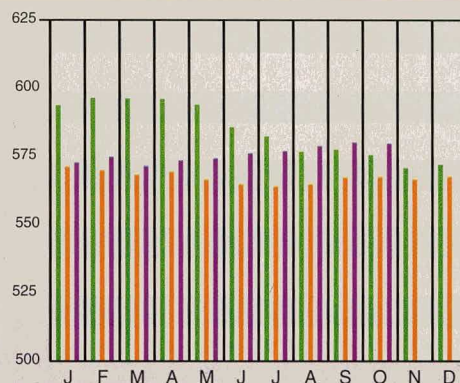


DOWNLOAD THE **CEPCI** TWO WEEKS SOONER AT WWW.CHEMENGONLINE.COM/PCI

CHEMICAL ENGINEERING PLANT COST INDEX (CEPCI)

(1957-59 = 100)	Oct. '14 Prelim.	Sept. '14 Final	Oct. '13 Final
CE Index	579.8	580.1	567.5
Equipment	704.1	704.6	686.6
Heat exchangers & tanks	652.3	650.9	620.0
Process machinery	666.9	668.1	655.7
Pipes, valves & fittings	876.4	877.4	874.5
Process instruments	411.9	413.4	411.8
Pumps & compressors	941.1	939.0	924.7
Electrical equipment	516.0	515.7	513.8
Structural supports & misc	769.1	775.1	744.1
Construction labor	324.4	323.9	321.6
Buildings	547.2	546.3	533.7
Engineering & supervision	320.3	321.4	324.4

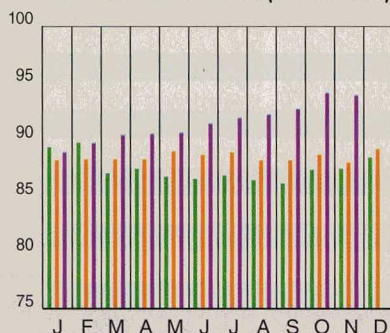
Annual Index:
2006 = 499.6
2007 = 525.4
2008 = 575.4
2009 = 521.9
2010 = 550.8
2011 = 585.7
2012 = 584.6
2013 = 567.3



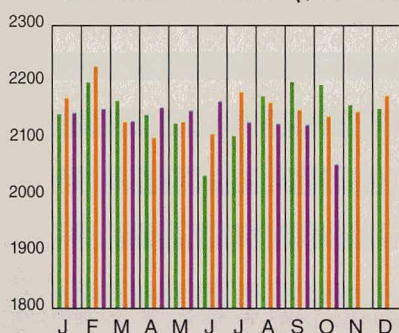
CURRENT BUSINESS INDICATORS*

	LATEST	PREVIOUS	YEAR AGO
CPI output index (2007 = 100)	Nov.14 = 93.9	Oct.14 = 93.1	Sept.14 = 92.9
CPI value of output, \$ billions	Oct.14 = 2,056.1	Sept.14 = 2,114.6	Aug.14 = 2,123.6
CPI operating rate, %	Nov.14 = 78.7	Oct.14 = 78.1	Sept.14 = 77.9
Producer prices, industrial chemicals (1982 = 100)	Nov.14 = 283.4	Sept.14 = 293.2	Aug.14 = 296.6
Industrial Production in Manufacturing (2007 = 100)	Nov.14 = 102.2	Oct.14 = 101.1	Sept.14 = 100.7
Hourly earnings index, chemical & allied products (1992 = 100)	Nov.14 = 157.4	Oct.14 = 156.2	Sept.14 = 157.0
Productivity index, chemicals & allied products (1992 = 100)	Nov.14 = 107.8	Oct.14 = 107.8	Sept.14 = 107.9
			Nov.13 = 89.1
			Oct.13 = 2,137.9
			Nov.13 = 75.5
			Nov.13 = 290.0
			Nov.13 = 97.6
			Nov.13 = 157.4
			Nov.13 = 106.8

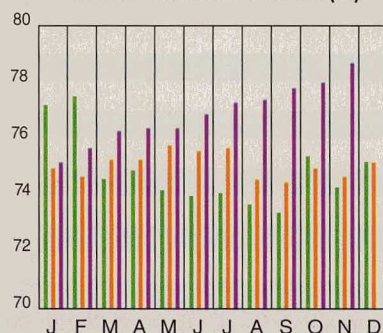
CPI OUTPUT INDEX (2007 = 100)



CPI OUTPUT VALUE (\$ BILLIONS)



CPI OPERATING RATE (%)



* Current Business Indicators provided by IHS Global Insight, Inc., Lexington, Mass.

HIGHLIGHTS FROM RECENT ACC ECONOMIC DATA

The American Chemistry Council (ACC; Washington, D.C.; www.americanchemistry.com) released its "Year-end Chemical Industry Situation and Outlook" report in late December. The report says that despite facing global headwinds, the American chemical industry expanded at a 2.0% growth rate in 2014, and is expected to reach a 3.7% gain in output in 2015, before hitting 3.9% in 2016. The report's consensus is that U.S. chemical output will continue to expand well into the second half of the decade, exceeding that of the overall U.S. economy. Other key highlights of the Situation and Outlook report include the following:

- Light vehicle sales (\$3,500 of chemistry per unit) grew 5.2% in 2014
- Housing starts (\$15,000 of chemistry per start) grew 7.5% in 2014
- Basic chemicals were hard hit from recessions in Japan and Brazil
- During the second half of the current decade, U.S. chemical industry growth is expected to expand at a pace of more than 4% per year on average, exceeding that of the overall U.S. economy
- A trade surplus of \$77 billion is expected by 2019
- More than 215 new chemical production projects valued at over \$135 billion have been announced in the U.S., helping capital spending to surge nearly 12% in 2014 to more than \$33 billion

Globally, the ACC reported that the Organization for Economic Cooperation and Development's (OECD; Paris; www.oecd.org) composite leading indicator pointed to stable growth momentum for the OECD regions as a whole. □

CURRENT TRENDS

The preliminary value for the October CE Plant Cost Index (CEPCI; top; the most recent available) declined slightly (0.05%) from the final September value, reversing the increasing trend that has been observed for the past six months. The Equipment subindex saw a very small decline in October, as did the Buildings and Engineering & Supervision subindices, while the Construction & Labor subindex saw a small increase. The overall October PCI value stands at 2.2% higher than its value from October 2013. Meanwhile, updated values for the Current Business Indicators (CBI) from IHS Global Insight (middle) show that the CPI output index was up slightly from the previous month, while the value of output declined. □

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