



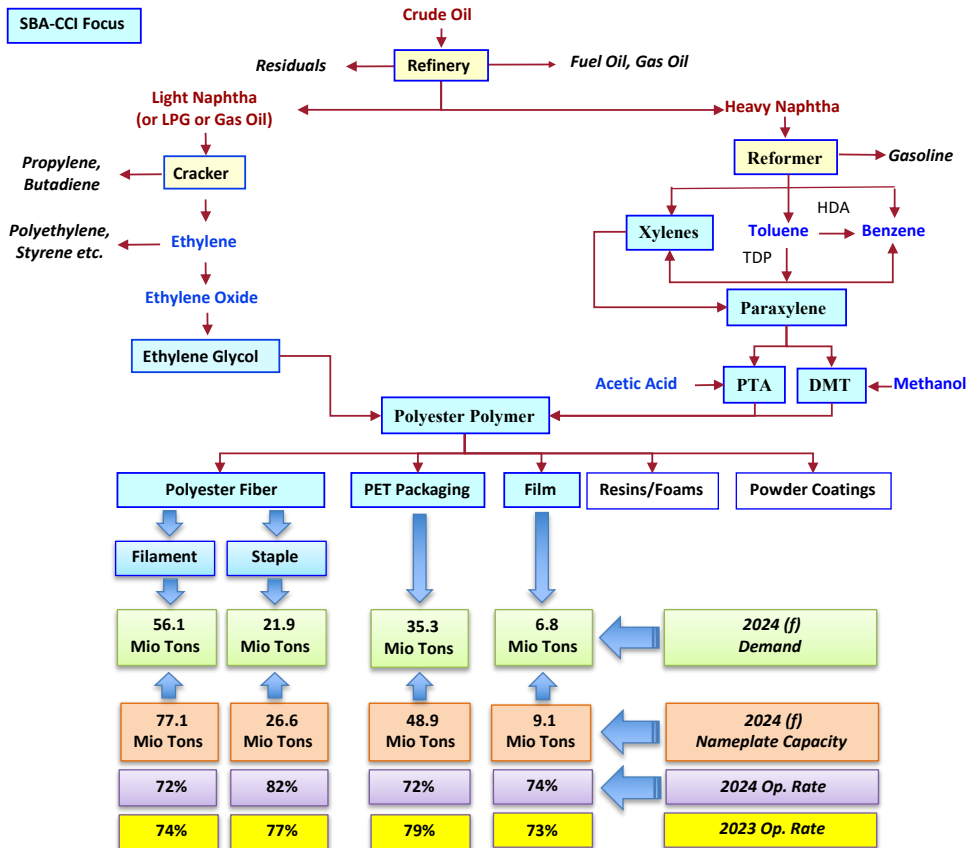
*Strategic Business Analysis*

## ***The Petcore Europe Conference 2024***

February 7<sup>th</sup>, 2024 - Brussels (Belgium)



