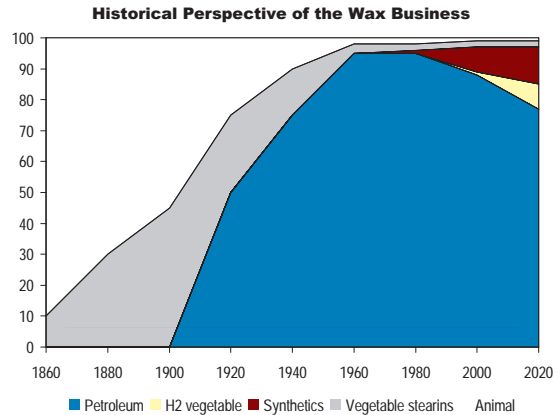


# Global Opportunities and Threats in the Wax Business, 2006-2020

## Fact Sheet

### The Market

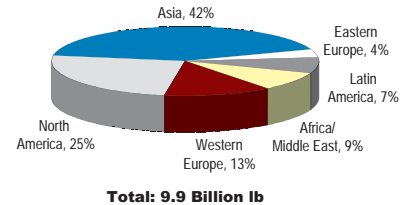
At the beginning of the 21st century, the wax industry is again in the midst of change. Synthetic waxes entered the market over the last 25 years and are growing at a rapid pace. Petroleum waxes are in slow decline, and new technology is providing hard vegetable waxes via catalytic hydrogenation of refined vegetable oils.



### Suppliers

Global wax supply in 2006 is estimated at 9.9 billion lb and consists of mineral, synthetic, vegetable, and animal waxes. Crude-derived waxes represent 87% of global supply, having dropped below 90% for the first time in decades. Synthetic waxes have almost reached 10% of supply because of higher wax prices and eroding petroleum wax supplies.

**Estimated Global Wax Supply by Region, 2006**



### Market Entry

New types of wax will create logistics issues, requiring additional wax segregations for many customers. Historical barriers to entry into the wax market, such as environmental, regulatory issues, and capital requirements, are less relevant than in the past.

**Current Wax Barriers to Market Entry**



### Future Outlook

To keep the global wax industry moving forward, wax buyers and sellers need to prepare for the continued, gradual shift away from global petroleum waxes and incorporate more hydrogenated vegetable, natural vegetable, and synthetic waxes into the overall wax supply. Central to the industry, petroleum waxes will still comprise about three-fourths of global supply. The remaining supplies will be represented by Fischer-Tropsch, polyethylene and alpha-olefin waxes, hydrogenated vegetable waxes, natural vegetable waxes, and animal and montan waxes.

**Forecast Segmentation of the Global Waxes Market, 2020**

