

What's Hot Today:

► China Solar Industry

Policy-led rebound in prices (Week 28, 2025)

Prices across the solar supply chain showed signs of stabilization and rebound. According to InfoLink data, polysilicon prices rose to RMB35/kg (from last week??), with the mainstream range at RMB37 to 38/kg. TOPCon 183mm cell prices increased to RMB0.25/W, while wafer prices surged to RMB1.00–1.35/piece. Module prices also saw mild upward adjustments under the influence of anti-unfair competition policies. Despite a significant YTD decline, recent production cuts and price discipline efforts have helped shift average prices closer to cost levels. Compared to the same period last year, prices for polysilicon, wafers, cells, and modules are down approximately 12%, 26%, 21%, and 19%, respectively.

Price hike in upstream products - Upstream prices rebounded amid persistent high inventories and ongoing market friction. Mainstream N-type polysilicon prices climbed to RMB35/kg, while granular silicon traded at RMB32.5 to 33.0/kg. Some top producers have raised quotes above RMB45/kg, although transaction prices mostly concentrated at the lower end. Inventory levels remained high at over 370k tons. In the wafer segment, prices jumped significantly with N-type M10 traded at RMB1.00/piece and G12 at RMB1.35/piece. Leading manufacturers have initiated a new round of price hikes, with prices as high as RMB1.93/piece. With production cuts and output discipline in place, destocking has accelerated, and wafer prices have started to rise above cash cost levels.

China & HK Indices	CLOSE	1D	YTD
HSI	24,498	-0.1%	22.1%
HSCBI	8,853	-0.1%	21.4%
HSCCI	4,151	-0.6%	9.8%
CSI300	4,034	0.7%	2.5%
Shanghai A	3,686	0.4%	-2.7%
Shanghai B	260	0.1%	-2.7%
Shenzhen A	2,244	1.2%	9.6%
Shenzhen B	1,252	0.8%	3.2%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	44,484	0.5%	4.6%
S&P 500	6,297	0.5%	7.1%
Nasdaq	20,885	0.7%	8.2%
Nikkei Index	40,015	0.3%	0.3%
FTSE Index	8,972	0.5%	9.8%
CAC Index	7,822	1.3%	6.0%
DAX Index	24,370	1.5%	22.4%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	3,338	-0.2%	27.2%
STEEL (US\$/oz.)	2,112	1.3%	18.2%
SILVER (US\$/oz.)	38	0.6%	32.0%
CRUDE OIL (US\$/bbl)	67	1.7%	-5.9%
COPPER (US\$/oz.)	9,666	0.2%	10.2%
ALUMINIUM (US\$/oz.)	2,578	-0.1%	1.0%
PLATINUM (US\$/oz.)	1,466	3.1%	62.1%
ZINC (US\$/oz.)	2,737	1.5%	-8.1%
WHEAT (US\$/bu)	533	-1.4%	-2.9%
CORN (US\$/bu)	421	-0.7%	-4.8%
SUGAR (US\$/lb)	N/A	N/A	
SOYBEAN (US\$/bu)	1,026	0.6%	0.2%
PVC (US\$/t.)	N/A	N/A	-6.8%
CRB	304	0.5%	3.0%
BDI			91.2%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.849	0.862	148.580	0.805	7.182
HKD	0.127		0.110	18.935	10.249	0.915
EUR	1.160	9.102		172.290	1.072	8.319
JPY	0.007	5.281	0.580		0.541	0.048
CHF	1.243	9.757	1.072	184.725		8.925
RMB	0.139	1.093	0.120	20.709	0.112	

Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece	N/A	N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	16	4.7%

Source: Bloomberg

Midstream prices also recovering - For solar cells, 210N and 210RN traded at RMB0.26/W, while 183N rose to RMB0.25/W. The weaker demand for 183N limited its price increase. Tier-1 module makers were more willing to accept higher prices, while smaller players remained cautious or suspended procurement. Cell inventory remained healthy at around 10 days. In the module segment, some leading companies tested slight price increases of RMB0.01 to 0.02/W, with TOPCon modules transacting mainly at RMB0.64 to 0.68/W. However, many Tier-3 players continued to sell at RMB0.59 to 0.63/W to secure orders. Due to declining electricity prices and pressure on project IRRs, end users showed limited tolerance for further module price increases, and the pass-through effect remained weak.

