

CHEMICAL TRENDS REPORT

October 2025



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Cefic, the European Chemical Industry Council, is the forum for large, medium, and small chemical companies across Europe, accounting for 1.2 million jobs and 13% of world chemical production. On behalf of its members, Cefic's experts share industry insights and trends, and offer input and perspectives on the EU agenda. Cefic also provides its members with services such as guidance and training on regulatory and technical matters, while contributing to the advancement of scientific knowledge.

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The Chemicals Trends summary report provides a snapshot of the chemical industry performance in the 27 countries of the European Union and is based on data released by Eurostat.

Issued quarterly, the current report distils Eurostat data into top areas: economic climate, business climate, energy prices, output, total sales, extra-EU trade, consumption and capacity utilisation.

SUMMARY

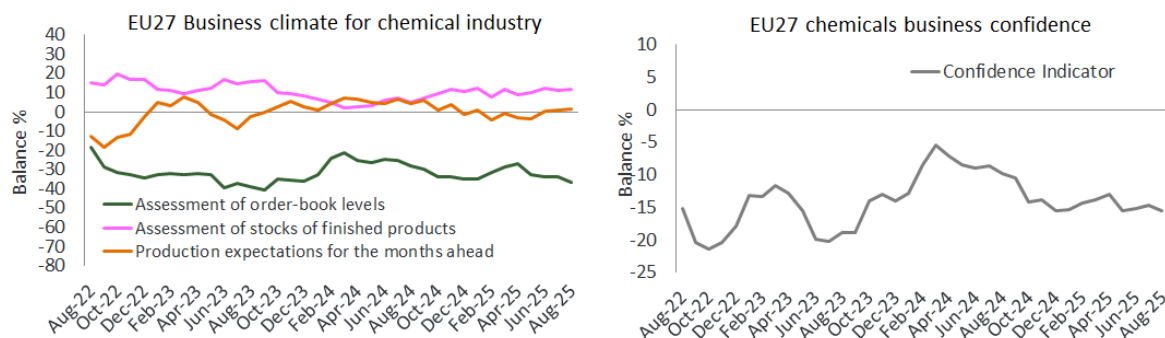
EU27 chemical business is struggling

- The current situation in the chemical industry is worrying. Chemical companies are facing a very difficult global economic context. Energy costs in Europe remain among the highest in the world, and demand is still disappointing.
- The sector continues to face fierce competition, particularly from China. Foreign trade, which has always been a driving force of the European economy, is not significantly improving.
- The energy prices remain a core concern of the sector. In addition, the recipes that worked in the past seem to have reached their limits: Europe is suffering from being an open market and from its unmatched level of regulation, to the point that Europe has now entered a critical phase. The European chemical sector is a reflection of those patterns, struggling to export more to the international market and facing a significant wave of imports.
- Uncertainty continues to penalise investment, and forecasts for 2025-2026 are poor. The number of closures in the chemical sector is leading to deindustrialisation, to the benefit of countries offering a cost advantage.

IN-DEPTH ANALYSIS

EU27 chemicals business confidence remains weak in 2025 (Jan-Aug)

