

Strategic Business Analysis: Methyl tert-butyl ether (MTBE)

The Strategic Business Analysis (SBA): Methanol provides a valuable aid for strategic planning at a time of both opportunity and challenge for players and prospective entrants. It identifies the strategic trends and issues that will shape the methanol industry based upon a review of the fundamental business drivers and their dynamics with respect to markets, pricing, technology and delivered cost competitiveness.

The Program:

The Strategic Business Analysis (SBA): Methanol is available on subscription. Analysis is published in a variety of reports during the subscription period and data is included within our Online Database.

Reports include:

- Annual Report
- Quarterly Business Update
 - Published in Q1, Q2, Q3 and Q4
- Supplement Report
 - Methyl tert-butyl ether (MTBE)

Supplement Report: MTBE

Global demand for MTBE was 19.2 million tons in 2015. MTBE is primarily used as an additive into gasoline, and developments in the gasoline market are the most significant driving influence of the MTBE market. In addition to its use as a gasoline additive, MTBE is also back-cracked to produce high purity isobutylene, which is largely used in the production of isobutylene-isoprene rubber (also known as IIR or butyl rubber) and methyl methacrylate (MMA). MTBE use for these purposes varies by market, but represents a minority of global consumption.

Asia accounts for over half of the global demand; dominated by China. The evolution of regional demand has changed not just with the rapid rise of the Chinese economy over the last 15 years, but with the decline in demand in North America due to government legislation. Growth in some countries, such as China, has been strong as MTBE has been a promoted fuel oxygenate. Other regions have showed skepticism towards MTBE following the lead of the United States and have instead promoted other fuel oxygenates.

The global supply landscape has also undergone a major shift reflecting the changing regional demand. China has developed considerable MTBE capacity, and now accounts for nearly 50 percent of the global total.

The basic process of producing MTBE is via liquid phase etherification of isobutylene with methanol. MTBE production based on integrated *iso*-butane dehydrogenation has the lowest cash cost of production.

In a similar manner to its feedstock, methanol, and blended product gasoline, regional MTBE prices are linked reflecting the ease with which MTBE can be shipped. There are well established trade flows, with the U.S. exporting to South America and the Middle East exporting to South-East Asia.

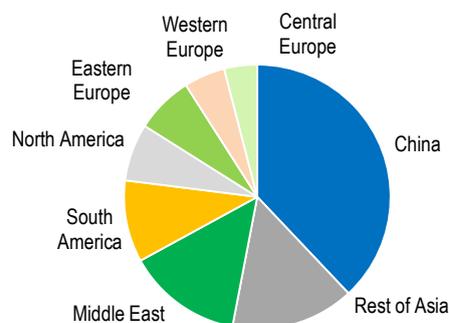
This report discusses the strategic issues and trends, from end-use demand to cost competitiveness which is shaping the global MTBE industry, and provides forecasts to 2035.

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Our Coverage:

MTBE demand, supply and 'supply, demand and trade' analysis is segmented by major region in the written report with further detail by country provided in the Online Database.



The supply, demand and trade balance currently analyses 40 countries, including China, United States, Western Europe, etc.

Subscription Details:

Subscriptions can be tailored by region or analysis. Individual reports can also be purchased.

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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

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