

Market and Competitive Analysis of Dicamba Industry in China 2016

The Fourth Edition

Dec. 2016

Researched & Prepared by:

Kcomber Inc.

Copyright by Kcomber Inc.

Any publication, distribution or copying of the content in this report is prohibited.

Contents

Executive summary	1
Introduction and methodology.....	2
1 Brief introduction to global dicamba market.....	5
1.1 Product registration.....	5
1.2 Supply.....	6
1.3 Demand	7
2 Overall situation of dicamba market in China.....	9
2.1 Industry development in China.....	9
2.1.1 Brief introduction to dicamba industry	9
2.1.2 Production technology	9
2.1.3 Product registration.....	10
2.2 Supply of dicamba in China.....	12
2.2.1 Major raw materials	12
2.2.2 Capacity and output (2008–H1 2016).....	14
2.2.3 Producers (2011–H1 2016)	15
2.2.4 Potential capacity as of Nov. 2016	17
2.3 Export (2008–Aug. 2016).....	18
2.3.1 By month (2014–Aug. 2016).....	19
2.3.2 By destination (2014–Aug. 2016).....	22
2.3.3 By exporter (2014–Aug. 2016).....	25
2.4 Demand	29
2.4.1 Consumption volume (2008–H1 2016).....	29
2.4.2 Consumption pattern	31
2.5 Price	32
2.5.1 Historical price (2008–2015).....	32
2.5.2 Current price (Jan. 2014–Oct. 2016).....	33
2.5.3 Influencing factor behind price trends	34
2.5.4 Future price trends (2016–2018).....	35
2.6 Forecast on supply and demand (2016–2020)	35
3 Benchmarking research on major producers in China.....	37
3.1 Zhejiang Shenghua Biok Biology Co., Ltd.....	37
3.1.1 Basic information.....	37
3.1.2 Key points in company history.....	37
3.1.3 Current ownership structure.....	38
3.1.4 Overall business performance.....	39
3.1.5 Marketing and sales mode.....	41
3.1.6 Commercial activity	41
3.1.7 Analysis of dicamba production cost	42
3.1.8 Financial analysis.....	43
3.1.9 SWOT analysis.....	43
3.2 Jiangsu Yangnong Chemical Co., Ltd.....	44
3.2.1 Basic information of the company	44

3.2.2 Key points in company history	44
3.2.3 Current ownership structure	45
3.2.4 Overall business performance	46
3.2.5 Marketing and sales mode	47
3.2.6 Commercial activity	48
3.2.7 Analysis of dicamba production cost	49
3.2.8 Financial analysis	49
3.2.9 SWOT analysis	49
3.3 Jiangsu Changqing Agrochemical Co., Ltd.	51
3.3.1 Basic information of the company	51
3.3.2 Key points in company history	51
3.3.3 Current ownership structure	52
3.3.4 Overall business performance	53
3.3.5 Marketing and sales mode	54
3.3.6 Commercial activity	55
3.3.7 Analysis of dicamba production cost	56
3.3.8 Financial analysis	57
3.3.9 SWOT analysis	57
4 Investment opportunities and suggestions	59

LIST OF TABLES

Table 1.1-1 Registrations of dicamba in the US, as of Oct. 2016
Table 1.1-2 Registrations of dicamba in Canada, as of Nov. 2016
Table 1.1-3 Registrations of dicamba in Australia, as of Nov. 2016
Table 1.1-4 Registrations of dicamba in Malaysia, Aug. 2010–Sept. 2016
Table 1.1-5 Registrations of dicamba in South Africa, Aug. 2010–July 2016
Table 1.1-6 Registrations of dicamba in Brazil, as of Oct. 2016
Table 1.2-1 Capacity and output of major producers of dicamba technical in the world, as of Oct. 2016
Table 2.1.1-1 Output of herbicides and dicamba technical in China, 2011–2015
Table 2.1.2-1 Comparison of techniques for producing dicamba technical
Table 2.1.2-2 Capacities and production technologies adopted by major producers of dicamba technical in the world, as of 2016
Table 2.1.3-1 Registrations of dicamba technical in China, as of 25 Nov., 2016
Table 2.1.3-2 Registrations of dicamba formulations in China, as of 25 Nov., 2016
Table 2.2.1-1 Capacity and output of major producers of 1,2,4-trichlorobenzene in China, 2014–H1 2016
Table 2.2.1-2 Capacity and output of major p-dichlorobenzene producers in China, 2014–H1 2016
Table 2.2.3-1 Capacity and output of major producers of dicamba technical in China, 2011–H1 2016
Table 2.2.4-1 Potential capacity of dicamba technical in China, as of Nov. 2016
Table 2.3.1-1 China's exports of dicamba 98% technical by month, Jan.–Aug. 2016
Table 2.3.1-2 China's exports of dicamba 98% technical by month, 2015

