



argusmedia.com

SAMPLE REPORT

December 2023

# Argus Polypropylene Analytics

A global supply/demand analysis for 2018 through 2032



Commodity Markets Intelligence

Consulting & Forecasts

Events

illuminating the markets®

# Disclaimer

## Argus Polypropylene Analytics Service

SAMPLE REPORT

### Registered office

Argus Media, Lacon House, 84 Theobald's Rd, London, WC1X 8NL

Tel: +44 20 7780 4200 Fax: +44 870 868 4338

Email: [sales@argusmedia.com](mailto:sales@argusmedia.com)

### Copyright notice

Copyright © 2023 Argus Media group

All rights reserved

All intellectual property rights in this publication and the information published herein are the exclusive property of Argus and/or its licensors (including exchanges) and may only be used under licence from Argus. Without limiting the foregoing, by accessing this publication you agree that you will not copy or reproduce or use any part of its contents (including, but not limited to, single prices or any other individual items of data) in any form or for any purpose whatsoever except under valid licence from Argus.

### Trademark notice

ARGUS, the ARGUS logo, ARGUS MEDIA, ARGUS POLYPROPYLENE ANALYTICS 2023, ARGUS CONSULTING SERVICES, ARGUS MEDIA GROUP, other ARGUS publication titles and ARGUS index names are trademarks of Argus Media Limited.

Visit [www.argusmedia.com/Ft/trademarks](http://www.argusmedia.com/Ft/trademarks) for more information.

### Disclaimer

The data and other information published herein (the "Data") are provided on an "as is" basis. This publication does not take into account, and has not been prepared on the basis of, the needs, objectives or interests of any individual customer. Any information, opinion or forecast contained within this publication does not constitute advice (including, but not limited to, financial, tax, legal or investment advice). Actual results may differ from any projected or forecasted results. This publication should not be relied upon as the basis to enter into a transaction, nor as the basis for any investment or financial decision. Argus and its licensors (including exchanges) give no representations or warranties, express or implied, as to the accuracy, adequacy, timeliness, or completeness of the Data or that this publication is fit for any particular purpose. Argus and its licensors (including exchanges) shall not be liable for any loss, claims or damage arising from any party's reliance on the Data or this publication and disclaim any and all liability related to or arising out of use of the Data or this publication to the full extent permissible by law.

### Weights, currencies and percentages

Unless explicitly stated, all weights are given in metric tonnes and all references to dollars are to US dollars. Currency conversions have been made either at current or relevant historical exchange rates, as required by the context. Numbers may have been rounded. This means that table totals may differ from the sum of individual figures, and percentages may sometimes appear not to total exactly 100pc.



[argusmedia.com](http://argusmedia.com)

Copyright © 2023 Argus Media group. All rights reserved.

# Associated data and analysis

## Argus Polypropylene Analytics Service

SAMPLE REPORT

- This presentation is the initial publication of the Argus Polypropylene Analytics 10-year supply/demand forecast. This annual study provides a comprehensive overview of global supply and demand fundamentals, trade patterns and balances on a regional basis.
- *Argus* consultants analyze the global market for polypropylene and its primary grades to derive supply/demand estimates
- It is a commercially orientated consulting service whose aim is to provide the most accurate and timely analysis of industry trends and events, including supply and demand, and cost drivers.
- *Argus* also offers a short-term rolling 24-months price forecast (*Argus Polypropylene Outlook*) backed by an analysis of future market trends.
- Detailed data downloads of the supply/demand, capacity files and company balances are available:
  - [Supply/Demand Balance](#)
  - [Capacity](#)



[Executive Summary](#)

[Global capacities, production and demand](#)

[Regional summaries](#)

[North America](#)

[Northeast Asia](#)

[Latin America and Caribbean](#)

[Southeast Asia](#)

[Western Europe](#)

[South Asia](#)

[Middle East](#)

