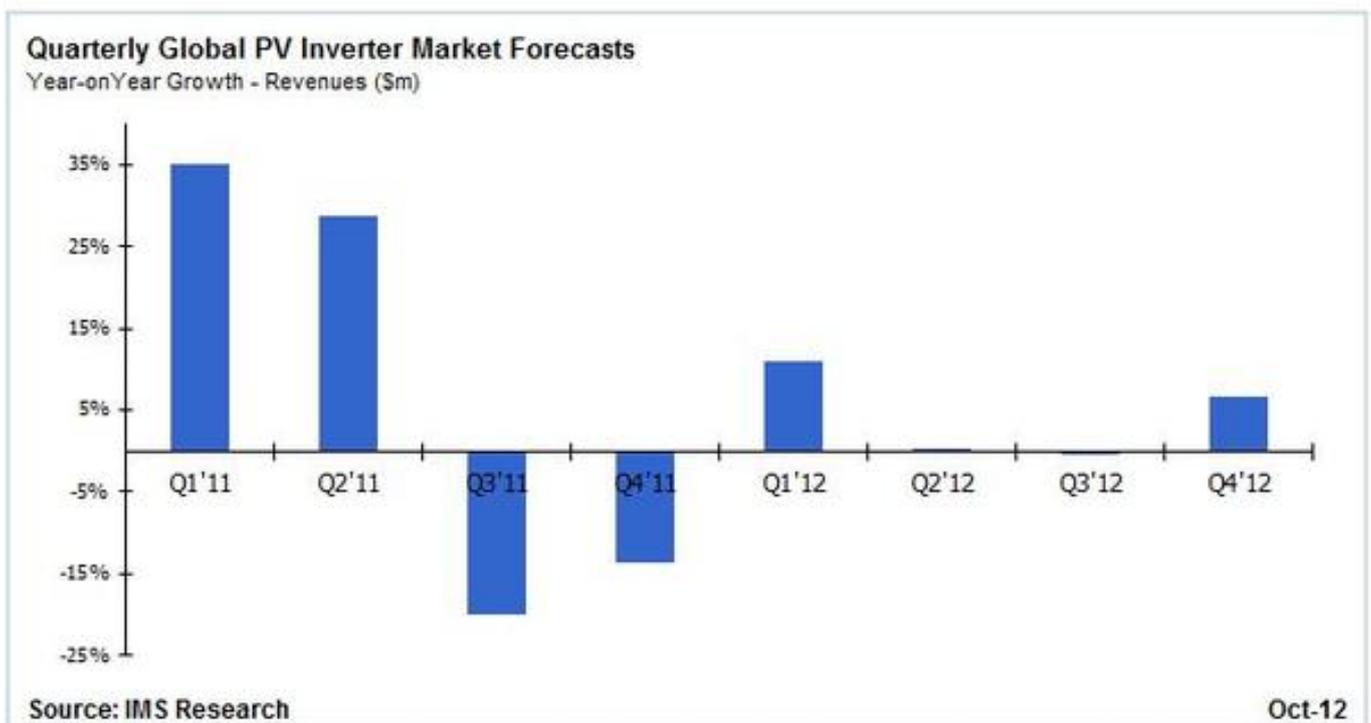


## Falling prices to dampen record PV inverter shipments

Following a decline in the third quarter of 2012, global photovoltaic (PV) inverter shipments are forecast to reach a record of 8.6 gigawatts (GW), according to the latest [report](#) [1] from [IMS Research](#) [2]. An 18 percent year-on-year rise in global shipments will make the fourth quarter of 2012 the largest final quarter ever recorded. However, the report predicts far more modest revenue growth due to increasing price pressure for PV inverters.



According to the recently released quarterly update to IMS Research's [World Market for PV Inverters](#) [1] report, double-digit sequential growth will be largely driven by Asian countries such as China, India and Japan, and Asia will account for almost 50 percent of global shipments in the fourth quarter. In contrast, shipments to mature markets in Europe, such as Italy and Germany, are forecast to decline by 20 percent in the fourth quarter due to aggressive FiT cuts.

IMS Research's analysis of shipment data collected from leading suppliers found that the first half of 2012 began strongly with over 16 GW of global shipments. However, despite strong shipments, the average price of PV inverters had fallen by almost 20 percent year-on-year in the second quarter of 2012. "Following huge amounts of price pressure on other PV components such as modules, PV inverter prices have also come under fire," explained Cormac Gilligan, PV market analyst at IMS Research. "Highly competitive market conditions, falling incentives and weakening demand in key markets has resulted in prices declining by an average of

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5 percent per quarter for the last year.”

Shifts in demand for different types of inverter has also had an impact on inverter pricing. “Shipments of inverters over 500 kW in size are forecast to continue to grow substantially in the second half of the year as high demand for utility scale installations is forecast in markets such as the U.S., India and China,” Gilligan explained. “This change in market share towards larger inverters with a lower price per watt has also been a factor in the reduction of average PV inverter prices.”

Looking further forward, in 2013, in shipment terms, China is forecast to surpass Germany as the largest market for PV inverters as FiT amendments take full effect on the German market and China continues to rapidly deploy utility scale systems. The U.S. is predicted to become the third biggest market for PV inverters highlighting the global shift from the mature European markets to the fast growing Americas and Asia regions.

IMS Research’s annual analysis of the global PV inverter industry which relies on real sales and shipment data from more than 80 suppliers was published in July 2012, for more details, please contact [Cormac.Gilligan@imsresearch.com](mailto:Cormac.Gilligan@imsresearch.com) [3]

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### Links:

[1] [http://www.pvmarketresearch.com/report/Market\\_for\\_Photovoltaic\\_Inverters\\_World\\_2012](http://www.pvmarketresearch.com/report/Market_for_Photovoltaic_Inverters_World_2012)

[2] <http://www.pvmarketresearch.com>

[3] <mailto:Cormac.Gilligan@imsresearch.com>