

Si material

This week, the price of domestic silicon material fell slightly. Domestic market price for level-1 is 148.5CNY/kg, while it is 140 CNY/kg for level-2. The main price of imported best materials is 20.206 USD/kg, while it stands at 18.859 USD/kg for worse ones.

At present, in wafer manufacturing the conditions are differentiated among operators. Advanced capabilities manufacturers will keep expanding their capacity utilization to eliminate competition using their advantage of capital and low cost. For example, this week, **GCL-Poly Energy Holdings Limited. (HKG: 3800)** saw a 310MW project approved by local government, which is positive news, since that will help them to consume their own silicon materials and wafers. In addition, **ReneSola Ltd. (ADR) (NYSE: SOL)** said it would expand its capacity in September (polysilicon), reducing procurement and switching to lower cost production. However, some manufacturers whose equipment is old will have to face great stress from the weak market. Consolidation in the silicon material industry is beginning to take shape.

Solar Wafer

Presently, the price of silicon material in the domestic market has a little fluctuation. Concerning mono-c-Si 125mm*125mm wafer, the price of 1st-tier suppliers stood at 5.3 CNY/pc, and 4.9 CNY/pc for 2nd-tier ones. As for mono-c-Si 156mm*156mm wafer, the price of 1st-tier suppliers arrived at 8.7 CNY/Pc, and 8.20 CNY/Pc for 2nd-tier ones. In terms of poly-c-Si 156mm*156mm wafer, the price of 1st-tier supplier reached 7.3 CNY/Pc, and 6.8 CNY/Pc for 2nd-tier ones.

In terms of deals, the price was not announced in some cases, stipulating lower than market quotes. Although the price of poly-c-Si was stable, the manufacturers who offered firm pricing at the early part of the week had a different adjustment quotation at the end of it. Few stopped production. What's more, the whole market showed a lack of cash transactions; even if some manufacturers provided low prices, they still could not attract cash payments. Small and

medium-size manufacturers who perform intermittent work cannot avoid the impact of a downturn in the market

Solar Cell

Currently, the price of domestic cell fell slightly. For mono-c-Si 125mm*125mm cell, the price of 1st-tier suppliers stands at 3.25 CNY/W, and 2.8CNY/W for 2nd-tier ones. As for mono-c-Si 156mm*156mm cell, the price of 1st-tier suppliers arrived at 3.3 CNY/W, and 2.9 CNY/W for 2nd-tier ones. In terms of poly-c-Si 156mm*156mm cell, the price of 1st-tier suppliers reached 2.75 CNY/W, and 2.5CNY/W for 2nd-tier ones.

Affected by the stagnant demand in downstream industry, the cell market remained weak. At present, the volume of orders had dropped significantly and quality is also becoming an issue. Moreover, more manufacturers began underselling their inventories to gain cash, which made the price fall into a tailspin. To aim at the problem of how to enhance competitiveness in this gloomy situation, some small and medium enterprises choose to do different products or improve their core technologies.

Solar Module

This week, the price of module had a moderate decline. Concerning mono-c-Si module 190W, the price of 1st-tier suppliers stands at 4.55 CNY/W, and 4.15 CNY/W for 2nd-tier ones. Concerning mono-c-Si module 195W, the price of 1st-tier suppliers stands at 5.05 CNY/W, and 4.3 CNY/W for 2nd-tier ones. As for mono-c-Si module 245W, the price of 1st-tier suppliers arrived at 5.25 CNY/W, and 4.85 CNY/W for 2nd-tier ones. As to mono-c-Si module 250W, the price of 1st-tier suppliers arrives at 5.35 CNY/W, and 4.95 CNY/W for 2nd-tier ones. In case of poly-c-Si 230W module, the price of 1st-tier suppliers reached 4.45 CNY/W, and 4.05 CNY/W for 2nd-tier ones. Finally, in terms of poly-c-Si module 240W, the price of 1st-tier supplier reaches 4.65CNY/W, and 4.35CNY/W for 2nd-tier ones.

Domestic shipments overseas were disappointing. Both the trading volume and the price of module decreased sharply. Some manufacturers that were supported by some projects continued assembly; most enterprises stopped their production to clear their stock. The Chinese PV module industry is in the difficult position of decreasing profit margin, shrinking exports

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market and the shortage of capital.

Tier-one companies include the U.S and HK stock market listed entities, with large capacity and product circulation in the market, like **Suntech Power Holdings Co., Ltd.**

(ADR)(NYSE:STP),

Yingli Green Energy Hold. Co.

Ltd. (ADR) (NYSE: YGE)

, Canad

ian Solar Inc. (NASDAQ: CSIQ)

**,
Trina Solar Limited (NYSE: TSL)**

**,
JA Solar Holdings Co., Ltd. (ADR)(NASDAQ: JASO)**

and

ReneSola Ltd. (ADR)(NYSE: SOL)

Prices quoted in CNY include 17% VAR domestic tax.