Table 2.3.1-3 China's exports of dicamba 98% technical by month, 2014
Table 2.3.1-4 China's exports of dicamba 48% AS by month, Jan.–Aug. 2016
Table 2.3.1-5 China's exports of dicamba 48% AS by month, 2015
Table 2.3.1-6 China's exports of dicamba 48% AS by month, 2014
Table 2.3.2-1 China's exports of dicamba 98% technical by destination, Jan.–Aug. 2016
Table 2.3.2-2 China's exports of dicamba 98% technical by destination, 2015
Table 2.3.2-3 China's exports of dicamba 98% technical by destination, 2014
Table 2.3.2-4 China's exports of dicamba 48% AS by destination, Jan.–Aug. 2016
Table 2.3.2-5 China's exports of dicamba 48% AS by destination, 2015
Table 2.3.2-6 China's exports of dicamba 48% AS by destination, 2014
Table 2.3.3-1 China's exports of dicamba 98% technical by exporter, Jan.–Aug. 2016
Table 2.3.3-2 China's exports of dicamba 98% technical by exporter, 2015
Table 2.3.3-3 China's exports of dicamba 98% technical by exporter, 2014
Table 2.3.3-4 China's exports of dicamba 48% AS by exporter, Jan.–Aug. 2016
Table 2.3.3-5 China's exports of dicamba 48% AS by exporter, 2015
Table 2.3.3-6 China's exports of dicamba 48% AS by exporter, 2014
Table 2.4.1-1 Production, export, import and apparent consumption of dicamba in China, 2008–H1 2016
Table 3.1.1-1 Basic information on Zhejiang Shenghua Biok Biology Co., Ltd.
Table 3.1.3-1 Top 10 shareholders of Zhejiang Shenghua Biok Biology Co., Ltd., as of June 2016
Table 3.1.3-2 Subsidiaries of Zhejiang Shenghua Biok Biology Co., Ltd., as of June 2016
Table 3.1.4-1 Total assets, revenue and profit of Zhejiang Shenghua Biok Biology Co., Ltd., 2013–H1 2016
Table 3.1.7-1 Cost of dicamba technical in Zhejiang Shenghua Biok Biology Co., Ltd., Oct. 2016
Table 3.1.8-1 Important financial ratio of Zhejiang Shenghua Biok Biology Co., Ltd., 2014–2015
Table 3.2.1-1 Basic information on Jiangsu Yangnong Chemical Co., Ltd.
Table 3.2.3-1 Top 10 shareholders of Jiangsu Yangnong Chemical Co., Ltd., as of June 2016
Table 3.2.3-2 Subsidiaries of Jiangsu Yangnong Chemical Co., Ltd., as of June 2016
Table 3.2.4-1 Total assets, revenue and profit of Jiangsu Yangnong Chemical Co., Ltd., 2013–H1 2016
Table 3.2.7-1 Cost of dicamba technical in Jiangsu Yangnong Chemical Co., Ltd., Oct. 2016
Table 3.2.8-1 Important financial ratio of Jiangsu Yangnong Chemical Co., Ltd., 2014–2015
Table 3.3.1-1 Basic information on Jiangsu Changqing Agrochemical Co., Ltd.
Table 3.3.3-1 Top 10 shareholders of Jiangsu Changqing Agrochemical Co., Ltd., as of June 2016
Table 3.3.3-2 Subsidiaries of Jiangsu Changqing Agrochemical Co., Ltd., as of June 2016
Table 3.3.4-1 Total assets, revenue and profit of Jiangsu Changqing Agrochemical Co., Ltd., 2013–H1 2016
Table 3.3.7-1 Cost of dicamba technical in Jiangsu Changqing Agrochemical Co., Ltd., Oct. 2016
Table 3.3.8-1 Important financial ratio of Jiangsu Changqing Agrochemical Co., Ltd.,

