



**FEDER**MANAGER

FEDERAZIONE NAZIONALE DIRIGENTI AZIENDE INDUSTRIALI

# Chemistry and pharmaceuticals

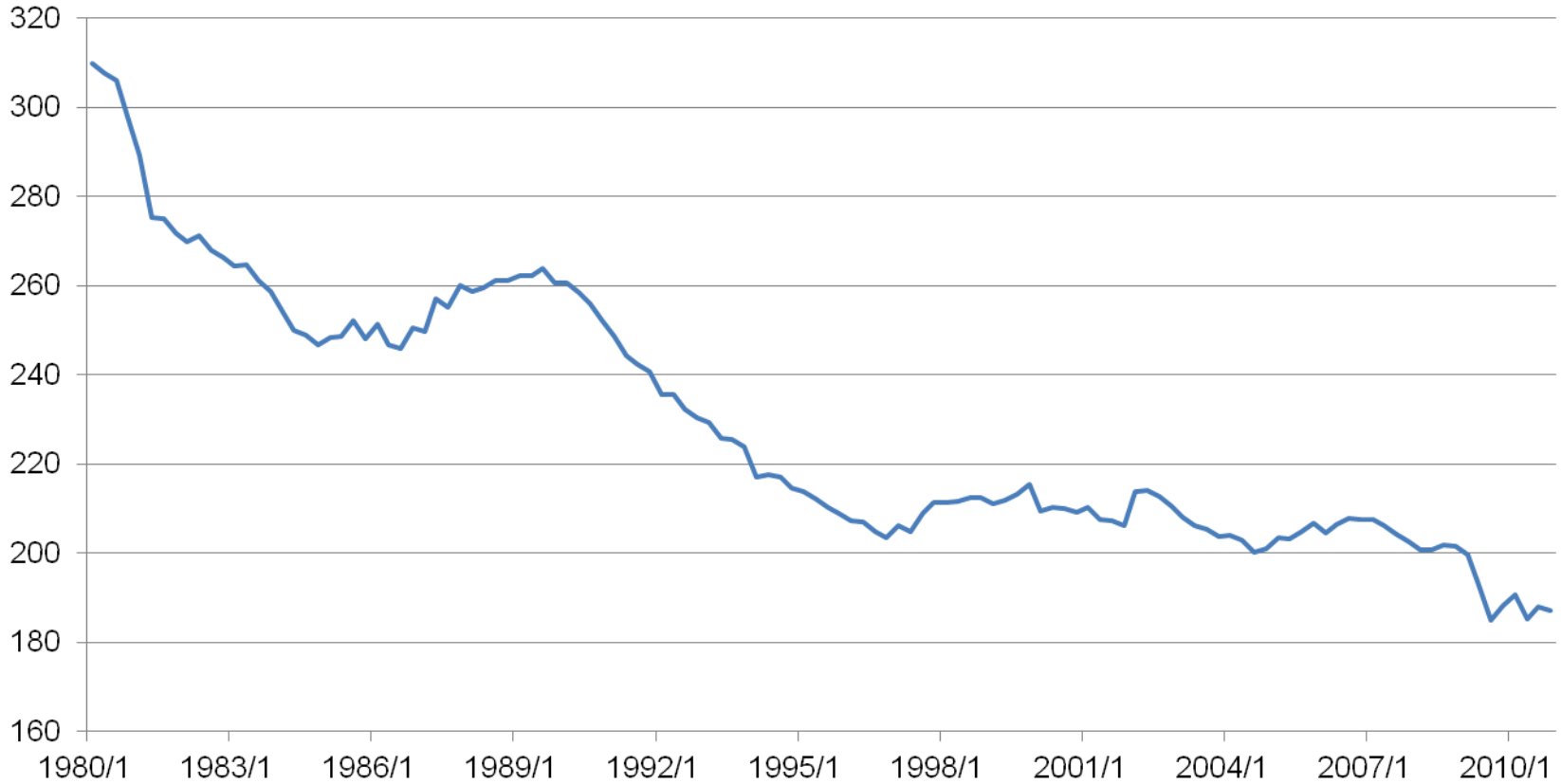
Notes on Italian industry and market

Athens, October 5th, 2011

Gianluigi Possanzini

# Italian chemical industry Occupation (x 1,000)

Source: ISTAT

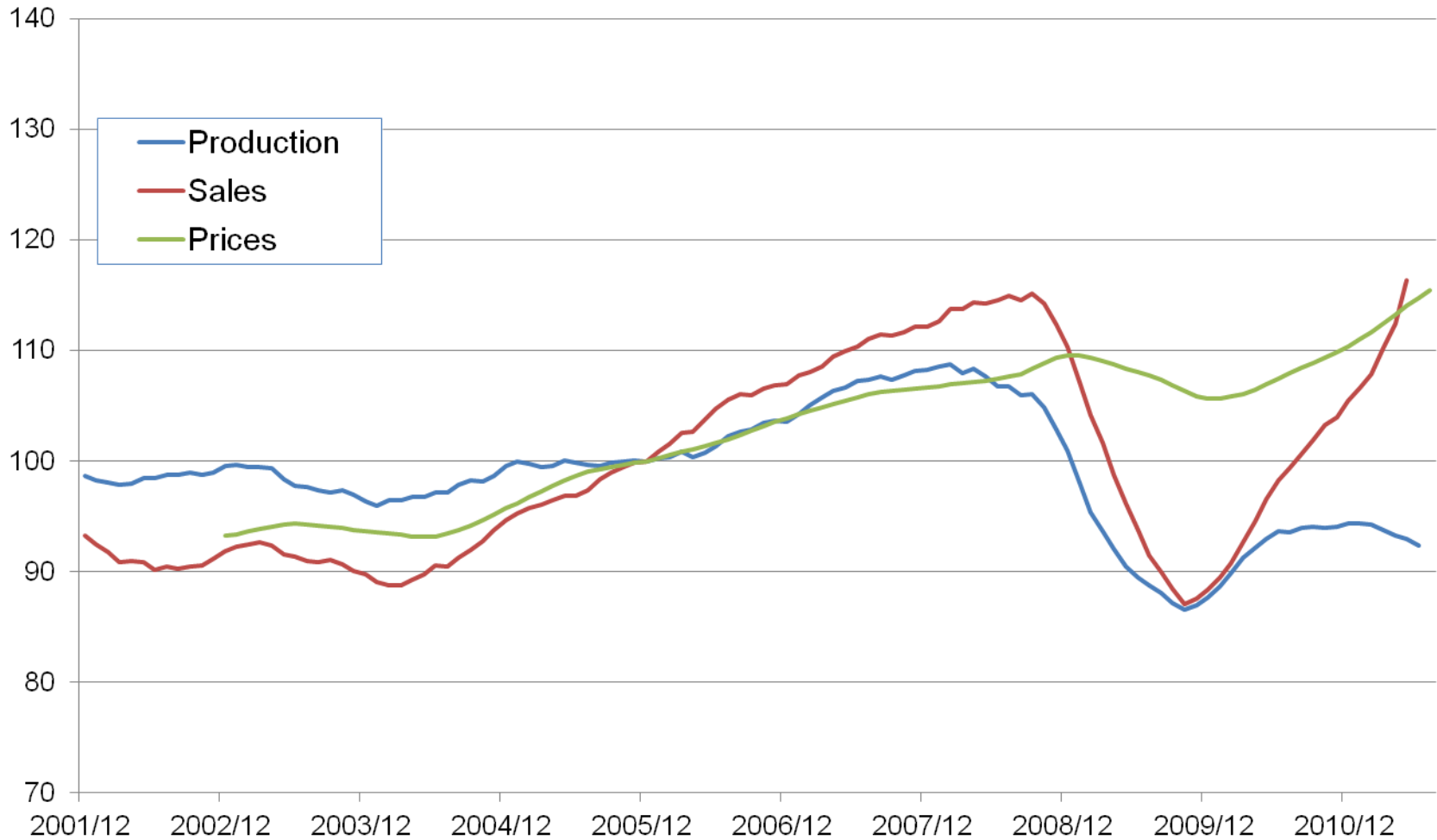


# Employement in chemical industry

- Employment was dramatically reduced in two main steps
  - In '80ies, during the crisis of Italian chemical industry (Montedison default and SIR bankrupt)
  - In first half of '90ies, owing to the restructuration of the main chemical companies in Italy.
