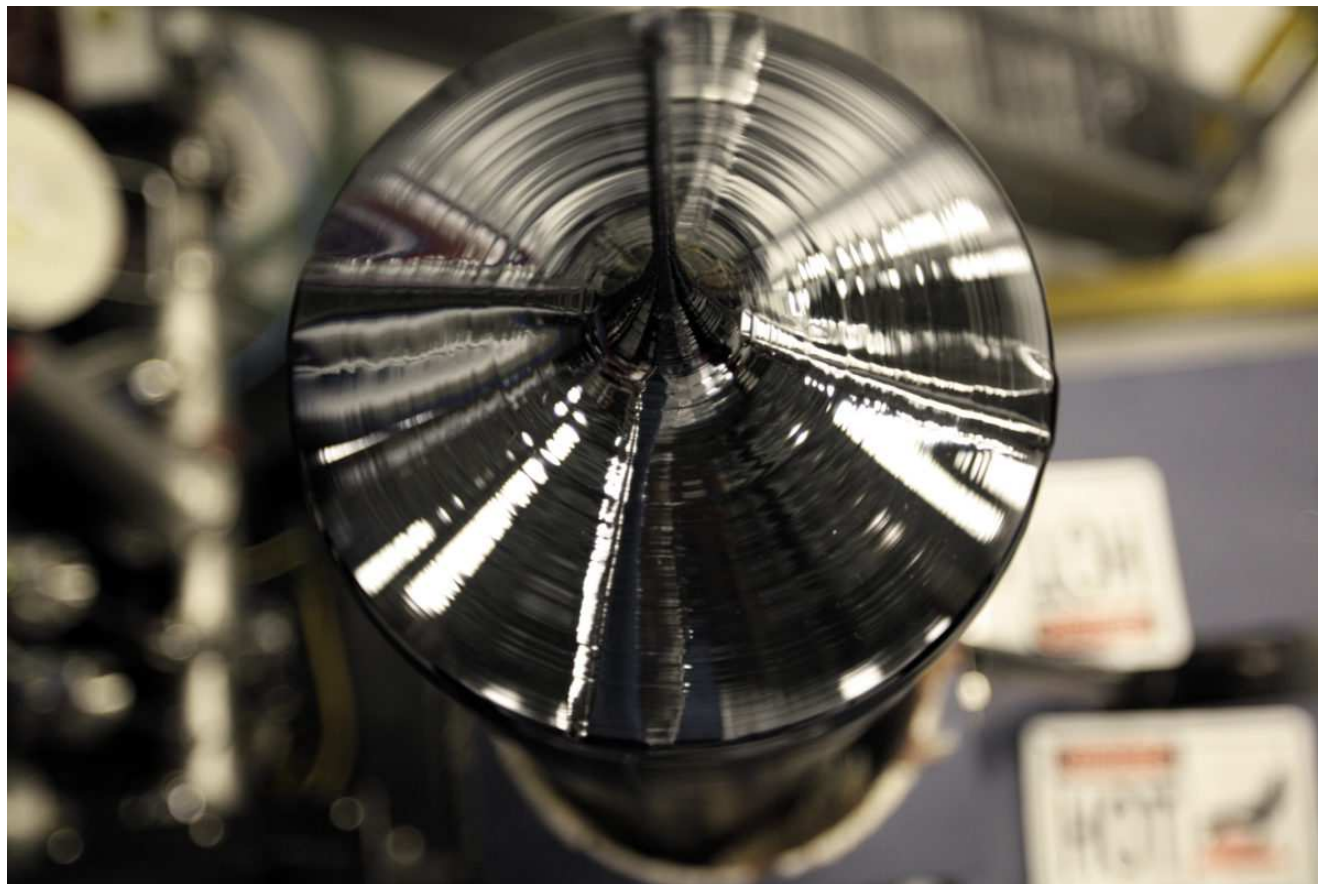


Coronavirus to have limited impact on Chinese polysilicon industry

Analyst Johannes Bernreuter says most of China's polysilicon production capacity is in regions away from the center of the coronavirus outbreak. He added, however, 27% of the nation's 510,000-ton annual polysilicon capacity could be affected.

FEBRUARY 5, 2020 **EMILIANO BELLINI**

HIGHLIGHTS **MARKETS** **MODULES & UPSTREAM MANUFACTURING** **CHINA**



Polysilicon output in China is unlikely to suffer to the same extent as wafer and solar glass because of the location of most of the nation's poly factories, said the analyst.

Image: GT Advanced Technologies

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The **coronavirus outbreak** may have only limited consequences for the Chinese polysilicon industry, according to analyst [Johannes Bernreuter](#).

Bernreuter told **pV magazine** most of China's polysilicon production capacity is in the provinces of Xinjiang and Inner Mongolia, which have so far reported small numbers of people infected with the virus. U.K. newspaper *The Guardian* this morning reported the coronavirus death toll had risen to 490.

The province of Qinghai, which hosts polysilicon manufacturers Asian Silicon (with a 20,000-ton annual production capacity) and Qinghai Huanghe (2,500 tons), are also away from the regions worst affected by the virus. The coronavirus has thus far afflicted [Jiangsu](#), [Zhejiang](#), [Guangdong](#) and [Anhui](#), provinces central to other segments of the solar manufacturing supply chain.

Analyst Bernreuter said polysilicon manufacturers including TianREC (19,300 tons in Shaanxi province) and Luoyang China Silicon (20,000 tons in Henan) may see output affected by the health crisis. "That's my calculation on paper but I don't know what is actually happening on the ground," admitted Bernreuter.

In the wrong place at the wrong time

The analyst added, GCL-Poly's 40,000-ton-capacity Jiangsu Zhongneng and 10,000-ton Jiangsu Kangbo facilities are in Jiangsu and thus may see output affected by coronavirus. And Bernreuter said Tongwei's Sichuan Yongxiang 50,000-ton factory in Sichuan could also suffer.

"In the worst case this would add up to approximately 140,000 tons, or 27% of a total Chinese polysilicon capacity of roughly 510,000 tons," Bernreuter said, adding: "As I suspect that companies like China Silicon, TianREC and Jiangsu Kangbo have low utilization rates, the effect on production output could be closer to a reduction by 10%."

Overcapacity in the Chinese polysilicon sector has led to low factory utilization rates so Bernreuter predicted any virus-related fall in output could be compensated by new production lines coming online in Xinjiang and Inner Mongolia. "The situation seems to be far more critical for wafers and cells," he said.

Meanwhile, the Silicon Branch of the China Non-ferrous Metals Industry Association has reported that there are bottlenecks in supply of the silicon powder feedstock and in transportation of the finished product to customers.

Investment banking company [Roth Capital Partners](#) yesterday predicted the price of solar products including [PV modules](#) could rise in the near term as the coronavirus outbreak has caused shortages of solar wafers and [module glass](#).