



Asian Cement

Status and forecasts to 2025

1st March 2022



asian
cement



The ultimate "intelligence" provider in the global cement sector
cembrgroup.com

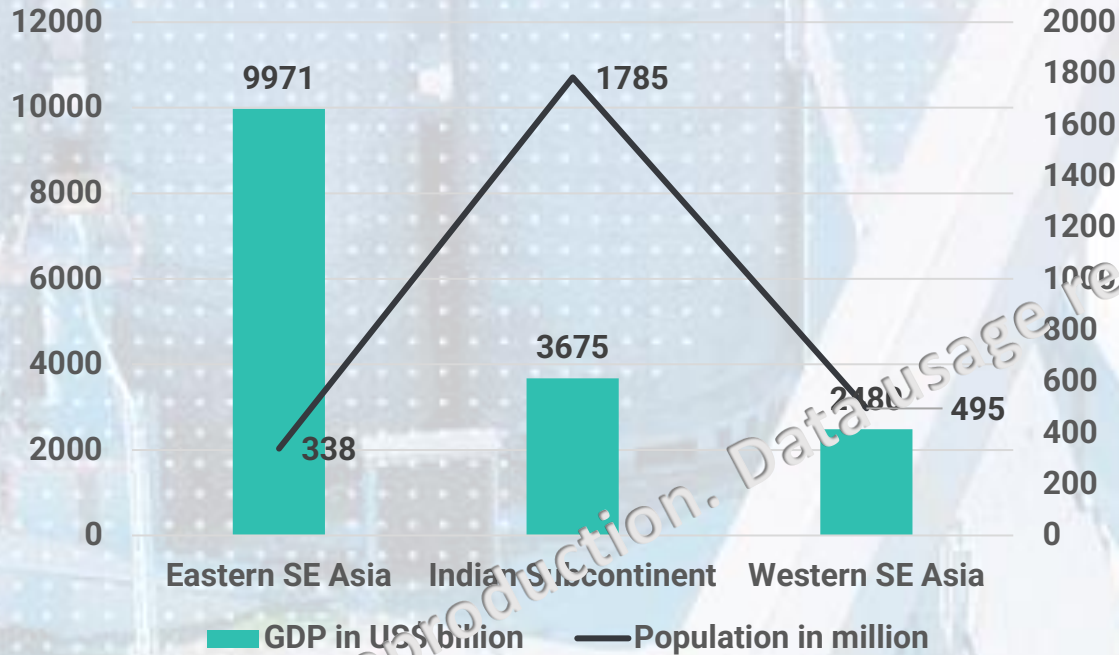
Markets included in the presentation

EASTERN SE ASIA	INDIAN SUBCONTINENT	WESTERN SE ASIA
Australia	Bangladesh	Cambodia
Japan	India	Indonesia
Philippines	Pakistan	Malaysia
South Korea		Thailand
Taiwan		Vietnam