# The Polyester Value Chain

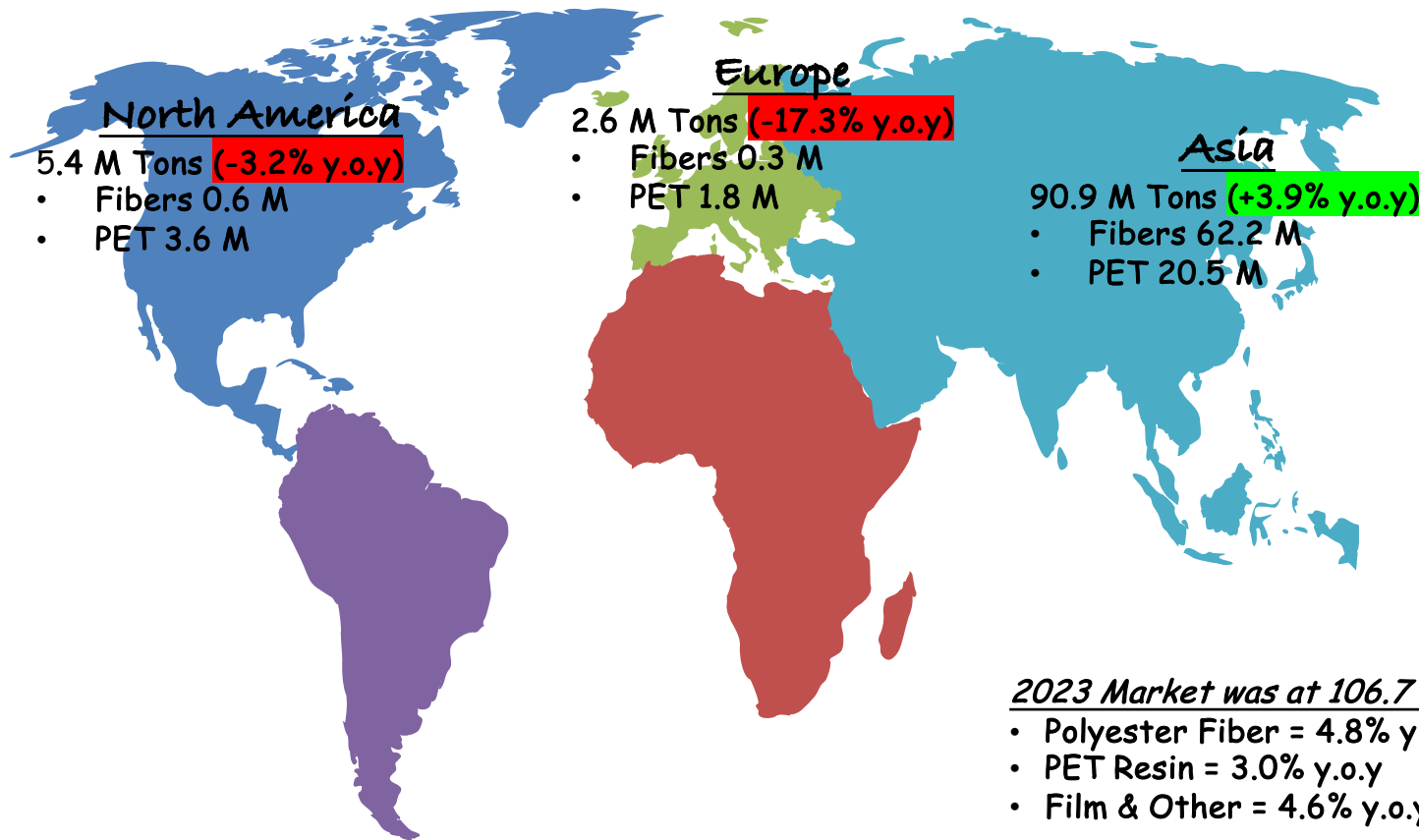


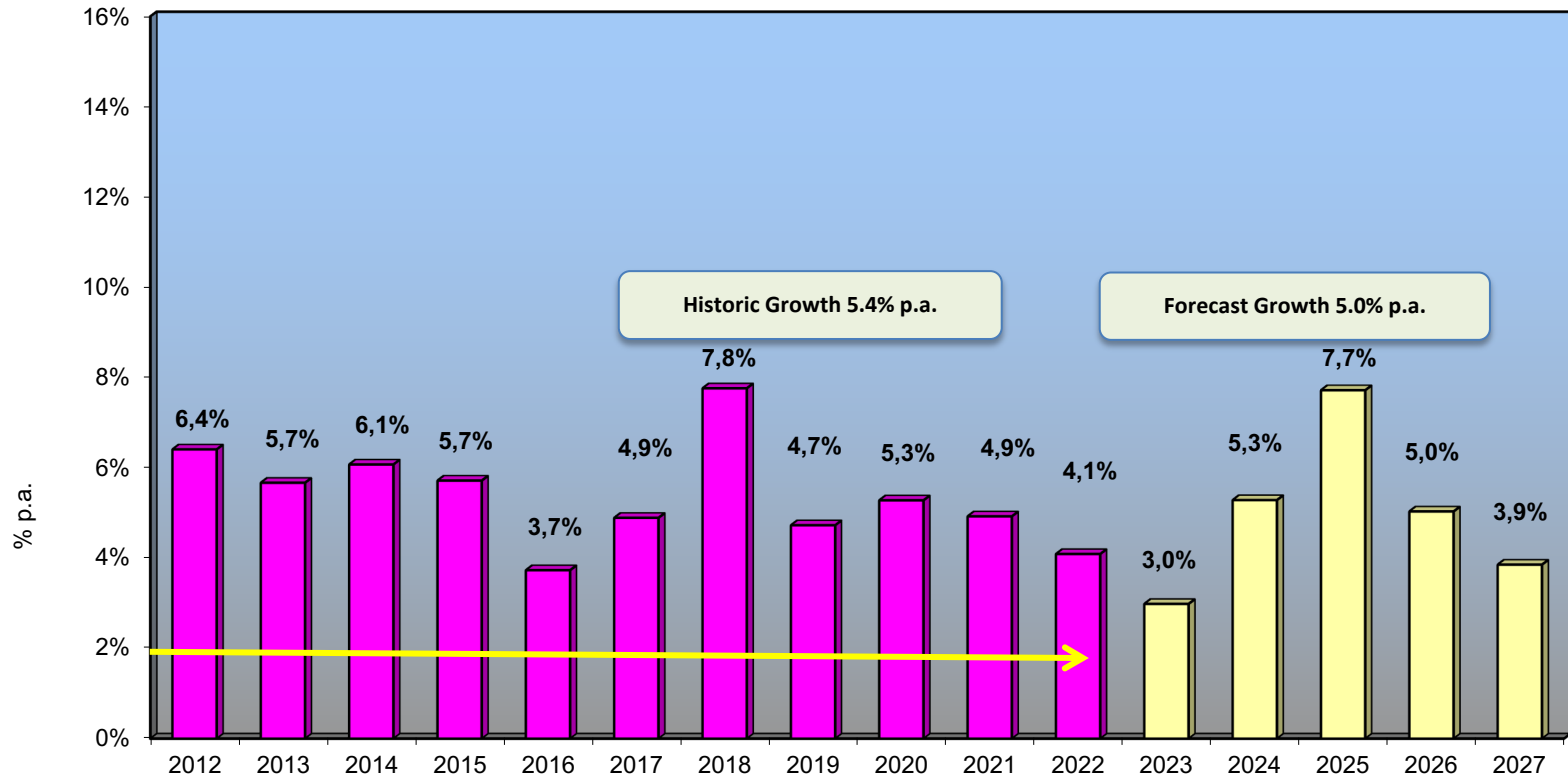
**Key Raw Materials for PET**

WTI	Oil &/or Natural Gas
MX/PX	Mixed Xylenes & Paraxylene
PTA	Purified Terephthalic Acid
MEG	Mono-Ethylene Glycol
PET	Polyester Polymer



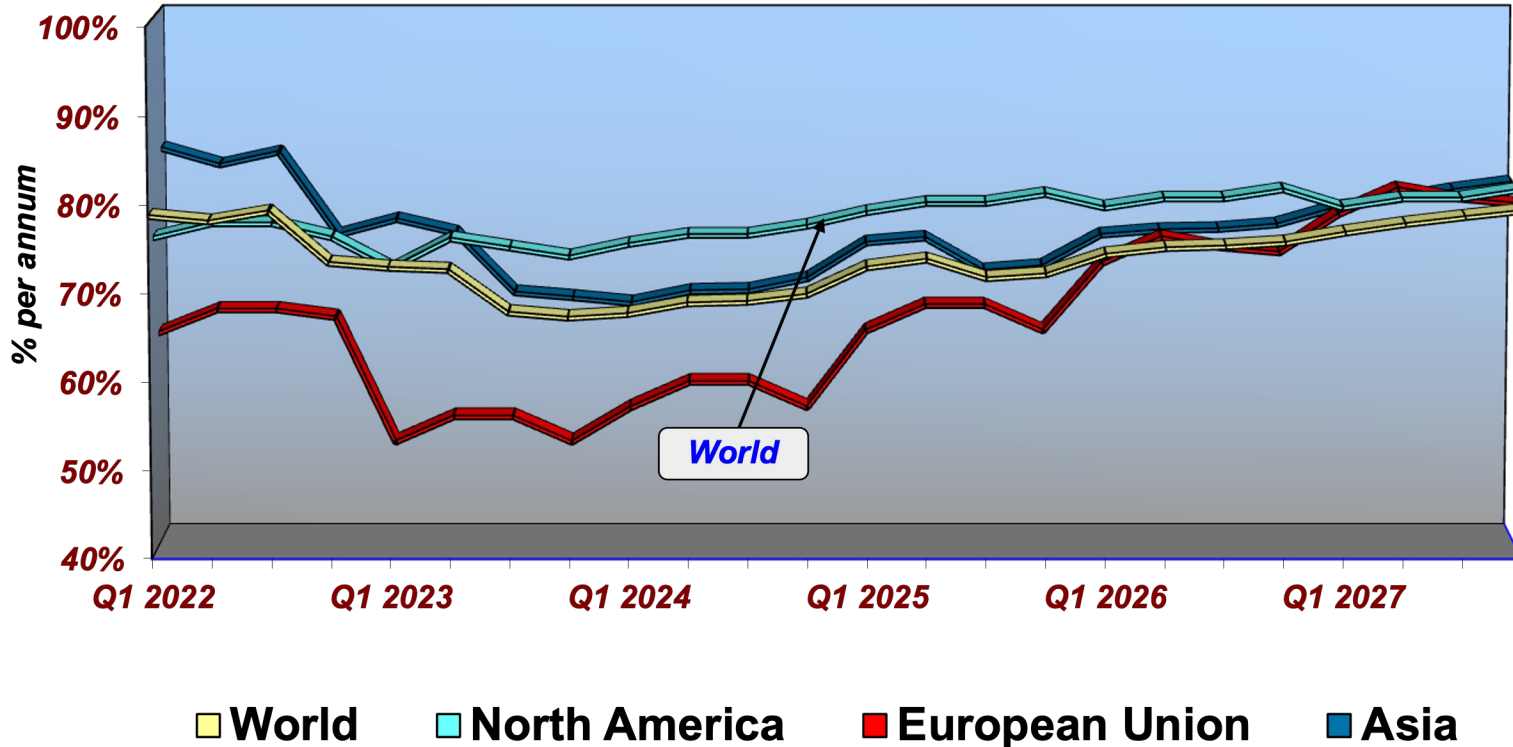
# 2023 Global Polyester Production Demand (106.7 M Tons)



