

# PolymerScan

Volume 46 / Issue 30 / July 26, 2023

## Americas Polymer Spot Price Assessments

	FAS Houston (\$/mt)	FAS US East Coast (\$/mt)	US Contract dlv'd railcar (cts/lb)	US Domestic (\$/mt)	CFR Mercosur (\$/mt)	CFR Brazil (\$/mt)	CFR WC South America (\$/mt)
PVC SUSP	750-760		67.00-69.00	1477.10 -1521.19	—	835-845	835-845
LDPE G-P	838-860	860	68.50-69.50	1510.16 -1532.21	1020.00	995-1005	935-945
LLDPE (Butene)	838-860	851	59.50-60.50	1311.75 -1333.80	1000.00	985-995	920-930
LLDPE C6	849 -871		—	—	—	—	—
LLDPE metallocene	860 -882		—	—	—	—	—
HDPE Inj	816-838		63.00-64.00	1388.91 -1410.96	1040.00	975-985	945-955
Bmlgd	838-860	860	63.00-64.00	1388.91 -1410.96	1020.00	975-985	945-955
Film	860-882		64.50-65.50	1421.98 -1444.03	1030.00	985-995	975-985
Yarn	—		—	—	—	—	—
PP Homo Inj	882-904		52.50-53.50	1157.43 -1179.47	1030.00	1015-1025	975-985
Fiber	—		54.50-55.50	1201.52 -1223.56	—	—	—
Copol	926-948		—	—	1140.00	1065-1075	1045-1055
PS G-P	1794-1816		79.00-81.00	1741.65 -1785.74			
HIPS	1994-2016		85.00-87.00	1873.93 -1918.02			
ABS Inj	—		74.00-76.00	1631.42 -1675.51			
PET bottle grade	1179-1201#		1532-1554##				

Notes: All price assessments reflect spot trades with the exception of US Contract Delivered railcar. West coast South America includes major ports in Chile, Peru, Colombia and Ecuador. CFR Mercosur represents basis main ports in Paraguay and Uruguay. #US PET bottle grade refers to DDP US West Coast. ##US PET contract price is in \$/mt.

## Asian Polymer Spot Price Assessments

	CFR FE Asia (\$/mt)	CFR SE Asia (\$/mt)	CFR South Asia (\$/mt)	China Domestic (Yuan/mt)
PVC SUSP	809-811	819-821	839-841	^6090-6110 ^^5890-5910
LDPE G-P	949-951	959-961	977	8780-8820
LLDPE (Butene)	939-941	969-971	989-991	8280-8320
LLDPE (C6 metallocene)	1029-1031	1049-1051	1084-1086	
HDPE Inj	899-901	929-931	969-971	—
Bmlgd	909-911	939-941	1044-1046	—
Film	959-961	979-981	1029-1031	8580-8620
Yarn	939-941	959-961	—	—
PP Raffia	829-831	884-886	949-951	7255-7295
PP Injection	829-831	884-886	949-951	—
Fiber	—	—	—	—
Copol	849-851	924-926	989-991	—
IPP Film	834-836	904-906	974-976	—
BOPP	834-836	909-911	969-971	—
PS G-P	1099-1101	1109-1111	—	—
HIPS	1159-1161	1179-1181	—	—
EPS G-P	1150-1152*			
EPS F-R	1250-1252*			
ABS Inj	1269-1271	1299-1301	—	—
PET bottle grade	889-891 *	939-941 **	—	—
Polyester POY150D/48F	—	—	—	7605.00
Polyester DTY150D/48F	—	—	—	9105.00
Polyester FDY150D/96F	—	—	—	8175.00
Polyester PSF 1.4D*38mm	—	—	—	7400.00

Notes: Asian PVC, PS, ABS and C6 mLLDPE, FE Asia refers to China. For PVC, South Asia refers to India. All Asian polymer assessments are basis L/C 0-30 days Credit differentials calculated using 1 month LIBOR +1.5%. ^Denotes ethylene-based production. ^^Denotes carbide-based production. EPS F-R refers to fire retardant grade. \*Denotes FOB North East Asia (South Korea, China, Japan). \*\*Denotes FOB Southeast Asia (Thailand, Indonesia, Vietnam, Malaysia).

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**Euro Contract Assessments (Eur/mt)**

	Germany	Holland	Italy	France	Spain	FD UK (GBP/mt)	FD NWE CP* (\$/mt)
PVC susp Gross	1213-1217	1213-1217	1223-1227	1213-1217	1203-1207	1038-1042	1343-1347
PVC susp Net	1188-1192	1188-1192	1198-1202	1188-1192	1178-1182	1017-1021	—
LDPE G-P	1638-1642	1638-1642	1638-1642	1638-1642	1638-1642	1402-1406	1814-1818
LLDPE C4 (Blown film)	1458-1462	1458-1462	1458-1462	1458-1462	1458-1462	1248-1252	1615-1619
LLDPE C4 (Cast stretch film)	1458-1462	1458-1462	1458-1462	1458-1462	1458-1462	1248-1252	1615-1619
LLDPE C6 (Blown film)	1658-1662	—	—	—	—	—	1836-1840
LLDPE C6 (Cast stretch film)	1658-1662	—	—	—	—	—	1836-1840
HDPE Inj	1358-1362	1358-1362	1358-1362	1358-1362	1358-1362	1162-1166	1504-1508
HDPE Bmldg	1403-1407	1403-1407	1403-1407	1403-1407	1403-1407	1201-1205	1554-1558
HDPE Film	1428-1432	1428-1432	1428-1432	1428-1432	1428-1432	1222-1226	1581-1585
HDPE HMW 2-5	1423-1427	1423-1427	1423-1427	1423-1427	1423-1427	1218-1222	1576-1580
HDPE HMW 5-10	1418-1422	1418-1422	1418-1422	1418-1422	1418-1422	1214-1218	1570-1574
PP Homo Inj	1318-1322	1318-1322	1308-1312	1318-1322	1308-1312	1128-1132	1460-1464
PP Copol	1388-1392	1388-1392	1378-1382	1388-1392	1378-1382	1188-1192	1537-1541
GPPS Net	1568-1572	1568-1572	1568-1572	1568-1572	1568-1572	1342-1346	1736-1740
HIPS Net	1678-1682	1678-1682	1678-1682	1678-1682	1678-1682	1436-1440	1858-1862
EPS	2038-2042	2038-2042	2038-2042	2038-2042	2038-2042	1745-1749	2257-2261
ABS GP/Nat	1813-1817	—	1813-1817	1813-1817	1813-1817	1552-1556	2008-2012
ABS Ave color	1943-1947	—	1943-1947	1943-1947	1943-1947	1663-1667	2152-2156
ABS Auto black	2083-2087	—	2083-2087	2083-2087	2083-2087	1783-1787	—
PET bottle grade	1109-1113	—	1109-1113	1109-1113	1109-1113	912-916	—
PET bottle grade	—	—	—	—	—	1065-1069##	—
PET bottle grade Net	1028-1032	—	—	—	—	888-892	1138-1143
PET bottle grade Net	—	—	—	—	—	1037-1041##	—
APET film grade	1098-1102	—	—	—	—	—	—
APET film grade Net	1018-1022	—	—	—	—	—	—

Notes: \*FD NWE CONTRACT PRICE denotes FD Germany converted into US dollars. ##PET bottle grade assessments basis FD UK are in Eur/mt. PET assessments refer to regular business at prices negotiated between buyers and sellers on a monthly basis.

**Platts European and African Polymer Spot Price Assessments**

	FOB NWE (\$/mt)	FD NWE (Eur/mt)	FCA Antwerp (Eur/mt)	CFR Turkey* (\$/mt)	CFR North Africa (\$/mt)	FD UK (GBP/mt)	CFR West Africa (\$/mt)
PVC SUSP	818-822	888-892	—	838-842	—	—	—
LDPE G-P	873-877	878-882	858-862	908-912	1028-1032	—	1038-1042
LLDPE (Butene)	—	878-882	858-862	938-942	978-982	—	978-982
LLDPE C6	—	948-952	—	—	—	—	—
LLDPE metallocene	—	978-982	—	—	—	—	—
HDPE Inj	895-899	898-902	878-882	938-942	953-957	—	988-992
Bmldg	928-932	928-932	908-912	948-952	963-967	—	978-982
Film	928-932	928-932	908-912	958-962	973-977	—	1028-1032
Recycled HDPE light pellets	—	1060	—	—	—	—	—
PP Homo Inj	1017-1021	978-982	958-962	928-932	948-952	—	988-992
PP Raffia	—	—	—	928-932	948-952	—	988-992
PP Copol	1094-1098	1048-1052	1028-1032	1018-1022	1023-1027	—	1028-1032
PP Fiber	—	—	—	970	—	—	—
PS G-P	1482-1486	1398-1402	—	1228-1232	1278-1282	—	—
HIPS	1592-1596	1498-1502	—	1268-1272	1318-1322	—	—
EPS	1902-1906	1778-1782	—	1498-1502	—	—	—
ABS GP/Nat	1698-1702**	1698-1702	—	—	—	—	—
PET bottle grade	—	1018-1022	—	—	—	883-887	—
PET bottle grade	—	—	—	—	—	1032-1036#	—
Post-consumer PET bottle bale	—	300	—	—	—	—	—
Recycled PET flakes	—	848-852	—	—	—	698-702	—
Recycled PET flakes	—	—	—	—	—	816-820#	—
Recycled PET FGP	—	1290	—	—	—	1190	—
Recycled PET FGP	—	—	—	—	—	1390#	—

Notes: FOB NWE prices are based on exports of 300mt or more. \*CFR Turkey denotes CFR Istanbul; \*\*ABS GP/Nat denotes CFR NWE in \$/mt. #PET bottle grade and Recycled PET assessments for FD UK are in Eur/mt. Recycled PET flake assessments are for hot wash flake without food approval. Recycled PET FGP assessments are for food grade pellets.

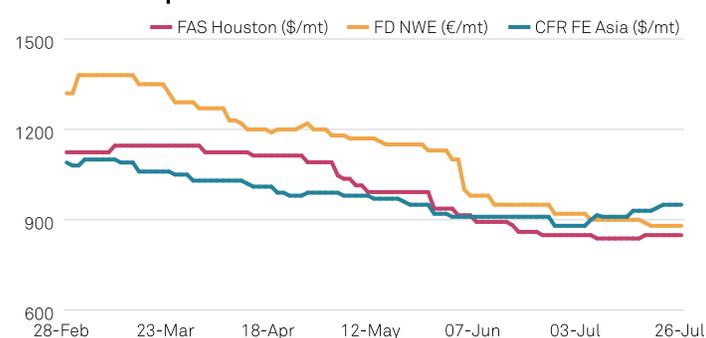
### Daily Polymer Spot Price Assessments

	Thursday	Friday	Monday	Tuesday	Wednesday	Average
<b>CFR FE Asia (\$/mt)</b>						
LDPE	939-941	949-951	949-951	949-951	949-951	947.00-949.00
LLDPE	929-931	939-941	939-941	939-941	939-941	937.00-939.00
HDPE Film	949-951	959-961	959-961	959-961	959-961	957.00-959.00
PP Raffia	824-826	824-826	824-826	824-826	829-831	825.00-827.00
PP Injection	824-826	824-826	824-826	824-826	829-831	825.00-827.00
MMA*	1500.00	1500.00	1500.00	1500.00	1500.00	1500.000
PMMA*	1880.00	1880.00	1880.00	1880.00	1875.00	1879.000
PVC Ethylene**	755.00	765.00	765.00	760.00	770.00	763.00
PVC Carbide**	745.00	760.00	760.00	750.00	755.00	754.00
<b>CFR SE Asia (\$/mt)</b>						
MMA	1635.00	1635.00	1635.00	1635.00	1635.00	1635.000
PMMA	2100.00	2100.00	2100.00	2100.00	2095.00	2099.000
<b>CFR S Asia (\$/mt)</b>						
LDPE	980.00	980.00	980.00	970.00	975.00	977.000
<b>FD NWE (Eur/mt)</b>						
LDPE	878-882	878-882	878-882	878-882	878-882	878.00-882.00
LLDPE	898-902	898-902	898-902	898-902	878-882	894.00-898.00
HDPE Injection	898-902	898-902	898-902	898-902	898-902	900.000
HDPE Blmldg	928-932	928-932	928-932	928-932	928-932	930.000
HDPE Film	938-942	938-942	938-942	938-942	928-932	938.000
PP Homo	958-962	958-962	958-962	978-982	978-982	966.00-970.00
<b>FCA Antwerp (Eur/mt)</b>						
LDPE	858-862	858-862	858-862	858-862	858-862	858.00-862.00
LLDPE	878-882	878-882	878-882	878-882	858-862	874.00-878.00
HDPE Injection	878-882	878-882	878-882	878-882	878-882	880.000
HDPE Blmldg	908-912	908-912	908-912	908-912	908-912	910.000
HDPE Film	918-922	918-922	918-922	918-922	908-912	918.000
PP Homo	938-942	938-942	938-942	958-962	958-962	946.00-950.00
<b>CFR Turkey (\$/mt)</b>						
PP Fiber	970.00	970.00	980.00	980.00	970.00	974.00
<b>FAS Houston (\$/mt)</b>						
LDPE	838-860	838-860	838-860	838-860	838-860	838.00-860.00
LLDPE	827-849	827-849	827-849	827-849	838-860	829.20-851.20
HDPE Blmldg	838-860	838-860	838-860	838-860	838-860	838.00-860.00
PP Homo	904-926	904-926	904-926	904-926	882-904	899.60-921.60
<b>FOB Middle East Netbacks (\$/mt)</b>						
LDPE	930-932	940-942	940-942	940-942	940-942	938.00-940.00
LLDPE	920-922	930-932	930-932	930-932	930-932	928.00-930.00
HDPE	940-942	950-952	950-952	950-952	950-952	948.00-950.00
PP Raffia	815-817	815-817	815-817	815-817	820-822	816.00-818.00
PP Injection	815-817	815-817	815-817	815-817	820-822	816.00-818.00

\*Refers to CFR China. Notes: The weekly average represents the average of Thursday last week through Wednesday of the current week.

\*\*Refers to FOB China. FOB Middle East netback denotes CFR Far East Asia assessments minus the prevailing container freight rate from Al-Jubail to Shanghai for a standard 20-foot container.

### Global LDPE prices



Source: S&P Global Commodity Insights

### Polymer Spot Freight Rates ex-Middle East (\$/mt)

From: To:	Middle East 25-100 mt	Middle East >100mt
East China	4-6	8-10
South China	4-6	8-10
India	1-3	4-6
Southeast Asia	9-11	14-16
NW Europe	44-46	49-51
Turkey	29-31	34-36
US Gulf	54-56	59-61
Latin America	59-61	64-66

Notes: Please refer to the methodology guide for details on port locations.

### Foreign exchange

€1 to	\$1.1072	£1 to	€1.1679
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### Metals

Aluminum	US	Jul 24	cts/lb	119.899
Tin	US	Jul 24	cts/lb	1365

## Daily Recycled Polymer Spot Price Assessments

	Thursday	Friday	Monday	Tuesday	Wednesday	Average
<b>Recycled PET</b>						
<b>Asia (\$/mt)</b>						
Clear flakes FOB SE Asia	780.00	780.00	780.00	780.00	780.00	780.000
Clear flakes premium grade FOB SE Asia	845.00	845.00	845.00	845.00	845.00	845.000
<b>NEW</b> Clear flakes premium grade FOB India	801.00	801.00	801.00	801.00	801.00	801.000
<b>Europe (Eur/mt)</b>						
Post-consumer bottle bales FD NWE*	300.00	300.00	300.00	300.00	300.00	300.000
Clear flakes FD NWE	850.00	850.00	850.00	850.00	850.00	850.000
Clear flakes FD UK	807.00	809.00	810.00	815.00	818.00	811.800
Clear flakes FD UK (GBP/mt)	700.00	700.00	700.00	700.00	700.00	700.000
Mixed colored flakes FD NWE	680.00	680.00	680.00	680.00	680.00	680.000
Mixed colored flakes FD UK	727.00	728.00	729.00	733.00	736.00	730.600
Mixed colored flakes FD UK (GBP/mt)	630.00	630.00	630.00	630.00	630.00	630.000
Food grade pellets FD NWE	1290.00	1290.00	1290.00	1290.00	1290.00	1290.000
Food grade pellets FD UK	1372.00	1375.00	1378.00	1385.00	1390.00	1380.000
Food grade pellets FD UK (GBP/mt)	1190.00	1190.00	1190.00	1190.00	1190.00	1190.000
<b>Americas (¢/lb)</b>						
Post-consumer bales premium grade FOB LA	10.00	10.00	10.00	10.00	11.00	10.200
Post-consumer bales standard grade FOB LA	6.00	6.00	6.00	6.00	6.00	6.000
Post-consumer bales standard grade FOB Chicago	6.00	6.00	6.00	7.00	5.00	6.000
Clear flakes FOB LA	39.00	39.00	39.00	39.00	40.00	39.200
Clear packaging-grade flakes FOB Chicago	44.00	44.00	44.00	45.00	43.00	44.000
Food grade pellets FOB LA	60.00	60.00	60.00	60.00	61.00	60.200
<b>Recycled Polyolefins</b>						
<b>Asia (\$/mt)</b>						
R-HDPE black blow molding pellets FOB SE Asia	660.00	660.00	660.00	660.00	660.00	660.000
R-HDPE clear film pellets FOB SE Asia	790.00	800.00	800.00	800.00	800.00	798.000
R-LDPE natural film pellets FOB SE Asia	770.00	770.00	770.00	770.00	770.00	770.000
<b>Europe (Eur/mt)</b>						
Post-consumer mixed HDPE bales FD NWE*	300.00	300.00	300.00	300.00	300.00	300.000
R-HDPE light pellets FD NWE	1070.00	1060.00	1060.00	1060.00	1060.00	1062.000
Post-use LDPE grade A bales DDP NWE	350.00	350.00	350.00	330.00	330.00	342.000
Post-use LDPE grade B bales DDP NWE	300.00	300.00	300.00	300.00	300.00	300.000
R-HDPE natural pellets FD NWE	1820.00	1810.00	1810.00	1810.00	1810.00	1812.000
R-LDPE black pellets DDP NWE	590.00	590.00	590.00	590.00	590.00	590.000
R-LDPE grey pellets DDP NWE	670.00	670.00	670.00	670.00	670.00	670.000
R-LDPE translucent pellets DDP NWE	910.00	900.00	900.00	850.00	850.00	882.000
R-PP black pellets DDP NWE	740.00	740.00	740.00	740.00	740.00	740.000
R-PP natural pellets DDP NWE	1760.00	1760.00	1760.00	1600.00	1650.00	1706.000
<b>Americas (¢/lb)</b>						
Post-consumer HDPE bales natural grade FOB Chicago	30.00	30.00	30.00	30.00	30.00	30.000
Post-consumer HDPE bales mixed-color grade FOB Chicago	8.00	8.00	8.00	8.00	8.00	8.000
R-HDPE natural pellets FOB Chicago	91.00	91.00	91.00	91.00	91.00	91.000
Post-use LDPE grade A bales FOB	14.00	15.00	15.00	15.00	15.00	14.800
Post-use LDPE grade B bales FOB Chicago	7.00	7.00	7.00	7.00	7.00	7.000
R-LDPE light gray pellets FOB Chicago	40.50	40.50	40.50	40.50	40.50	40.500
<b>Recycled Polystyrene</b>						
<b>Europe (Eur/mt)</b>						
<b>NEW</b> R-PS black pellets DDP NWE	980.00	980.00	980.00	950.00	950.00	968.000
<b>NEW</b> R-PS grey pellets DDP NWE	1180.00	1180.00	1180.00	1150.00	1150.00	1168.000

\*Excludes France. Note: The weekly average represents the average of Thursday last week through Wednesday of the current week.

## Polymers

### Polyvinyl Chloride

#### **European and Turkish PVC: European prices decline on poor macroeconomic fundamentals**

- European market sentiment remains weak in summer period
- Turkish demand rebounds, leading to higher offers

European PVC market continued to drop in the week to July 26 amid a weak macroeconomic picture and rising interest rates, as well as subdued consumer demand for both construction and infrastructure materials.

The continued upward movement in bank rates to tackle stubbornly high inflation was impacting credit conditions in Europe, dampening lending and worsening credit conditions. This had impacted house buying and infrastructure projects, as governments also stepped back from infrastructure fiscal expenditures amid the higher cost of funding.

Coupled with the weaker demand picture ahead of the key summer months, ample global supply meant that some of that excess product had made its way into Europe as competitive imports, forcing local European producers to lower their pricing below cash-cot levels to compete.

For several weeks and months, US and South American products had made their way to Europe at levels that now sat at around Eur900/mt DDP Europe or even below that level. In addition, contract prices also continued to move lower to compete, reflecting the lower demand scenario, as a number of market participants have shut down operations for the summer months.

The question was what the state of supply would be like when those market participants return to their desks and restart their plants. Will demand return and will the global supply chain be unscathed from hurricane season in the US Gulf coast, according to sources. This period typically coincides with end-August/September.

The weaker European sentiment also coincided with an uptick in the Turkish market where a rebound in demand combined with improved credit conditions forced suppliers to increase their offers. Sources said that trade has been done recently at the \$8230-\$840/mt CFR Turkey level.

"Yes, the situation in Europe is still very weak. We are in the middle of the holiday season where some West European converters come back from holiday, but the South European converters start their holidays. So, I expect a similar weak demand in August than we faced in July. Although the price gap between local materials and import materials is narrowing, there still seems to be enough material available coming from abroad. Therefore, there is still price pressure in the market," a producer said.

#### **Platts European and Turkish PVC Weekly Rationale**

Platts assessed PVC Germany freely negotiated July net contract prices at Eur1,190/mt July 26, down Eur60/mt on the week and Eur110/mt from the end of June, in line with a producer's July contract price settlement level heard below Eur1,100/mt and up to Eur1,250/mt DDP Europe, above a consumer's settlement level heard below Eur1,100/mt DDP, within a consumer's typical settlement indication at a Eur50-60/mt decrease for July from June, and taking into account settlements heard earlier in the month at Eur80-90/mt.

Platts assessed free delivered Northwest Europe spot polyvinyl chloride prices down Eur10/mt on the week at Eur890/mt July 26, in line with a trader's indication heard below Eur900/mt July 26, below a trader's indication of trade at above Eur900/mt on the same day, and considering feedback of still weak demand.

Platts assessed CFR Turkey PVC spot prices unchanged on the week at \$840/mt July 26, below the most competitive Egyptian offer heard at Eur850/mt CFR Turkey on the same day, below concluded trade heard in the range of Eur820-840/mt over July 21-25 from two traders, and considering European offers heard at \$870-\$890/mt CFR Turkey heard from a supplier July 26, as well as firmer market sentiment.

Platts assessed FOB NWE spot prices up \$60/mt on the week at \$820/mt, moving in the direction of an indication heard at \$850/mt, pending further corroboration at higher prices, and partially reflecting the July increase in Turkish spot prices.

Platts is part of S&P Global Commodity Insights.

#### **US PVC: Spot export PVC prices up on week**

-Product availability remains tight amid reduced rates, upcoming turnarounds

-Formosa revises domestic price increase announcement

US PVC spot export prices rose \$25-30 on the week July 26, as market participants responded to fresh August offers in line with increasingly tight US product availability.

