

US ethylene industry to grow 34% by 2017

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The ongoing shale gas boom will see the US ethylene industry growing by more than a third by 2017, a research firm said on Wednesday.

US ethylene capacity is expected to rise from an estimated 26.1m tonnes/year in 2012 to 35.0m tonnes/year in 2017, reflecting a 34% increase, GlobalData predicts in a report.

Only five years ago, the US was one of the most expensive places to produce ethylene, the research firm said.

However, with shale gas the ethane-based US petrochemicals industry is now in a better position than the naphtha-based petrochemicals industries of Europe and Asia-Pacific, and second only to the Middle East in terms of production economy, the firm said.

"Investors have been keen to be a part of an ethylene industry on the rise, and many of the US' major ethylene producers are investigating the possibility of bringing online new plants," it added.

Source ICIS News