

JJ&A

JIM JORDAN & ASSOCIATES, LP

GLOBAL ETHERS MARKET STUDY

**A Multi-client
Study
April 2010**



2010 GLOBAL ETHERS MARKET STUDY

Jim Jordan & Associates

Ethers, such as methyl tertiary butyl ether (MTBE) and ethyl tertiary butyl ether (ETBE), play a key role in the current global gasoline market. They provide three key elements to the global gasoline pool: octane, oxygen, and supply extension.

In 2006, due to litigation and liability fears, the blending of MTBE into gasoline in the United States was discontinued. The European Union, in contrast to the United States, has affirmed the continued use of ethers in gasoline blending. The Middle East continues as a large producer and consumer of MTBE. Also, South America (excluding Brazil), Mexico, and a large portion of Asia continue to be consumers of MTBE. Europe, South America, and Asia all support a continued global market for ethers in the gasoline pool, affording several major MTBE producers in the USA to continue to operate as export-only facilities. In addition, there are numerous world-scale MTBE plants in the Middle East and Asia that service this global market. The current global production capacity is estimated to be approximately 18 million metric tons per year.

From a producer perspective, ethers provide an upgrade path for low-value feedstocks, butanes/isobutylene, and natural gas-derived methanol into a premium fuel component. In Europe, swing plants (MTBE/ETBE) produce either product, based on economics and government incentives for biofuels. This dynamic will be discussed in the report.

From a consumer perspective, ethers provide a high-octane, non-sulfur, and non-aromatic oxygenate blendstock.

There are essentially three production methods used today to produce MTBE: as a co-product to the propylene oxide production process, the dehydrogenation of iso-butane into isobutylene, catalytically reacting with methanol, and the simple catalytic reaction of methanol to refinery-produced isobutylene from the fluid catalytic cracking unit. The production economics of each production path will be described in this study.

The 2010 Global Ethers Market Study will provide in-depth information for each regional market, such as trade patterns, historical pricing, blend value comparisons, plant capacity information, production economics, and price forecasts for the United States, European Union, and parts of Asia. Government policy for each region will be analyzed and presented with a detailed focus on the incentives affecting methanol and ethanol feedstock decisions.

The information presented in this study will be comprehensive, utilizing a wealth of both public and private information. JJ&A has been a long-time consultant to this industry and will provide subscribers to this work with an in-depth perspective of the ether markets.



Global Ethers Market Study - 2010

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- Global MTBE Price History, Microsoft Excel
- Global Methanol Price History, Microsoft Excel
- US Methanol & Natural Gas Price History, Microsoft Excel
- EU MTBE Trade Tables, Microsoft Excel
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- For orders placed **before April 1, 2010** : ****USD \$4050**
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