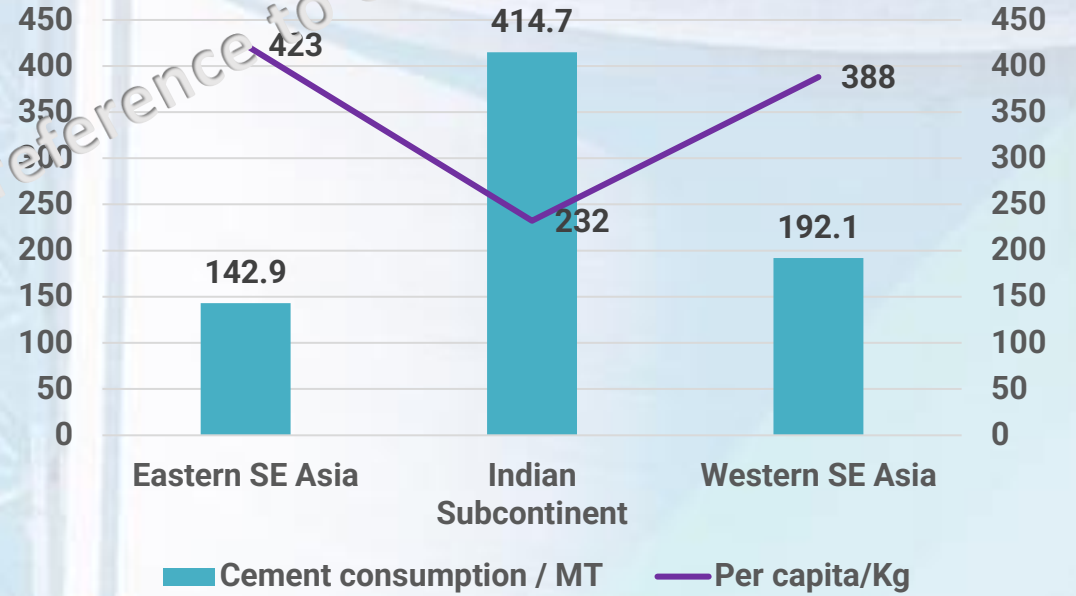


General macro and cement data – 2021 Estimates

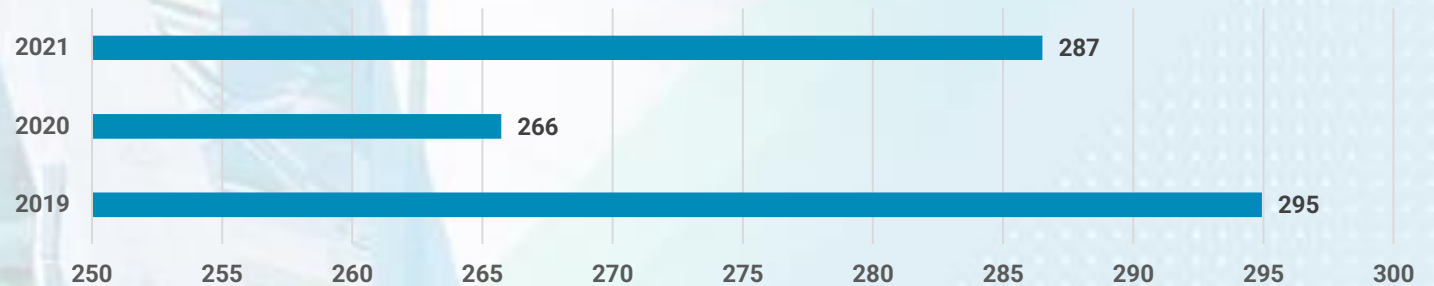
Macroeconomic data



Cement data



Asia ex-China per capita in Kg

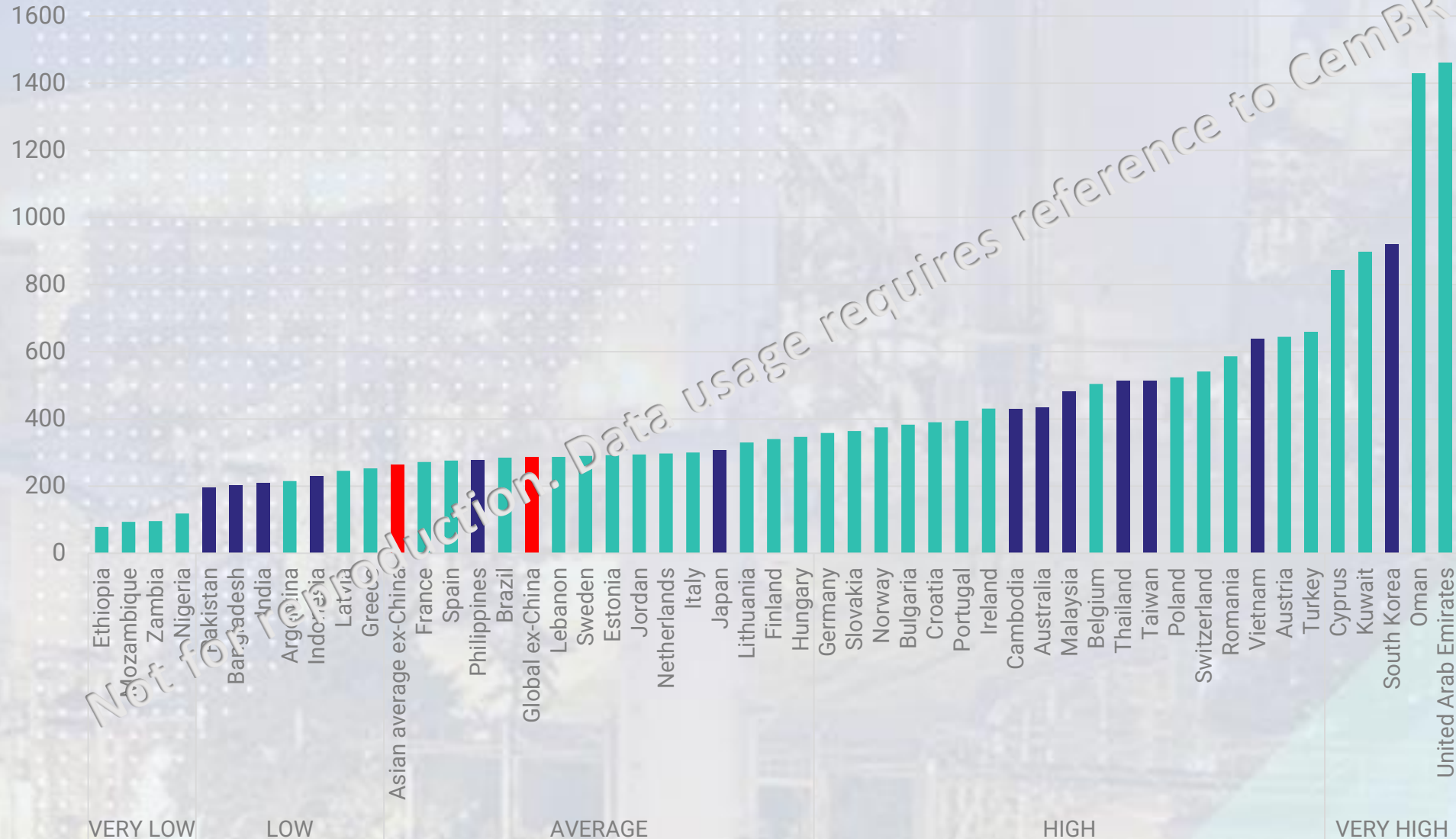


Source:



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Per capita comparisons – 2020 (Ex-China)



Global per capita ex-China stood at 286 Kg

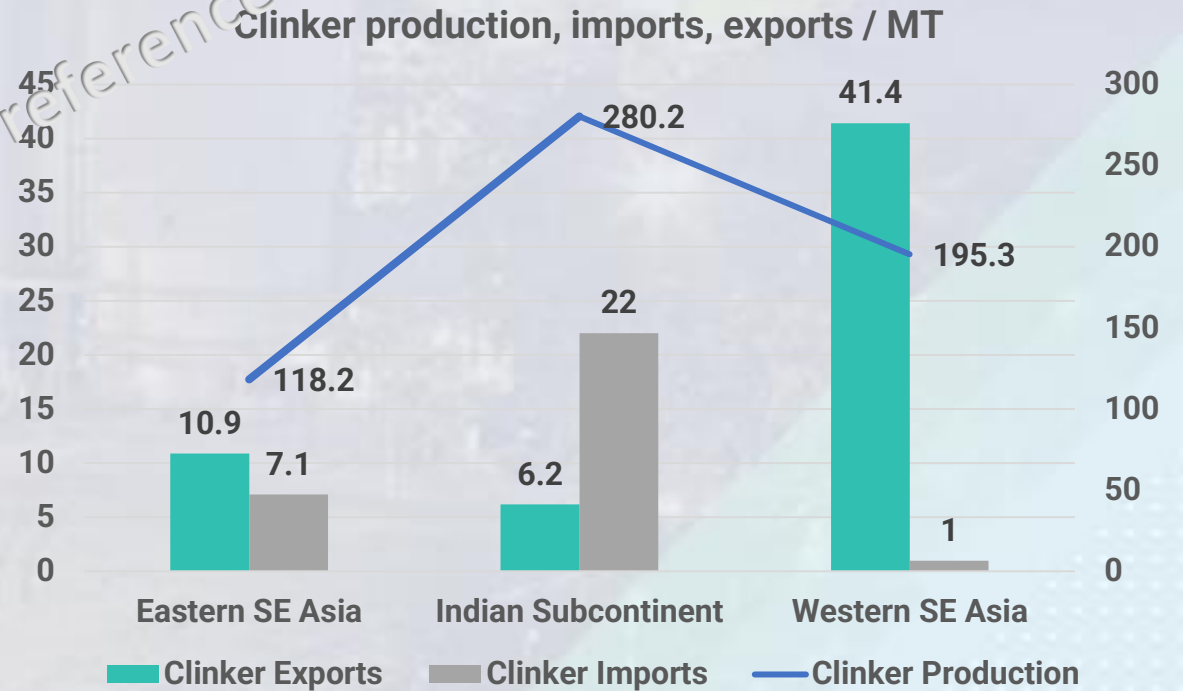
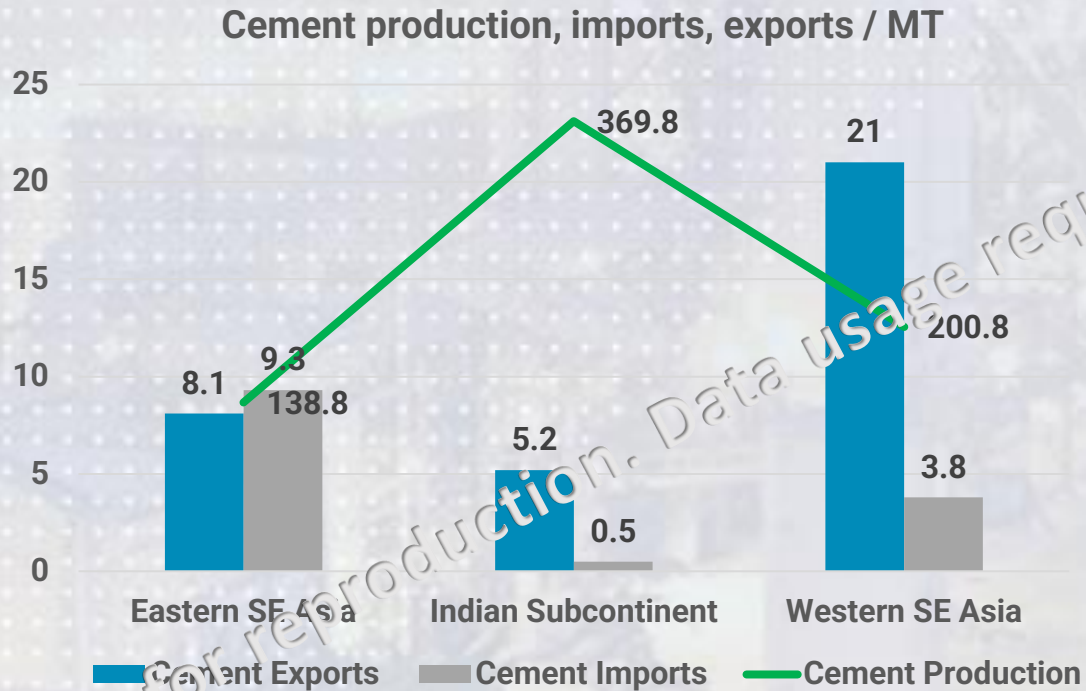
Asian average per capita ex-China was 266 Kg

Diverse results across the region, ranging from low per capita to high per capita.

Source:



Cement and clinker production data & imports and exports – 2020

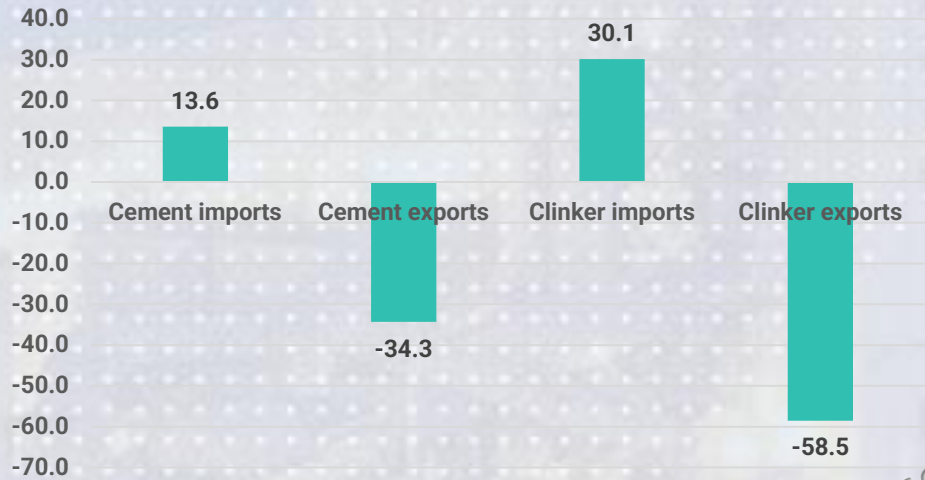


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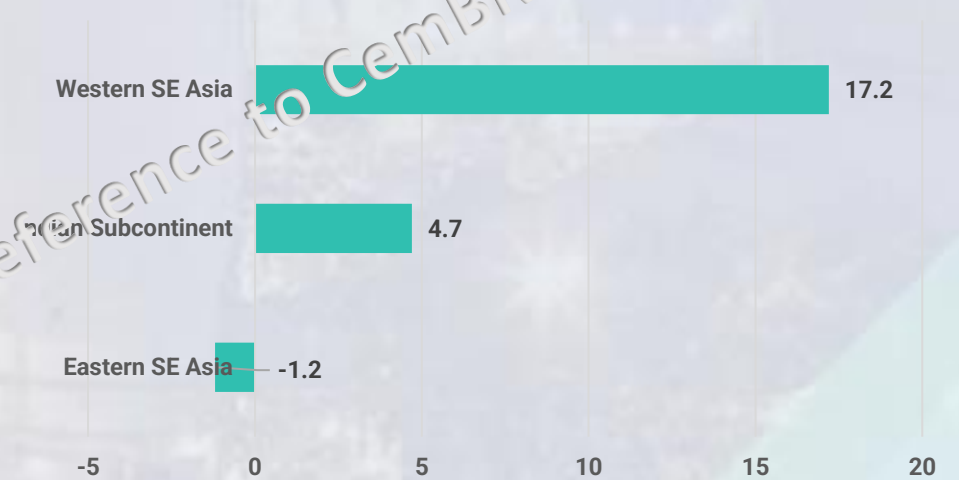


Net trading – 2020

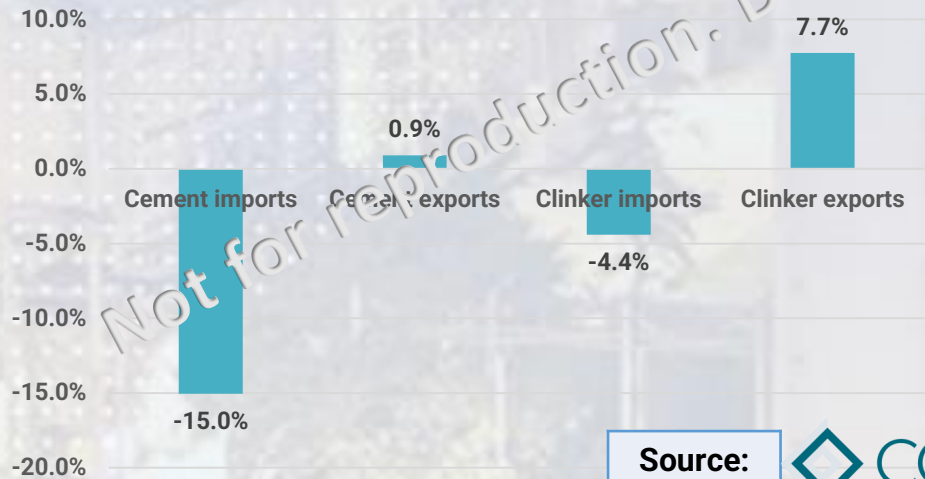
Regional trading of cement and clinker / MT



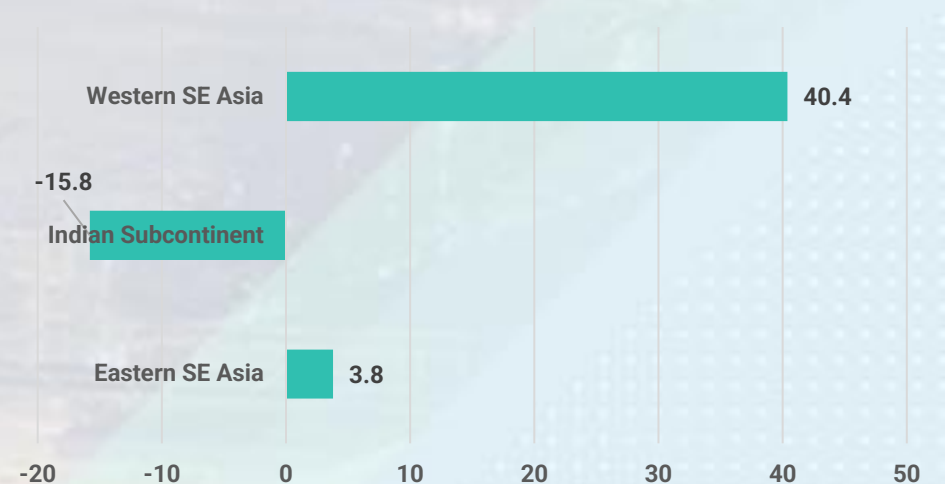
Net cement trading: +ve Exports / MT



2020 change over 2019



Net clinker trading: +ve Exports / MT

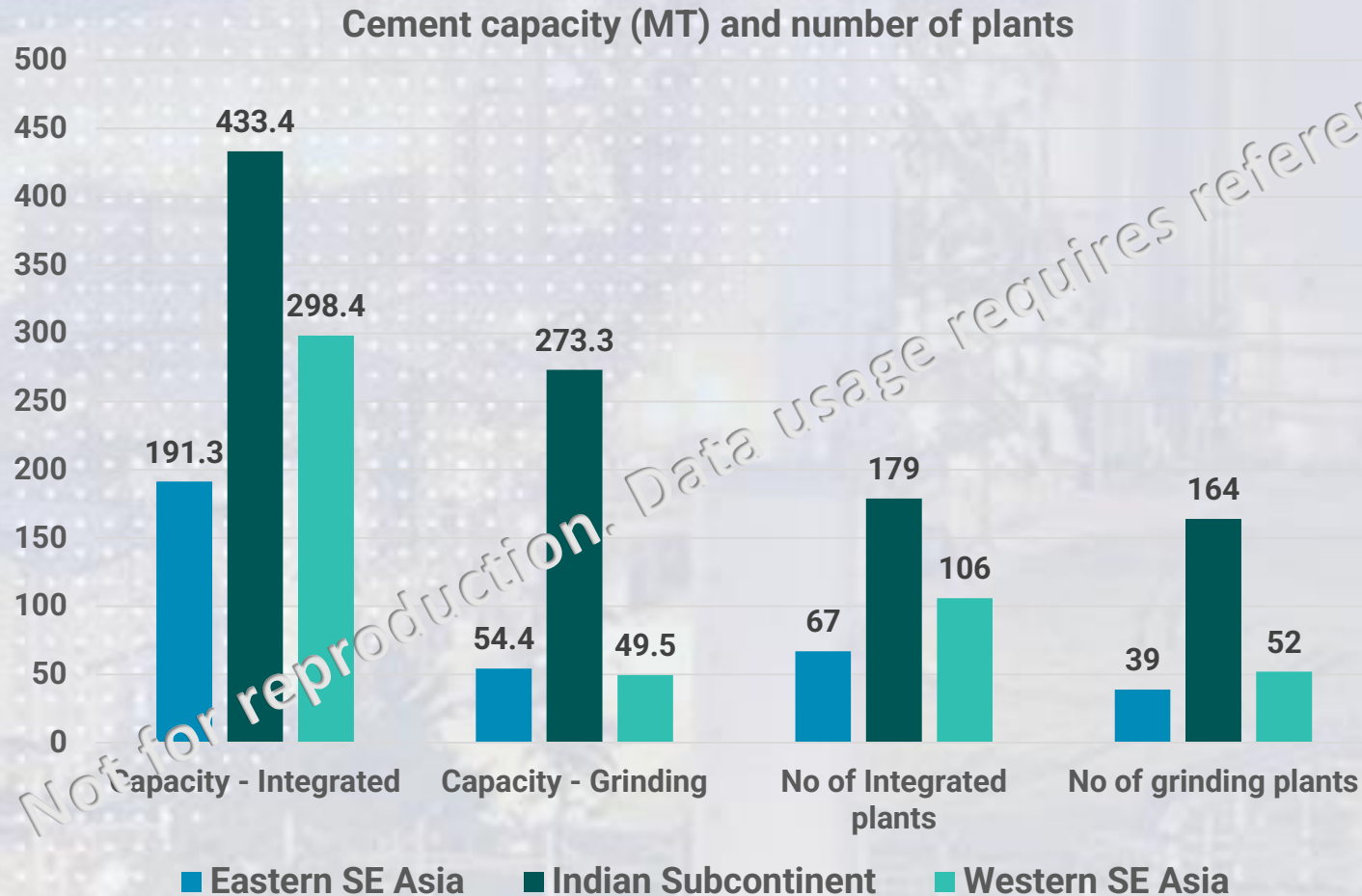


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Supply characteristics – current situation



The Indian Subcontinent has the highest cement capacity, but also the highest grinding capacity.

