

Webinar presentation

World Cement Bag & Bagging Equipment Industry & Forecast 2021

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Presenters

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- Responsible for the qualitative and quantitative analysis for CW Research's price and volume assessments in the building material and heavy industrial sectors. 2+ years of experience in the building materials sector
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- Executes quantitative analysis for CW Research's price and volume assessments in the building material and heavy industrial sectors. A year of experience in the food and beverages FMCG industry
- Degree in Health Food Innovation Management from Maastricht University, Netherlands

- Introduction to CW Group
- World Cement Bag & Bagging Equipment Industry & Forecast 2021
 - Macroeconomic overview
 - Market overview
 - Cement bagging equipment
 - Cement bags
 - Closing remarks

About the CW Group

Advisory

STRATEGY AND M&A ADVISORY

- Strategic advisory
- Management consulting
- M&A advice
- Transaction support
- Due diligence

Research

BUSINESS DECISION SUPPORT

- Syndicated market / industry study reports
- Reference forecasts
- Data and chart-books
- Commodity price assessments

Media

MEDIA & MEETINGS

- Market reporting services
- Newsletters
- Online data access
- Publications
- Meetings

Seasoned experts

Business & technical

Network & access

Proprietary data



CEMENT, BUILDING
MATERIALS &
CONSTRUCTION



STEEL, METALS &
MINING



CHEMICALS



DRY BULK CARGO,
PORTS AND
INFRASTRUCTURE



POWER, ENERGY
AND SOLID FUELS



World Cement Bag & Bagging Equipment Industry & Forecast 2021

What does it include

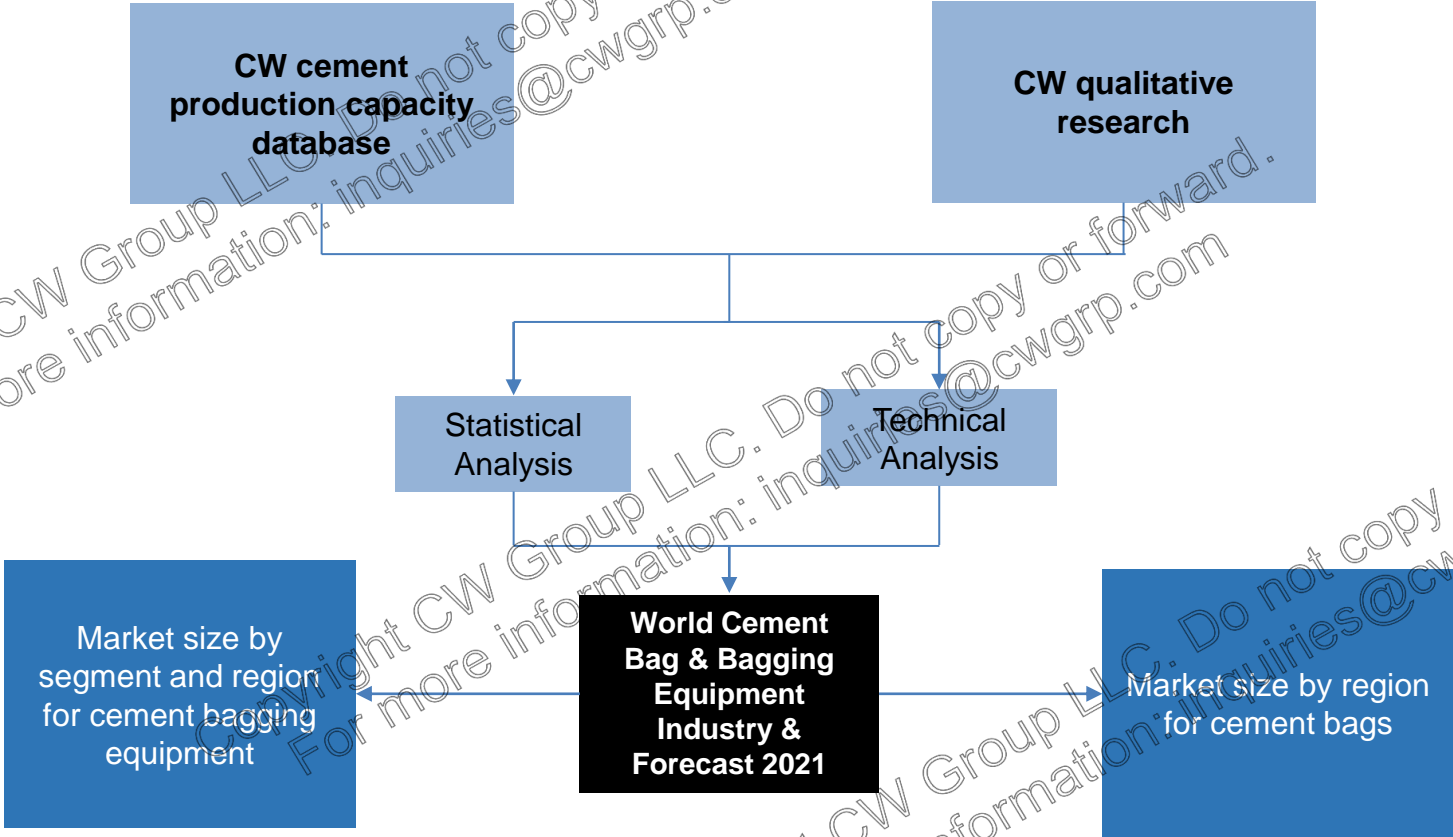
- Executive summary
- Methodology
- Introduction to the cement bagging process
 - Bag fillers, palletizers, wrappers, loaders, and other equipment and maintenance
- Overview of the Cement bagging equipment and bag market
 - Value chain and supply structure
- Global market overview
 - Baseline and additional cement production capacity and cement demand figures
 - Future trends for cement bagging equipment on each segment and for the cement bag market
- Regional details
 - Historical and future data on new capacity additions, market size for each cement bagging equipment segment, and for the cement bag market
- Company profiles
 - Beumer Group, Claudius Peters, Concetti, FLSmidth, Haver & Boecker, Möllers Group, and others

