

# Aromatics: Market dynamics and trends

John Calton  
Associate Editor-US Aromatics

- **A picture of BTX markets globally**
- **Benzene, Toluene, & Mixed Xylene pricing:**
  - **Current dynamics of market pricing.**
  - **Short-term expectations.**
- **Upcoming challenges:**
  - **Lower inventories from cracking lighter feeds.**
  - **New xylene capacities in Asia.**
  - **Current trade flows and possible opportunity for Latin America.**
- **Conclusions and takeaways**

## CENTRAL & SOUTH AMERICA OUTLOOK for AROMATICS

PX demand in Asia will dictate Benzene supply in North America and drive Global Aromatics prices.

For more information visit:  
[www.platts.com/petrochemicals](http://www.platts.com/petrochemicals)

### Asia PX Expansions



Asia PX capacity to grow 40% to 40 mil mt/year in 2017  
Asia MX market remains fundamentally short in 2014

### Asia - MX 2014 Decline



- Hit 54-Month High at \$1,427.50/mt
- Tight supply & tight US MX market
- HC Petrochem PX startup

- Hit 9-Month Low at \$1,119/mt FOB Korea
- High OR on good MX/Naphtha margin
- Weak downstream (PX/PTA) less demand

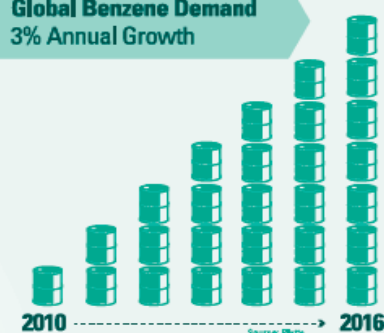
### Global Aromatics Profitability Sinks



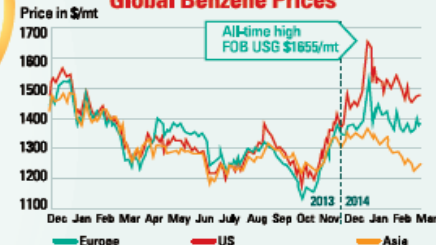
- 1 year 7 Month Low \$1,057.50/mt (Feb 25) '14

