

1	Table of contents	
1	Table of contents	3
1.1	List of Tables	5
1.2	List of Figures	6
2	Introduction	7
2.1	Overview	7
2.2	GlobalData Report Guidance	8
3	Global Petrochemical Industry	9
3.1	Petrochemical Industry Value Chain: Three Stage Process	12
3.2	Rapid Growth of Demand in China, Huge Market Potential of Emerging Markets and Capacity Expansion in the Middle East to Drive the Global Petrochemical Industry	13
3.3	Recession, Competitive Advantage of the Middle East and Low Growth in Western Markets Affecting the Global Petrochemical Industry	13
3.4	Fluctuating Oil Prices, Project Delays and Increased Regional Competition will Challenge the Global Petrochemical Industry Growth	13
4	Middle East Petrochemical Industry	14
4.1	Abundant Low Cost Feedstock, Favorable Government Policies and Proximity to Booming Markets Driving the Middle East Petrochemical Industry	14
4.1.1	Abundant Low Cost Feedstock Providing Competitive Advantage	14
4.1.2	Favorable Government Policies Catalyzing the Petrochemical Industry Growth in the Middle East	14
4.1.3	Proximity to Booming Asian Markets Driving Petrochemicals Demand	15
4.2	Limited Low Cost Feedstock and Growing Number of Project Delays to Impact the Industry Growth	15
4.2.1	Increased Number of Capacity Expansions Leading to Fast Depletion of Ethane Feedstock	15
4.2.2	Delayed Execution of Projects Might Hinder the Fast Industry Growth	15
4.3	Slow Recovery of Petrochemical Demand, Large Capacity Additions by China, Infrastructure Development and Anti-Dumping Duties Pose a Challenge for the Middle East Petrochemical Industry	16

4.3.1	Post-Recession, Demand for Petrochemicals is on a Slow Recovery Path	16
4.3.2	Large Capacity Additions in China May Act as a Deterrent for Middle East Exports	16
4.3.3	Lack of Simultaneous Infrastructure Development Affecting the Industry Growth	16
4.3.4	Levying of Anti-Dumping Charges on Middle East Exports	16
4.4	Olefin Prices are the Lowest in the Middle East Region	17
4.5	Middle East Countries Gaining a Dominant Share in Major Petrochemicals and Polymers	19
5	Saudi Arabia Petrochemical Industry	23
5.1	Saudi Arabia is the Largest Manufacturer of Petrochemicals in the Middle East	23
5.2	Key Characteristics of the Saudi Arabia Petrochemical Industry	29
5.2.1	Subsidized Feedstock Gives Saudi Producers a Key Cost Advantage	29
5.2.2	Government Identifies Petrochemical Sector as the Key for the Country's Growth	29
5.2.3	Emerging Markets Driving the Saudi Arabia Petrochemical Sector Growth	33
5.2.4	Accession to WTO Set to Impact the Saudi Arabian Petrochemical Industry	34
5.3	Saudi Arabia Petrochemical Industry Future Outlook	35
5.3.1	Saudi Arabia Feedstock Advantage Taking a Hit	35
5.3.2	Looming Supply Glut May Affect Industry Growth	35
5.3.3	Capacity Expansions in Emerging Markets to Affect Trade Relations between Saudi Arabia and China	37
6	Iran Petrochemical Industry	38
6.1	Iran, the Fastest Growing Region in the Middle East	38
6.2	Key Characteristics of the Iran Petrochemical Industry	44
6.2.1	Advantaged Feedstock Driving Capacity Growth in Iran	44
6.2.2	Stunted Petrochemical Industry Growth Due to US Sanction has Ensured that the Sector has Latent Potential	44
6.2.3	Asia-Pacific and Russia Filling the Void of Western Countries for Iran's Petrochemical Industry	45
6.3	Iran Petrochemical Industry Future Outlook	46

6.3.1 Privatization of the Petrochemical Industry May Add to the Complexity	46
6.3.2 Iran's Bold 20-Year Outlook Plan Envisions Petrochemical Output Reaching 100 MMTPA by 2015	47
7 Middle East Chemical Producers: Strategies to Sustain Growth	49
7.1 Saudi Basic Industries Corporation	49
7.1.1 Expansion of Basic Petrochemicals is the Key to Maintaining High Growth	49
7.1.2 Changing Industry Dynamics Bring New Challenges to the Fore for Saudi Arabia	50
7.2 The National Petrochemical Company	50
7.2.1 Large Scale Expansions to Tap Greater Market Share in the Global Petrochemical Markets	50
7.2.2 Continuous Political Unrest with the US and Increased Capacity Expansions in China are Inhibiting the Company's Growth	51
8 Major M&A Activities and Investments in the Middle East Petrochemical Industry in 2008-2011 Year to Date (YTD)	52
8.1 Trends in M&A: Deals and Asset Transactions for the Middle East Petrochemical Industry from 2008-YTD 2011	52
9 Implications of the Middle East Surge in Petrochemical Capacity for the Global Petrochemical Industry	55
9.1 Asia-Pacific Petrochemical Producers May Find it Hard to Compete with Cheaper Middle East Exports	55
9.2 Emergence of an Alliance between the Middle East and Asia-Pacific to Accentuate the Region's Competitive Advantage	55
9.3 North America and Europe's Petrochemical Industry will Continue to Lag Behind in the Coming Years	55
10 Appendix	60
10.1 Definitions	60
10.1.1 Installed Plant Capacity	60
10.1.2 Key Feedstock	60
10.1.3 Process	60
10.1.4 Technology	60