- It is now relatively stable from more than 10 years in the range of 190,000 – 210,000 employees; a third downstep is starting or the present crisis will be recovered?

# Italian chemical production

Source: ISTAT, 12-months moving average  
Index, 2005 = 100

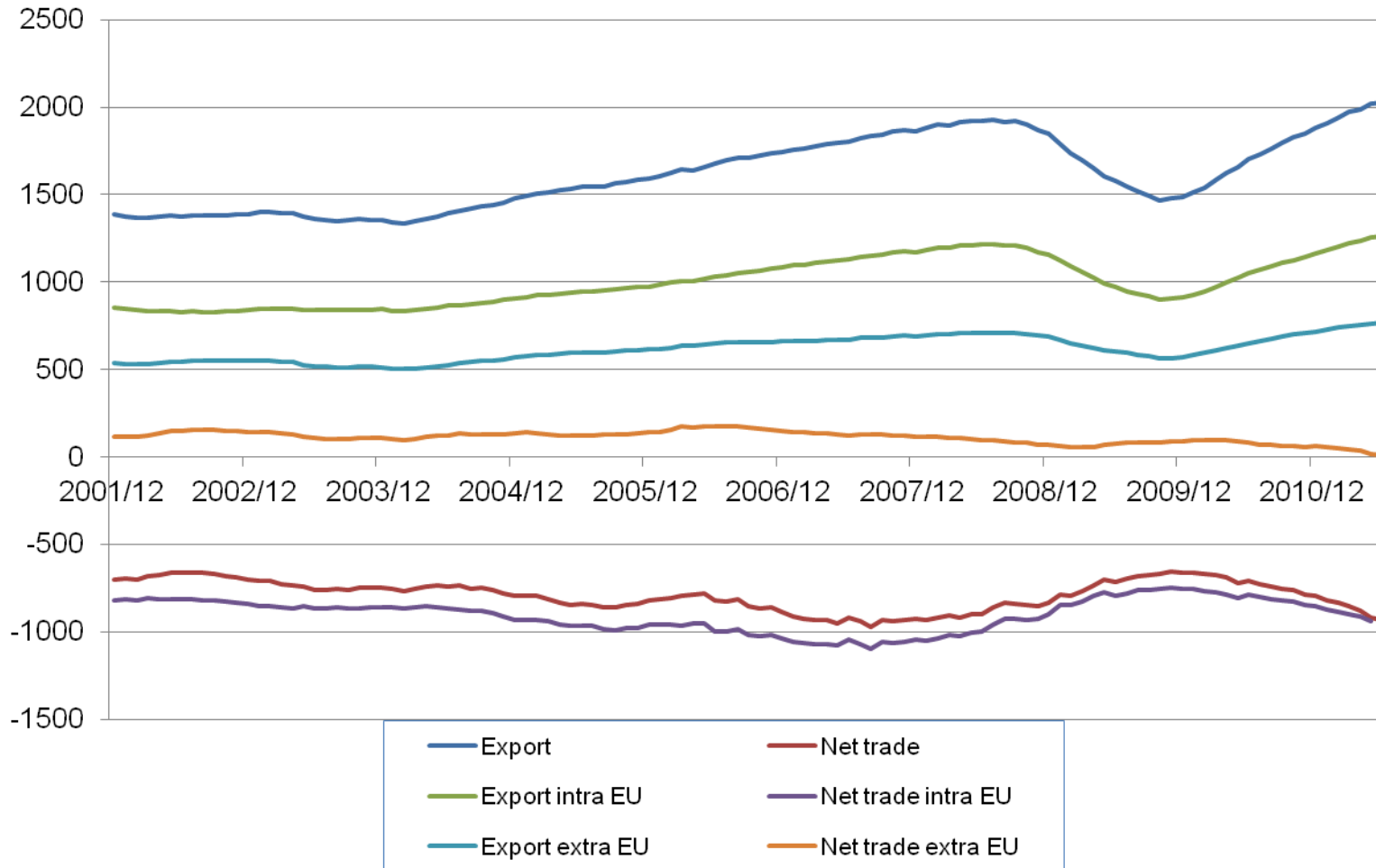


# Production and sales

- Production has been relatively stable over a very long period, during restructuring of Italian chemical industry, with a remarkable increase in productivity.
- In the last 10 years, the steadily positive world economic cycle has produced a constant increase in production, prices and sales.
- Since 2008, the market has dropped. Sales and prices have recovered, production hasn't.