Industry News – It was reported that a high-level industry meeting was held in mid-July to discuss concerns on prices and production capacity. It was reportedly proposed that polysilicon and wafer prices should not fall below full-cost levels — RMB43.87/kg (tax included) for polysilicon, and RMB1.45/1.65/1.93 per piece for N183/N210R/NG210 wafers, respectively. Measures to strengthen audit enforcement and monitor production utilization are also said to be in place, with potential penalties for violations. The meeting encouraged coordination along the entire value-chain in implementing cost-based pricing. If such policies are effectively implemented, they could accelerate industry consolidation and promote a more orderly market environment.

Our views - The recent price rebound appears to be more of a policy-driven, short-term correction rather than a structural trend reversal supported by organic supply-demand dynamics. The regulatory push, especially the directive to avoid producing below costs has quickly resulted in price increase in the polysilicon and wafer segments. That allows some producers to improve cash flow and initiating price transmission downstream. However, demand in the cell and module segments remains subdued, and cost pass-through continues to face resistance. Whether the entire value chain can sustain profitability will depend on the strength and consistency of policy enforcement and the actual implementation of supporting oversight mechanisms. Amid this policy-driven but yet-to-be-verified recovery period, we recommend focusing on segment leaders with cost advantages and clear exposure to supply-side reform and inventory cycle inflection opportunities, namely GCL Technology (3800 HK, HK\$1.24, HK\$35.3bn), a key beneficiary of price discipline and supply-side reform in polysilicon; and Xinyi Solar (0968.HK, \$2.93, HK\$26.6bn), which is positioned to benefit from glass inventory normalization and margin recovery.