For a complete listing of focus countries as well as more details visit:

<https://www.cwgrp.com/cemweek-reports/product/330-world-cement-bag-bagging-equipment-industry-and-forecast-%E2%80%93-2021-edition>



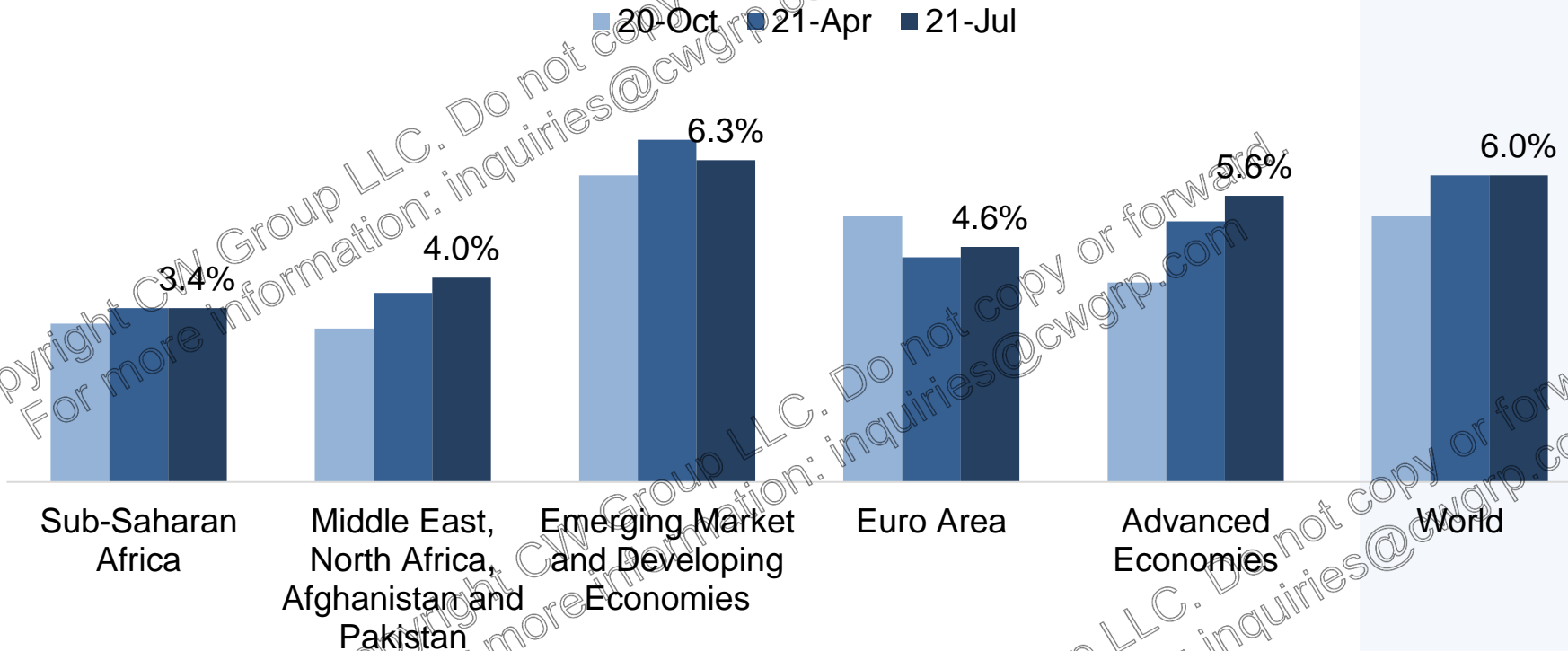
Methodology



Macroeconomic Overview

Global economy to see a strong but uneven recovery post-Covid 19

Global Economic Outlook 2021 (% GDP)

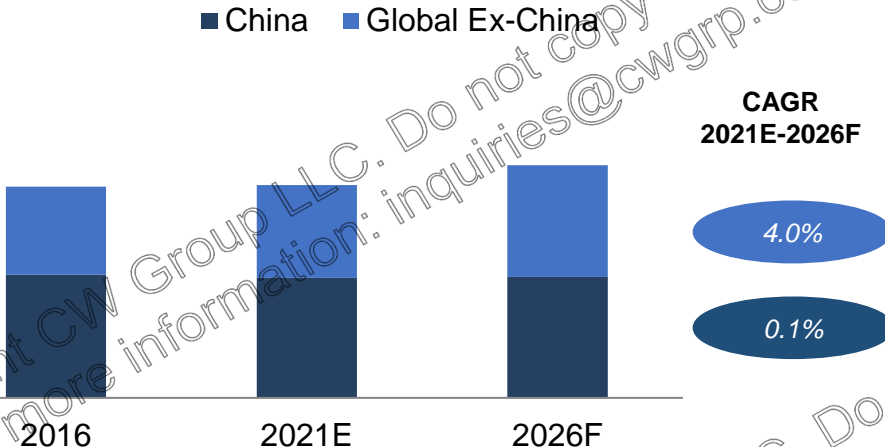