US Gulf Coast remains an attractive destination for South American BTX exporters

### Global Benzene Demand 3% Annual Growth



### Global Benzene Prices



● PX Capacity 2013 mt/year

● PX Capacity 2017 mt/year

● Platts Key Assessment Hubs

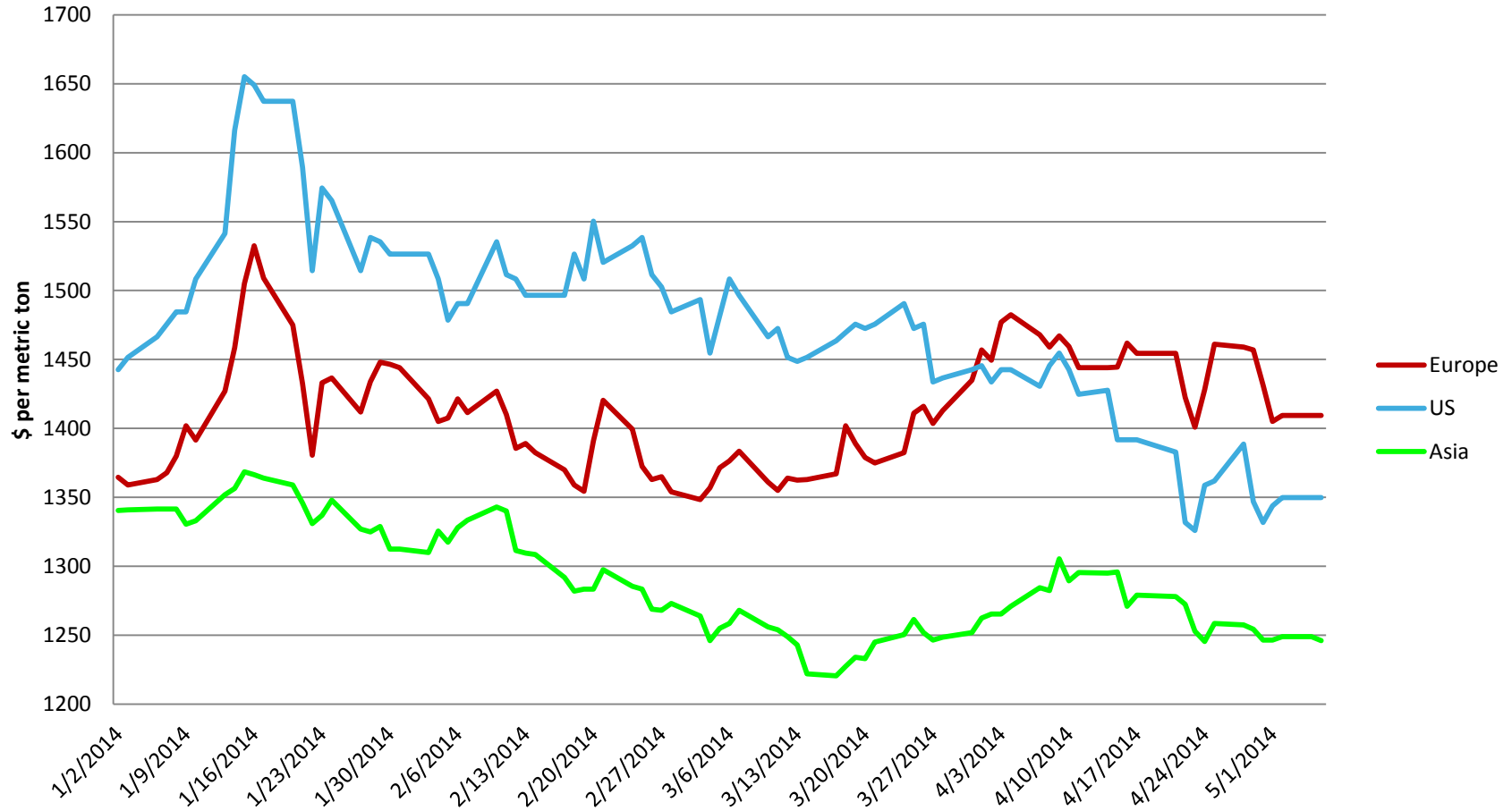
→ MX/PX  
→ TOL  
→ Benzene

# US Benzene, Toluene and Xylenes Markets

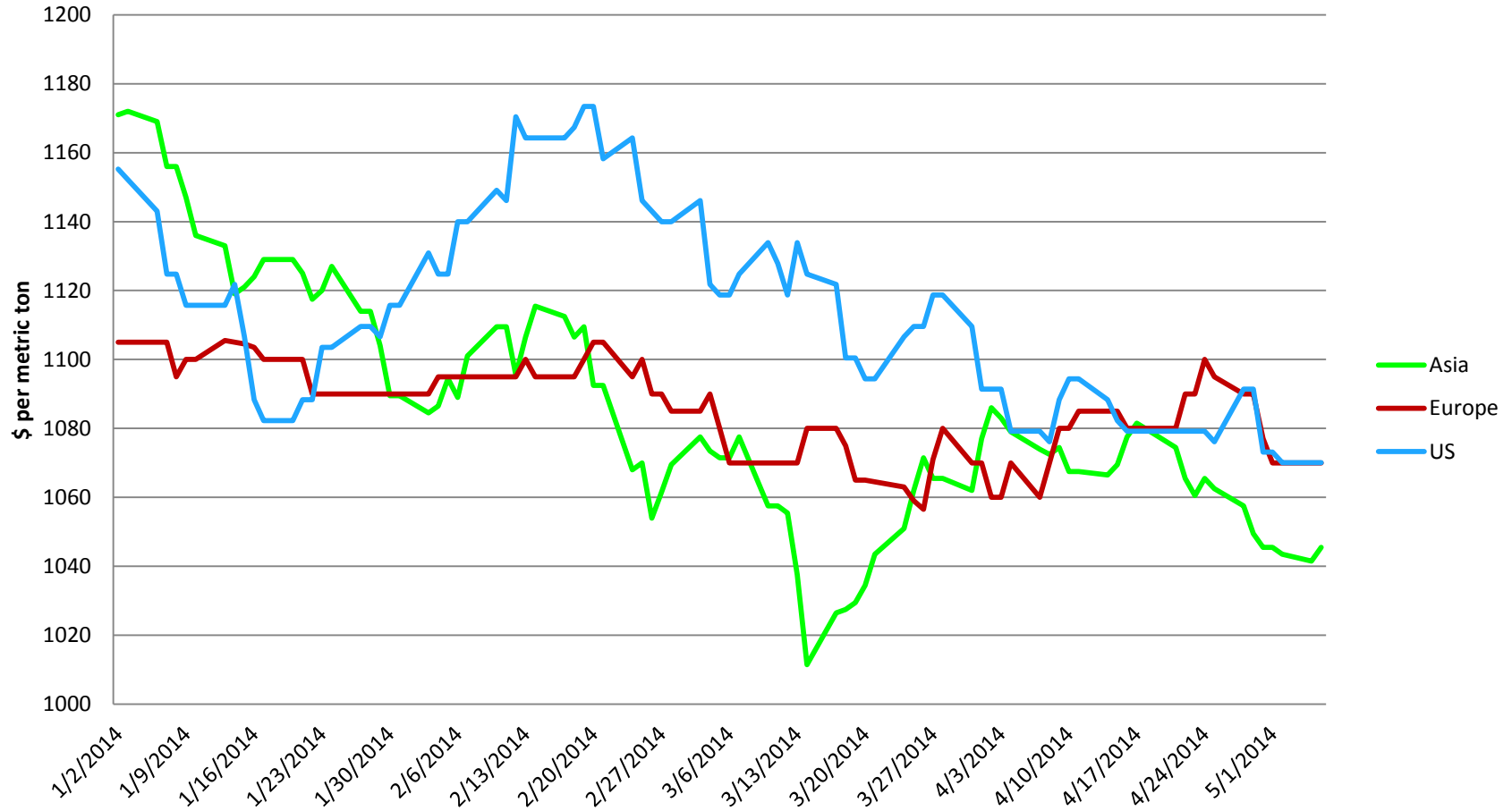
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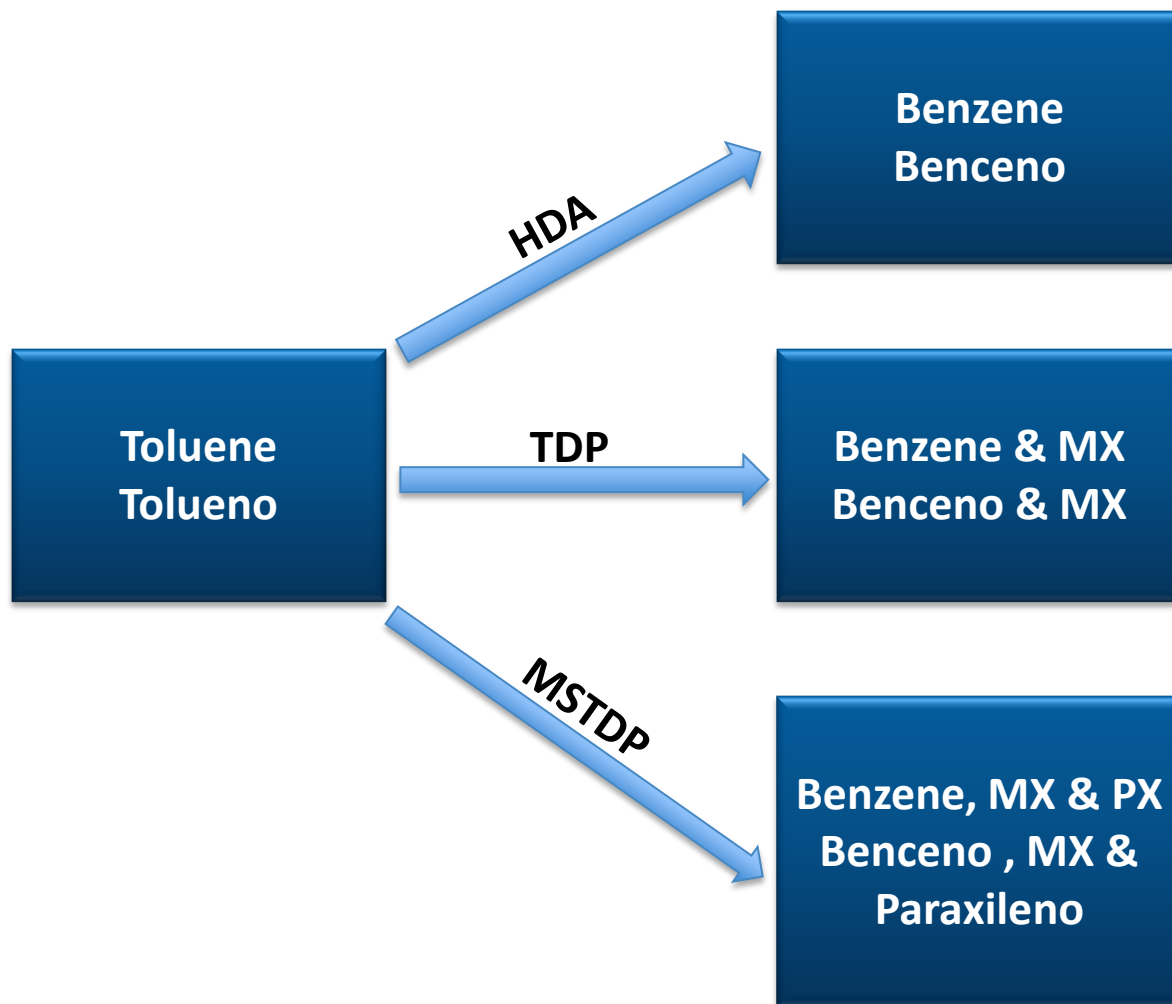
Pricing

