

## PRESS RELEASE

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### THE EUROPEAN MARKET FOR PP COMPOUNDS

A new market report published by AMI

AMI, Bristol, 31/10/19 – According to a newly published report by AMI, European demand for PP compounds has stalled since the middle of 2018 caused by mounting issues in the automotive industry. According to the report's editor, John Nash, tightening legislation on fuel efficiency and emissions is adding to their challenges.

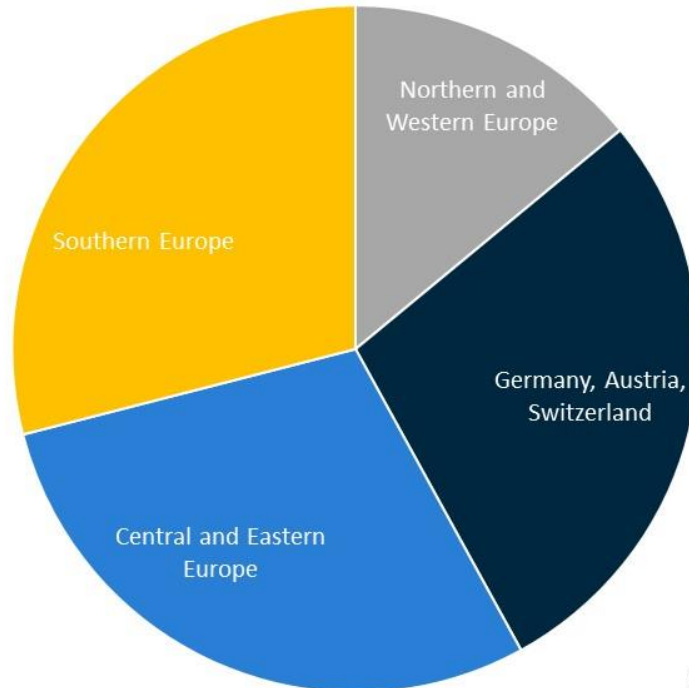
The largest market for PP Compounds is automotive which is facing unprecedented change as it approaches the challenges of moving away from ICE (combustion engines) and towards broadly defined eco-sustainability targets such as VW's July 2019 'Go-To-Zero Mission Statement'. There are fundamental design differences between EVs (Electric Vehicles) and HEVs (Hybrid Electric Vehicles) impacting the use of plastics. In both designs however light-weighting is increasingly valuable and there is therefore intense competition between different solutions and materials. The large PP Compounders are bringing to market substantial performance developments enabling not only higher performance but also replacement of higher cost, higher density engineering plastics and metal.

Particularly fast growing is glass fibre reinforced PP which is supplied in both short and long glass fibre formats. Glass reinforced PP is increasingly used in semi-structural applications like front-end modules, instrument panel carriers and door modules.

The leading producer in Europe is LyondellBasell. Other large PP producers which also sell compounds include Borealis, ExxonMobil, SABIC and Total. A second type of compounder doesn't make PP resin, but instead offers a multi-polymer range of compounds and include companies such as Sirmax and Celanese. A third category of compounder invests from overseas and includes GS Caltex, Kingfa, Mitsui, Washington Penn and most recently Lotte.

Demand in Central and Eastern Europe has been growing rapidly because of increasing production of cars and appliances and the region has now outstripped the German powerhouse for size.

**FIGURE 1: THE EUROPEAN MARKET FOR PP COMPOUNDS**



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Market report from AMI: PP Compounds in Europe 2019

'[The European Market for PP Compounds](#)' is an authoritative and detailed market report tracking and quantifying the issues of the industry. It is published every three years and provides benchmark information on markets, applications, products, profitability and industry structure. This report is aimed at assisting industry participants in anticipating change, formulating strategies, directing R&D investment and proactively managing threats and opportunities.

AMI Consulting has published a number of multi-client studies in the field of PP Compounds including a report in 2018 called '[The Global Market for PP Compounds](#)' and a report in 2017 called '[The Global Market for LFT \(long fibre\) PP Compounds](#)'.

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