



CONSUMPTION OF CERAMIC TILE (INCLUDING ITALIAN TILE) EXPECTED TO GROW

The most reliable indicators for predicting tile consumption in the United States are the stock of new and second-hand houses awaiting buyers and the level of confidence of companies, a factor that determines their investment policies. These indicators bode well for 2011 and are expected to improve further over the next two years.

US ceramic tile consumption in 2010 was up by 5.4% to 182.0 million square metres compared to the previous year's figure of 172.7 million square metres. American manufacturers' shipments grew by 8.3% compared to 2009, up from 53.1 million sq.m to 57.5 million sq.m, while imports rose from 123.9 million sq.m to 128.6 million sq.m. (+3.8%). The time series from 1995 to the present day show similar trends for tile consumption and imports, while the trend for shipments by US manufacturers only began to fall in 2008. The value of tile consumption in the United States, again in 2010, rose to US\$2.0 billion, up 5.7% from 2009. This was a combined result of the US manufacturers' turnover of US\$770 million, up 6.2% from 2009, and the value of imports, which reached US\$1.3 billion, up 5.3% from 2009.

As regards tile consumption by value in the United States, the American manufacturers are the top suppliers with US\$769.6 million (about 50% of US capacity is provided by Italian owned manufactures with plants in the US). Next come Italy with US\$457.0 million (6.5% more than in 2009), China with US\$254.0 million, Mexico with US\$208.0 million, Spain with US\$99.0 million and Brazil with US\$60.0 million.

Unlike the United States, Canada was unaffected by the severe property sector crisis of 2008, as demonstrated by the steady growth in exports. In 2010 tile consumption in Canada was 49.6 million square metres, almost all of which was covered by imports. In 2010 Italy was the top supplier country with C\$110.3 million, followed by China with C\$79.3 million, Turkey with C\$34.9 million and USA with C\$19 million.

Looking to the future, tile consumption in the North American market is showing signs of recovery, which may be influenced by the value of the dollar and the state of the real-estate sector. While the US Federal Reserve will continue to devalue the dollar against the euro, exports from Europe will become more difficult in spite of the improving economic situation in the United States, as evidenced by the indicators for the confidence of families and businesses.

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