



Market Analytics: Olefins - 2019

Market Analytics: Olefins - 2019 is one in a series of reports published as part of Nexant's Markets & Profitability program.

Market Analytics: Olefins - 2019 report provides an in-depth analysis of the olefins chain including:

- Ethylene
- Propylene
- Butadiene

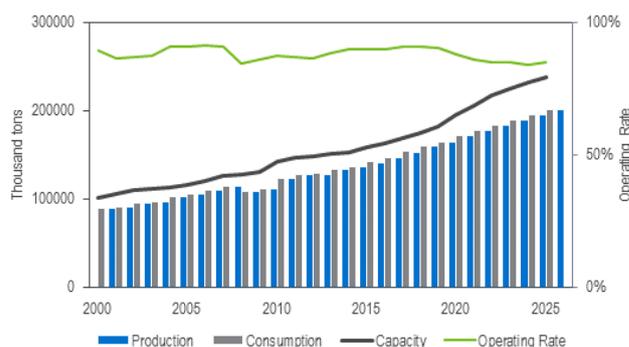
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Along with the written report, Nexant's Online Database includes supply, demand and trade analysis for 40 countries and global capacity listings updated on a monthly basis.

Report Abstract:

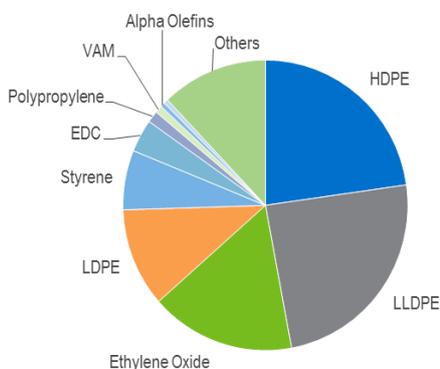
The global olefins markets remained in good health in The long period of high olefins margins globally has had the expected effect of generating a major global capacity build, which will in turn drop operating rates quite significantly over the next five years. Global economic growth has been strong, although some issues such as the confrontation on trade tariffs between China and the United States, and accelerating debt levels globally hint at overheating and a likely drop in economic growth post-2020. The Middle East producers with the most advantaged feedstock still have the lowest costs, although prices have remained sufficiently high to provide good returns for naphtha-based operators around the world, and also keep the new coal-based market entrants in China in operation.

Global Ethylene Supply, Demand and Trade
million tons



Russia's economy started to recover in 2017, mainly due to increased energy export revenues, and continued to grow throughout 2018. The political and economic situation remains difficult however. In South America, regions such as Argentina and Venezuela remained troubled in 2018, while the situation in Brazil is starting to improve.

Global Ethylene Demand, 2018-e



China's drop in headline economic growth figures does not seem to have impacted on consumption growth for petrochemicals, with polyolefin demand and especially the polyester industry performing very strongly over 2017. There are however growing challenges, with a dramatic fall in vehicle sales in January 2019 taken by some to indicate a wider risk in domestic consumption, and other sectors suffering due to the ongoing US/China trade dispute.

The differentials between olefin values remained relatively narrow in 2018, although with significant regional differences. In the US ethylene prices remained lower than propylene mainly due to oversupply and limited capacity to export ethylene. In other regions ethylene was the highest priced olefin at most times, and propylene the cheapest. Butadiene generally hovered between the two, but was at some times higher than ethylene.



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- A. Methodology
 - B. The Olefins Industry – Technology
- Chapters 3 to 5 are segmented by key geographic region:
- North America
 - South America
 - Eastern Europe
 - Middle East
 - Africa
 - Asia Pacific

Each region/country is further segmented by:

- **Consumption:** Assesses historic and forecast consumption; forecasts are based on projections of end use and economic activity.
- **Supply:** Includes a list of all producers, their production capacity, location, etc., and discussion of the status of new projects.
- **Supply, Demand and Trade:** Provides historical analysis and forecasts to 2035 of consumption, production, imports/exports, inventory build-up/decline, capacity and capacity utilization.

This analysis will identify the issues shaping the industry, as well as provide an independent appraisal of the market.

Subscription Details:

Subscription to **Market Analytics: Olefins - 2019** includes:

- 12 month access via the Nexant website, to:
 - Unlimited downloads of PDF reports
 - Downloadable data in Excel from the Online Database
 - Webinar
 - Consultation time with the project team
- Customized subscriptions are available

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Markets@nexant.com
or
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The **Markets and Profitability** program comprises of the well-known Petroleum and Petrochemical Economics (PPE), PolyOlefins Planning Service (POPS), Strategic Business Analysis (SBA) and World Gas Analytics (WGAS).

Markets and Profitability tracks over 60 feedstocks, petrochemicals, polymers, chemical intermediates and fertilizers on an ongoing basis and provides regularly updated reports covering all commercial aspects of these global industries. The accompanying database, provides global analysis and forecasts in two major inter-related areas: **Markets and Profitability**.

Nexant serves its clients from over 30 offices located throughout the Americas, Europe, the Middle East, Africa and Asia.

Corporate Headquarters

Tel: +1 415 369 1000
101 2nd St Suite 1000
San Francisco
CA 94105-3651
USA

Americas

Tel: +1 914 609 0300
44 S Broadway,
4th Floor White Plains
NY 10601-4425
USA

Europe, Middle East & Africa

Tel: +44 20 7950 1600
1 King's Arms Yard
London EC2R 7AF
United Kingdom

Asia Pacific

Tel: +662 793 4600
22nd Floor, Rasa Tower I
555 Phahonyothin Road
Kwaeng Chatuchak
Khet Chatuchak
Bangkok 10900
Thailand