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For Immediate release:

CMAI Completes 2010 World Butylenes Analysis

Houston, TX – [Chemical Market Associates, Inc. \(CMAI\)](#) announces the completion of the [2010 World Butylenes Analysis](#), a global study that highlights key historical developments and future trends in supply, demand, production, capacity, trade, pricing and profitability for the period 2004 to 2014. Product coverage extends from butene-1, high purity isobutylene, MTBE and ETBE, to contained isobutylenes and contained normal butylenes, as well as major derivatives. The Analysis is a necessary resource for business managers and planning professionals, who need to make strategic business decisions in a rapidly changing global economic and market environment.

Included with each analysis is 12 months of access to CMAI's online capacity and supply/demand databases, with a mid-term supply/demand update, incorporating the latest economic and market outlook. New for the 2010 Edition is access to the key graphics contained in the Analysis in Microsoft Excel format.

Market Outlook

The global butylenes markets are very complex and interrelated. In most cases, butylene supply is determined by process economics farther up the value chain without significant influence from actual changes in butylene demand. The most recent example is the shift of flexible ethylene crackers toward lighter feedstocks in response to changes in the relative prices of crude oil and natural gas. In North America, the strong incentive to crack ethane has reduced the use of heavier feedstocks and, as a consequence, the supply of raffinate-1 and raffinate-2. The overwhelming issue facing the market, therefore, is the availability and quality of the crude C4 coming from the ethylene crackers.

Supply of butylenes nonetheless should be sufficient to meet demand on a global basis, although some regional markets will not be as well balanced. Raffinate-based butene-1 production in the U.S., for example, is under pressure from feedstock limitations, but globally the addition of significant ethylene-based butene-1 production capacity should keep the market well supplied.

Demand for butylenes derivatives decreased in 2009 from previous highs, often achieved in 2007, due to the impact of the global economic recession. However, the forecast period (2009 – 2014) will see a return to healthy growth for most butylene derivatives. Butene-1 demand growth has turned positive as recovery from the global recession is underway. High purity isobutylene (HPIB) similarly will continue to enjoy solid growth supported by IIR demand into the tire markets.

Global MTBE markets have recovered from the removal of MTBE from the U.S. gasoline pool and returned to solid operating rates and attractive margins. The rise of the ETBE market is causing some uncertainty in the MTBE markets, although the global MTBE market is expected to remain much larger than the ETBE market. However, from a butylene perspective, the split between MTBE and ETBE is largely irrelevant, since both products consume raffinate.

To find out more about the current market issues and CMAI's outlook for the [butylenes](#) industry, order this analysis now at www.cmaiglobal.com. The analysis is available in electronic format along with access to CMAI's Online Capacity and Supply/Demand databases on CMAI'S website. With updates to the Capacity database as changes

in the marketplace occur, and an annual mid-year update to the Supply/Demand database, clients can rely on these databases as a necessary tool for their strategic business decisions.

CMAI is the premier provider of Market, Planning and Business Advisory Services offering a unique combination of consulting analytics and expertise for the global chemical, plastics, fibers and chlor-alkali industries. With offices in Houston, New York, London, Dubai, Düsseldorf, Singapore and Shanghai, CMAI has provided expert business advisory services to a broad base of companies across multiple value chains and geographies since 1979. Clients to CMAI services include chemical and oil companies, technology & EPC companies, banking and financial institutions, consumer product companies, textile & apparel manufacturers, brand-owners, grocers/retailers, government agencies and trading companies.

For more information on the [2010 World Butylenes Analysis](#) visit CMAI's website at www.cmaiglobal.com or contact:

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