

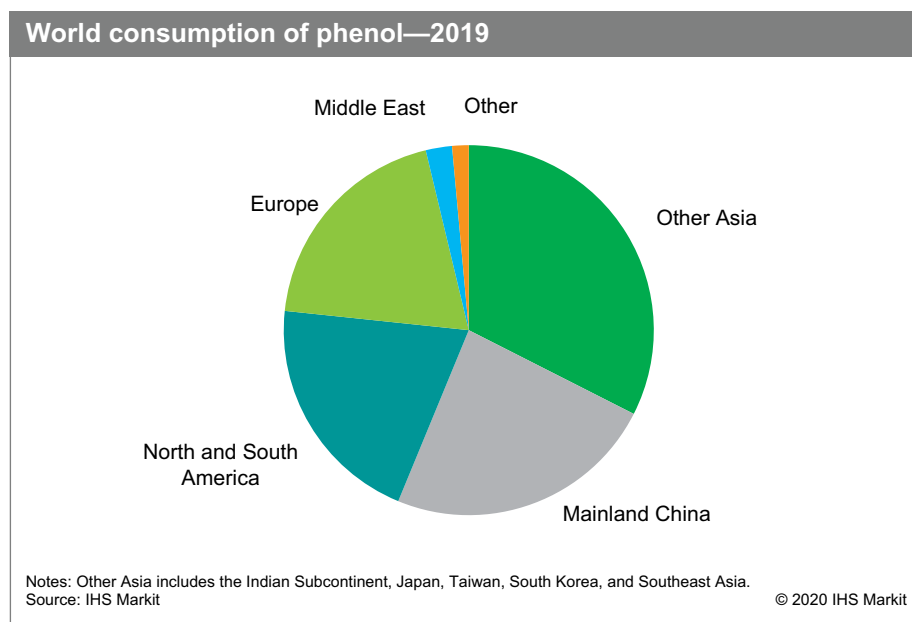
Phenol

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Abstract

Phenol is an aromatic organic compound derived from benzene, which is produced naturally and synthesized as a manufactured, high-volume chemical. Global phenol demand amounted to about 11 million metric tons in 2019, which resulted in a 2.6% average annual increase over the last five years. BPA is the leading demand driver, representing nearly half of global phenol consumption in 2019, with major end-use markets in polycarbonate and epoxy resins. Global phenol demand is led by Asia, accounting for more than half of total consumption.

The following pie chart shows world consumption of phenol:



The global phenol market is driven predominantly by demand for BPA, which accounts for nearly half of global phenol consumption. In turn, consumption of BPA is driven by demand for polycarbonate products, growth for which has been consistently above the GDP rate historically and expected to remain so for the future. Polycarbonate is mostly used in the automotive, OEM, construction, optical media, and appliance industries. It usually competes with glass and acrylic resins in glazing/sheet, along with acrylonitrile-butadiene-styrene (ABS) resins in appliances and power tools. Consumption of BPA is also influenced by demand for epoxy resins. The majority of epoxy resins are produced to make surface coatings, rigid printed circuit boards, and adhesives. Consumption of epoxy resin is dependent on OEM and automotive production, and construction and remodeling activity.

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The second-largest end use for phenol remains phenol-formaldehyde resins, demand for which relies heavily on the construction industry. China will continue to lead the growth in phenol demand as more downstream capacity is added because of strong demand growth from the automotive, consumer, and construction sectors.

Nylon-KA oil is the third-largest market for phenol, but has been the fastest-growing application over the last five years,

Demand for BPA, phenol-formaldehyde resins, and other markets for phenol is greatly influenced by general economic conditions. As a result, consumption of phenol largely follows the patterns of the leading world economies.

For more detailed information, see the table of contents, shown below.

IHS Markit's Chemical Economics Handbook – *Phenol* is the comprehensive and trusted guide for anyone seeking information on this industry. This latest report details global and regional information, including



Global summary;
regional coverage



Producers with
annual capacities
and plant sites



Production figures
and trends



Consumption and
forecasts by end use
application



Manufacturing
processes and
environmental issues



Trade – imports
and exports

Key benefits

IHS Markit's Chemical Economics Handbook – *Phenol* has been compiled using primary interviews with key suppliers and organizations, and leading representatives from the industry in combination with IHS Markit's unparalleled access to upstream and downstream market intelligence and expert insights into industry dynamics, trade, and economics.

This report can help you

- Identify trends and driving forces influencing chemical markets
- Forecast and plan for future demand
- Understand the impact of competing materials
- Identify and evaluate potential customers and competitors
- Evaluate producers
- Track changing prices and trade movements
- Analyze the impact of feedstocks, regulations, and other factors on chemical profitability

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