PET Packaging Resin Production Growth Rates % p.a. 2012-2027 **SBA**cci

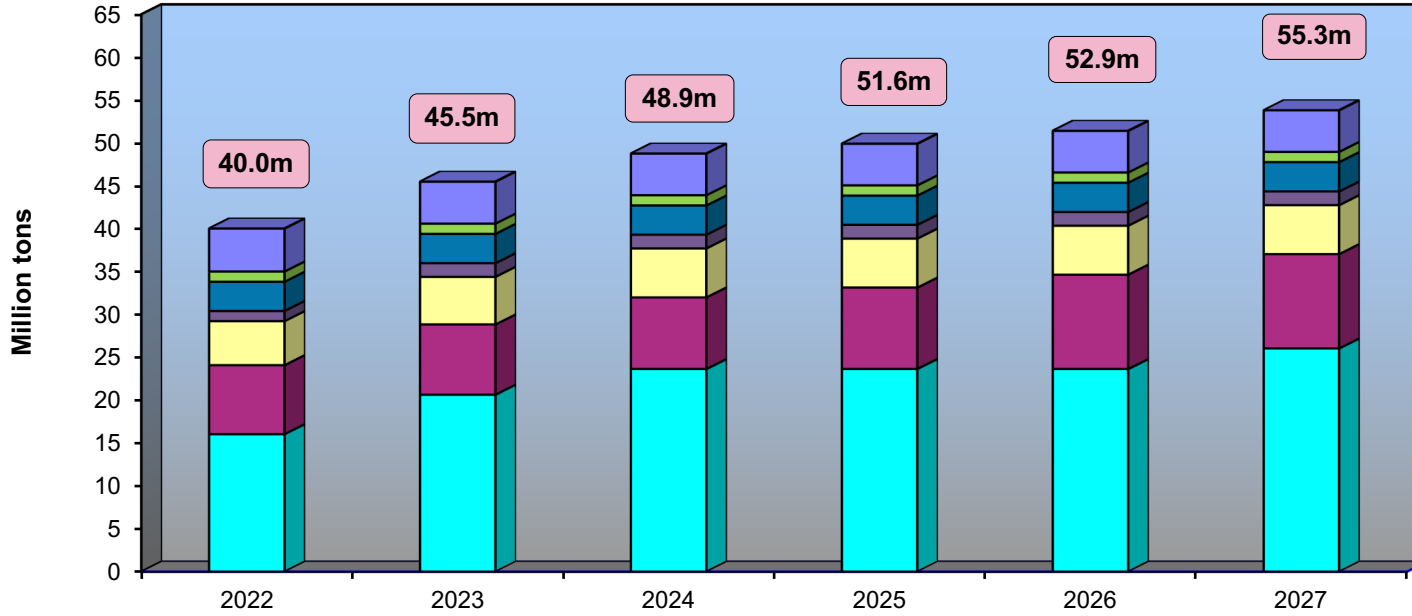
# World

## PET Packaging Resin Capacity Operating Rates / 2022-2027



# World

## PET Packaging Resin Nameplate Capacity 2022-2027



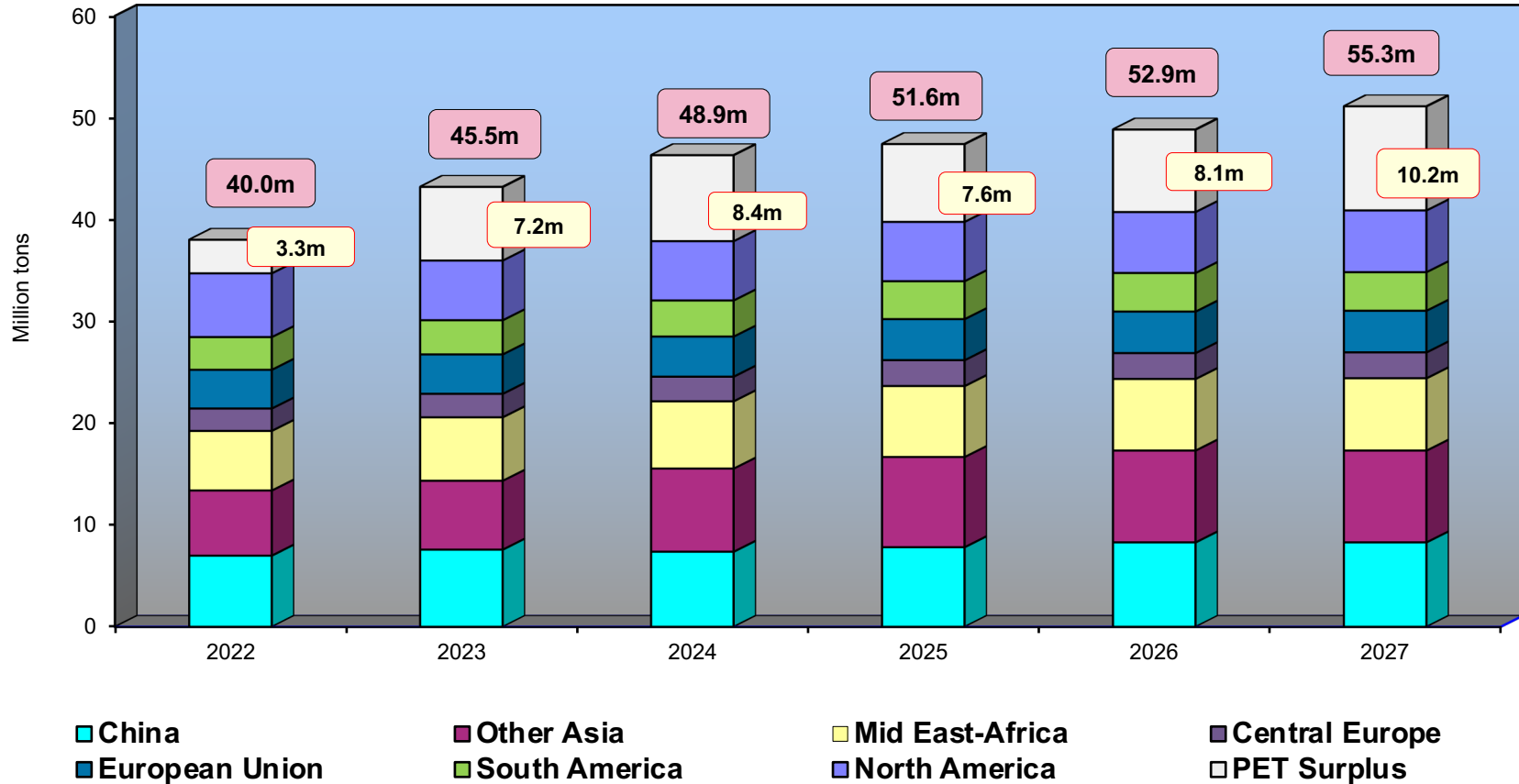
Production change (from 2023 to 2027)	
Country	Change (KT/year)
China	7 700
India	1 650
USA	1-100
Brunei	1-000

