



Global demand for HDPE - according to a new study from Ceresana Research - is primarily influenced by rapidly growing sectors, such as the packaging and construction industries. Although North America and Western Europe accounted for approximately 44% of worldwide consumption during 2007, Asia-Pacific leads worldwide growth and, for the most part, will drive future HDPE revenue increases. Currently, Eastern Europe is also profiting from significant growth rates and has reached a market volume of 2.5 million tons.

Asia-Pacific's portion of worldwide consumption of HDPE has risen from 31% in

2000 to more than 35% in 2007. Manufacturers in this region are benefiting from rapidly growing markets and increasing export possibilities to North America and Western Europe. The HDPE manufacturing industry is migrating from previously established regions to the continuously growing and cost effective countries in Asia. In the oil-rich countries of the Middle East, not only is demand for plastics increasing steadily but so is production. Since 2000, HDPE production in the region has increased at an average of 20% per year, whereby Saudi Arabia accounts for a large portion of this. There is no end in sight for this rapid development: until 2013,

projects with a total capacity of 6.7 million tons are planned throughout the Middle East, which is expected to make this region the most important supplier of HDPE. Only marginal capacity increases will take place in Western Europe and North America, whereby expansions will primarily come through the modernization of old production facilities.

Manufacturers of HDPE will be required to invest in innovative products and efficient production technologies, in order to stay current among increasing competition. Milk bottles and other hollow articles made with blow moulding processes are the most important application areas for HDPE. Above all, China, where bottles made from HDPE were first launched in

2005, is the fastest growing market for rigid HDPE packaging, due to an improving standard of living. In India and other heavily populated, emerging markets, infrastructure will continue to be built up - assuredly with pipes and cable conductors made from HDPE.

www.ceresana.com



PIED