

Celanese Texas VAM plant begins maintenance turnaround

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Celanese has begun three weeks of planned maintenance at its US vinyl acetate monomer (VAM) plant in Bay City, Texas, a source close to the company said on Wednesday.

Maintenance on the 300,000 tonnes/year Celanese unit is the latest of a number of turnarounds and outages during the past two months that brought a supply squeeze to US VAM production in the first quarter.

Output from the four major producers - Celanese, Dow Chemical, DuPont and LyondellBasell - dropped by 15% in the first three months this year compared to production in the last quarter of 2013, according to data from the American Fuel & Petrochemical Manufacturers (AFPM).

US VAM production, in thousands of pounds:

Q4 2013	Q1 2014
875,759	740,544

Source: AFPM

Spot VAM prices shot up by 70% for many customers because of the squeeze and more than doubled for some, according to anecdotal evidence, but the panic began to ease in late April. Spot prices dropped this week for the first time in 2014, to \$1,600-1,700/tonne, from \$1,650-\$1,850 previously.

But the turnarounds continue. Dow began a 50-day maintenance at its 365,000 tonnes/year VAM unit in Texas City on 22 April, sources said.

SOURCE *Icis News*