- In the latest IMF's global economic update released in July, it is estimated that for the baseline scenario the global economy is likely to see an expansion of 6.0 percent in 2021E
- Amongst the countries with the biggest economic growth this year are India, China, the US and the UK

Market overview

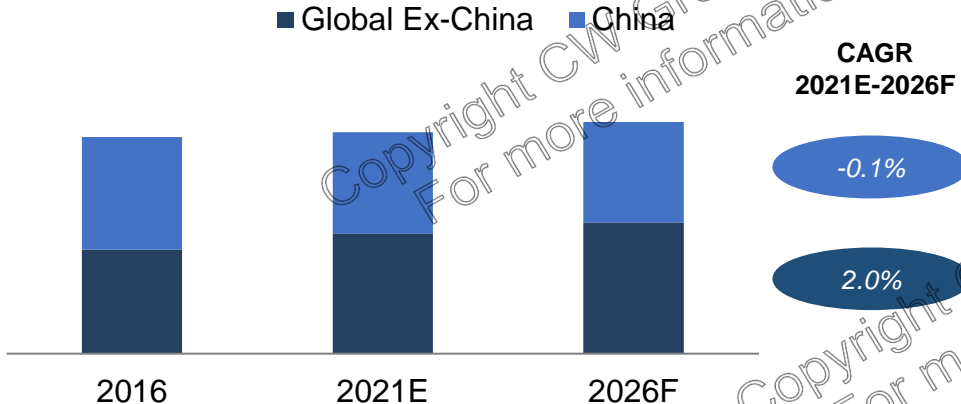
Chinese capacity reduction expected to slow down global capacity growth rates

