



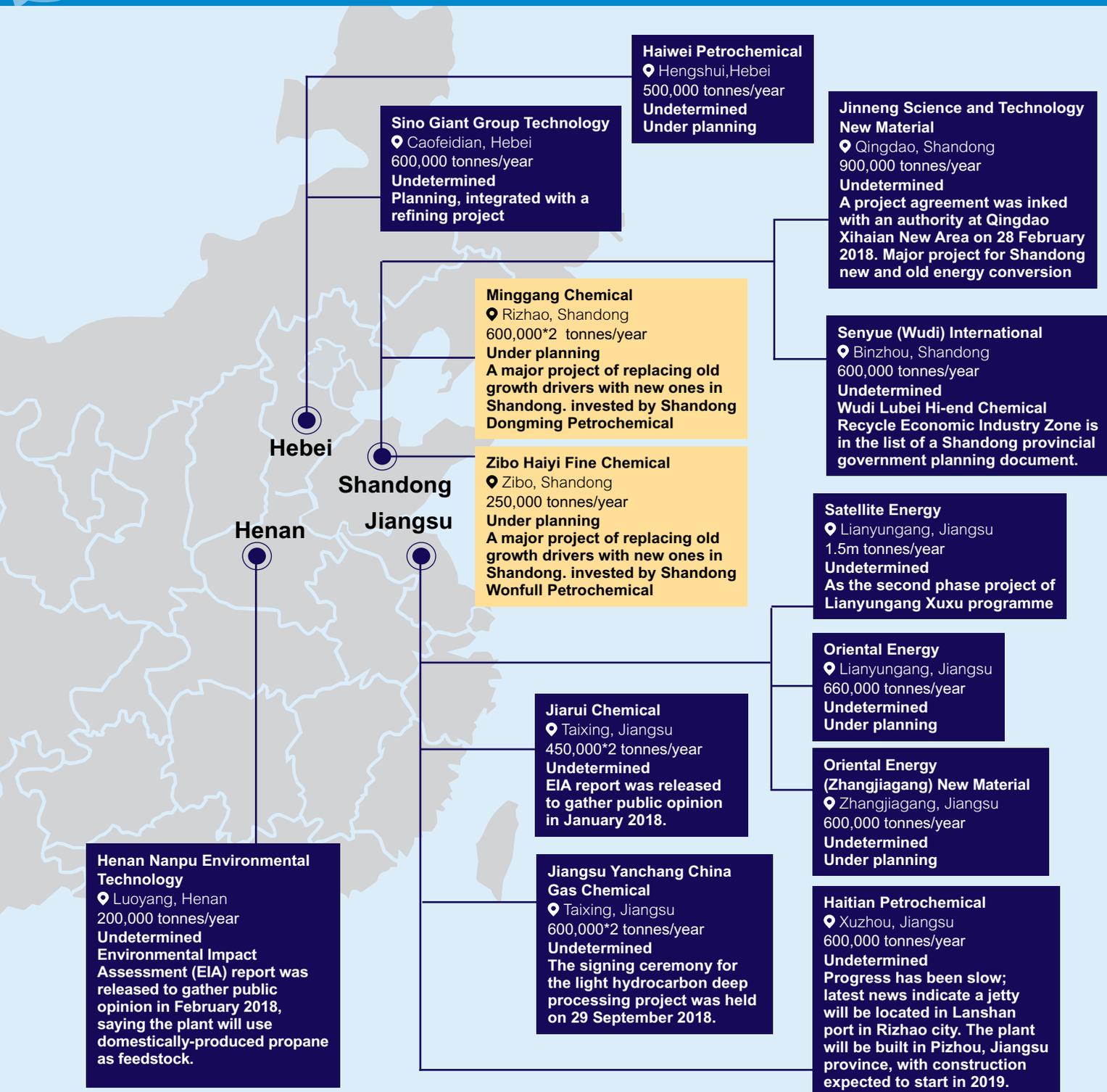
# CHINA'S MASSIVE PDH EXPANSION PLANS PARTLY DRIVEN BY LPG TRADERS

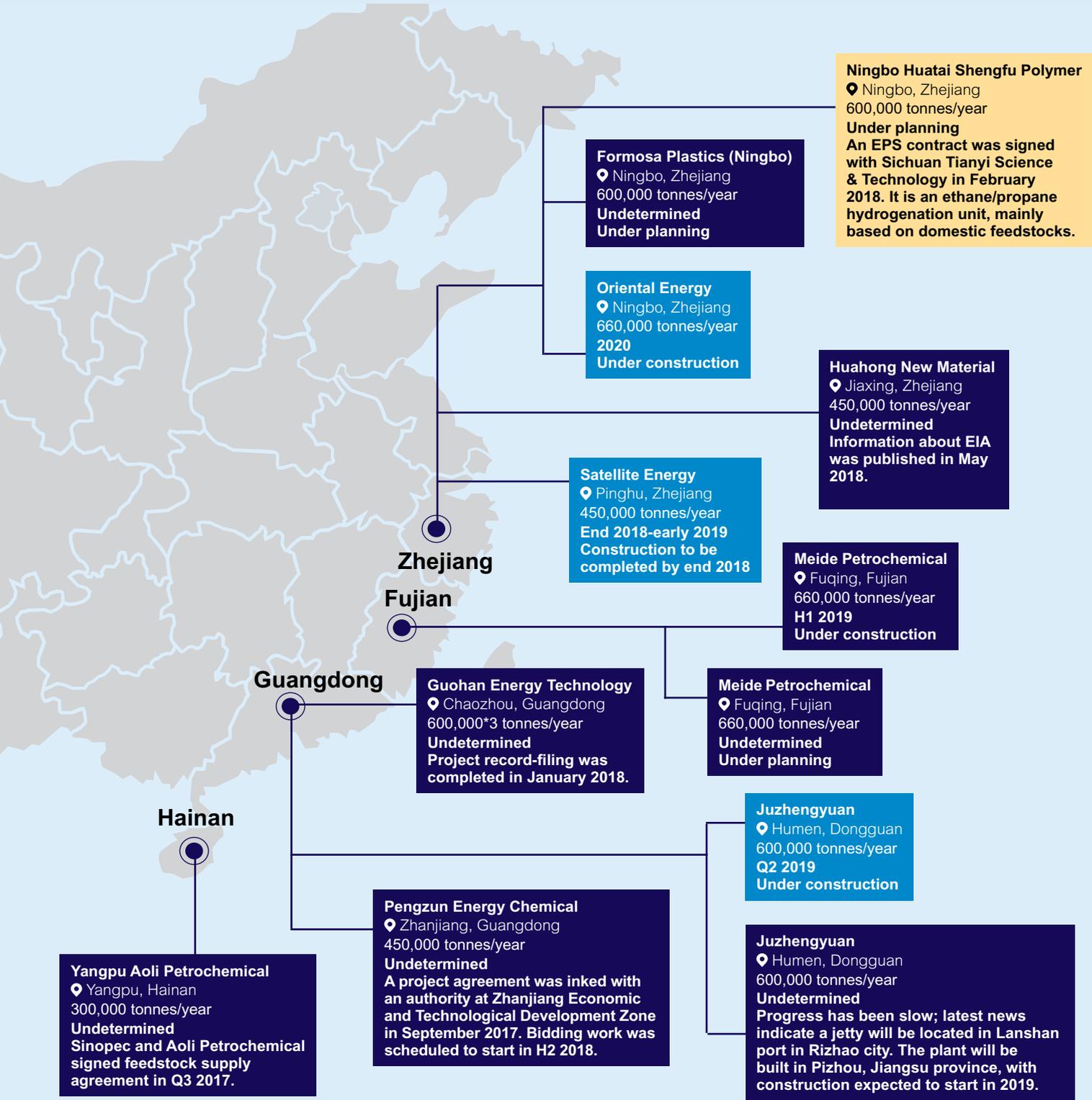
Of the total 18.2m tonnes/year of new propane dehydrogenation (PDH) capacities currently being planned in China, 16% are driven by companies that are traditionally in the LPG trading business. Proposed new PDH units involving LPG traders are more likely to move forward because most LPG traders are equipped with LPG import facilities, such as port jetties and LPG storage tanks. LPG imported into China consists mainly of propane and butane, and the former is a feedstock for PDH units.