# Italian trade of chemicals (M€/month)

Source: ISTAT - 12-months moving average



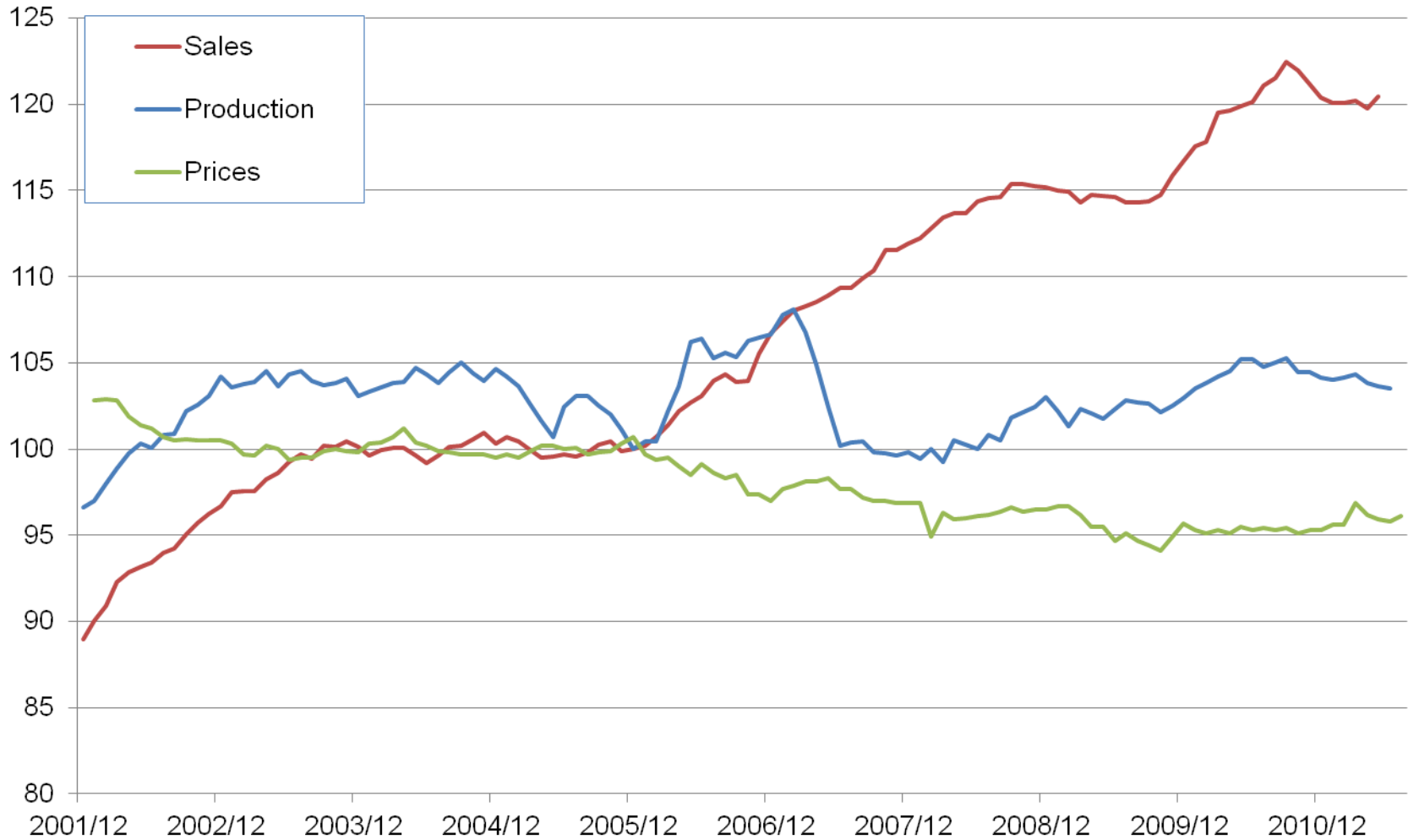
# Italian Trade of chemicals

- Italian trade of chemicals has increased steadily in the last 20 years
- The drop due to 2008 crisis has been fully recovered, but...
- Net trade is at a negative record, due to
  - Strong negative figures in intra-EU trade
  - Zeroed extra-EU net trade (first time in the story)

