What is the state of the global hydrocarbon processing industry (HPI)? Which regions and sectors are seeing growth, and which are stagnant, or possibly shrinking? These are some of the questions that *Hydrocarbon Processing* editors addressed in *Hydrocarbon Processing's HPI Market Data 2018*. The market outlook provides insights into major trends affecting the downstream HPI, including forecast capital, maintenance and operating expenditures for the petrochemical, refining and gas processing/LNG industries for 2018.

This market research report spans more than 120 pages with more than 35 tables and 70 figures of data, trends and detailed editorial analysis. *HPI Market Data 2018* provides an exhaustive breakdown on individual regions and sectors, as well as comprehensive analyses on worldwide economic, social and political trends driving HPI activity across all sectors. In total, *Hydrocarbon Processing* forecasts that the HPI's capital, maintenance and operating budgets will reach $361 B in 2018. The following are some of the major trends within each sector that are discussed in-depth in *HPI Market Data 2018*.

Refining

Although new refining project announcements have slowed, the refining sector continues to build new capacity to meet future demand for refined products. Between 2015 and 2022, global refining capacity should increase by approximately 7 MMbpd to 104 MMbpd. The vast majority of new refining capacity will be located in non-OECD nations.

Along with continued capacity growth in the global refining sector, new technologies are moving the industry toward clean, low-sulfur transportation fuels. To adhere to government regulations, refiners around the world will be required to continue investing heavily in producing low-sulfur transportation fuels.

Also, the International Maritime Organization (IMO) announced that it will implement its Global Sulfur Cap regulation beginning in 2020. The new regulation calls for the decrease of sulfur in marine fuels from 3.5% to 0.5%, which will have a dramatic effect on both the shipping industry and refiners. Refiners will need to make decisions on whether to invest in additional refining capacity to meet marine fuel requirements, and shippers must decide what investments to make to adhere to new fuel quality regulations.

Petrochemicals

The global petrochemical sector will continue to see strong growth through the end of the decade. The most significant expansions will occur in the Asia-Pacific, US and Middle East regions. Some of the strongest growth is seen in the US, where cheap natural gas is fueling more than $100 B in new petrochemical capacity. Although ethane cracking is still the cheapest route to petrochemicals production, the price advantage has shrunk considerably, especially with the multitude of coproducts that can be produced by cracking naphtha.

Gas processing/LNG

Over the past several years, new gas processing/LNG capacity has surged in nearly every region. Millions of tons of new LNG import and export capacity have come onstream, with hundreds of millions of tons still under development. The majority of new LNG export capacity will be located in Australia and the US, while the Asia-Pacific region, primarily India and China, will be the leader in new regasification capacity. However, the LNG market is oversupplied, with millions of tons of new LNG export capacity awaiting final investment approval. Some developing nations, especially in Asia, are enacting new regulations that favor the use of natural gas over coal. Should these new regulations be adopted, LNG trade could increase substantially in the early 2020s.