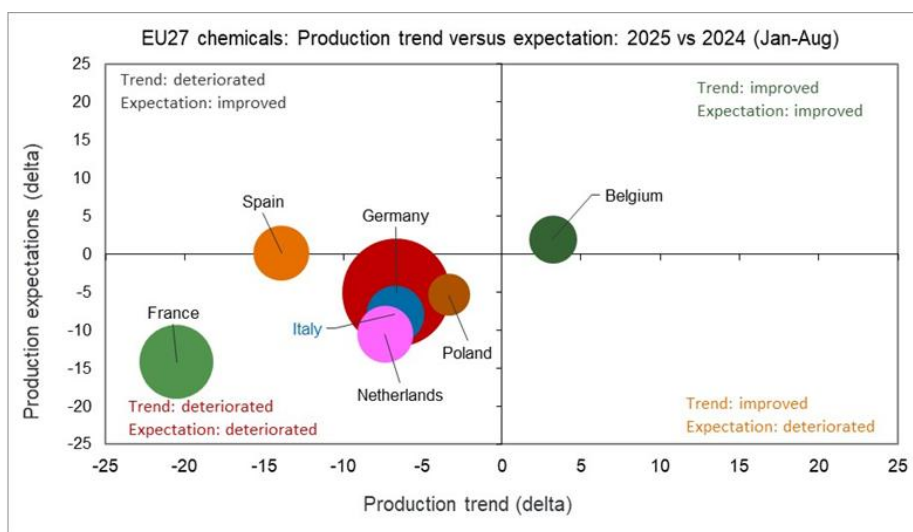
According to the latest EU Commission business and consumer survey, confidence in the EU27 chemical industry significantly deteriorated in 2025 (Jan-Aug) compared to the same period of 2024. Among the largest EU27 economies, the confidence indicator declined sharply in Germany (-8.5) and France (-7.7), while Belgium saw a modest improvement (+1.9). Confidence deteriorated significantly in Poland (-5.3), Italy (-5.2), Spain (-5.1), and the Netherlands (-4.8). The EU27 chemicals business environment has been facing a limited demand since March 2022.



Source: Cefic analysis based on Eurostat data (2025)

EU27 chemicals business sentiment deteriorated in 2025 (Jan-Aug)

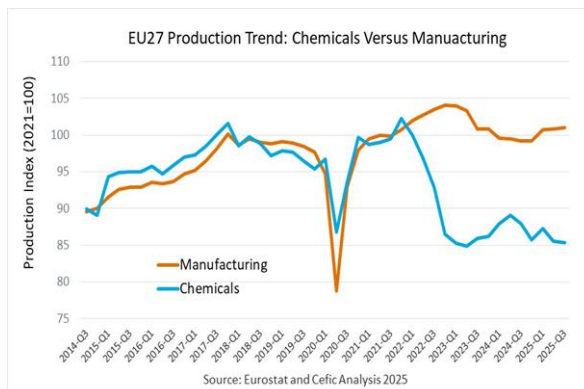
The chart below provides a snapshot of the business sentiment in the chemical industry, comparing the first eight months of 2025 to the same period in 2024. Business sentiment is based on two parameters from the European Commission survey data: (i) Production trend observed in recent months, and (ii) production expectations for the months ahead. The results align with expectations: most key countries fall within the “red box”, indicating a deterioration in 2025 compared to 2024 in both production trends and future expectations.



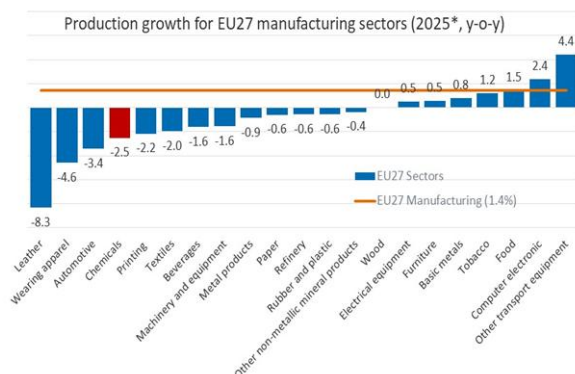
Source: EU Commission business and consumer survey results: Answers obtained from the surveys are aggregated in the form of balances, constructed as the difference between the percentages of respondents giving positive and negative replies. Size of bubbles is calculated by taking into account the country contribution of chemical sales for 2024.

EU27 chemical demand: First nine months of 2025 disappoint

From January to September 2025, output across the EU27 manufacturing sector rose by 1.4% compared to the same period in 2024. However, most downstream users of chemicals reported a decline in output. For instance, the automotive sector is still experiencing a significant decline of about 3.4%. The EU27 chemical industry itself reported an output decrease of 2.5%, far below the overall EU27 manufacturing average. The output of the EU27 chemical industry remains 10% below the pre-crisis levels of 2014 to 2019. Unfortunately, no strong positive changes have been observed so far this year and business expectations for most downstream users are still not encouraging.