# Italian pharmaceutical industry

Index: 2005 = 100

Source: ISTAT, 12-months moving average

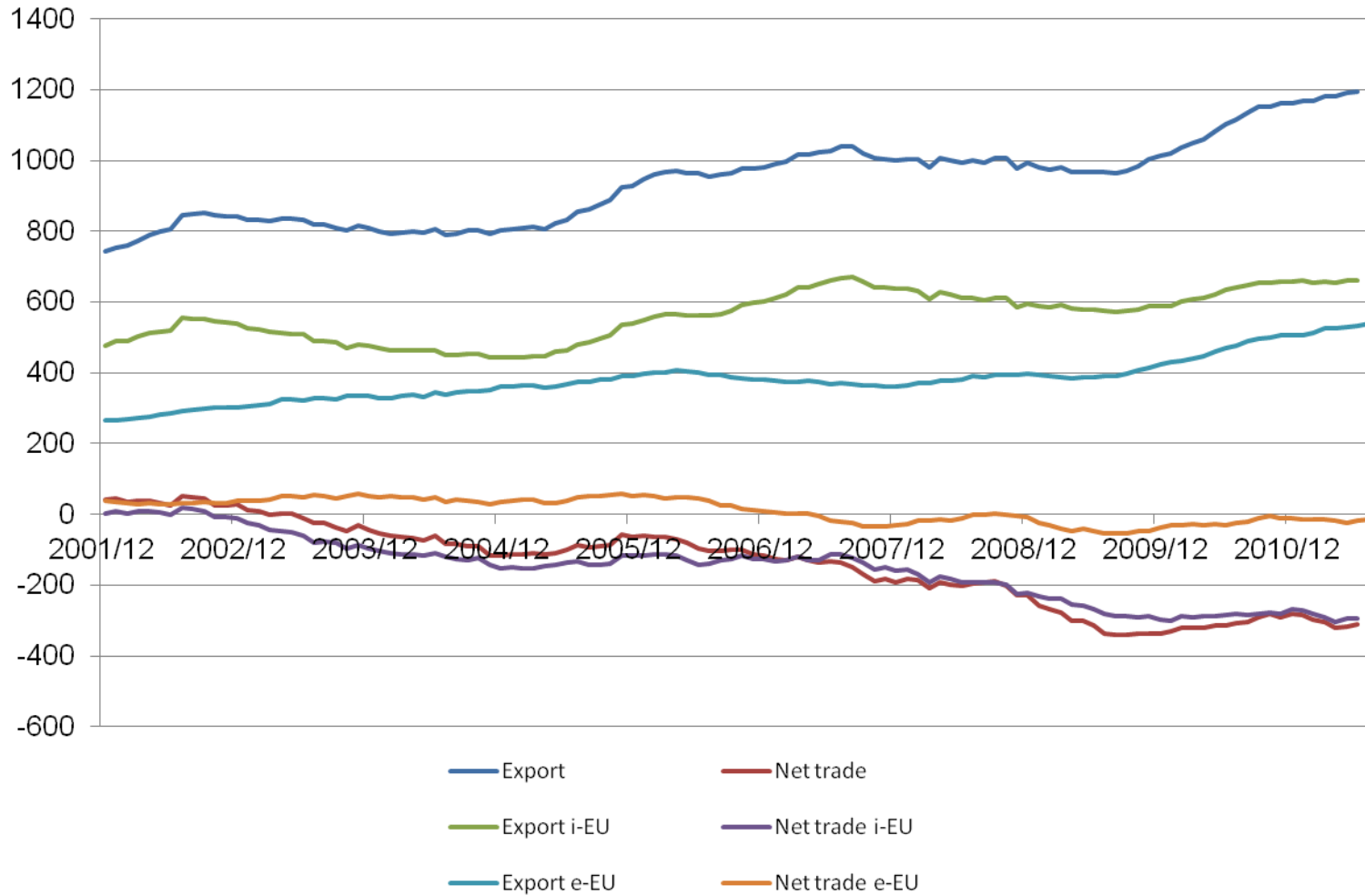


# Italian pharmaceutical industry

- Sales have been steadily increasing at an high pace over the years
- The rise of production has stopped in early 21<sup>o</sup> century. Since 2003 production is more or less constant
- Prices are slowly declining.

# Italian trade of pharmaceuticals (M€/month)

Source: ISTAT - 12-months moving average



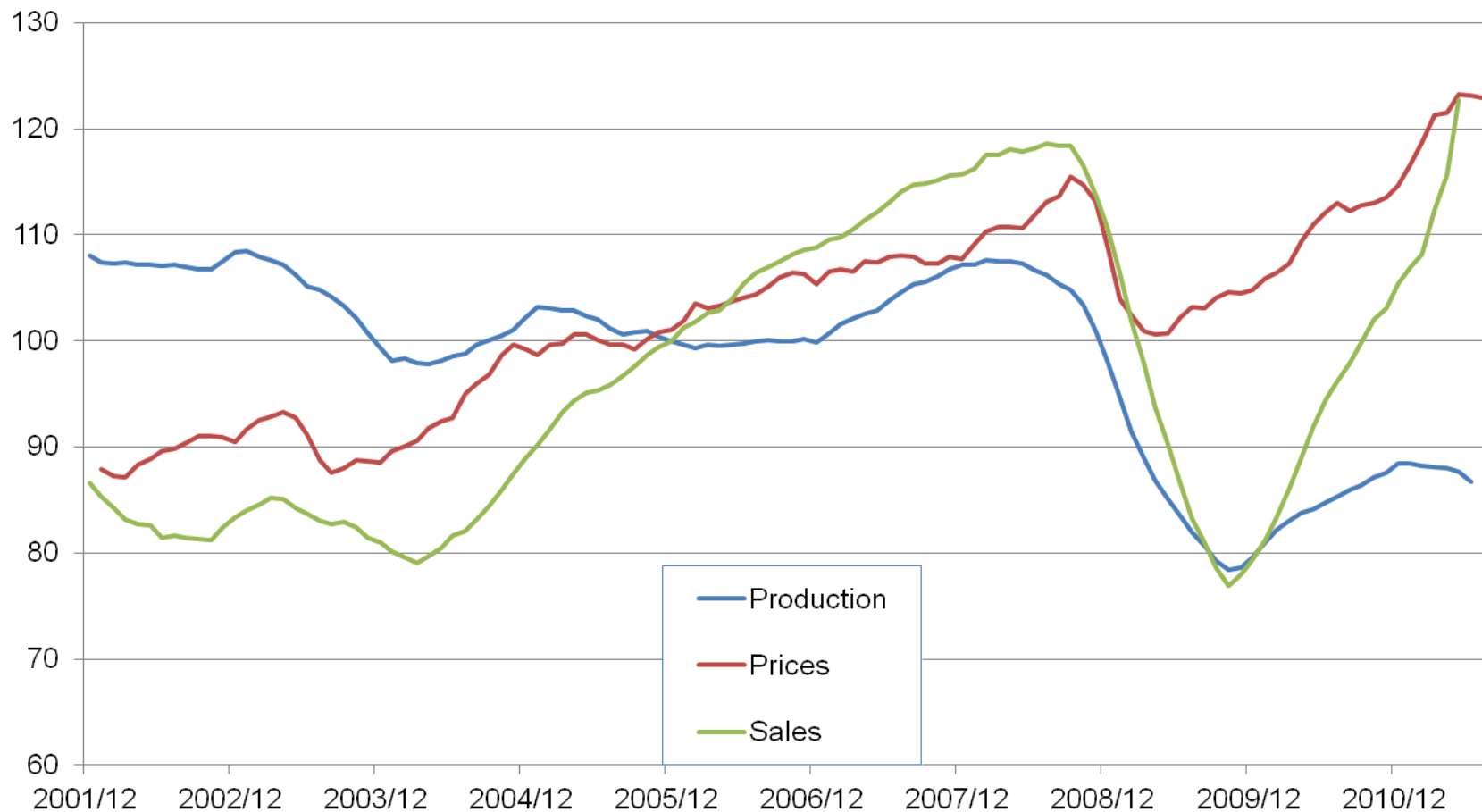
# Trade of pharmaceuticals

- In 21<sup>st</sup> century, all the sales increase has been covered by import.
- Net trade was balanced until 2003, but it has got more and more unbalanced in recent years.
- Excess imports come from EU countries.

