

## **MARKETS AND PROFITABILITY**

# **Market Analytics: Methanol - 2020**

June 2020



This Report was prepared by Nexant, Inc. ("Nexant"). Except where specifically stated otherwise in this Report, the information contained herein is prepared on the basis of information that is publicly available, and contains no confidential third party technical information to the best knowledge of Nexant. Aforesaid information has not been independently verified or otherwise examined to determine its accuracy, completeness or financial feasibility. Neither Nexant, Subscriber nor any person acting on behalf of either assumes any liabilities with respect to the use of or for damages resulting from the use of any information contained in this Report. Nexant does not represent or warrant that any assumed conditions will come to pass.

The Report is submitted on the understanding that the Subscriber will maintain the contents confidential except for the Subscriber's internal use. The Report should not be reproduced, distributed or used without first obtaining prior written consent by Nexant. Each Subscriber agrees to use reasonable effort to protect the confidential nature of the Report.

Copyright © by Nexant Inc. 2020. All rights reserved.



## Contents

<b>1</b>	<b>Executive Summary .....</b>	<b>1</b>
1.1	Introduction .....	1
1.2	Methanol Market Outlook.....	2
<b>2</b>	<b>Introduction.....</b>	<b>6</b>
2.1	The Methanol Industry .....	6
2.2	Market Coverage.....	8
<b>3</b>	<b>Methanol.....</b>	<b>9</b>
3.1	Global .....	9
3.1.1	Key Developments.....	9
3.1.2	Consumption.....	9
3.1.3	Supply .....	14
3.1.4	Supply, Demand and Trade.....	16
3.2	North America .....	18
3.2.1	Consumption.....	18
3.2.2	Supply .....	20
3.2.3	Supply, Demand and Trade.....	23
3.3	South America.....	26
3.3.1	Consumption.....	26
3.3.2	Supply .....	28
3.3.3	Supply, Demand and Trade.....	31
3.4	Western Europe .....	33
3.4.1	Consumption.....	33
3.4.2	Supply .....	35
3.4.3	Supply, Demand and Trade.....	38
3.5	Central Europe .....	39
3.5.1	Consumption.....	39
3.5.2	Supply .....	40
3.5.3	Supply, Demand and Trade.....	41
3.6	Eastern Europe .....	42
3.6.1	Consumption.....	42
3.6.1.1	Russia .....	42
3.6.1.2	Other Eastern Europe.....	43
3.6.2	Supply .....	44
3.6.2.1	Russia .....	44
3.6.2.2	Other Eastern Europe.....	46
3.6.3	Supply, Demand and Trade.....	47
3.6.3.1	Russia .....	47
3.6.3.2	Other Eastern Europe.....	48
3.7	Middle East .....	50
3.7.1	Consumption.....	50
3.7.2	Supply .....	52



3.7.3	Supply, Demand and Trade.....	54
3.8	Africa.....	56
3.8.1	Consumption.....	56
3.8.2	Supply .....	57
3.8.3	Supply, Demand and Trade.....	60
3.9	Asia Pacific.....	61
3.9.1	Consumption.....	61
3.9.1.1	China .....	61
3.9.1.2	North-East Asia .....	63
3.9.1.3	South-East Asia.....	63
3.9.1.4	South Asia.....	64
3.9.1.5	Australasia .....	65
3.9.2	Supply .....	67
3.9.2.1	North-East Asia .....	67
3.9.2.2	South-East Asia.....	68
3.9.2.3	South Asia.....	68
3.9.2.4	Australasia .....	69
3.9.3	Supply, Demand and Trade.....	77

## Appendices

<b>A</b>	<b>Methodology .....</b>	<b>82</b>
A.1	Market Dynamics Forecasting Methodology.....	82
A.1.1	Capacity Availability and Forecasting .....	82
A.1.2	End-Use Consumption Forecasting .....	82
A.1.2.1	End-Use Sector Growth.....	83
A.1.2.2	Penetration (New Application Growth) .....	83
A.1.2.3	Short-term Influences .....	84
A.1.3	Monomer Consumption Forecasting.....	84
A.1.4	Production and Trade Forecasting .....	85
<b>B</b>	<b>The Methanol Industry – Technology.....</b>	<b>86</b>
B.1	Methanol .....	86
B.2	Formaldehyde .....	87
B.3	MTBE.....	88
B.4	Acetic Acid .....	89

## Figures

Figure 1	Share of Methanol Demand into Olefin Market.....	10
Figure 2	Global Methanol Demand, 2019-e.....	12
Figure 3	Global GDP Growth vs. Methanol Demand Growth .....	13
Figure 4	Global Methanol Consumption .....	13
Figure 5	Global Methanol Capacity Share by Marketer in 2019-e.....	14
Figure 6	Global Methanol Capacity Additions/(Closures).....	15
Figure 7	Global Methanol Capacity .....	15
Figure 8	Global Methanol Supply, Demand and Trade.....	17



