

Press Release

European plastics industry appears optimistic for 2019

Almost half of survey respondents plan to invest more / Logistics and Brexit are seen as major concerns

Bad Homburg, Germany – April 10, 2019 – Most European regions and sectors in the plastics industry are looking ahead with optimism as business performance developed better for most companies in 2018 than in 2017, according to a new survey by **PIE – Plastics Information Europe**. PIE surveyed 240 participants from 36 countries from the plastics industry about business performance and expectations, investments, employment and concerns.

Over half of respondents expect better company performance in 2019

Around three quarters of respondents from France and German-speaking Europe stated that business in 2018 was better than in 2017. Across sectors, a majority of plastics processors, brand owners and those involved in plastic products trade rated their business performance as better in 2018 compared to the previous year.

Over half of those surveyed expect business in 2019 to be better than in 2018, with companies in Central and Eastern Europe (CEE) and the Nordic regions especially optimistic compared with those in German-speaking Europe and Italy.

Cost of materials is main concern for business performance

In 2018, the cost of materials was rated by the companies surveyed as the top concern for business performance, and it remains so for 2019. Exceptions were companies located in CEE that rated labour and salary costs as the number one concern, while French companies said the main concern was raw material availability.

Brexit and logistics issues are worrisome

More than half of the respondents expect Brexit to have negative impacts on their business performance. The negative outlook was most pronounced for those in the UK, followed by France and German-speaking Europe. Only 6% of those surveyed expect positive impacts. Regarding logistics issues, two thirds of those surveyed expect negative impacts on business performance in 2019. About three quarters of plastics producers and companies involved in raw materials distribution, compounding or trading as well as plastic products trade forecast logistics issues to negatively impact business.

Mixed views on EU regulations on plastics

About one third of survey participants rated the EU regulations on plastics as having no impact, 28% saw a somewhat negative impact and 17% a somewhat positive impact. Two thirds of companies in the plastic products trade sector rated the EU regulations as negative for their business development, while one third of plastics processors in the packaging sector expect negative impacts.

