



## Market Analytics: Propylene Oxide - 2022

**Market Analytics: Polyurethanes Intermediates - 2022** is one in a series of reports published as part of NexantECA's Markets & Profitability program.

Market Analytics: Propylene Oxide - 2022 report provides an in-depth analysis of the following products :

- Propylene Oxide

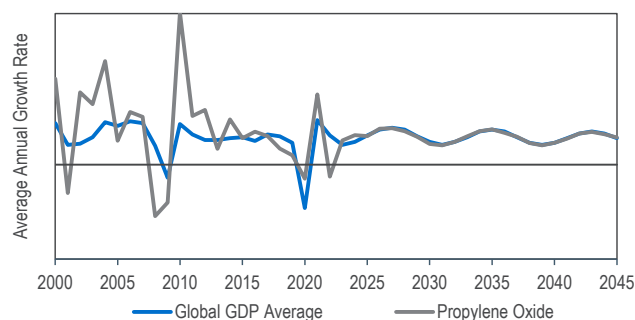
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Along with the written report, NexantECA's Online Database includes supply, demand and trade analysis for 40 countries and global capacity listings updated on a monthly basis.

### Report Abstract:

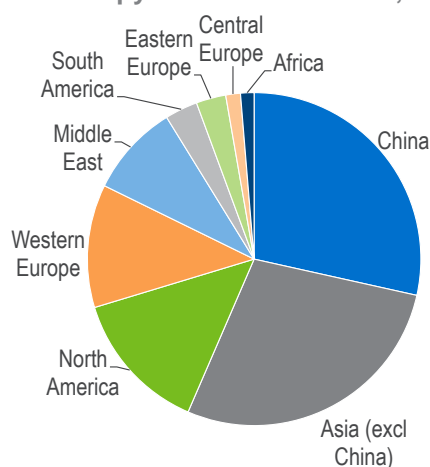
Propylene oxide (PO) is a chemical intermediate predominantly used in the production of polyether polyols and propylene glycol. Propylene oxide (methyloxirane, 1,2-epoxypropane) process technology has undergone dramatic changes over the last few years. Beginning in 1974, the propylene oxide process that was generally considered the low-cost method was propylene oxide–styrene monomer (POSM) process. Within the process, 2.3 tons of styrene is produced for each ton of propylene oxide. Therefore, POSM technology users are in the styrene business whether they want to be or not. Similarly, propylene oxide–tertiary butyl alcohol (PO/TBA) technology users are in the methyl tertiary butyl ether (MTBE) business.

**Global Propylene Oxide Consumption Growth**  
million tons



Growth in propylene oxide consumption is mainly driven by the polyether polyols market, which in turn depends on the construction, automotive and consumer goods such as bedding, furniture and appliances. Growth of polyether polyols is typically more volatile than GDP growth since demand depends heavily on durable consumer goods, which are more elastic than GDP. Therefore, around peak and trough periods in the GDP cycle, demand for propylene oxide tends to fluctuate by a greater degree than the underlying economic activity.

**Global Propylene Oxide Demand, 2022**



Asia Pacific is the largest consumer of propylene oxide, and has the highest growth rates due to increased usage for derivative production in China. China's propylene oxide growth rates have always been positive and generally stayed above global consumption rates. China has contributed more than 60 percent of demand in the region between 2012 and 2021.

However, Asian demand decelerated between 2013 and 2018, due to the economic slowdown and limited propylene availability which, ultimately, constrained production rates at downstream units, especially non-integrated ones. 2015 was the first year that the Chinese propylene oxide market was adversely affected and growth fell to around four percent; growth was largely supported by downstream producers' restocking of propylene oxide.



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## Table of Contents:

1. Executive Summary
2. The Propylene and Derivatives Industry
3. Propylene Oxide

### Appendix

- A. Methodology
- B. Technology

Chapter 3 is 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.

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

For related analysis, please refer to:

[Profitability and Price Forecasts: Propylene Oxide Quarterly Business Analysis](#)

## Subscription Details:

Subscription to **Market Analytics: Propylene Oxide - 2022** 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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