Figure 9	Global Methanol Exports/Imports .....	17
Figure 10	North America Methanol Consumption, 2019-e .....	19
Figure 11	Location of Methanol Plants in North America .....	23
Figure 12	North America Methanol Supply, Demand and Trade .....	24
Figure 13	United States Methanol Supply/Demand and Trade .....	25
Figure 14	South America Methanol Consumption, 2019-e .....	27
Figure 15	Location of Methanol Plants in South America .....	30
Figure 16	South America Methanol Supply, Demand and Trade .....	32
Figure 17	Western Europe Methanol Consumption by Derivative by 2019-e .....	34
Figure 18	Location of Methanol Plants in Western Europe .....	37
Figure 19	Western Europe Methanol Supply, Demand and Trade .....	38
Figure 20	Central Europe Methanol Consumption, 2019-e .....	39
Figure 21	Location of Methanol Plants in Central Europe .....	40
Figure 22	Central Europe Methanol Supply, Demand and Trade .....	41
Figure 23	Russia Methanol Consumption, 2019-e .....	42
Figure 24	Other Eastern Europe Methanol Consumption, 2019-e .....	43
Figure 25	Location of Methanol Plants in Russia .....	45
Figure 26	Location of Methanol Plants in Other Eastern Europe .....	46
Figure 27	Russia Methanol Supply, Demand and Trade .....	47
Figure 28	Other Eastern Europe Methanol Supply, Demand and Trade .....	48
Figure 29	Total Eastern Europe Methanol Supply, Demand and Trade .....	49
Figure 30	Middle East Methanol Consumption, 2019-e .....	51
Figure 31	Location of Methanol Capacity in the Middle East .....	54
Figure 32	Middle East Methanol Supply, Demand and Trade .....	55
Figure 33	Africa Methanol Consumption, 2019-e .....	56
Figure 34	Location of Methanol Capacity in Africa .....	59
Figure 35	Africa Methanol Supply, Demand and Trade .....	60
Figure 36	Asia Pacific Methanol Consumption, 2019-e .....	66
Figure 37	Location of Methanol Plants in China .....	75
Figure 38	Location of Methanol Plants in China (Cont.) .....	76
Figure 39	Location of Methanol Plants in South-East Asia and New Zealand .....	76
Figure 40	Location of Methanol Plants in India .....	77
Figure 41	Asia Pacific Methanol Supply, Demand and Trade .....	79
Figure 42	China Methanol Supply, Demand and Trade .....	80
Figure 43	End-Use Consumption Drivers .....	83
Figure 44	Monomer Consumption Drivers .....	84
Figure 45	Trade Considerations .....	85

## Tables

Table 1	Global Methanol Consumption by End-Use .....	12
Table 2	Global Methanol Consumption by Region .....	13
Table 3	Global Methanol Supply, Demand and Trade .....	17
Table 4	North America Methanol Consumption by End-Use .....	19
Table 5	North America Methanol Consumption by Country .....	19



Table 6	Methanol Capacity in North America .....	22
Table 7	North America Methanol Supply, Demand and Trade.....	24
Table 8	United States Methanol Supply, Demand and Trade .....	25
Table 9	South America Methanol Consumption by End-Use .....	27
Table 10	South America Methanol Consumption by Country .....	27
Table 11	Methanol Capacity in South America .....	29
Table 12	South America Methanol Supply, Demand and Trade .....	32
Table 13	Western Europe Methanol Demand by End-Use .....	34
Table 14	Methanol Capacity in Western Europe .....	36
Table 15	Western Europe Methanol Supply, Demand and Trade.....	38
Table 16	Central Europe Methanol Consumption by End-Use.....	39
Table 17	Methanol Capacity in Central Europe .....	40
Table 18	Central Europe Methanol Supply, Demand and Trade.....	41
Table 19	Russia Methanol Consumption by End-Use .....	42
Table 20	Other Eastern Europe Methanol Demand by End-Use .....	43
Table 21	Methanol Capacity in Russia.....	45
Table 22	Methanol Capacity in Other Eastern Europe .....	46
Table 23	Russia Methanol Supply, Demand and Trade .....	47
Table 24	Other Eastern Europe Methanol Supply, Demand and Trade .....	48
Table 25	Total Eastern Europe Methanol Supply, Demand and Trade .....	49
Table 26	Middle East Methanol Demand by End-Use .....	51
Table 27	Middle East Demand by Country.....	51
Table 28	Methanol Capacity in the Middle East .....	53
Table 29	Middle East Methanol Supply, Demand and Trade.....	55
Table 30	Africa Methanol Demand by End-Use .....	56
Table 31	Africa Methanol Demand by Country.....	56
Table 32	Methanol Capacity in Africa .....	58
Table 33	Africa Methanol Supply, Demand and Trade .....	60
Table 34	Asia Pacific Methanol Consumption by End-Use .....	66
Table 35	Asia Pacific Methanol Consumption by Country .....	66
Table 36	Methanol Capacity in Asia Pacific .....	69
Table 37	Asia Pacific Methanol Supply, Demand and Trade .....	79
Table 38	China Methanol Supply, Demand and Trade .....	80