

Butadiene Market Nov-Dec 2014 Outlook

Date : Oct 2014,15

Please find the analysis of Solvay Polyamide (Vincent Bordereau and his team) for Butadiene end 2014 (extract of a more complete document available on solvay Engage)

BD Demand

Demand continues to be low, and unexpectedly weak with China back from Golden Week holidays. While USA remains at a low level (turnaround from Invista). European consumers are also slightly on the down side, with inventory target for year-end already there.

Supply: A force majeure from Shell reduced the CC4 availability in Europe. This FM should be there until 2014 year end. But BASF started successfully their new BD extractor in Antwerp, adding new molecule on the market.

Market balance: Long. Despite Europe supply reduction, the balance appears still long. US remain well covered. Asia slightly long. And should remain as such in the coming weeks

Price: for our 2-month outlook, we foresee a significant price decrease on the contracts, both

in Europe and USA. Additionally, Naphtha price drop (in line with Brent) is an additional support for price decrease

Source: Solvay Engage-Petrochemicals Market