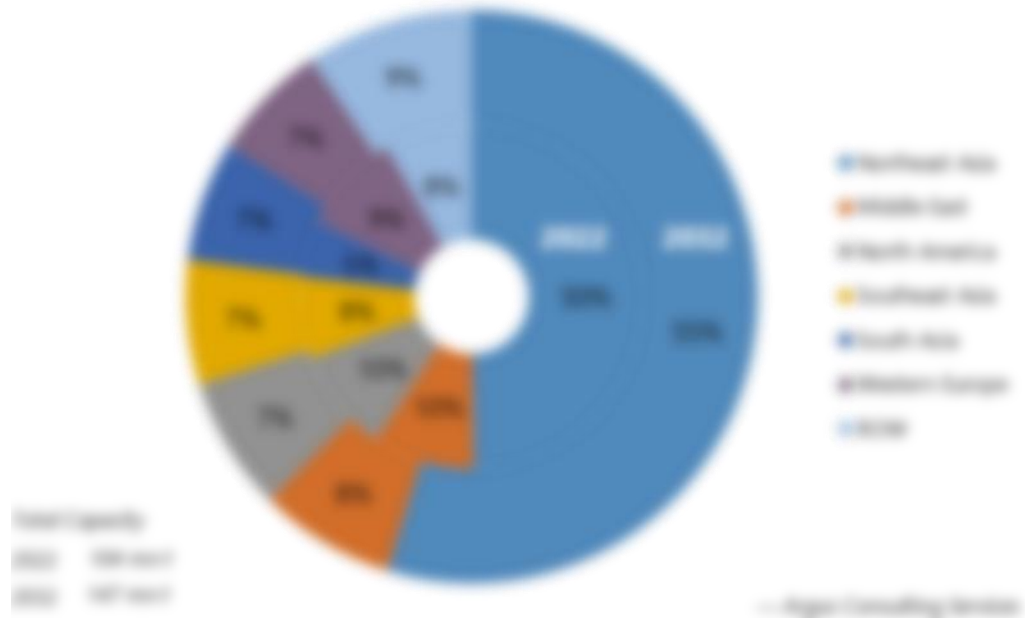
[Appendix](#)

# Executive Summary

As China shifts to self-sufficiency, global trade patterns will need to shift.

SAMPLE REPORT

- Globally the PP capacity will grow [unclear] pc by 2032 versus 2022
- NEA will increase global share of capacity
- Southeast Asia and south Asia global market share of capacity will hold steady