## Global Benzene Prices

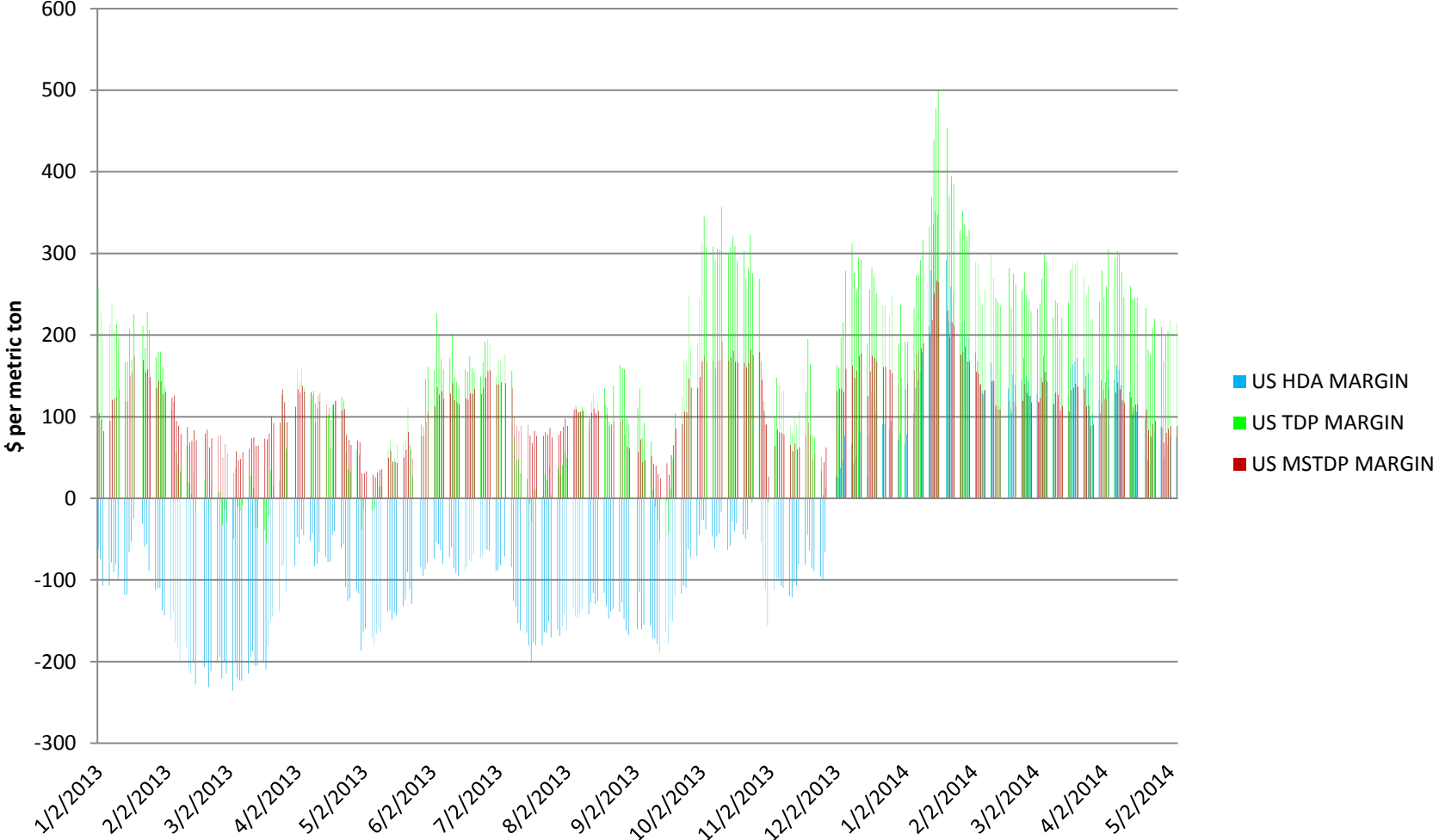


## US Toluene Prices





# HDA, TDP & MSTDP economics





