



Market Analytics: Polyolefins - 2020

Market Analytics: Polyolefins - 2020 is one in a series of reports published as part of Nexant Energy & Chemical Advisory's **Markets & Profitability** program.

Market Analytics: Polyolefins - 2020 report provides an in-depth analysis of the polyolefins industry including:

- High Density Polyethylene (HDPE)
- Low Density Polyethylene (LDPE)
- Linear Low Density Polyethylene (LLDPE)
- Polypropylene

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

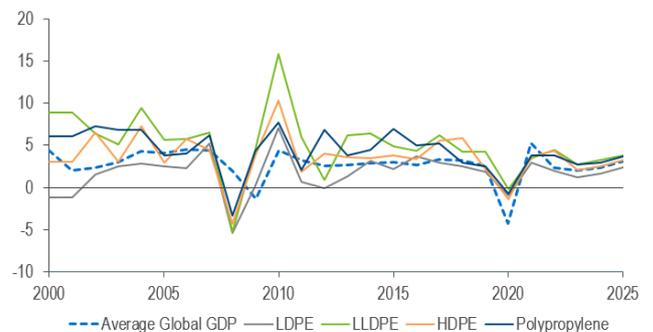
Report Abstract:

Following the slowdown in global economic growth in 2018 and 2019, the global economy has plunged into a contraction of unprecedented severity as a result of the COVID-19 pandemic. The situation remains volatile, and global infection rates continue to climb. In June 2020, the IMF revised its economic projections for 2020 and 2021 for the second time this year as the COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated and the recovery is projected to be more gradual than previously forecast.

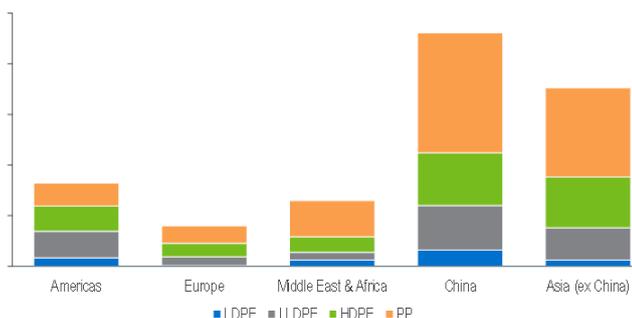
The downturn in the automotive sector is exacerbated by the COVID-19 crisis. Construction activity has also declined. However, resilience of the polyolefins business has been demonstrated by its use in consumer and medical packaging, as well as personal protective equipment (PPE) that are essential to the pandemic response. The global polyolefins market is expected to contract by one percent in 2020, less severe than the GDP outlook.

Growth for polyolefins demand continued to slow in 2019 globally. However, Chinese demand remained strong in 2019, representing a growth of nearly 7 percent over 2018, contributing close to 82 percent of total global polyolefins consumption growth. Imports from the United States to China fell by above 60 percent in 2019 as a result of the retaliatory duties imposed by China on polypropylene, HDPE and LLDPE, which had generated export opportunities for other regions such as Middle East, Eastern Europe and other Asian countries. However, LDPE was excluded and imports from the United States increased by around 80 percent in 2019. From December 2019, certain grades were excluded from the imposed duties due to availability, i.e. metallocene HDPE, C8-LLDPE and impact copolymer polypropylene. In February 2020, China announced that importers could submit exclusion applications for all LLDPE, HDPE and polypropylene from March 2020, and therefore the import level from United States may increase.

Global GDP and Polymer Demand Growth



Global Polyolefin Capacity Addition 2020-2025



Asia Pacific remains the growth engine of the global polyolefins market, with China leading the pack. Growth in India and South-East Asia particularly Vietnam has been substantial in percentage terms, due to the relocation of polyolefins converters from China and own development of downstream manufacturing. The region calls for polyolefins capacity development and the scale of capacity development in China and to a lesser extent, South Korea, India and South-East Asia in the medium term is far beyond forecasts for consumption growth. However, the region is expected to remain in considerable production deficit.



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

Chapters 3 to 6 are segmented by key region:

- North America
- South America
- Western Europe
- Central Europe
- 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 2045 of consumption, production, imports/exports, inventory build-up/decline, capacity and capacity utilization.

Subscription Details:

Subscription to **Market Analytics: Polyolefins - 2020** includes:

- 12 month access via the NexantECA 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 also available.

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The **Markets and Profitability** program 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**.

NexantECA serves its clients from over 10 offices located throughout the Americas, Europe, the Middle East, Africa and Asia.

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