■ China 
 ■ Other Asia 
 ■ Mid East-Africa 
 ■ Central Europe 
 ■ European Union 
 ■ South America 
 ■ North America

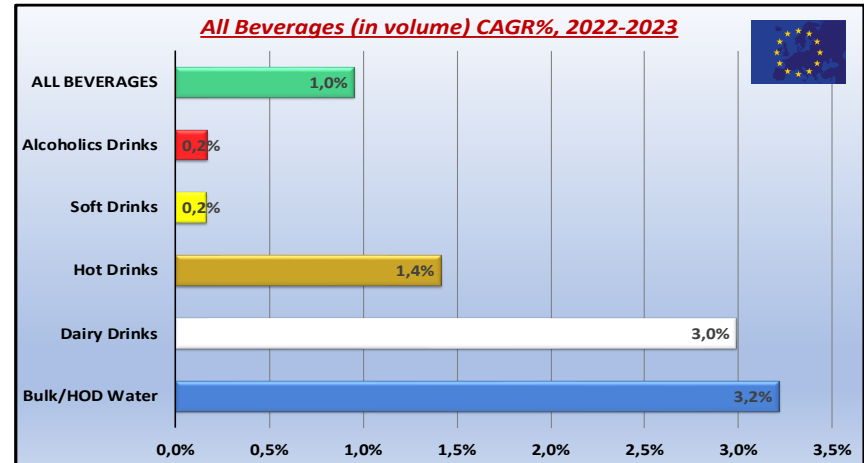
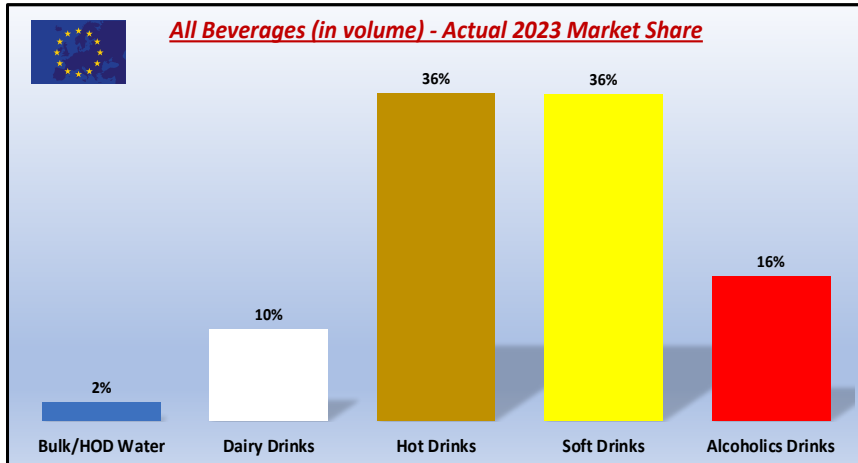
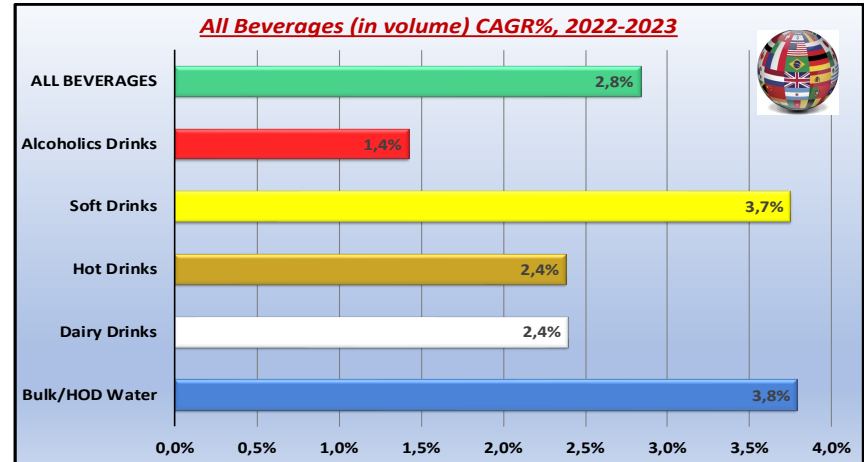
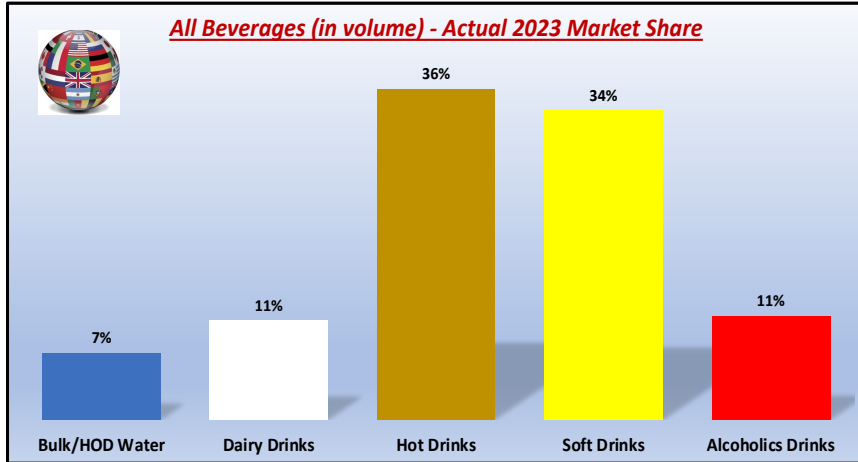


# World

## PET Packaging Resin Demand vs 95% of Capacity / 2022-2027



# Beverages - Worldwide Industry Snapshot



















# Global Packaged water Outlook by Region

REGION	Liter per Capita (2023)	2022-2023 Growth (%)	2023-2024 (f) Growth (%)
Africa	10	9,8%	4,1%
Asia	25	7,9%	5,9%
Australasia	41	1,7%	1,8%
East Europe	71	0,7%	1,8%
Latin America	27	6,8%	2,6%
Middle East & North Africa	48	5,3%	4,5%
North America	102	0,5%	0,6%
West Europe	112	-0,9%	0,3%
<b>WORLDWIDE</b>	<b><u>35.2</u></b>	<b><u>4,2%</u></b>	<b><u>3,3%</u></b>