## Asia-US Mixed Xylene Prices

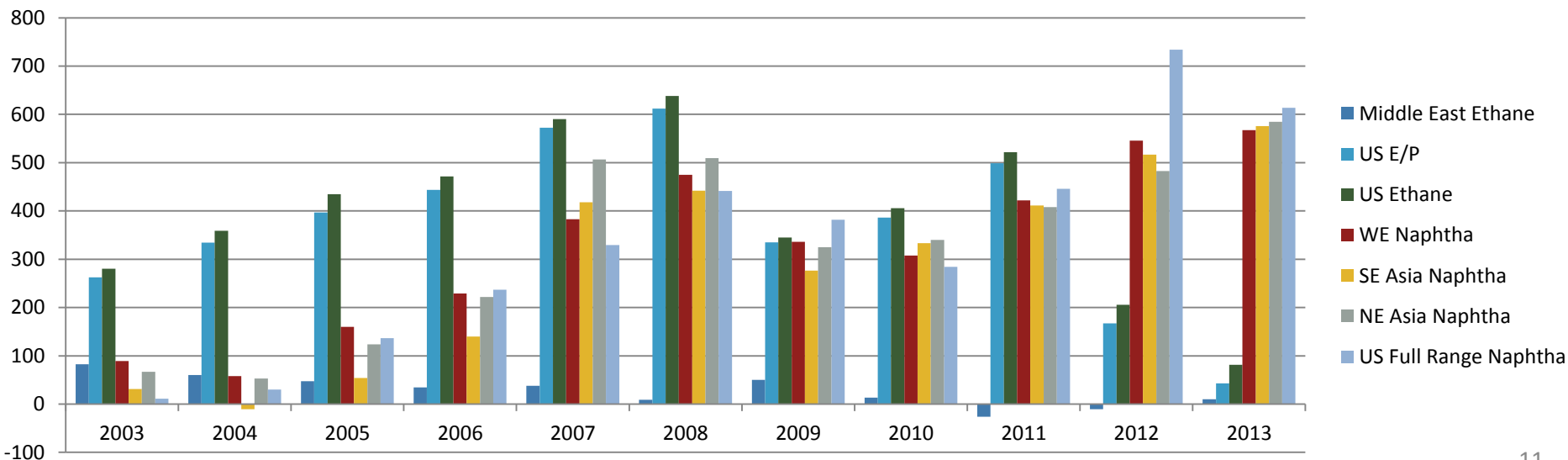
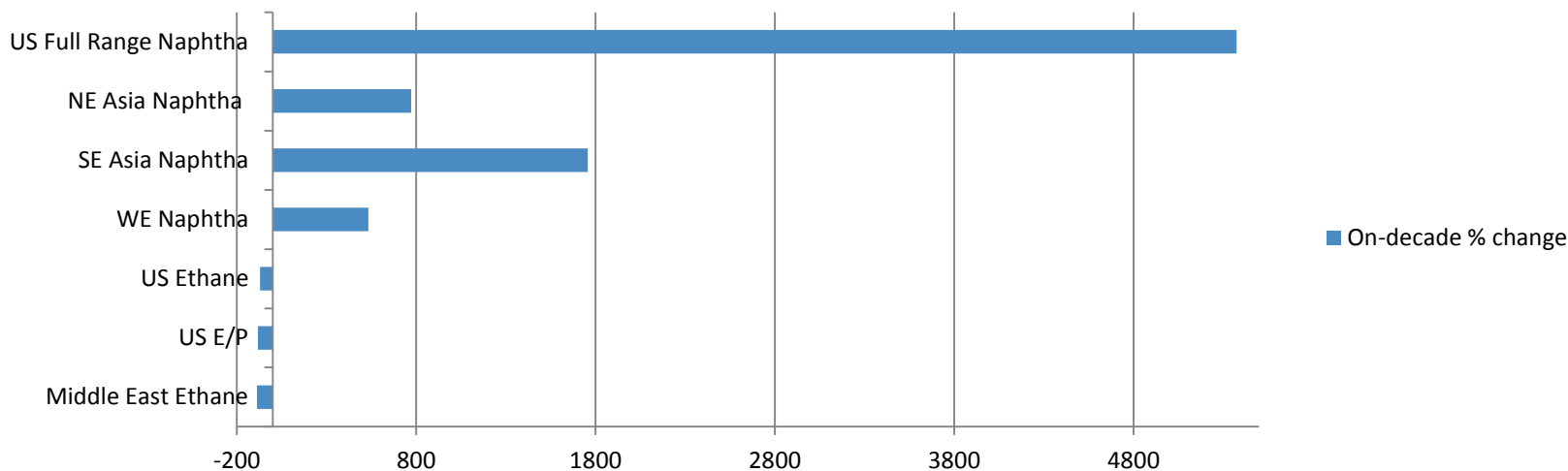


