Case Study
MARKET ADVISORY

The client:
Joint venture of International Major and National Oil Company

The situation:
Advice required on whether to invest in a greenfield, multi-billion dollar petrochemical venture, based on North American shale gas feed advantage

What did ICIS do?
- Provided a global view of changing feedstock and product markets as a result of shale oil & gas
- Analyzed feedstock, ethylene, and derivative markets with 20-year forecast of prices, supply and demand
- Provided independent assessment on whether identified derivative opportunities would provide sufficient return to support a multi-billion dollar investment

What was achieved?
- Study provided best and worse case scenarios for feed, ethylene, and derivative markets
- Study highlighted strong and weak derivative investment opportunities
- Results were presented to both groups’ boards of directors, and a decision to proceed was made
Case Study
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The client:
Middle Eastern polymer manufacturer

The situation:
International banks required independent market analysis and critical assessment of the company's business model before providing finance

What did ICIS do?
- Assessed robustness and relative competitiveness of various feedstock sourcing options to operate the unit continuously at full capacity
- Used global supply and demand database to define optimum regional export markets for manufactured product in order to maximise operating profit
- Long-term price forecasting of regional polymer markets provided to forecast future profitability

What was achieved?
- Proposed business model was endorsed following the comprehensive analysis undertaken
- Potential risks were identified, and mitigation strategies provided
- Project was signed off, owing to the clearly defined medium-term operational strategy, with associated economic benefits
Case Study
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The client:
Middle Eastern petrochemical company

The situation:
Advice required around the launch of a new integrated cracker and petrochemical complex

What did ICIS do?
- Defined optimum product mix and key target markets from supply, demand and trade flow database
- Undertook comprehensive feedstock analysis, reviewing proposed supply contracts to maximize profitability
- Long term price forecasting of global petrochemicals, based on agreed oil & gas price scenarios, providing the data required to help secure project finance

What was achieved?
- Clear articulation of the preferred business development strategy helped to secure the required investment
- Engaging support from key stakeholders by setting out economic benefits to be derived from project implementation
- Project signed off thanks to structured, long-term growth plans, credible forecasting, and clearly communicated economic benefits