Platts assessed export PVC at \$750-760/mt FAS Houston July 26, based on multiple deals done for August volume in that range.

While demand remains soft, availability was seen tight and growing tighter amid upcoming turnarounds.

Top producer Shintech was running its 1.45 million mt/year PVC operations in Freeport, Texas, at reduced rates because Olin's nearby 835,000 mt/year upstream vinyl chloride monomer unit remained shut undergoing equipment repairs. Shintech is suing Olin in a dispute centered on Olin's contract to supply 50% of the VCM Shintech needs to run the Freeport unit at normal rates.

Formosa Plastics USA's upcoming turnarounds at its 753,000 mt/year Point Comfort, Texas unit in August and its 536,000 mt/year PVC unit in Baton Rouge, Louisiana in September. also were

seen reducing supply availability.

Platts assessed domestic PVC prices at 68 cents/lb July 19, flat on the week, pending fresh indications.

Formosa announced a fresh round of domestic PVC price increases on July 21. The company pushed its 2 cents/lb increase for July to August, and announced a second 2 cents/lb increase for September, according to a customer letter seen by S&P Global Commodity Insights.

Market sources have been skeptical that the increases would be accepted in full.

However, one source said tightening supply availability could support the increases.

DR Horton, the largest US homebuilder, said July 20 that net sales rose by 37% compared to the year-ago quarter, while net income fell 19% year over year.

DR Horton executives said sales rose amid continued offers of incentives and interest rate buydowns to entice buyers.

In Asia, PVC prices rose for the second consecutive week, increasing \$10-\$20 on the week July 26 after producers further increased offers for August.

Platts assessed the CFR China PVC marker up \$10/mt on the week at \$810/mt July 26, while the CFR India PVC marker rose \$20/mt, assessed at \$840/mt during the same period.

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### Platts US PVC Weekly Rationale

Platts assessed spot export PVC at \$750-\$760/mt FAS Houston July 26, up \$30 on the week, based on multiple deals heard done for August volume in a \$750-\$760/mt range, FAS Houston.

Platts assessed domestic PVC prices at the last-heard level of 68 cents/lb, unchanged on the week, pending fresh indications.

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### Asian PVC: Rises as supply constraint pinches, global demand strengthens

- Supply tightens ahead of maintenance work by major plants
- Enquiries from India increase

Asian polyvinyl chloride rose \$10-\$20/mt week on week July 26, after producers increased offers for August shipment.

Platts assessed CFR China PVC \$10/mt higher week on week at \$810/mt July 26, while CFR India PVC was assessed \$20/mt higher at \$840/mt during the same period.

The price increase reflected tight supplies for August following maintenance work at Formosa Plastics Corp and PT Asahimas Chemicals plants.

Global demand for PVC is quite strong due to supply constraints in the US, sources said.

Availability was seen tightening because in addition to Formosa's upcoming shutdowns, Shintech's 1.45 million mt/year PVC unit in Freeport, Texas — the world's largest — was running at reduced rates on a lack of upstream vinyl chloride monomer feedstock.

Olin, which supplies 50% of the VCM needed to run Shintech's Freeport unit at normal rates, shut the 835,000 mt/year VCM plant July 12, citing equipment failures, according to filings in Shintech's federal lawsuit against Olin centered on a supply contract dispute. Olin had shut the VCM unit in March for a turnaround that lasted seven weeks longer than planned and did not reach normal rates after restarting in mid-June.

"GCC (Gulf Cooperation Council countries), Africa and Latin America are also trying to buy all volume they can get from Asia this week because of Shintech problem," a trader in Far East Asia said.

Gains in crude oil futures also supported the uptick in prices. Local China PVC prices rose Yuan 100/mt week on week at Yuan 6,100/mt for ethylene-based PVC and Yuan 5,900/mt for carbide-based PVC July 26, S&P Global data showed.

A Southeast Asian producer said enquiries from India have increased.

However, the local PVC demand in India has been impacted due to the ongoing monsoon season as consumption reduces during the rainy season in the country.

In the domestic market in India, PVC resin was at Rupee 75/kg ex-Mundra, up Rupee 1/kg from Rupee 74/kg a week ago.

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### Platts Asian PVC Daily Rationale

Platts assessed CFR China polyvinyl chloride price up \$10/mt week on week at \$810/mt July 26, below an offer heard at \$820/mt CFR China.

Platts assessed CFR Southeast Asia PVC price up \$10/mt week on week at \$820/mt July 26, after trades were reported at \$815-\$825/mt. The assessment also considered an offer heard at \$840/mt CFR Southeast Asia and a buy idea reported at \$800/mt.

Platts assessed CFR India PVC price up \$20/mt from the previous week at \$840/mt July 26 after a tradable idea was reported at \$830-\$840/mt. Offers heard between \$860-\$870/mt CFR India were also considered in the assessment.

In the daily market, Platts assessed ethylene-based PVC up \$10/mt day on day at \$770/mt FOB China July 26, below offers heard around \$775-\$800/mt.

Platts assessed carbide-based PVC up \$5/mt higher day on day at \$755/mt FOB China July 26, below offers heard at around \$760-\$765/mt.

Strength in CFR China and domestic PVC markets following gains in crude oil futures also supported the uptick in prices.

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### Latin American PVC: Brazil prices rise, WCSA remains flat

- Brazilian traders face higher prices
- US PVC offers decrease

Spot import PVC prices in key Latin American markets were assessed flat on the West Coast of South America and \$40/

mt higher in Brazil on the last week of July, with sources saying prices were stable to higher and demand was growing.

On the Pacific Coast of South America, PVC prices were assessed at \$840/mt CFR WCSA, flat on the week, at the bottom of a range of indications heard at \$840-\$880/mt, pending market corroboration of higher levels.

According to a source, Asian PVC prices have risen at least \$60 since Formosa Taiwan announced its August price, and more producers in the region are seeking that or more.

A second source said, "I think the market moves to turn around in a positive way. of course, I'm not sure this is a bullish market or not, but some of the buyers are giving inquiries to the supplier more often."

Freight costs from the USGC to the WCSA have decreased an average of \$50 since last year, reaching up to \$80/mt depending on negotiations and the destination port. Cartagena, in Colombia, is usually cheaper but busier, while the rest of the ports beyond the Panama Canal—from Buenaventura, in Colombia, to Callao, Peru, Guayaquil, Ecuador, and San Antonio, in Chile—are more expensive.

According to July 26 Platts data, freight from North Asia to the WCSA is at \$84/mt, or \$2,100/container, while in Brazil, it stands at \$104/mt or \$2,600/container, both flat on the week.

From the USGC to Brazil, freight stands at around \$44/mt, or \$1,100/container, according to Platts data.

In Brazil, prices were assessed at \$840/mt CFR Brazil, up \$40, within heard prices at \$840-\$900/mt CFR Brazil.

Market participants commented on the low amount of PVC offers from the US. "Customers rarely request offers in Brazil or WCSA," a source said. "The only market [where] I see demand is in Central America and the Caribbean."

A Brazilian trader said PVC prices went up a lot and his customers stopped buying. "I am seeing prices at \$900/CFR," the trader added.

Lately, most competitive offers to the Brazilian market had been seen from Asia, while US products face an extra 8.2% import tariff, Chinese material faces a 21.6% import tariff, and Colombian material does not face any extra import tariffs.

According to market sources, domestic-origin PVC pricing indications were heard varying from \$930-\$980/mt levels CFR Brazil, considering Real 4,500-4,700/mt offers delivered.

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### Platts Latin American PVC Weekly Rationale

CFR WCSA: Platts assessed spot import PVC prices at \$840/mt CFR WCSA July 26, flat on the week and at the bottom of a range of indications heard at \$840-\$880/mt, pending market corroboration of higher levels.

CFR Brazil: Spot import PVC prices were assessed at \$840/mt CFR Brazil July 26, \$40 higher on the week, within heard prices at \$840-\$900/mt CFR Brazil.

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## Low Density Polyethylene

### European LDPE: Market sees weak demand, ample material availability

- Spot activity limited
- Imports into Europe decline

The European low density polyethylene spot market saw limited activity in the seven days to July 26, in the wake of weaker demand for material and reduced volume movement.

Market fundamentals were unchanged during the week, with weak end-user demand and supply length.

Inflows into the European market declined, as importers turned wary of low spot prices, market sources said. But material was still widely available during the week, keeping prices low even as some European producers halted orders to keep prices afloat.

Trading activity was dull, with many European LDPE players out of the market for holidays. Some market players were assessing whether prices had reached a floor. Several players cited limited expectations of an upswing in market fundamentals. The spot market saw slow activity, with stable spot prices on the week.

Platts assessed the European LDPE grade spot price at Eur880/mt FD NWE on July 26, steady on the day and week.

August ethylene contract price expectations diverged. Some players expected a slight upward settlement in the monomer, considering recent increases in naphtha prices, but other players said tepid demand may not allow a higher settlement. The European ethylene August contract price is expected to settle before the new month begins.

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### Platts European LDPE Weekly Rationale

Platts assessed the European low density polyethylene spot price at Eur880/mt FD NWE on July 26, unchanged on the day and week, below a producer indication at Eur890-930/mt, at the bottom end of indications at Eur880-950/mt and above a converter indication at Eur800/mt, pending corroboration.

The LDPE freely-negotiated gross contract price was assessed at Eur1,640/mt FD Germany, down Eur10/mt on the week and down Eur40/mt from the end of June, in line with a converter corroboration at Eur1,640/mt and taking direction from a distributor and converter indication of settlements around Eur1,650/mt, while also in line with multiple indications of decreases in line with the Eur40/mt decrease seen in the monomer's July industry-settled contract price and moving partially in the direction of a distributor indication of decreases around Eur60-80/mt.

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## European Recycled LDPE: Export deal heard as recyclers eye outlets outside Europe

- Translucent prices fall
  - Demand from garbage bag sector heard more stable
- European recycled LDPE translucent pellets fell further in the week to July 26, as some recyclers sold at below cost levels while some were heard closing deals for exports to the Far East.

Platts assessed recycled low density polyethylene translucent pellets at Eur850/mt DDP Northwest Europe July 26, stable on the day and down Eur60/mt on the week.

An export deal to the Far East in the size of several containers was heard this week. In addition, some recyclers with a global distribution network were heard placing their materials in warehouses outside Europe for overseas sales in the future.

Such a movement was considered quite unusual, as Europe used to export sorted bales, while export of recycled pellets were not commonly heard before, according to a converter. However, the converter also said that he was not surprised to see such a market development, given sharply lower prices, with recyclers keenly looking for outlets.

"The market is really bad," another recycler said.

However, some optimism was observed in the week. For instance, the garbage bag industry, one of the main downstream applications for recycled LDPE black or grey pellets, was heard seeing demand recovery after staying weak in the last three-four months.

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### Platts European Recycled LDPE Weekly Rationale

Platts assessed recycled low density polyethylene translucent pellets at Eur850/mt DDP Northwest Europe July 26, stable on the day and down Eur60/mt on the week, moving towards a converter indication of lowest offer level heard at Eur810/mt, considering a recycler indication of FOB NWE deal levels at Eur800/mt and of spot levels at as low as Eur700/mt, below a second recycler indication of offer levels at Eur786/mt ex works Poland (normalized to Eur886/mt DDP NWE after factoring delivery cost of Eur100/mt from Poland to NWE) and in line with a third recycler indication corroborating spot value at from below Eur800/mt to early Eur900s/mt levels, pending further corroborations at lower or higher levels.

R-LDPE grey pellets were assessed at Eur670/mt DDP NWE, stable on the day and on the week, below a recycler offer heard at Eur590/mt ex works Poland (normalized to Eur690/mt DDP NWE after factoring delivery cost of Eur100/mt from Poland to NWE), above a converter indication heard at Eur650/mt and within two recyclers indications both corroborating value at Eur650-700/mt.

R-LDPE black pellets were assessed at Eur590/mt DDP NWE, stable on the day and on the week, below a recycler offer heard at Eur560/mt ex works Poland (normalized to Eur660/mt DDP NWE after factoring delivery cost of Eur100/mt from Poland to NWE), above a converter indication heard at Eur580/mt and

within two recyclers indications each corroborating value at Eur550-600/mt and Eur570-600/mt.

Post-use LDPE Grade B bales were assessed at Eur300/mt DDP NWE, stable on the day and on the week, at the bottom of two recyclers indications heard at Eur300/mt and Eur320/mt, respectively, pending further corroboration at higher levels considering feedback of limited buying interests for bales.

Post-use Grade A bales were assessed at Eur330/mt DDP NWE, stable on the day and down Eur20/mt on the week, in line with a recycler indications heard at the same level, weighing another recycler indication heard at Eur350/mt against feedback of limited buying interests for bales.

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## US LDPE: Exports prices steady as signs of demand improvement emerge

- Domestic LDPE butene price also stable on week
- 2 PE makers announce August price increases

Low density polyethylene export prices were unchanged on the week to July 26 amid sentiment of demand improvement.

An indication of rail car value for LDPE was heard at 34-35 cents/lb (\$849/mt - \$871/mt FAS Houston) July 25, in line with another indication at 34 cents/lb on the same day.

"Demand seems optimistic because the Asian market is looking better now," a distributor source said, adding that there is sentiment of prices having already hit bottom.

A trader and a distributor source mentioned expectations of 1-2 cents/lb increase across PE grades.

On the domestic side, Platts assessed LDPE stable July 26, pending fresh indications.

In the chemicals market, Reliance Industries Ltd. reported a 23.2% decline year over year in EBITDA for its oil-to-chemicals in the fiscal first quarter ended 30 June, as reported July 24 by S&P Global's Chemical Week.

Although prices in the company's polymers business unit declined, impacting PE prices with a 22% decrease, PE demand improved by 29% year over year, supported by healthy demand from fast-moving consumer goods and e-commerce food packaging, Chemical Week reported.

Meanwhile, ExxonMobil confirmed a previously announced PE price increase of 3 cents/lb effective July 1 and announced an additional 5 cents/lb increase effective Aug. 1 in a July 24-dated letter seen by S&P Global Commodity Insights July 25.

Additionally, LyondellBasell subsidiary Equistar Chemicals will implement its previously announced 3 cents/lb price increase for all PE grades sold in North America effective July 1 and will implement an additional 5 cents/lb increase effective Aug. 1, according to a July 21-dated letter seen by S&P Global Commodity Insights July 25.

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## Platts US LDPE Weekly Rationale

Platts assessed spot export low density polyethylene at \$849/mt FAS Houston on July 26, unchanged on the day and on the week, at the bottom of a trader range at 34-35 cents/lb rail car basis (\$849-\$871/mt FAS Houston) July 25 and considering price indications heard at 34 cents/lb rail car basis (\$849/mt FAS Houston) during the July 20-26 period.

The FAS Houston assessment includes 4.50 cents/lb to cover the costs associated with packaging the resin and transporting it to ports for export.

Platts assessed spot export LDPE on an FAS US East Coast basis at \$860/mt, also stable on the day and on the week, based on Houston rail car pricing plus 5 cents/lb for packaging and transportation.

Domestic contract LDPE was assessed stable during the week, pending fresh indications.

Domestic contract LDPE was assessed stable during the week at 69 cents/lb rail car basis, pending fresh indications.

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## US recycled LDPE: Prices hold steady amid inconsistent demand

- B-grade bales heard in wider price range compared to A-grade
  - Virgin resin remains competitive with post-consumer material
- Demand for US recycled low density polyethylene film bales remains unchanged at lackluster levels, sources said in the week to July 26.

Post-use A-grade bales were repeatedly talked at 15-17 cents/lb during the week ended July 26, with B-grade bale prices heard in a range from 6-12 cents/lb during the same period. Platts assessed both grades, along with light gray pellets, unchanged on the week, with grade A bale levels moving up 1 cent/lb from a week ago.

Post-consumer resin continues to face steep competition from virgin material, with one source saying this dynamic has led to downward pressure on pricing.

"People are getting such cheap virgin, they're trying to push back on us," the source said.

A second source said market demand was soft but inconsistent, adding that supply was less abundant compared to the recycled polyethylene terephthalate market.

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## Platts US Recycled LDPE Daily Rationale

Platts assessed post-use LDPE grade A 95/5 film bales stable on the day at 15 cents/lb FOB Chicago on July 26, pending fresh indications.

Grade B 80/20 post-use LDPE film bales were flat on the day at 7 cents/lb FOB Chicago amid a lack of fresh indications.

Light gray recycled LDPE pellets were assessed unchanged on the day at 40.5 cents/lb FOB Chicago, reflecting stability in bale markets.

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This rationale applies to symbols <ARNPG00>,<ARNPH00>,<ARNPI00>

## Asia LDPE: Rises on improved buying interest, higher crude futures

- Sep ICE Brent crude rises \$3.22/b on week
- PTT to shut LDPE unit for maintenance in Sep

The Asian low-density polyethylene market rose on the week July 26 on the back of improved buying interest and higher crude futures.

At the Asia close July 26, the September ICE Brent crude oil futures contract was up \$3.22/b on the week to \$83.12/b.

Platts assessed Asian low-density polyethylene CFR South Asia marker up \$5/mt day on day at \$975/mt July 26.

Festival demand is expected to pick up in the second half of August, an official with a leading producer in India said.

"Whatever people would be booking today would come by end-August or mid-September, so they would use it to plan inventory for festival season be it Diwali or Christmas," a source in India said.

On the import front, India's polyethylene imports so far in July were estimated at 220,000-230,000 mt, down from 250,000 mt in June, industry sources said.

Sources added that inventory is under control now because whatever is being produced is getting lifted, as import consignments are a bit delayed this month.

In plant news, Thailand's PTT Global Chemical will shut its 300,000 mt/year LDPE plant in Map Ta Phut for 24 days of maintenance in September, S&P Global Commodity Insights reported earlier, citing a company source.

The scheduled maintenance was not likely to have an impact on regional supply, market sources said.

## Platts Asian LDPE Weekly Rationale

Platts assessed Asian low-density polyethylene with a melt flow index of 0.3-4, but typically between 1 and 2, up \$20/mt week on week at \$950/mt CFR Far East Asia July 26, considering a tradable indication at the same level.

Platts assessed the CFR Southeast Asia marker up \$20/mt week on week at \$960/mt, considering a tradable indication at the same level.

Platts assessed South Asian general-purpose, low-density grade polyethylene \$5/mt higher from the previous day at \$975/mt CFR South Asia on June 26, below offers heard at \$980/mt and \$1,020/mt CFR.

Platts assessed domestic Chinese cargoes up Yuan 100/mt week on week at Yuan 8,800/mt ex-tank, considering a discussion at the same level.

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## Platts Asian LDPE Daily Rationale

Platts assessed South Asian general-purpose, low-density grade polyethylene \$5/mt higher from the previous day at \$975/

mt CFR South Asia June 26, below offers heard at \$980/mt and \$1,020/mt CFR.

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This rationale applies to symbol(s) <ALDPA00>.

## Asia recycled LDPE: Prices stable on thin trade

- Weak demand may persist through H2 2023
- Waste plastic feedstock imports limited in Southeast Asia

The Asian recycled low density polyethylene market was stable in the week to July 26 on thin trade.

Although there was an overwhelming demand for post-consumer recycled compared with post-industrial recycled from the end-users, sources said PCR material was expensive to produce given high labor costs.

It was possible to manufacture PCR material without certification, but without it, many end-buyers would not pay a high price for the material, sources said.

Waste feedstock plastic imports were strictly limited in Southeast Asia as imports either require limited licensing, had complete bans, or needed to fulfil contamination thresholds. In the US, various states are aiming to have different minimum post-consumer recycled content in finished plastic goods from 25% to 50% by 2030. Asian traders were hoping to sell to US customers, but they said the take-up rate has been slow due to cheap prime resin.

Global market sources are expecting weak demand to persist through the second half of 2023.

The cause of the weak demand — bearish economic outlook — is expected to continue unabated.

Traders said many users have given up on market recovery in the second half of 2023, leading Asian end-users to substitute virgin resin if they are not constrained by mandates regarding post-consumer content.

Such poor economics have prompted production cuts, sources pointed out, adding that some consolidation of the recycling market has been taking place.

## Asian Recycled LDPE Daily Rationale

Platts assessed Asian recycled low density polyethylene natural film pellets stable on the day at \$770/mt FOB Southeast Asia July 26, in line with a tradable indication at the same level.

The intraday value was uncontested.

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This rationale applies to symbol <ARNFA00>.

## Latin American LDPE: WCSA sees higher prices on week

- Most domestic markets stay unchanged on week
  - Brazil and Mercosur prices remain flat for end of July
- Spot prices in the Latin American low-density polyethylene market were higher in the West Coast of South America but flat in Brazil and in the Mercosur region on July 26.

## WCSA

Along the West Coast of South America, prices rose based on offers of the US Gulf Coast and Asia, with market participants pointing to an uptrend scenario.

"I believe US producers are all pushing to increase price in August or any new spot availabilities," a US-based trader said. "The market, from my perspective, have seen at least a penny of increase compared to earlier part of July. This is also reflective in Asian prices. China appetite is still good. Prices were not rising quickly but at least steadily."

The trader said South America and Brazil were still lagging behind.

"Prices in the region are in parity with Asia but that doesn't make sense to me so we are betting prices in South America will have to go up some as well," the trader added.

## COLOMBIA

Platts assessed Colombian LDPE domestic delivered prices down \$5 at \$1,025/mt, based on a range of prices heard from producers, distributors and traders. Prices were also in line with nationalized equivalents calculated off the WCSA price, considering material from the US, which does not face import-duties.

A Colombia-based source shared domestic offers at \$1,080/mt, \$30 higher on the week.

"We're seeing imported material coming in at \$910 to \$930/mt," a local player said. "Demand is increasing little by little in July when compared to June."

## BRAZIL

Brazil CFR LDPE prices remained stable on the week at \$1,000/mt. Spot prices for LDPE film delivered in São Paulo were stable over the week at Real 8,850/mt.

The LDPE market remained well-supplied, with lukewarm demand, although a recovery in demand was reported during in July, a fourth source said.

"In the local market, demand is stable and slightly better than previous months," a fifth source said. "We have been waiting for Braskem to maintain prices, or probably to increase prices since they have stopped dropping so much abroad, but everything will depend on how much imported material came in this month as well."

The market estimated that prices will drop in the next month, according to a sixth source, and as a result, participants are holding into inventories and waiting for Braskem's price changes.

"I don't see an increase for LDPE," the sixth source said. "With Shell, Nova, Baystar leaving and nobody lowering cargoes, how are prices going to go up?"

## MERCOSUR

Spot LDPE film pricing in the Mercosur region remained flat on the week at \$1,020/mt CFR Mercosur.

Prices remained at levels seen last week, sources said.

"Prices are stable, and the market's demand is low, nothing

has changed since last week," a Uruguay-based source said.

## ARGENTINA

Domestic LDPE prices in Argentina were flat on the week. Market participants were concerned over the new policy from the government to increase import costs to 7.5%, which could affect prices domestically.

"The measure is officially expected to be published on July 27, and petrochemical companies are waiting for official details on which product will be affected to set their policy for August," an eighth market participant said.

Brazilian producer Braskem, which is the second most active player in the PE chain in Argentina, will be affected by the measure, the eighth source said, as the company exports from Brazil to Argentina, creating a window in which Dow could increase prices locally.

