

Contact:

Dr Moncef HADHRI, Economic Affairs, mha@cefic.be

Press contact, Nathalie GROSS, ngr@cefic.be

The EU chemicals sector faring better and closer to its pre-crisis level

Chemicals output ▲3.8%, Chemicals prices ▲5.1%, Chemicals sales ▲8.4%,
Domestic sales ▲8.8%, Exports ▲7.1%, Imports ▲7.5%, Consumption ▲8.5%,
Employment ▲1.4%, Capacity utilisation ▲2.7%,

❖ Investment is driving Eurozone economic growth

According to the ifo Eurozone economic outlook report (January, 10th, 2018), the economy in the euro area continues to grow strongly. Real GDP is expected to increase by +0.6% in Q4 2017 and Q1 2018. Private consumption is also rising sharply, but at slower pace compared to the first half of 2017.

❖ Chemicals confidence improving

According to EU Commission Business Survey data, the chemical business situation at present became more favourable in the fourth quarter of 2017 compared to the previous quarter of the same year. Prospects for the coming months were more positive, as were total order-book levels of chemicals. All in all, the chemicals business climate remained satisfactory, improving in Q4-2017. Chemicals confidence is far above the long-term average. ▲

❖ Chemicals output up 3.8% during first eleven months of 2017 (y-o-y)

Production in the EU chemicals sector grew 3.8% from January to November 2017 compared to the same period of 2016, with output rising in most chemicals sub-sectors. Chemicals output is (1.5%) below the first quarter of 2008 but closer to that level. ▲

❖ Chemicals prices surge 5.1% during first eleven months of 2017

Producer prices were above the previous year's level, growing 5.1% in the EU chemicals sector from January to November 2017 compared to the same period of 2016. Most chemicals sectors posted growth in prices. Paints and crop protection products recorded a price increase of

about 1%, while consumer chemicals prices edged up by just 0.4%. ▲

❖ Total chemicals sales up 8.4% through October 2017 (y-o-y)

Sales generated by EU chemicals companies (domestic sales + extra-EU exports) posted a value of €440.9 billion during the first ten months, up from €406.8 bn generated during the same period of 2016. Total sales were 8.4 percent higher than one year earlier. ▲

❖ Chemicals consumption rises 8.5% during first nine months of 2017 (y-o-y)

Chemicals consumption (domestic sales + imports) in the EU home market developed positively from January to September 2017. Consumption went up significantly, reaching €359.9 billion, up from €331.7 billion through September 2016 (8.5 per cent, y-o-y). ▲

❖ Chemicals exports jump 7.1% through September 2017 (y-o-y)

EU chemicals exports reached the value of €116.9 billion in the first nine months of 2017, rising by 7.7 billion (+7.1 per cent). All chemicals sectors posted an increase in exports revenue. The analysis shows that exports went up significantly in China, Rest of Asia and Rest of Europe including Russia. ▲

❖ Trade surplus up by €2.1 billion through September 2017 (y-o-y)

The net trade surplus was €35.9 billion during the first nine months of 2017 (additional €2.1 bn). The largest EU chemicals surplus occurred with rest of Europe. EU chemicals however registered a trade deficit with South Korea, India, and Japan. ▲