Private and public initiatives are boosting the Chinese power electronics industry and local players


LYON, France – December 9, 2015: The Chinese government is pushing the power electronic industry. According to Yole Développement’s analysts, this industry looks very promising. The power device market reached about US$ 6 billion by 2014. Indeed, even if the Chinese economy is slowing down, the power electronic market is showing a good growth thanks to its own strong drivers including the electrification of transportation, the development of renewable energy, and grids for electricity transmission & distribution and the implementation of more efficient motor drives for industrial applications.

“China is no longer the El Dorado, where power electronic companies can make easy money”, comments Dr Hong Lin, Technology & Market Analyst at Yole Développement (Yole). And she adds: “However, in China, the power electronic market is forecasted to grow thanks to a strong involvement of the Chinese government policy…”

From the technology side, there is still a gap between China and developed countries (North America, European Union and Japan) in power electronics. Indeed, according to the latest power electronics Yole’s report entitled Status of the Chinese Power Electronics Industry (November 2015 edition), foreign brands still dominates the power electronics devices market. Meanwhile, China is investing and the technology gap is reducing...

The “More than Moore” market research and strategy consulting company, Yole, presents today a comprehensive analysis dedicated to the power electronics industry in China, the players and the related supply chain. Under this new power electronics report, Yole’s analysts propose a comprehensive overview of the
market including the following sectors: new energy vehicles (NEVs), renewable energy (Photovoltaics and wind), grid, traction, UPS and motor drives.

Yole’s analysis describes the industrial landscape including local and foreign suppliers and highlights its specificities. It also details the key market metrics, the market projection especially for inverters up to 2020 and the possible evolution of the power electronics supply chain. Aim of this new report is to offer a detailed analysis of the impact of the China’s economic slowdown on the power electronics industry.

“Driven by government policy and private companies, the Chinese power electronics industry is promising,” comments Dr Lin. She adds: “In 2014, almost 40% of power semiconductor devices, including FETs, IGBT, thyristors, rectifiers and diodes, were shipped in China, representing a US$6 billion market: the China’s market share reached 38% compared to the worldwide power electronics business. There is no doubt that today’s China represents one of the most important markets for power electronics.”

As for its macro-economy, the Chinese government plays an important role in directing the power electronics market. For example, because of serious pollution problems the Chinese government has established a comprehensive policy framework in terms of research, technology innovation, finance, and tax incentives to support the development of a NEV\(^1\) industry. Many white papers have been released and different subsidies and tax cuts are available to promote the market.

Government support drove strong growth in the Chinese NEV market in 2014, mainly BEV\(^2\) and PHEV\(^3\). 75,000 NEVs were sold in China, nearly three times 2013’s figure. In 2015, NEV sales continue to explode – in the first six months they surpassed the total sales for 2014. Numerous local suppliers are developing NEVs, including both private and state-owned companies, such as BYD, BAIC, CHERY, SAIC and JAC. Foreign brands including Tesla and Volkswagen are also competing in this market. The rapid growth of the NEV market translates to an explosion in the inverter market, growing six fold from 2014 to 2020 to reach US$ 596 million.

The Chinese government defined and set up an impressive program to support the NEV market between 2010 and 2020. It includes the 3 following steps:

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1 NEV : New Energy Vehicle
2 BEV : Battery Electric Vehicles
3 PHEV : Plug-in Hybrid Electric Vehicles
Large pilot cities demonstration phase including the introduction of NEV solutions within main city transport such as electric buses, commercial vehicles, incentives to encourage personal NEVs sales and improvement of battery technologies.

NEV leap phase with the stimulation of personal passenger car saving in cities, the improvement of industrial chain and equipment performance; this phase also regards the reduction of batteries’ price with the development of new solutions to increase batteries’ performance.

Consolidation & progress phase: the Chinese government proposes to consolidate the introduction of NEV over the conventional vehicles; China would like also to improve the NEV performance as well as car body materials...

What will be the impact of the China’s economy slow down on the power electronics market? What are the key market drivers? What is the status of the power electronics landscape, local and foreign suppliers? ... A detailed description of Status of the Chinese Power Electronics Industry report is available on i-micronews.com, power electronics reports section.
FOR IMMEDIATE RELEASE

About Status of the Chinese Power Electronics Industry 2015 report:
Government initiatives and private companies are boosting power electronics market opportunities, enabling Chinese players to compete internationally.

Rates: Euros 5,990.00 (Full report - Multi user license). For special offers and the price in dollars, please contact David Jourdan (Phone: +33 472 83 01 90).

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- Companies cited in the report:
  

About Yole Développement
Founded in 1998, Yole Développement has grown to become a group of companies providing marketing, technology and strategy consulting, media and corporate finance services. With a strong focus on emerging applications using silicon and/or micro manufacturing, the Yole Développement group has expanded to include more than 50 collaborators worldwide covering MEMS, Compound Semiconductors, LED, Image Sensors, Optoelectronics, Microfluidics & Medical, Photovoltaics, Advanced Packaging, Manufacturing, Nanomaterials and Power Electronics. The group supports industrial companies, investors and R&D organizations worldwide to help them understand markets and follow technology trends to develop their business.

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