

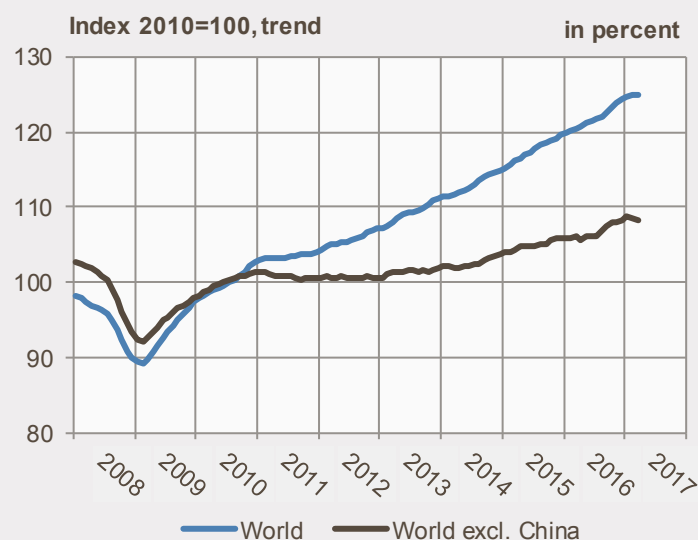
World Chemistry Report



The economic situation of the chemical industry worldwide in facts and figures

2017-05-30

Global production of the chemical & pharmaceutical industry



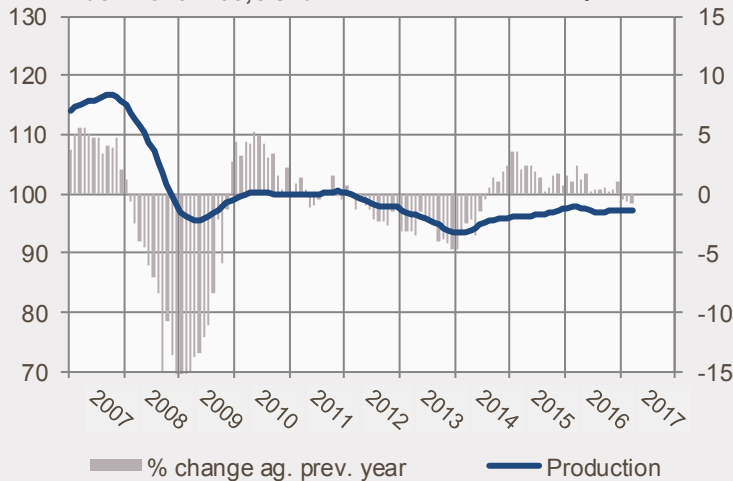
- The global production trend of chemicals and pharmaceuticals is still very positive.
- China was responsible for the dynamics in the past. However, recently production increases also in other countries and regions.

	percentage change Y/Y			
	2015	2016	Mar'17	Jan. - Mar. 2017
World				
chemicals (20)	2,7	3,1	3,5	3,3
pharma (21)	6,3	4,9	5,0	3,4

Production of chemicals & pharmaceuticals

countries and regions	2015	2016	latest month	percentage change against previous year	
				latest month	cumulated
World	4,2	3,7	3'2017	3,9	3,2
Europe	4,0	2,1	3'2017	5,4	2,1
Western Europe	4,1	1,9	3'2017	5,3	1,5
Germany	0,7	0,7	3'2017	3,4	1,1
France	8,5	0,3	3'2017	5,0	3,7
Italy	3,1	1,9	3'2017	7,9	4,7
UK	3,9	0,0	3'2017	-0,4	1,2
Spain	4,0	3,2	3'2017	8,4	3,8
Eastern Europe	3,6	3,8	3'2017	6,3	6,3
Poland	3,8	3,3	3'2017	6,8	4,5
Russia	6,2	6,6	3'2017	5,0	6,9
<i>European Union (EU 28)</i>	<i>3,9</i>	<i>1,7</i>	<i>3'2017</i>	<i>5,2</i>	<i>1,5</i>
North America	1,8	0,9	3'2017	-0,8	-0,7
USA	1,8	0,7	4'2017	0,2	-0,6
Canada	3,8	5,2	2'2017	1,0	5,1
Mexico	-3,0	-2,8	3'2017	4,0	1,0
Latin America	-3,8	-1,5	3'2017	-1,7	-1,0
Brazil	-7,4	-2,8	3'2017	-8,8	-4,1
Chile	6,6	0,0	12'2016	-2,8	0,0
Asia	6,6	6,4	3'2017	6,0	6,0
China	9,7	8,5	3'2017	6,0	6,5
Japan	1,2	3,2	3'2017	4,8	3,6
India	4,8	1,6	3'2017	3,3	5,8
South Korea	2,2	3,7	3'2017	5,0	5,3
<i>World excl. China</i>	<i>2,3</i>	<i>1,9</i>	<i>3'2017</i>	<i>2,7</i>	<i>1,9</i>