Global cement consumption (mn tons)



- After a decline in cement consumption last year, we estimate Global Ex-China consumption to recover this year and see boost until 2026F, on the account of healthier prospects for the long-term economic recovery from pandemic and crude-oil price slump

Global baseline cement production capacity (mn tons)

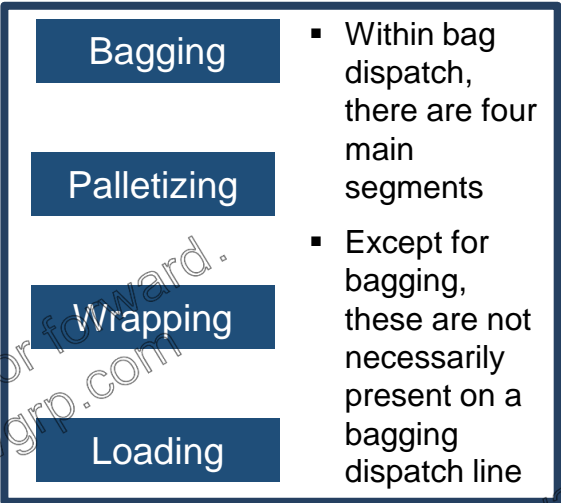
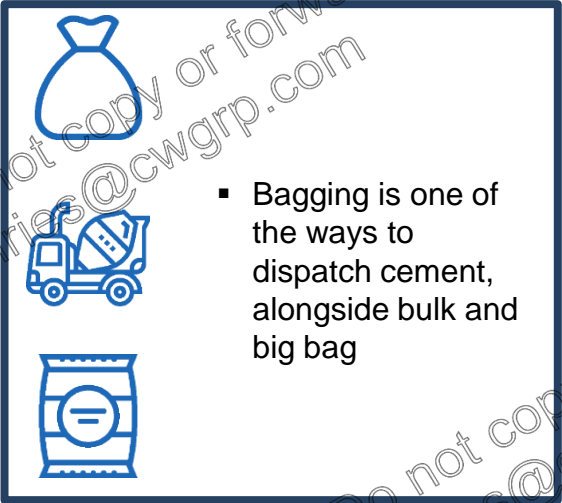
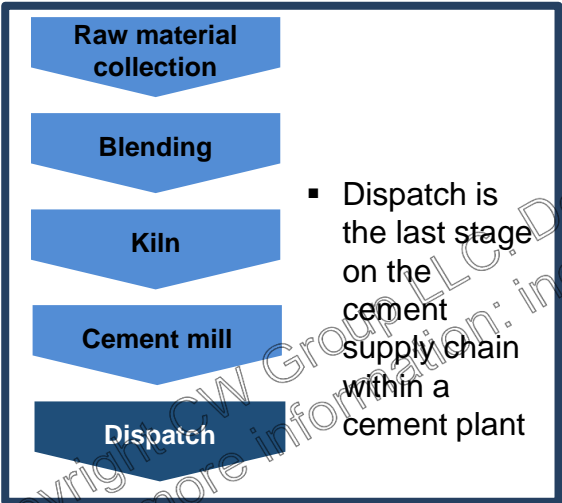


- In the upcoming five years, Global Ex-China production capacities are expected to grow at a slower pace than cement consumption
- China's production capacity is expected to see a decline from 2021E-2026F as the government intends to reduce excess cement and clinker production capacity

