

Butadiene Market Trends

Please find an extract of the more complete analysis of the current Butadiene market that Vincent Bordereau (PI) has recently posted in its blog "Petrochemicals Market"

- **Demand:** demand outlook continues to be low. Some sudden spots demand came in China after Chinese new year. But this could quickly calm down. A more sustainable increase in the demand should nevertheless appear weeks after weeks (impact of low energy and currency effect in Europe)
- **Supply:** LPG remains preferred than naphtha as feedstock of the steam crackers (slide6). CC4 and so Butadiene availability is good. Some turnaround to be expected in Europe and Asia, but without major impact on CC4 availability.
- **Market balance:** balanced, as CC4 is probably co-cracked. We do not see any changes in the supply/demand balance in the coming weeks
- **Price:** for our 2-month outlook, we foresee a stability on the MCP at +/- 50€/t as the best market compromise. Indeed, consumers cannot afford a price increase (fierce competition currently on-going on the synthetic rubber market), while producers are pressurized for recovery of their margins.

Vincent also processed interesting data related to BD exports from EU (with a disappointing 2014 performance) and BD imports in the US (flat situation)

See the attached document.

Attachment(s)

- [Butadiene EU Imports-US Exports Analysis 2014-63862.pptx](#)