

## And now for something completely different... or is it just more of the same?...

*Volatility and oversupply in the polyester chain and their impact on North American markets*

In the 12 months since the last conference polyester markets have been hit with record price increases and price movements in a short space of time, following hard on the heels of the hurricane-related disruption of late 2005. Surging oil and gasoline markets impacted all parts of the global polyester business yet hit North America hardest. Despite the trials and tribulations felt by the PET and fiber industries, investment continues apace in some sectors, with rationalization in others producing an ever-changing strategic landscape to be understood and navigated.

PCI will be holding its 9th Annual North American Polyester Conference in Houston, Texas on 15 February 2007. The focus of this dynamic and topical conference will be on understanding how changes in the feedstock chain continue to threaten rollercoaster pricing whilst also assessing how major new PTA and PET investments are affecting global and regional dynamics and assessing how corporate restructuring and strategic shifts will impact North American markets in the coming year. PCI will put this analysis into a wider global framework as our team of experienced industry consultants present an analysis and understanding of the structure and drivers for different polyester market segments.

**Energy Markets** Although down from its mid-2006 peak, how stable is oil pricing and is natural gas pricing still a volatile beast?

**Paraxylene** One year on from gasoline reformulation is the 2006 peak likely to return and be a repeat event or will better supplied gasoline markets exert a less threatening influence this summer?

**PTA** The start-up of 6 worldscale PTA plants in China is heralding a global slide in PTA as traditional suppliers begin to lose market share and face a harsh future. How is North America adjusting to deal with the threat of a massive Asian PTA surplus?

**MEG** The delays and slippage on new plants have changed the prognosis for the MEG balances for 2007 and 2008. What impact will this have on North American producers?

**PET** North America continues to attract investment, yet is also in the process of restructuring for the future. What other developments may occur in the coming 12-18 months?

**Polyester Fibers** Has China's influence really waned as the import figure would have us believe and where are the threats coming from?

## Schedule

### Wednesday 14th February

1800 Pre-conference dinner

### Thursday 15th February

0850 **Welcome**

*Steve Jenkins*

*Managing Director, PCI - Xylenes & Polyesters Ltd*

0900 **Natural Fibres and Textile Trade Issues**

- An uncertain future for prospective US trade agreements.
- Global demand for cotton remains strong.
- 2007: Another spike in wool prices?

*Bruna Angel*

*PCI - Fibres Ltd*

0940 **PET in 2007: The Perfect Storm is Here**

- Just how bad will 2007 be, and will 2008 be better?
- Can anything be done to make it better?
- Who's more scary : China or Wal-Mart?
- Is new technology the long term key?

*Andrew Noone*

*PCI - PET Packaging, Resin & Recycling Ltd*

1020 **Coffee Break**

1050 **Fibers: Can we take another Year like 2006?**

- 2006: Good first half, poor second half, prices up, prices down!
- 2007: Can US Producers become more competitive with Asia?
- Is there really a slow down in China's market penetration?

*Alisdair Carmichael*

*PCI - Fibres*

*Against the background of fast-paced and ever-changing market conditions, we hope that the conference will provide clients with a valuable forum to discuss the latest analysis from PCI's consulting team as well as providing an opportunity to understand wider polyester industry issues with colleagues from across the Americas*

**1130 Energy Markets: A Cause for Concern?**

- Assessment of ongoing development in crude oil supply, demand and pricing.
- Natural gas markets: are they still a force to be reckoned with?
- Short-term energy outlook

Anne Keller

Senior Consultant Jacobs Consultancy

**1210 Lunch**

**1400 PTA: Asian Over-supply, Impact on The America's?**

- Asia's 5 million tonne oversupply, consequences for the Americas
- Americas - PTA operating rates and margins – winners and losers
- How competitive are China's new PTA plants
- Will Integrex make a difference
- Brazilian PTA, the impact on North America

Philip Marshall

Senior Consultant, PCI - Xylenes & Polyesters Ltd

**1440 Paraxylene Markets Face Another Year of Uncertainty**

- After the yo-yo markets of 2005 and 2006, will 2007 see a further repetition of previous years' turbulence?
- How real is the prospect of another year of major price hikes and falls?
- What, if anything, has changed to calm PX price volatility in 2007?