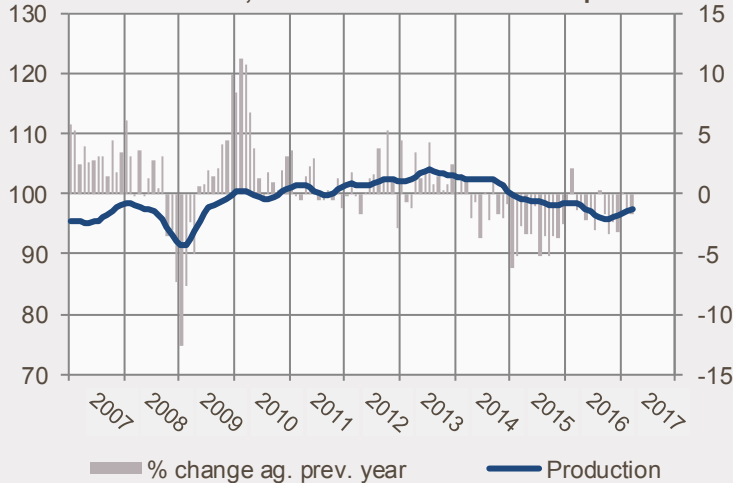
North America , chemicals/pharmaceuticals
Index 2010=100, trend in percent



- Production development in North America was weak in the beginning of 2017. Dynamics remain weak especially in the US-pharmaceutical production and in Mexico.
- The pre-crisis production level has not yet been reached.

	percentage change Y/Y			
	2015	2016	Mar'17	Jan. - Mar. 2017
North America				
chemicals (20)	-1,5	1,2	-0,9	0,3
pharma (21)	7,5	0,3	-0,5	-2,3
20/21	1,8	0,9	-0,8	-0,7

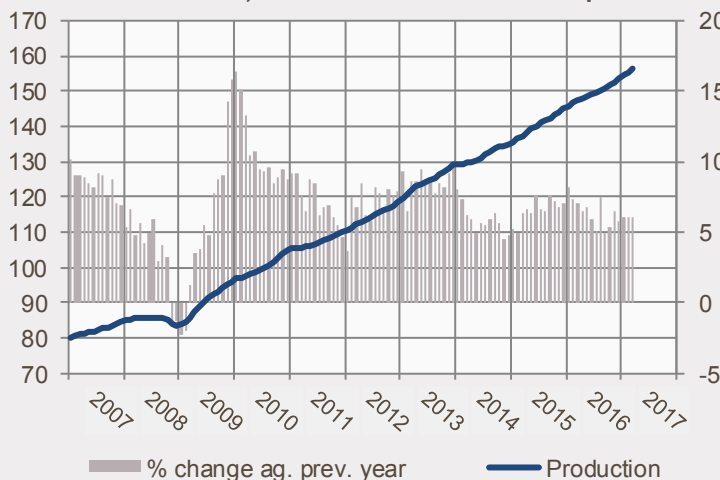
Latin America, chemicals/pharmaceuticals
Index 2010=100, trend in percent



- Production in Latin America increased slightly in comparison to last months. With the recovery of raw material prices, the economic prospects have become brighter.
- However, many countries continue to suffer from structural problems like dependence on raw materials and lack in competitiveness.

	percentage change Y/Y			
	2015	2016	Mar'17	Jan. - Mar. 2017
Latin America				
chemicals (20)	-3,0	-0,9	1,8	0,4
pharma (21)	-12,6	-7,2	-32,9	-15,0
20/21	-3,8	-1,5	-1,7	-1,0

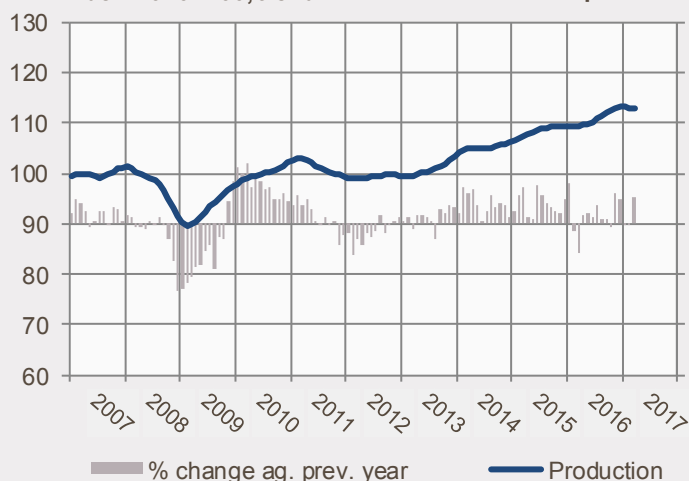
Asia, chemicals/pharmaceuticals
Index 2010=100, trend in percent



