

This was the 7th WEBINAR AIPMA organised on the significant topic - Digital Conference on Oil, Petrochemical & Plastics Outlook- Projections for the Next 5 Years. AIPMA's Director General Mr. Deepak Ballni welcomed various experts Mr. Utpal Sheth, Mr. Premashish Das, Moderator Jayesh Rambhia and Mr. Arvind Mehta who were the panelists.

Mr. Ballani introduced the topic by saying, "We often tend to overlook the importance of Petrochemicals in our daily lives. The stigma around plastics and environmental concerns often overshadows but it is the least to say that our manufacturer's render some of the most critical products. In recent months it has become clearer how important and responsive this industry to the global health crisis.

Arvind Mehta (Chairman GC) also addressed the meeting by mentioning, "I am happy that webinars are able to connect us to plastic processors from all around the world. It has been a journey of unlearning and relearning to maintain businesses through COVID-19. I cannot stress enough on the fact that availability of crude oil and the falling prices are the next big challenge that we are going to face as an industry. Experts from IHS have been forecasting and we hope to discuss all the questions that are on top of our minds with them".

Jayesh Rambhia was the Moderator and Introduced Mr. PREMASHISH DAS -

Premasish Das, Executive Director, heads the research and analysis services in Oil Markets, Midstream and Downstream for Asia and the Middle East. Mr. Das, an industry expert, analyzes trends and developments in the oil and refining industry and works with senior executives providing views and outlooks helping in their decision making.

The expert Mr. Das put forth some slides showcasing 'ON DATED BRENT PRICE FORECAST' (Current \$) Mr. Das said, "While price volatility has become the "norm" from increased geo-political activities and evolving technology, the impact of COVID-19 is unprecedented. He explained the oil price volatility from 2000-2020, given all the events that shook the globe like 2001 9/11 attacks, Iraq war 2003, to the 2008 Global Financial Crisis, 2011 Arab Spring, to the 2014 Ukrainian Tension, right through the US-China trade deal Phases, COVID-19 Crash in 2020. In two months, it has radically altered the oil demand (28-29 million barrels per day), it has been forecasted to shrink the global economy by 5%-- most dramatic outcome from WWII, halting international travel in hundreds of years, greatest volumes of production cuts the world has ever seen". He presented the scenarios in which the demand will pick up in the second half of 2020 and 2021, if the vaccinations are available/ or if they are not available/ if the lockdown is eased etc.

Jayesh Rambhia (Moderator) introduced the second expert Mr. UTPAL SHETH (28 years of experience in Polymer Consulting). Utpal Hemendra Sheth holds the position of Chief Executive Officer for Rare Enterprises Ltd. Mr. Sheth is also Partner at Insync Capital Partners LLP, Partner at Chanakya Value

Creation LLP, Partner at Zen Superstructure LLP, Partner at Kalpa Vruksha Landscape LLP and Partner at Rare Investment Ltd. and on the board of 17 other companies.

Utpal Sheth, Executive Director Plastic Research Analysis Wing (IHS Markit, Singapore) explained the negative demand for chemicals in the near future, affecting aromatic, base chemical products. 2021 rapid demand growth will bounce back by 4.5% that would be good for everybody. He said, "Plastics to be dealt specifically, I can say the essentials has ensured production goes on and loss has been miniscule. However, the engineered plastics/ automotives/ infrastructural applications like PVCs, they are more at risk. There was such a hue and cry about plastics being unsustainable for mankind, but things have significantly changed this year. PET, PE, PP are used in the medical fraternity so they will not suffer much, PVC, Nylon, Polycarbonate, PS, ABS are bearing the brunt of the lack of economic activity right now". He also showcased Global Plastics Operating Rates for PP, PE and PVC. He also said that COVID-19 has set the stage for new capacities to be built in place for plastics, 10 million tons of new production capacity lines in terms of startups would be built as per projections in this year and the next.

Some key takeaways from the WEBINAR were:

1. Low Crude oil Prices has provided a unique opportunity for plastics consumers.
2. Global Demand will remain challenging during 2020 however should rebound in 2021.
3. Indian Plastics industry needs to develop a long-term growth model.
4. Plastics has a major role to play in the progress of mankind.