Steve Jenkins

Managing Director, PCI - Xylenes & Polyesters Ltd

**1520 MEG: Surpluses! What Surpluses? Tight Again?**

- Delays and more delays of new plants
- one strong bubble, one big burst, but when?
- bigger booms and bigger busts, duck and hide!
- North America DEG and EO, what to expect?

Doug Rightler

Managing Director, PCI - Xylenes & Polyesters Ltd

**1600 Closing Discussion**

**Registration** To confirm your place at the conference, please complete the 'Conference Registration Form enclosed in this report' and fax it back to Sandra McGrath (PCI Xylenes & Polyesters Ltd, UK Office address). You can also register on our website [www.pcixp.com/events](http://www.pcixp.com/events). Registrations will be accepted on a first-come, first-served basis and written confirmation will be sent with an invoice to each registrant. Refunds are subject to a cancellation fee but substitutions may be made anytime at no charge.

Full payment is due immediately on receipt of the invoice.

**Accommodation & transportation** A number of hotel rooms at The Houston Airport Marriott Hotel will be available for conference attendees who require accommodation at a rate of \$139 per night (subject to applicable state and local taxes). A shuttle service between airport terminals and the hotel is available. To reserve your accommodation please contact the Houston Airport Marriott directly, quoting the "PCI Group" or you can book directly via their website at:

<http://cwp.marriott.com/iahap/thepcigroup/>

Houston Airport Marriott at George Bush Intercontinental  
18700 John F Kennedy Blvd, Houston Texas 77032

**Reservations (800) 228 9290**

**Phone** (281) 443 2310 **Fax** (281) 443 5294

All hotel bookings must be made directly to the Airport Marriot before **01/30/2007** to get the special rate.

**Conference fee** The cost of the conference will be \$1,250 which includes all presentations on 15 February with one set of speakers' handouts, a copy of all presentations on CD-ROM, buffet breakfast, refreshment breaks, lunch and the Drinks Reception. For 3 or more attendees group discounts are available so contact us for more details.

**Dinner** On the evening of 14 February we would invite delegates to join us for dinner. This will be held in a private dining room and attendance will be at an additional charge of \$50 which includes dinner, wine, soft drinks, tea & coffee. Please indicate on the registration form if you wish to join us.

Thursday 15 February 2007 The Airport Marriott Hotel, George Bush Intercontinental, Houston, TX

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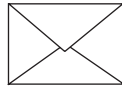
*Volatility and oversupply in the polyester chain and their impact on North American markets*

# registration form

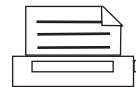
### 3 easy ways to register



**by email:**  
smcgrath@thepcigroup.com



**by post:**  
Please complete this form  
and return to:  
PCI Xylenes & Polyesters Ltd  
79 Portsmouth Road, Guildford,  
Surrey, England, GU2 4BX



**by fax:**  
Please complete this  
form and fax to:  
+44 1483 306793

please print clearly

I would like to reserve \_\_\_ place(s) @ \$1,250

Group discounts available for 3 attendees or more (contact us for details)

Please reserve \_\_\_ place/s for dinner @ \$50 per person

### attendee details

Attendee name: .....

Additional attendees: .....

Company: .....

Address: .....

.....

.....

Telephone: ..... Fax: .....

Email: .....

### registrant details

Registered by: .....

email: .....

Telephone: ..... Fax: .....

*For overnight accommodation and transportation please contact the Houston Airport Marriott Hotel directly, quoting the 'PCI Group' - see conference literature for contact details.*

*Attendees are financially responsible for their transportation costs and for payment of their individual hotel room, food and beverages besides those listed and any other personal services requested during their stay.*

**Please send your registration to Sandra McGrath at PCI Xylenes & Polyester Ltd**

79 Portsmouth Road, Guildford, Surrey, GU2 4BX, England

Tel: 44 (0)1483 302 267 Fax: 44 (0)1483 306 793 Email: smcgrath@thepcigroup.com