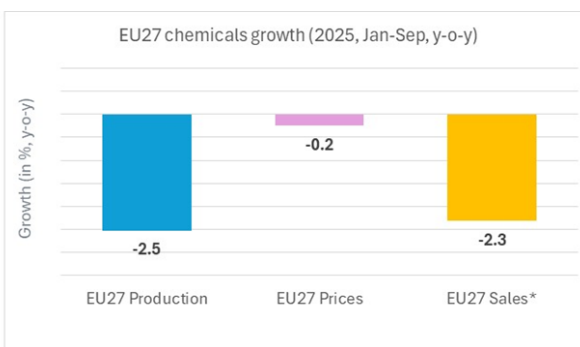
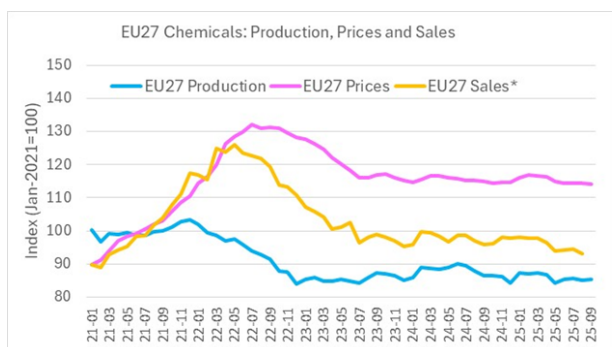


Source: Cefic analysis based on Eurostat data, *Jan-Sep 2025



Weak demand continues to weigh on EU27 chemicals sales

In 2025, EU27 chemical prices were at the same level as in 2024. Chemical sales in value decreased by 2.3% in the first eight months of 2025 compared to the same period in 2024. The high level of uncertainty is impacting deeply the European business community. Given the lack in demand growth, the European chemical industry production volumes have still not recovered. The ongoing low demand continues to weigh on EU27 chemical sales.

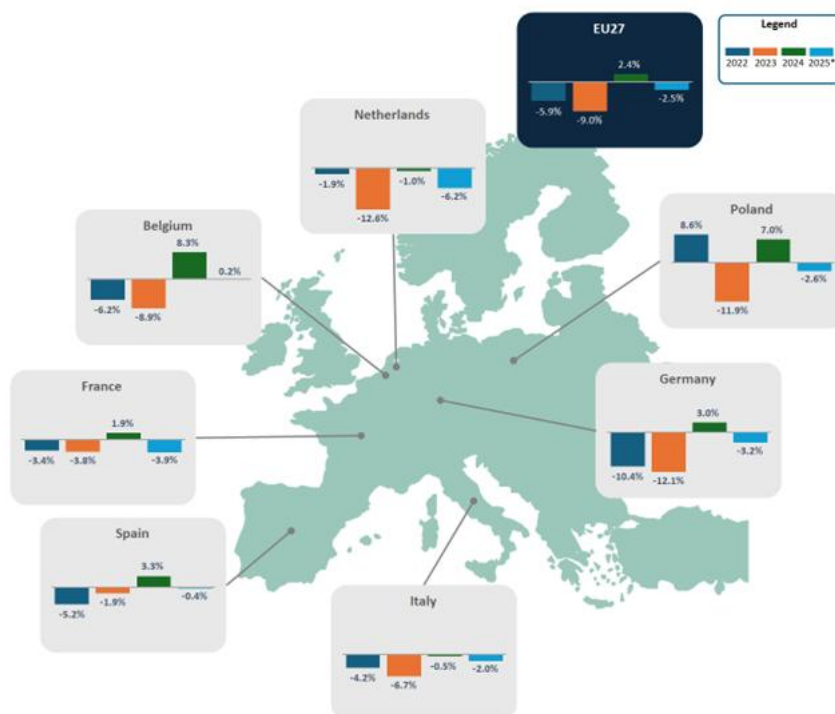


Source: Cefic analysis based on Eurostat data, 2025 (Jan-Aug)

January to September 2025: EU27 chemicals production 2.5% below 2024 levels

Data analysis shows that leading EU27 countries experienced different growth rates of chemical production during the first nine months of 2025 compared to the same period of 2024. The Netherlands registered a decline of 6.2%. France saw its production decrease by 3.9%. Spain reported a decrease of less than 1%. Germany and Italy posted a decrease of 3.2% and 2.0% respectively. Belgium benefited from a 0.2% increase. Poland registered a decline of 2.6%. Chemical production trends by country show a fragmented Europe. The economic environment in which European chemical companies are operating in 2025 is highly uncertain. The global economic outlook for 2025 is not very positive. EU27 chemicals output is expected to decrease by more than 2.0% in 2025, down from 2.4% growth achieved in 2024.

