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For Immediate release:

CMAI completes 2010 World Vinyls Analysis; PVC demand is rebounding.

Houston, TX – [Chemical Market Associates, Inc. \(CMAI\)](#) announces the completion of the [2010 World Vinyls Analysis](#). The annual global market study covers past and future developments in supply, demand, production, capacity, trade, pricing and profitability of the global vinyls industry for the period 2004 to 2014. Included with each analysis is 12 months access to CMAI's online capacity and supply/demand databases with a mid-term supply/demand update incorporating CMAI's latest market outlook. 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.

PVC Current Situation

Worldwide PVC demand declined by eight percent in 2008, and is expected to decrease further in 2009. Typically, PVC demand tracks GDP, albeit at a slightly faster pace, during periods of both positive and negative GDP growth. By the summer of 2009, the global economy was beginning to show signs of recovery in some geographic regions, and CMAI expects worldwide PVC demand to get back on a positive growth track. The damage to PVC demand wrought by the recent economic recession is best illustrated by recent market changes. Prior to the onset of the recession, the vinyls market quickly absorbed additional capacity as plants came on-stream; now, however, global operating rates have dropped significantly as global consumption has fallen far behind a still growing capacity volume.

PVC Supply/Demand

Early in the study period, the global market was undersupplied. When the global economy contracted, capacity expansions continued because most projects were too far along to stop; most of these capacity expansions were and will continue to be located in China. The capacity projections in the 2010 World Vinyls Analysis include the expectation that capacity will be rationalized in North America, although actual closures have not yet been announced. Even with these hypothetical closures, the global PVC market is projected to be oversupplied by almost four million metric tons by 2014. The supply/demand analysis suggests that more capacity will need to close in order to improve the margin environment in the industry.

China will remain the single largest demand country in the world, and any supply/demand issues that occur in China will impact the global vinyls market. China will continue to add to its supply of VCM/PVC, mostly via the acetylene-carbide route, and as such, will be less reliant on imported PVC.

Global trade in PVC fabricated products, primarily from China, is expected to increase due to lower priced labor and raw materials. This activity will continue to place downward pressure outside of China on some fabricated product markets, like wall coverings and floor and ceiling tiles.

To find out more about the current market issues and CMAI's outlook for this industry, order the 2010 World Vinyls Analysis now at www.cmaiglobal.com. The analysis is available in book and CD-ROM format, with access to CMAI's Online Capacity and Supply/Demand databases. With updates to the Capacity database as changes in the marketplace occur, and a bi-annual update to the Supply/Demand database, clients benefit from up-to-date market information necessary for 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, plastic converters, textile & apparel manufacturers, brand-owners, grocers/retailers, government agencies and trading companies.

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

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