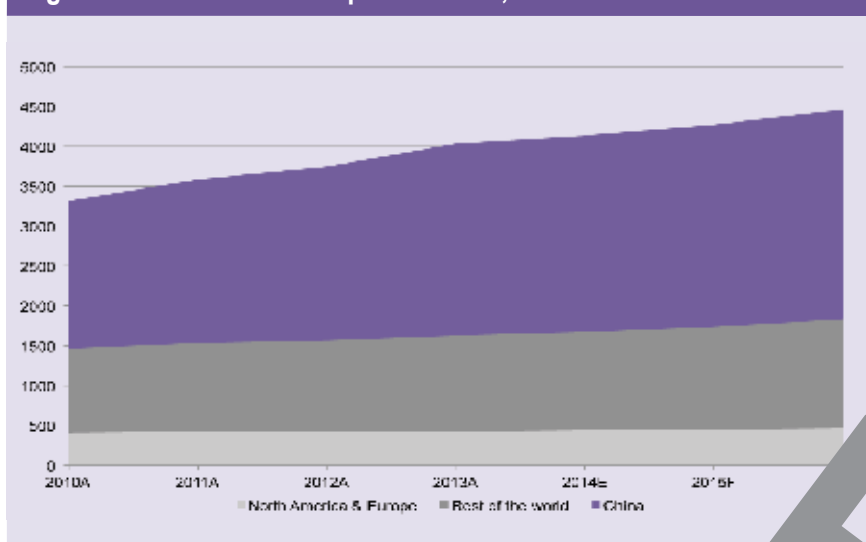


Figure 1 – Global consumption trends, 2010-16



Of the 171 countries tracked in this report, cement production was recorded in 154 countries, with 17 countries, or 10 per cent, recording no cement production. Total cement output reached 4181Mt in 2014, translating into an average worldwide capacity utilisation rate of 73 per cent.

International trade in cement and clinker rose to an estimated 196Mt in 2014, up just three per cent on 2013 volumes, which in turn were 8.2 per cent up on 2012.

Top consumers

The top 20-ranked cement-consuming nations used 3575Mt cement in 2014, accounting for 86 per cent of global cement consumption.

China, India, USA, Brazil and Russia were the top five-ranked nations in 2014. A total of 10 Asian countries were represented in the top 20, while two east Asian nations – the Philippines and Malaysia – moved the top 20 for the first time, France and Italy dropped out, reflecting the decline in western European cement consumption.

At 2462Mt, China consumed two-and-a-half times as much cement in 2014 as it had a decade earlier. Double-digit growth of 2013 fell to single-digit in 2014 – well below its 10-year CAGR of 9.7 per cent – as the construction sector reset to a slower, more sustainable growth path.

India, the second-largest cement market in the world, saw consumption climb to 264Mt in 2014, which is still only 11 per cent of the size of China’s market. The 10-year CAGR is 7.9 per cent, and

the current growth is below expectations, at just four per cent in 2014. However, the new BJP administration is expected to invest heavily in developing the country’s infrastructure, boosting medium- to long-term construction rates. Per capita cement consumption

is noted at 199kg, which is well below the world average and an indication of future growth potential.

The USA is still recovering from the Great Recession that saw demand collapse by 46 per cent from a peak of 127Mt in 2005 to 69Mt in 2009. Recovery is now well underway and demand reached 89Mt in 2014, up 9.1 per cent YoY, as pent-up construction started to drive cement consumption growth back up.

In fourth place Brazil’s cement consumption was 72Mt in 2014. While the market exhibited a strong growth trend up until 2012, a weakening economy exposed to falling commodity prices has subsequently seen construction activity slump. Cement demand fell to just 1.1 per cent in 2014 versus the 10-year CAGR of 10.5 per cent. Cement demand rose to 71Mt in 2013, making it the fifth-largest consumer. Having expanded strongly in 2012 and 2013 by 13.6 and 6.9 per cent, respectively, demand in Russia slumped

Table 1 – Major cement-consuming nations, 2006-14

Country	Cement consumption (Mt)				
	2006	2008	2010	2012	2014E
1. China	1372.0	1850.0	2171.0	2462.0	
2. India	122.1	174.0	221.0	241.8	264.1
3. USA	122.0	93.5	71.2	77.9	89.1
4. Brazil	40.7	51.6	60.0	69.3	71.8
5. Russia	52.0	60.8	49.4	65.2	71.1
6. Turkey	41.7	42.6	50.0	56.7	67.2
7. Indonesia	32.1	38.1	40.8	55.0	59.9
8. Saudi Arabia	24.7	29.9	41.3	52.7	56.6
9. Vietnam	35.6	44.5	54.8	57.6	53.7
10. Egypt	30.0	38.4	49.5	49.2	50.0
11. Japan	58.6	51.0	41.8	44.3	48.0
12. Vietnam	31.7	40.2	50.2	45.2	47.5
13. South Korea	48.4	53.6	45.5	43.9	44.0
14. Mexico	35.9	35.1	33.9	36.5	36.7
15. Thailand	26.6	25.8	24.5	26.8	30.1
16. Pakistan	16.9	21.1	22.6	24.8	27.2
17. Germany	28.9	27.6	24.7	26.8	27.1
18. Algeria	15.2	17.5	19.0	21.3	26.8
19. Philippines	11.7	13.2	15.5	18.4	21.3
20. Malaysia	15.7	17.0	16.6	19.2	21.0

Note: rankings based on estimated 2014 consumption data. China includes all recorded cement types, not all to international standards.

Source: ICR Research