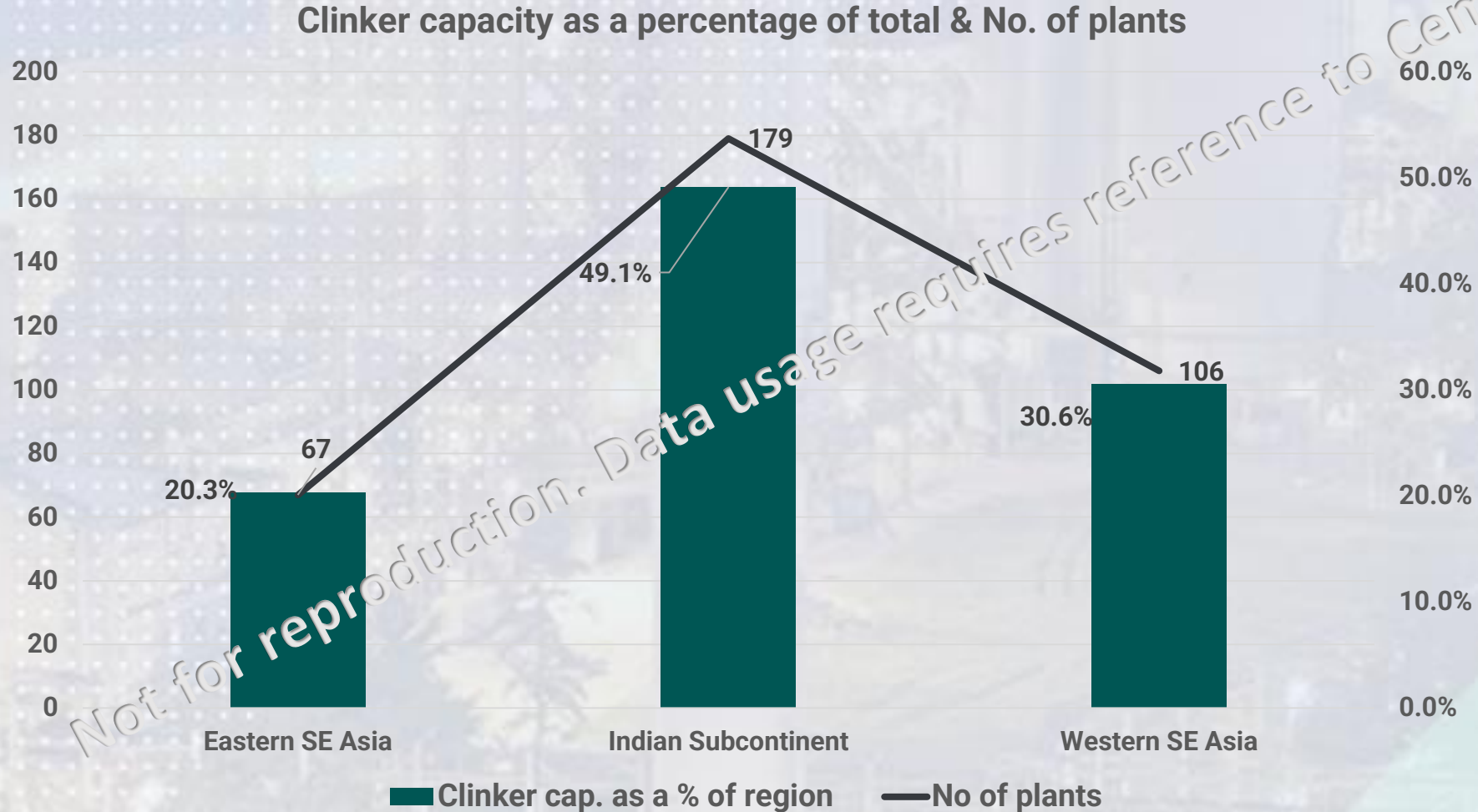
The Indian Subcontinent also leads in both the number of integrated and grinding plants.

Eastern SE Asia has by far the lowest integrated capacity but comes second in grinding capacity.

Source:



Supply characteristics – current situation



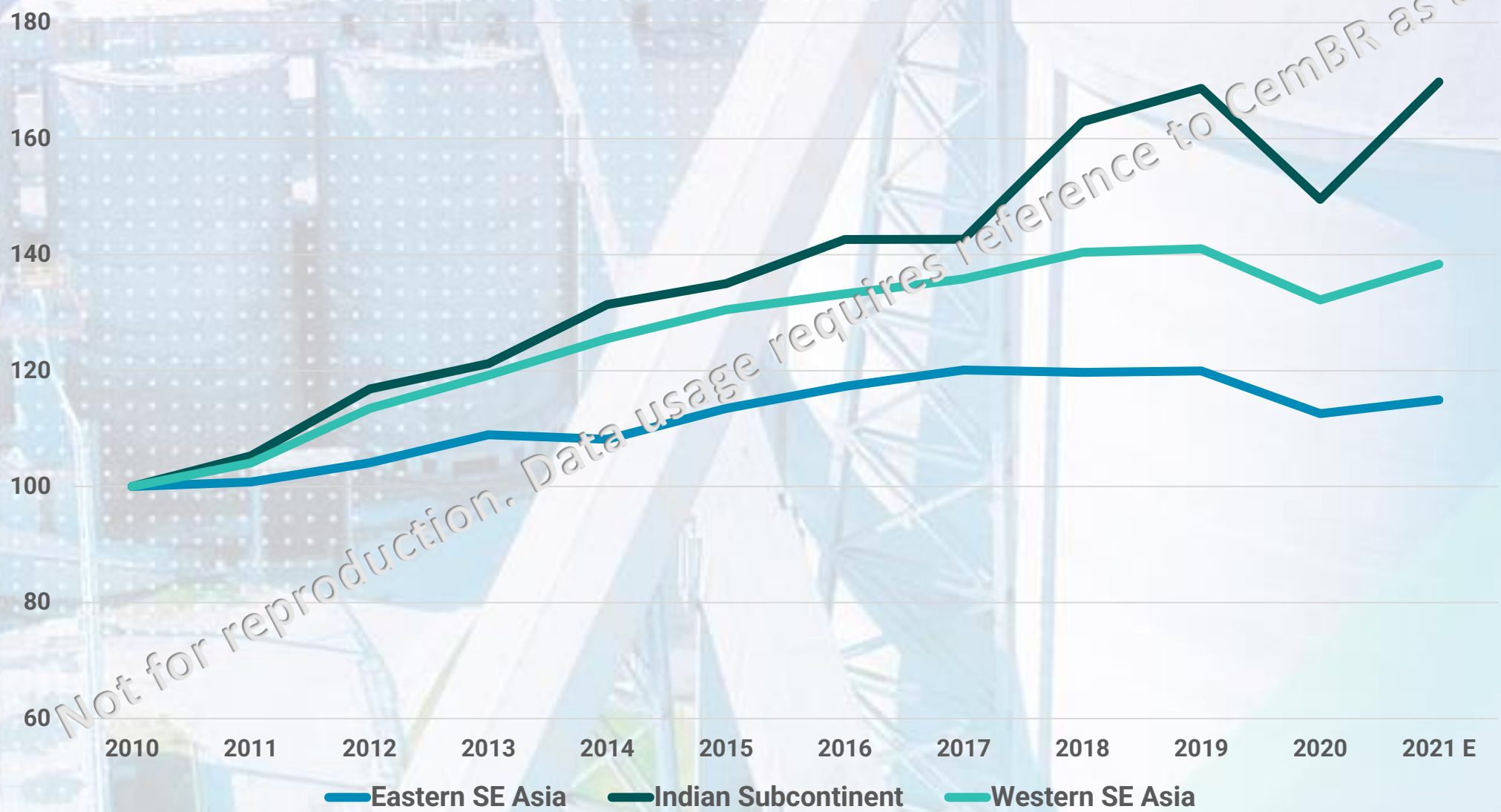
The Indian Subcontinent has the largest clinker capacity in the region. The sub-region also has five “clinker only” facilities.

The number of plants in the three regions vary considerably.