2014–2015

LIST OF FIGURES

Figure 1.2-1 Market share of global major producers of dicamba technical by output, 2015

Figure 2.1.2-1 Route A for production of dicamba technical with 1,2,4-trichlorobenzene as starting raw material

Figure 2.1.2-2 Route B for production of dicamba technical with 2,5-dichloroaniline as starting raw material

Figure 2.2.1-1 Monthly ex-works price of 1,2,4-trichlorobenzene in China, Jan. 2014–Oct. 2016

Figure 2.2.1-2 Monthly ex-works price of p-dichlorobenzene in China, Jan. 2014–Oct. 2016

Figure 2.2.2-1 Capacity (t/a) and output (tonne) of dicamba technical in China, 2008–H1 2016

Figure 2.2.3-1 Market share of dicamba technical producers in China by output, 2015

Figure 2.3-1 China's export volume of dicamba technical and dicamba formulations, 2008–Aug. 2016, tonne

Figure 2.4.1-1 Apparent consumption (converted to 98% technical) of dicamba in China, 2008–H1 2016

Figure 2.4.1-2 Actual consumption (converted to 98% technical) of dicamba in China, 2008–H1 2016

Figure 2.4.2-1 Actual consumption of dicamba in China by application field, 2015

Figure 2.5.1-1 Annual ex-works price of dicamba 98% technical and 48% AS in China, 2008–2015, USD/t

Figure 2.5.2-1 Monthly ex-works price of dicamba 98% technical in China, Jan. 2014–Oct. 2016, USD/t

Figure 2.5.2-2 Monthly ex-works price of dicamba 48% AS in China, Jan. 2014–Dec. 2015, USD/t

Figure 2.6-1 Forecast on capacity and output of dicamba technical in China, 2016–2020

Figure 2.6-2 Forecast on global demand for dicamba (converted to 98% technical), 2016–2020

Figure 3.1.4-1 Revenue structure in Zhejiang Shenghua Biok Biology Co., Ltd. by product, 2013–H1 2016

Figure 3.1.4-2 Share of dicamba technical in revenue of Zhejiang Shenghua Biok Biology Co., Ltd., 2013–H1 2016

Figure 3.1.5-1 Revenue structure of Zhejiang Shenghua Biok Biology Co., Ltd. by region, 2013–H1 2016

Figure 3.2.4-1 Revenue structure of Jiangsu Yangnong Chemical Co., Ltd. by product, 2013–H1 2016

Figure 3.2.4-2 Share of dicamba technical in revenue of Jiangsu Yangnong Chemical Co., Ltd., 2013–H1 2016

Figure 3.2.5-1 Revenue structure of Jiangsu Yangnong Chemical Co., Ltd. by region, 2013–H1 2016

Figure 3.3.4-1 Revenue structure of Jiangsu Changqing Agrochemical Co., Ltd. by product, 2013–H1 2016

Figure 3.3.4-2 Share of dicamba technical in revenue of Jiangsu Changqing Agrochemical Co., Ltd., 2014–H1 2016

Figure 3.3.5-1 Revenue structure of Jiangsu Changqing Agrochemical Co., Ltd. by region, 2013–H1 2016

1. Introduction

In recent years, development of dicamba-resistant genetically modified (GM) crops and weeds' increasing tolerance to competing products like glyphosate have directed more and more attention to dicamba: BASF has been increasing its investment in developing dicamba business. In mid-2015, Monsanto announced that more than USD1 billion would be input on a dicamba project. As of June 2016, Jiangsu Yangnong Chemical Co., Ltd., a top manufacturer of dicamba technical in China, has been proceeding with a capacity expansion project related to dicamba...

Amidst a fast-growing dicamba market in the globe, Chinese enterprises are also preparing for catching up with the trend. As of Nov. 2016, the potential capacity of dicamba technical has come to 38,000 t/a in the country.

The dicamba industry has ushered in a fast development in China. With only a small number of active manufacturers though, China is playing an important role in the global supply of dicamba.