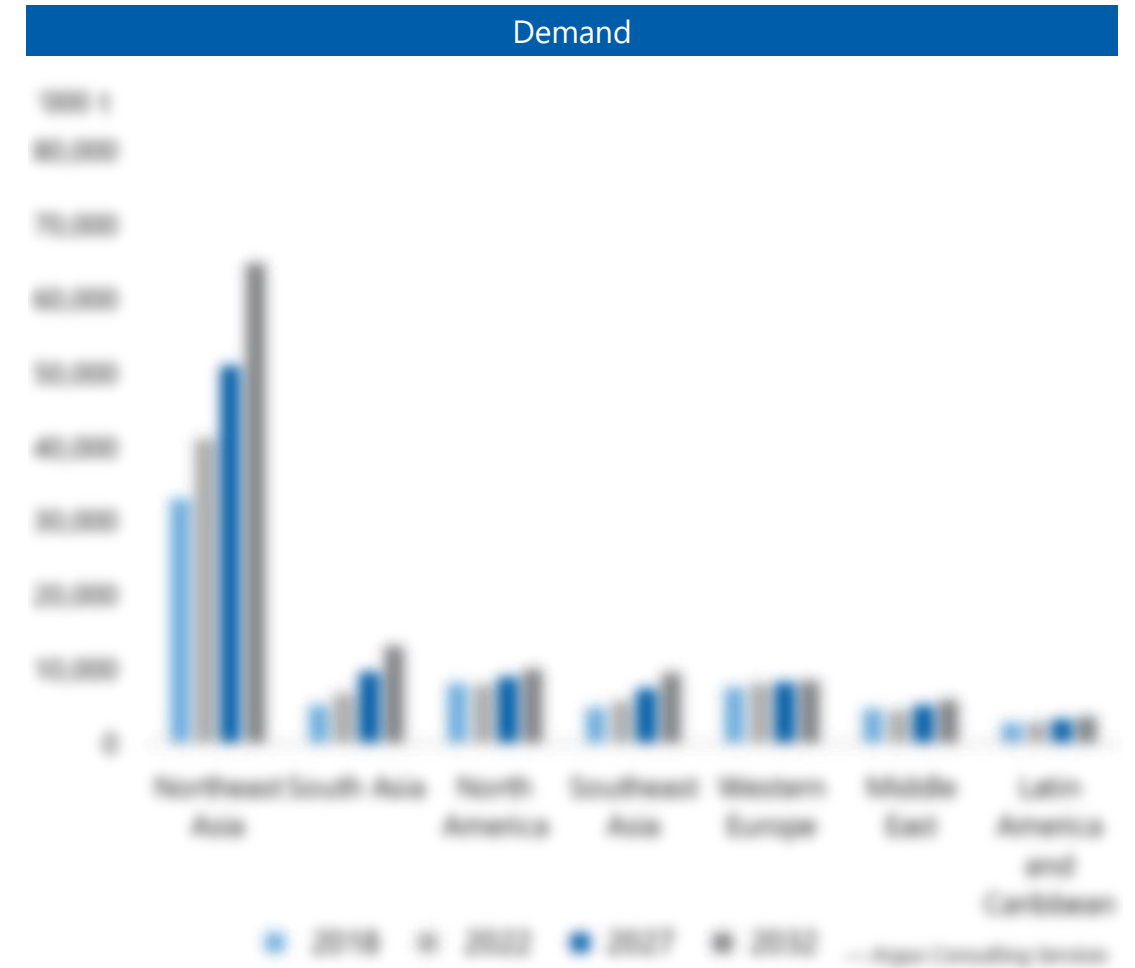


- A total of [unclear] new PP plants are estimated to develop
- The majority of new capacity is being built in [unclear]
- [unclear] new PP plants are forecast for the US
- Propylene from PDH continues to attract investment
- The volume of propylene from the refinery sector will shrink
- The next wave of investments