10.2 Abbreviations 60

10.3 GlobalData's Research Methodology 60

10.3.1 Coverage 60

10.3.2 Secondary Research 61

10.3.3 Primary Research 61

10.3.4 Expert Panel Validation 61

10.4 Contact Us 61

10.5 Disclaimer 62

1.1 List of Tables

Table 1: Global Ethylene Industry, Average Ethylene Price By Region, \$/Tonne, 2000-2015 18

Table 2: Global Propylene Industry, Average Propylene Price By Region, \$/Tonne, 2000-2015 19

Table 3: Global Petrochemicals Industry, Major Petrochemicals and Polymers Capacity by Region, MMTPA, 2010-2015 20

Table 4: Global Petrochemicals Industry, Major Petrochemicals and Polymers Capacity, MMTPA, 2010-2015 (Contd.) 21

Table 5: Global Petrochemicals Industry, Major Petrochemicals and Polymer Capacity of Top Countries, MMTPA, 2000-2015 22

Table 6: Middle East Petrochemical Industry, Major Petrochemicals and Polymers Capacity of Top Countries, 2000-2015 23

Table 7: Saudi Arabia Petrochemical Industry, Major Petrochemicals and Polymers Plant Capacity, MMTPA, 2000-2015 24

Table 8: Saudi Arabia Petrochemical Industry, Active Plant Details, 2010 25

Table 9: Saudi Arabia Petrochemical Industry, Active Plant Details, 2010 (Contd.) 26

Table 10: Saudi Arabia Petrochemical Industry, Active Plant Details, 2010 (Contd.) 27

Table 11: Saudi Arabia Petrochemical Industry, Active Plant Details, 2010 (Contd.) 28

Table 12: Saudi Arabia Petrochemicals Industry, Foreign Direct Investment Details for Major Petrochemicals and Polymers, 2000-2015 30

- Table 13: Saudi Arabia Petrochemicals Industry, Foreign Direct Investment Details for Major Petrochemicals and Polymers, 2000-2015 (Contd.) 31
- Table 14: Saudi Arabia Petrochemicals Industry, Foreign Direct Investment Details for Major Petrochemicals and Polymers, 2000-2015 (Contd.) 32
- Table 15: Saudi Arabia Petrochemical Industry, Market Data for Major Petrochemicals and Polymers, 2000-2015 34
- Table 16: Saudi Arabia Petrochemical Industry, Planned Plant Details for Major Petrochemicals and Polymers, 2011-2015 36
- Table 17: Iran Petrochemical Industry, Major Petrochemicals and Polymers Plant Capacity, MMTPA, 2000-2015 39
- Table 18: Iran Petrochemical Industry, Active Plant Details, 2010 40
- Table 19: Iran Petrochemical Industry, Active Plant Details, 2010 (Contd.) 41
- Table 20: Iran Petrochemical Industry, Active Plant Details, 2010 (Contd.) 42
- Table 21: Iran Petrochemical Industry, Active Plant Details, 2010 (Contd.) 43
- Table 22: Iran Petrochemical Industry, Market Data for Major Petrochemicals and Polymers, MMTPA, 2000-2015 46
- Table 23: Iran Petrochemical Industry, Planned Plant Details for Major Petrochemicals and Polymers, 2011-2015 47
- Table 24: Middle East Petrochemical Industry, Deal Value and Number of Deals, 2008-YTD 2011 52
- Table 25: Middle East Petrochemicals Industry, Major Deals, 2010 53
- Table 26: Global Petrochemical Industry, Inactive Plant Details, 2000-2010 56
- Table 27: Global Petrochemical Industry, Inactive Plant Details, 2000-2010 (Contd.) 58
- Table 28: Global Petrochemical Industry, Inactive Plant Details, 2000-2010 (Contd.) 59

1.2 List of Figures

Figure 1: Global Petrochemical Industry, Major Petrochemicals and Polymers Capacity Share by Region, %, 2000-2015 9

Figure 2: Global Petrochemical Industry, Major Petrochemicals and Polymers Demand Share by Region, %, 2000-2015 10

Figure 3: Global Petrochemicals Industry, Petrochemical Value Chain 12

Figure 4: Global Ethylene Industry, Average Ethylene Price By Region, \$/Tonne, 2000-2015 17

Figure 5: Global Propylene Industry, Average Propylene Price By Region, \$/Tonne, 2000-2015 18

Figure 6: Global Petrochemicals Industry, Major Petrochemicals and Polymer Capacity of Top Countries, MMTPA, 2000-2015 22

Figure 7: Saudi Arabia Petrochemical Industry, Major Petrochemicals and Polymers Plant Capacity, MMTPA, 2000-2015 24

Figure 8: Saudi Arabia Petrochemical Industry, Market Data for Major Petrochemicals and Polymers, 2000-2015 33

Figure 9: Iran Petrochemical Industry, Major Petrochemicals and Polymers Plant Capacity, MMTPA, 2000-2015 38

Figure 10: Iran Petrochemical Industry, Market Data for Major Petrochemicals and Polymers, MMTPA, 2000-2015 45