

# US tyre shipments expected to show flat growth in 2012

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Tyre shipments, surprising no one involved in the US styrene butadiene rubber (SBR) and butadiene (BD) markets, are expected to show no growth in 2012 over 2011, according to the Rubber Manufacturers Association (RMA), which released its latest report on Tuesday.

SBR is a key component of the manufacture of tyres and BD comprises about 75% of SBR production.

RMA forecasts total sales of 284m units for the US in 2012, a total which benefitted from a strong original equipment (OE) sector that negated the decrease in the number of replacement tyres shipped.

Replacement tyres account for 75-80% of the US tyre market.

The RMA said the lack of overall growth can primarily be put on the shoulders of the continued economic sluggishness. It continued, however, that an increase in vehicle miles driven and anticipated economic growth should result in a nearly 2% increase in 2013, or approximately 6m units.

The RMA projects shipments of replacement passenger tyres to decrease by more than 4m units, or nearly 2%, to 190m units. The association points to the failure of demand to materialise because of the continued soft economic conditions and cautious consumers.

OE tyres for passenger vehicles are projected to increase by nearly 15%, as light vehicle purchases have continued to show strength.

Sales of passenger cars in the US through November 2012 have increased by 19%, with 6.8m units sold, while light truck sales have also increased by 8.8% with 6.4m units sold.

Combined, passenger car and light truck sales have increased by 14% year on year through November 2012.

SBR manufacturers in North America include American Synthetic Rubber, Ashland, Firestone Polymers, Goodyear Tire & Rubber, LANXESS, Lion Copolymer and Negromex.

BD producers in the US include Dow, ExxonMobil Chemical Co, INEOS Olefins & Polymers, LyondellBasell, Sabina Petrochemicals, Shell Chemical and TPC Group.

Source ICIS News