fall in demand from Japan, the US and Europe.

Exports of mineral fuels, such as light oil and kerosene (which rose dramatically in 2008), were also down due to a slowing of domestic demand in China for petroleum products. Export growth for organic compounds, such as vinyl chloride and toluene, as well as passenger cars, fell at a slower rate in the first half of 2009. Semiconductors posted an improved one-digit negative growth in June, owing to increased demand for home appliances spurred by the government's stimulus measures.

Exports of pumps were robust, reflecting increased investment in infrastructure development and a recovery in demand for new building and housing construction in China. Other gains were seen in agricultural machinery, due to increased demand created by the Chinese government's subsidy program, and in telecommunication equipment and related products, as China works to upgrade its Internet infrastructure.

Japan's imports from China in the first half of 2009

In the first quarter of 2009, Japan's real GDP shrunk by 3.1% from the previous quarter. Amid this decline, a significant drop in imports of personal computers and other consumer goods was noted.

A fall in Japan's industrial production contributed to a decline in imports of coal (raw materials for steel production), silicon (raw material for silicon wafers used in production of semiconductors), and low-priced universal parts (used in finished goods production in Japan).

Imports of foods were also down, but showed signs of recovery (after a sharp decline in 2008), as Japanese consumers and food outlets sought out low-cost food items due to the severe economic situation. This fact also led to an increase (from a year earlier) of imports of (low-cost) clothing items from China.

In addition, imports of LCD TVs and some home appliances rose on the back of the Japanese government's introduction of an "eco-points" system, a promotion measure aimed at encouraging consumers to buy environmentally-friendly versions of such products.

Outlook for 2009

Looking at the whole of 2009, Japan-China trade will likely record its first decline in 11 years (since 1998), pushed by the downward trend that began in November 2008. This fall, however, will not be as severe as seen in the first half of 2009, with the global economy forecast to rebound in the second half of the year.

Exports:

- 1) Since a rapid recovery in consumption in Japan, the US, Europe and other developed economies is unlikely, China's exports of finished products is expected to continue its downward trend, leading to a continued decline in Japan's exports of high-value added parts and materials to China.
- 2) A temporary increase in exports of pumps and other machinery is expected, due to increased infrastructure spending in line with the Chinese government's 4-trillion-yuan stimulus package (its effect on total exports, however, is expected to be limited).
- 3) In the second half of 2009, China's consumer market is expected to expand, along with a recovery in domestic production. This will have a positive effect on Japan's exports of parts and materials, although to a limited extent, as the majority of goods for domestic consumption are low value-added items.

Imports:

- 1) Under the current state of the Japanese economy, which is not expected to achieve a quick recovery in 2009, Japanese domestic demand will likely remain stagnant. Therefore, Japanese imports from China, which consist mainly of consumer goods, are expected to fall again this year.
- 2) Due to weak growth in personal incomes, Japanese consumers will turn more towards inexpensive clothing and food items from China - but this will have limited impact on a value basis.
- 3) Japanese imports of low-priced parts and materials from China (used in finished goods production in Japan) are likely to decrease again in 2009, as an early recovery in both internal and external demand is thought unlikely.

* Figures are US dollar conversions of yen-denominated statistics for imports (provisional) and exports (fixed) released by Japan's Ministry of Finance in July 2009. On a yen-basis, Japan's total trade with China fell 28.7% to 9.8 trillion yen in the first half of 2009, with exports falling 32.1 % to 4.4 trillion yen, and imports falling 25.7% to 5.3 trillion yen.

About JETRO

The Japan External Trade Organization, or JETRO, is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small- to medium-sized Japanese firms maximize their global export potential.

Source: Press Release Network

Research Report on China Polyester Chain Industry in 2009 - new market report recently published

DATE: 2009-08-25

Polyester fibers can be divided into filaments and staple fibers. Filaments account for about 62% of polyester fibers and staple fibers account for about 38%. Usually filaments are used by textile enterprises and staple fibers are mixed with cotton. Polyester fibers and cotton yarns compete with each other in the textile industry. They generally occupy 60% and 30%-35% of the textile raw materials respectively. Besides, since PET is retrievable and easily modified, its application on non-fiber through modifying its characteristic is more and more popular. Now it is broadly applied in the packaging industry, electronic apparatus, health and medical care, architecture, automobiles, etc. And among them, packaging industry is the largest non – fiber market and the fastest growing field for PET. In recent years, the market demands for sodas, mineral spring water, tea drinks and edible oil keep increasing forcefully, which enlarges the market demand for the global PET bottles and PET bottle chips and promotes the rapid development of the global polyester industry.