## MEXICO

Mexico prices for LDPE were flat on the week, heard in a range of \$960-1,040/mt. It remained to be seen how the Braskem Idesa and Dow Chemicals price increase announcements for August will impact the market.

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### Platts Latin American LDPE Weekly Rationale

CFR WCSA: Spot low-density polyethylene was \$15/mt higher July 26 at \$940/mt CFR on the week, based on most repeatable higher tradable levels heard at \$910 to \$980/mt and below offers heard at \$970/mt. All grades were heard higher on week.

CFR Brazil: Platts assessed spot LDPE film pricing at \$1000/mt July 26, unchanged compared with July 19, considering pricing indications heard within \$920/mt to \$1,050/mt.

CFR Mercosur: Spot LDPE pricing was assessed flat on the week July 26 at \$1,020/mt CFR Mercosur, in line with multiple indications that prices were stable. The assessment was based on indications of imported material from traders in Paraguay and Uruguay.

Delivered Sao Paulo: Platts assessed spot LDPE film pricing at Real 8,850/mt July 26, stable compared with July 19, based on multiple indications of unchanged over the week.

Delivered Buenos Aires: Spot LDPE film was assessed flat July 26 on the week at \$2,500/mt, based on feedback of stable pricing on the week.

Delivered Bogota: Spot LDPE was up \$5/mt on the week July 26 at \$1,305/mt. The assessment was based on the higher range heard from a local producer at \$1,010 to \$1,030/mt for imported products already nationalized, below CFR WCSA assessments with nationalization costs heard at \$100/mt, and it came below an offer for domestic product at \$1,080 to \$1,130/mt, above a pricing indication heard from a local trader at \$960/mt for imported products already nationalized, and below another's trader indication at \$1,050/mt.

Delivered Mexico City: LDPE film was flat on the week July 26 at \$940/mt. The assessment is below the range from one

producer heard at \$960-1,040/mt. It followed an indication of stable prices on the week.

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## Linear Low Density Polyethylene

### European LLDPE: Metallocene prices remain stable amid thin activity

- Wide range of pricing across LLDPE grades
- Naphtha prices rise in the past week

Activity in the European linear low density polyethylene market remained thin in the week to July 26 amid continued weak demand.

There were less imports of material into the European LLDPE market, but the market continued to be amply supplied, as sources indicated that imported materials were still widely held in Europe.

In the European LLDPE spot market, wide range of pricing was heard across the LLDPE C4, C6 and metallocene grades. Some players had indicated the LLDPE C6 and Metallocene grades were being sold at levels similar to the LLDPE C4 grades, as sellers were looking to get rid of material. The spot markets continued to remain under pressure from the weak fundamentals.

The European LLDPE C4 grade spot price was assessed at Eur880/mt FD NWE July 26, down Eur20/mt on the week while the metallocene grade spot price was assessed at Eur980/mt FD NWE, stable on the week, amid muted spot activity.

In the upstream dynamics, naphtha prices rose in July. The naphtha price was assessed at \$613.75/mt CIF NWE July 26, up \$85.75/mt from the end of June.

However, views remained split on whether the upstream increase would influence the August industry-settled contract price of PE feedstock ethylene.

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### Platts European LLDPE Weekly Rationale

Platts assessed the European linear low density polyethylene grade spot price at Eur880/mt FD NWE on July 26, down Eur20/mt on the day and week, moving toward a producer indication at Eur830-850/mt, below corroborated indications at Eur900/mt and a range of corroborated indications at Eur900-995/mt, considering market feedback of weak demand, ample availability and illiquid spot activity, pending corroboration at lower values.

The European LLDPE C6 grade spot price was assessed at Eur950/mt FD NWE, stable on the week, in line with a corroborated indication at Eur950/mt, below a corroborated indication of prices being higher than Eur950/mt, above a converter indication of spot prices being at parity to the LLDPE C4 grade and considering market feedback of weak demand, ample availability and muted spot activity.

The European LLDPE metallocene grade spot price was assessed at Eur980/mt FD NWE, stable on the week, at the

bottom end of corroborated indications at Eur980-1,000/mt, considering market feedback of weak demand, muted spot activity and ample availability.

The FD Germany LLDPE C4 freely-negotiated gross contract was assessed at Eur1,460/mt, down Eur10/mt on the week and down Eur40/mt from the end of June, in line with a converter indication at Eur1,460/mt and with multiple indications of decreases in line with the Eur40/mt decrease seen in the monomer's July industry-settled contract price, below a distributor and converter indication of settlements at Eur1,470/mt and partially moving in the direction of another distributor indication of decreases at Eur60-80/mt.

The FD NWE LLDPE C6 freely-negotiated gross contract price was assessed at Eur1,660/mt, down Eur10/mt on the week and down Eur40/mt from the end of June, in line with a producer and distributor indication of decreases in line with the Eur40/mt decrease seen in the monomer's July industry-settled contract price and tracking the drop in LLDPE C4.

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## US LLDPE: Butene export price rise on week

- Domestic LLDPE butene price remains stable on week
- NOVA Chemical starts up LLDPE facility

Spot export linear low density polyethylene butene price in the US increased on the week on July 26 amid price pressure from producers.

LLDPE butene trades were heard at 34-35 cents/lb rail car basis (\$849-\$871/mt FAS Houston) along with a bid at 32-33 cents/lb rail car basis (\$805-\$827/mt FAS Houston) from a trader source July 25.

Platts assessed LLDPE butene exports \$11 higher from a week ago on July 26. For LLDPE hexene-grade, which was assessed stable on the week, an indication of rail car value was heard at 34-35 cents/lb rail car basis July 25.

Indications of rail car value for LLDPE metallocene-grade were heard at 35 cents/lb rail car basis. Platts assessed LLDPE metallocene-grade exports \$11 lower on the week.

"I think most producers are pushing to increase the price, but the market demand is still weak, so it is an unknown to what extent they can succeed," a distributor source said, adding that the market is likely to experience a price increase of one or two cents.

On the domestic side, Platts assessed LLDPE butene stable July 26, pending fresh indications.

Meanwhile, NOVA Chemicals' new LLDPE facility startup was in progress, a company spokesperson said July 24. The LLDPE facility is located at the new Rokeby Site in St. Clair Township, Ontario, and has a capacity of 450,000 mt/year, according to S&P Global Commodity Insights data.

"We continue to successfully progress through our start up sequence milestones and look forward to reactor light-off in the coming weeks," NOVA's Jennifer Nanz said.

In other pricing news, ExxonMobil confirmed a previously

announced PE price increase of 3 cents/lb effective July 1 and announced an additional 5-cent/lb hike effective Aug. 1 in a July 24-dated letter seen by S&P Global July 25.

LyondellBasell's subsidiary Equistar Chemicals will implement its previously announced 3-cent/lb price increase for all PE grades sold in North America effective July 1 and will implement an additional 5-cent/lb increase effective Aug. 1, according to a July 21-dated letter seen by S&P Global July 25.

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## Platts US LLDPE Weekly Rationale

Platts assessed linear low density polyethylene butene prices at \$849/mt FAS Houston July 26, increasing \$11/mt on the day and on the week, at the bottom of talked trades at 34-35 cents/lb rail car basis (\$849- \$871/mt FAS Houston), and above a trader bid at 32-33 cents/lb rail car basis (\$805-\$827/mt FAS Houston) July 25.

Platts assessed hexene-grade LLDPE at \$860/mt FAS Houston, stable on the week, considering a trader price indication heard at 34-35 cents/lb rail car basis (\$849-\$871/mt FAS Houston) July 25.

Platts assessed LLDPE metallocene at \$871/mt FAS Houston, falling \$11 on the week, considering price indications heard at 35 cents/lb rail car basis (\$871/mt FAS Houston) July 25.

The FAS assessment includes 4.50 cents/lb to account for the costs associated with packaging resin and transporting to ports for export.

Platts assessed spot export LLDPE butene on an FAS US East Coast basis increasing \$11/mt from a week ago at \$860/mt, based on Houston rail car pricing plus an additional 5 cents/lb to account for packaging and transportation fees, according to market feedback.

Domestic contract LLDPE was assessed stable during the week at 60 cents/lb, pending fresh indications.

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## Asia LLDPE: Rises on crude gains, increased demand

- Sep ICE Brent crude rises \$3.22/b on week
- South Korea's Hanwha to shut 2 LLDPE lines from Oct for works

Platts assessed Asia LLDPE stable to slightly higher in the week to July 26 amid restocking activities and stronger crude oil futures.

At the Asia close July 26, the September ICE Brent crude oil futures contract was up \$3.22/b on the week to \$83.12/b.

Demand in China was seen picking up due to the upcoming agricultural season, with a source in India saying that "There is a bit of stability coming in China, so that is helping Asia sentiment, but I don't see a sharp increase ... ." "If you see monomer and polymer prices, it is not very conducive for non-integrated players."

Sources said major international suppliers are diverting their

allocation from India to China, as buying has gathered pace.

In India, buyers were seen purchasing because of positive bias in pricing, with a trader based in the country saying that "Market outlook is stable-to-positive after a very long time for LLDPE ... momentum should be up for August." However, demand was moderate.

Market participants expected August shipment offers to rise by \$20-\$40/mt from July.

On the inventory front, stocks with end-users, meanwhile, were on the lower side.

In plants news, Thailand's PTT Global Chemical plans to halt its 400,000 mt/year No. 2 linear low-density polyethylene line at Map Ta Phut in November for 20 days of maintenance, a company source said

The No. 1 LLDPE unit, also with a 400,000 mt/year capacity, was previously shut in April for 30 days of maintenance work, the source said.

The scheduled maintenance is unlikely to influence regional supply, market sources said.

South Korea's Hanwha Solutions will also shut two units out of three of its 425,000 mt/year linear low-density polyethylene plant in Daesan for maintenance, it said.

One LLDPE unit with a capacity of 163,000 mt/year will be shut for 10 days in October, while the other LLDPE unit with a capacity of 150,000 mt/year will shut for seven days in November.

The scheduled maintenance was not likely to have an impact on regional supply, market sources said.

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### Platts Asian LLDPE Weekly Rationale

Platts assessed Asian butene-grade linear low-density polyethylene with a melt flow index of 1-2 up \$20/mt on the week at \$940/mt CFR Far East Asia July 26, on a tradable indication at the same level.

Platts assessed Southeast Asian LLDPE up \$10/mt on the week at \$960/mt CFR, on a tradable indication at the same level.

The CFR South Asia linear low density polyethylene was assessed stable from the previous week at \$990/mt, below offers heard at \$1,000-\$1,020/mt.

Platts assessed dutiable C6 metallocene LLDPE up \$20/mt on the week at \$1,050/mt CFR Far East Asia, on a tradable indication at the same level.

Metallocene LLDPE Southeast Asia was assessed up \$30/mt on the week at \$1,080/mt CFR, on a tradable indication at the same level.

Platts assessed metallocene LLDPE CFR South Asia \$10/mt higher from the previous week at \$1,085/mt, after tradable indication was reported at \$1,080-\$1,100/mt.

Platts assessed domestic China LLDPE cargoes up Yuan 100/mt on the week at the discussed price level of Yuan 8,300/mt ex-works east China.

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### Latin American LLDPE: Prices stable across region

- Domestic prices unchanged
- Brazil, WCSA and Mercosur steady

Spot prices in the Latin American linear low density polyethylene market were stable on the West Coast of South America, in Brazil and the Mercosur region July 26. Prices were also steady in all domestic markets at the end of July.

WCSA: Along the West Coast of South America, prices were unchanged but pressured by higher offers from the US Gulf Coast, while Asian offers were seen with an over a \$100/mt different between the regions.

"PE prices are at \$1,020/mt all across the board in Latam," a US trader said. "It's not a supply issue, it's not a demand issue. It's the overall energy market has bounced back quite a bit and is pushing everything up."

A Colombian trader said, "we have been taking a census of prices and actually in the LLDPE butene and metallocene grades we see increases of \$20-\$30/mt since last week."

Most participants cited steady LLDPE prices for the WCSA and Latin American markets in general. Some even reported the withdraw of offers for some grades from US producers.

COLOMBIA: In Colombia, LLDPE film prices were flat on the week July 26 at \$1,025/mt, considering imported material nationalized equivalents calculated off the WCSA price and material from the US, which does not face import duties.

"Demand is low, market is very slow, especially in the construction sector," a local trader said. "Flexible packaging has constant demand but not very strong. In general, global demand has been able to fall between 30% and 10% depending on the sector and the country."

BRAZIL: CFR LLDPE prices were assessed stable on the week at \$990/mt. Spot prices for LLDPE butene delivered in São Paulo were unchanged on the week at Real 8,200 /mt.

Sources said buyers were looking for clearer market direction before buying spot volumes. "Imported prices seem stable this week. I believe that Braskem's domestic prices for August should also remain unchanged," a market source said.

"Expectations that Braskem will maintain and eventually raise some prices, but even that information is informal. As there will be this month's closing and August opening, we will better understand the scenario," another market source said.

MERCOSUR: Platts assessed spot LLDPE butene pricing stable on the week July 26 at \$1,000/mt CFR Mercosur.

According to Paraguayan and Uruguayan traders, offers were unchanged week on week.

A Paraguayan trader said that "we are looking to sell the oldest inventories and get new ones, however a rise in prices is coming."

ARGENTINA: Domestic LLDPE prices were steady on the week, according to feedback from three different market players in the country. Market participants expected prices for August to reflect the government's new policy to increase import costs to 7.5%, which could affect prices domestically.

"The truth is that prices are very high in Argentina, so it may be that these costs are absorbed and they do not increase, but the three petrochemical companies are evaluating this," a distributor said.

MEXICO: Mexico prices for LLDPE were stable on the week. Prices were heard from \$780/mt to \$835/mt. A local producer said, demand has been steady, and they were still seeing a lot of imported inventory that hasn't been sold yet.

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### Platts Latin American LLDPE Weekly Rationale

CFR WCSA: Spot linear low-density polyethylene was flat July 26 at \$925/mt CFR on the week, based on most repeatable higher tradable levels heard at \$900 to \$970/mt and below offers heard at \$950/mt.

CFR Brazil: Platts assessed spot LLDPE butene pricing at \$990/mt July 26, unchanged compared with July 19, considering pricing indications heard within \$900/mt to \$1,040/mt.

CFR Mercosur: Spot LLDPE butene pricing was assessed flat on the week July 26 at \$1,000/mt CFR Mercosur, in line with multiple indications that prices were stable. The assessment was based on indications of imported material from traders from Paraguay and Uruguay.

Delivered Sao Paulo: Platts assessed spot LLDPE butene pricing at Real 8,200/mt July 26, stable compared with July 19, based on multiple indications of unchanged over the week.

Delivered Buenos Aires: Spot LLDPE butene was assessed flat July 26 on the week at \$2,430/mt, based on feedback of stable pricing on week.

Delivered Bogota: LLDPE was flat on the week July 26 at \$1,025/mt. The assessment was based on CFR WCSA assessments with nationalization costs heard at \$100/mt, above a pricing range heard from two local traders at \$910-\$1,020/mt for imported products already nationalized.

Delivered Mexico City: LLDPE butene was flat July 26 on the week at \$805/mt. The assessment is below a price indication heard from a producer at \$830/mt. It followed an indication of stable prices on the week.

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## High-Density Polyethylene

### European HDPE: Ample supply pressures market

- Spot prices stable
- Participants focus on Aug

European high density polyethylene supply was ample in the seven days to July 26.

Although some material was seeing delivery delays, with delivery expected in late August, material was mostly widely and easily available in Europe, market sources said.

Market fundamentals have been weak over the past week across all HDPE grades. Demand for material was weak, with

European HDPE market players on holidays.

"The main sickness of the market is the very, very low demand, you can offer at the lowest prices, but no one will be interested in buying," a distributor said.

Market participants said they were uncertain about the outlook in coming weeks.

"We will not see any increases in demand even in September," the distributor said.

The spot market was dull, with prices stable amid lower buying interest.

Platts assessed the European HDPE injection and blowmolding grades respectively at Eur900/mt and Eur930/mt FD Northwest Europe on July 26, both stable on the week.

The European ethylene industry-settled contract price for August was expected to settle in the week ended July 28 or at the start of the following week. Market players were divided on whether a spike in naphtha prices in July would impact discussions in a low demand environment.

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### Platts European HDPE Weekly Rationale

Platts assessed the European high density polyethylene injection grade spot price at Eur900/mt FD NWE on July 26, unchanged on the day and week, in line with a corroborated indication at Eur900/mt and considering market feedback of illiquid spot activity, limited demand and ample availability.

The European HDPE blowmolding grade spot price was assessed at Eur930/mt FD NWE, unchanged on the day and week, in line with a corroborated indication at Eur930/mt and at the bottom end of a distributor indication at Eur930-1,000/mt, considering market feedback of illiquid spot activity, limited demand and ample availability.

The European HDPE unimodal film grade spot price was assessed at Eur930/mt FD NWE, down Eur10/mt on the day and week, at the bottom end of a distributor indication at Eur930-1,000/mt and below another distributor indication at Eur940/mt, considering market feedback of limited demand, ample availability, and muted spot activity.

The freely-negotiated gross contract price for injection grade HDPE was assessed at Eur1,360/mt FD Germany, down Eur10/mt on the week and Eur40/mt from the end of June, in line with multiple indications of decreases in line with the Eur40/mt decrease seen in the monomer's July industry-settled contract price, weighing indications of settlements around Eur1,370/mt against a distributor indication of decreases at more than the monomer decrease.

The freely-negotiated gross contract price for blowmolding grade HDPE was assessed at Eur1,405/mt FD Germany, down Eur10/mt on the week and Eur40/mt from the end of June, in line with multiple indications of decreases in line with the Eur40/mt decrease seen in the monomer's July industry-settled contract price, weighing indications of settlements around Eur1,415/mt, against a distributor indication of decreases of as much as Eur80/mt from June levels.

The FD Germany HDPE film grade freely-negotiated gross contract price was assessed at Eur1,430/mt, down Eur10/mt on the week and Eur40/mt from the end of June, in line with multiple indications of decreases in line with the Eur40/mt decrease seen in the monomer's July industry-settled contract price, in line with a converter corroboration at Eur1,430/mt and below a distributor indication of settlements at Eur1,440/mt.

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## Turkish and African Polyethylene: Edges higher as buying interest strengthens

- Supply length declines
- Turkish LDPE rises \$10/mt

The Turkish polyethylene market edged higher in the week to July 26 as buying interest strengthened.

Platts assessed the CFR Turkey low density PE spot price up \$10/mt on the week at \$910/mt.

Supply length declined as some suppliers withdrew offers in preparation for August as they anticipated prices to increase with stronger upstream naphtha prices, in addition to lower availability due to low operating rates.

"Because of the production cuts it's not as easy to get material," a trader said.

However, overall availability has been healthy with offers from import origins and bonded warehouse in Turkey. Some traders were sitting on elevated stocks of material purchased at higher prices and were under pressure to sell.

Limited availability of credit from Turkish banks dampened trading activity as most traders rely on credit lines for deals.

Tight credit availability was also an issue in the West African market and was hindering trades despite good demand, market sources said. Availability was "below average" as some producers withdrew offers, resulting in lower market liquidity with no fresh trades heard.

Participants were awaiting the new month for offers in the market, with many anticipating an uptick in prices. A seller said, "I stopped offering since the second week of July because we had a sense that the market will pick up and demand will increase."

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### Platts African and Turkish Polyethylene Weekly Rationale

Platts assessed the CFR Turkey low-density PE spot price up \$10/mt on the week at \$910/mt July 26, below a producer indication heard at \$920-\$990/mt.

The CFR Turkey HDPE film grade spot price was assessed stable on the week at \$960/mt, at the bottom of a range of trader indications heard at \$960-\$980/mt and within a producer's indication heard at \$900-\$1,050/mt, considering feedback of decreasing supply length.

The CFR Turkey HDPE blowmolding grade spot price was assessed stable on the week at \$950/mt, at the bottom of a producer indication heard at \$950-\$1,050/mt and below a trader indication heard at \$960/mt, whilst considering feedback of

decreasing supply length.

CFR Turkey HDPE injection grade spot prices were assessed unchanged on the week at \$940/mt, mirroring the stability in the price of the other HDPE grades.

CFR Turkey linear low-density PE spot prices were assessed unchanged on the week at \$940/mt, mirroring the stability in the price of the HDPE grades and pending fresh indications.

CFR West Africa HDPE film grade spot prices were assessed unchanged on the week at \$1,030/mt, amid feedback of limited offers and activity in the market.

CFR West Africa HDPE blowmolding grade spot prices were assessed unchanged on the week at \$980/mt, amid feedback of limited offers and activity in the market.

CFR West Africa HDPE injection grade spot prices were assessed unchanged on the week at \$990/mt, mirroring the stability in the other grades and considering feedback of limited activity.

CFR West Africa LDPE spot prices were assessed stable on the week at \$1,040/mt, amid feedback of limited offers and activity in the market.

CFR West Africa LLDPE spot prices were assessed unchanged on the week at \$980/mt, amid feedback of limited offers and activity in the market.

CFR North Africa LDPE spot prices were assessed unchanged on the week at \$1,030/mt, tracking the stability in the West Africa price and pending fresh indications.

CFR North Africa HDPE film spot prices were assessed unchanged on the week at \$975/mt tracking the stability in the West Africa price and pending fresh indications.

CFR North Africa HDPE blowmolding spot prices were assessed unchanged on the week at \$965/mt, tracking the stability in the West Africa price and pending fresh indications.

CFR North Africa HDPE injection spot prices were assessed unchanged on the week at \$955/mt, tracking the stability in the other HDPE grades.

CFR North Africa LLDPE spot prices were assessed unchanged on the week at \$980/mt, tracking the stability in West African LLDPE and in other North African PE grades.

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## US HDPE: Export prices steady across grades on week

- Domestic prices remain stable
- Two chemical producers plan August PE price hike

US spot export levels for high density polyethylene remained stable on the week for blowmolding, film and injection grades July 26 amid signs of increasing demand.

Indications of rail car value for HDPE blowmolding were heard at 34-34.5 cents/lb (\$849-\$860/mt FAS Houston) from a trader source July 25, in line with an indication from a distributor at 34 cents/lb (\$849/mt FAS Houston) on the same day.

Rail car indications of value for HDPE injection were heard at 32-33 cents/lb (\$805-\$827/mt FAS Houston) during the July

20-26 period. Film-grade HDPE was talked repeatedly in a rail car range of 35-36 cents/lb during the same period.

A distributor source said there was a slight increase in demand as there was growing interest from customers.

Meanwhile, a trader source said that from a supply perspective, prices cannot go down.

On the domestic side, Platts assessed blowmolding, injection and film-grade HDPE stable on the week, pending fresh indications.

In the chemicals market, Reliance Industries reported a 23.2% decline year over year in EBITDA for its oil-to-chemicals in the fiscal first quarter ended 30 June, as reported July 24 by S&P Global's Chemical Week.

In the company's polymers business unit, prices declined year over year amid weak demand from China, the US and Europe, and destocking due to a volatile energy price environment, impacting PE prices with a 22% decline.