# Packaged Water Performance (Year 2023) – Top 10 Economies + EU

Countries	Liter per Capita (2023)	PPL (\$)	LITERS 2022-2023 Growth (%)	PET 2022-2023 Growth (%)	LITERS 2023-2024 Growth (%)
 United States of America	151	\$0.73	0,4%	-3.1%	0.3%
 China	41	\$0.56	8,5%	7.4%	6.0%
 Japan	37	\$0.99	4,3%	3.3%	2.4%
 Germany	138	\$1.03	-3,2%	-11.9%	-3.4%
 India	15	\$0.59	9,0%	7.9%	8.0%
 United Kingdom	41	\$0.72	5,3%	-2.7%	3.6%
 France	131	\$0.47	-3,5%	-12.2%	0.9%
 Italy	247	\$0.52	-0,8%	-9.7%	0.9%
 Brazil	20	\$0.74	4,6%	3.6%	4.1%
 Canada	79	\$0.97	2,1%	0.1%	5.3%
 European Members	134	\$0.65	-1,3%	-9.7%	0.1%
 WORLD	<u>31</u>	<u>\$0.62</u>	<u>4,2%</u>	<u>1.6%</u>	<u>3.3%</u>

















## Global Carbonates Outlook by Region

REGION	Liter per Capita (2022)	2022-2023 Growth (%)	2023-2024 (f) Growth (%)
Africa	10	4,2%	3,1%
Asia	13	5,2%	4,2%
Australasia	86	2,8%	1,8%
East Europe	58	2,1%	2,6%
Latin America	88	3,9%	2,6%
Middle East & North Africa	32	3,3%	3,5%
North America	84	-0,4%	0,2%
West Europe	57	-0,5%	0,7%
<u>WORLDWIDE</u>	<u>28.5</u>	<u>2,8%</u>	<u>2,4%</u>



# Carbonates Performance (Year 2023) – Top 10 Economies + EU

Countries	Liter per Capita (2023)	PPL (\$)	LITERS 2022-2023 Growth (%)	PET 2022-2023 Growth (%)	LITERS 2023-2024 Growth (%)
 United States of America	120	\$2.22	-0.5%	-2.5%	0.1%
 China	14	\$1.34	1.9%	0.9%	2.6%
 Japan	26	\$2.23	1.8%	0.8%	-0.7%
 Germany	89	\$2.06	-2.3%	-7.2%	-0.3%
 India	7	\$2.17	9.1%	8.0%	7.3%
 United Kingdom	84	\$2.12	0.3%	-0.1%	1.2%
 France	38	\$1.94	1.4%	-0.4%	1.1%
 Italy	37	\$1.92	-4.3%	-9.1%	-1.0%
 Brazil	72	\$1.45	4.7%	2.6%	3.6%
 Canada	65	\$1.60	0.9%	-1.1%	1.6%
 European Members	63	\$1.90	-0.8%	-1.7%	0.8%
 WORLD	<u>31</u>	<u>\$1.58</u>	<u>2.8%</u>	<u>0.7%</u>	<u>2.4%</u>





UK included

# EU Members + UK – Carbonates Overview



## 2023 and 2024 Outlook

### VOLUME (in billion Liters)

34.3 billion in 2023

34.6 billion in 2024 (f)

➔ +0.9%

### VALUE (in € billion)

€65.4 billion in 2023

€67.7 billion in 2024 (f)

➔ +3.5%

### PRICE PER LITER (in €)

€1.91 in 2023

€1.96 in 2024 (f)

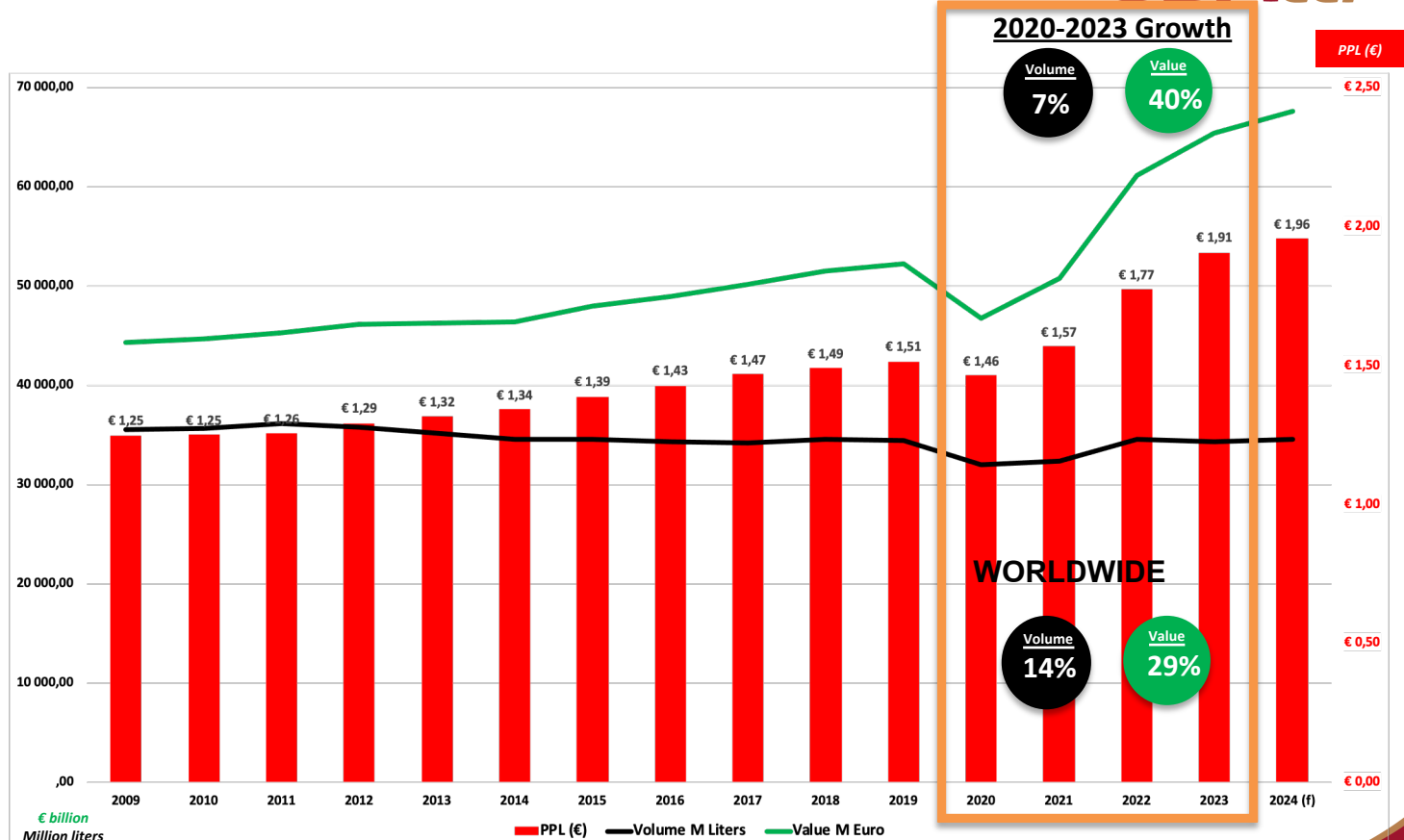
➔ +2.6%

### CONSUMPTION PER CAPITA

66.3 liters in 2023

66.8 liters in 2024 (f)