# World demand polypropylene

Global demand will grow from 77,250 kta to 115,393 kta by 2023 (50pc increase).

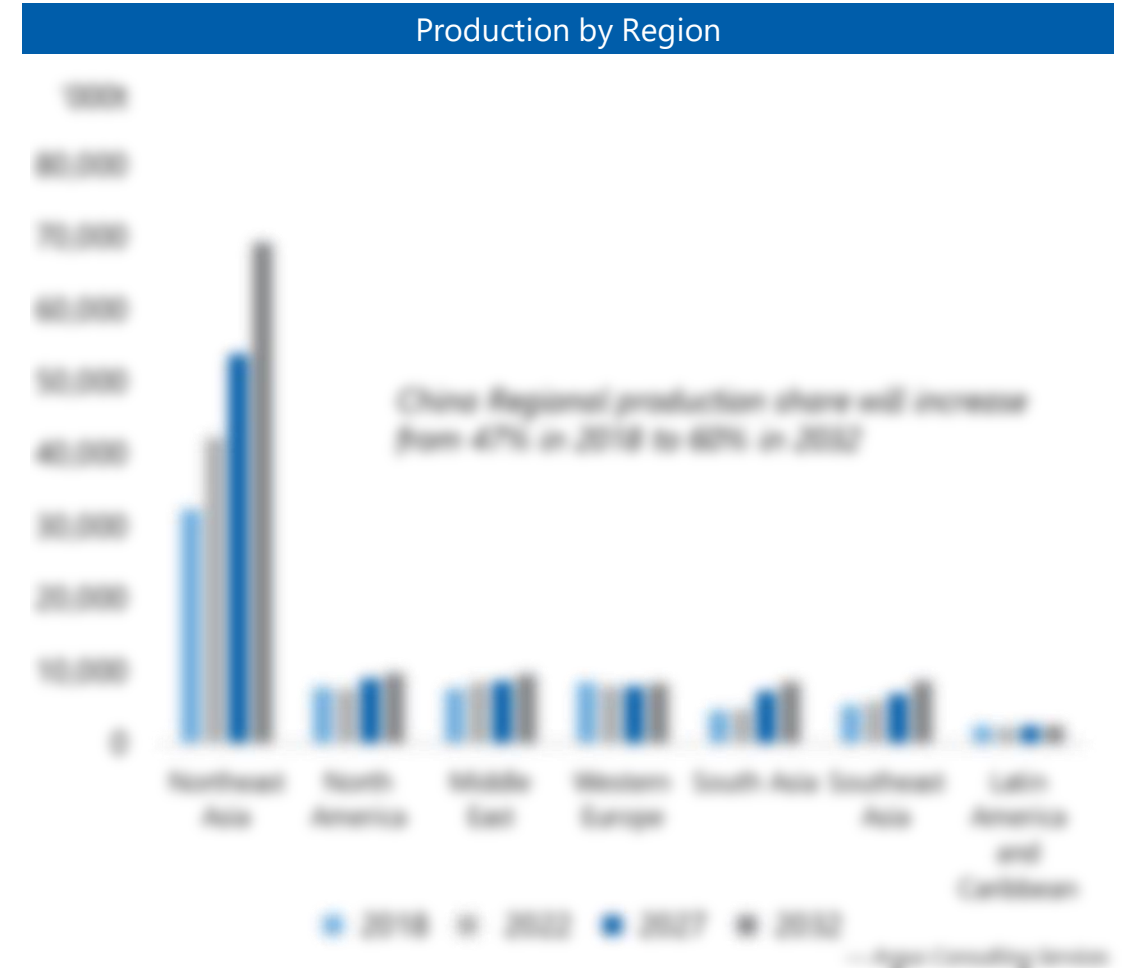
- NE Asia demand will grow
- Much of this growth in NE Asia is expected to be in
- South Asia (India) while small in comparison to NE Asia in volume,
- No significant cost advantage exists in any of the major regions,
- Volatile prices related to PGP spikes will continue



