



Company	Ticker	Sector	Industry
LyondellBasell Industries NV	LYB-US	Materials	Chemicals

## Business Description

LyondellBasell Industries NV engages in the refinery and production of plastic resins and other chemicals. It operates through the following segments: Olefins and Polyolefins-Americas; Olefins and Polyolefins-Europe, Asia, International; Intermediates and Derivatives; Advanced Polymer Solutions; Refining; and Technology. The Olefins and Polyolefins-Americas segment produces and markets olefins and co-products, polyethylene and polypropylene. The Olefins and Polyolefins-Europe, Asia, International segment also offers olefins and polyolefins. The Intermediates and Derivatives segment includes propylene oxide and its derivatives; oxyfuels and related products; and intermediate chemicals. The Advanced Polymer Solutions segment produces and markets compounding and solutions, such as polypropylene compounds, engineered plastics, masterbatches, colors and powders, engineered composites, and advanced polymers. The Refining segment refines heavy, high-sulfur crude oil and other crude oils of varied types and sources. The Technology segment develops chemical and polyolefin process technologies and manufactures and sells polyolefin catalysts. The company was founded in December 2007 and is headquartered in London, the United Kingdom.

## Price Chart



## Key Info & Metrics

<b>Empirical Research Rank:</b>	<b>3</b>
Date Purchased:	01/02/2018
Price:	\$100.36
52-Week Range:	\$72.20 - \$117.08
Dividend Yield:	4.68%
Market Cap (\$M):	\$32,680
Forward Price-to-Earnings:	11
<b>Total Return</b>	
Year-to-Date:	20.9%
1 Year:	11.1%
3 Year:	48.6%
5 Year:	20.9%

## Investment Case - Updated: November 6, 2022

LyondellBasell is one of the leading petrochemical companies in the world. It specializes in polyethylene and polypropylene which are widely used in both industrial and consumer applications. The company re-emerged from bankruptcy in 2009 with a leaner cost structure and was poised to take advantage of low natural gas prices from the shale boom in the U.S. However, for the last 3 years, the industry has come under pressure as competitors expanded capacity which has pressured margins for the company. While production fell during the pandemic, the snapback of industrial activity has brought supply and demand back into balance. Polyethylene prices have risen over 50 percent in 2021 alone which will result in greater free cash flow than originally expected. The company plans to use this cash flow to pay down debt and to boost an already healthy dividend.

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