CONCEPT

Petrochemical Marketing and Commercial Strategy: Cost Curves, Contracts and Export Placement

25 – 29 January 2027
Amsterdam - Zuidas business district hotel



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Introduction:

Petrochemical marketing breaks down when producers sell olefins, aromatics and polymers on habit: volumes chase any buyer in a downturn, formula prices lag monomer costs and specialty grades are priced like commodities. This Core Concept course equips commercial managers to link feedstock cost position and market cycles to segmentation, contract structure, export placement and portfolio choices, including rising demand for recycled content. Participants work on producer case data and build a Petrochemical Commercial Strategy and Placement Plan for their own product chain.

Course Objectives:

- Map olefin, aromatic, polymer and intermediate chains to locate where a producer captures margin and where it sells to competitors' customers
- Position a producer on the industry cash cost curve and read supply-demand balances to anticipate cycle turns
- Interpret price reporting agency assessments and design formula prices, review clauses and term versus spot mixes for polymers and intermediates
- Segment converter and industrial customers and set account, channel and technical service strategies by segment
- Allocate volumes across domestic and export destinations using netback, logistics and distributor economics
- Rebalance a specialty and commodity product portfolio against circular plastics and carbon intensity pressures and compile a Petrochemical Commercial Strategy and Placement Plan

Target Audience:

- Marketing managers responsible for market analysis, product positioning and demand planning for olefins, aromatics or polymers
- Sales and account managers accountable for converter, compounder and industrial customer contracts and volumes
- Commercial planning and business development managers who set sales plans, capacity placement and growth options
- Product and grade portfolio managers who decide on specialty launches and commodity grade rationalisation
- Export and distribution managers who manage shipping routes, regional hubs and distributor networks
- Commercial excellence and pricing managers who own contract formulas, index selection and margin reporting

Course Outline:

Day 1: Petrochemical Value Chains and the Producer's Commercial Position

- Olefins Chain Map: Ethylene, Propylene and Butadiene to Polyethylene, Polypropylene and Elastomers
- Aromatics Chain Map: Benzene, Toluene and Xylene to Styrenics, Polyurethanes, Nylon and Polyester
- Intermediates Positioning: Glycols, Oxides and Solvents Between Monomer and End Use
- Integrated Producer Versus Merchant Seller Commercial Models
- Commercial Baseline Review: Sales Mix, Netback and Customer Concentration

Day 2: Feedstock Advantage, Cost Curves and Market Cycles

- Ethane Versus Naphtha Cracker Economics: Yield Slates and Co-Product Credits
- Industry Cash Cost Curve Build and Marginal Producer Identification
- Petrochemical Supply-Demand Balance: Nameplate Capacity, Operating Rates and End-Use Demand
- Cycle Indicators: Capacity Additions, Inventory Destocking and Margin Troughs
- Price Reporting Agency Methods for Chemicals and Polymers: Platts, ICIS and Argus Assessments

Day 3: Customer Segmentation, Contract Structures and Formula Pricing

- Converter Segmentation by Processing Route, Application and Buying Behaviour
- Strategic Converter Accounts: Share of Wallet, Grade Qualification and Technical Service Model
- Term Contract Versus Spot Sales Mix Decision Grid
- Formula Price Design: Monomer Cost Pass-Through, Index Plus Adder and Price Review Clauses
- Delivery Term Netback Calculation for Domestic and Export Destinations

Day 4: Export Logistics, Portfolio Strategy and Circular Plastics

- Export Placement Options: Bulk Liquid Shipping, Containerised Polymer Bags and Regional Hubs
- Distributor Versus Direct Channel Economics in Export Markets
- Specialty Versus Commodity Portfolio Screening: Margin Stability, Grade Proliferation and Cost to Serve
- Circular Plastics Demand: Mechanical Recycled Content and Chemical Recycling Feedstock Offers
- Ethylene Carbon Intensity by Feedstock as a Commercial Differentiator

Day 5: Producer Case Work and the Commercial Strategy Plan

- Polyethylene Oversupply Case: Volume Placement During a Margin Trough
- Paraxylene Contract Renewal Case Under Formula Price Pressure
- Specialty Grade Launch Case: Target Segment, Value Price and Qualification Plan
- Petrochemical Commercial Strategy and Placement Plan Drafting
- Executive Panel Defence of the Commercial Plan

Skills You Will Gain:

- Petrochemical Chain Mapping
- Cost Curve Positioning
- Cycle Turn Anticipation
- Index-Linked Contract Design
- Converter Segment Strategy
- Export Netback Optimisation
- Grade Portfolio Rationalisation
- Recycled Content Offer Development

Why Attend This Course:

- Return with a Petrochemical Commercial Strategy and Placement Plan built on your own product chain and customer base
- Defend contract formulas and price review clauses with buyers using the same assessments and cost logic they cite
- Decide earlier where to place volume when new capacity arrives and margins compress
- Compare commercial practice with peers from olefin, aromatic, polymer and intermediate producers selling into several regions

Conclusion:

Petrochemical margins are decided by where a producer sits on the cost curve and by how it sells through the cycle. The course moves from value chain mapping and feedstock economics, through supply-demand balances and price assessments, to converter segmentation, contract formulas, export placement, portfolio choices and circular plastics demand. The final day applies these methods to producer cases and delivers a Petrochemical Commercial Strategy and Placement Plan ready for review by commercial leadership.