Figure 1 Solar Companies' Stock Performance

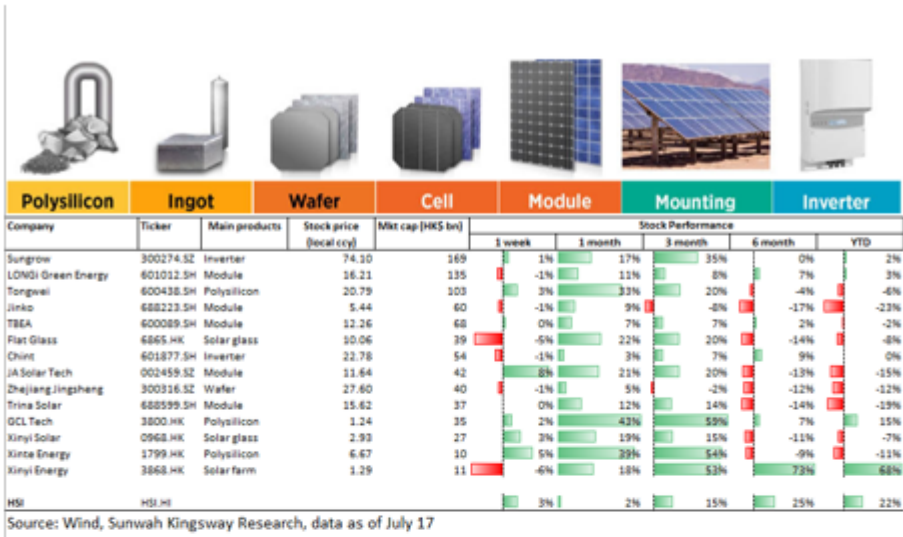


Figure 2 Solar Price Tracker – Polysilicon



Figure 3: Solar Price Tracker – Mono Wafer

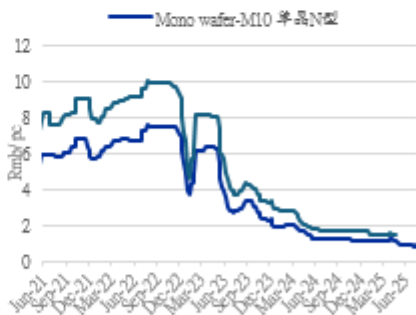


Figure 4: Solar Price Tracker – Mono Cell

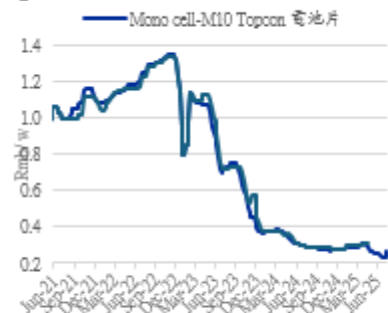
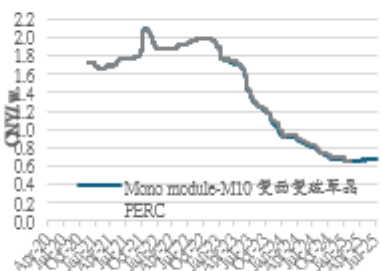
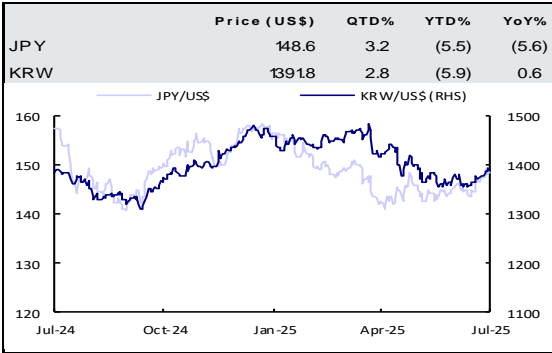
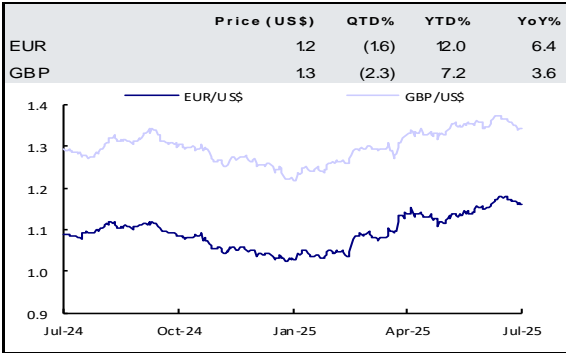
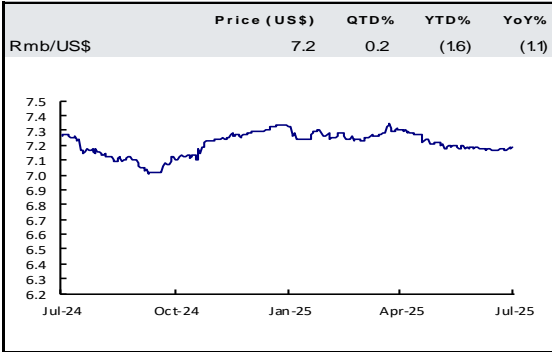
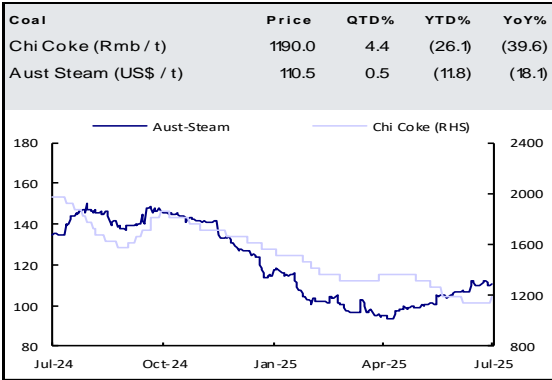
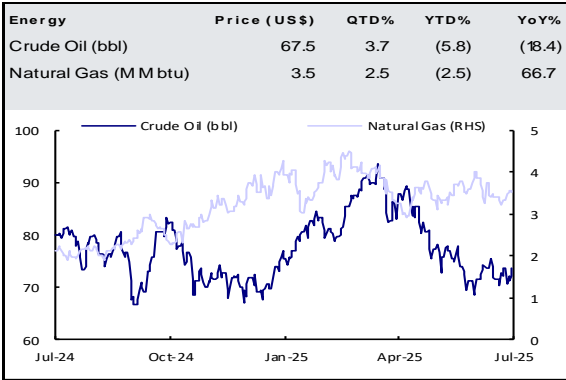
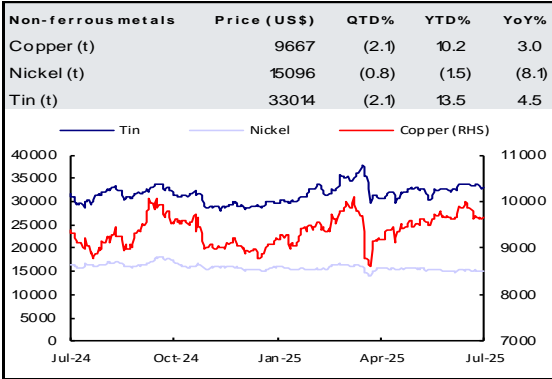
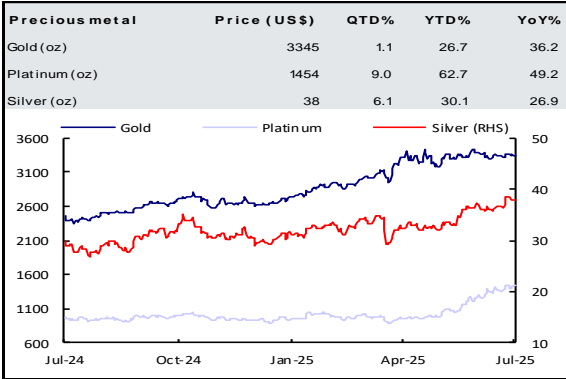