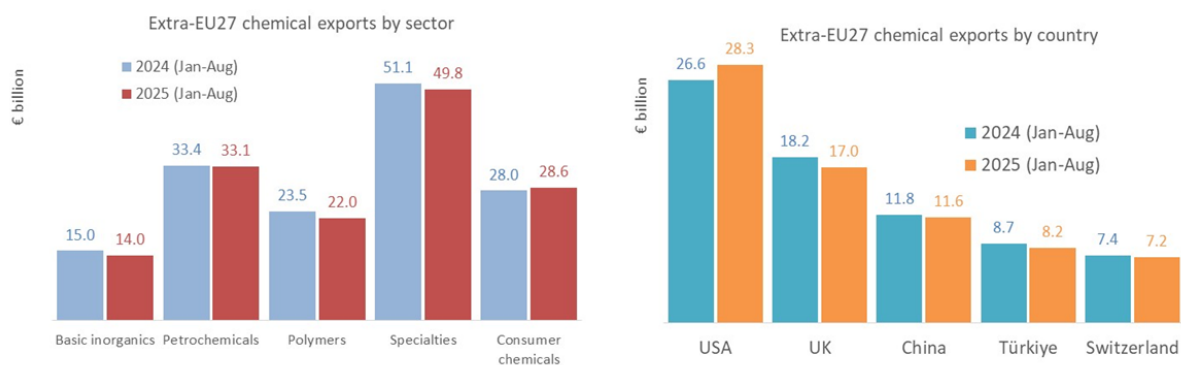
EU27 chemical production growth 2022-2025* (y-o-y)



Source: Cefic analysis based on Eurostat data, *Jan-Sep 2025

January to August 2025: EU27 chemical exports value below 2024 levels

From January to August 2025, EU27 chemical exports decreased by 2.3% in 2025 in comparison to the same period in 2024. The EU27 chemicals exports amounted to €148.6 bn in the first eight months of 2025, down by €3.5 bn compared to 2024. With €28.3 bn, USA is the primary source of exports of the EU27 area for chemicals, followed by the UK (€17.0 bn) and China (€11.6 bn). With €49.8 bn, specialty chemicals is the largest export sector followed by petrochemicals (€33.1 bn) and consumers chemicals (€25.4 bn).

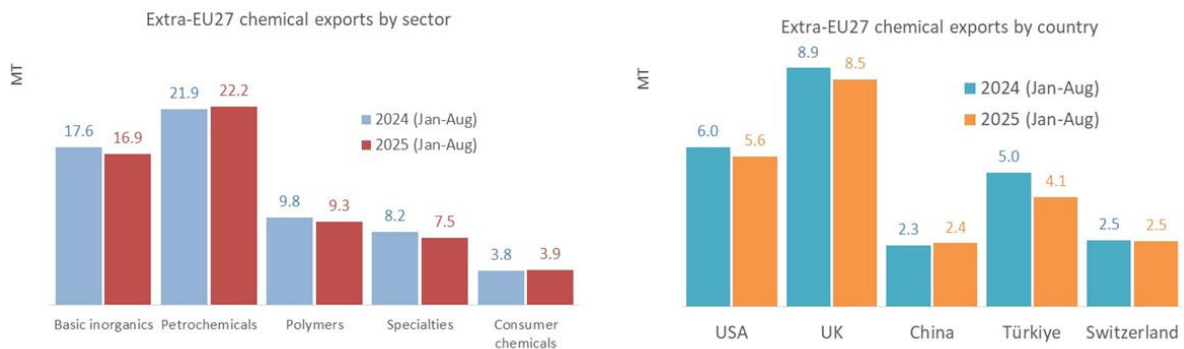


Source: Cefic analysis based on Eurostat data (2025, NACE code 20)