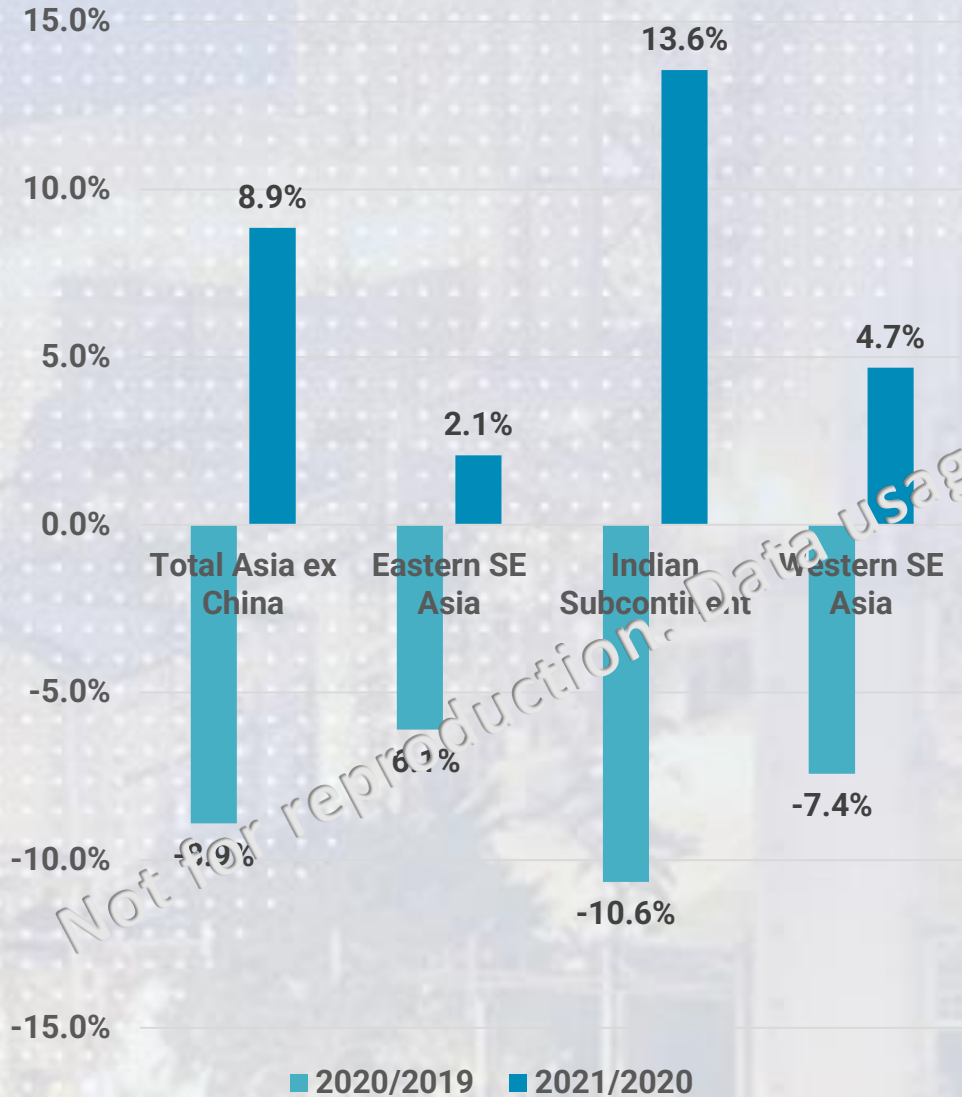
Source:



Market development and Consumption profile 2010-2021 E

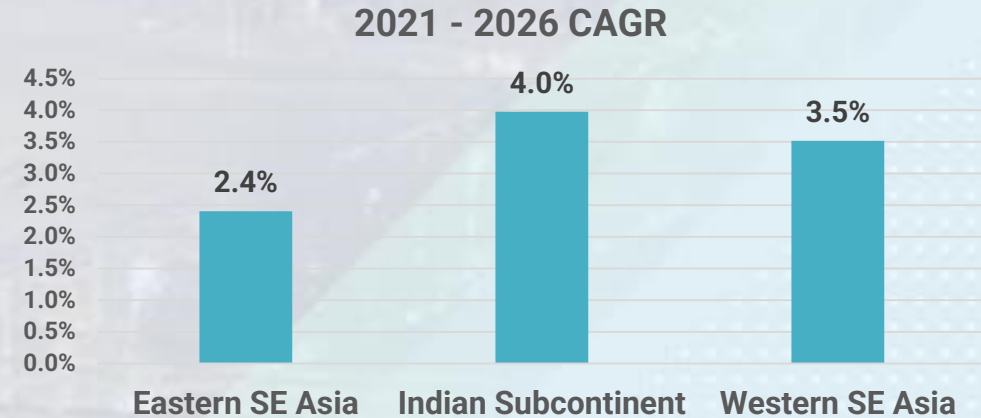
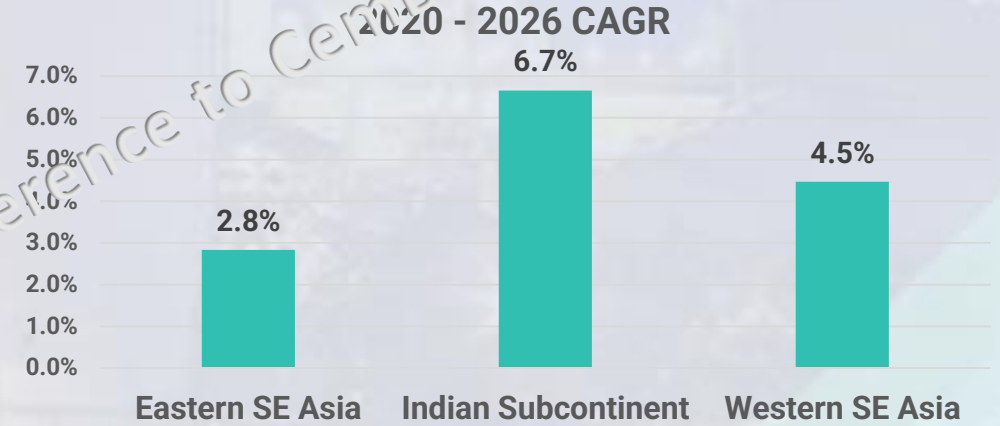
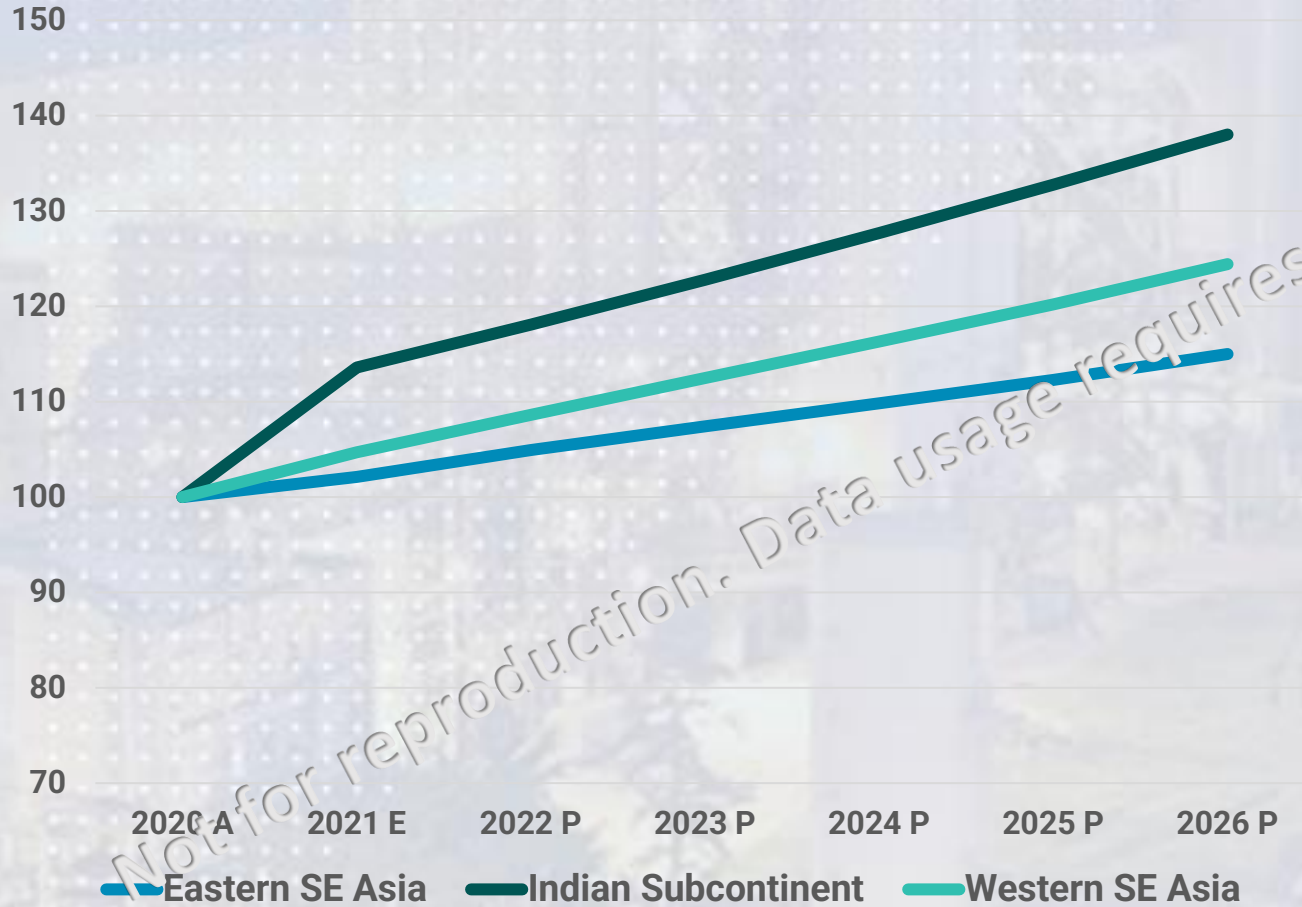