➔ +0.7%



€ billion  
Million liters

■ PPL (€) — Volume M Liters — Value M Euro





UK included

# EU Members + UK – Packaged water Overview



## 2023 and 2024 Outlook

### VOLUME (in billion Liters)

61.9 billion in 2023  
62.1 billion in 2024 (f) → +0.3%

### VALUE (in € billion)

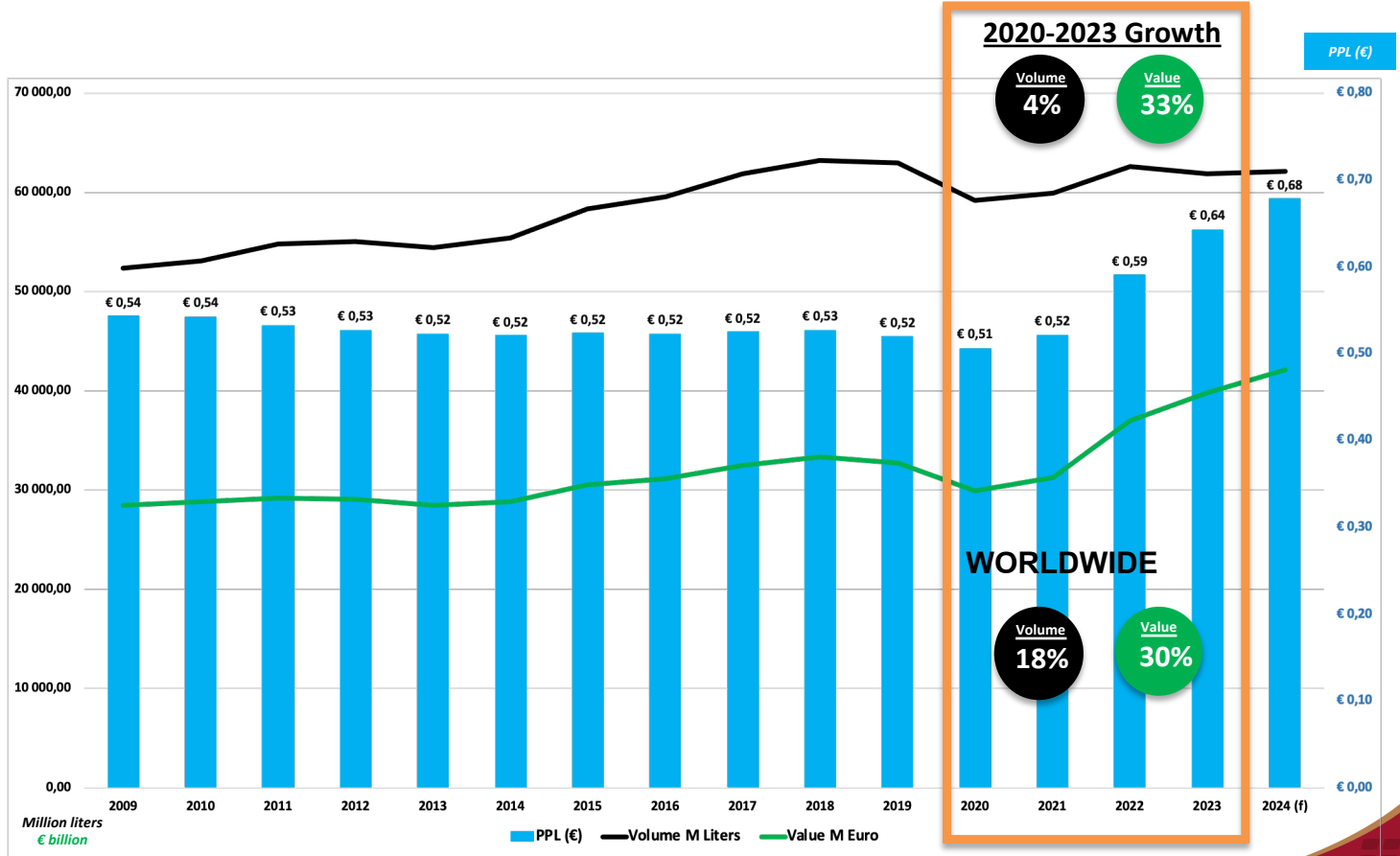
€39.8 billion in 2023  
€42.1 billion in 2024 (f) ↑ +5.8%

### PRICE PER LITER (in €)

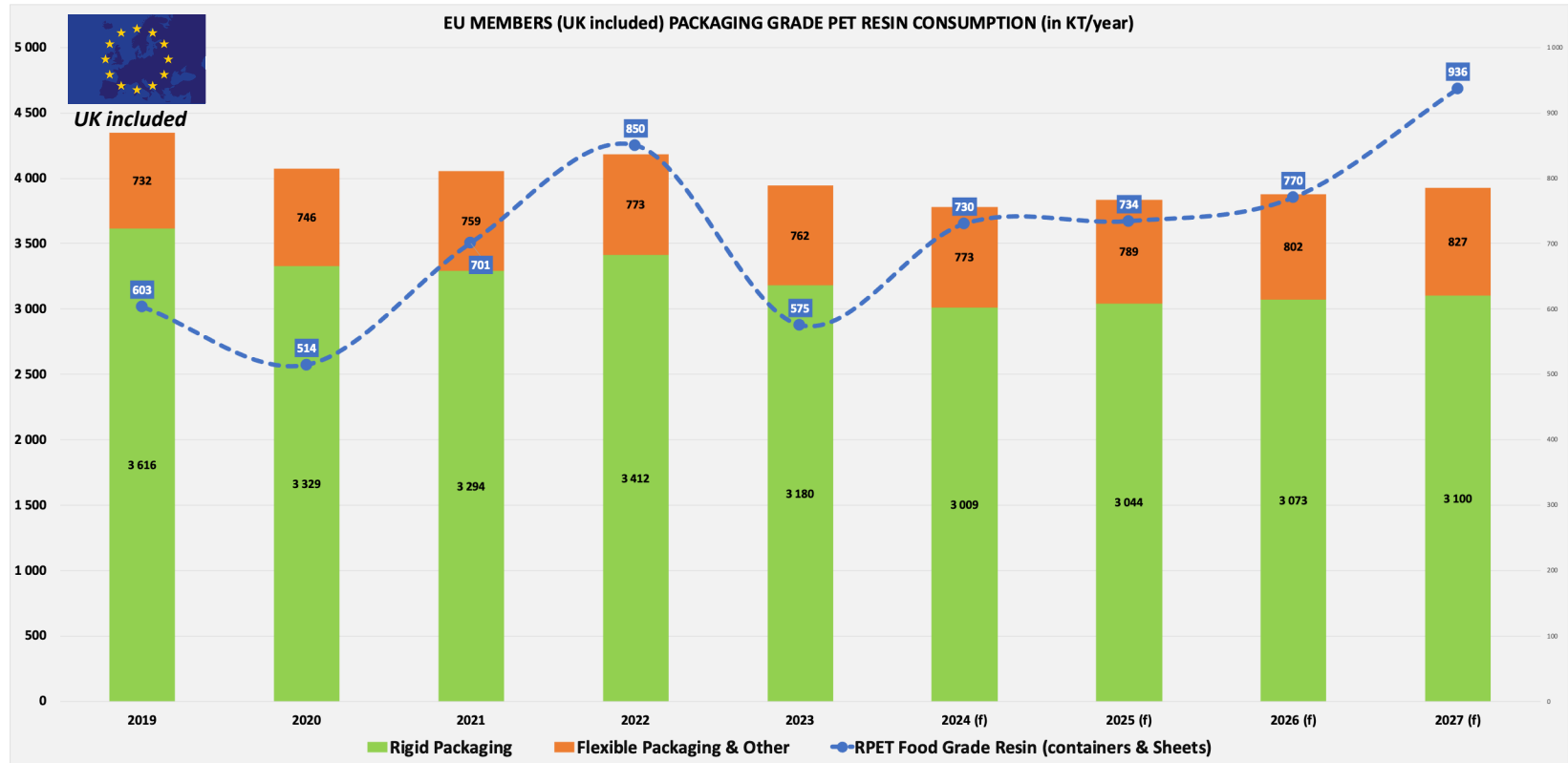
€0.64 in 2023  
€0.68 in 2024 (f) ↑ +5.5%

