

### Silicon material

Domestic market price of level-1 material stood at 148.5 CNY/kg, and 140 CNY/kg for level-2. Imported polycrystalline silicon material reached \$20.218/kg for level-1 and \$18.870/kg for level-2. Prices are without much change from the prior week.

### Wafer

The price of wafer dropped sharply in recent days. Currently, mono-c-Si 125mm\*125mm wafer from tier-1 suppliers stands at 5.2 CNY/pc, and 4.7 CNY/pc for tier-2. Mono-c-Si 156mm\*156mm wafer supplied by tier-1 suppliers was at 8.3 CNY/pc, and 8.1 CNY/pc for tier-2. Poly-c-Si 156mm\*156mm wafer was priced at 7.2 CNY/pc from tier-1 suppliers, and 6.7 CNY/pc from tier-2 ones.

This Thursday, the European Commission launched an anti-dumping investigation into the solar products from China, including wafers. When the news came out, the whole market went into turmoil. Some pessimistic manufacturers begin to undersell their products, which caused a drop in the price. The market for mono wafers remained depressed, which caused more manufacturers to stop production. 156mm mono wafer pricing continues its downtrend, while the price of mono-c-Si 125mm has stabilized. Poly-c-Si wafer quotes are moving in the same direction. The payment terms of most solar firms are getting worse since a number of manufacturers came into breach of contracts, making collection of receivables difficult.

### Cell

Mono-c-Si 125mm\*125mm cell was priced by tier-1 suppliers at 3.25 CNY/W, and 2.8 CNY/W by tier-2. For mono-c-Si 156mm\*156mm cell the price of tier-1 suppliers was at 3.3 CNY/W, and 2.95 CNY/W for 2nd-tier ones. In terms of poly-c-Si 156mm\*156mm cell, the price of 1st-tier remained at 2.75 CNY/W, and 2.55 CNY/W for 2nd-tier ones.

Cell pricing has maintained levels from the week before, but with the start of the EU investigation the market price began to fluctuate. Utilization of some cell manufacturers remained at low levels, while they continued to sell their inventories.

### Module

Module pricing this week stayed within a fractional drop from levels of last week. Starting with 190W mono-c-Si module, the price of tier-1 suppliers stood at 4.5 CNY/W, and 4.1 CNY/W for tier-2. Concerning 195W mono-c-Si module, the price of tier-1 suppliers was at 5.0 CNY/W, and 4.3 CNY/W for tier-2. 245W Mono-c-Si module was priced at 5.25 CNY/W for tier-1 suppliers, and 4.85 CNY/W for tier-2. For 250W mono-c-Si module the price of tier-1 suppliers arrived at 5.3 CNY/W, and 4.9 CNY/W for 2nd-tier ones. In terms of 230W poly-c-Si module the price of tier-1 suppliers reached 4.45 CNY/W, and 4.05 CNY/W for tier-2. 240W poly-c-Si module was priced at 4.65 CNY/W by tier- suppliers, and 4.25 CNY/W by tier-2.

The EU AD case is expected to have a severe impact on domestic manufacturing. Shipments are shrinking at the moment. Despite module pricing not having a large change, many module firms begin to undersell their goods. Tier-1 companies are looking into increasing domestic presence, while saving on expenses and trying to preserve cash resources.

### New Developments

Although there is still no official publication, Solarzoom heard from a person close to China's Energy Department that the target of **PV installation in China has been raised from 21GW to 40GW** in "China Twelfth Plan--Solar Energy Development." This is the fourth change since the first target was set at 5GW last year.

The former announcement was made on July 7<sup>th</sup>, raising the target from 15GW to 21GW, and was thought to be the final amendment to the plan. However, a difficult situation and the risk of a trading barrier are urging China to publish some more regulations supporting the industry through this difficult period.

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Solarzoom heard that more than 300 cities are going to launch their pilot solar power distribution projects, and Zhejiang Province has already taken a lead publishing regulatory policy on September 8th. The residential solar installation pilot project is selected in JiaXing City and will cost 150 million CNY to set 5MW on the rooftops of 5,000 to 10,000 houses in total. This will cost the owner only 5000 CNY, and they can expect to recoup the investment in five years. We also heard that Shanghai will be the next news to be published on September 15<sup>th</sup>.

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),**

**Ltd. (ADR) (NYSE: YGE)**

**ian Solar Inc. (NASDAQ: CSIQ)**

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

,

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

and

**ReneSola Ltd. (ADR)(NYSE: SOL)**

**Yingli Green Energy Hold. Co.**

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**Prices quoted in CNY include 17% VAR domestic tax.**