Judging from the current supply of China's Polyester products, the expansion of PET products was relatively fast before 2002. Its production growth rates even surpassed 50% in 1997 and 1999, etc. However, after entering 2002, on one hand, the capacity of the early expansion had gradually met the demand of the market; to some extent, the supply had exceeded the demand. On the other hand, there were obvious shortages of raw materials of PX and PTA, etc. These two factors slowed down the output growth of PET products. The growth rates of PET outputs remained about 10% from 2005 to 2007. In 2007, the output of Chinese PET products exceeded 18 million tons.

As the main raw material for PET products, the outputs of PTA also kept increasing rapidly. Especially after 2003, the output growth of China's PTA products was very high. In 2003 and 2005, the annual growth rates both surpassed 50%. In 2007, the output of China's PTA products surpassed 10 million tons with the growth rate of near 20%. While the growth rate of PX – upstream products, is relatively stable. After 2003, the growth rate of the production chain of PX products maintained at 15% to 20%. In 2007, the yearly output of PX products was over 3 million tons with the growth rate near about 20%.

In recent years, with the rapid development of the downstream chemical fiber industry and packaging industry, the total demand for polyester products is gradually increasing. The change of apparent demand for PET products is in step with the growth momentum of PET supplies. Except that the growth rates in 1997 and 1999 surpassed 50%, the basic demands before 2002 maintained at 20% to 30%. However, since 2005, the synthetic fiber industry entered the stage of small profits

Source: China Textile Network Company

and the early accumulation brought about by the rapid growth of PET products was gradually digested. Thus the growth rate of the apparent demand for PET products slowed down obviously. In 2006 and 2007, although it revived in a small extent compared with 2005, the growth rate only remained at 10%.

Similarly, having been affected by the slowdown of the demand for PET products, the growth rate of the demand for PTA also slowed down apparently. From 2005 to 2007, the demand for PTA products gradually decreased. In 2007, the growth rate of the demand for PTA products reached lower than 5%.

As the primary product of the polyester chain industry, the growth rate of the demand for PX also fluctuated. In addition to being used to produce PTA products, PX products are also used to produce solvent, spice, printing ink, etc. Therefore, its demand is also affected by the development of other products of chemical industry. Generally speaking, since 1996, the growth rate of apparent demand for PX has been keeping at 10% to 20%. In 2005, the depression of chemical industry resulted in its zero growth, but the demand in 2006 and 2007 revived apparently. In 2007, the demand for PX even reached 40%.

As two important raw products in the polyester chain industry, the changes of imports of PTA and PX are quite different. As China's PTA productivity has gradually released, imports of PTA and its import dependency decrease; bottle neck factors transfer to PX; the lack of domestic supply of PX results in the increasing dependency on imports.

Before 2000, the import growth rate of PTA in China was very high (except in 1997). However after 2004, the growth rate became gentle and even declined in 2007. At the same time, the import dependency of PTA was high after 2000, remaining between 40% and 50%. After 2004, it decreased for 4 consecutive years. And in 2007, it decreased below 40%. That was 36.33%.

The import dependency of PX in China before 2000 was very low, which was below 10%. However, as downstream garment industry and polyester industry developed quickly, the productivity of upstream polyester raw material industry, including PX, didn't keep the pace. Thus the import dependency of polyester raw material industry, especially of PX climbed high gradually. In 2007, it even reached the highest 48.36%.

The process units of Chinese Polyester raw materials concentrate in Jiangsu and Zhejiang Provinces. There have been PTA production bases in these two provinces. It is estimated that by 2010, domestic PTA productivity will have been 17 million tons per year. And PTA productivity from East China will account for 69% of the whole country, which will match the downstream polyester productivity. It is also estimated from 2009 to 2010, China's demand for PTA will increase at the rate of 10% yearly, and in 2010, it will reach 17.70 million ton. At that time, the productivity will reach 15.50 million tons and the domestic lack of PTA will decrease to 2 million ton.

As fossil energies concentrates in the upstream of polyester chain industry and textile industry concentrate in downstream, the features of regional distribution have a close relation with the upstream and downstream chain.

Broadly speaking, at present, Chinese Polyester industry mainly scatters in Eastern coastal areas, especially in Yangtze River Delta. The common features of this area are that the textile and garment industry develops quickly and the downstream market of polyester is generally mature. Meanwhile, its overall regional economy ranks in the forefront of the country and the industry within the region develops well, which guarantee capital, equipment and other supporting factors. It's worth noting that the proportion of every index of Jiangsu and Zhejiang Provinces ranks in the forefront of the country. The sales ratio within the region is high because of large production supplies and consumption demands. It saves the transportation cost and enterprises' sales cost.