In an aim of helping investors dig out the business opportunities and avoid the risks in this promising market, this report presents information and data for the overall market of dicamba in China. Besides, the top three dicamba producers in China, which have been taking the lead in the industry development, have been selected for in-depth benchmarking analysis in the aspects of production, sales, cost, finance and so on.

Detailed information on the following aspects will be showed in this report:

- ✓ Overview of the global dicamba market
- ✓ Overall development of China's dicamba industry
- ✓ Capacity and output of dicamba technical in China (2008-H1 2016)
- ✓ Manufacturers of dicamba technical and their capacities and outputs in China (2011-H1 2016)
- ✓ Potential capacity of dicamba technical as of Nov. 2016
- ✓ Analysis of dicamba exports from China (2014–Aug. 2016)
- ✓ Consumption of dicamba in China by volume and application fields (2008–H1 2016)
- ✓ Price trend of dicamba in China (2008–Oct. 2016)
- ✓ Forecast on supply and demand of dicamba in China (2016–2020)
- ✓ Benchmarking research on the three major Chinese dicamba manufacturers
- ✓ Investment opportunities and suggestions

2. Approach for the report

The report is drafted by diverse methods as follows:

✓ Desk research

The sources of desk research are various, including published magazines, journals, government statistics, industrial statistics, customs statistics, association seminars as well as information from the Internet. Information obtained has been compiled and analyzed. When necessary, checks have been made with Chinese suppliers regarding market information such as key producers, key end users, production and demand.

✓ Telephone interview

CCM has carried out extensive telephone interviews in order to survey the actual market situation of dicamba in China.

Interviewees cover:

- Key producers
- Key traders
- Associations
- Experts

✓ Internet research

CCM contacted with players in the industry through B2B websites and software.

Data processing and presentation

The data collected and compiled are sourced from:

- CCM's database
- Published articles from periodicals, magazines and journals
- Statistics from governments and international institutes
- Telephone interviews with domestic suppliers, end-users, traders and industrial experts
- Third-party data providers
- Customs statistics
- Comments from industrial experts
- Information from the internet
- Enterprises' financial reports

The data obtained from various sources have been combined and cross-checked to make this report as precise and scientific as possible. Throughout the process, a series of internal discussions were held in order to analyze the data and draw conclusions from them.

3. Executive summary

Though dicamba was developed by Syngenta AG early in the 1960s, it ushered in a fast development only from 2009. It is predicted that dicamba will have good market prospects because of two main factors: weeds' serious resistance to glyphosate and the successful development of dicamba-resistant GM crops by international pesticide giants like Monsanto. As activists in the global pesticide industry, Chinese pesticide enterprises are proactively preparing for seizing the market share.

The present market situation of dicamba in China is summarized as follows:

- In recent years, the production scale of dicamba has witnessed a dramatic xxx in China—the national total capacity of dicamba technical xxx from xxx t/a in 2011 to xxx t/a in H1 2016, and the total output also xxx from xxx tonnes in 2011 to xxx tonnes in 2015 at a CAGR of xxx% during these years.

- As of 25 Nov., 2016, there have been xxx valid dicamba registrations in China, including xxx for technical, xxx for single formulations and xxx for mixed formulations. Comparatively, the number of active producers is quite small—only xxx major ones as of H1 2016, which are basically distributed in xxx and xxx provinces. Among them, Jiangsu Yangnong Chemical Co., Ltd. ranks top by a capacity of xxx t/a in H1 2016 after the launch of its new capacity at the beginning of 2015.

- Before 2014, the ex-works price of dicamba 98% technical was xxx from USDxxx/t in 2011 to USDxxx/t in 2014 because of xxx. It began to xxx from 2015 and was USDxxx/t in H1 2016 due to xxx. From H2 2016, the price started to xxx to some extent.

- Around xxx% of dicamba products (converted to 98% technical) produced in China are for export. The export volume of the products (calculated by 98% technical) in China xxx from about xxx tonnes in 2011 to about xxx tonnes in 2015 at a CAGR of xxx%. xxx is the largest export destination.