# World supply polypropylene

Global production will average 2 – 3pc above demand as producers control rates.

- Global producers will operate plants
- China's growth will be key to recovery
- China's one advantage over other regions is
- China forecasted production growth of



# Argus forecasts global PP operating rates will fall to 74.3pc with a trough in 2025.

There are no major shifts in regional trade activities, although high energy costs in Europe will increase imports.

- The vast majority (over 70pc) of the new propylene capacity is linked to polypropylene projects.
- Argus forecasts that PP operating rates will continue to fall
- There are no major shifts in regional trade activities, although

## Propylene Demand by Derivative



## Global Propylene/PP Operating Rates



- We anticipate operating rates in all regions will be reduced
- Europe has been an importer of propylene and exporter of derivatives for many years but
- Northeast Asia will become a more structural exporter,



[Executive Summary](#)

[Global capacities, production and demand](#)

[Regional summaries](#)

[North America](#)

[Latin America and Caribbean](#)

[Western Europe](#)

[Middle East](#)

[Northeast Asia](#)

[Southeast Asia](#)

[South Asia](#)

[Appendix](#)

# North America: Economy

Economic growth to reach a bottom in 2024 before returning to a growth rate of 2pc by 2025.

## North America GDP



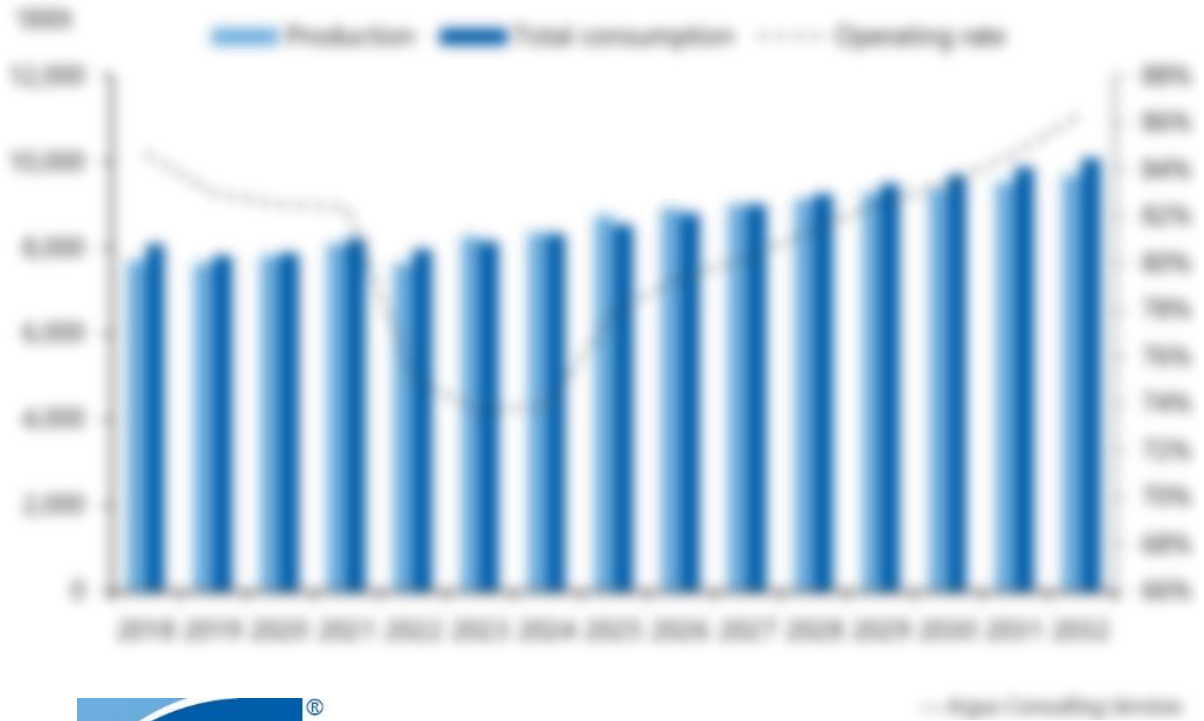
- North America GDP is dominated by US demand
- Growth in the US for the past 10 years has hovered around an average of 2pc with 2021 and 2022 being an exception. Covid-19 drove the GDP down to -2.8pc in 2020 but bounced back with a strong growth recovery in 2021. Growth in 2022 returned to its 10-year historical average. GDP growth in 2024 is forecast to have almost minimal growth at
- Canada and Mexico's growth rates have moved in the same general trend as the
- The regional inflation is falling but still remains high.
- The July 2023 rate hike will be the last in this cycle,

# North America: Key updates

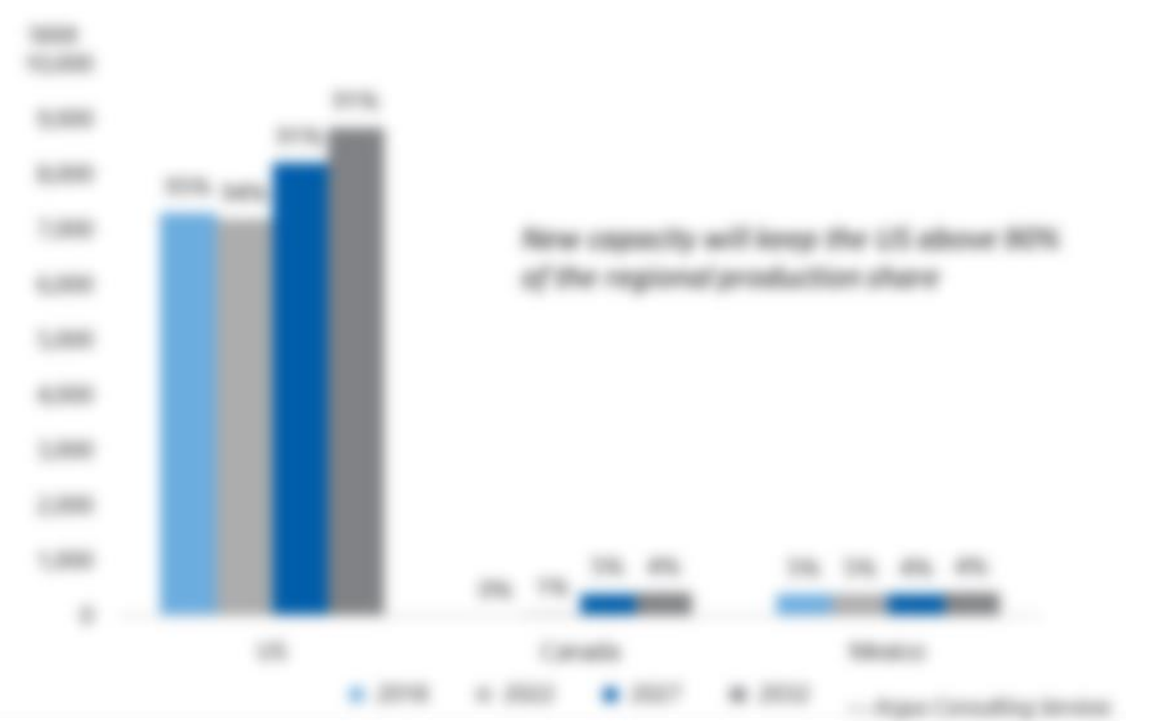
Demand will hold steady with a slow recovery in operating rates through the end of the decade.