Figure 5: Solar Price Tracker – Mono Module



Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Initial Jobless Claims	WoW		17-Jul-25
Business Inventories	MoM		17-Jul-25
Retail Sales	MoM		17-Jul-25
Housing Starts / Building Permits	MoM		18-Jul-25
Existing Home Sales	MoM		23-Jul-25
New home Sales	MoM		24-Jul-25
Durable Goods Orders	MoM		25-Jul-25
Wholesale Inventories	MoM		29-Jul-25
Consumer Confidence	MoM		29-Jul-25
GDP	QoQ		30-Jul-25
Personal Income & Spending	MoM		31-Jul-25
ISM Manufacturing PMI	MoM		1-Aug-25
Employment Report	MoM		1-Aug-25
Factory Orders	MoM		4-Aug-25
Trade Balance	MoM		5-Aug-25
CPI	MoM		12-Aug-25
PPI	MoM		14-Aug-25
Industrial Production	MoM		15-Aug-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		31-Jul-25
Foreign Exchange Reserves	QoQ		7-Aug-25
Trade Balance	MoM		7-Aug-25
Money Supply - M2	MoM		9-Aug-25
PPI	MoM		9-Aug-25
CPI	MoM		9-Aug-25
Retail Sales	MoM		15-Aug-25
Industrial Production	MoM		15-Aug-25
GDP	YoY		20-Oct-25

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
CPI	MoM		21-Jul-25
Trade Balance	MoM		28-Jul-25
GDP	QoQ		31-Jul-25
Money Supply - M2	MoM		31-Jul-25
Retail Sales	MoM		31-Jul-25
PMI	MoM		5-Aug-25
Foreign Currency Reserve	MoM		7-Aug-25
Unemployment Rate	MoM		19-Aug-25
Producer Prices Index	QoQ		15-Sep-25
Industrial Production	QoQ		15-Sep-25
Composite Interest Rate	MoM		

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