



News Release

For Immediate Release

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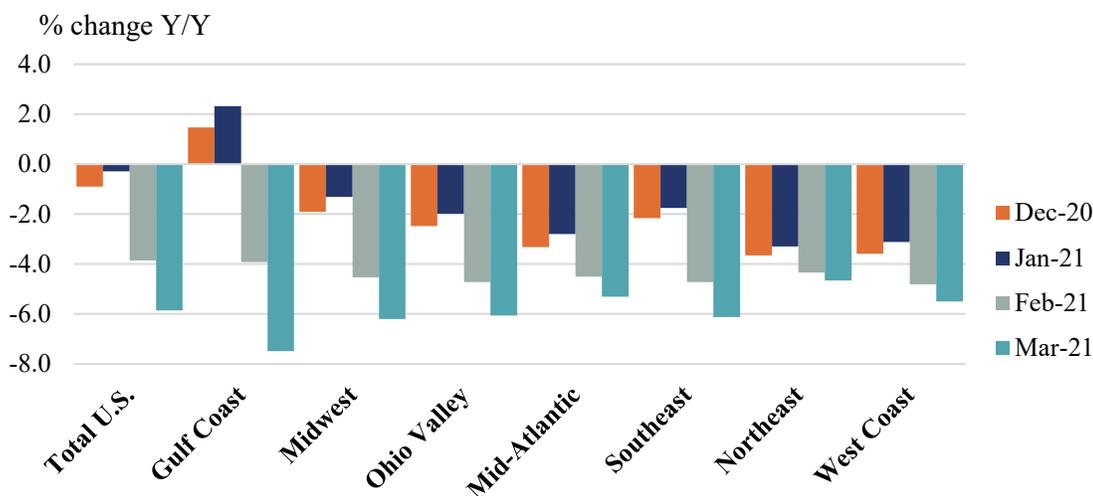
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U.S. CHEMICAL PRODUCTION FALLS IN MARCH AS WINTER STORM IMPACT LINGERS

WASHINGTON (April 27, 2021) – The U.S. Chemical Production Regional Index (U.S. CPRI) fell 2.8% in March following a 3.9% decline in February and a 0.6% increase in January, according to the American Chemistry Council (ACC). Chemical output fell in all regions as the impact of the February winter storm continued to disrupt chemical production in the Gulf Coast and parts of the country that rely on raw materials from the region. The U.S. CPRI is measured as a three-month moving average (3MMA) basis.

As measured on a 3MMA basis, chemical production was mixed in March, with improvement occurring in the production of chlor-alkali, adhesives, coatings, other specialties, manufactured fibers, synthetic rubber, and fertilizers. These gains were offset by continued weakness in organic chemicals, plastic resins industrial gases, synthetic dyes and pigments, other inorganic chemicals, crop protection chemicals and consumer products.

U.S. Chemical Regional Production Index



Source: American Chemistry Council



As nearly all manufactured goods are produced using chemistry in some form, manufacturing activity is an important indicator for chemical demand. After declining in March, manufacturing output edged 0.1% higher in April. The trend in manufacturing production was mixed with gains in the output of food and beverages, appliances, aerospace, construction supplies, machinery, fabricated metal products, computers and electronics, semiconductors, refining, foundries, rubber products, structural panels, textile product mills, apparel, and furniture.

Compared with March 2020, U.S. chemical production remained off by 5.8% on a year-over-year basis, the twenty-second consecutive month of Y/Y declines, and a deterioration reflecting the lingering impact of the winter storms. Chemical production was lower than a year ago in all regions.

**U.S. Chemical Production Regional Index, Percentage Change
(Seasonally adjusted, 3-month moving average)**

	Mar 21/ Feb 21	Mar 21/ Mar 20	Key products
Gulf Coast	-4.2%	-7.5%	petrochemicals, inorganics, plastics resins, and synthetic rubber
Midwest	-2.5%	-6.2%	agricultural chemicals, plastics, and paints
Ohio Valley	-2.3%	-6.1%	organic chemicals, plastics and synthetic materials, and specialty chemicals
Mid-Atlantic	-1.8%	-5.3%	consumer products
Southeast	-2.3%	-6.1%	inorganic chemicals, fibers, and consumer products
Northeast	-1.4%	-4.7%	consumer products and specialty chemicals
West Coast	-1.7%	-5.5%	basic chemicals, agricultural chemicals, and consumer products
U.S. Total	-2.8%	-5.8%	

The chemistry industry is one of the largest industries in the United States, a \$565 billion enterprise. The manufacturing sector is the largest consumer of chemical products, and 96% of manufactured goods are touched by chemistry. The U.S. CPRI was developed to track chemical production activity in seven regions of the United States. The U.S. CPRI is based on information from the Federal Reserve, and as such, includes monthly revisions as published by the Federal Reserve. To smooth month-to-month fluctuations, the U.S. CPRI is measured using a three-month moving average. Thus, the reading in March reflects production activity during January, February, and March.

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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 \$565 billion enterprise and a key element of the nation's economy. It is one of the nation's largest exporters, representing ten cents out of every dollar in U.S. 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.