Key Market Changes					
<b>Supply</b>	Single supply will continue to keep operating rates below 80% through 2025 with stable PDP supply a primary concern that will impact overall PP prices.	<b>Demand</b>	Continued weakness in durable goods demand will impact PP markets as consumer buying behavior shifts to a more conservative cash flow model.	<b>Trade</b>	New regional trade will decrease the import / export markets for the NAMA producers with some increase in imports from Asia expected.

### Production Statistics



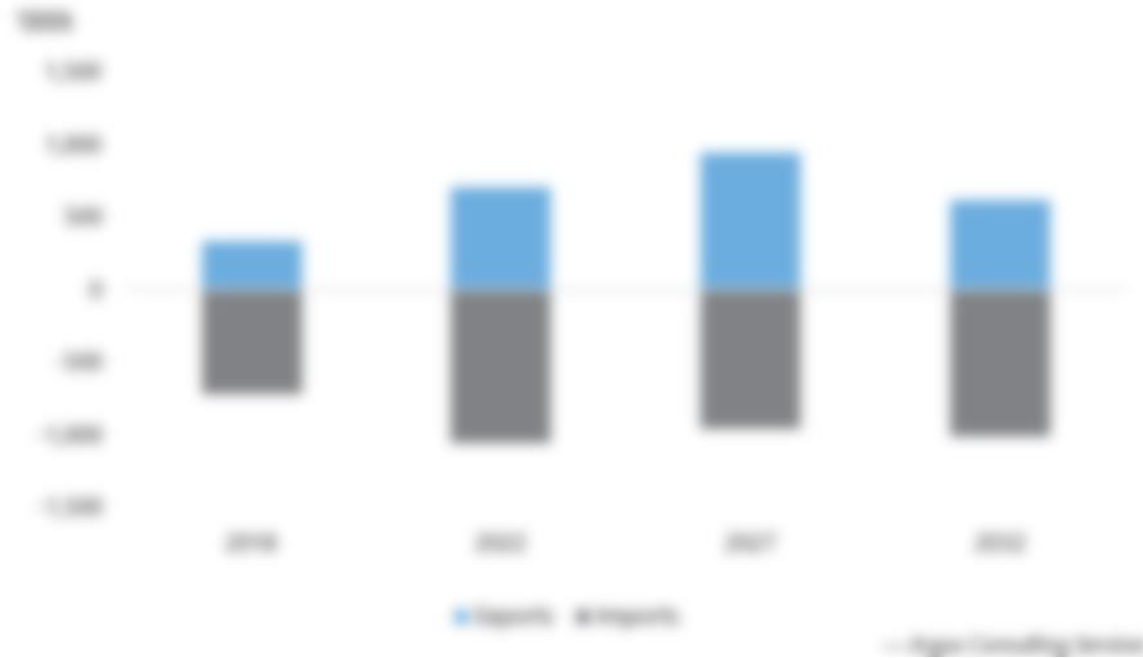
### % Production Share by Country



# North America: Supply and trade

Some small rationalization of assets expected but little impact on operating rates.