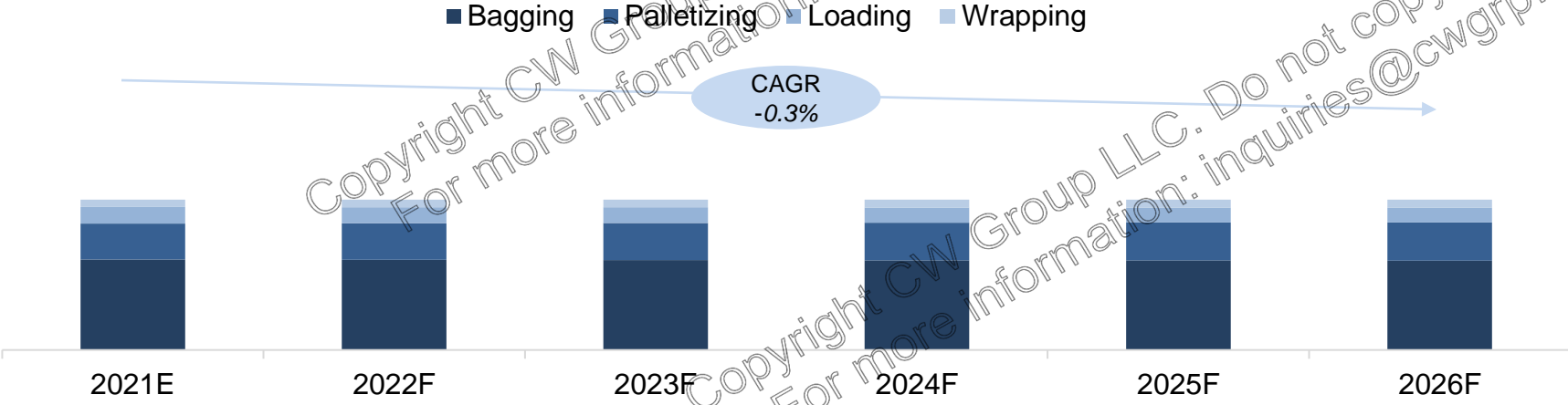
Source: CW Research

Cement bagging equipment market

Bagging expected to continue to account for the majority of the market size of the cement bagging equipment market in the next five years

