

Notes: Key data/information is included in the complete report while hidden in this sample page.

1 Overview of starch in China

1.1 Classification of starch

According to different raw materials, starch is generally classified into cereal starch, tuber starch, bean starch, waxy-based starch, etc. Thereinto, cereal starch consists of corn starch, wheat starch, rice starch, etc.; tuber starch includes potato starch, cassava starch, sweet potato starch, etc. Bean starch mainly includes mung bean starch, pea starch and cowpea starch. What's more, waxy-based starch, mainly from waxy corn, waxy potato and waxy cassava, is attracting more and more attention from oversea manufacturers due to its promising future.

1.2 Brief introduction

- Global starch

Starch production in the world is mainly concentrated in the US, China, the EU, Japan, Thailand, etc. The US and China together contribute over 80% to the world's total starch output in 2011.

- Chinese starch

Nowadays, China plays an important role in the development of global starch industry, since it is the second largest producer of both starch and modified starch in the world in terms of output. As to starch, the major products in the country are corn starch, potato starch, cassava starch and wheat starch. As to modified starch, corn modified starch, potato modified starch and cassava modified starch are major varieties.

2 Supply and demand of starch in China

2.1 Starch supply in China

2.1.1 Overview of Chinese starch production situation

With years of development, China has become the second largest starch production country in the world, with an output of over ■ million tonnes in 2011, accounting for about ■% of world's

total. Major starches are corn starch, cassava starch, potato starch, wheat starch and sweet potato starch. Among them, corn starch output usually takes up the biggest proportion, accounting for around █%. Correspondingly, major starch raw materials in China include corn, cassava, potato, wheat and sweet potato.

Table 2.1.1-1 Output of starch in China, 2008-2011, tonne

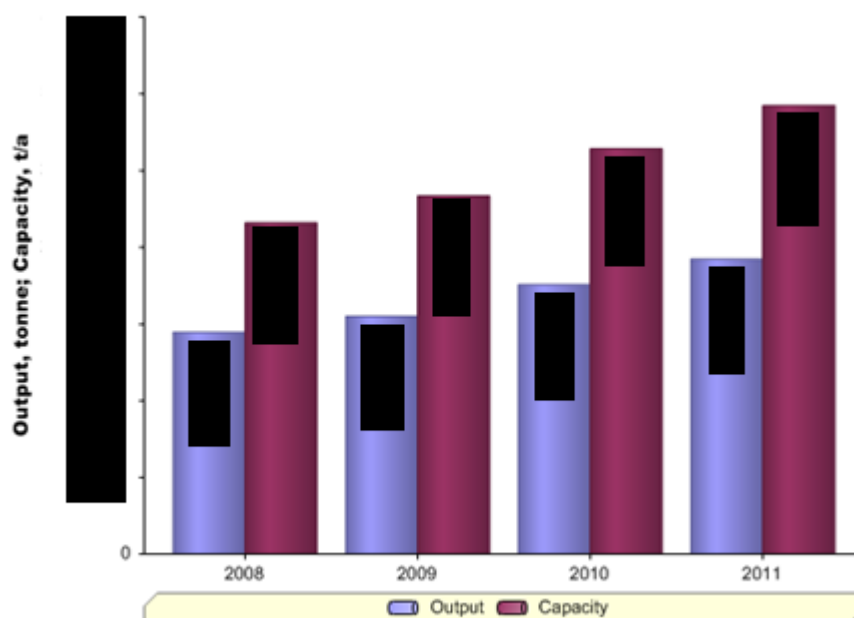
Year	Corn starch	Cassava starch	Potato starch	Wheat starch	Sweet potato starch	Others	Total
2008	█	849,500	█	█	█	█	█
2009	█	█	█	█	█	█	█
2010	█	█	█	█	█	441,000	█
2011	█	█	█	█	█	█	█

Source: CCM

2.1.2 Corn starch

2.1.2.1 Capacity and output, 2008-2011

Figure 2.1.2.1-1 Production of corn starch in China, 2008-2011



Source: CCM

3 Competitive landscape of Chinese starch and its derivatives

3.1 Price and manufacturing cost

Table 3.1-1 Average export & import price of modified starch in China, 2004-2011, USD/t.

Year	Export	Import
2004	397	
2005		
2006		
2007		
2008		
2009		
2010		
2011		

Source: China Customs

As for the trade of modified starch, modified starch imported from overseas are generally more expensive than domestic modified starch. However, many consumers in China prefer to purchase imported modified starch due to the better quality, thus posing high pressure to Chinese modified starch, especially modified potato starch.

For modified cassava starch from Thailand and Vietnam, China's similar product is not competitive enough either. But China's modified corn starch has some advantages over overseas products.

4 Conclusion and commercial opportunities

Conclusion

China plays an important role in global starch market. Driven by the rising demand from downstream industries, the country's starch output has been increasing rapidly. However, starch industry has been suffering serious overcapacity, leading to intense competition, likewise exerting impact on the production of starch derivatives.