China's PDH units consumed 4.6m tonnes of propane in 2017, according to ICIS data. Their combined propane consumption is expected to reach 5.0m tonnes in 2018, driven by higher operating rates amid increased margins. Propane demand from Chinese PDH units is expected to be as strong in 2019 should PDH margins stay healthy.

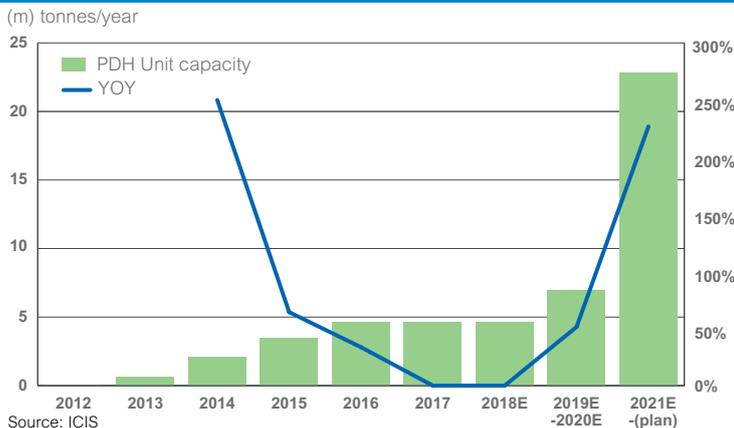
By Wang Yan

## CHINA'S NEW PDH UNITS UNDER PLANNING FROM 2020 ONWARDS





## PDH Capacity list



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