Meanwhile, ExxonMobil confirmed a previously announced PE price increase of 3 cents/lb effective July 1 in a July 24-dated letter seen by S&P Global Commodity Insights July 25, and it announced an additional 5 cents/lb increase effective Aug. 1.

Also, LyondellBasell subsidiary Equistar Chemicals will implement its previously announced 3 cents/lb price increase for all PE grades sold in North America effective July 1 and will implement an additional 5 cents/lb increase effective Aug. 1, according to a July 21-dated letter seen by S&P Global Commodity Insights July 25.

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### Platts US HDPE Weekly Rationale

Platts assessed blowmolding-grade high density polyethylene at \$849/mt FAS Houston on July 26, unchanged on the day and from the previous week, considering the most recent price indication heard from a trader at 34-34.5 cents/lb rail car basis (\$849-\$860/mt FAS Houston) and a distributor price indication heard at 34 cents/lb rail car basis (\$849/mt FAS Houston) on July 25.

Injection-grade HDPE was assessed at \$827/mt FAS Houston, stable on the week, at the top of a trader range at 32-33 cents/lb rail car basis (\$805-\$827/mt FAS Houston), considering a price indication heard at 33 cents/lb rail car basis (\$827/mt FAS Houston) on July 25 and a bid at 33 cents/lb rail car basis (\$827/mt FAS Houston) July 20.

HDPE film grade was assessed at \$871/mt FAS Houston, stable from a week ago, at the bottom end of a repetitive price indication heard at 35-36 cents/lb rail car basis (\$871-\$893/mt FAS Houston) over July 20-26.

The FAS assessment includes 4.50 cents/lb to cover the costs of packaging and transporting resin to ports for export.

Platts assessed spot export HDPE blowmolding on an FAS US East Coast basis at \$860/mt, also stable on the day and week, based on Houston rail car pricing with an additional 5 cents/lb to cover packaging and transportation costs, according to market feedback.

On the domestic side, blowmolding and injection-grade HDPE were assessed at 63.5 cents/lb rail car basis, with film-grade at 65 cents/lb, pending fresh indications.

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### US Recycled HDPE: Prices stable, trading activity subdued

- Natural, mixed-color levels down more than 55% since June 1
- Variations of 5-6 cents/lb in bale prices July 25-26

US recycled high density polyethylene prices were steady week on week July 26, with the market in wait-and-see mode after sustained price declines at the end of the second quarter and early third quarter.

Pricing for natural bales in the Midwest was heard as low as 25 cents/lb and as high as 30 cents/lb over July 25-26. Mixed-color bale pricing was heard in a wider 5-11 cents/lb range during the same period.

Platts assessed natural and mixed-color bales, as well as recycled HDPE pellets, stable on the day and week.

Natural bales pricing has fallen 49 cents/lb, or 62%, since June 1, according to S&P Global Commodity Insights data, with mixed-color bales prices declining 11 cents/lb, or 58%, in the same period. Post-consumer resin has been facing steep competition with virgin resin, that, combined with ongoing economic uncertainty, has put end-users in a difficult position, market sources said.

Prices were expected to increase in early fall as back-to-school season in the US begins, with prices considered at or near a bottom.

"Everyone's kind of full, at least when it comes to plastic," a source said, adding that many market players were waiting it out as the month ended.

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### Platts US Recycled HDPE Daily Rationale

Platts assessed natural HDPE post-consumer bales at 30 cents/lb FOB Chicago on July 26, stable on the day pending fresh indications.

Mixed-color HDPE post-consumer bales were assessed at 8 cents/lb FOB Chicago, unchanged day on day, amid a lack of fresh indications

Natural recycled HDPE pellets for blowmolding applications were assessed at 91 cents/lb FOB Chicago, stable on the day, mirroring stability in bale markets.

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This rationale applies to symbol(s) <ARNPC04> <ARNPE04 > <ARNPA04>.

## Asia HDPE: Rises tracking gains in crude oil, supply shortage

- Crude rises \$3.22/b on day
- South Korea's Hanwha Total restarts PE units after maintenance

The Asian HDPE market was higher in some regions in the week to July 26 on some restocking demand and higher crude oil, sources said.

The September ICE Brent crude oil futures contract up \$3.22/b on the week at \$83.12/b at the Asian close July 26.

South Korea's Hanwha Total restarted its polyethylene units in Daesan in July after maintenance, a report on the company's website showed.

The 150,000 mt/year low density polyethylene plant was shut for 38 days over April-June, while the 120,000 mt/year high density polyethylene plant was shut for 46 days. Its 123,000 mt/year LLDPE line was shut for 36 days and its 400,000 mt year HDPE/LLDPE swing plant was shut for 46 days during the second quarter of 2023, the report said.

The scheduled maintenance did not impact regional supply given prevailing weak demand, market sources said.

A company source could not be contacted for comment on the matter.

Sources said there will be more US supply coming to Asia as more plants in the region starts up, leading to oversupply in the region.

Platts assessed film-grade high density polyethylene \$10/mt higher week on week at \$1,030/mt CFR South Asia.

Prices of HDPE blow molding rose amid supply shortage. Domestic producers with dedicated HDPE line are focusing on HDPE pipe production as they are required to fulfill their commitments, sources said.

Demand for HDPE pipe has shot up due to government schemes and impetus provided.

"HDPE blow molding prices are usually \$50/mt higher than HDPE pipe in India, but it is no longer the case... Even international suppliers are not readily supplying blow material," a trader in India said.

"HDPE grades are fast moving, there are pipe orders still coming in despite rains... Everyone is asking for material."

On the inventory front, stocks with domestic producers are now at moderate levels as ONGC Petro Additions Ltd. is facing issues in restarting their cracker post maintenance work.

"Inventory level is normalizing now because of shutdown of co-producers," an official with a leading producer in India said.

The company shut operations at its dual-feed cracker in Dahej, Gujarat, for maintenance from June 22 to July 9, following technical glitches, company sources said.

Sources said the cracker may take another 10 days to restart operations.

OPAL's cracker unit in Dahej has a capacity to produce 1.1 million mt/year of ethylene and 400,000 mt of propylene. The plant has the capacity to produce 1.1 million mt/year of

polyethylene and 340,000 mt of polypropylene.

"OPAL has still not started that is creating demand... We are seeing very good order flows," a source in India said.

On the other hand, demand for HDPE injection is slow and it is selling at a discount of 4 rupees per/kg in India.

In plant news, Thailand's Bangkok Polyethylene, a subsidiary of PTT Global Chemical, plans to halt its three HDPE lines totaling 850,000 mt/year at Map Ta Phut in October for 2-3 weeks of maintenance, a company source said.

### Platts Asian HDPE Weekly Rationale

Platts assessed dutiable unimodal film-grade high density polyethylene with a melt flow index of 0.07-0.18 up \$10/mt week on week at \$960/mt CFR Far East Asia, on a tradable indication at the same level July 26.

Platts assessed CFR Southeast Asia HDPE up \$10/mt on the week at \$980/mt, on a tradable indication at the same level.

Platts assessed CFR South Asia HDPE film grade \$10/mt higher on the week at \$1,030/mt on July 26, below offers heard in the range \$1,050-\$1,070/mt. Tradable values reported at \$1,030-\$1,040/mt CFR South Asia (India) were also considered in the assessment.

Platts assessed yarn-grade HDPE up \$10/mt week on week at \$940/mt CFR Far East Asia, at the intraday value that was uncontested and on a tradable idea at the same level.

Platts assessed yarn-grade PE stable at \$960/mt CFR Southeast Asia, at the intraday value that was uncontested.

Platts assessed injection-grade HDPE stable on the week at \$900/mt CFR Far East Asia, on a tradable indication at the same level. It was assessed up \$10/mt at \$930/mt CFR Southeast Asia on a tradable idea. Platts assessed Injection grade HDPE \$10/mt higher from the previous week at \$970/mt CFR South Asia, at the intraday value, which was uncontested.

Platts assessed blowmolding-grade HDPE at \$910/mt CFR Far East Asia, up \$10/mt on the week on a tradable idea. Southeast Asia was assessed stable week on the week at \$940/mt CFR Southeast Asia for the blowmolding grade at the intraday value and on a tradable indication at the same level. Blowmolding grade HDPE was assessed at \$1,045/mt CFR South Asia, \$25/mt higher week on week, after tradable values were reported at \$1,030-\$1,070/mt. Offers heard at \$1,050/mt CFR South Asia (India) and \$1,090/mt, respectively, were also considered in the assessment.

Platts assessed Chinese domestic HDPE up Yuan 500/mt week on week at Yuan 8,600/mt ex-works east China, on discussions at the same level.

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### Latin American HDPE: WCSA sees higher prices for HDPE grades

- Domestic prices unchanged in Brazil, Argentina and Mexico
- Brazil and Mercosur prices remain flat on week

High-density polyethylene prices mostly rose across HDPE grades on July 26 in West Coast South America but remained flat

in Brazil and in the Mercosur region.

CFR WCSA:

Pricing for high-density polyethylene rose for all HDPE grades in the region, still driven by most competitive offers from the US, while Asian offers were higher values than USGC levels. Prices rose \$10-\$25, depending on the grade.

"Traders and producers indicate that the floor has already been touched," a local trader said. "There's low availability of HDPE film, they indicate that offers should already be available next week, with an increase between \$40 to \$70."

A US-based trader said prices were firmer, with less short selling from traders.

"We haven't had any reposition costs updates for PE, and no available offers from Asia," the US-based source said.

Meanwhile, a regional trader said the demand in WCSA was more focused on PE, with demand higher in all regions.

"We've noticed the WCSA market with low bids, trying to get prices below what we are actually confirming," the second trader said.

COLOMBIA:

In Colombia's domestic market, most HDPE grades rose alongside the WCSA market, and all assessments were within ranges heard from four different traders, considering imported material nationalized into the Colombia domestic markets. HDPE film rose \$40 and injection rose \$25, while blowmolding was stable.

"HDPE grades are somewhat scarce, especially blowmolding and pipe grades with prices above \$1,000/mt," a third trader said. "There's fair availability for the demand and some delay in shipments out of the USA. On the contrary, Asian offers are being seen at good prices in PE and PET."

BRAZIL:

Platts assessed CFR HDPE film prices stable on the week at \$990/mt. Spot prices for HDPE film delivered in São Paulo were stable at Real 9,000/mt.

Most participants remained in a wait-and-watch approach amid Braskem's possible price hold for August, sources said.

"International demand continues from weak to stable, but we already feel some restrictions on HDPE bimodal film," a fourth trader said. "Petrochemicals are withdrawing offers to reposition themselves to higher PE and PP prices from next week/month onwards due to cost pressure, supply constraints and more promising business environment in the coming months."

MERCOSUR:

Spot HDPE film was flat on the week at \$1,030/mt, HDPE injection was flat at \$1,040/mt, and HDPE blowmolding was flat at \$1,020/mt.

Prices in the Mercosur region typically remain stable in the last few days of each month, according to a Paraguay-based trader. However, the market expects prices to rise at the start of August.

With regards to the supply side, a second Paraguay-based trader said there was low availability of HDPE film.

"Customers have been more receptive because inventories

have been low," the second Paraguay-based trader said of demand.

ARGENTINA:

Argentina domestic prices were flat on the week for HDPE across all grades. Market participants were concerned over the new policy from the government to increase import costs to 7.5%, which could affect prices domestically.

A local distributor said there was no change in prices in July.

"It remains to be seen if the petrochemical companies will be affected by these import cost overruns for their inputs, feedstocks costs and if they are going to increase the prices of the products at the end of July or August," the distributor said. "The truth is that prices are very high in Argentina, so it may be that these costs are absorbed and they do not increase, but the three petrochemical companies are evaluating this."

MEXICO:

Mexico domestic prices were flat on the week for HDPE across all grades. Prices for HDPE film were heard at \$960-1,010/mt, for injection at \$980-\$1,020/mt and for blowmolding at \$930-\$990/mt.

Braskem Idesa announced a price increment across all grades of PE this week for the Mexican market. New prices will be valid starting Aug. 1. This, combined with Dow Chemicals' price increase announcement last week, had market participants feeling uneasy. They were expectant to see how much of the announced increases will be accepted by the market.

"People are not selling at the moment; they are waiting to see how prices will be impacted next week," a trader said.

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## Platts Latin American HDPE Weekly Rationale

CFR WCSA: Pricing for high-density polyethylene film-grade was assessed up \$10/mt on July 26 on the week at \$980/mt, based on most repeatable higher tradable levels heard at \$970 to \$1,080/mt, and below offers heard at \$1,110/mt. HDPE injection was \$25/mt higher at \$940/mt, based on most repeatable higher tradable levels heard at \$930 to \$980/mt, and below offers heard at \$950/mt. HDPE blowmolding was \$25/mt higher at \$950/mt, based on most repeatable higher tradable levels heard at \$930 to \$990/mt, and below offers heard at \$950/mt. All grades were heard higher on week.

CFR Brazil: Platts assessed spot HDPE film pricing at \$990 / mt July 26, unchanged compared to July 19, considering pricing indications heard within \$940/mt to \$1,150/mt range.

CFR Mercosur: Spot HDPE film was assessed flat on week on July 26 at \$1,030 /mt CFR Mercosur, in line with multiple indications that prices were stable. The HDPE injection was flat on week on July 26 at \$1,040/mt CFR Mercosur in line with multiple indications that prices were stable. The HDPE blowmolding was assessed flat on week on July 26 at \$1,020/mt CFR Mercosur in line with multiple indications that prices were stable. The assessment was based on indications of imported material from traders from Paraguay and Uruguay.

Delivered Sao Paulo: Platts assessed spot HDPE film pricing

at Real 9,000/mt July 26, stable compared to July 19, based on multiple indications of unchanged over the week.

Delivered Buenos Aires: Spot HDPE film, blowmolding and injection pricing were assessed flat on July 26 on the week at \$2,410/mt, based on feedback of stable pricing on week.

Delivered Bogota: HDPE film was up \$40/mt on July 26 on the week at \$1,080/mt. The assessment was based at CFR WCSA assessments with nationalization costs heard at \$100/mt, within prices heard from a local trader at \$1,040 to \$1,080/mt for imported products already nationalized, above another trader's indication at \$1,020/mt and below a second trader at \$1,100/mt for imported product. HDPE injection was assessed at \$1,050/mt, up \$25/mt on the week, based at CFR WCSA assessments with nationalization costs heard at \$100/mt, above prices heard from two local traders at \$1,020 to \$1,025/mt for imported products already nationalized, below another trader's indication at \$1,100/mt. HDPE blowmolding was assessed at \$1,050/mt, up \$25/mt on the week, based at CFR WCSA assessments with nationalization costs heard at \$100/mt, within prices heard from a local trader at \$1,050 for imported products already nationalized, above another trader's indication at \$1,020/mt and below a second trader at \$1,100/mt for imported product.

Delivered Mexico City: Spot HDPE blowmolding was flat on the week on July 26 at \$920/mt, the assessment is below the range of a producer at \$930-990/mt and a price indication of a trader heard at \$1,056/mt. It followed an indication of stable prices on the week. HDPE injection was flat on the week at \$950/mt, the assessment is below the range of a producer heard at \$980-1020/mt. It followed an indication of stable prices on the week. HDPE film was flat on the week at \$950/mt, the assessment is below the range of a producer heard at \$960-1010/mt. It followed an indication of stable prices on the week.

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## European Recycled HDPE: Prices fall as demand remains subdued

- Summer breaks continue
- Pipe grade demand drops sharply

The European recycled HDPE demand remained weak in the week to July 26, as summer breaks continued for most recyclers, limiting market activity.

Virgin HDPE sharply dropped in July, driven by a lower contract price settlement of feedstock monomer.

The wide gap between recycled and virgin HDPE has resulted in a standoff in the recycled HDPE industry. Some brands were heard reconsidering their offtake commitments that were fixed on higher prices earlier, inducing anxiety in some recyclers or distributors that were exposed to the PCR natural or light pellets segment of recycled HDPE.

Platts assessed recycled high-density polyethylene natural pellets at Eur1,810/mt FD NWE July 26, stable on the day and down Eur10/mt on the week.

For pipe grade, market was heard remaining very sluggish, as

demand for both agricultural and construction industries was heard challenged since Q2 2023.

"Regarding HDPE, the demand for pipe maker is close to zero. This is not a matter of price," a recycler said.

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## Platts European Recycled HDPE Weekly Rationale

Platts assessed recycled high-density polyethylene natural pellets at Eur1,810/mt FD NWE July 26, stable on the day and down Eur10/mt on the week, moving towards a recycler indication heard at Eur1,400/mt ex works Poland (normalized to Eur1,500/mt with delivery cost of Eur100/mt from Poland to NWE), considering feedback of limited buying interests in the market, pending further corroborations at lower levels.

Light pellets were assessed at Eur1,060/mt FD NWE, stable on the day and down Eur10/mt on the week, within a recycler indication corroborating spot value at Eur1,000-Eur1,100/mt and tracking the decrease seen in natural pellets.

Post-consumer HDPE mixed bales were assessed at Eur300/mt FD NWE, stable on the day and on the week, at the bottom of a recycler indication corroborating spot value at Eur300-Eur320/mt.

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## Asia recycled HDPE: Markets stay stable, arbitrage opens

- Arbitrage opens on paper between SE Asia, Europe-US
- Few export opportunities to the West

Platts assessed Asian recycled high density polyethylene prices stable in the week to July 26 amid thin trading.

The arbitrage between Southeast Asia and Europe-US has been theoretically possible, although summer demand in the West is slow. Southeast Asia to Europe freight was heard in the \$1,300-\$1,500/FEU range or around \$50/mt, according to market sources. Southeast Asia to Western US freight was heard at \$1,500/TEU or \$60/mt and Eastern US at \$3,000/FEU or \$120/mt, traders said.

Food-grade pellets were priced more expensive than the ones in Asia, sources said. Bale prices were also rising due to higher demand amid stable collection rates, particularly in Thailand and Indonesia, sources said. Traders said they were free to trade pellets, but feedstock bale trade was tricky as it could be regarded as plastic waste and rejected by customs authorities.

Some Asian converters had been compounding recycled into a prime mix to sell to UK-based businesses, where 30% recycled content is the requirement for all plastic packaging since April 2022 and a 25% recycled content in PET bottles is needed by 2025 and 30% in all plastic bottles by 2030, according to European recycling legislations. Around 55% of packaging needs to be recycled by 2025 and a 77% collection rate of plastic bottles by 2025, according to the regulations.

Recycled resins in Asia were showing general weakness due to cheap prime resin, traders said. In Asia, recycling PE adoption

continues to be a mainly economic consideration in the absence of minimum content legislation, sources said.

The uptick failed to materialize in Western markets due to a poor economic outlook, hence leading to low export opportunities.

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### Platts Asian Recycled HDPE Daily Rationale

Platts assessed Asian recycled high-density polyethylene natural film pellets stable on the day at \$800/mt FOB Southeast Asia July 26 in line with a tradable indication at the same level.

Platts assessed Asian recycled HDPE black blowmolding pellets stable on the day at \$660/mt FOB Southeast Asia in line with a tradable indication at the same level.

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This rationale applies to symbol(s) <PHALH00>.

## Polypropylene

### European Polypropylene: Market recovers on signs prices have reached bottom

- Market participants note signs of prices bottoming out
- Attempts to raise prices likely in future

The European polypropylene market recovered in the week to July 26, with several participants noting signs of prices bottoming out.

Platts assessed homo injection grade polypropylene spot prices at Eur980/mt, up Eur20/mt on the week.

A consumer said he thought the market had genuinely destocked, adding that, "it does look like we have met the bottom."

A distributor, who was still buying at lower levels from Asia, said he expected prices for European homo injection and copolymer PP to rise in August and September.

However, a second distributor remained bearish, citing oversupply and weak demand fundamentals of PP.

"Sentiment for August is for a small reduction because of continued oversupply even though monomer may be closer to rollover than in recent months," he added.

According to a producer, a large part of European supply was being taken offline, adding that there was no point offering spot as there was no profit to be made.

"Demand is pretty abysmal, as margins are so poor. There is nothing to make from selling," he said, adding that "we are waiting for something to trigger demand, a rebound."

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### Platts European Polypropylene Weekly Rationale

Platts assessed homo injection grade polypropylene spot prices at Eur980/mt July 26, stable on the day and up Eur20/mt on the week, at the bottom of a consumer indication at Eur980-1,030/mt, at the lower end of trader indications heard at Eur970-

1,070/mt, within distributor indications heard at Eur960-Eur1,000/mt and above a producer's indication heard earlier in the week at Eur960/mt, considering feedback of improving market sentiment. amid market feedback that the bottom for pricing has been reached.

FD Germany freely-negotiated gross contract prices for homo injection grade PP were assessed at Eur1,320/mt, steady on the week, in line with corroborating pricing indications from a distributor and producer at this level.

The FD NWE copolymer PP spot price was assessed at Eur1,050/mt, stable on the week, at the bottom of a consumer's price indication range at Eur1,050-1,080/mt, in line with a producer's indication heard at this level and below indications of Eur1,100/mt heard from a distributor and a trader.

FD Germany freely-negotiated gross contract prices for copolymer grade PP were assessed at Eur1,390/mt, steady on the week, in line with corroborating pricing indications from a distributor and producer at this level, while also maintaining a stable premium over homopolymer contract pricing.

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### Petchem EMEA Weekly Recycled PP Commentary

- Automotive only downstream industry with 'decent demand'
- Slow trading activity, summer holidays weigh on prices

European recycled polypropylene prices were pressured by weak demand and spare capacity in the week to July 26.

The market was "very quiet" and "sentiment very negative", a recycler said, adding that "competitively priced virgin material is hampering demand, limiting the consumer base for material."

Automotive was only downstream industry with "decent demand at this stage," the recycler said.

Operations at many European plants were winding down due slow activity and summer holidays, according to the recycler.

A distributor said, in general, business in the recycled market has been difficult, indicating that its current sales were just about 30% of what they were this time a year earlier.

Recycling suppliers were pushing for more business and had spare capacity, the distributor said.

A second recycler said off-spec virgin material was competing directly with recycled natural pellets, pressuring prices.

However, a third recycler said although the market for black pellets was long, supply for better quality product had been balanced. The market had reached a bottom, with recyclers unable to go any lower, the recycler said.

A trader said that selling at lower prices for many recyclers would be selling at a loss.

Platts assessed recycled polypropylene black pellet spot prices at Eur740/mt DDP NWE July 26, steady on the day and week.

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## Petchem EMEA Weekly Recycled PP Rationale

Platts assessed recycled polypropylene black pellet spot prices at Eur740/mt DDP NWE on July 26, steady on the day and week, below the most competitive offer heard from a recycler at Eur750/mt, in line with a trader indication heard at Eur700-Eur780/mt, weighing higher offers heard at Eur790-970/mt and indications heard at Eur825-1,100/mt against market feedback of limited demand.

Natural pellet spot prices were assessed at Eur1,650/mt DDP NWE, up Eur50/mt on the day and down Eur110/mt on the week, moving lower toward two recyclers' indications both heard at Eur1,400-1,600/mt, while considering another recycler's offer heard at Eur2,000/mt and its corroboration of spot value at Eur1,760/mt against downward pressure from low-priced virgin material competing in the market, pending further corroborations of higher or lower levels.

