

Solarbuzz Raises Global Photovoltaic 2010 Market Forecast to 15.2 GW

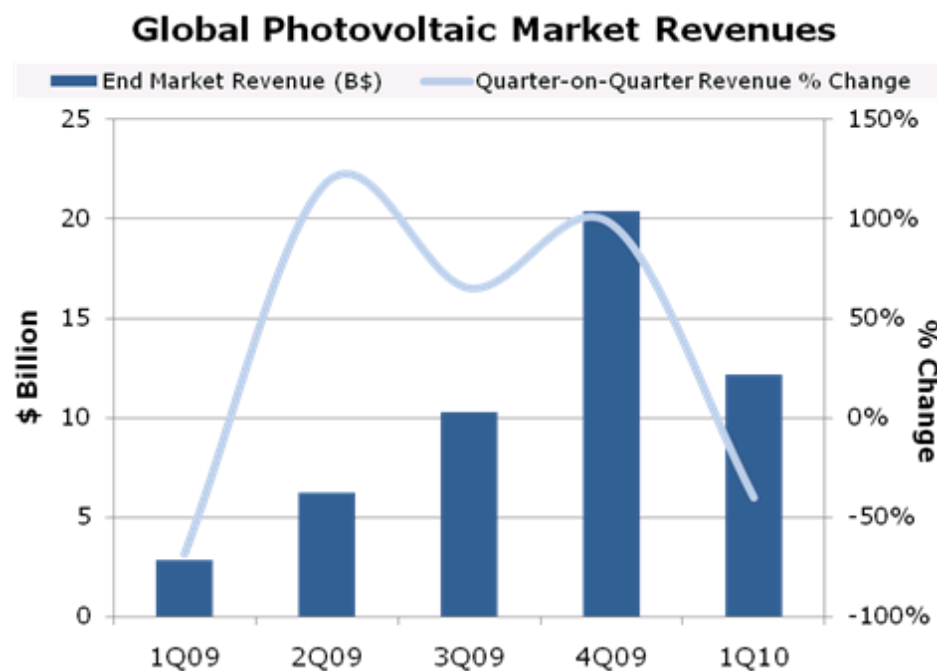
SAN FRANCISCO, CALIFORNIA, June 29, 2010—Global photovoltaic demand continues to soar in 2010 and is currently projected to double over the rate of installations last year, according to Solarbuzz®, an international solar energy market research and consulting company. In the latest edition of the *Solarbuzz® QUARTERLY Report*, Solarbuzz has raised its 2010 market size to 15.2 GW, which compares with a revised 7.5 GW in 2009. Specifically, the last three quarters of 2010 are projected to generate 12.7 GW, driven by strong growth across Europe, but also in the United States, Japan, China and a range of smaller start-up markets.

German market demand incorporates substantial volatility in Q/Q performance during 2010. This takes into account the uncertainty of policy adjustments in Germany that are planned for July 2010 and also January 2011. A 2010 market size of 8 GW in Germany is now in prospect, even taking account of a drop off in demand in Q3'10.

"Despite much uncertainty over policy outcomes, a challenging economic environment and inverter supply, the PV industry is once again demonstrating that consumers respond to supportive government policies," said Craig Stevens, President of Solarbuzz. "The growth in demand is a response to major cuts in price levels afforded by lower manufacturing costs. As a result, module and inverter supply is just barely keeping up with demand."

Preliminary data on global industry revenues shows a drop of 40% to just over \$12 billion in Q1'10, which was nearly four times the level one year earlier.

Figure 1: Global Photovoltaic Market Revenues



Source: *Solarbuzz QUARTERLY Report*

Selected price rises late in Q2'10 have been seen from some Chinese manufacturers supplying to Europe. These moves helped to partially offset the decline in the euro over Q2'10. Within the PV chain, wafer prices have tightened in both euro and US dollar terms, while cell prices have tightened in euro terms only over the past six months.

The *Solarbuzz QUARTERLY* also includes these highlights:

- Estimated upstream inventory days remain flat from end Q1'10 to end Q2'10; whereas downstream days fall to one-third of their end Q1'10 level.
- In Q1'10, there was a sharp rise in cell capacity utilization, with many of the market leaders in practice working at full capacity during the second quarter.
- Among the leading cell manufacturers, Sharp took a clear #1 global position in Q1'10, measured on total revenues. In a close #2 and #3 position were Suntech Power and First Solar. First Solar also retained first place in MW production terms.
- Asian manufacturers exhibit steady Q/Q gross margin improvements, a testimony to their

success at bringing down unit costs.

The latest data-driven [Solarbuzz QUARTERLY Report](#) brings together industry production, shipment, inventory, market demand and price picture. This is supplemented by corporate data for leading company quarterly cell production and company data through the PV chain on financial indicators. For more information or to order Solarbuzz regional reports, contact us at our [nine global locations](#), email us at admin@solarbuzz.com, or call 1.415.928.9743.

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