



## News Release

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For Immediate Release

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### U.S. SPECIALTY CHEMICAL MARKETS START THIRD QUARTER ON SOFT NOTE

**WASHINGTON (August 23, 2019)** – The American Chemistry Council (ACC) reported that reflecting soft manufacturing production, U.S. specialty chemicals market volumes eased 0.1 percent in July after a 0.2 percent gain in June, small gains in April and May and a generally weak first quarter. All changes in the data are reported on a three-month moving average (3MMA) basis. Of the 28 specialty chemical segments ACC monitors, 11 expanded in July, 16 markets declined and one was flat. During July, no large market volume gains (1.0 percent and over) occurred among segments. On a sequential basis, diffusion was 41 percent, up from 39 percent in June.

During July, the overall specialty chemicals volume index was up 1.4 percent on a year-over-year (Y/Y) 3MMA basis. Year earlier comparisons have been easing since the third quarter of 2018. In June, the index stood at 113.9 percent of its average 2012 levels. This is equivalent to 7.76 billion pounds (3.52 million metric tons). On a Y/Y basis, there were gains in 15 market and functional specialty chemical segments. Compared with last year, volumes were down in 13 segment. On a year-earlier basis, diffusion was 54 percent.

Specialty chemicals are materials manufactured on the basis of the unique performance or function and provide a wide variety of effects on which many other sectors and end-use products rely. They can be individual molecules or mixtures of molecules, known as formulations. The physical and chemical characteristics of the single molecule or mixtures along with the composition of the mixtures influence the performance end product. Individual market sectors that rely on such products include automobile, aerospace, agriculture, cosmetics and food, among others.

Specialty chemicals differ from commodity chemicals. They may only have one or two uses, while commodities may have multiple or different applications for each chemical. Commodity chemicals make up most of the production volume in the global marketplace, while specialty chemicals make up most of the diversity in commerce at any given time, and are relatively high value with greater market growth rates.

This data set is the only timely source of market trends for 28 market and functional specialty chemical segments. Chemistry directly touches over 96 percent of all manufactured goods, and trends in these specialty chemical segments provide a detailed view of trends in manufacturing. The data also sheds light on how various consumer end-use markets are performing compared with others in the marketplace.

**U.S. Specialty Chemical Market Volume, Percentage Change  
(Seasonally adjusted, 3-month moving average – Except YTD)**

	<i>Prior Month</i>	<i>Current Month</i>	<i>Year/ Year</i>	<i>Year-to- Date</i>
	June 19/ May 19	July 19/ June 19	July 19/ July 18	YTD 19/ YTD 18
<b>U.S. Total</b>	<b>0.2</b>	<b>-0.1</b>	<b>1.4</b>	<b>2.2</b>
Adhesives & Sealants	-0.1	-0.2	2.6	3.2
Antioxidants	-0.1	0.2	-2.5	-2.5
Biocides	-0.5	-0.4	-0.9	0.3
Catalysts	0.7	0.7	0.5	0.3
Coatings	0.5	0.5	2.9	2.5
Construction Chemicals	-0.5	-1.0	2.7	4.0
Corrosion Inhibitors	0.1	0.1	3.7	5.0
Cosmetic Chemicals	-1.1	-0.8	0.1	1.0
Dyes	-0.2	-0.1	-1.3	-0.6
Electronic Chemicals	-0.1	-0.1	-5.1	-3.3
Flame Retardants	0.2	0.1	-0.6	-0.8
Flavors & Fragrances	-0.4	-0.3	0.4	1.6
Food Additives	0.3	0.2	0.5	0.8
Foundry Chemicals	-1.2	-1.3	-0.3	2.3
I&I Cleaners	0.2	0.4	0.2	0.4
Lubricant Additives	1.4	0.6	-4.1	-4.2
Mining Chemicals	1.4	-0.7	2.8	2.9
Oilfield Chemicals	0.6	-0.6	6.6	10.0
Paint Additives	-0.3	-0.2	-0.6	-0.4
Paper Additives	-0.7	-0.6	-5.6	-4.2
Pigments	-1.0	-0.9	-7.7	-7.0
Plastic Additives	-0.3	-0.4	-4.3	-3.0
Plasticizers	-0.4	-0.5	-4.8	-3.4
Plastic Compounding	0.7	0.0	0.1	-0.3
Printing Ink	-0.1	-0.4	-4.6	-3.8
Rubber Processing	-0.1	0.8	0.1	0.1
Textile Specialties	0.1	0.5	0.9	0.8
Water Management Chemicals	-0.2	0.3	1.1	1.5

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Note that there are revisions to several segments as well as revisions to the underlying end-use data.

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*The American Chemistry Council (ACC) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®; common sense advocacy designed to address major public policy issues; and health and environmental research and product testing. The business of chemistry is a \$553 billion enterprise and a key element of the nation's economy. It is among the largest exporters in the nation, accounting for ten percent of all U.S. goods exports. Chemistry companies are among the largest investors in research and development. Safety and security have always been primary concerns of ACC members, and they have intensified their efforts, working closely with government agencies to improve security and to defend against any threat to the nation's critical infrastructure.*

