



## PPE: Propylene & Derivatives Market Dynamics

Propylene & Derivatives 2014 is one in a series of reports published annually as part of the Petroleum and Petrochemical Economics program.

This report provides an in-depth analysis including:

- Propylene
- Polypropylene
- Acrylic acid
- Acrylonitrile
- Cumene
- Isopropanol
- Phenol
- Propylene oxide

To be published: August 2014

### Abstract:

Propylene consumption growth accelerated to five percent in 2013. The growth was broad-based across the products, but geographically focussed in Asia and the Middle East, with demand in areas such as North America and Western Europe continuing to decline. Propylene demand growth has historically been greater than global GDP but will align closer to GDP levels as the major derivative markets mature.

Polypropylene is the largest sector for propylene demand, and accounts for most of the forecast consumption growth. While acrylonitrile and isopropanol have a relatively low growth outlook, acrylic acid and propylene oxide are providing stronger growth.

Propylene capacity is shared between the three major regions of North America, Western Europe and Asia Pacific. Several new propane dehydrogenation plants are under development in North America. These developments will go some way towards rebalancing propylene pricing in the United States, which has shifted higher compared to other regions as a result of the drop in propylene production from steam crackers. The increased gas supply in the United States which brought about a shift to lighter cracker feeds also serves to enable propane dehydrogenation. The margin on dehydrogenation in the United States is currently large, but this will decline as new PDH capacity eases propylene pricing, and new terminals to export propane from the United States allows propane pricing to re-align with the higher levels elsewhere in the world.

### Table of Contents:

1. Executive Summary
  2. The Propylene and Derivatives Industry
  3. Propylene
  4. Polypropylene
  5. Acrylic acid
  6. Acrylonitrile
  7. Cumene
  8. Isopropanol
  9. Phenol
  10. Propylene oxide
- Appendix
- A. Methodology
- Propylene Derivatives – Technology Appendix
- A. Methodology
- B. Technology

Each product chapter is segmented by key region and further segmented into three principle areas:

- Consumption: Assesses historic and forecast consumption; forecasts are based on projections of end-use and economic activity in each region.
- 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 2030 of consumption, production, imports/exports, inventory build-up/decline, capacity and capacity utilisation for each region.

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

### Subscription Details:

Customised subscriptions are available by product and/or geography. Geographic segmentation includes:

- North America
- South America
- Western Europe
- Central and Eastern Europe
- Middle East and Africa
- Asia Pacific

Subscription to Propylene & Derivatives 2014 includes:

- One hard copy of the report
- 12 month access via the NexantThinking website, to:
  - Unlimited downloads of soft copy reports
  - Downloadable data in excel
- Consultation time with the project team

# Nexant Thinking™

The future of energy and chemicals

**NexantThinking™** is a suite of advisory services and products with *exclusive focus* on the energy, chemicals and related industries. This includes a portfolio of multiclient programs, formerly known as ChemSystems®, which provides comprehensive reports, analysis and planning tools to support decision making with a focus on markets, economics and technology.

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

**Subscribe to our thought leadership today and explore our products and services at:**

[www.nexant.com/nexant-thinking](http://www.nexant.com/nexant-thinking)

## Contact Us:

Anna Ibbotson  
Global Manager, Petroleum & Petrochemical Economics  
Tel: +44 (0)20 7950 1528  
Fax: +44 (0)20 7950 1550  
E-mail: [aibbotson@nexant.com](mailto:aibbotson@nexant.com)

Heidi Junker Coleman  
Global Programs Support Manager  
Tel: +1 914 609 0381  
Fax: +1 914 609 0399  
E-mail: [hcoleman@nexant.com](mailto:hcoleman@nexant.com)

 **Nexant**