Export / Import Trade Activity



Capacity Year-on-Year Changes



- Oversupply will limit the market growth as suppliers struggle with lower margins of the next several years.
- PGP supply from PDH production will have a major impact
- Price volatility related to PGP / PDH price movements will

# Appendix: Argus Polypropylene experts



**Terry Glass**  
Vice President,  
Polymers

Terry is responsible for the expansion of Polymer Report services in strategic regions. He has over 40 years' experience relating to the plastics industry, working with converters, brand owners, and resin producers. Terry delivers an integrated view across the polymer value chain and analyses on a global basis including European, Americas and Asian markets. He is currently supporting polymer related growth initiatives, including domestic and export markets, recycling and sustainability initiatives. Before joining Argus, Terry worked at Dow Chemical, Braskem, and Sasol. He holds a Chemistry degree from the University of Houston and 26 patents across a variety of market applications.



**Cassidy Stagers**  
Polymers Analyst

Cassidy is the lead analyst for Argus polymers portfolio, including launching the new Polypropylene Outlook. She also works with the Methanol team on Outlook publications, data maintenance and projects. Prior to joining the Chemicals team, she held various administration and operation roles at Argus and McKinsey. Cassidy holds a degree from the University of Michigan and an MBA from University of Houston.



**Josie Jang**  
Business Analyst

Josie is a business analyst in the chemicals sector. She works closely with Asia olefins and polyolefins experts, providing Asia price outlooks and insights. Josie has also worked for a gas ship owner as a market analyst in, focusing on ethane, LPG, LNG, and financial markets. She is a chartered financial analyst and holds a master's degree in Finance and Investment from the University of Bristol plus a degree in Economics.



**Sarah Rae**  
Vice President,  
Olefins &  
Derivatives

Sarah has decades of industry experience, including 17 years in senior strategic purchasing management positions. She was responsible for a wide range of materials including olefins, fertilizers and commodity raw materials, as well as management and project roles covering chemicals business management, sales, planning and logistics. Sarah began her career working for BP in oil exploration and has worked for DeWitt, Ineos, Tessenderlo Chemie (LVM) and Rhodia. She has a degree in geology from Leicester University.



**Craig Fisher**  
Lead Consultant,  
Propylene

Craig is a member of the Argus olefins team focusing on propylene and associated derivatives. He contributes to the monthly Olefins Outlook report and the biannual Propylene Analytics report and provides support to both internal stakeholders and external clients. Craig has more than 20 years' experience in the petrochemical industry including roles with producers and consultants. The variety of products covered in his career include polymers, olefins, aromatics, asphalt, methanol, inorganics, OXO Alcohols, and electricity. Craig's goal is to provide Argus clients with clear and actionable market intelligence that cements the foundation for long-term relationships.

# Argus Polypropylene Analytics Service

This presentation (the "Report") is confidential, made available strictly under license and has been prepared solely for the internal use of the applicable Argus licensee (a "Client"). Any use or disclosure of this Report and its contents without specific written permission from Argus is strictly prohibited. No duty of care is owed by Argus to any third party and Argus disclaims all liability in relation to any third party who seeks to rely upon or use the Report or any of its contents. The Report, including the Argus trademarks and logo/legal notices, may not be altered. Derivative works of all or part of the Report may not be created without prior written permission.

The data, information or opinions contained in this Report are provided on an "as is" basis without any warranty, condition or other representation as to its accuracy, completeness, or suitability for any particular purpose and shall not confer rights or remedies upon the recipients of this presentation or any other person. Data and information contained in the Report come from a variety of sources, some of which are third parties outside Argus' control and some of which may not have been verified. Argus does not warrant that this Report is in all respects accurate and complete and does not warrant any results obtained or conclusions drawn from the use of this Report. Argus has no obligation to maintain or update this Report.

All analysis and opinions, data, projections and forecasts provided may be based on assumptions that are not correct or which change, being dependent upon fundamentals and other factors and events subject to change and uncertainty; future results or values could be materially different from any forecast or estimates described in the Report.

