

Chemicals Trends Report

Monthly summary, March 2013



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EU chemicals sector output contracts in January after three month growth spurt

Full-year 2012 data point to strong increases in EU trade balance

BRUSSELS, April 8, 2013 – EU chemicals production fell by 1.6 per cent in January 2013 compared to January 2012, according to the latest Cefic Chemicals Trends Report. The decline follows three consecutive months of expansion. EU chemicals prices for the month climbed by 2.2 per cent compared with the same period the year prior.

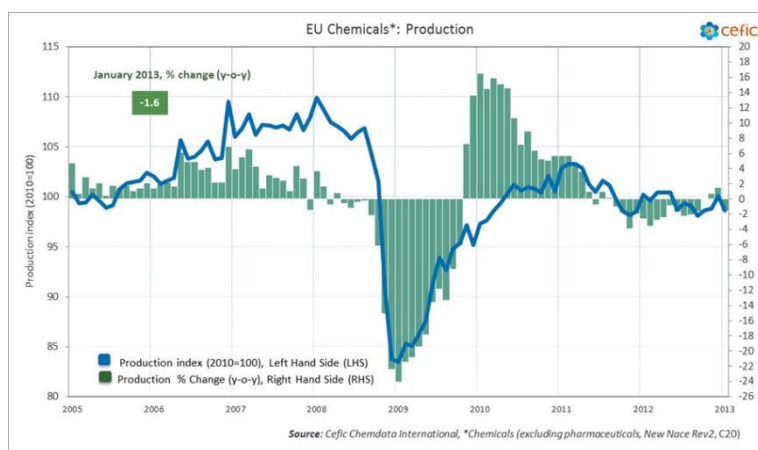
Overall chemicals industry confidence indicators deteriorated slightly in March, mainly due to lower order-book assessments and worsening in assessment of production expectations for the coming months. The year-end 2012 net trade surplus reached €49.6 billion, more than €9 billion above the level seen during the same period in 2011. Recently published data show sales were slightly lower in 2012 compared with 2011, but stood 5.4 per cent higher than the pre-crisis, full-year peak level reached in 2008.

January output edges down

The EU chemicals production index for January was dragged down by petrochemicals, which declined 3.6 per cent year-on-year during the month. Lower overall production was also affected by polymers, down 1.3 per cent in January compared with January 2012. Consumer chemicals output rose by nearly one per cent in January. Specialty chemicals output declined by only 0.6 per cent.

Prices for petrochemicals climb by 5.5 per cent

Year-on-year EU chemicals prices rose by 2.2 per cent in January, driven by the price for petrochemicals, which increased by 5.5 per cent in January as compared with the year prior. Recent oil price increases factored into the petrochemicals spike. Prices climbed for consumer chemicals by 1.4 per cent.



EU trade surplus expands further in 2012

Trade data available through December 2012 show a €49.6 billion year-to-date EU chemicals net trade surplus with other markets, up €9 billion compared with same 12-month period the year prior. The EU net trade surplus with non-EU Europe, which includes Russia and Turkey, contributed significantly to the jump in the January-to-December overall surplus, reaching €15.2 billion, a 23 per cent jump from 2011. The EU net trade surplus with NAFTA reached €11.3 billion last year, swelling by €1.8 billion compared with the same period in 2011. A slight bump occurred in the trade surplus with Asia, excluding Japan and China, edging up by €0.3 billion to €5.3 billion.

January-to-December 2012 EU sales surpass 2008 pre-crisis period

Total 2012 chemicals sales were 1.0 per cent lower compared with full year levels in 2011. EU chemicals sales during 2012 were 5.4 per cent higher than the pre-crisis, full-year peak level reached in 2008. December sales were 1.9 per cent higher compared with December the year prior.

EU chemicals confidence indicator weakens in March

The EU chemical industry confidence indicator (CCI), generated by Cefic, declined compared with the month prior. Based on data from the European Commission business and consumer survey report published in late March, CCI underlying data point to a worsening in assessment of order-book levels. Data also point to worsened assessment of production expectations for the months ahead.

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 one-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.