

CONTENTS

| | |
|------------------------------------------------------------------------------------------|-----------|
| Executive Summary | 5 |
| SWOT Analysis | 7 |
| <i>Saudi Arabia Petrochemicals Industry SWOT</i> | <i>7</i> |
| <i>Saudi Arabia Economic SWOT</i> | <i>8</i> |
| <i>Saudi Arabia Business Environment SWOT</i> | <i>9</i> |
| Market Overview | 10 |
| <i>Table: Sabic – Major Products Production 2004</i> | <i>13</i> |
| <i>Table: Saudi Arabia - Cracker Capacity 000tpa</i> | <i>15</i> |
| Saudi Arabia Petrochemicals Business Environment | 16 |
| <i>Petrochemicals Business Environment Rankings</i> | <i>16</i> |
| <i>Business Environment Rankings</i> | <i>16</i> |
| <i>Country Composite Risk Rating</i> | <i>17</i> |
| <i>Domestic Feedstock Availability</i> | <i>17</i> |
| <i>Petrochemicals Production</i> | <i>17</i> |
| <i>Petrochemicals Competitive Environment</i> | <i>17</i> |
| Industry Trends and Developments | 18 |
| <i>Projects and Expansions:</i> | <i>18</i> |
| <i>Other Projects</i> | <i>19</i> |
| <i>Finance</i> | <i>22</i> |
| <i>WTO Accession</i> | <i>23</i> |
| <i>Saudi-China Links</i> | <i>24</i> |
| Industry Forecast Scenario | 26 |
| <i>Table: Saudi Arabia Petrochemicals Sector - Historical Data & Forecasts</i> | <i>28</i> |
| <i>Key Risks To Forecast Scenario</i> | <i>28</i> |
| Economic Outlook | 29 |
| <i>Shock To Stocks</i> | <i>29</i> |
| <i>Fundamentals Still Strong</i> | <i>30</i> |
| Company Monitor | 34 |
| <i>Sabic</i> | <i>34</i> |
| <i>Royal Dutch/Shell</i> | <i>37</i> |
| <i>ExxonMobil</i> | <i>38</i> |
| <i>Sipchem</i> | <i>39</i> |
| <i>ChevronPhillips</i> | <i>40</i> |
| BMI Forecast Modelling | 41 |
| <i>How we generate our industry forecasts</i> | <i>41</i> |
| <i>Chemicals & Petrochemicals Industry</i> | <i>42</i> |
| <i>Cross checks</i> | <i>43</i> |
| Appendix A: Global Economic Assumptions | 44 |
| <i>Introduction</i> | <i>44</i> |
| <i>The World Economy</i> | <i>44</i> |

Global Assumptions 45
United States..... 46
Eurozone..... 47
Japan 48
China 49
Commodities 50