- The upward production trend in Asia is still very robust. However growth rates are lower than some years ago.
- The region is still triggered of China. However, in the beginning of 2017 growth continued on a broader basis than in the beginning of last year.

	percentage change Y/Y			
	2015	2016	Mar'17	Jan. - Mar. 2017
Asia				
chemicals (20)	6,2	5,3	5,3	5,1
pharma (21)	7,3	9,5	7,6	8,2
20/21	6,6	6,4	6,0	6,0

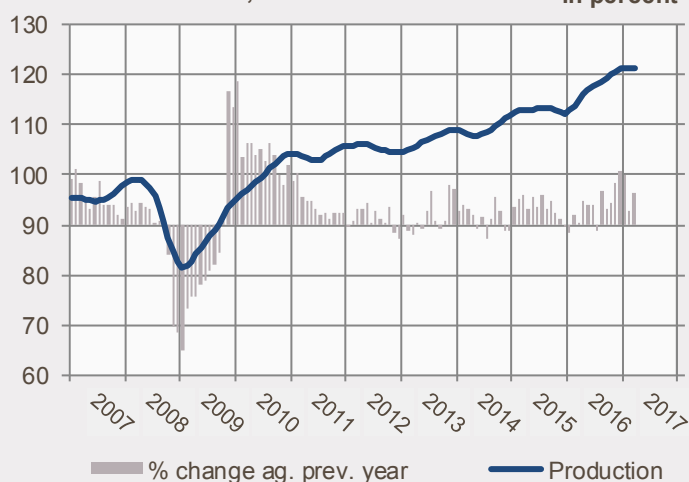
Western Europe, chemicals/pharmaceuticals
Index 2010=100, trend in percent



- In Western Europe production rose strongly in the first quarter of 2017 compared to last year – with high growth rates in March.
- Many countries saw production gains.
- Both chemicals and pharmaceuticals production increased.

Western Europe	percentage change Y/Y			
	2015	2016	Mar'17	Jan. - Mar. 2017
chemicals (20)	1,0	0,6	4,0	2,0
pharma (21)	5,7	3,9	7,4	2,7
20/21	4,1	1,9	5,3	1,5

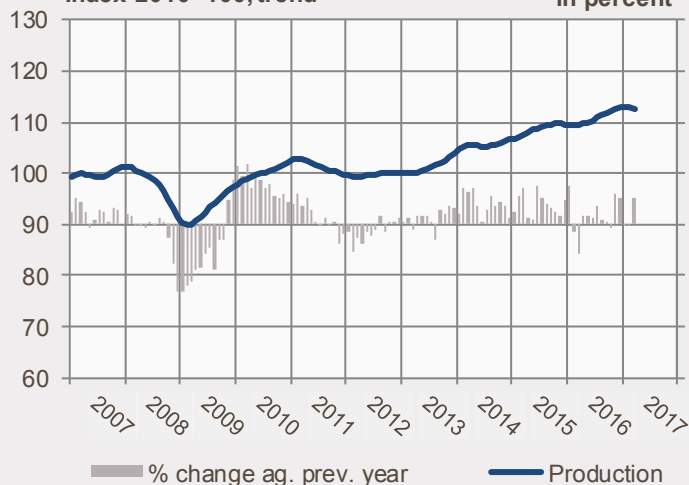
Eastern Europe, chemicals/pharmaceuticals
Index 2010=100, trend in percent



- In Eastern Europe dynamics were still very high.
- Both, pharmaceuticals and chemicals were above last year.

Eastern Europe	percentage change Y/Y			
	2015	2016	Mar'17	Jan. - Mar. 2017
chemicals (20)	3,5	4,1	4,5	6,3
pharma (21)	5,5	3,2	12,2	5,7
20/21	3,6	3,8	6,3	6,3