# Upcoming Challenges for US BTX markets

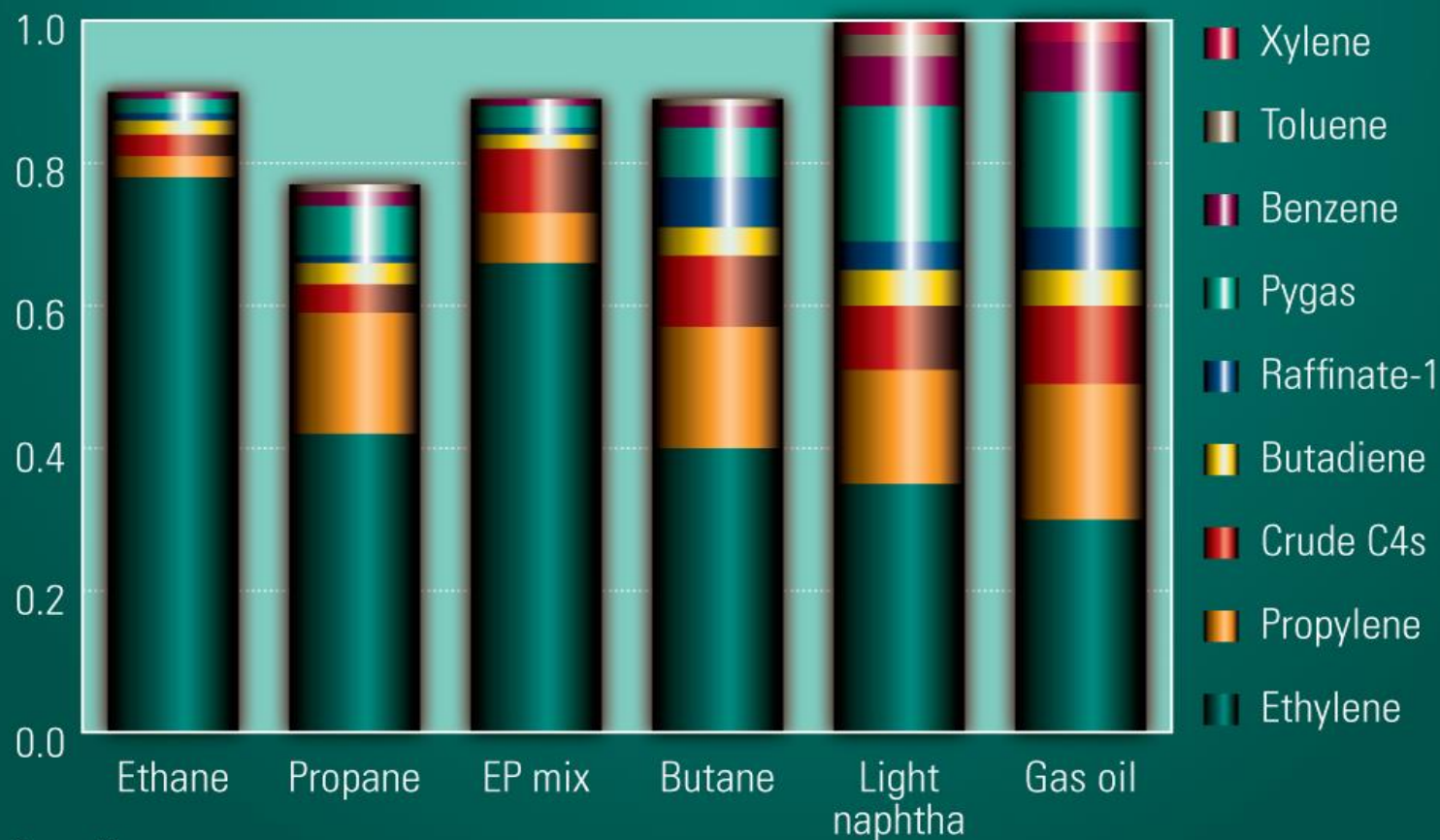
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# Naphtha-based variable costs rise through the decade: Platts Analytics