January to August 2025: EU27 chemical exports volume above 2024 levels

From January to August 2025, EU27 chemical exports decreased by 1.4 million tons in 2025 in comparison to the same period in 2024. The EU27 chemicals exports amounted to 61.3 million tons in

the first eight months of 2025, down from 62.8 million tons in 2024. With 8.5 million tons, UK is the primary source of exports of the EU27 area for chemicals, followed by USA (5.6 mt) and Türkiye (4.1 mt).



Source: Cefic analysis based on Eurostat data (2025, NACE code 20)

January to August 2025: EU27 chemical imports value 2.6% above 2024 levels

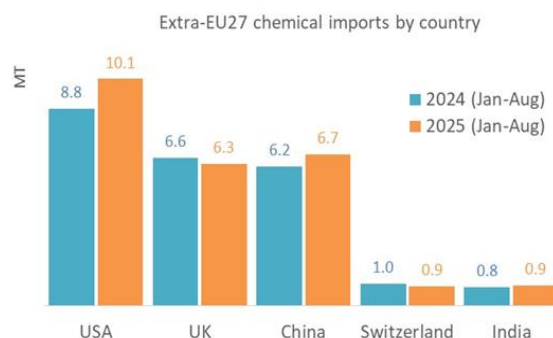
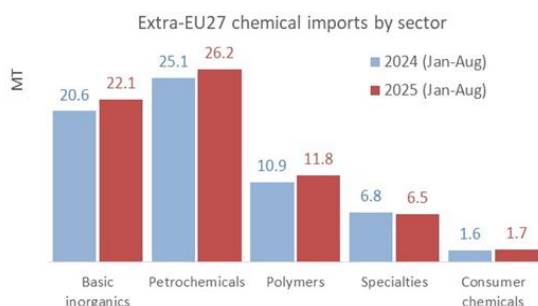
From January to August 2025, EU27 chemical imports increased by 2.6% in 2025 in comparison to the same period in 2024. The EU27 chemical industry import amounted to €123.7 bn in the first eight months of 2025, up by €3.2 bn compared to 2024. With €22.2 bn, China is the primary source of imports of the EU27 area for chemicals, followed by the USA (€20.9 bn) and the UK (€12.7 bn). With €48.1 bn, petrochemicals is the largest import sector followed by specialty chemicals (€29.3 bn) and polymers (€21.0 bn). 2025 data analysis shows an increase in import values for all sectors except for specialty chemicals compared to 2024 (Jan-Aug).



Source: Cefic analysis based on Eurostat data (2025, NACE code 20)

January to August 2025: EU27 chemical imports volume 5.2% above 2024 levels

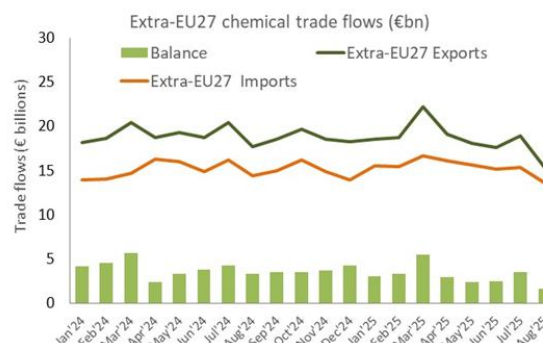
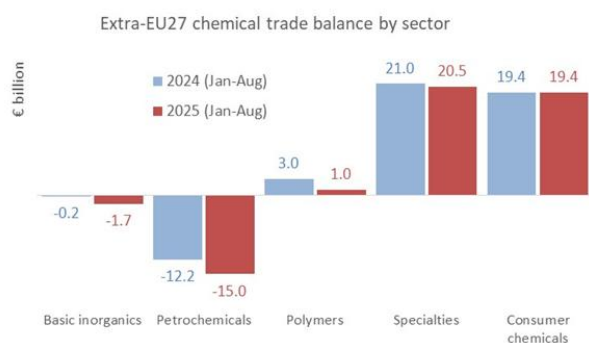
From January to August 2025, EU27 chemical imports increased by 3.4 million tons in 2025 in comparison to the same period in 2024. The EU27 chemicals exports amounted to 69.1 million tons in the first eight months of 2025, up from 65.6 million tons in 2024. With 10.1 million tons, USA is the primary source of imports of the EU27 area for chemicals, followed by China (6.7 mt), and the UK (6.3 mt).



