Dear editors,

I wish to submit an abstract entitled “Effects of the shale boom on ethylene and propylene prices” for a presentation at the 42nd IAEE International Conference to be held in Montreal, Canada.

This study analyzes the effect of the shale boom on ethylene and propylene prices in the US and compares it to Japan’s market. A key finding of our comparative analysis is that imported crude oil prices impact the prices of olefins in Japan, whereas olefin prices in the US are not significantly impacted by the price of natural gas. I believe that study makes a significant contribution to the literature because the findings broaden the understanding of the supply structure of the ethylene and propylene industries.

Further, this presentation will be of interest to the audience to attend the conference because the analysis provides insight into the current and future structural changes driven by the US shale gas boom, and suggest that the global market, particularly Asia, will be related by the boom. This research also makes theoretical contributions in that it novelly adopt path analysis and structural equation modeling for the study of the petrochemical industry of upstream, midstream, and downstream stages within the supply chains of ethylene and propylene.

Thank you for your consideration.

Sincerely,
Soohyeon Kim
Seoul National University
82-2-880-8284
kimssoo@snu.ac.kr