## Naphtha variable costs rise through the decade

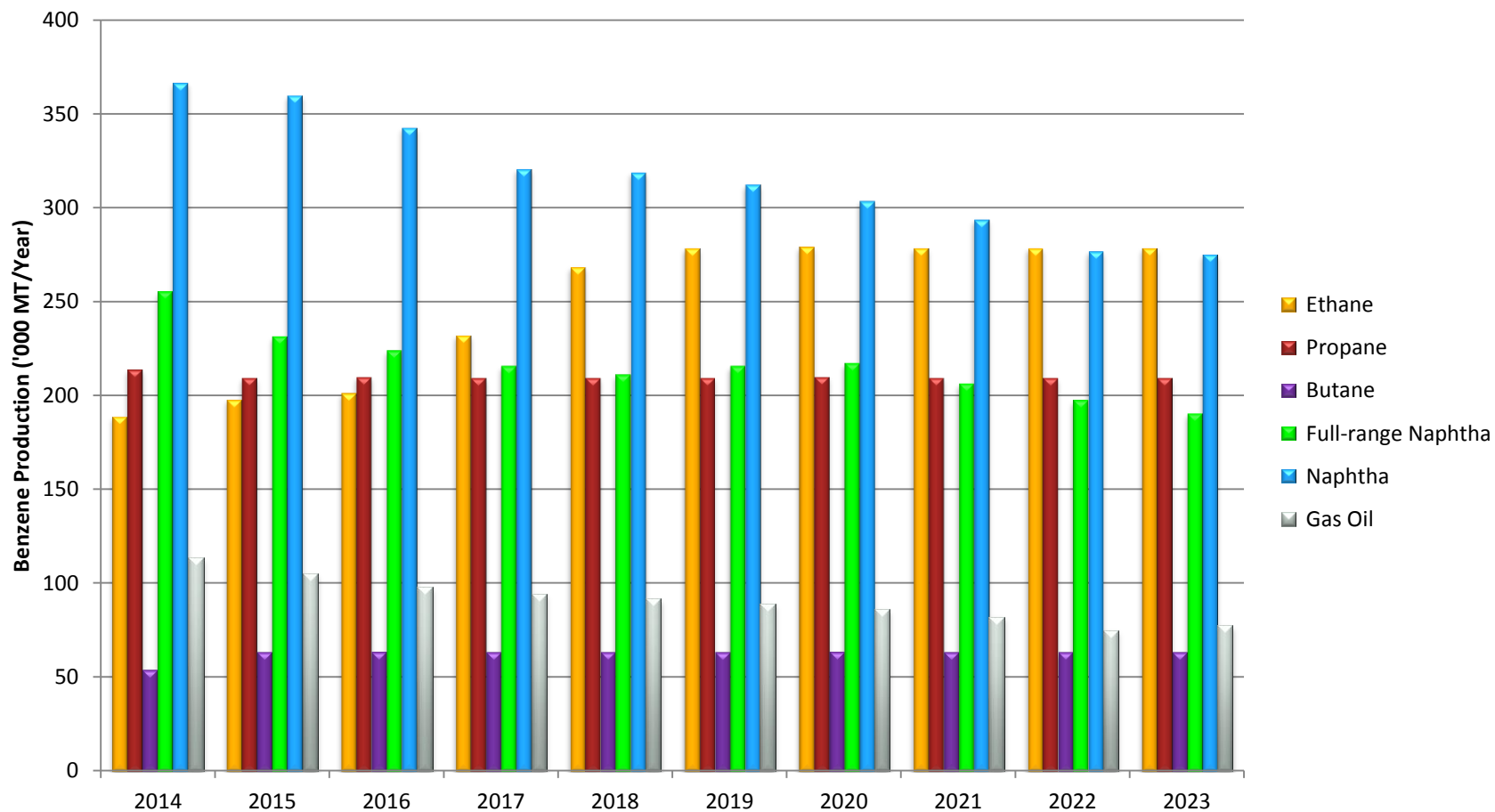


## IMPACT OF SHALE GAS ON AROMATICS

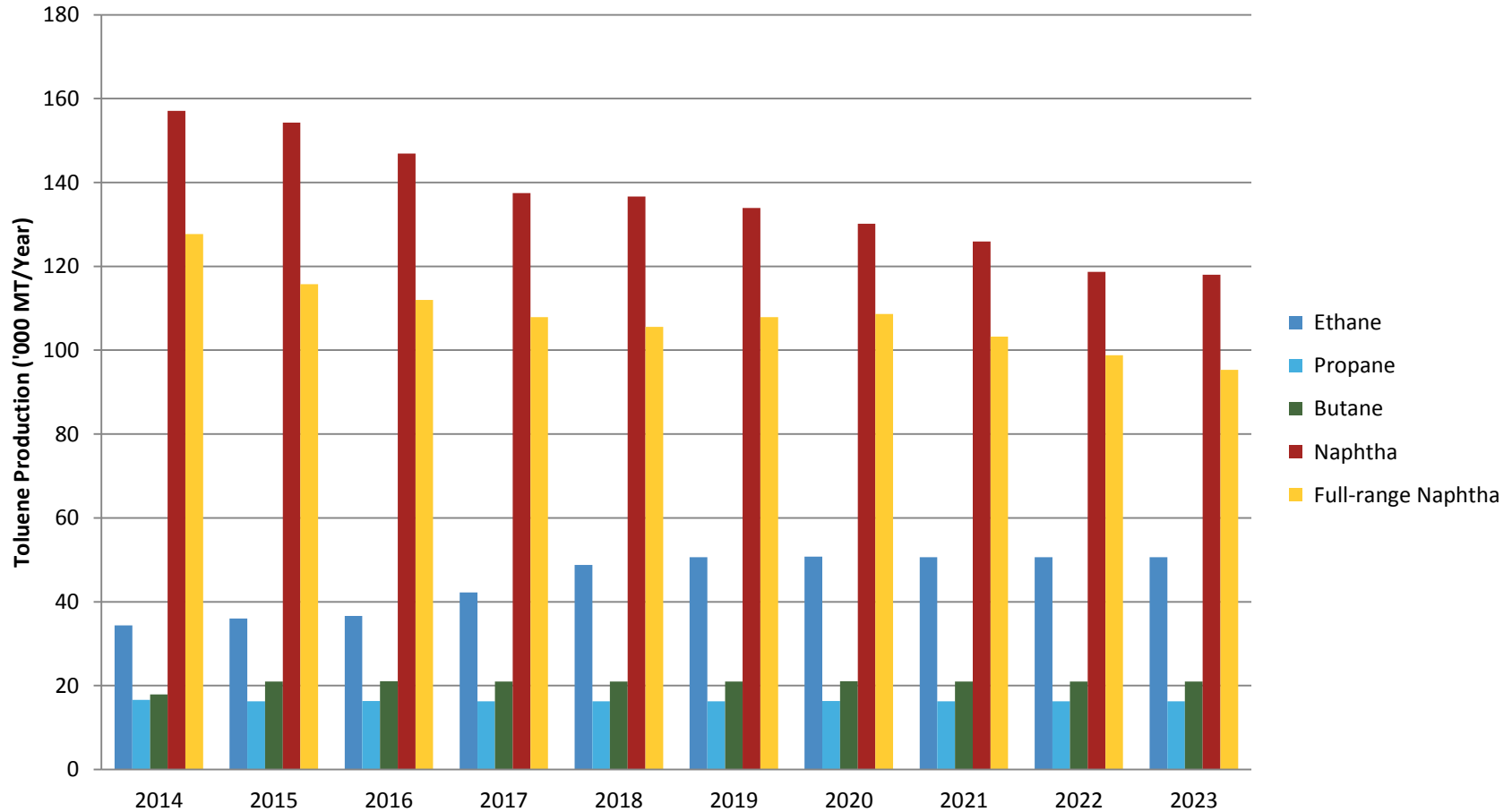


Source: Platts

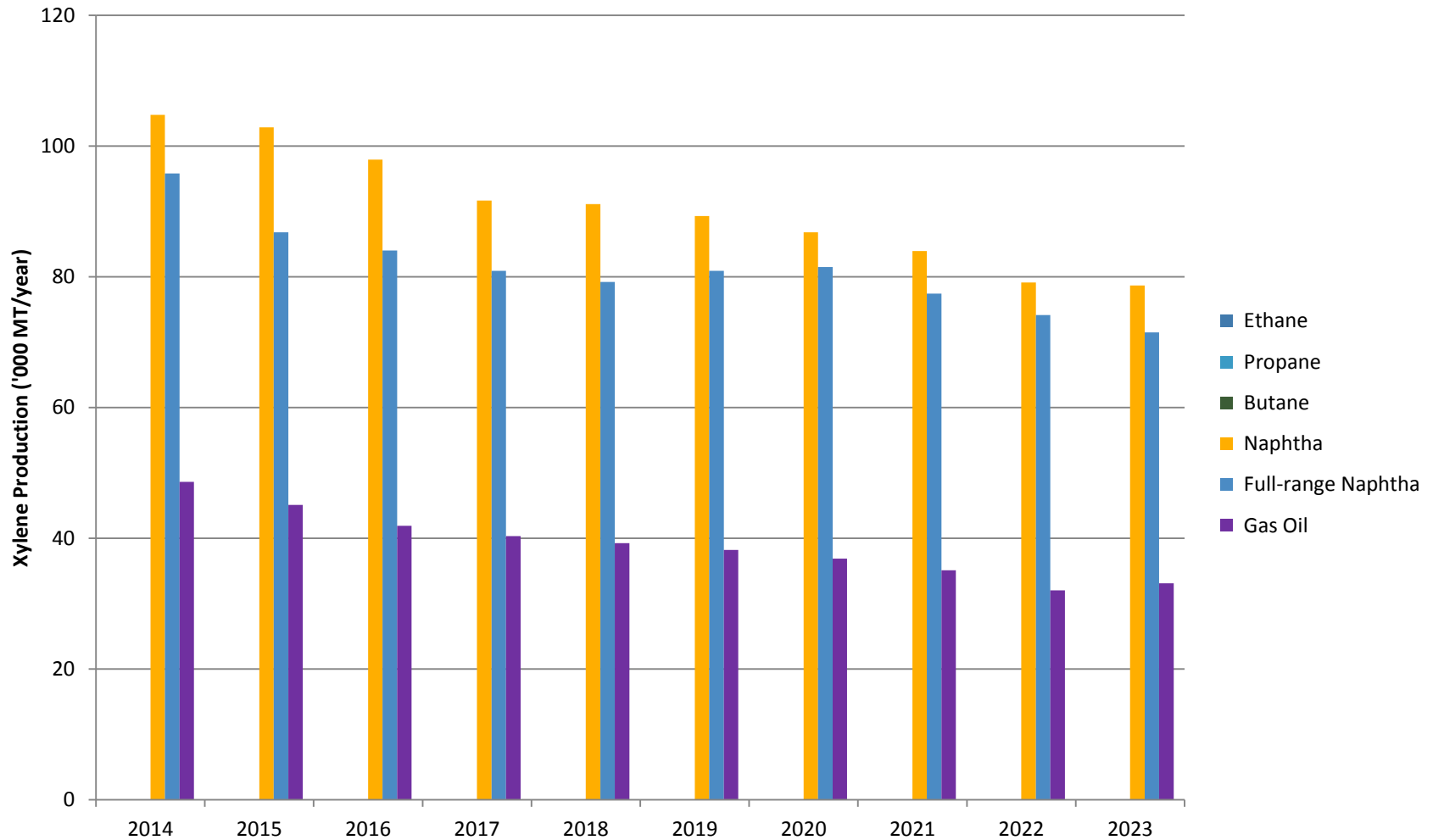
## Benzene Production



## Toluene Production



# US xylene production outlook at cracker



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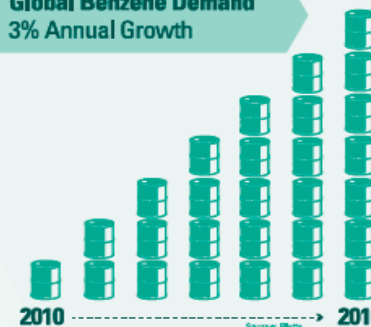
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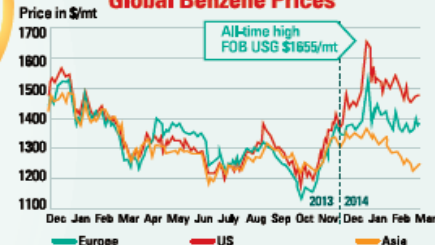
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MX/PX  
TOL  
Benzene



# Muchas gracias!

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