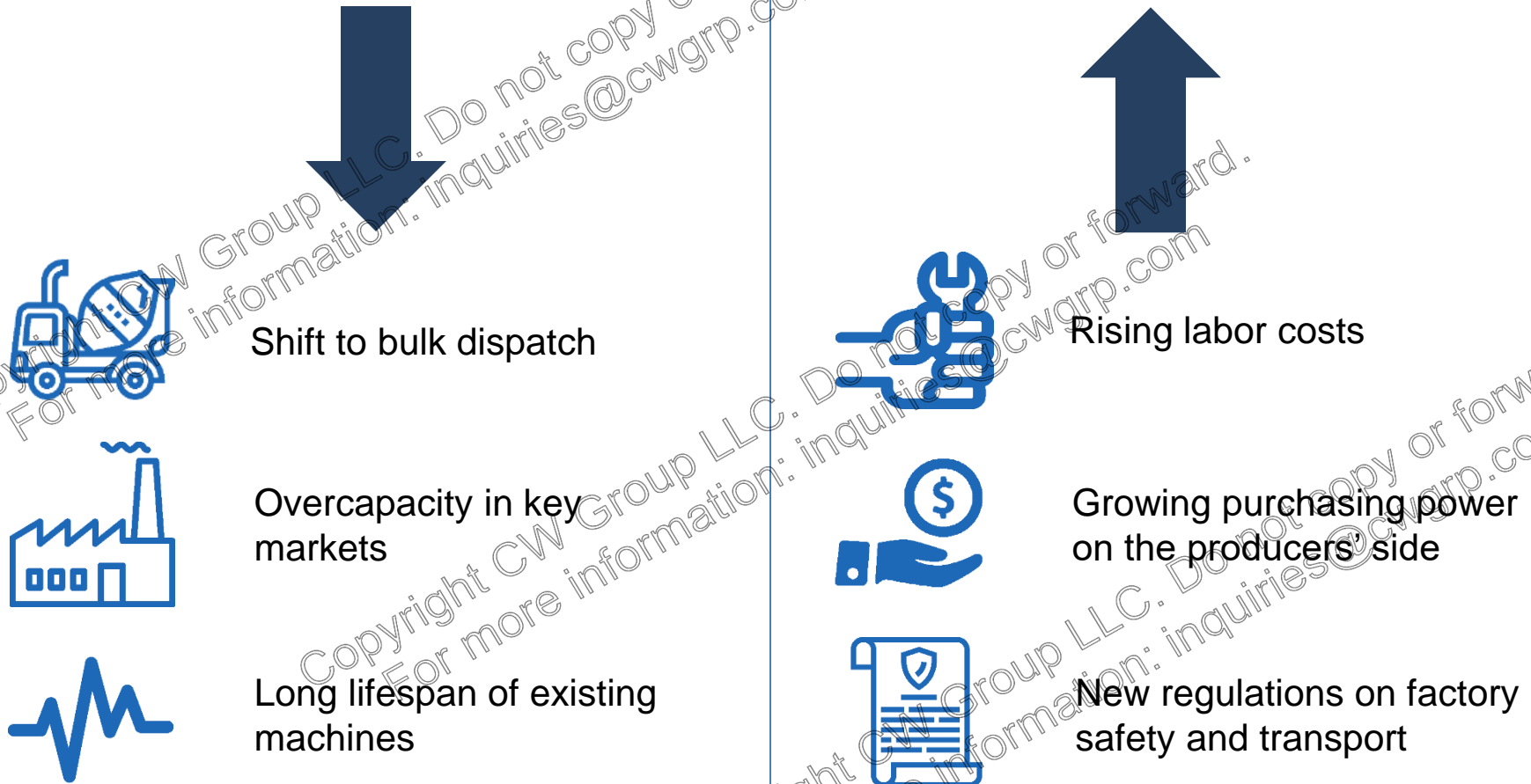


Global market size for cement bagging equipment (USD mn)



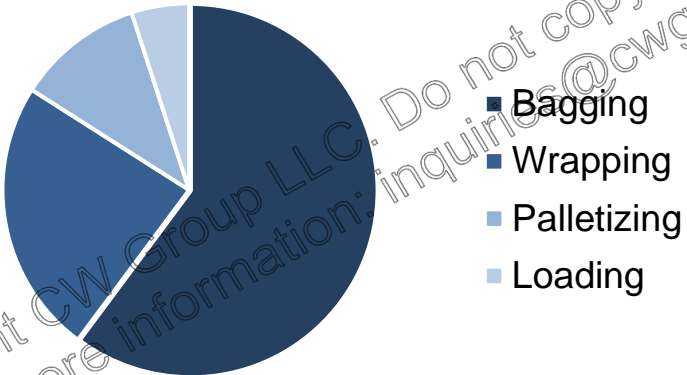
Source: CW Research

- Several factors are competing to shape the cement bagging equipment market

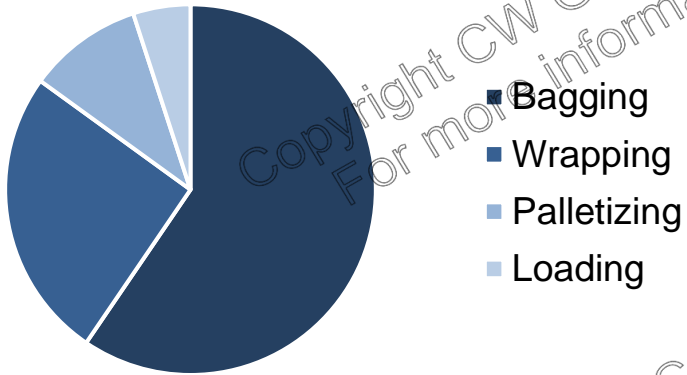


Bag fillers, while dominating the cement bagging equipment, are expected to lose ground

Market share by segment (2021E)



Market share by segment (2026F)



- Bag fillers are expected to lose market share to wrappers
- Every bagging dispatch line requires a bag filler, many lasting for 40 years, while palletizers and wrappers are nowhere close to such prevalence
- The shift from bag to bulk is largely associated with the announcement of infrastructure projects
- Growing labor costs and new regulations on cement bag transportation and workers' safety represent opportunities for palletizing equipment

The market for cement bagging equipment varies wildly across regions



Developed markets

- Few capacity additions
- New equipment sales depend on upgrades
- Most of the dispatch lines are already equipped with palletizers and wrappers