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## Turkish and African Polypropylene: Market length shrinks as activity improves

- PP Raffia up \$10/mt
- Limited offers in West Africa

The Turkish polypropylene market strengthened in week to July 26, supported by buying activity, as some participants noted signs of prices bottoming out.

Platts assessed CFR Turkey polypropylene raffia spot prices at \$930/mt July 26, up \$10/mt on the week.

Sentiment was mixed in the Turkish market, as prices trended higher despite underwhelming demand overall.

Wider bearish macroeconomic factors — including high inflation and rising interest rates in the country and in neighboring Europe, a key destinations for many end products — continued to dampen PP consumption, however, with spot prices heard falling below the cost of production and producers cutting back operating rates, some market players said that the bottom of prices may have been reached, which stimulated buying.

"There is some movement, demand last week was not bad but not so good, it seems we will have a better market this week," a trader said.

Sources said that tight credit lending from banks in Turkey and a weak Lira were also hindering trading activity, adding that a push from banks to improve credit availability was necessary for a healthy market.

In the North Africa market, demand was mixed with healthy interest heard from Algeria and Morocco. In West Africa, prices were unchanged amid a lack of liquidity. Market players said that most suppliers had withdrawn their offers, leaving participants awaiting allocations for the new month.

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## Platts African and Turkish Polypropylene Weekly Rationale

Platts assessed CFR Turkey polypropylene fiber spot prices at \$970/mt July 26, down \$10/mt on the day and stable on the week, moving down within a producer indication heard at \$960-\$980/mt, below an offer heard at \$990/mt and a deal heard at \$980/mt.

CFR Turkey PP raffia spot prices were assessed at \$930/mt, up \$10/mt on the week, at the bottom of a producer indication heard at \$930-\$950/mt, below a trader indication of a \$30/mt discount to PP fiber prices and below another trader indication heard at \$1,070-\$1,080/mt which could not be corroborated.

CFR Turkey PP homo injection spot prices were assessed at \$930/mt, up \$10/mt on the week, mirroring the increase in the raffia spot price.

CFR Turkey PP copolymer spot prices were assessed up \$10/mt on the week at \$1,020/mt, maintaining a stable premium to PP raffia prices.

CFR West Africa PP raffia spot prices were assessed stable on the week at \$990/mt, in line with a deal heard at this level whilst considering feedback of reduced market liquidity towards the end of the month.

CFR West Africa PP homo injection spot prices were assessed unchanged on the week at \$990/mt, mirroring the stability in the PP raffia price.

CFR West Africa PP copolymer spot prices were assessed unchanged on the week at \$1,030/mt, maintaining a stable premium to PP raffia and considering feedback of limited offers and activity in the market.

CFR North Africa PP raffia spot prices were assessed unchanged on the week at \$950/mt, at the bottom of a producer indication heard at \$950-\$960/mt.

CFR North Africa PP homopolymer spot prices were assessed unchanged on the week at \$950/mt, mirroring the stability in raffia spot price.

CFR North Africa PP copolymer spot prices were assessed up \$10/mt on the week at \$1,025/mt, tracking the increase in the CFR Turkey price, retaining a premium over the CFR Turkey price and a discount to the CFR West Africa price.

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## US PP: Spot export prices fall on week

- Copolymer at 2-cent premium to homopolymer
- Top homebuilder posts lower Q2 net income on year

US spot export polypropylene prices fell from a week ago on July 26, while strengthening prices in Asia signaled good market prospects.

An offer of rail car value for homopolymer PP was heard at 37 cents/lb rail car basis (\$915/mt FAS Houston) from a trader source July 26, above a trade heard at 36 cents/lb rail car basis (\$893/mt FAS Houston) from a second trader July 25.

Stronger prices in Asia were a good sign for the market in terms of price recovery, market sources said.

Platts assessed homopolymer grade \$22/mt lower on the day and week.

The spread between homopolymer and copolymer grades was heard in the 1-3 cents/lb range, with copolymer at a premium. Platts assessed copolymer PP 2 cents/lb higher than homopolymer PP on July 26, in line with repeatable indications of the grade holding a 2-cent premium. The assessed level was down \$22/mt on the week.

Platts assessed domestic contract PP prices stable on the week, considering a flat monthly settlement of upstream propylene contracts July 25.

June PP inventories fell to 35 days on hand, the lowest since June 2022, according to market feedback and S&P Global Commodity Insights data.

The top US homebuilder DR Horton's net income fell 19% on the year to \$1.3 billion in the second quarter, while net sales orders increased 37% during the period. Polypropylene market participants monitor housing demand closely, as its uses include carpet backing, linings in major appliances and roofing in housing construction.

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### Platts US PP Weekly Rationale

Platts assessed US spot export homopolymer injection polypropylene prices at \$893/mt FAS Houston July 26, falling \$22 on the day and week, below an offer heard at 37 cents/lb rail car basis (\$915/mt FAS Houston) from a trader July 26, in line with a trade heard at 36 cents/lb rail car basis (\$893/mt FAS Houston) July 25.

Copolymer PP prices were assessed at \$937/mt FAS Houston, falling \$22 from a week ago. The assessment was based on repeatable indications of the grade holding a 2-cent premium to homopolymer and considered the fall in homopolymer pricing.

The FAS assessment includes 4.50 cents/lb to cover the costs of packaging the resin and transporting it to ports for export.

Platts assessed domestic contract PP prices stable on the week, considering the flat monthly settlement of upstream propylene contracts that was reached July 25. Homopolymer injection-grade PP was assessed at 53 cents/lb rail-car basis and homopolymer fiber PP at 55 cents/lb rail-car basis.

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### Asian PP: Rises on upstream gains, higher offer levels

- Southeast Asia offers increase on week
- Indian buyers report stable demand

Asian polypropylene prices rose in the week to July 26, tracking higher offer levels for CFR cargoes, according to sources.

In Southeast Asia, prices were supported by a week-on-week increase in offer levels, with major sellers citing above the \$900/mt level due to a combination of upstream price gains and a dearth of low-priced offers.

Deals remained fairly thin, however, with limited replenishment being done early in the week as converters still lacked buying confidence, market sources said. Although some local sellers in a major importer region like Vietnam noted that converter PP inventories remained well-stocked, strength in other import markets such as South Asia meant that import offers were no longer expected to dip.

"Customers are still looking around at lower prices but eventually they will have to accept [higher prices]," one source said.

In China, meanwhile, PP domestic prices remained largely stable to slightly higher ahead of the seasonal peak, which typically ranges from August to October. Trade volumes were heard to be low amid market expectations of further global interest rate hikes following the ongoing Federal Open Market Committee meeting. Additionally, China's politburo meeting also stopped short of announcing direct measures for boosting household consumption.

"Investors turned conservative after futures prices rose to Yuan 7,350-7,400mt levels as spot prices cannot keep up," another source said.

As a result, prices are expected to remain supported due to higher upstream crude and naphtha prices, as the country's overall operation rates have seen a slight week-on-week reduction.

Market sources noted that an expected pickup in demand amid the seasonal peak will have to be balanced with increases in Chinese PP supply, particularly through the country's propane dehydrogenation plants.

Average operation rates in China remain at around 80%-83%, according to market sources. The country's PDH plant operation rates remain at around 74% for propylene, and 90% for polypropylene, according to some market sources.

In South Asia, Indian buyers reported a stable demand with not much of an uptick as end-product demand was not picking up. Considering the festive season in India starting from September, some buyers were seen mulling over stocking up their inventory levels amid an anticipated uptick in demand during the season, a PP buyer said.

An Indian seller told S&P Global Commodity Insights that finally buyers are starting to stock up on inventory as they believe prices may shoot with the festive season approaching. Even during monsoon, we have not seen any significant dip in demand, raffia bags demand has taken some hit, which is usual for the monsoon season, but the rest of the sectors are gearing up for the festive season, the seller added.

In export news, China's polypropylene homopolymer June exports fell 33.5% on the year and 0.7% on the month to 103,601 mt, according to data from the China Customs Statistical Information Center.

In plant news, Thailand's Siam Cement Group is expected to shut its 160,000mt/year polypropylene line 2 in Thailand for a planned maintenance starting end-July, S&P Global reported July 25. The turnaround is expected to last approximately 15 days,

with the plant expected to resume operations in August. The line is part of a plant located at Map Ta Phut, which has a total PP production capacity of 720,000 mt/year.

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### Platts Asian PP Weekly Rationale

Platts assessed CFR FE Asia raffia/injection grade PP \$5/mt higher day on day at \$830/mt July 26, in line with tradable indications heard between \$830-\$840/mt and below offers heard between \$840-\$850/mt. The assessment was \$5/mt higher on the week.

Platts assessed Chinese domestic raffia grade PP prices unchanged on the day at Yuan 7,275/mt amid tradable indications heard between Yuan 7,250-7,300/mt. The assessment was also stable on the week.

Platts assessed CFR FE Asia IPP film grade prices \$5/mt higher on the week at \$835/mt, in line with a tradable indication heard between \$830-\$835/mt.

Platts assessed CFR FE Asia BOPP grade prices unchanged week on week at \$835/mt, in line with a tradable indication heard at \$830-\$835/mt and a tradable indication heard at \$5-\$10/mt above Raffia grade.

Platts assessed CFR FE Asia block COPOL \$10/mt higher week on week at \$850/mt, amid a tradable indication heard between \$850-\$860/mt and below a selling indication heard at \$860-\$880/mt.

Platts assessed CFR SE Asia PP raffia/injection grade \$25/mt higher week on week at \$885/mt amid tradable indications heard between \$870-\$900/mt and below offers heard between \$900-\$1,010/mt. The assessment was also above a buy indication heard at \$870/mt

Platts assessed CFR SE Asia IPP film grade \$25/mt higher on the week at \$905/mt in line with changes in Raffia grade.

Platts assessed CFR SE Asia BOPP grade \$25/mt higher on the week at \$910/mt, below offers heard between \$920-\$950/mt and tracking price changes in Raffia grade.

Platts assessed CFR SE Asia BLOCK COPOL grade \$25/mt higher on the week at \$925/mt, below offers heard between \$975-\$980/mt and tracking price changes in Raffia grade.

CFR South Asia Raffia/Injection grade PP was assessed \$21/mt higher week on week at \$950/mt, below the offers heard at \$960-\$980/mt and following tradable indication heard at \$950/mt from a buyer and a seller. Deals heard at \$970/mt and \$980/mt were not considered as the laycan fell outside Platts methodology specifications. Another deal heard at \$970/mt was not considered as the quantity fell outside Platts methodology specifications. A deal heard at \$975/mt done earlier in the week was not considered as it was not deemed representative of the broader market by market participants.

Tradable indication for raffia/injection grades in Pakistan were heard to be at \$940-\$950/mt, while the buying indication was heard at \$970-\$980/mt

CFR South Asia IPP Film was assessed \$26/mt higher week on week at \$975/mt, in line with tradable indications heard at \$20/

mt-\$30/mt above Raffia grade.

CFR South Asia BOPP was assessed \$26/mt higher week on week at \$970/mt, in line with tradable indications heard between flat to \$30/mt above Raffia grade and below an offer heard at \$995/mt.

CFR South Asia BLOCK COPOL was assessed \$21/mt higher week on week at \$990/mt, in line with price movements in Raffia grade.

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### Latin American PP: Region sees prices flat for end of July

- US begins to have competitive offers towards Latin America
- Market participants still expect higher prices pressured by Asia

Latin American polypropylene prices were assessed unchanged on July 26 in the West Coast of South America, in Brazil and for the Mercosur region for both homopolymer and copolymer grades. While Asian offers started to be higher week on week, US prices were more competitive, especially considering lower freight rates.

WCSA: Along West Coast South America prices were flat for homopolymer and copolymer grades. Product was heard available for delivery in Chile, Colombia, Ecuador and Peru.

Offers from an Asian producer were heard at \$1,030 to \$1,040 for homopolymer, and \$1,070/mt for copolymer, both higher compared to the available offers seen last week.

An Asia trader said market was stable to up. "PP homo CFR 840-850 done and FOB China at \$940. Few PP heard to exported to Latin market recently," the source said.

A Colombian source shared offers were still seen at \$970/mt to \$980/mt from Asia, saying demand is very slow in the region. "We expect it to be better for September orders."

A Chilean player shared higher offers available from South Korea and China, surpassing the \$1,000/mt levels for each.

BRAZIL: CFR PP homopolymer prices were assessed stable on the week at \$1,020/mt and copolymer prices were assessed stable on the week at \$1,070/mt. The Brazilian PP market saw subdued activity amid mixed views among participants on the market's short-term outlook.

Sources said demand is expected to improve slightly over the next few weeks due to more favorable exchange rates and other economic factors.

"The market warmed up, the number of asks and orders increased a little, and prices are as of now at least stable," a trader said.

"Locally, a well-stocked market and aware that prices have apparently reached bottom," a trader said. "There are some better signals in segments more related to food and flexible packaging, both in PE and PP."

MERCOSUR: Spot PP pricing for homopolymer was assessed flat on the week at \$1,030/mt. Copolymer-grade was also flat on week at \$1,140/mt.

PP prices remained stable according to sources. However, as noted by one Paraguayan trader, the market expects US-origin PP prices to rise by \$50/mt - \$60/mt CIF Asuncion, and it is expected that Braskem will increase prices similarly in the coming weeks.

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### Platts Latin American PP Weekly Rationale

CFR WCSA: Spot homopolymer-grade polypropylene prices were flat July 26 on the week at \$980/mt, based on based on the higher end of a producer's range heard at \$970 to \$980/mt, and within most repeatable tradable levels of \$980 to \$1,040/mt, below offers heard at \$1,010 to \$1,050/mt. The copolymer-grade PP was also flat at \$1,050/mt, within tradable levels of \$1,040 to \$1,100/mt, maintaining the previous market structure.

CFR Brazil: Spot PP homopolymer pricing was assessed at \$1,020/mt July 26, unchanged compared with July 19, considering pricing indications heard within a range of \$980/mt to \$1,150/mt. The copolymer grade was assessed at \$1,070/mt July 26, unchanged compared with July 19, considering pricing indications heard within a range of \$1,050/mt to \$1,150/mt.

CFR Mercosur: Spot PP pricing for homopolymer pricing was assessed flat on the week July 26 at \$1,030/mt, in line with indications that prices were stable. The copolymer-grade PP was flat week on week at \$1,140/mt, in line with indications that prices were stable. The assessment was based on indications of imported material from traders in Paraguay and Uruguay.

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## Polystyrene

### European Polystyrene: Rising styrene feedstock prices set expectations for Aug

- Styrene monomer sharply higher over last 10 days
- Spot pricing lower in Southern Europe

Rising styrene feedstock prices in the seven days to July 26 set expectations for increases in August in the European polystyrene market.

Upstream styrene monomer prices rose sharply over the last 10 days. The spot price has gained \$363.50/mt since the beginning of the month and was assessed at \$1,362.50/mt FOB ARA. Despite softer upstream benzene prices, that set expectations for a sharp uptick in industry-settled contract prices.

Prices have risen in the wake of some production outages. The LyondellBasell and Covestro Maasvlakte propylene oxide and styrene monomer plant was idled because of economic pressures, S&P Global Commodity Insights reported earlier, citing a spokesperson for Covestro.

Sources in the general purpose polystyrene, high impact polystyrene and expanded polystyrene markets have been talking about possible price increases for August surpassing Eur100/mt, despite no change in weak demand.

Spot pricing was lower, with HIPS heard on offer in Southern Europe at Eur1,350/mt DDP. That compared with trades heard from producers in Northwest Europe at Eur1,500/mt.

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### Platts European Polystyrene Weekly Rationale

Platts assessed the high impact polystyrene spot price at Eur1,500/mt FD NWE on July 26, stable on the week, in line with a trade range value at this level heard from a producer.

Platts general purpose polystyrene spot price was assessed at Eur1,400/mt, stable on the week, in line with a corroboration of a Eur80-100/mt discount to HIPS heard from a producer.

The expanded polystyrene spot price was assessed stable at Eur1,780/mt, taking direction from other grades of polystyrene considering feedback of poor demand from the construction sector.

Platts assessed the freely negotiated GPPS net contract price down Eur10/mt on the week and down Eur90/mt from the end of June at Eur1,570/mt FD Germany, considering producer, converter and distributor indications of settlements at a Eur90/mt decrease heard through the month.

The HIPS net contract price was assessed stable on the week and down Eur90/mt from the end of June at Eur1,680/mt, in line with indications heard through the month.

The EPS net contract price was assessed stable on the week and down Eur90/mt from the end of June at Eur2,040/mt FD Germany, in line with indications heard through the month.

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### European Recycled Polystyrene: Falls as demand slows

- Pockets of recycled EPS demand in Western Europe
- Some converters in Asia switch to recycled PP

European recycled polystyrene pellet prices fell in the seven days to July 26, despite reduced virgin feedstock supply and pockets of recycled expanded polystyrene demand in parts of Europe.

Platts assessed recycled PS black pellets at Eur950/mt DDP Northwest Europe on July 26, stable on the day and down Eur30/mt on the week. Demand from the construction sector was subdued, resulting in limited change in market fundamentals during the week.

"Recycled PS is not the main material we deal with, but I do not see particular difficulties to sell our small quantities. I would even say that the request for EPS is rather good," a recycler in Northwest Europe said.

There was still some buying interest for recycled EPS coming from Western Europe, even though the whole market was slowing down, another market source said.

Along the virgin PS chain, expectation of reduced feedstock supply due to some plant shutdowns had little impact on the recycled PS market in the wake of weak demand from end applications.

Development of the food grade material in the European market persisted during the week. Various food grade materials from mechanical recycling, dissolution or chemical recycling were potentially available for sampling volume already, with varying timelines for industrial volume by 2024-26, a speaker in an industry webinar said during the week.

In Asia, the recycled PS market saw reduced volumes as brands delayed orders, according to a recycler, especially as some converters switched from recycled PS to recycled polypropylene to produce household products.

Platts is part of S&P Global Commodity Insights.

### Platts European Recycled Polystyrene Weekly Rationale

Platts assessed recycled polystyrene black pellets at Eur950/mt DDP Northwest Europe on July 26, stable on the day and down Eur30/mt on the week, at the bottom end of a producer indication heard at Eur950-1,150/mt for black or grey grade and also within a trader indication heard at Eur850-950/mt or higher, considering feedback of weakening market conditions.

Recycled PS grey pellets were assessed at Eur1,150/mt DDP NWE, stable on the day and down Eur30/mt on the week, at the top end range of a producer indication heard at Eur950-1,150/mt for black or grey grade and below a trader indication heard at Eur1,180/mt, maintaining a stable Eur200/mt premium over black grade and considering feedback of weakening market conditions.

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### Turkish and African Polystyrene: Limited demand and ample availability

- Plentiful supply
- Upstream monomer costs rise

The Turkish polystyrene market was subdued in the week to July 26 amid ongoing soft demand.

Platts assessed CFR Turkey general purpose polystyrene spot prices unchanged on the week at \$1,230/mt.

Availability was ample and inventories were high, which kept prices subdued on the week. Competitive offers were heard from Asia, although market players said that few buyers showed interest for spot deals. Demand in Turkey has been hampered by weakness in the Lira against the US dollar and tight credit lending from banks, which most participants rely on for trade.

The outlook for August was positive amid market expectations of gains in offer prices in view of rising upstream styrene costs. According to S&P Global Commodity Insights data, monomer prices have strengthened in July, with FOB ARA spot prices up \$363.50/mt from the beginning of the month.

"There were low offers in the market but we couldn't sell the material, people were waiting for lower prices, but now the monomer price is rising," a trader said.

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### Platts African and Turkish Polystyrene Weekly Rationale

Platts assessed CFR Turkey general purpose polystyrene spot prices unchanged on the week at \$1,230/mt July 26, above a trader's offer indication for Iranian origin material at \$1,180/mt, pending corroboration of lower levels whilst considering rising prices in Asia.

The CFR Turkey expandable polystyrene spot price was assessed stable on the week at \$1,500/mt, amid feedback of limited market demand and pending fresh price indications.

CFR Turkey high impact polystyrene spot prices were assessed unchanged on the week at \$1,270/mt, maintaining a \$40/mt premium to GPPS prices.

CFR North Africa GPPS spot prices were assessed unchanged on the week at \$1,280/mt, mirroring the stability in the CFR Turkey price.

CFR North Africa HIPS prices were assessed unchanged on the week at \$1,320/mt, maintaining a \$40/mt premium to GPPS prices.

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### US PS: Cost pressure pushes spot prices upward

- Increases in upstream markets impact PS prices
- Polystyrene fundamentals balanced

US spot export polystyrene prices rose in the week ended July 26 after sharp increases seen in the upstream energy market that have impacted the price of benzene over the past week.

While specific polystyrene fundamentals were heard balanced, cost pressures helped to raise spot pricing.

Producers were heard to be targeting increases for domestic contract prices. One letter, sent to customers and seen by S&P Global Commodity Insights, suggested a 5 cents/lb increase for August bookings compared with July.

No confirmation has yet been received that customers have accepted the increases.

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### Platts US PS Weekly Rationale

Platts assessed export general-purpose polystyrene prices up \$55/mt on the week at \$1,855/mt July 26, considering prices increasing in upstream benzene in the week to July 25 and taking direction from domestic pricing.

Export high-impact PS prices were assessed at \$2,005/mt, up \$55/mt on the week at \$1,855/mt, considering prices increasing in upstream benzene in the week to July 25 and taking direction from domestic pricing.

Domestic GPPS prices were stable on the week at 80 cents/lb, pending confirmation of concluded contracts for July. Domestic HIPS prices were also stable on the week at 86 cents/lb, pending confirmation of concluded contracts for July.

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## Asian PS: Prices stable to higher on rising feedstock costs, soft demand

- GPPS, HIPS rise \$10/mt
- EPS stable on week

Asia polystyrene markets were stable to stronger in the week to July 26 as producers faced increased cost pressures from a stronger styrene market.

Traders in China were heard continuing to look for demand outlets overseas as domestic demand remained weak. A 300 mt cargo of general purpose polystyrene was heard to have closed at \$1,160 CFR Poland for September arrival, said a trader, who added that the netback to FOB China was approximately \$1,100/mt considering container freight at approximately \$60/mt. However, he expected freight to pick up in the next few months as freight demand strengthens.

Strength in upstream styrene monomer markets continued this week as the Chinese government unveiled stimulus measures for the property sector, sparking optimism of further initiatives for the wider economy, said a source based in China. The styrene CFR China marker rose \$33.50/mt on the week to \$998.50/mt July 26.

Domestic prices in east China for general purpose and high impact polystyrene were heard to improve to Yuan 8,500-8,650/mt and Yuan 9,150-9,450/mt, respectively, equivalent to import-parity values of \$991-\$1,008/mt and \$1,066-\$1,100/mt, respectively.

"Producers are anxious over rising feedstock costs but unfortunately demand has not improved much so they are hesitant to raise prices," said a market source.

"Chinese producers are heard to adjust operating rates down in the current environment," said a source that estimated around 110,000 mt of lost production in China in July.

Market participants maintained a bearish view for expandable polystyrene as price ideas remained unchanged this week amid stable demand.

### Platts Asian PS Weekly Rationale

Platts assessed GPPS CFR China \$10/mt higher on the week to July 26 at \$1,100/mt, considering rising domestic China markets and the uptrend in upstream styrene monomer.