### CONSUMPTION PER CAPITA

119.6 liters in 2023  
119.9 liters in 2024 (f) → +0.3%

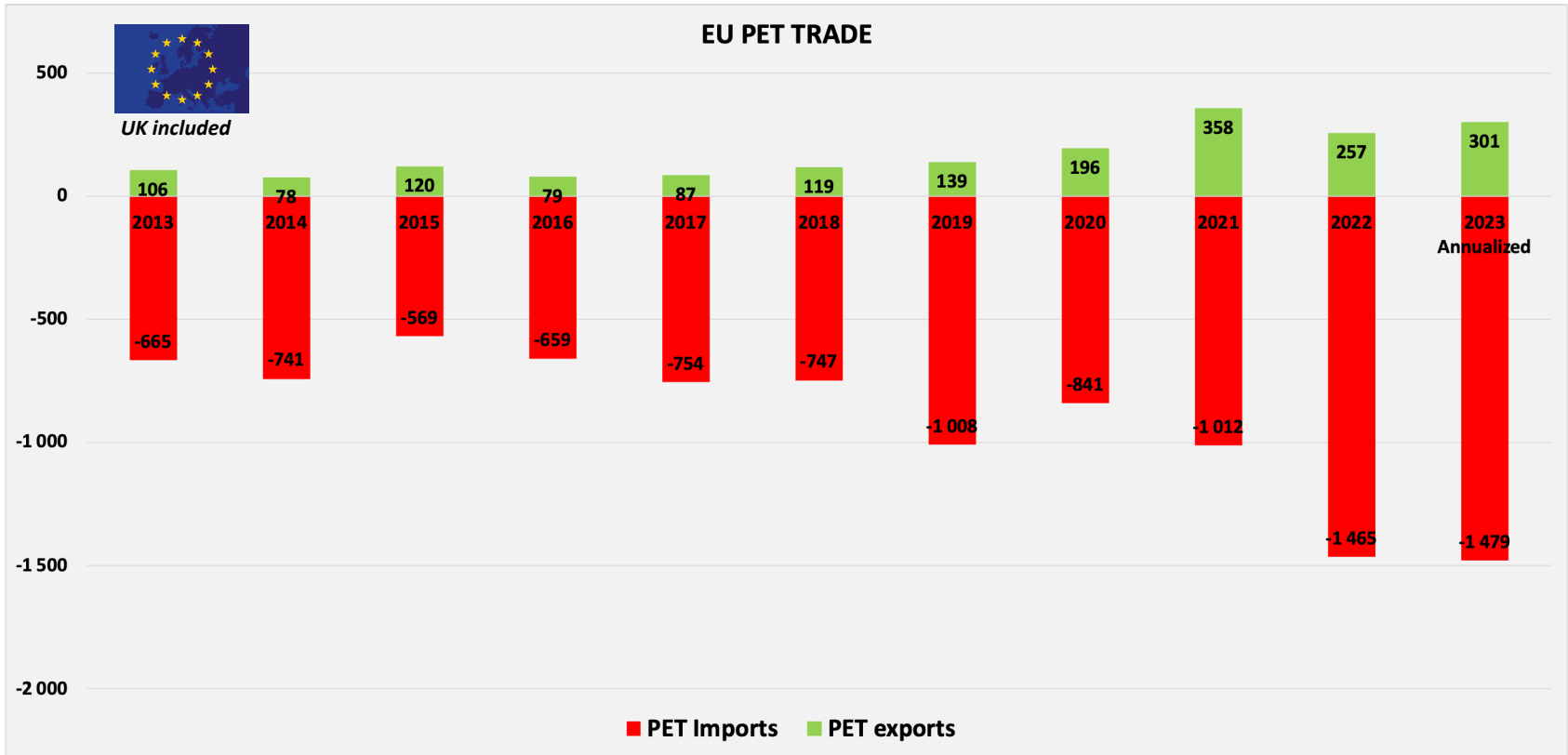


# PET Packaging Grade Demand (2009-2024)



# PET Bottle Grade (2013-2023)

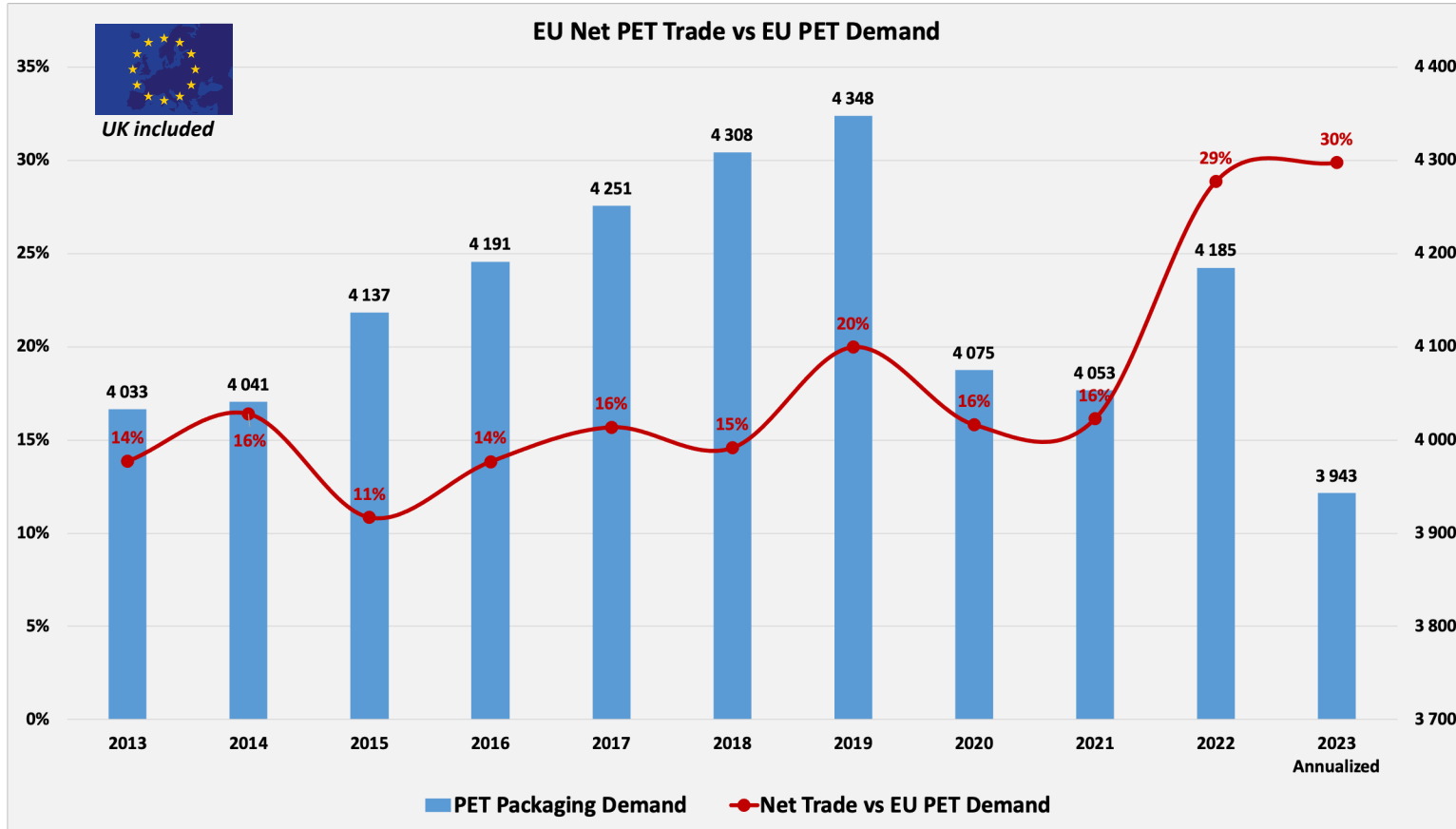
## 10 Years History of imports/exports material in EU (in KT)





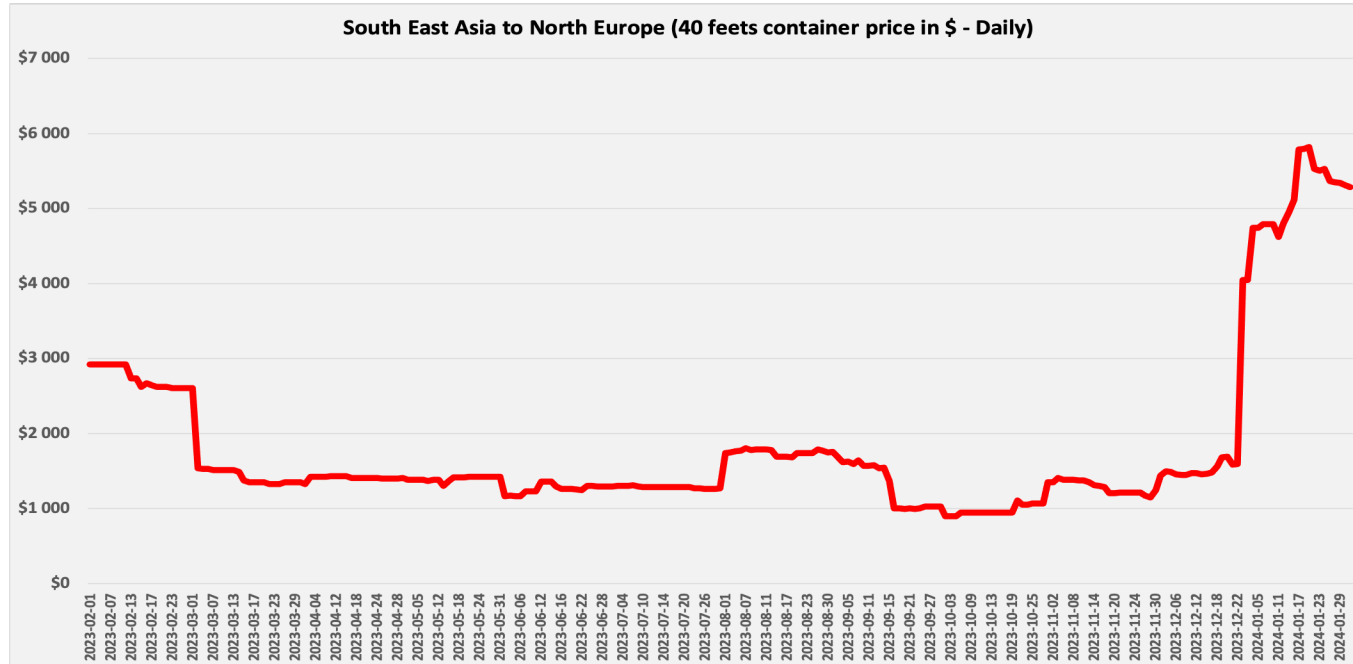
# PET Bottle Grade (2013-2023)

## 10 Years History of Net Trade material in EU (in KT)



# Global shipping in crisis

- The Suez Canal is a vital link for international shipping and accounts for between 12 and 15% of global trade and about 20% of container trade. In 2022, almost 23,900 ships transported around 1.4 billion tons of freight through the 193-kilometre-long Suez Canal.
- Instead of using the Suez Canal, they are instead re-routing their cargo 6,000 km further, around South Africa's Cape of Good Hope, which leads to up to 15 days longer transportation times and higher costs.
- In response, container prices have increased sharply, but are not at the levels reached at the heights of the COVID-19 pandemic.





- Longer delivery times due to the rerouting of ships could lead to order delays and cancellations
- Higher shipping costs will add to the already-high inflation.
- Products will take longer time to reach the markets — an especially big problem for seasonal period ahead.
- If high shipping costs spread to other regions, the entire PET/Polyester trade will be affected.
- Empty container shortages in some Asian export hubs
- Asia - Europe ocean rates up 265% since Dec 2023 and Asia - N. America East Coast rates are up 147%
- PTA/PET import offers now are in FOB term instead CIF and transit time now is almost 60 days .....
- PET Consumption will continue to decline in 2024 for beverages segment as consumers will continue to cut non-essential expenses due to high inflation rate unless EU economy change ....
- PET inventories are reasonable to low level. But imports continue hit the market ....
- Red Sea Crisis will favor both EU PTA and PET supply. O/R to increase and margins to recover.
- ..... However, we expect potential shortage of PTA in Europe as both Ineos and IVL shutdown PTA assets.
- In case of PTA shortage, brand owners will switch massively to Recycled PET material.

# Thank You

[www.SBA-CCI.com](http://www.SBA-CCI.com)

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