Subject to any agreement between Argus and its Client, Argus expressly disclaims any and all liability for any direct, indirect or consequential loss or damage, claims, costs and expenses, whether arising in negligence or otherwise, in connection with access to, use or application of these materials or suffered by any person as a result of relying on any information included in, or omission from, this Report and related materials or otherwise in connection therewith, to the maximum extent permitted by law.

The Client's use of the Report is entirely at the Client's own risk. This Report does not offer or provide financial, tax or legal advice.

## Copyright notice

Copyright © 2023 Argus Media group. All rights reserved. All intellectual property rights in this presentation and the information herein are the exclusive property of Argus and and/or its licensors and may only be used under license from Argus. Without limiting the foregoing, you will not copy or reproduce any part of its contents (including, but not limited to, single prices or any other individual items of data) in any form or for any purpose whatsoever without the prior written consent of Argus.

## Trademark notice

ARGUS, the ARGUS logo, Argus publication titles, and Argus index names are trademarks of Argus Media Limited. For additional information, including details of our other trademarks, visit [argusmedia.com/trademarks](https://argusmedia.com/trademarks).

### Registered office

Lacon House, 84 Theobald's Road, London, WC1X 8NL  
Tel: +44 20 7780 4200  
Email: [sales@argusmedia.com](mailto:sales@argusmedia.com)

ISSN: 3029-0309

### Copyright notice

Copyright © 2023 Argus Media group  
All rights reserved

All intellectual property rights in this publication and the information published herein are the exclusive property of Argus and/or its licensors (including exchanges) and may only be used under license from Argus. Without limited the foregoing, by accessing this publication you agree that you will not copy or reproduce or use any part of its contents (including, but not limited to, single prices or any other individual items of data) in any form or for any purpose whatsoever except under valid license from Argus. Further, your access to and use of data from exchanges may be subject to additional fees and/or execution of a separate agreement, whether directly with the exchanges or through Argus.

### Trademark notice

ARGUS, the ARGUS logo, ARGUS MEDIA, ARGUS Processed Phosphates Analytics, other ARGUS publication titles and ARGUS index names are trademarks of Argus Media Limited.  
Visit [www.argusmedia.com/Ft/trademarks](https://www.argusmedia.com/Ft/trademarks) for more information.

### Disclaimer

The data and other information published herein (the "Data") are provided on an "as is" basis. Argus and its licensors (including exchanges) make no warranties, express or implied, as to the accuracy, adequacy, timeliness, or completeness of the Data or fitness for any particular purpose. Argus and its licensors (including exchanges) shall not be liable for any loss, claims or damage arising from any party's reliance on the Data and disclaim any and all liability related to or arising out of use of the Data to the full extent permissible by law.

All personal contact information is held and used in accordance with Argus Media's Privacy Policy  
<https://www.argusmedia.com/en/privacy-policy>

### Publisher

Adrian Binks

### Chief operating officer

Matthew Burkley

### Global compliance officer

Jeffrey Amos

### Commercial manager

Jo Loudiadis

### Sector Head

Chuck Venezia

### Lead team

Terry Glass  
Cassidy Staggers

### Customer support and sales

Technical queries  
[technicalsupport@argusmedia.com](mailto:technicalsupport@argusmedia.com)  
All other queries  
[support@argusmedia.com](mailto:support@argusmedia.com)

London, UK Tel: +44 20 7780 4200

Astana, Kazakhstan Tel: + 7 7172 72 92 94

Beijing, China Tel: +86 10 8535 7688

Dubai Tel: +971 4434 5112

Houston, US Tel: +1 713 968 0000

Moscow, Russia Tel: +7 495 933 7571

New York, US Tel: +1 646 376 6130

Sao Paulo, Brazil Tel: +55 11 3235 2700

Singapore Tel: +65 6496 9966

Tokyo, Japan Tel: +81 3 3561 1805



THE QUEEN'S AWARDS  
FOR ENTERPRISE:  
2015



INVESTORS  
IN PEOPLE



[argusmedia.com](https://argusmedia.com)