Platts assessed GPPS CFR Southeast Asia \$10/mt higher on the week at \$1,110/mt, tracking the change in CFR China.

Platts assessed HIPS CFR China \$10/mt higher on the week to July 26 at \$1,160/mt, considering a tradable indication from a producer at \$1,170/mt and the uptrend in upstream styrene monomer.

Platts assessed HIPS CFR Southeast Asia \$10/mt higher on the week to July 26 at \$1,170/mt, tracking the change in CFR China.

Platts assessed EPS general grade stable on the week at \$1,151/mt FOB Northeast Asia, considering a tradable indication heard at \$1,150/mt.

The fire-retardant grade of EPS was assessed stable on the week at \$1,251/mt FOB Northeast Asia, tracking the change in the

general grade and also considering indications of a stable spread to the general grade at \$100/mt.

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## Acrylonitrile Butadiene Styrene

### European ABS: Market fundamentals unchanged

- Bleak outlook heard for remainder of 2023
- 70%-75% operating rates heard from a producer

The European acrylonitrile-butadiene-styrene market remained steady amid no change in fundamentals in the week to July 26.

Competitive imports from Asia continued to impact European ABS, with South Korean material seen in the market by a producer.

The producer added that imports from Asia meant that they could face further cuts to their operating rates in an attempt to reduce costs. He further added that currently, their operating rates were at 70%-75% of normal capacity.

The outlook for the rest of the year was said to be bleak, with no expectation of improvement before the end of the year.

"Styrene monomer has gone up, so I expect people to push for an increase in August," a source said. "There is no demand though," the source added.

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### Platts European ABS Weekly Rationale

Platts assessed FD NWE acrylonitrile-butadiene-styrene spot prices at Eur1,700/mt on July 26, steady on the week, in line with an indicative value heard from a producer, pending further market feedback.

FD Germany freely negotiated general purpose ABS gross contract prices were assessed steady on the week and down Eur65/mt from the end of June at Eur1,815/mt, weighing a producer's indication of a Eur90/mt drop from June levels, against an indicative value heard from the same producer at Eur1,900/mt, remaining within another producer's indicative range heard at Eur1,700-1,900/mt earlier in the month, considering a range of producer indicated drops heard at Eur65-90/mt from June throughout the current month, considering sluggish demand.

CFR NWE spot prices were assessed at \$1,700/mt, stable on the week, unchanged from the end of June, considering an indicative value range heard from a producer at Eur1,500-1,600/mt (around \$1,661-\$1,712/mt).

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### ABS prices flat in quiet market

- Slow ABS demand continues
- ACN export values lower

The US acrylonitrile-butadiene-styrene market was flat in the week ended July 26 at 75 cents/lb, with talk of a persistently

slow market.

According to market sources, demand for ABS and styrene have been weak lately.

Platts assessed spot export prices for US acrylonitrile lower \$40 on the week on July 25, with activity remaining thin as domestic feedstock propylene contracts rolled over into July from June.

An offer indication for ACN was heard at \$1,250/mt FOB Houston basis during the July 19-25 period for a 1,000-2,000 mt parcel. Subsequent market feedback indicated this price point was competitive for 2,000-3,000 mt parcel sizes in some global regions.

On the other hand, Platts assessed US spot butadiene flat on the week of July 21 following an indication at 5 cents/lb discount to July's contract price of 26 cents/lb, and above other pricing indication at 23 cents/lb CIF USG.

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### Platts US ABS Weekly Rationale

Platts assessed US acrylonitrile-butadiene-styrene flat at 75 cents/lb, delivered rail car basis, July 26 flat on the week.

Prices were assessed stable despite a market participant sharing prices lower on the week, pending further market corroboration.

### Asian ABS: Prices inch up on stronger feedstock markets

- Feedstock cost increases approximately \$8/mt
- Tradeable indications remain stable

The Asian acrylonitrile-butadiene-styrene market inched up in the week to July 26 amid increased pressure from higher feedstock costs.

According to data from S&P Global Commodity Insights, feedstock costs are estimated to have gone up by \$8/mt for ABS producers. A weaker acrylonitrile market had partially offset the strength in styrene monomer markets.

Platts assessed the acrylonitrile CFR Far East Asia at \$1,195/mt July 25, down \$50/mt on the week, styrene CFR China marker up \$33.50/mt at \$998.50/mt and butadiene CFR China marker stable at \$720/mt.

The East China domestic price levels were heard to continue to be around Yuan 9,900-10,500/mt, equivalent to \$1,154-\$1,224/mt on an import parity basis.

Market players cited little improvement in demand this week in general. Although a trader in China spoke of seasonal improvement in demand in the summer months, others said that any improvement in demand is marginal.

Tradeable indications remain little changed on the week at \$1,250-1,300/mt amongst market participants.

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### Platts Asian ABS Weekly rationale

Platts assessed the Asian acrylonitrile-butadiene-styrene (ABS) CFR China marker \$5/mt stronger week on week July 26 at \$1,270/mt, considering a tradeable indication heard at \$1,270/mt and also higher feedstock costs.

Platts assessed the CFR Southeast Asia marker \$5/mt higher week on week July 26 at \$1,300/mt, considering tradeable indications heard around \$1,280-\$1,310/mt.

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## Polyethylene Terephthalate

### European PET: Rises after period of stability

- Recycled to virgin spread narrows
- Upstream PX market influences PET prices

European polyethylene terephthalate spot prices rose July 26 following a period of stability.

Market participants said prices advanced as feedstock costs have increased. In the upstream paraxylene market, demand has been rising, boosting prices of material and impacting the PET market downstream. "EU producers have managed to increase prices," a trader said. The move is because of raw material, a second trader said. "We're seeing more demand from PTA [purified terephthalic acid]," a PX producer said.

With prices of virgin PET higher and recycled PET at a lower level, the spread between the two products narrowed, making recycled PET a more appealing product for a potential consumer.

Platts assessed recycled PET food grade pellets FD Northwest Europe at Eur1,290/mt on July 26, stable on the week

Market sources said further price increases are expected as producers continue to see higher feedstock costs. "Prices are further pushing upward," a trader said.

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### Platts European PET Weekly Rationale

Platts assessed the polyethylene terephthalate Northwest Europe three- to 30-day forward free delivered spot price at Eur1,020/mt on July 26, up Eur20/mt on the week, moving within a range of indicated value heard at Eur1,010-1,030/mt from a trader, moving to the bottom end of a range of indicated value heard at Eur1,020-1,040/mt from a second trader, and weighing an indication heard from a recycler at Eur1,000/mt against increased raw material costs.

The FD UK spot price was assessed at GBP885/mt, up GBP20/mt on the week, tracking upwards movement in North West Europe.

Northwest Europe net contract prices were down Eur10/mt on the week and down Eur20/mt from the end of June at Eur1,030/mt, moving toward an indication heard from a converter below Eur1,000/mt, while remaining within a trader's indicated range at Eur1,000-1,100/mt heard earlier in the month.

FD UK net contract prices were assessed down GBP10/mt on

the week and down GBP20/mt from the end of June at GBP890/mt, taking direction from movements seen for NWE values.

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## European R-PET: Feedstock availability in Europe remains high

- Appetite for recycled PET remains weak
- Bale availability still high

The European recycled polyethylene terephthalate spot market continued to see high feedstock availability in the week to July 26.

Demand remained poor despite heat waves across Europe that normally stimulate additional end-consumer bottling demand.

"The situation is very very bad," a recycler said. "Not a lot of change in Europe," a second recycler said.

"Would have expected with the hot weather, the demand would have picked up," a third recycler said, adding that "this is not the case."

Bottle bale availability was heard remaining high across Europe, including Northwest Europe, Italy, Spain and France. Bottles were heard continued to be converted into bales, however, with no demand further along the chain, bales are just left to be stored in warehouses.

Market participants indicated that it costs more to store the bales than they are worth, and that there is not enough space to store all the bales. "There's no place to put all the bales," a converter said.

As a result of the higher feedstock availability, any increased demand seen over the coming weeks is not expected to impact the market, sources indicated. "Bigger demand has been covered by stocks," a recycler said.

Platts assessed Post consumer bottle bales FD NWE at Eur300/mt July 26, stable on the week

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## Platts European Recycled PET Weekly Rationale

Platts assessed the recycled polyethylene terephthalate free delivered Northwest Europe food grade pellet spot price at Eur1,290/mt July 26, unchanged on the day and on the week, within a range of indicated value heard at Eur1,250-1,300/mt from a trader, in line with an indication heard at just below Eur1,300/mt from a recycler, below an indication heard at Eur1,300/mt from a second recycler, pending corroboration of an indication heard at Eur1,550-1,750/mt from a third recycler.

FD UK R-PET food grade pellets spot prices were assessed at GBP1,190/mt, stable on the day and on the week, below an indication heard at GBP1,200/mt from a recycler and tracking stability in Northwest Europe

Clear flake spot prices were assessed at Eur850/mt FD NWE, unchanged on the day and on the week, at the bottom of a range of indications heard at Eur850-950/mt from two recyclers and a trader, weighing a range of indications heard at close to Eur800/

mt from a converter, against an indication heard at Eur950-1,000/mt from a recycler.

FD UK R-PET clear flake spot prices were assessed at GBP700/mt, stable on the day and on the week, tracking stability in Northwest Europe, pending fresh indications.

NWE mixed-colored flakes were assessed at Eur680/mt FD NWE, stable on the day and on the week, within a range of indicated value heard at Eur650-750/mt from a recycler.

UK mixed colored flakes were assessed at GBP630/mt FD UK, steady on the day and on the week, tracking stability in Northwest Europe, pending fresh indications.

FD NWE post-consumer bottle bales were assessed at Eur300/mt, stable on the day and on the week, at the bottom of a range of indicated value heard at Eur300-350/mt from three recyclers, amid heard low demand.

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## Platts US PET: Import prices remain flat on the week

- Converters heard to be keeping minimal inventories
- Demand is seen sluggish

US spot import polyethylene terephthalate prices were assessed unchanged week on week July 26 based on pricing indications in the low to mid-50 cents/lb range.

Platts assessed import PET at \$1,190/mt (54 cents/lb) DDP US West Coast July 26.

A market source said Asian PET demand has been weak amid new capacity added in China, which was "putting downward pressure on the market."

Some producers in China were heard reducing rates to manage stocks amid narrowing margins. Rates at Chinese PET bottle chip plants slid to 84.7% in the week ending July 26, down from an average of 92% earlier in July, Asian market sources said.

Another US source said PET demand was seen as "really low," and converters were keeping minimal inventory levels.

Domestic PET prices have had some support amid restocking, but "gains will be limited as demand can still be classified as weak-soft," the source said.

Platts assessed domestic PET prices at \$1,543/mt (70 cents/lb), flat on the week as well.

In Asia, Platts assessed the FOB Northeast Asia PET marker at \$890/mt July 26, flat on the week, while the FOB Southeast Asia marker was assessed at \$940/mt, down \$10 on the week, Platts data showed.

## Platts US PET Weekly Rationale

Platts assessed US spot import polyethylene terephthalate prices at \$1,190/mt (54 cents/lb) DDP US West Coast July 26, unchanged week on week, based on pricing indications in the low to mid-50 cents/lb range.

Platts assessed domestic PET prices at \$1,543/mt (70 cents/lb), flat on the week, pending fresh indications.

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## US Recycled PET: Bale pricing varies on week

- High generation anticipated to continue into early fall
  - FOB LA deposit bottle prices sink nearly 50% from mid-May
- Recycled polyethylene terephthalate bale prices were seen varying throughout the week to July 26 amid continued seasonally increased generation and challenging macroeconomics.

In the West Coast, tradeable levels for post-consumer deposit bottle bales were talked in a range from 9-12 cents/lb on July 25-26. During the same period, levels for curbside bottle bales were heard as low as 3 cents/lb and as high as 8 cents/lb.

Platts assessed post-consumer PET premium bottle bales 1 cent/lb higher on the day and on the week, with clear flake and food-grade pellet prices rising in tandem. Curbside post-consumer bottle bale prices were steady on the day and on the week, considering tradeable levels indicated at 3-5 cents/lb and pending corroboration of market activity at lower levels.

Midwest post-consumer curbside bales were heard as low as 2-3 cents/lb during the week ended July 26, with a buyer indication at 7.5 cents/lb on the high end.

Platts assessed post-consumer PET curbside bottle bales 2 cents/lb lower on the day July 26, at the top of a buyer range heard from 3-5 cents/lb and considering the lower price indications heard during the July 25-26 period.

R-PET clear flakes were likewise assessed down 2 cents/lb on the day, mirroring the movement in the feedstock bale market and within a range of tradable levels indicated at 44-47 cents/lb on July 26.

While some sources noted pickups in inquiries and renewed material interest, prevailing market feedback indicated post-consumer resin end-users are still in a difficult position amid continued economic uncertainty and competitive prices for virgin imports.

"This market's being squeezed as hard as it possibly can right now," a source commented.

Buyers are largely "full" in terms of having the material they need, the same source said, adding most market players are hoping prices have hit a bottom.

Current low prices make now an ideal time to restock, a second source said, with sentiment more bullish for Q4. Generation is expected to taper off, with prices increasing as a result, once back-to-school season commences in the US in early fall.

Prices for post-consumer deposit bottle bales on an FOB Los Angeles basis have steadily declined since mid-Q2, according to S&P Global Commodity Insights data; since May 15, prices have fallen 10 cents/lb or 48%.

"There were dire predictions of inability to supply all the PET needed for additional capacity & demand coming on [line, but] here we are with bales selling at pennies per pound," a third source said. "It may be that demand will catch up somewhere in the future, but more certainty in the economy may be the catalyst."

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## Platts US Recycled PET Daily Rationale

Platts assessed post-consumer PET premium bottle bales at 11 cents/lb FOB Los Angeles on July 26, rising 1 cent/lb on the day, at the high end of a range of tradeable levels indicated by a buyer at 9-11 cents/lb.

Post-consumer PET curbside bottle bales were assessed at 6 cents/lb FOB Los Angeles, flat on the day, considering tradeable levels indicated at 3-5 cents/lb and pending corroboration of market activity at lower levels.

R-PET clear flakes were assessed at 40 cents/lb FOB Los Angeles, tracking the upward movement in the post-consumer premium bottle bale market. The assessment also fell within a range of tradeable levels indicated by a buyer July 26 at 38-43 cents/lb.

R-PET food-grade pellets were assessed at 60 cents/lb FOB Los Angeles, 1 cent/lb higher from the prior assessment, maintaining the premium to clear flakes and tracking the movement in the post-consumer premium bottle bale market. The assessment did not consider an indication of tradeable levels at 68-73 cents/lb, as it could not be corroborated.

In Chicago, post-consumer PET curbside bottle bales were assessed 2 cents/lb lower from the previous assessment at 5 cents/lb FOB Chicago, at the top of a buyer range heard from 3-5 cents/lb and considering lower price indications heard during the July 25-26 period.

R-PET clear flakes were assessed down 2 cents/lb on the day at 43 cents/lb FOB Chicago, mirroring the movement in the feedstock bale market and within a range of tradeable levels indicated at 44-47 cents/lb.

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This rationale applies to symbols <APCLA00> <APCLB00> <APCCH00>.

## Asian PET: Offers largely rangebound on upstream support

- Sellers reluctant to reduce prices on high feedstock prices
- Support seen from export POY and FDY grades on BIS extension

Offers in the Asian PET markets saw limited changes in the week ending July 26, as sellers remained cautious on increasing feedstock prices.

The wane of the peak season resulted in a fall in the demand week on week, with some producers in China opting to reduce operating rates to manage inventory levels on the back of narrowing production margins.

Operating rates at PET bottle chip facilities in China fell to an estimated 84.7% in the week, compared to an average of 92% earlier in July, market sources said.

Some traders said they faced difficulties in booking export sales volumes, as orders from key buyers in the US and Europe had slowed.

"Now that both domestic Chinese and export orders are

slowing down, the decrease in operating rates could help manage inventory levels and keep prices stable as margins have been narrowing," a trader in China said.

In the polyester fiber and yarn markets, offers were supported by increases in upstream PTA and MEG prices.

Demand was deemed stable week on week, with support seen for POY and FDY grades as bookings from India continued following the extension on polyester fiber imports without the mandatory BIS certifications until Oct. 5.

India has granted an extension to polyester fiber imports without the mandatory Bureau of Indian Standards certification until Oct. 5, even as domestic producers struggle to compete against cheaper imports, Platts reported July 20.

Polyester partially oriented yarn (POY), fully drawn yarn (FDY) and spun grey and white yarn can be imported, according to a quality control order issued by the Department of Chemicals and Petrochemicals.

BIS import certification norms were initially slated to set in from July 3, sources said, adding that further extensions after Oct. 5 seemed unlikely for now amid concerns on competitiveness within the local polyester makers in India.

Operating rates at polyester plants in China were estimated at 93% in the week, 1% down from 94% in the week ending July 19.

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### Platts Asian PET Weekly Rationale

The Platts FOB Northeast Asia PET assessment was stable on the week at \$890/mt July 26, reflecting tradable values from traders at \$890/mt.

FOB Southeast Asia PET was assessed \$10/mt lower at \$940/mt, below an offer at \$950/mt from a producer.

China prompt domestic POY150D/48F was assessed Yuan 35/mt higher on the week at Yuan 7,605/mt ex-works, reflecting deals heard at Yuan 7,605/mt.

China prompt domestic DTY150D/48F increased Yuan 50/mt on the week to Yuan 9,105/mt ex-works, reflecting deals heard at Yuan 9,105/mt.

China prompt domestic FDY150D/96F rose Yuan 20/mt to Yuan 8,175/mt ex-works, reflecting deals heard at Yuan 8,175/mt.

China prompt domestic PSF 1.4D was up Yuan 80/mt at Yuan 7,400/mt ex-works, reflecting deals heard at Yuan 7,400/mt.

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(Price assessments are found on PCA625)

### Asian Recycled PET: Prices stable despite crude gains

- Export prospects dim amid wide buy-sell price gap
- Indian R-PET sellers hit with weak demand

Asian recycled polyethylene terephthalate market was stable in the week to July 26, with prices firming in the upstream crude oil markets failing to spur any upside in it, according to sources.

At the Asia close July 26, the September ICE Brent crude oil

futures contract was up \$3.22/b on the week to \$83.12/b, but Southeast Asian suppliers continued to see poor buying levels amid weak related markets.

Platts assessed the FOB SE Asia PET bottle grade down \$10/mt on the week at \$940/mt July 26, with a recycler saying that "Virgin PET prices are too low... and downstream demand is weak."

Export prospects also remained dim amid wide price gaps between buyers and sellers. Platts assessed the FD Northwest Europe R-PET flake marker stable on the week at Eur850/mt July 25, S&P Global Commodity Insights data showed.

"There are some queries in Europe but the market's not active, buyers are looking to accept around \$750-\$800/mt for flakes," one trade source said.

However, there were some bright spots in the North American markets, with buyers in the US noting high labor costs and thin production margins.

"There isn't enough quality supply of bales in the US right now, a lot of it gets funneled into lower-end applications," one source said.

In the feedstock market, bale prices were heard stable to slightly lower in the Indonesian market at around \$525-\$550/mt, but in Malaysia were heard in a wide range of around \$330-\$420/mt, depending on the quality. Feedstock prices in Malaysia are often more affordable than those in neighboring countries due to a poorer sorting of bottles, trade sources said.

In India, an R-PET seller told S&P Global that the weak demand situation remains consistent, with the market seeming to be at a standstill from the last few months. The US and Europe, which are major export destinations for Indian RPET sellers, have remained silent amid recessionary sentiments, the seller added.

Although sellers were aggressive with their offers, buyers restrained from buying, as they were not able to sell it further down the chain, an Indian source said. We are told by the buyers that they would not be able to place any fresh orders until the end-product demand picks up and the inventory with them eases, the source added.

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### Platts Asian Recycled PET Daily Rationale

Platts assessed Asian R-PET clear flakes with PVC content of 50-100 ppm stable on the day at \$780/mt FOB SE Asia July 26, below an offer heard at \$937/mt and amid unchanged market fundamentals.

Platts assessed premium R-PET clear flakes with PVC content of less than 30 ppm stable on the day at \$845/mt FOB SE Asia July 26 amid thin trade discussions.

Platts assessed premium R-PET clear flakes with PVC content of less than 30 ppm unchanged at \$801/mt FOB India, below an offer heard at \$890/mt amid thin trading activity heard.

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This rationale applies to symbol(s) <RPTSE00>, <RPTSF00> and <ARINA00>

## Polymer Feedstocks: Olefins

### Polymer Feedstocks – Ethylene

Europe	Spot Friday	Weekly Average
FD NWE (Eur/mt)	580.50-584.50	576.900-580.900
CIF NWE (\$/mt)	633.00-637.00	632.900-636.900
CIF MED (\$/mt)	684.00-688.00	-

Monthly Contract Price (Jul): 1120.00-1120.00 FD NWE (Eur/mt)

US (¢/lb)	Spot Friday	Weekly Average
FD Mont Belvieu M1 Jul	16.500-17.000	16.800-17.300
FD Mont Belvieu M2 Aug	16.750-17.250	17.150-17.650
FD Choctaw M1 Jul	16.000	16.450
FD Choctaw M2 Aug	16.500	16.600

Net Contract Price (JUNE): NA-NA Delivered

Asia (\$/mt)	Spot Friday	Weekly Average
FOB Korea	749-751	-
CFR SE Asia	744-746	744.0-746.0
CFR NE Asia	769-771	757.0-759.0

Asian ethylene spot assessments reflect LC 0-30 days. CFR SEA = CFR Indonesia/Thailand.

### Polymer Feedstocks – Propylene

Europe (Eur/mt)	Spot Friday	Weekly Average
<b>Poly Grade</b>		
FD NWE	498.50-502.50	521.500-525.500
CIF NWE	498.50-502.50	503.200-507.200
<b>Chem Grade</b>		
FD NWE	468.00-472.00	-
CIF NWE	438.00-442.00	-

Poly Grade Monthly Contract Price (Jul): 1000.00-1000.00

US (¢/lb)	Spot Friday	Weekly Average
	dlvd USG	dlvd USG
Poly Grade M1 Jul	31.500-32.000	31.850-32.350
Poly Grade M2 Aug	31.625-32.125	31.975-32.475
Ref Grade	9.750-10.250	9.750-10.250

Poly Grade Contract Price (June): NA-NA Delivered

Chem Grade Contract Price (June): NA-NA Delivered

Asia (\$/mt)	Spot Friday	Weekly Average
FOB Korea	734-736	731.0-733.0
CFR Taiwan	779-781	-
CFR SE Asia	754-756	-
FOB Japan	769-771	-
CFR China	779-781	775.00-777.00

Asian ethylene spot assessments reflect LC 0-30 days. CFR SEA = CFR Indonesia/Thailand.