# Italian production of base chemicals, polymers, rubbers

Source ISTAT, 12-months moving average

Index: 2005 = 100

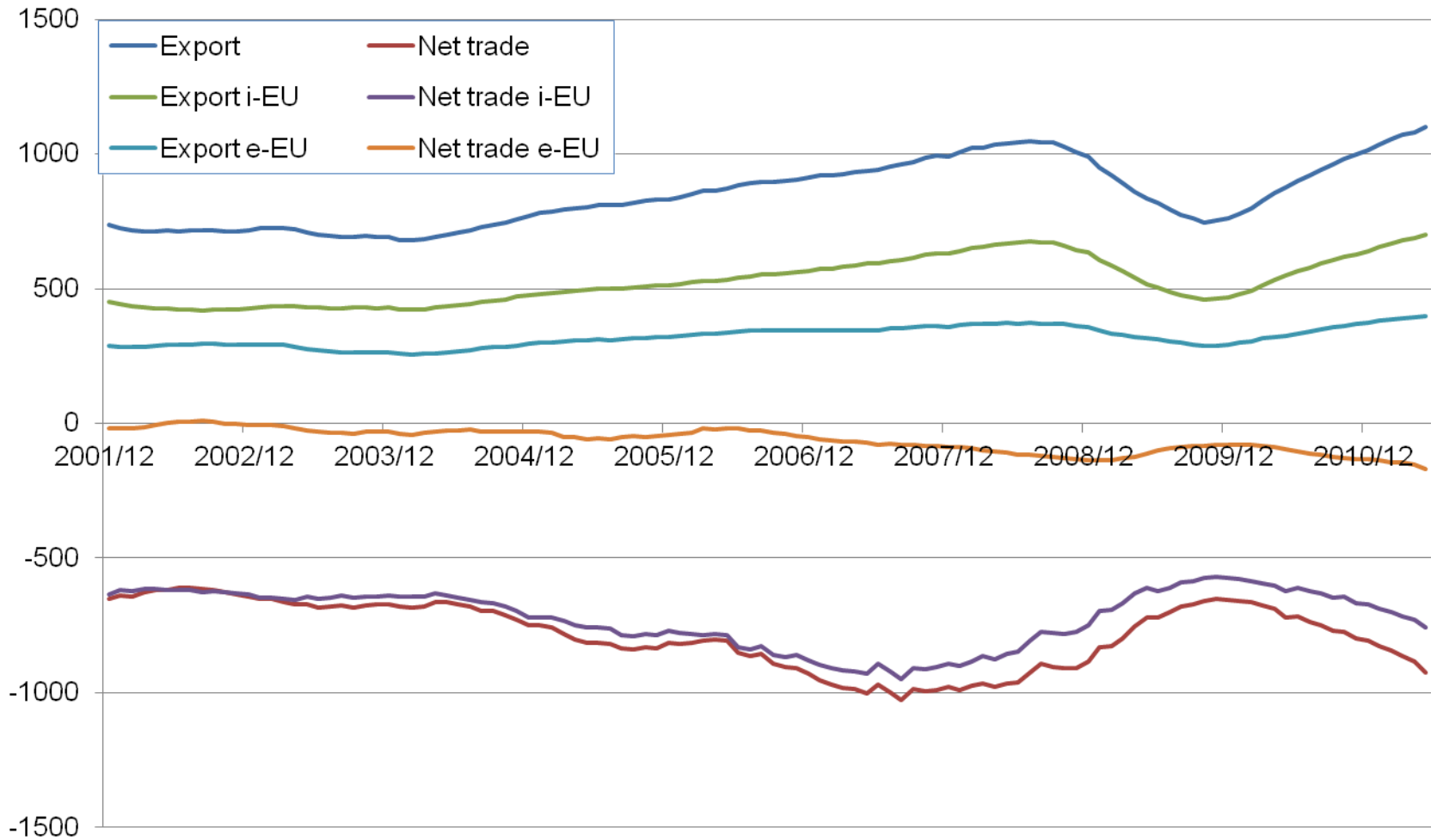


# Basic chemicals, polymers, elastomers

- The basic chemicals business is structurally depending on imports
- Basic inorganics, fertilisers, large-volume polymers productions have not been increased owing to the unavailability of low-cost raw materials and energy
- Sales and prices have fully recovered after the crisis, production hasn't
- Elastomers production is increasing and profitable.

