

Chemicals Trends Report

Monthly summary, January 2013



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EU chemicals sector year-to-date output drops 1.8 per cent through November

November monthly output 1.5 per cent above November 2011 level, data shows

BRUSSELS, January 31, 2013 – EU chemicals production contracted by 1.8 per cent in the first 11 months of 2012 compared with the same period in 2011, according to the latest Cefic Chemicals Trends Report. Monthly data for November 2012 showed a 1.5 per cent increase compared with the same month in 2011. Data for the first 11 months of the year point to EU chemicals production levels remaining 6.2 per cent below the 2007 peak.

EU chemicals prices in November climbed by 2.7 per cent compared with the same period the year prior. The price increase continues to be led by the overall price hike in petrochemicals. Overall prices for chemicals rose by 2.7 per cent during the first 11 months of 2012 against the comparable period in 2011.

Trade data available through October 2012 show the EU chemicals net trade surplus during the first ten months of 2012 growing well beyond the level seen during the same period the year prior, up by €9.2 billion to €41.7 billion. Overall chemicals industry confidence indicators showed a slight worsening in December, mainly due to less optimistic production expectations.

November output edges up

A 1.5 per cent production expansion in November was due mainly to the strong output growth in petrochemicals, whose output rose by 6.6 per cent [see graph at right].

Specialty chemicals output continued to increase, up by 2.0 per cent in November 2012 on a year-on-year basis. Polymers and basic inorganics registered during the period similar growth rates of 1.8 and 1.6 per cent respectively. Consumer chemicals dropped, however, by 2.1 per cent.

November petrochemicals price climbs

Year-on-year EU chemicals prices rose in November by 2.7 per cent, driven by the price for petrochemicals, which increased by 4.4 per cent during the month. Prices for consumer chemicals rose by about 1.1 per cent, while prices for basic inorganics went down by 0.3 per cent in November 2012 compared to the same month the year prior.

EU trade surplus expands further in October

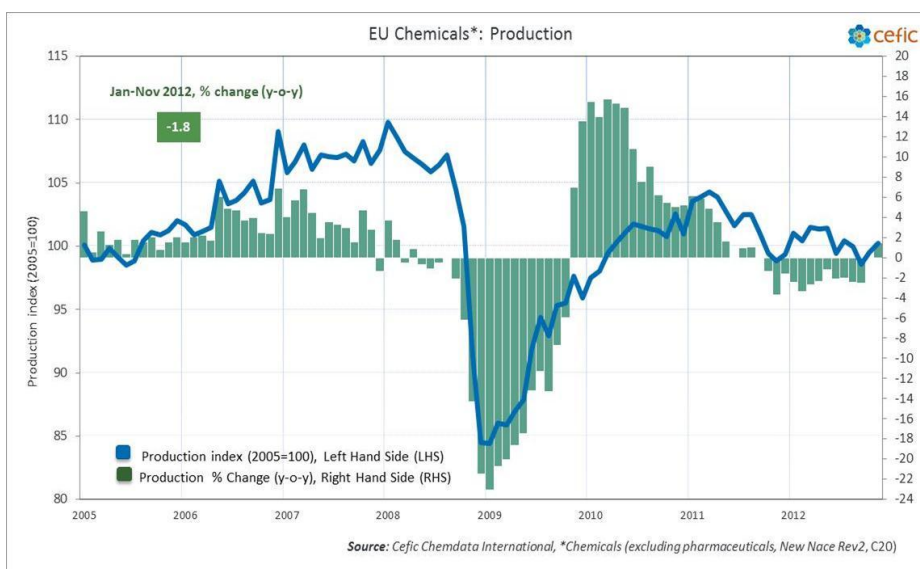
Trade data available through October show a €41.7 billion year-to-date EU chemicals net trade surplus with other markets, up €9.2 billion compared with same 10-month period the year prior. The EU net trade surplus with the NAFTA region contributed significantly to the jump in the January-to-October overall surplus, reaching €9.8 billion, 30 per cent higher than October 2011. The EU net trade surplus with non-EU Europe, which includes Russia and Turkey, reached €13 billion during the 10-month period, up €2.7 billion compared with the same period the previous year. A slight downtick occurred in the trade surplus with Asia, excluding Japan and China, edging up by €0.1 billion to €4.2 billion.

January-to-October EU sales surpass 2008 pre-crisis period

The total value of EU chemicals sales during the first ten months of 2012 was 4.7 per cent higher than the pre-crisis, full-year peak level reached in 2008. October sales were the same level as in October 2011. Sales for the first-ten months of 2012 were 1.4 per cent below the comparable period in 2011.

EU chemicals confidence indicator weakened in December 2012

Based on data from the EU Commission business and consumer survey report published in January, the EU chemical industry confidence indicator (CCI), generated by Cefic, remained low, showing a slight decline compared with the month prior. Underlying data point to a worsening in chemicals sector production expectations.



Notes to editor:

About the Chemicals Trends Report: The Cefic Chemicals Trends report provides a snapshot of the chemical industry performance in the 27 countries in the European Union and is based on available data released by Eurostat. Issued monthly, the two-page summary report distils Eurostat data into four areas: chemicals production, trade, prices and total sales.

About Cefic: Cefic, the European Chemical Industry Council, is the Brussels-based organisation representing the European chemical industry. Created in 1972, it represents 29,000 companies that produce a fifth of the world's chemicals and employ 1.2 million people. Learn more about Cefic at www.cefic.org.

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