### Polymer Feedstocks – Ethylene Glycol Assessments

Europe	Spot Friday
FCA NWE T2 (Eur/mt)	458.00-462.00
FD NWE T2 (Eur/mt)	498.00-502.00
CIF NWE T2 (Eur/mt)	428.00-432.00
CIF NWE T2 (\$/mt)	476.00-480.00

Monthly Contract Price (Jul) – (Eur/mt) NA-NA

### Polymer Feedstocks – Ethylene Glycol Assessments (cont)

US (¢/lb)	Spot Friday
FOB USG	17.50-18.50

Fiber Grade Monthly Contract Price (Jul):34.38-34.38 FOB USG

Asia (\$/mt)	Spot Friday	Weekly Average
CFR China	479-481	476.0-478.0
CFR SE Asia	487-489 (1)	-

MEG CP Nomination (August) – CFR Asia

MEGlobal: 810 Sabic: 880 Shell: 830

(1) CFR SE Asia = CFR Indonesia. Note: Asian ethylene glycol assessments are basis L/C 90 days.

### Polymer Feedstocks – Butadiene

Europe	Spot Friday	Weekly Average
FD NWE (Eur/mt)	468.00-472.00	452.000-456.000
FOB Rdam (\$/mt)	298.00-302.00	282.000-286.000

Butadiene Monthly Contract FD NWE JUL:810.00-810.00 (Eur/mt)

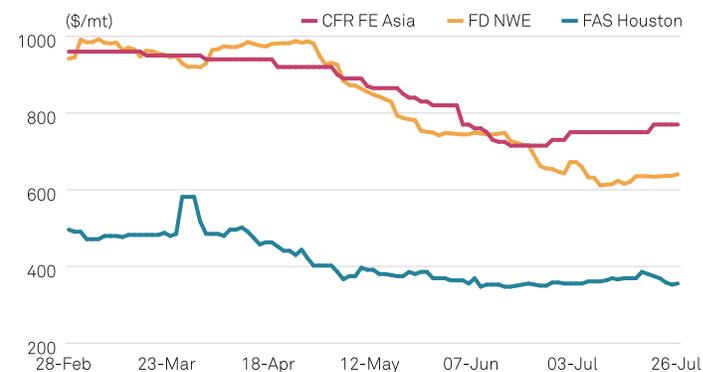
US (¢/lb)	Spot Friday
CIF USG	20.75-21.25

Monthly Contract Price (Jul) 25.75-26.25

Asia (\$/mt)	Spot Friday	Weekly Average
FOB Korea	669-671	669.00-671.00
CFR Taiwan	699-701	-
CFR SE Asia	629-631 (1)	-
CFR China	719-721	719.00-721.00

(1) CFR SE Asia = CFR Indonesia.

### Platts global ethylene prices



Source: S&P Global Commodity Insights

Notes: All olefin prices reflect assessments at close of previous Friday.

## Ethylene

### Platts European Ethylene Weekly: Spot prices remain under pressure

- Derivate demand remains subdued at start of summer shutdown period
- Upstream naphtha prices jump to July high of \$586/mt CIF NWE

European ethylene spot prices remained subdued as ranges within which buyers and sellers were willing to purchase volumes was seen wide this week. Most market participants did not see much difference in value between inland or pipe and coastal volumes, with discounts indicated at between 40% and 50% versus the contract price.

In addition, one trader said it was offering US import material at around \$660-\$720/mt CIF NEW. However, demand remained sticky in a weak market. Derivate PE, PVC and glycols remained priced in most cases below cash-cost levels and with the import-driven market still directing PVC and PE cargoes this way.

"European off-takers are only taking these volumes from the US Gulf that they can afford to buy in order to balance inventories. Normally (now) the window should be wide open if demand was there but it is not there," a trader said.

"I have more the impression that the buy-sell range has become very large and that you cannot do deals anymore. [Buyers] are balanced and are very reluctant to do something that might shift the balance," a second trader said.

However, some sources pointed to the potential return of upstream volatility as a factor that could persuade some market sources to take volumes. Naphtha prices jumped by \$20/mt this week to be assessed at a July high of \$586/mt CIF NEW July 19, according to S&P Global Commodity Insights data.

This brought up the July average naphtha price to \$556/mt, up from the June average of \$551/mt. Some sources had said earlier this week that they anticipated a stable upstream picture, which could lead to a similar state ahead of the August contract price settlement.

"People are getting nervous. Naphtha is up in the past couple of days and that is what people are talking about. Should they take a position ahead of any jump. it's not going to push up demand, more of a false reality. There's more supply than anything else, not that any economy is doing better," a third trader said.

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### Platts European Ethylene Weekly Rationale

Platts assessed the three-to 30-day forward free-delivered Northwest Europe ethylene spot price at Eur582.50/mt July 21, up Eur2.50/mt on the day and up Eur19.50/mt on the week.

The July FD NWE spot differential was assessed at a 49% discount to the industry-settled contract price, unchanged on the day and one percentage point narrower on the week, moving within a trader indication heard at a 40%-50% discount in the

direction of a second trader indication at a 40%-45% discount, while considering feedback of ongoing weak demand and pending corroboration of narrower discounts.

The August FD NWE spot differential was assessed at a 49% discount, also unchanged on the day and narrower by one percentage point on the week, mirroring the weekly change in the July differential, pending further August FD NWE spot indications, while also considering feedback of ample supply.

The July CIF NWE spot differential was assessed at a 50% discount to the industry-settled contract price, unchanged on the day and one percentage point narrower on the week, at the wider end of corroborated trader indications heard at 40%-50% discounts over the industry-settled contract price and below a trader indication that placed offer levels at around \$660-\$720/mt CIF NWE, pending further corroboration, in parity with the inland market, and on feedback of a soft derivative market.

The August CIF NWE spot differential was assessed at a 50% discount, unchanged on the day and narrower by one percentage point on the week, maintaining parity with the July differential and pending fresh August spot indications.

The July CIF Mediterranean spot differential was assessed at a 46% discount to the industry-settled contract price, one percentage point narrower on the week, moving in line with the change in CIF NWE spot differentials.

The August CIF MED spot differential was assessed at a 46% discount, narrower by one percentage point on the week, mirroring the weekly move seen in the July differential, pending fresh August spot indications.

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### US Ethylene: Prices mixed amid a drop in ethane

- Trades conclude throughout the day
- Ethane drops for third straight day

Platts on July 26 assessed spot Mont Belvieu ethylene up 0.125 cent/lb for July and down 0.125 cent/lb for forward month.

Choctaw current month flipped to backwardation on the day. After being assessed flat July 25, the market structure shifted July 26 with trades, bids, and offers heard.

Upstream, Enterprise ethane shed 1.75 cents/gal to 27.5 cents/gal on the day, the third straight drop.

In Asian markets, ethylene prices were steady amid higher naphtha prices. Sellers refrained from offering fixed prices.

Downstream high density polyethylene prices were stable on the week, with signs of increasing demand.

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### Platts US Ethylene Daily Rationale

Platts assessed July spot Mont Belvieu ethylene at 16.125 cents/lb FD Mont Belvieu July 26, up 0.125 cent on the day.

The assessment was in line with a July/August trade made at -0.25 cents/lb MtB-Pipe.

Forward-month August spot Mont Belvieu ethylene was assessed at 16.375 cents/lb FD Mont Belvieu, down 0.125 cent

on the day. The assessment was in line with a trade made at that level.

July Choctaw ethylene was assessed at 15.75 cents/lb FD Choctaw July 26, down 0.125 cent/lb on the day. The assessment was in line with a trade made at that level.

Forward-month August Choctaw ethylene was assessed at 16 cents/lb, flat on the day. The assessment was in line with a July/August trade made at -0.25 cents/lb Choctaw Pipe.

Platts assessed US Gulf Coast spot export ethylene at 22.125 cents/lb, or \$487.768/ mt FOB USG, up 0.125 cent on day, based on market feedback of export FOB USG ethylene at 6-7 cents/lb premium to EPC, forgoing a netback calculation.

Platts is part of S&P Global Commodity Insights.

## Asian Ethylene: Rising naphtha remains a concern

- Floating cargo offers prevail amid upstream volatility

- Buyers on wait-and-see mode for September cargoes

Rising feedstock prices remained a concern in the Asian ethylene markets July 26, with several sellers refraining from offering cargoes on a fixed price basis.

"There are risks with offering fixed price spot cargoes for September as we are still unsure of how high naphtha prices will go. Floating cargoes can help to mitigate some risks, which is why we see more of these," said a trader in Northeast Asia.

Selling indications for September cargoes were heard at a premium of \$20-\$30/mt over CFR Northeast Asia.

Uptick in the downstream PE, SM, and MEG markets did little to boost buying confidence, with several buyers saying markets have been very volatile.

"Downstream demand has been very uncertain the past few months. We are pretty much covered for August and can wait a little more before deciding on September ethylene," said a buyer in Northeast Asia.

In the upstream markets, the benchmark C+F Japan naphtha marker was assessed up \$7.50/mt at \$615/mt on July 26 Asian close.

The ethylene-naphtha spread was calculated at \$155/mt, below the typical spread of \$250/mt for integrated producers and \$300-\$350/mt for non-integrated producers, S&P Global Commodity Insights data showed.

## Platts Asian Ethylene Daily Rationale

Platts assessed Asian ethylene stable on the day at \$770/mt CFR Northeast Asia July 26, reflecting tradable indications from traders and buyers at \$770/mt.

The CFR Southeast Asia was assessed \$25/mt higher on day at \$770/mt, reflecting a tradable indication from a producer and trader at \$770/mt.

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(Daily price assessments are found on PCA550, weekly price assessments on PCA302)

## Ethylene Glycol

### European Glycols: Spot prices remain subdued amid weak sentiment

- MEG demand remains weak despite Lotte production issues

- DEG pricing under pressure as import vessels are set to arrive

European glycol sentiment remained soft, with the impending summer shutdown season expected to keep the market weak until participants return to their desks in September.

PET production remained substantially reduced with antifreeze demand still to re-emerge. In addition, production issues in the US were unlikely to lead to any short covering as buyers were dealing with suppliers with ample inventories.

"Replenishment in Europe could be affected by the production issues at Lotte and [potential] reductions by 30%. It was a tactical maneuver to see if the market would react to that," a distributor said.

The source said that any delay would impact cargoes set to arrive by September. "But I don't think that it will have any impact," the same distributor said.

Lotte's US monoethylene glycol plant in Lake Charles, Louisiana, suffered an unplanned maintenance in July, sources said, and was expected to remain offline through August.

The company had not responded to a request for comment.

"There's no demand at all. [It's] summer season now and PET customers are not boosting demand. The heat wave is not having any impact. More stable ... prices [are expected] by September ... [definitely] not in July or August," the same distributor said.

Sources also pointed to the lack of demand for bulk volumes. In addition, low Rhine water levels are causing some logistical problems despite pricing being on the whole below cash-cost levels. They pointed to truck supplies focused on the roads, which was putting pressure on road truck capacity.

In the DEG market, too, demand was under pressure. Supply in that market was seen as long and with vessels expected to arrive, sellers were eager to move product out of storage and at a discount to make way for the coming arrivals.

One source said offers were heard below Eur760/mt, with weak demand and ample supply potentially proving to be a drag on pricing at least until the end of August.

"Competitors of mine are having problems moving product and are asking others to take production as there is another vessel coming ... The construction industry is really suffering in Germany and the same goes for house prices, and [infrastructure] projects are due to be finished but no new ones are expected," the same source said.

### Platts European Glycols Weekly Rationale

Platts assessed the FCA ARA monoethylene glycol spot price unchanged on the week at Eur460/mt July 21, within a distributor indication heard at Eur450-470/mt July 21, and within corroborated indications heard at Eur450-480/mt while considering feedback of ongoing soft demand.

FD Northwest Europe MEG spot prices were assessed at Eur500/mt, also unchanged on the week, maintaining FD NWE pricing at a Eur40/mt premium over FCA ARA values.

CIF ARA MEG spot values were assessed stable on the week at Eur430/mt, in line with an indication at that level and reflecting the stability in FCA and FD markets.

FCA ARA diethylene glycol spot prices were assessed unchanged on the week at Eur775/mt, near the bottom of corroborated trader indications heard at Eur770-790/mt heard July 20-21, below an uncorroborated one truck trade heard at Eur795/mt FCA ARA agreed July 17, and above an uncorroborated indication of pricing in the low Eur760s/mt.

FD Northwest Europe DEG spot prices were assessed stable on the week at Eur815/mt, maintaining FD NWE pricing at a Eur40/mt premium over FCA ARA values.

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### Platts USGC MEG: Spot export MEG prices flat on week

- Supply seen ample, outages to tighten availability in August
- Dow's Louisiana ethylene oxide unit explosion had no impact on MEG: sources

US spot export monoethylene glycol prices were assessed stable on the week July 21 amid ample supply.

Platts assessed MEG prices at 18 cents/lb FOB USG.

Market sources noted that upcoming turnarounds were expected to tighten supply in the coming weeks, but largely do not anticipate a notable increase in export prices.

"We're kind of expecting the market to balance a little bit, but I don't expect a very dramatic change," a source said. "The market is so flooded with product."

Another source described the market at "balanced to short" for August with multiple plants offline.

Lotte Chemical's 700,000 mt/year US MEG plant in Lake Charles, Louisiana, was expected to remain offline through August to undergo repairs, multiple market sources said.

Indorama Ventures' 315,000 mt/year MEG unit in Lake Charles, Louisiana, is slated to shut for a month-long turnaround in August, and Nan Ya Plastics' 300,000 mt/year glycol unit in Point Comfort, Texas, also is expected to remain shut through August.

In operations news, a 137,000 mt/year ethylene oxide unit at Dow Chemical's Plaquemine, Louisiana, complex exploded late July 14, a remaining small fire was extinguished early July 16.

The Plaquemine site has 23 production units that make more than 50 intermediate and specialty chemical products, including a 15,000 mt/year MEG unit. Dow said the EO unit explosion did not affect other site operations.

### Platts USGC MEG Weekly Rationale

US spot export MEG prices were assessed flat on the week July 21 at 18 cents/lb FOB USG, based on steady pricing indications and confirmation of higher price levels.

### Asia MEG: Rises due to restocking

- Southeast Asia buyers cautious
- Brent increases 37 cents/lb on day

Asian monoethylene glycol prices were up on the day July 26 on slight restocking, sources said.

September Brent futures increased 37 cents/b at \$83.12/b on July 26.

Although sources said while Chinese traders were willing to bear some risk to take US inventory, Southeast Asian buyers were more cautious, preferring to conduct only back to back businesses.

In Southeast Asia, only end-users were willing to bear the long lead time for US-origin cargoes for export.

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### Platts Asian MEG Daily Rationale

Platts assessed Asia monoethylene glycol at \$480/mt CFR China July 26, up \$5/mt on the day, considering a discussion at the same level.

Platts assessed domestic Chinese MEG up Yuan 60/mt on the day at Yuan 4,110/mt ex-tank, considering a discussion at the same level from a trader.

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## Propylene

### European Propylene: Stronger feedstock costs weigh against weak demand

- Heat wave provokes logistic, production concerns
- No deals for August

European propylene market sellers remained under pressure in the week to July 21, as muted fundamentals against the value chain conflicted with bullish pressure from upstream markets.

Buyer appetite for propylene remained muted in the face of macroeconomic pressure exacerbated by the summer holiday across downstream polypropylene, acrylonitrile and oxo alcohol markets.

Despite this, stronger pricing in the upstream feedstock market continued to exert upward pricing pressure on producers and sellers, leading to erratic movements in spot pricing across the week.

Naphtha prices jumped by \$20/mt this week to be assessed at a July high of \$586/mt CIF NWE July 19, according to Platts data.

Elsewhere in the market, players drew some concern from the ongoing heat wave across Europe, with players saying that the hot weather could provoke logistical issues as Rhine water levels lower, and production issues as site components react to higher temperatures.

"It's not affecting our business too much," one trader said, but added that "[we] can't rule out that that it could be critical for the

wider market, it's (the Rhine) an important logistical point in the market."

Looking forward, players remain pessimistic about a potential turnaround in market fundamentals, with no deals heard for August throughout the week.

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### Platts European Propylene Weekly Rationale

Platts assessed the FD NWE polymer grade propylene three- to 30-day forward spot price at Eur500.50/mt July 21, down Eur38.50/mt on the day and down Eur2.50/mt on the week.

The July PGP FD NWE spot differential was assessed at a 51% discount to the industry-settled contract price, four percentage points wider on the day and one percentage point wider on the week, moving between trader feedback of offers at 40%-50% and bids at 55%-65% while considering a second trader indication of discounts at around 50%.

The August PGP FD NWE spot differential was assessed at a 51% discount, four percentage points wider on the day and one percentage point wider on the week, maintaining parity with the July differential, while considering trader feedback of no deals heard for August.

The July PGP CIF NWE spot differential was assessed at a 51% discount to the industry-settled contract price, two percentage points wider on the day but two percentage points narrower on the week, moving between a trader indication of offers at 40%-50% and bids at 55%-65%, while considering a consumer indication of offers at 42% and pending further corroboration of discount levels.

The August PGP CIF NWE spot differential was assessed at a 51% discount, two percentage points wider on the day but two percentage points narrower on the week, maintaining parity with the July differential pending fresh indications for August.

The July chemical grade propylene FD NWE spot differential was assessed at a 54% discount to the industry-settled contract price, six percentage points narrower on the week, moving between a trader indication of offers at 40%-50% and bids at 55%-65% while partially moving in the direction of a second trader indication of discounts of around 50% and pending further corroboration of narrower discounts.

The August CGP FD NWE spot differential was assessed at a 54% discount, six percentage points narrower on the week, maintaining parity with the July differential pending fresh indications for August.

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### Platts US Propylene Daily Commentary

- July, August PGP climb 0.5 cent

- Market structure remains in contango

US Gulf Coast spot polymer-grade propylene ticked up on the day July 26, in line with stronger feedstock pricing.

Platts assessed July and August PGP 0.5 cent higher on the day, with pricing increasing to 31.75 cents/lb and 31.875 cents/

lb, respectively. The assessments kept the previous market structure, rising on the back of higher bid/ offer ranges.

The most competitive bid/offer range was heard for July PGP between 31.5 cents/lb and 33 cents/lb.

A July trade was heard done at 32 cents/lb, however, it was not able to be corroborated before the 1:30 pm CT Platts assessment cutoff.

Upstream, Enterprise propane rose for the second consecutive day, increasing 1.75 cents, or 2.75%, to 65.5 cents/gal on July 26.

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### Platts US Propylene Daily Rationale

Platts assessed July spot polymer-grade propylene at 31.75 cents/lb FD USG July 26, up 0.50 cents on the day.

The assessment came within the most competitive July bid/ offer range heard at 31.5-33 cents/lb.

A July trade was heard done at 32 cent/lb MtB-Pipe, however this was not able to be corroborated before the 1:30 pm CT Platts assessment cutoff.

Forward-month August PGP was assessed at 31.875 cents/lb FD USG, also up 0.50 cents on the day.

The assessment kept the previous market structure and came within the most competitive August bid heard at 30 cents/lb and the most competitive August offer heard at 33 cents/lb.

US prompt refinery-grade propylene was assessed at 10 cents/ lb FD USG, flat on the day, with no fresh bids, offers or trades heard.

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### Asian Propylene: Markets remain stable as buyers seek price clarity

- East China Propylene up Yuan 10/mt

- SK Advanced restarts Ulsan PDH plant

The CFR China propylene marker remained stable day on day July 26 as buyers were waiting for a clearer market direction before making spot procurements.

The propylene price is supported by the firm upstream market, an international trader said.

"Upstream prices keep going up," said the International trader.

The ICE September Brent crude oil futures contract was up 32 cents/b from the previous Asian close at \$83.12/b at 0830 GMT. However, the uptick failed to lend support to the propylene import market as buyers were cautious on whether downstream sectors would be able to absorb the uptrend.

The east China domestic price was assessed up Yuan 10/mt day on day at Yuan 6,450/mt ex-works and this came in at \$792/mt after considering taxes and currency conversion.

Selling indications were heard at \$810/mt CFR China, while buying indications were heard in the range of \$780s/mt CFR China.

In plant news, South Korea's SK Advanced has restarted its 600,000 mt/year propane dehydrogenation plant in Ulsan, which

was shut around seven weeks ago for maintenance work that was initially planned to last two weeks, a company source said July 26.

The company shut the PDH plant June 7 with a planned restart date of June 20, but that was postponed first to July 10, then to July 16 and most recently to July 26 due to technical reasons.

SK Advanced sells propylene feedstock to domestic customers and buyers in China. The company also owns a 400,000 mt/year downstream polypropylene plant in Ulsan, which came online in the first quarter of 2021 and receives propylene feedstock from the PDH plant.

The PP plant was shut together with the PDH plant and will restart at the same time.

Platts assessed FOB Korea at \$735/mt on July 26, unchanged on the day.

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### Platts Asian Propylene Daily Rationale

Platts assessed propylene CFR China unchanged on the day at \$785/mt July 26, above a buying indication at \$780/mt CFR China by a buyer, lower than selling indications heard at \$810/mt CFR China.

Platts assessed propylene FOB Korea unchanged on the day at \$735/mt, below selling indication heard at \$780/mt by a Korean producer and above a buying indication heard at \$720/mt by a buyer.

The East China domestic price was assessed up Yuan 10/mt on the day at Yuan 6,450/mt ex-works based on price discussions heard at that level, while the Shandong domestic price was assessed unchanged at Yuan 6,480/mt based on price discussions heard at that level.

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## Butadiene

### European C4 Olefins: Butadiene spot values rise amid firmer export interest

- Export interest to Asia
- MCP settlement delayed

The European butadiene market was unchanged in the week to July 21 as domestic demand remained thin while traders were in negotiations to export parcels to Asia.

Platts assessed the FOB Rotterdam butadiene spot price at \$300/mt July 21, up \$20/mt on the day and on the week.

Conditions remained bearish in Europe, weighed down by an absence of spot interest from domestic consumers who continued to purchase from contractual obligations. Moreover, several consumers said that they were struggling to meet contractual commitments and were taking less, adding to supply length in the market.

Downstream, players in the key SBR market continued to see sluggish demand for synthetic rubber, hampered by the summer

holiday period in Europe as tire producers prepare to ramp down their plants for three weeks over July and August.

In the FOB market, traders showed interest for volumes to export to Far East Asia for September arrival amid some supply tightness in the region. Suppliers said that they had received bids from traders although no deal was heard completed.

Discussion for the industry-settled European butadiene monthly contract price were delayed, a settler said, as some participants pushed to wait a few more days for direction from the US contract price discussions, while getting "a better idea of where naphtha and natural gas prices were heading".

Market expectations were of a cut in the contract price as European prices have lagged greatly behind the US, causing the cost of derivative products to be less competitive globally. "Demand is still weak, I think the weakness will continue for the time being, we don't see a valid pickup [...] this time the MCP should go lower," a consumer said.

CIF NWE Naphtha prices averaged \$555 to July 20, up \$4/mt from the June average, according to S&P Global Commodity Insights data.

Upstream, the crude C4 market was quiet, while in the raffinate-1 market, demand was firm with spot buying interest heard in the market. Suppliers said that a tradable factor to naphtha value was at around 1.4.

### Platts European C4 Olefins Weekly Rationale

Platts assessed the FOB Rotterdam butadiene spot price at \$300/mt July 21, up \$20/mt on the day and on the week, in line with a producer's indication heard at this level, below bid levels heard at \$400/mt from producers and above a consumer's indication heard as low as \$250/mt, considering feedback of good export demand.