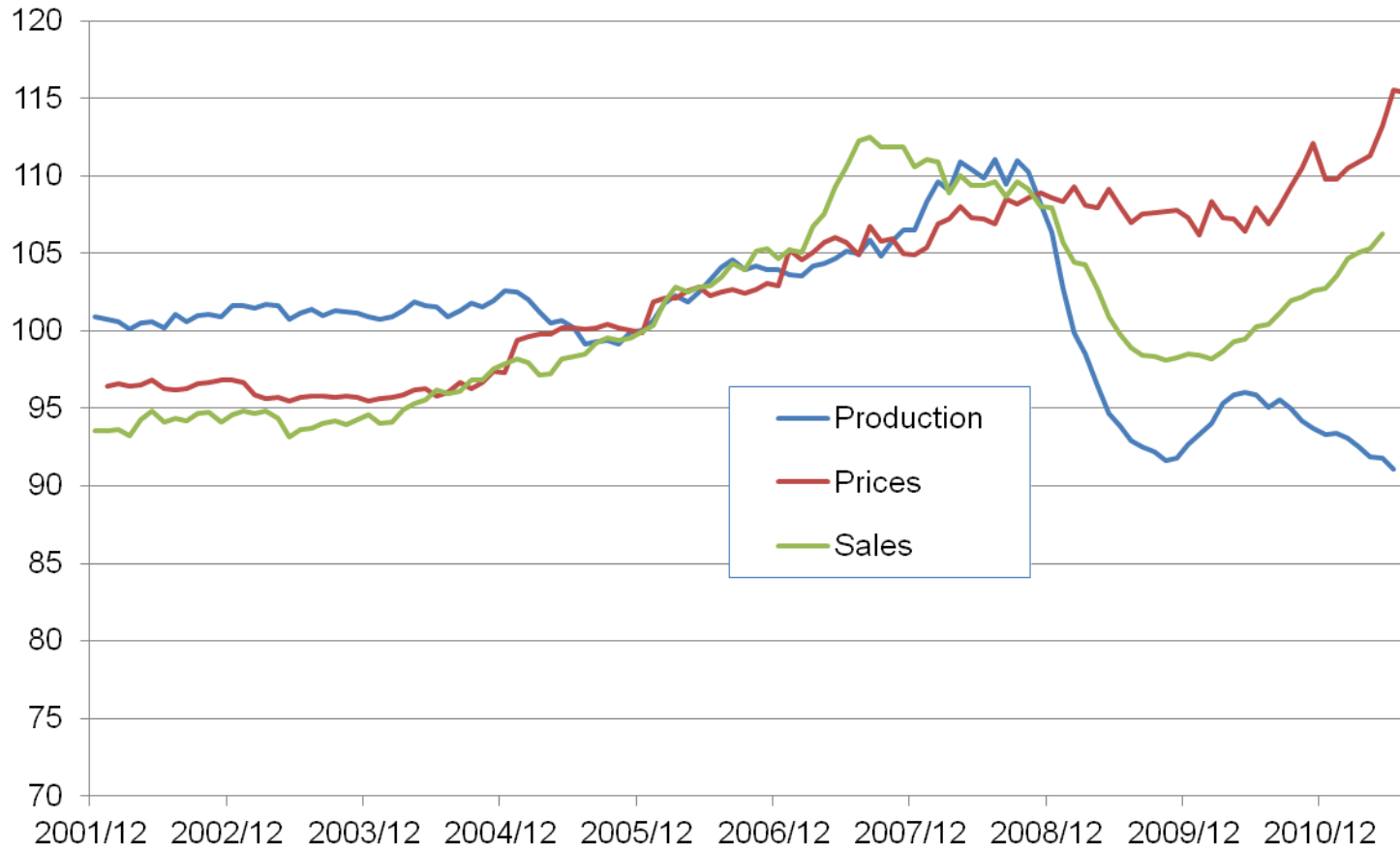
# Italian trade of base chemicals, polymers, rubbers (M€/month)

source: ISTAT, 12-month moving average



# Paints, inks and adhesives Italian production & sales

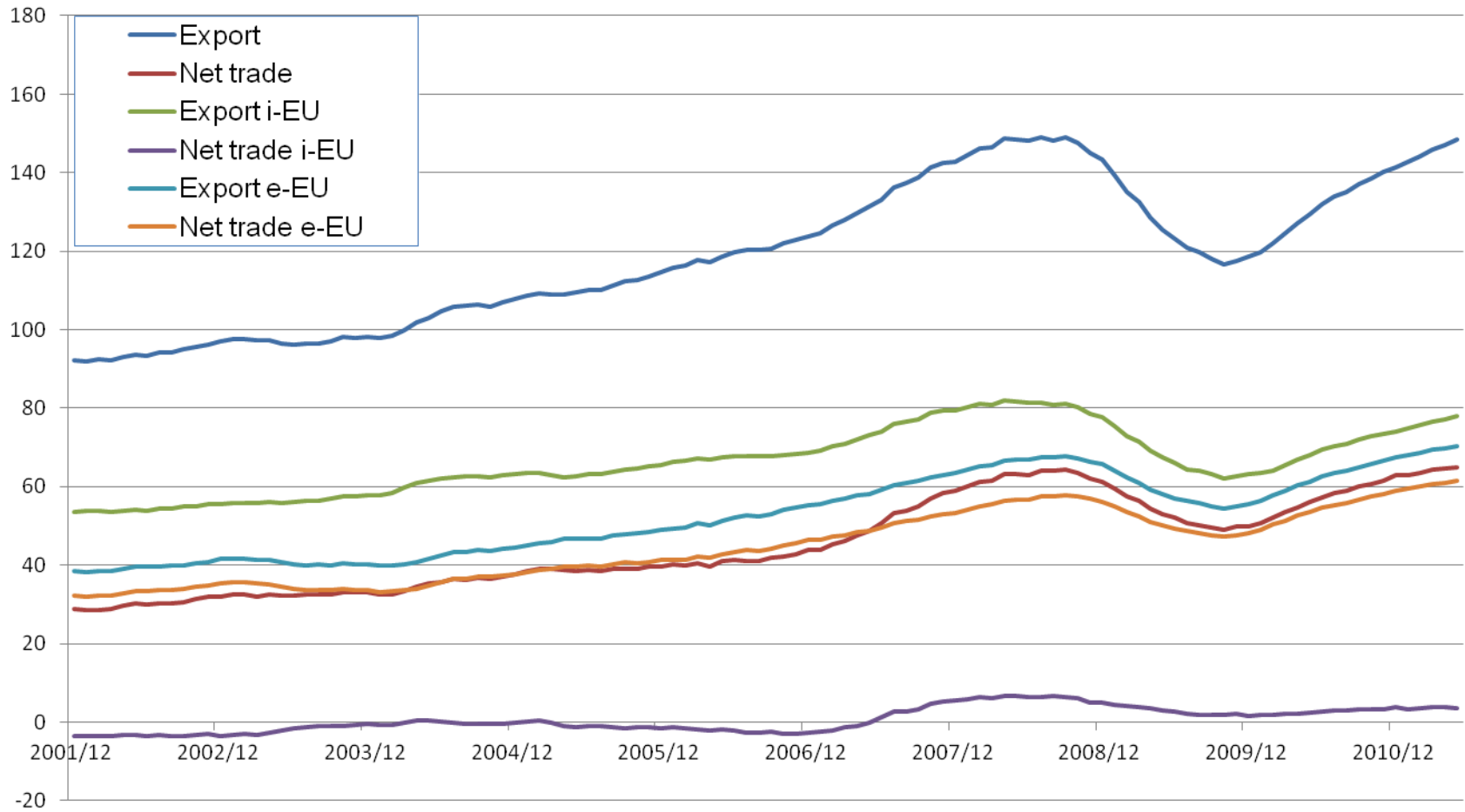
source: ISTAT, 12 months moving average  
Index, 2005 = 100