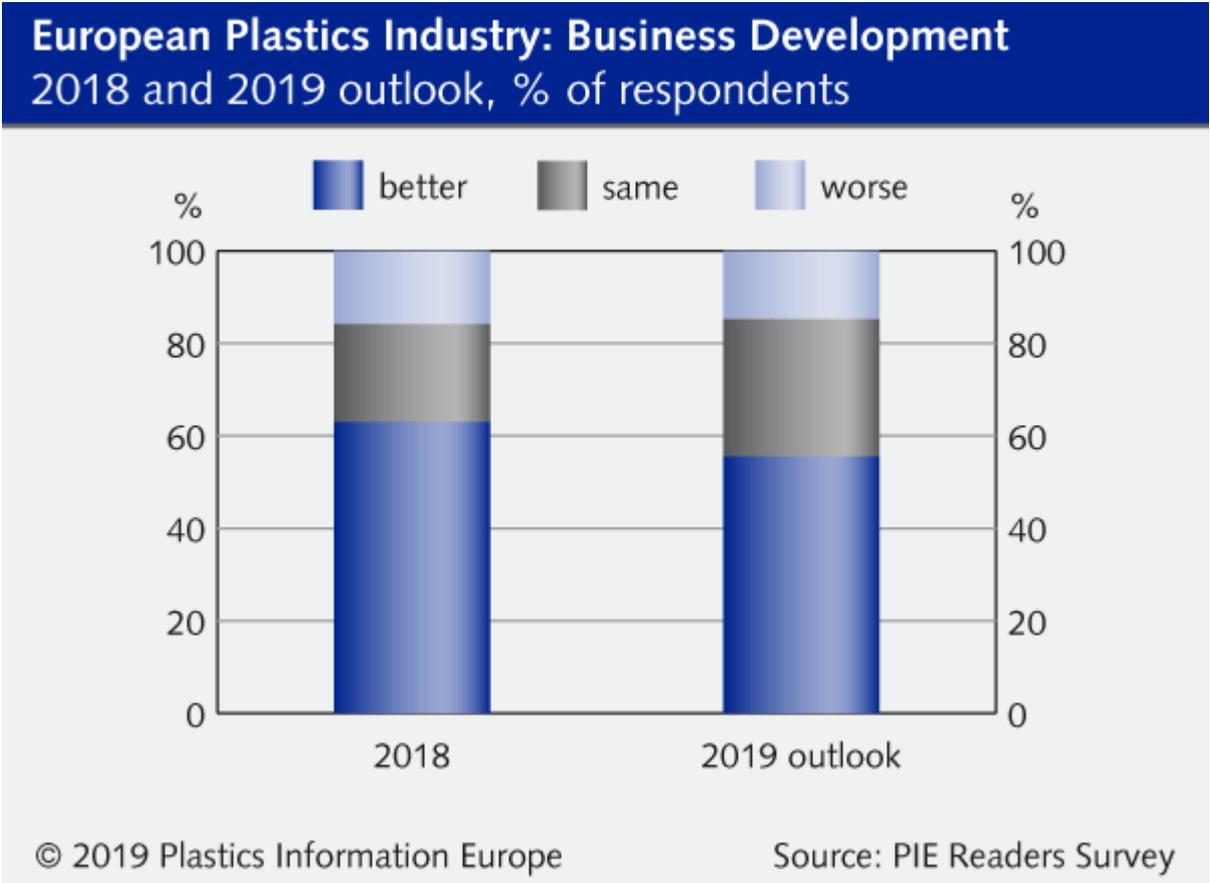


Figure 1: Over half of respondents expect better company performance

European Plastics Industry: Business Performance 2019 outlook vs. 2018, by location

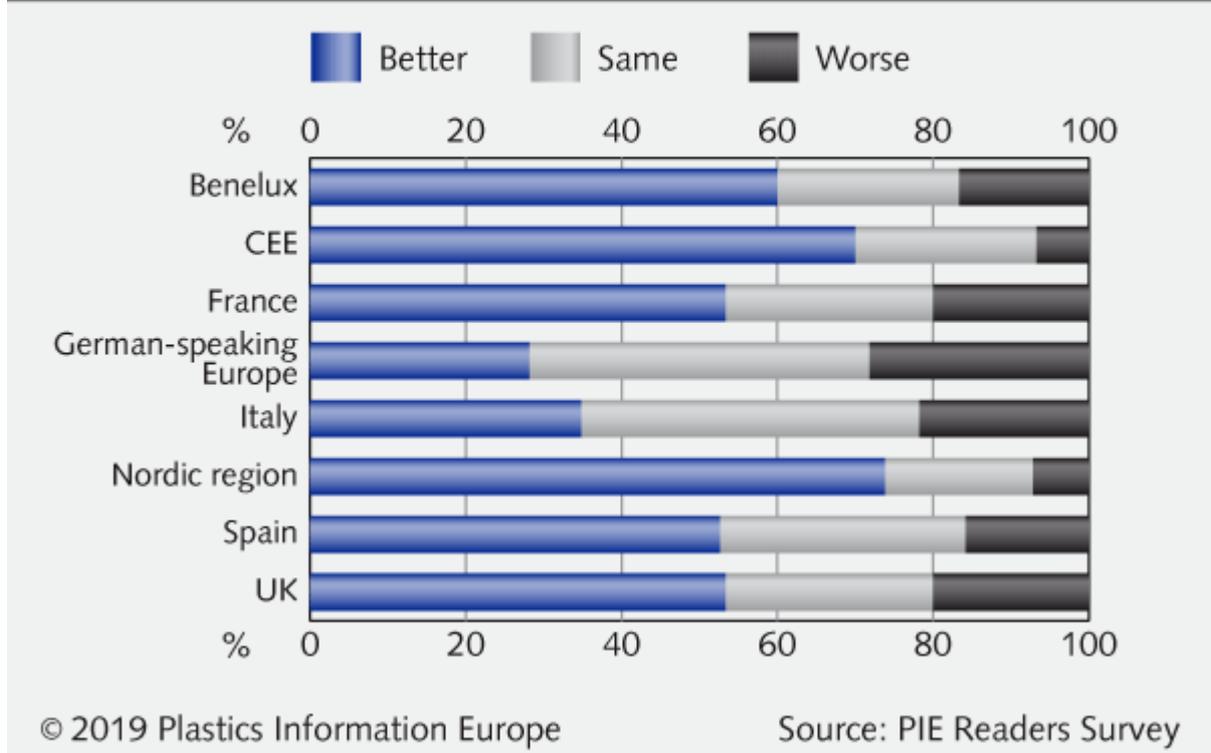


Figure 2: Overview of the major business concerns

PIE – Plastics Information Europe

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