Source: Cefic analysis based on Eurostat data (2025, NACE code 20)

January to August 2025: EU27 chemical trade surplus in value below 2024 levels

From January to August 2025, EU27 chemical exports decreased by 2.3% in 2025 in comparison to the same period in 2024, whereas EU27 chemical imports increased by 2.6%. The EU27 chemicals trade surplus amounted to €25.0 bn in the first eight months of 2025, down by €6.6 bn compared to 2024. With €15.0 bn, petrochemicals is generating the largest trade deficit, followed by basic inorganics (€1.7 bn). By contrast, specialty chemicals and consumers chemicals continue to generate a trade surplus of more than €19 bn each in 2025 (Jan-Aug). However, this is not sufficient to compensate for the increased level of imports in petrochemicals.

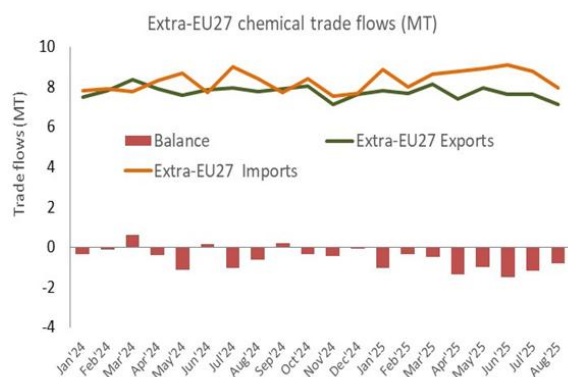
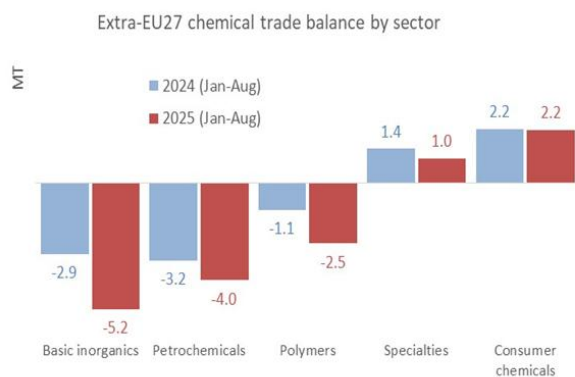


euro bn	Exp	Imp	Balance	Trade	TCI
2024 (Jan-Aug)	152.1	120.5	31.6	272.6	12%
2025 (Jan-Aug)	148.6	123.7	25.0	272.3	9%
Delta	-3.5	3.2	-6.6	-0.3	-2%
2025/2024	-2.3%	2.6%		-0.1%	

Source: Cefic analysis based on Eurostat data (2025, NACE code 20)

January to August 2025: EU27 trade deficit in volume above 2024 levels

The EU27 chemicals trade deficit amounted to 7.7 million tons in the first eight months of 2025, up by 4.9 million tons compared to 2024. With 5.2 million tons, basic inorganics generated the largest trade deficit, followed by petrochemicals (4.0 mt) and polymers (252 mt). Specialty chemicals and consumer chemicals continue to generate a trade surplus of more than 1 million tons each in 2025 (Jan-Aug).



MT	Exp	Imp	Balance	Trade	TCI
2024 (Jan-Aug)	62.8	65.6	-2.9	128	-2%
2025 (Jan-Aug)	61.3	69.1	-7.7	130	-6%
Delta	-1.4	3.4	-4.9	2.0	-4%
2025/2024	-2.3%	5.2%		1.5%	

Source: Cefic analysis based on Eurostat data (2025, NACE code 20)