- A long positive trend has been stopped by the crisis
- Sales are recovering, mainly owing to export;
- Production is still suffering the impact of the low internal market

# Paints, inks & adhesives Italian trade (M€/month)

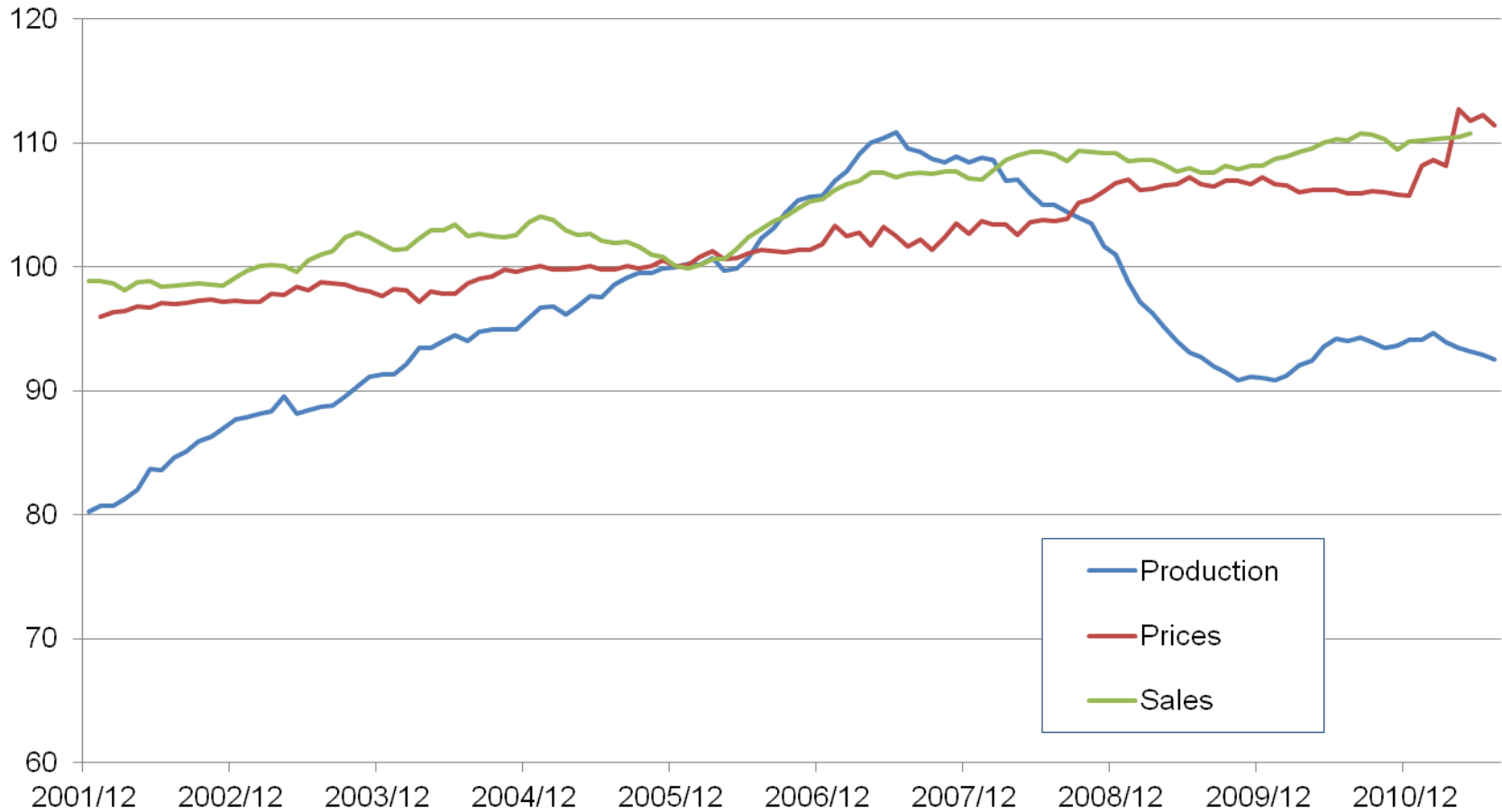
Source: ISTAT, 12-months moving average



# Italian production of soaps, detergents, perfumes, cosmetics

Source ISTAT, 12-months moving average

Index: 2005 = 100

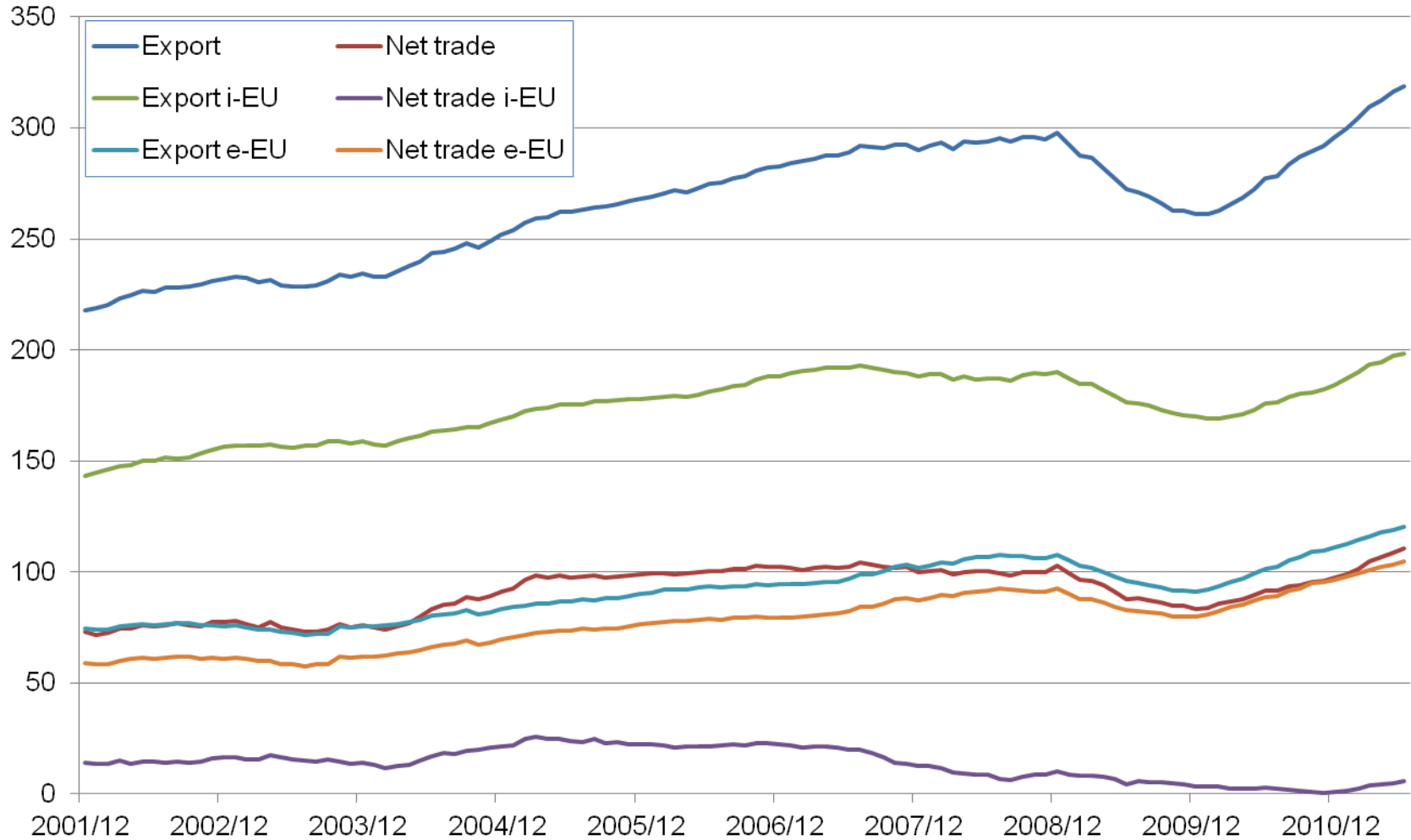


# Soaps, cosmetics, perfumes detergents

- Sales and prices have suffered no crisis at all
