



number of modern production facilities with capacities of 400,000 tons or more are being constructed throughout the country. Correspondingly, the trade balance is also changing: China is constantly becoming less dependent upon imports, and by 2009 PVC export amounts are expected to surpass import totals. PVC manufacturers in India are profiting from rising domestic

demand. In contrast, the US are dealing with excess capacity: production capacity decreases in the amount of 2 million tons are anticipated over the next several years, because otherwise no economical degree of efficiency will be reached. Of the nine primary application areas, the majority of global PVC demand currently originates from building

construction and civil engineering, that is to say demand for pipes (38%) and for window profiles (20%). Other important areas of application include for example, films and sheeting, cable insulation, flooring, and shoes, as well as medical products, such as intravenous drip lines.

www.ceresana.com

Polyvinyl chloride continues to be one of the world's most crucial plastics. It came under attack 20 years ago by environmentalist groups but, after numerous scientific investigations and improvement measures, the industry calmed the situation down.

The environmental aspects of this durable and fireproof material are now often looked upon positively, the relatively minimal need for oil is also considered to be advantageous. A new market study from Ceresana Research shows that the PVC branch can expect to see continued growth.

In 2007, the PVC world market reached a volume of 34 million tons (versus 24 in 2000).

However, the 5% annual rate of growth seen in the past will probably not continue.

Nevertheless, global demand is expected to increase by an average of 2% per year, despite the precarious financial crisis.

The study explains through individual regions and countries, why PVC demand is forecasted to total more than 40 million tons by 2016.

While Middle Eastern nations are implementing enormous expansions in production capacity for many other plastics, such as polypropylene and polyethylene, with PVC they are not able to profit as much from their abundance of raw materials.

The reason for this: PVC consists of only 43% of the petroleum/natural gas derivative ethylene. For the most part, the polymer is made up of chlorine, which can be obtained in a multitude of regions from the extensive supply of salt. PVC is particularly interesting to other world regions for this very reason.

The majority of PVC manufacturers are located in China, whereby these often represent small, aged acetylene-based factories. Nevertheless, an increased