Polyethylene Resins, Low-Density (LDPE)

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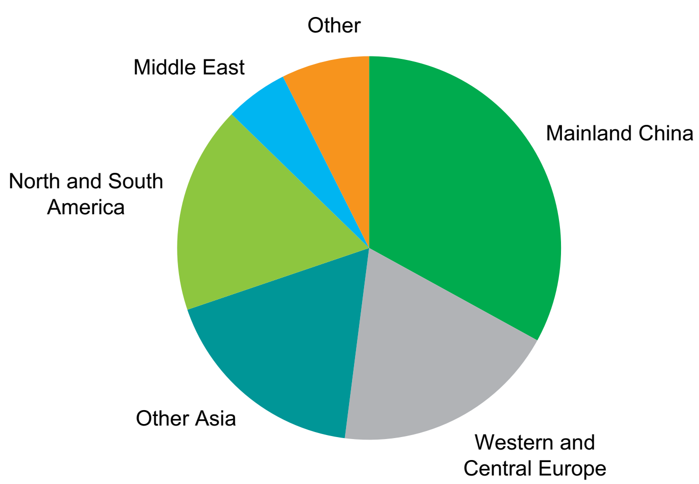
Abstract

The global polyethylene (PE) industry can be characterized mainly by a wave of capacity additions in North America, the Middle East, and mainland China (primarily coal-based). The shift toward lighter and cost-advantaged feedstock in North America is incentivizing production in the region. The competition in the international market has increased, adding pressure to the high-cost producers, especially in Western Europe. With the drop in oil prices in late 2014, the cost advantages enjoyed by natural gas–based producers declined but were not totally eliminated. Thus, North American capacity and production increases in the coming years will result in increased exports from the region. Mainland China is expected to benefit from local production, although its rapid demand growth will continue to depend on imported low-density polyethylene (LDPE) resins. LDPE accounted for 22% of total polyethylene demand in 2020 (LDPE and LLDPE together accounted for 55% of total polyethylene demand).

The following pie chart shows world consumption of LDPE:

World consumption of low-density polyethylene—2020



Notes: Other Asia includes the Indian Subcontinent, Japan, Taiwan, South Korea, North Korea, and Southeast Asia.
Source: IHS Markit © 2021 IHS Markit

Global LDPE demand is forecast to grow at an average annual rate of 3.2% during 2020–25. Mainland China will continue to lead world demand for LDPE. Film and sheet applications continue be the largest end-use segment, accounting for 70% of global LDPE demand in 2025. Mainland China is short domestically, and the market for LDPE imports will continue to grow. Therefore, global trade in the next five years will be affected primarily by

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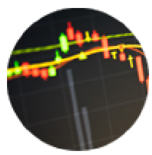
increased exports from North America and growing self-sufficiency in mainland China. The Middle East will continue to export large volumes during the forecast period.

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

IHS Markit's Chemical Economics Handbook – *Polyethylene Resins, Low-Density (LDPE)* 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 – *Polyethylene Resins, Low-Density (LDPE)* 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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