Developing markets

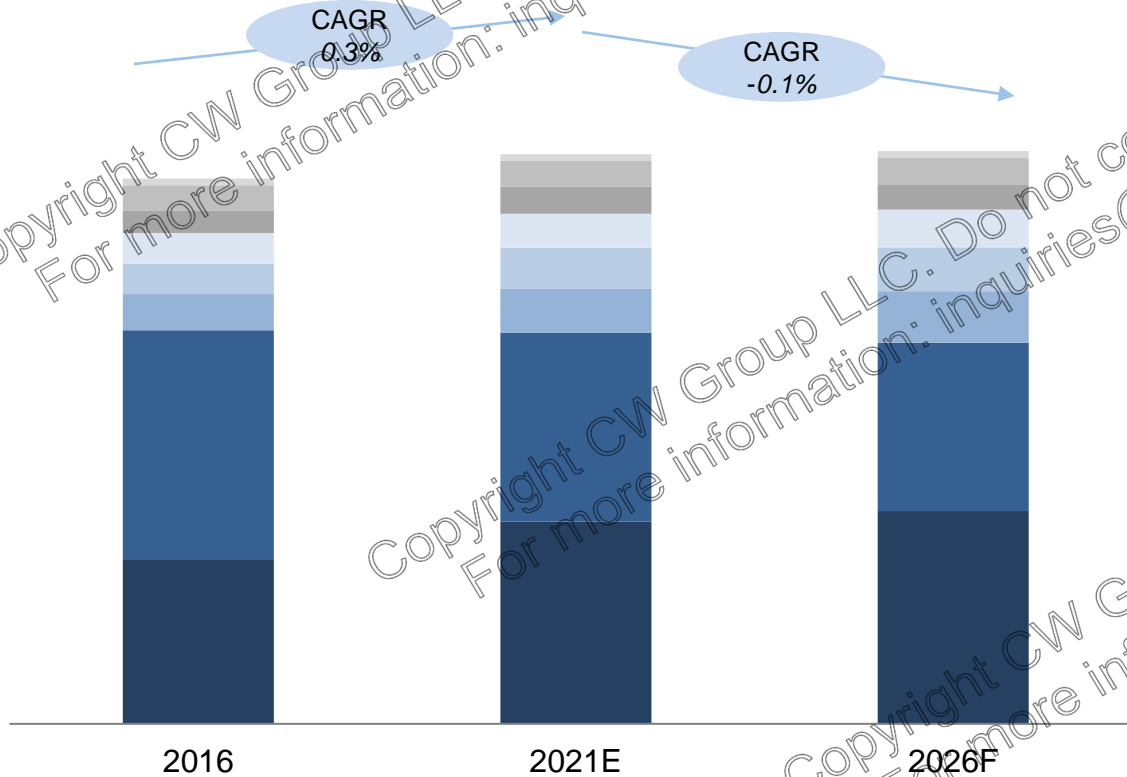
- Capacity growth decelerating
- Palletizers are popular South America while less popular in Africa
- Bagging dispatch lines are less complete, many times with just bag fillers and loaders

Cement bag market

Bags market still threatened by a shift from bagged to bulk cement

Bags market size (2016 – 2026F, USD bn)

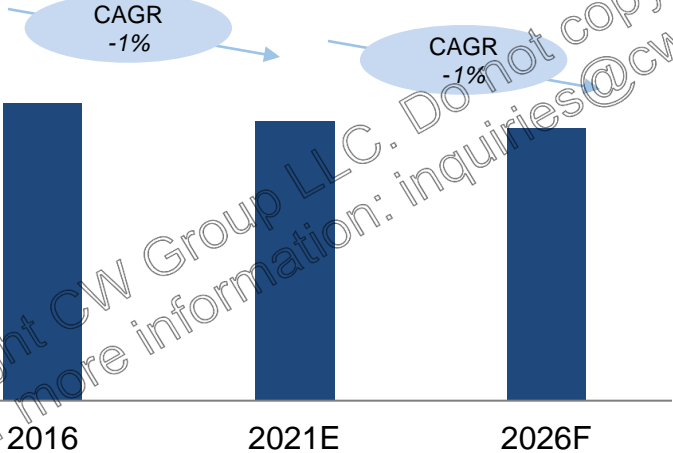
■ Asia ex-China
 ■ China
 ■ Latin America
 ■ Africa
■ Middle East
 ■ E Europe & CIS
● Western Europe
■ North America