Since polyester raw material production requires high demand of the nearby surroundings, the place where the project is will to some degree influence the competitiveness of enterprises. At present, some foreign PTA and PX projects are in the coastal areas, which is convenient for ocean shipping. As some large-scale projects will be completed and put into production in the future, it is estimated that Chinese Polyester raw materials industry will form three key concentration areas, including Yangtze River Delta, Xiamen and Zhuhai. Among them, Yangtze River Delta will be the core of Chinese Polyester raw materials industry with many large-scale PTA and PX production enterprises, like Mitsubishi, Du Pont, Yangzi Petrochemical, Shanghai Petrochemical, etc. The upstream and downstream industry of PTA and PX industry will also be very mature. Yangzi Petrochemical, Shanghai Petrochemical and Zhenhai Refining & Chemical will provide PTA and PX production with sufficient raw materials. About half of China's chemical fiber production capacity is concentrated in Zhejiang Province. Generally speaking, the investment of polyester raw materials industry is also concentrated in Yangtze River Delta.

By reading this report, readers can gain the following information:

- Current Situation of Chinese Polyester Chain Industry
- Factors that Influence the Development of Chinese Polyester Chain Industry
- Import & Export Status of Chinese Polyester Chain Industry
- Main Enterprises and Operational Status of Chinese Polyester Chain Industry
- Supply & Demand Situation of Chinese Polyester Chain Industry
- Situation of Project Investment in Chinese Polyester Chain Industry
- Introduction of Investment Opportunities in Chinese Polyester Chain Industry
- Prediction on the Development Trend of Chinese Polyester Chain Industry

Following persons are suggested to buy the report:

- Upstream and Downstream Manufacturers of Polyester Chain Industry
- Polyester Chain Products Traders
- Investors of Chinese Polyester Chain Industry
- Potential Investors of Chinese Polyester Chain Industry
- Institutions Paying Attention to Chinese Polyester Chain Industry
- Import and Export Firms Paying Attention to Chinese Polyester Chain Industry
- Other Persons Paying Attention to Chinese Polyester Chain Industry

Source: companiesandmarkets.com

2009 Autumn Expos: Intertextile Shanghai Home Textiles- Redefinition

DATE: 2009-08-24

Asia's most popular home textile trade fair, Intertextile Shanghai Home Textiles, will open on 25 - 27 August 2009 at the Shanghai New International Expo Centre. With an exhibition space of 103,500sqm, the fair has attracted over 800 exhibitors from 24 countries including newcomers from Belarus, Malaysia and Russia.

Famous Chinese brands including Frette, Babei, Fuanna, Menglan, A-Fontane, sharm and Veken, special pavilions from Germany, Korea, Pakistan, Taiwan, Turkey as well as seven home textiles manufacturing bases including Nantong and Yuhang in China will be featured this year alongside home textiles mills from around the globe.

The home textiles market in China is growing with leaps and bounds and in the process has attracted the attention of foreign brands that have entered the Chinese markets on their own or

through joint ventures. This has happened due to the growing affluence levels of the consumers who are becoming more and more demanding by asking for exquisite home textile fabrics.

Profile for exhibit include bed linen, blankets & bedding, terry & toweling products & bath mat, table and kitchen linen, curtains, curtain accessories, upholstery fabrics & leather textile, wall coverings, carpets & rugs accessories, textile for contract market, fibres/yarns, printing & CAD/CAM/CIM systems, design & styling, trade publications, e-commerce.

A new feature for Intertextile Shanghai Home Textiles will be special Bedding and Functional Fabric Zones, dedicated to international bedding manufacturers targeting Chinese buyers. Equally important will be the open-ended forum, which will be held at the fair to give participants an insight to the business opportunities available in the local and overseas markets.

To inspire fair attendees with the coming trends in home textiles design, a Designer's Studio and the Metropolis Lifestyle Studio will be set up at the international hall to reveal the latest designs and trends for S/S 2010. It is fair to say, home textiles is redefined in a broad sense by Intertextile Shanghai Home Textiles.

China's home textile industry had entered a crucial phase of upgrading instead of simple expansion in quantity. They need to transform the business model, optimize the export product mix, build brands, increase added value, diversify varieties and designs and improve packaging and marketing.

Intertextile Shanghai Home Textiles, as a vane of industrial development, reflect the progress and the orientation of home textile industry, and play an active role in promoting the development of the industry.

Source: CNTEX