Recent demand behaviour – 2020 over 2019 and 2021 E over 2020



Source:

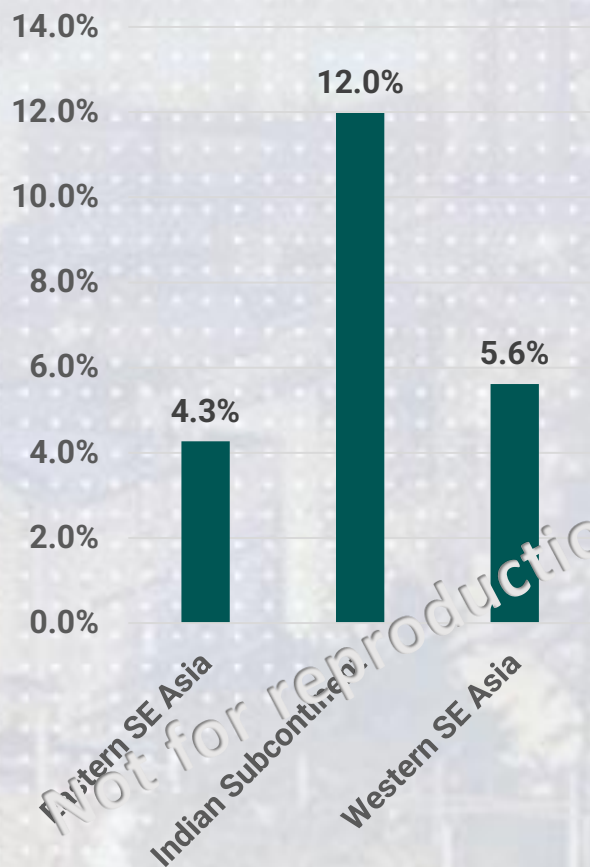
2020A – 2026P Demand scenario profile



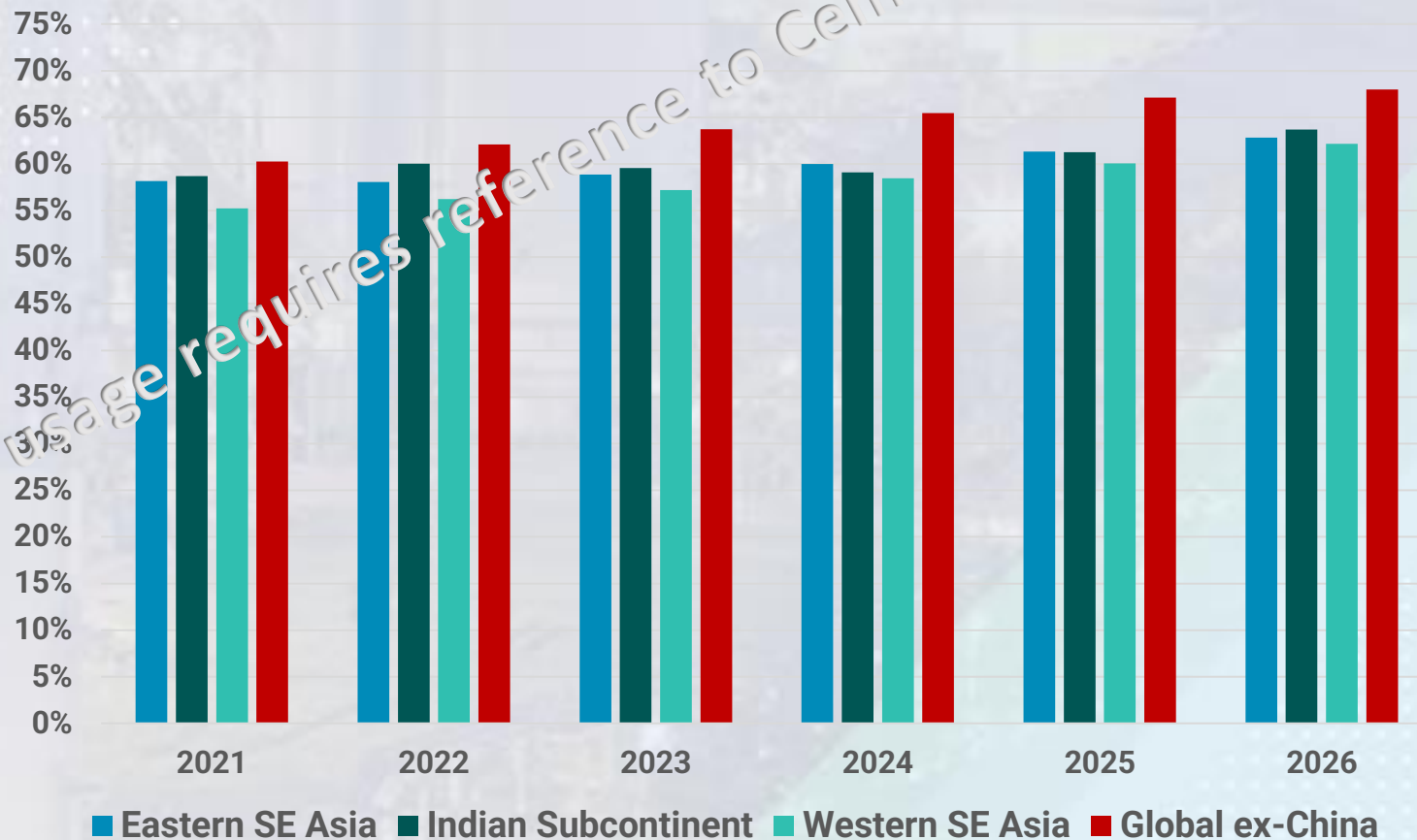
Source:

2021 – 2026 Supply – Demand balance

Capacity additions by 2026
as a %ge of 2021



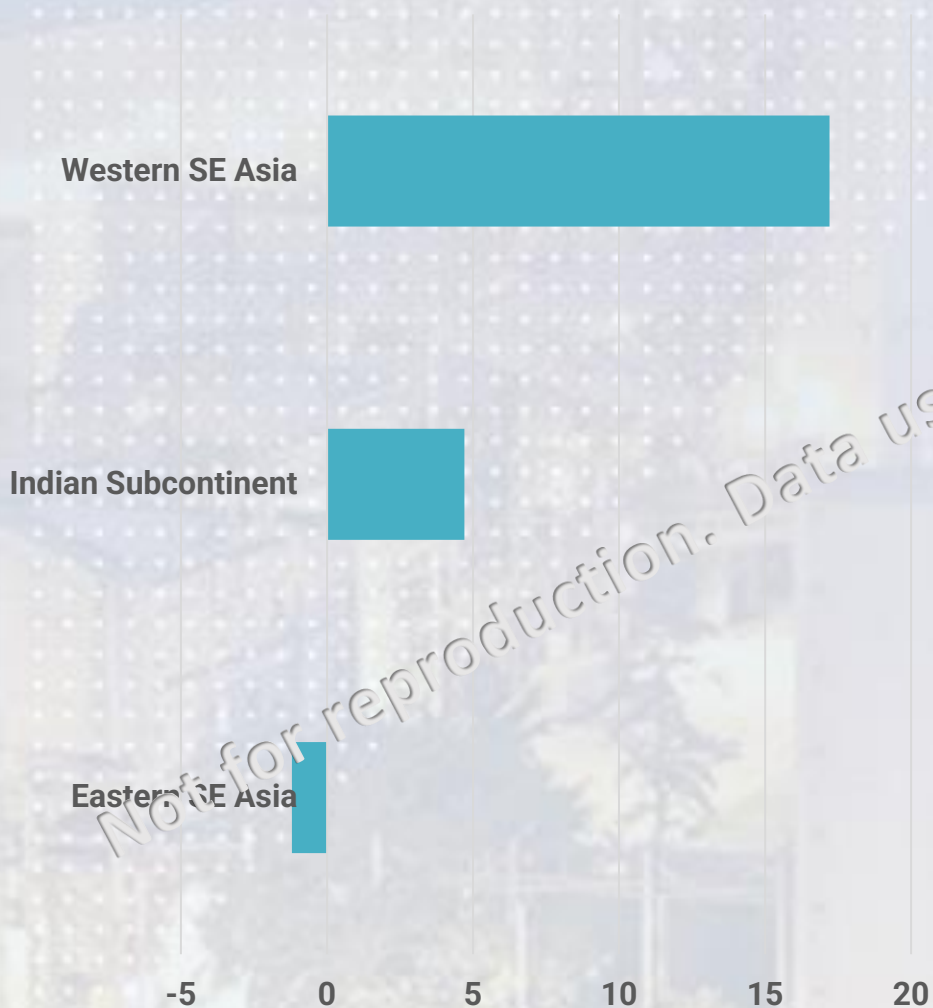
2021 - 2026 DCUF



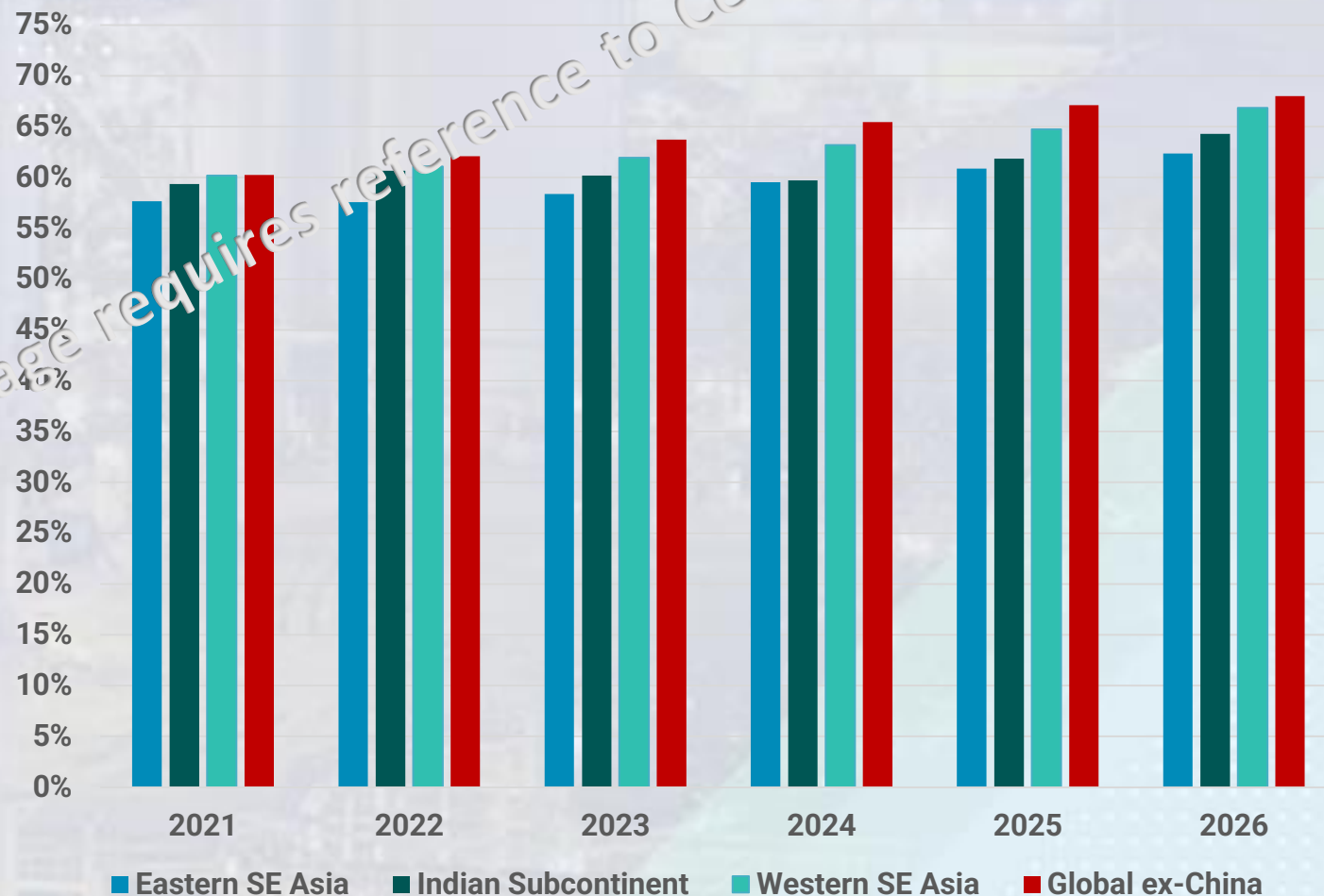
Source:

2021 – 2026 Supply – Demand balance

Net cement trading: +ve Exports / MT

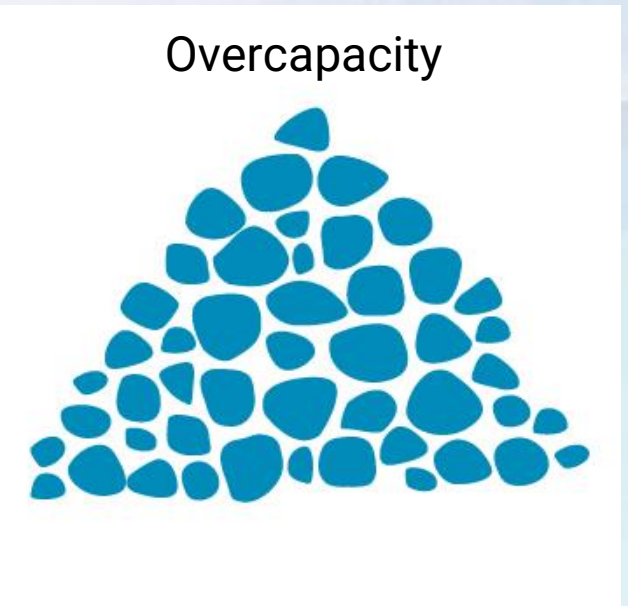
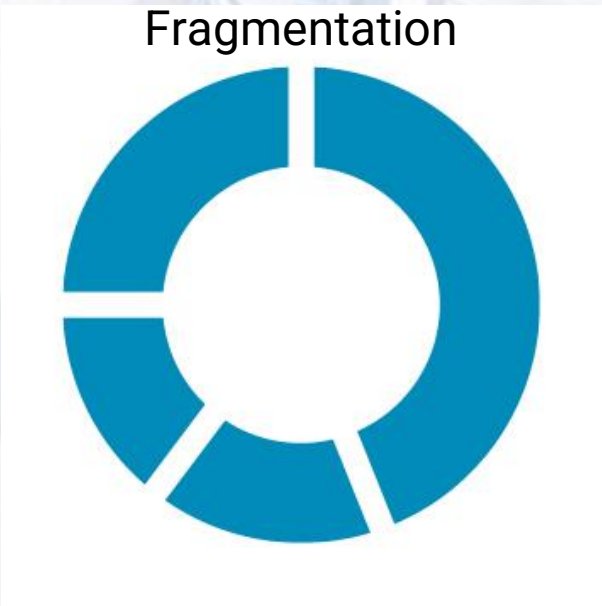


2021 - 2026 UR with net trading at 2020 levels



Source:

Global cement – issues next five to ten years

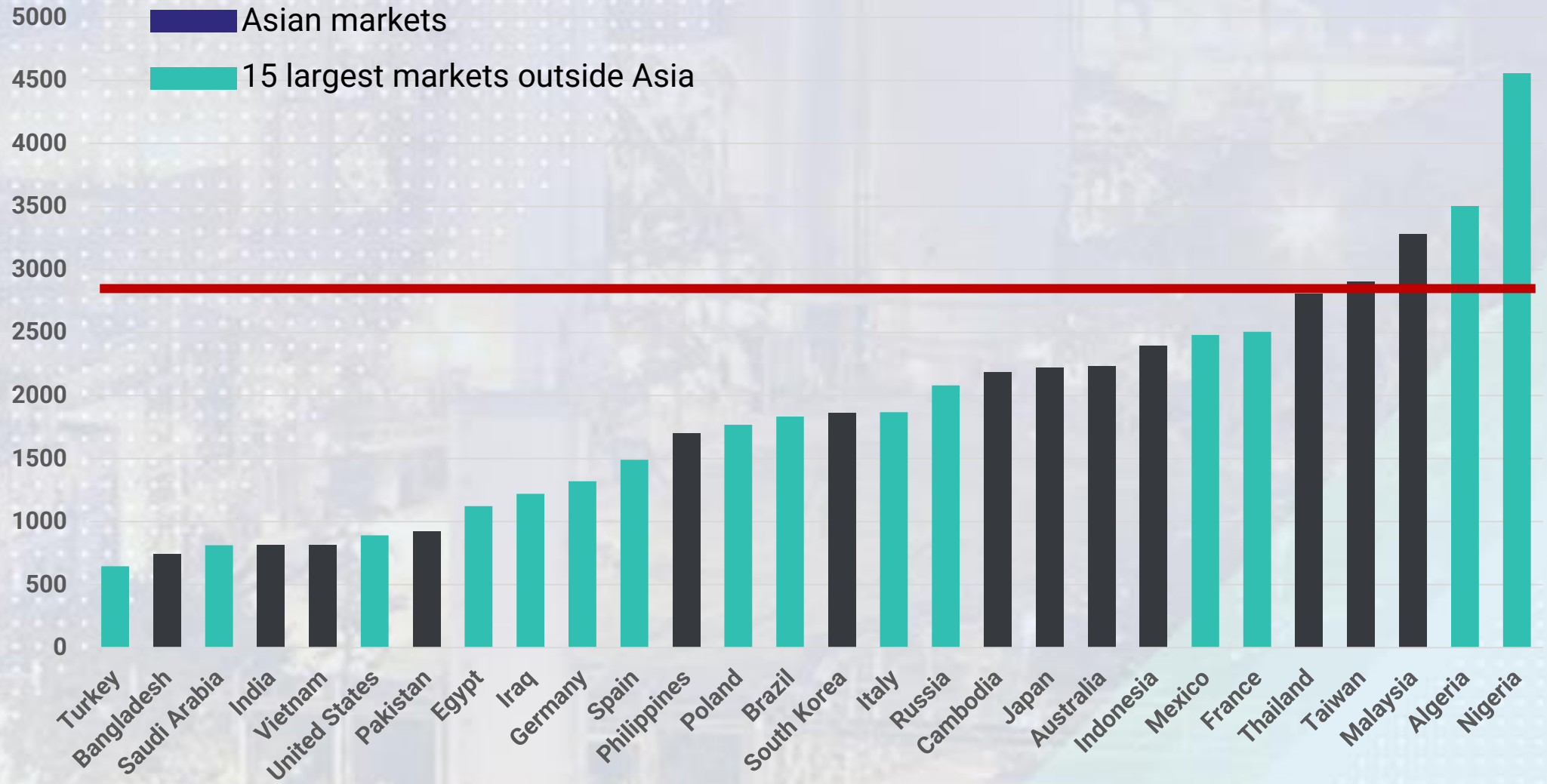


Low or no influence on fossil fuels cost



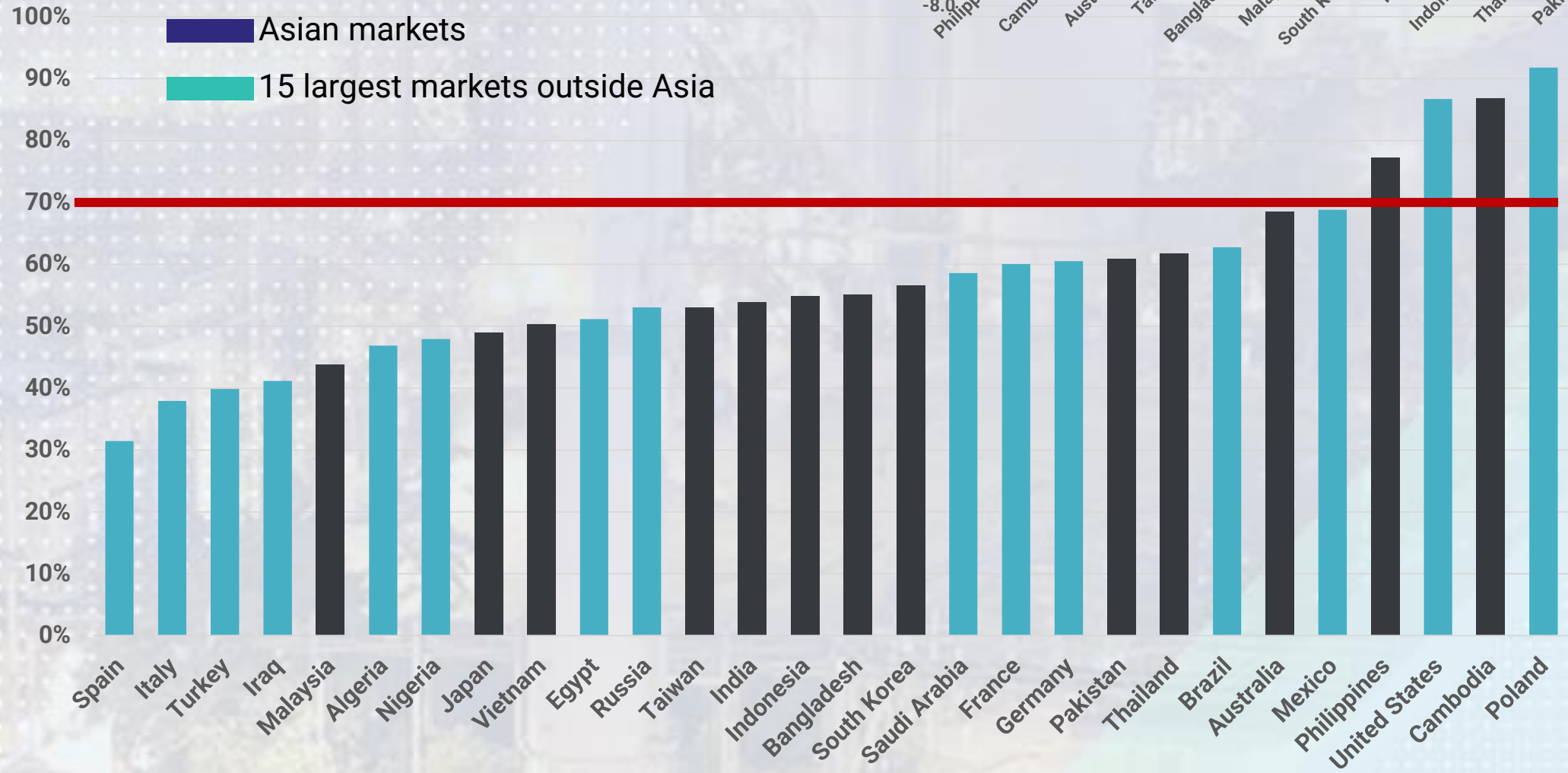
High CAPEX costs and investments

Global issues – Fragmentation

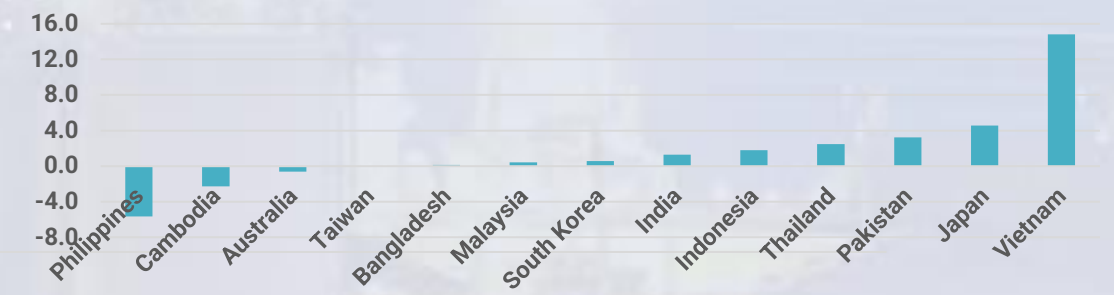


Global issues – 2020 Capacity Utilisation (DCUF)

■ Asian markets
■ 15 largest markets outside Asia



Net cement trading



Conclusions:

5 – year prospects

Good growth in consumption in the next five years in most parts of Asia – regionally top with Sub Saharan Africa

Significant capacity additions in 2021 and more expected to 2026

Some improvement in URs – below global average; China can play a major role in regional trading and URs

2020 - pandemic impact

Only a few markets have bucked the trend in 2020 and grew, most markets declined markedly

The region as a whole was the worst performer in terms of demand decline in 2020 – almost 9% drop from 2019

2021 recovery

The region being the worst performer in 2020 is expected to be the best performer in 2021

Short term trends and pandemic impact

Unexpected supply squeezes coupled with increasing energy costs have led to increased cement pricing

Questions for Asia cement:

Short term: Are price increases enough?

Short to medium term: Will fragmentation and overcapacity become more apparent when normalcy returns?

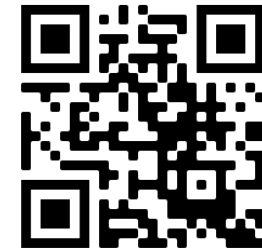
Longer term: Is carbon coming?



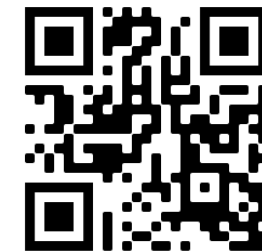
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More information:

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