



The Machine Tools Market in China – a Competitive Advantage for U.S. Firms

In 2006, over USD \$10.24 billion of machine tools were sold in China. Demand is especially high for machine tool products such as metal cutting machines, metal forming machine tools and mould products. In 2010, it is estimated that China's demand for these products will increase to USD \$32 billion.

China has been an influential market in the machine tools industry due to its steady rates of imports. Since China generally does not possess the capability to create tools in the areas of middle and high level machinery, most of their imports come from these sectors. As a result, there are many opportunities for American companies who are able to manufacture these products.



Why sell machine tools to South China?

Since the Pearl River Delta is one of the largest manufacturing bases in the world, the demand for machine tools in China is expected to increase 13% annually through the year 2012. The 13% increase represents 606 billion RMB or USD \$85 billion. (source: Freedonia Group). In addition, Guangdong generates almost one third of China's manufacturing capacities. The demand for machine tools comes from three key industries in Southern China. These industries are the automotive industry, the traditional machinery industry, and high-tech industries.



South China Snapshot:

Machine Tools Market

Major Trade Show in 2009:

The 11th China International Machine Tool Show (CIMTS)

Beijing, April 6-11, 2009

<http://www.cimtshow.com/enshow.shtml>

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