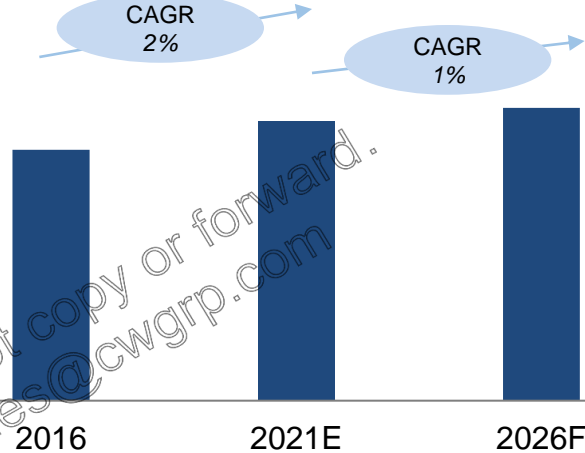
- The cement bags market is more dependent on actual production than installed capacity
- Main threat is the shift to bulk cement. The shift from bag to bulk is largely associated with the announcement of infrastructure projects
- Differentiation through value-added bagging materials represents an opportunity to the sector, especially in advanced markets

Wrapping and palletizing growth likely to reduce the use of automatic and semi-automatic loading

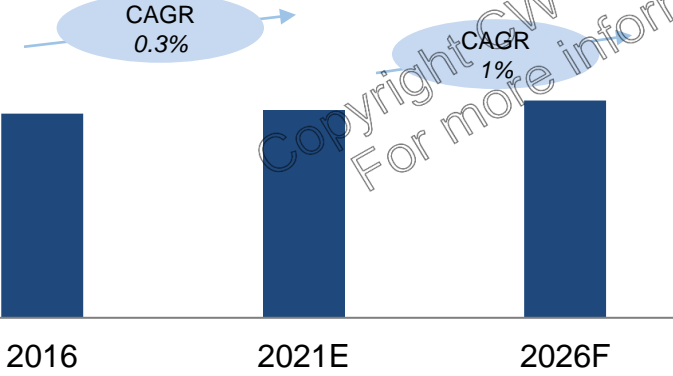
Bag fillers market size (USD mn)



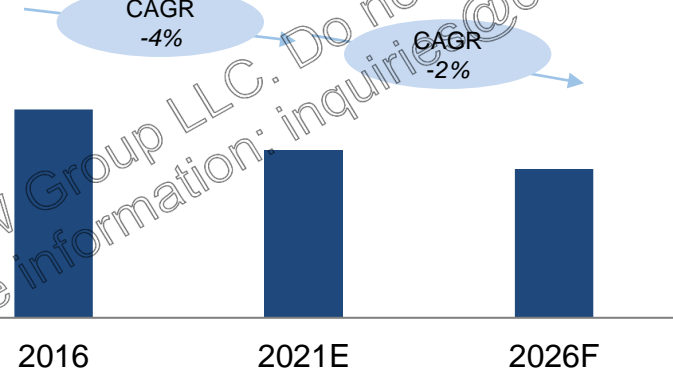
Palletizers market size (USD mn)



Wrappers market size (USD mn)



Loading market size (USD mn)



Source: CW Research

Closing remarks

- The global market size for cement bagging equipment is expected to decline at a CAGR of 1 percent in the next five years
- While bag fillers is expected to continue to account for the largest share of the market, palletizers and wrappers are set to see an increase from 2021E-2026F
- The cement bagging equipment market varies widely from region to region, with some components being very prevalent in a certain region and virtually non-existent in others
- Rising labor costs and new safety rules may increase the market for automation
- The shift from 50 kg to 25 kg in certain markets due to health and safety concerns may also create demand for new equipment or upgrades
- Global Ex-China bags market size is expected to see an increase from 2021E to 2026F, boosted by Latin America and the Middle East

About CW Research

CW Research is a leader in syndicated and data-driven market research solutions. The company offers independent perspectives on multiple industrial market segments (e.g., cement, metals & minerals, and specialty chemicals) and deep functional expertise in market intelligence, sourcing intelligence, commodity pricing intelligence.

CW Research also provides custom industry and competitive research programs for operating companies, financial analysts, consultants, governments, suppliers and many others as well as tailored studies together with CW Advisory. For more information: research.cwgrp.com.

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