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For Immediate release:

CMAI Releases 2012 World Terephthalates and Polyester Analysis

HOUSTON – [Chemical Market Associates, Inc. \(CMAI\)](#), acquired by IHS Inc. (NYSE: IHS - www.ihs.com), announces the completion of the [2012 World Terephthalates and Polyester Analysis](#). The annual global market study covers historical developments and future projections for supply, demand, capacity, and trade in the global terephthalic acid (TPA, or PTA in its purified form), dimethyl terephthalate (DMT), polyethylene terephthalate (commonly referred to as PET or polyester) fiber, and PET packaging resin markets for the period 2006 to 2016.

[Current Situation](#)

Strong domestic consumer demand in China, combined with a global cotton shortage, resulted in historically strong global demand growth for polyester fiber in 2010, which continued into early 2011. The cotton shortage, a slowdown in terephthalic acid (PTA) capacity growth, and production outages in PTA and upstream paraxylene (PX), have resulted in a very tight PTA market. Operating rates for PTA producers were near 90 percent, which has driven good margins for PTA. However, the growth in PTA trade continues to lag behind demand growth as the regions continue to become more self-sufficient producers of the product.

Unlike PTA, global demand for PET packaging resin was subpar in 2010, with less than one million metric tons of growth expected in 2011. The continued light weighting of bottles and other PET packaging, for both economics and an improved environmental footprint, coupled with increased use of recycled material, have been the main culprits behind the poor demand growth.

[Supply/Demand Outlook](#)

Future PTA capacity additions will continue to be concentrated in China, although other countries such as Brazil, Poland, Portugal, Russia and Saudi Arabia, have announced plans to build PTA facilities during the forecast period, in order to support their local polyester production. Even the mature regions of Europe and the U.S. are seeing PTA expansions, primarily as existing producers backward integrate.

Like PTA, PET packaging resin will see a prolonged period where capacity growth exceeds demand growth and operating rates decline. Unlike PTA, this has been the norm for PET packaging resin. However, since PET packaging resin plants can be built in two years or less, few announcements for new plant construction are made beyond three year periods.

To order the *2012 World Terephthalates & Polyester Analysis* and learn more about the current market issues and CMAI's outlook for this industry, please visit www.cmaiglobal.com. The analysis is available in paper and

CD-ROM format and offers access to CMAI's Online Capacity and Supply/Demand databases, which are updated frequently to reflect market changes.

[CMAI](#) is the premier provider of market, planning and business advisory services for the global chemical, plastics, fibers and chlor-alkali industries. With offices in Houston, New York, London, Dubai, Düsseldorf, Bangkok, Singapore and Shanghai, CMAI has provided expert business advisory services to a broad range of companies across multiple value chains and geographies since 1979. Clients to CMAI services include companies in the following industries: chemical & oil, technology & EPC; banking and financial institutions; plastic converters; textile & apparel manufacturers; brand-owners; grocers/retailers, government agencies; trading.

[IHS](#) (NYSE: IHS) is the leading source of information and insight in critical areas that shape today's business landscape, including energy and power; design and supply chain; defense, risk and security; environmental, health and safety (EHS) and sustainability; country and industry forecasting; and commodities, pricing and cost. Businesses and governments in more than 165 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS employs approximately 5,100 people in more than 30 countries around the world.

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