EU 28, chemicals/pharmaceuticals
Index 2010=100, trend in percent

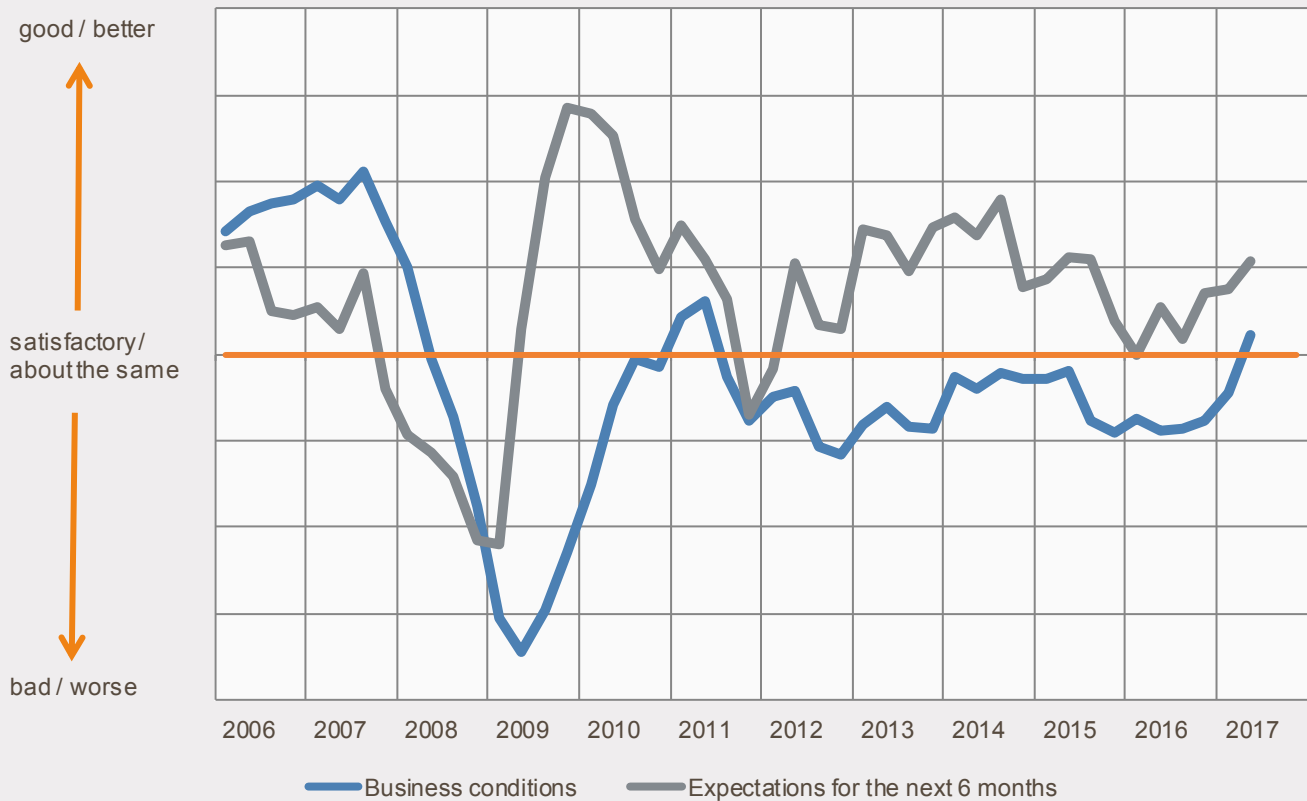


- In the European Union production was clearly higher than one year ago – especially in March growth rates were high.
- Growth impulses came from the production of chemicals. The production of pharmaceuticals took a break after strong dynamics in last years.

European Union (28)	percentage change Y/Y			
	2015	2016	Mar'17	Jan. - Mar. 2017
chemicals (20)	1,0	0,5	4,3	2,3
pharma (21)	7,2	3,2	6,6	0,9
20/21	3,9	1,7	5,2	1,5

For further information see EU-Chemistry Report

Outlook for the overall economy – World



- The Ifo World Economic Climate improved markedly in the second quarter of 2017. Experts' assessments of the current economic situation were considerably more positive, marking their sharpest increase since January 2013. Economic expectations also improved. The world economy showed a further recovery in the second quarter.
- The Ifo World Economic Climate improved in nearly all regions of the world. The main drivers remained the advanced economies, and especially the European Union. Both assessments of the current economic situation and expectations continued to follow an upwards trend in most EU-countries. In both Japan and the United States economic climate slightly weakened, which however remained satisfactory.
- The economic climate indicator for emerging markets and developing economies turned positive again, after being in negative territory since the second quarter of 2013. Although this signals a cautious recovery, experts indicate that the main economic problems of these countries are corruption, increasing income inequality and a lack of innovation.
- In Latin America assessments of the economic situation remained largely poor, but expectations brightened markedly.
- The economic climate in the main emerging markets (Brazil, Russia, India and China) together improved considerably. Assessments of the economic situation improved, albeit remaining negative. The economic outlook, however, turned very optimistic.

Source: Ifo