- A xxx quantity of dicamba is consumed domestically every year, mostly for weed control in xxx and xxx fields. The apparent consumption has been xxx and reached xxx tonnes (converted to 98% technical) in 2015, while the actual consumption was estimated to be xxx tonnes that year.

- It is estimated that the capacity and output of dicamba technical in China would xxx to xxx t/a and xxx tonnes in 2020 at CAGRs (2016–2020) of xxx% and xxx% respectively, which is mainly due to xxx.

4. What is in the report?

Note: Key data/information in this sample page is hidden, while in the report it is not.

2 Overall situation of dicamba market in China

2.1 Industry development in China

2.1.3 Product registration

Table 2.1.3-2 Registrations of dicamba formulations in China, as of 25 Nov., 2016

Type of formulation		Common content	Number of registration	Share
Single formulations	AS	48%	xxx	xxx
	xxx	xxx	xxx	xxx
	xxx	xxx	xxx	xxx
	Total	/	xxx	100%
Mixed formulations	AS	35%, xxx	xxx	xxx
	xxx	xxx	xxx	xxx
	xxx	xxx	xxx	xxx
	xxx	xxx	xxx	xxx
	Total	/	xxx	100%

Source: The Institute for the Control of Agrochemicals, Ministry of Agriculture (ICAMA)

...

2.2 Supply of dicamba in China

2.2.2 Capacity and output (2008–H1 2016)

Figure 2.2.2-1 Capacity and output of dicamba technical in China, 2008–H1 2016



Source: CCM

Table 2.2.3-1 Capacity and output of major producers of dicamba technical in China, 2011–H1 2016

No.	Company	Abbrevia- tion	Status in H1 2016	Capacity, t/a						Output, tonne					
				H1 2016	2015	2014	2013	2012	2011	H1 2016	2015	2014	2013	2012	2011
1	Jiangsu Yangnong Chemical Co., Ltd.	Jiangsu Yangnong	Active	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
...	...	...	Active	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Total				xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx

Source: CCM

...

2.3 Export (2008–Aug. 2016)

Figure 2.3-1 China's export volume of dicamba technical and dicamba formulations, 2008–Aug. 2016, tonne



Source: China Customs & CCM

2.4 Demand

2.4.1 Consumption volume (2008–H1 2016)

Table 2.4.1-1 Production, export, import and apparent consumption of dicamba in China, 2008–H1 2016

Year	Production		Export								Import		Consumption
	98% Technical		Technical	70% WDG		70% WSG		48% AS		Total	Quantity, tonne	Converted to 98% technical	Quantity, tonne (converted to 98% technical)
	Capacity, t/a	Output, tonne	Quantity, tonne	Quantity, tonne	Converted to 98% technical, tonne	Quantity, tonne	Converted to 98% technical, tonne	Quantity, tonne	Converted to 98% technical, tonne	Converted to 98% technical, tonne			
2008	xxx	xxx	xxx	0	0	0	0	xxx	xxx	xxx	xxx	xxx	xxx
2009	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2010	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2011	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2012	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2013	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2014	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2015	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
H1 2016	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx

Source: CCM

3 Benchmarking research on major producers in China

3.1 Zhejiang Shenghua Biok Biology Co., Ltd.

3.1.7 Analysis of dicamba production cost

Table 3.1.7-1 Cost of dicamba technical in Zhejiang Shenghua Biok Biology Co., Ltd., Oct. 2016

No.	Item		Cost, USD/t	Share
1	Raw material	2,5-Dichloroaniline (99%)	xxx	xxx%
		xxx	xxx	xxx%
		xxx	xxx	xxx%
	
...
...	Packing	/	80	xxx%
	Others	/	xxx	20.55%
	Total	/	xxx	100.00%

Source: CCM

3.1.8 Financial analysis

Table 3.1.8-1 Important financial ratio of Zhejiang Shenghua Biok Biology Co., Ltd., 2014–2015

Item	2015	2014
Return on equity (ROE)	xxx	xxx
Return on total assets (ROA)	xxx	xxx
...
Current ratio	xxx	0.18
Quick ratio	xxx	xxx

Source: 2014–2015 Annual Reports of Shenghua Biok & CCM

...

If you want more information, please feel free to contact us.

Tel: +86-20-37616606

Fax: +86-20-37616968

Email: econtact@cnchemicals.com