

Chemicals output followed a flat trajectory: trade surplus up by €1.7 bn

European chemical output grew just 0.2 per cent during the first ten months of 2015 compared to the same period of 2014, according to the latest Cefic Chemicals Trends Report, while producer prices fell 4.7 per cent, year-on-year. Sales were down 3.1 per cent during January-September 2015, compared to the same period of 2014. Latest monthly data show that output declined 0.1 per cent in October 2015 compared with October 2014, while EU chemicals prices plunged 5.9 per cent. The EU net trade surplus was €30.4 billion during the first eight months of 2015, up by €1.7 billion compared to the same period one year ago. Employment rose slightly during the third quarter 2015 to 1.17 million.

Stagnant output growth through October 2015

Consumer chemicals output generated a significant drop in output of about 2.4 per cent in October 2015 compared to one year ago. Petrochemicals and polymers fell, down 1.5 per cent compared with October 2014. The drop was partially offset by 3.0 per cent growth in output of specialty chemicals. Basic inorganics grew by 1.6 per cent. Overall, EU chemicals output dropped – just 0.1 per cent in October 2015 year-on-year – and for the first ten months was up just 0.2 per cent compared to same period of 2014.

Chemical prices slide 4.7 per cent in October 2015

Petrochemicals prices declined significantly by 14.6 per cent in October 2015 compared to the same month of 2014. Polymers prices showed a decrease of 3.8 per cent during the same period. Specialty chemicals experienced a modest decline of 0.7 per cent. Consumer chemicals prices went up by 1.3 per cent in October 2015. All in all, producer prices in the EU chemicals sector declined 5.9 per cent in October 2015 (year-on-year). Last but not least, chemicals prices were down 4.7 per cent during the first ten months of 2015 compared to the same period one year ago.

Chemical sales down 3.1 per cent during January-September 2015

Total EU chemical sales dropped 3.1 per cent during the first nine months of 2015 compared to the same period one year ago. Sales in September 2015 declined by 3.3 per cent compared to September 2014, reaching the same level of sales in January 2015.

Net trade surplus up by €1.7 billion during January-August 2015

The EU net trade surplus was €30.4 billion during the first eight months of 2015, up by €1.7 billion compared to the same period one year ago. The rest of Europe – a group including Russia, Turkey and Switzerland – and the USA are by far the largest two contributors to this surplus. However, EU chemicals sector faces a trade deficit with India, China and Japan during the first eight months of 2015. Taking together the three countries; EU chemicals deficit reached the value of €1.0 billion during Jan-Aug 2015.

The net positive trade balance through August 2015 with non-EU countries was €6.1 billion; €1.7 billion lower than in the first eight months of 2014. Underlying this figure was a sharp fall in net exports to Russia. Net exports dropped considerably year on year, as exports to Russia fell 15.2 per cent, or €969 million. EU chemicals imports from Russia showed a modest decline of 2.4 per cent, or €126 million. The EU chemicals trade surplus with Asia – excluding Japan and China – increased by €353 million to €5.16 billion. The EU's net chemicals trade surplus with China contracted by €675 million. The United States further narrowed its chemicals trade deficit with the European Union by €2.3 billion to €5.8 billion during the eight-month period.

Employment rose for the second consecutive time

EU chemical industry employment rose slightly during the third quarter 2015 to 1.17 million, the second consecutive quarter of sector job growth. Data confirms a break from the crisis-induced job losses that began in 2009. Data analysis show sector employment levelling off since first quarter 2010, whilst payroll levels in the third quarter 2015 are 9.4 per cent below the peak level reached in third quarter 2007. Capacity utilisation has stabilised and is close to its long-term average. It remains 4.3% points below the post-crisis peak (Q1-2011).

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Notes to editors:

About the Chemicals Trends Report: The Cefic Chemicals Trends report provides a snapshot of chemical industry performance in the 28 countries of the European Union and is based on 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 around 17 per cent of the world's chemicals and employ 1.2 million people. Learn more at www.cefic.org.