- Production is still low, waiting to recover a temporary drop in export.

# Italian trade of soaps, detergents, perfumes, cosmetics (M€/month)

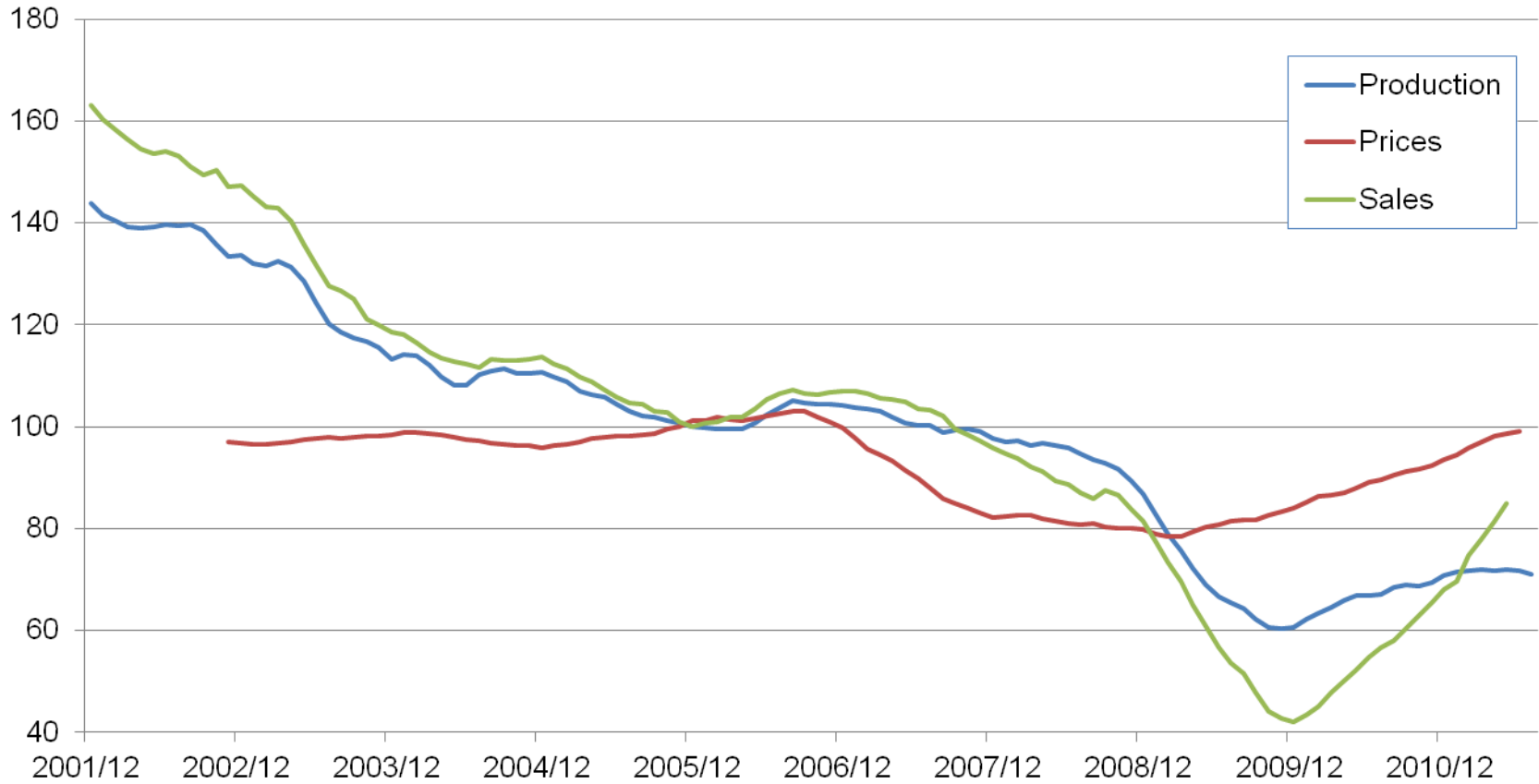
Source ISTAT, 12-months moving averages



# Italian production of synthetic fibers

Source: ISTAT, 12-month moving average

Index: 2005 = 100



# Italian market of synthetic fibers

- Fiber production and sales have dropped, following the crisis of low cost textile industry
- This is a long term trend

# Italian trade of synthetic fibers (M€/month)

Source: ISTAT, 12-months moving average