The FD NWE butadiene spot price was assessed up Eur20/mt on the day and on the week at Eur470/mt, moving toward a consumer's indication heard at Eur550/mt, and a producer's indication of prices in line with CIF NWE naphtha, moving above another producer's indication of stable prices, pending further corroboration.

The crude C4 factor to naphtha was assessed stable on the week at 0.9, with corroboration at this level heard from a buyer and a producer.

The raffinate-1 factor to naphtha was assessed up 0.1 on the week at 1.38, moving toward a producer's indication heard at 1.4, considering feedback of firm demand.

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### US Butadiene: Spot waits for August CP for directions

- Spot prices at 5 cents/lb discount to July CP
- Spot at lowest level since Sept 2020

US spot butadiene pricing was flat on the week of July 21 following an indication at 5 cents/lb discount to July's contract price of 26 cents/lb, and above other pricing indication at 23

cents/lb CIF USG.

Platts assessed US spot butadiene at 21 cents/lb, or \$463/mt, CIF USG, according to S&P Global Commodity Insights data.

It is the lowest spot assessment since Sept. 11, 2020, when it was assessed at 17 cents/lb CIF USG.

"The US has been pretty steady as of late. BTP being down has tightened up the spot market so not hearing much material available for prompt," a US trader said.

According to the source, most producers do not have spot product to offer currently.

Since May 5, the spot assessment has already fallen 23 cents, mostly pressured by a lack of consumption and the lower June and July monthly contract prices.

A cargo was heard from Europe to the USGC, with laycan expected for mid-July, with around 4,000 mt of butadiene.

On the contract side, nominations for August were not yet available, according to market participants. Settlement for July contract prices is at 26 cents/lb, a fall of 11 cents/lb on the month.

All four producers — ExxonMobil, Shell, TPC Group and LyondellBasell — were heard to have been nominated and settled at 26 cents/lb, down 11 cents/lb from June's contract price, according to market feedback.

The July contract price was the lowest since October 2020, when Platts assessed it at 31.5 cents/lb, according to S&P Global Commodity Insights data.

Contract prices have fallen more than 70% since July 2022, when the contract price was assessed at 87.25 cents/lb, the highest value in 2022.

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### Platts US Butadiene Weekly Rationale

Platts assessed US spot butadiene at 21 cents/lb CIF USG July 21, flat on the week. The assessment was based on an indication at 5 cents/lb discount to July's contract price of 26 cents/lb, and above other pricing indication at 23 cents/lb CIF USG.

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### Asian Butadiene: Trade limited amid lack of clarity on near-term outlook

- Tight supply persists in China
- Rising naphtha keeps sellers cautious

Trade was limited in the Asian butadiene markets July 26, with most participants remaining on the sidelines amid a lack of near-term clarity.

Several participants were waiting for the results of a sell tender from Thailand for further directions, heard to be closing the evening of July 26.

Supply in the Chinese domestic markets remained tight, but did little to boost trade as most buyers remained cautious on the back of sluggish downstream demand.

Discussions were largely rangebound on the day, with limited offers heard in the export markets.

Participants were waiting on September offers, several sources said, as rising naphtha prices kept sellers cautious.

Upstream, the benchmark C+F Japan naphtha marker was assessed up \$7.50/mt at \$615/mt on the July 26 Asian close. The butadiene-naphtha spread was calculated at \$105/mt July 26, well below the typical spread of \$300/mt.

### Platts Asian Butadiene Daily Rationale

Platts assessed prices of butadiene stable on the day at \$720/mt CFR China July 26, reflecting a tradable indication from a producer at \$720/mt.

CFR Northeast Asia was unchanged on the day at \$680/mt, as firm discussions were limited.

The FOB Korea assessment was flat at \$670/mt while the FOB China assessment was unchanged at \$660/mt due to limited talks.

In the Chinese domestic markets, prices were stable at Yuan 7,000/mt, reflecting a tradable indication from a trader at Yuan 7,000/mt.

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## Polymer Feedstocks: Aromatics

### Paraxylene

#### European Xylenes: MX premium rises marginally with increased demand

- Arbitrage to the US slightly more difficult
- Demand from gasoline blenders persists  
European spot mixed xylene premiums rose \$4.75/mt to \$245/mt on the week July 21 with higher demand.

The MX market saw consumer appetite during the week, with the current width of the gasoline naphtha spread encouraging gasoline blenders to purchase blendstock. As a result, the market tightened, with availability reducing. "There is a tightening of the market," a producer said. "Product is getting more scarce."

Gasoline-naphtha spread was still wide, a consumer said.

Market participants said the arbitrage to the US was becoming more difficult, with few signs of a clear open arbitrage. "Arbitrage to the US is a bit more challenging," a producer said.

The spot market for paraxylene saw limited demand during the week. However, market participants said, while demand was low, consumers displayed more appetite than usual. "Spot demand for PX is showing a bit more than usual," a consumer said.

Orthoxylene spot demand was weak, with low appetite among consumers in Europe. "Spot demand is not there at all," a producer said. A distributor said, "there is not a lot of business going on."

European orthoxylene spot prices were stable during the week, as Platts assessed OX at \$1,350/mt in the week to July 21.

Platts is part of S&P Global Commodity Insights.

#### Platts European Xylenes Daily Rationale

Platts assessed the M1 August MX CIF ARA spot price at \$1,184/mt July 26, up \$19/mt on the day, maintaining a premium to Eurobob gasoline at \$245/mt, pending fresh indications.

The M2 September MX CIF ARA spot price was assessed at \$1,139.50/mt, up \$15.50/mt on the day, maintaining a premium to Eurobob gasoline at \$245/mt, maintaining the premium parity with August levels, pending fresh indications on the intermonth structure.

The five-to 30-day MX CIF ARA spot price was assessed at \$1,184.75/mt, up \$18.50/mt on the day, based on a curve, with remaining July dates assessed up \$19/mt at \$1,201.50/mt, maintaining a stable premium to Eurobob gasoline at \$245/mt.

The M1 August paraxylene spot price was assessed stable on the day at \$1,180/mt, pending fresh indications.

The M2 September paraxylene spot price was assessed unchanged at \$1,180/mt, maintaining parity with August.

The paraxylene five- to 30-day forward spot price was assessed as the average of the period at \$1,180/mt, steady on the day and pending fresh indications.

The orthoxylene FOB ARA five-to 30-day forward spot price was assessed at \$1,350/mt, steady on the day, pending fresh indications.

### Polymer Feedstocks – Aromatics

#### Weekly Average Spot\*

Styrene FOB Korea (\$/mt)	961.60-962.60
Styrene FOB ARA (\$/mt)	1238.15-1238.65
Styrene FOB USG (cts/lb)	50.37-50.87
Styrene FOB USG (\$/mt)	1116.000

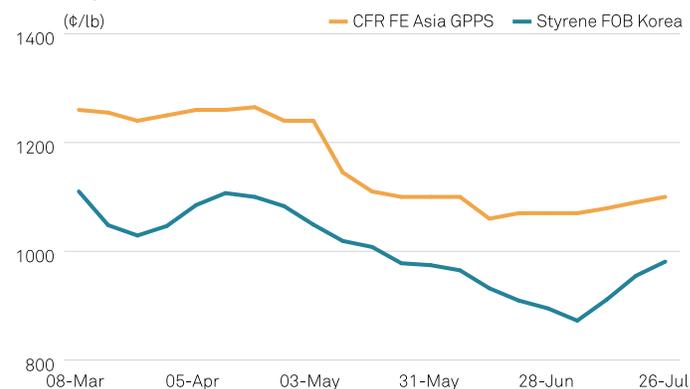
Paraxylene FOB Korea (\$/mt)	1005.93-1007.93
Paraxylene FOB Rdam (\$/mt)	1127.75-1128.25
Paraxylene FOB USG (\$/mt)	1087.02-1097.02

#### Monthly Contract Price

Styrene FOB USG (cts/lb) (Jul)	43.13-43.63
Paraxylene CFR Asia Average (Jul )	NA
Paraxylene FD NWE (Eur/mt) (Jul)	NA-NA
Paraxylene FOB USG (¢/lb) (Jul)	N/S-N/S#

\* Average prices for week ending the previous Friday. # PX CP is typically settled retroactively. The most recent settlement appears on this page.

#### Asia styrenics prices



Source: S&P Global Commodity Insights

**Notes:** All aromatics prices reflect assessments at close of previous Friday.

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#### USGC Aromatics: Spot prices extend gains

US Gulf Coast spot nitration grade toluene and mixed xylenes were assessed 5 cents higher on the day July 26. The highest levels since December 2022.

Platts assessed spot July nitration-grade toluene at 406 cents/gal FOB USG July 26, 5 cents higher on the day.

July mixed xylenes was assessed at 409 cents/gal FOB USG, also 5 cents higher on the day.

Prompt spot paraxylene was assessed at \$1,123.76/mt FOB USG, down \$1/mt on the day. The assessment moved down with CFR Taiwan/China.

NYMEX RBOB and ULSD crack spreads settled higher July 26, as data released by the US Energy Information Administration showed gasoline and diesel inventories remaining tight amid lower refinery runs. Crack spreads were higher as crude futures

lagged the rise in refined products. NYMEX front-month crude settled 85 cents lower at \$78.78/b, while ICE front-month Brent settled down 72 cents at \$82.92/b. In contrast, NYMEX front-month RBOB jumped 5.39 cents to settle at \$2.9072/gal, while NYMEX front-month ULSD settled 6.53 cents higher at \$2.8429/gal.

In Asia, toluene prices continued to firm July 26 on tight supplies and healthy demand. Asian paraxylene prices were down \$1/mt on the day though sentiment remained firm. A trader said supply tightness remains the key trigger as many producers in Asia are not running at higher rates.

Meanwhile, participants continued to watch for signs of how the Chinese government would stimulate the economy to revive domestic consumption, traders said. A strong revival in China's domestic consumption could help absorb any growing inventories of polyester finished goods, traders said.

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### Platts USGC Aromatics Daily Rationale

Platts assessed spot July nitration-grade toluene at 406 cents/gal FOB USG on July 26, 5 cents higher on the day.

The assessment came within a July 26-Aug. 26 NGT bid-offer range heard at 405-415 cents/gal FOB ITC Deer Park.

Forward-month August NGT was assessed at 406 cents/gal FOB USG, also 5 cent higher on the day. The assessment maintained the previous market structure.

July mixed xylenes were assessed at 409 cents/gal FOB USG, 5 cent higher on the day.

The assessment came above a July MX bid heard at 405 cents/gal FOB ITC Deer Park and maintained a 3-cent premium to July NGT.

August MX was assessed at 409 cents/gal FOB USG, also 5 cents higher on the day, maintaining the previous market structure.

Prompt spot paraxylene was assessed at \$1,123.76/mt FOB USG, down \$1/mt on the day. The assessment moved down with CFR Taiwan/China.

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### Asian Paraxylene: Falls \$1/mt on day; supplies remain tight

- Prices to remain firm
- Chinese economic recovery key

Prices for Asian Paraxylene were down marginally on the day though sentiment remained firm on the back of tighter supplies in the region.

Platts assessed Asian paraxylene down \$1/mt on the day at \$1,061.67/mt July 26.

Supply tightness remains the key trigger as many producers in Asia are not running at higher rates, a trader in Japan said. "Market is very tight [and] very strong," the trader added.

A few weeks ago, the tightness in the market was attributed to some outages in China and while those may have ended the

supply tightness continues, sources said.

Meanwhile, participants continued to watch for signs of how the Chinese government would stimulate the economy to revive domestic consumption, traders said.

Beijing reiterated the need for proactive fiscal policy and commitment to drive domestic consumption as it struggles to reignite the country's economic engine, S&P Global Commodity Insights reported earlier.

A strong revival in China's domestic consumption could help absorb any growing inventories of polyester finished goods, traders said.

The Platts Asian paraxylene Market on Close assessment process July 26 saw several bids for September and October-delivery Asia-origin cargoes.

There was also an offer each for September-delivery open-origin and Asia-origin cargoes.

No trades were reported in the MOC process.

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### Platts Asian Paraxylene Daily Rationale & Exclusions

Platts assessed Asian paraxylene down \$1/mt on the day at \$1,061.67/mt CFR Taiwan/China and \$1,038.67/mt FOB Korea July 26.

The marker takes the average of first-half and second-half September laycans and H1 October laycan.

The H1 and H2 September laycans were assessed at \$1,066/mt, below an offer for an Asia-origin cargo by Hengli at \$1,067/mt.

The H1 October laycan was assessed at \$1,053/mt, in line with the intermonth spread between September and October at \$13/mt.

Asian-origin cargoes were at parity to open-origin cargoes for September and October, as previously demonstrated.

Exclusions: No data was excluded from the July 26 Market on Close assessment process.

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(Daily price can be found on PC214, weekly assessments on PC337)

## Styrene

### European Benzene & Styrene: Benzene prices slip amid high liquidity

- 33,000 mt heard traded during settlement window
- Styrene prompt prices up on tight availability

The European benzene market edged lower on July 26, as liquidity remained high for the settlement window of the August industry contract price.

The five- to 30-days forward delivery laycan was assessed down \$10/mt at \$890/mt CIF ARA, following a flurry of trades for August laycans seen at this level through the day. 33,000 mt was heard traded since the window began on July 24.

The August contract price is due to be settled on July 31.

Downstream, continued liquidity was also heard in the styrene market. A producer kept buying volumes from the spot market, a trader said, as an outage continued at a production unit.

Prompt prices rose sharply on the day, matching reports from the market that availability for immediate loading had become hard to find. Tighter availability was expected in the market due to European outages, while imports were seen limited as supply constraints were also heard in the US.

Styrene was assessed at \$1,362.50/mt FOB ARA, up \$28.75/mt on the day.

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### Platts European Styrene Daily Rationale

Platts assessed styrene for loading five-to 30-days forward at \$1,362.50/mt FOB ARA on July 26, up \$28.75/mt from July 25.

August was assessed up \$24.25/mt at \$1,349.50/mt, based on a curve.

Aug. 1-15 dates were assessed up \$50/mt at \$1,401/mt, above the bid in a heard \$1,400-\$1,500/mt bid-offer range for any-August loading dates, taken as the first half of the month.

Aug. 16-31 dates were assessed stable at \$1,301/mt, within a heard \$1,300-\$1,475/mt bid-offer range for the second half of August loading.

July 31 was assessed up \$50/mt at \$1,401/mt, taking direction from the first half of August.

September was assessed stable at \$1,301/mt, within a heard \$1,270-\$1,340/mt bid-offer range.

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### USGC Styrene Monomer: Prices rise on supply disruption

- Ethylene pipeline explosion interrupts feedstock supplies
  - Disruption comes after months of reduced run rates
- US styrene price rose during the week ended July 21 after a producer declared force majeure caused by feedstock supply issues.

Platts assessed August FOB styrene at \$1,190/mt July 21, up \$191 since July 12, before the explosion.

Upstream ethylene supplies were disrupted after a pipeline explosion in south Houston July 13, leading to the declaration by INEOS Styrolution on styrene and ethylbenzene July 14, according to a customer letter provided to S&P Global Commodity Insights.

The duration of the ethylene supply disruption are not yet confirmed. A styrene market source on July 19 pointed to a potentially long process for restoring the pipeline to operation, including inspections and permits that would be required to develop a timeline for repairs.

The styrene production disruption comes in the wake of improving supply after months of lower production rates. In recent weeks sources reported that producers were restarting lines and returning to full capacity amid improved margins, and multiple spot trades for August have been reported.

During June and July, market sources had reported that US

styrene producers were running at reduced rates, with capacities cut by an estimated 30%, as margins were poor to negative. During June and July sources also reported a dearth of available spot material due to the reduced rates.

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### Platts US Gulf Styrene Monomer Weekly Rationale

Platts assessed front-month July spot styrene stable on the day and \$65 higher on the week July 21 at \$1,190/mt FOB USG.

The assessment maintained the structure with August FOB.

Platts assessed forward-month August spot styrene stable on the day at \$1,190/mt FOB USG.

The assessment was unchanged amid a lack of disproving indications.

Platts is part of S&P Global Commodity Insights.

### Asian Styrene: Prices rise on China stimulus hopes

- China unveils stimulus measures for property market
- Current bull run likely to reverse in Aug: source

Styrene monomer prices rose July 26 at \$998.50/mt CFR China after the Chinese government unveiled stimulus measures for the property sector.

The government announced a wide range of initiatives, including tax exemptions and tax deductions related to the real estate sector, bringing some confidence to wider markets, a China-based source said. However, fundamentals in the physical styrene market have not moved much and the current bull run would likely reverse in August, the source noted.

In downstream, rising feedstock styrene monomer prices have made styrenic polymer producers anxious, said market sources.

"We are currently not offering into the market given the uncertainty in feedstock prices," said a producer of expandable polystyrene.

A downstream producer said operating rates are still "relatively high" in China, pressuring margins. Operating rates for polystyrene plants were heard to be around 71% and around 85% for acrylonitrile-butadiene-styrene.

### Platts Asian Styrene Monomer Daily Rationale

Platts assessed Asian styrene monomer stronger from the previous session at \$1,003.50/mt FOB Korea and at \$998.50/mt CFR China on July 26.

No transparent bids and offers were heard during the Platts Market on Close assessment process.

The CFR China marker took the average of the H2 August and H1 September laycans.

The H2 August laycan was assessed \$14/mt higher at \$1,003/mt on higher indications from the domestic China market. The H1 September laycans were assessed \$14/mt higher at \$994/mt, maintaining the intermonth spread to the H2 August laycan at \$9/mt backwardation.

The FOB Korea marker was assessed \$14/mt stronger from the previous session at \$1003.50/mt, maintaining the spread to CFR

China at plus \$5/mt.

The domestic China prompt marker rose Yuan 90/mt to Yuan 8,285/mt on an ex-tank basis, which was around \$1,008.22/mt on an import-parity basis.

The FOB China marker was assessed \$14/mt stronger at \$1,013/mt, maintaining the spread to H1 and H2 August for CFR

China at plus \$10/mt.

The CFR Taiwan marker was assessed \$14/mt stronger at \$1,018.50/mt, maintaining the premium of \$20/mt to the CFR China marker.

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## Polymer Feedstocks: Intermediates

### Purified Terephthalic Acid

#### Asian PTA: Trade flows expected to change

- BIS implementation stalls China exports to India
- Indian polyester producers cut operating rates amid shrinking margins

Indian PTA prices fell \$13/mt week on week to \$852/mt July 21 amid cuts in downstream polyester operating rates, data by S&P Global Commodity Insights data showed.

Trade flows for PTA from China to India are expected to change after the implementation of BIS norms, sources said.

In June, India made BIS certification mandatory for PTA imports. The move led to a halt in PTA imports from China, as Chinese producers have not secured the certification. China had been the largest supplier of PTA to India, S&P Global earlier reported.

India still remains short of PTA especially with demand on the rise as the festive season in the country nears commencement, sources said.

Although some sources said China could be exporting PTA to buyers in countries such as Turkey and Egypt who could then be selling to India.

Overall, the BIS norms are likely to have little impact on Chinese PTA producers, a Japanese trader said.

"PTA export from China was not affected a lot by the BIS [implementation]," the trader said.

An Indian source estimated polyester operating rates to be around 75%-78% in the week to July 21, dipping from 80%-82% the week ended July 14, while some PTA producers in India reported to maintain operating rates at full capacity.

PTA CFR China and CFR India spread narrowed to \$60/mt from \$65/mt in the week ended July 21, S&P Global data showed, after an extension was announced on the implementation of BIS norms against certain grades of polyester earlier in the same week.

A PTA buyer in India told S&P Global that they were operating at lower rates than usual and mulling further cuts as the extension on polyester grades have dealt them a second blow after the implementation of BIS norms on PTA in June.

Another PTA buyer said it was logical to trim the operating rates for polyester production in India, as now cheaper Chinese polyester can be imported which would cut their margins significantly in addition to already higher cost of procurement of PTA.

Platts is part of S&P Global Commodity Insights.

#### Platts Asian PTA Weekly Rationale

Platts assessed PTA FOB China \$9/mt higher on the day at \$792/mt July 21, below an offer for the August-loading cargoes heard at \$800/mt.

The CFR China assessment was higher \$9/mt on the day at \$792/mt, in line with the PTA FOB China assessment.

In the Chinese domestic market, prices were assessed Yuan

### Polymer Feedstocks – Intermediates

#### Weekly Spot

PTA FOB China (\$/mt)	782.80
PTA CFR China (\$/mt)	781.80-783.80
PTA CFR SE Asia (\$/mt)	801.0-803.0
PTA CFR India (\$/mt)	843.2-845.2

EDC CFR FE Asia (\$/mt)	259-261
EDC CFR SE Asia (\$/mt)	259-261
EDC FOB NWE (\$/mt)	278-282
EDC FOB USG (\$/mt)	195-205

VCM CFR FE Asia (\$/mt)	649-651
VCM CFR SE Asia (\$/mt)	689-691
VCM FOB NWE (\$/mt)	688-692
VCM FOB USG (\$/mt)	465-475

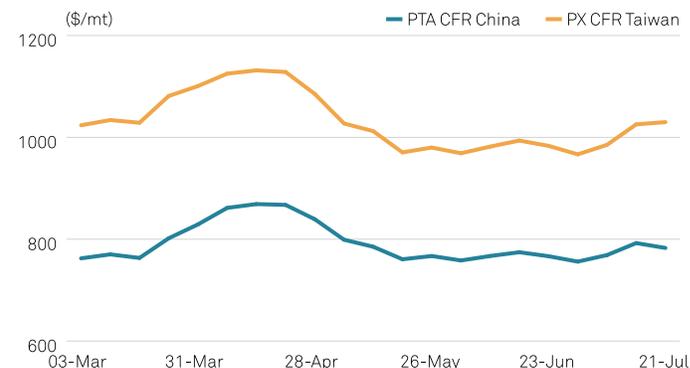
Acrylonitrile CFR FE Asia (\$/mt)	1194-1196
Acrylonitrile CFR SE Asia (\$/mt)	1194-1196
Acrylonitrile CFR South Asia (\$/mt)	989-991
Acrylonitrile FOB USG (\$/mt)	1240-1250
Acrylonitrile CIF ARA (\$/mt)	988-992

#### Monthly Contract Price

PTA FD NWE (Eur/mt) (Jul)	788-798
PTA Delivered USG (¢/lb) (Jun)	65.18-65.18
VCM Delivered USG (¢/lb) (Jul)	59.50-61.50

Global ACN, European and US prices of EDC and VCM reflect assessments at close of Tuesday. PTA CFR China, PTA FOB China and PTA CFR India prices reflect average prices for week ending previous Friday. All other intermediates prices reflect assessments at the close of previous Thursday. US domestic prices reflect transaction pricing for medium-sized customers.

#### Platts Asian PTA vs paraxylene



Source: S&P Global Commodity Insights

22/mt higher at Yuan 5,913/mt, in line with bids at TA2309 plus Yuan 5/mt and offers at TA2309 plus Yuan 10-15/mt

Platts assessed PTA CFR India \$10/mt higher at \$852/mt, widening the spread with CFR China and CFR India at \$60/mt, following the tradable indication heard at \$60/mt from sellers and buyer, and below an offer heard at \$865/mt, amid limited spot discussions.

Platts assessed CFR SE Asia down \$5/mt on the week at \$802/mt, keeping the spread with CFR China stable at \$10/mt given the freight costs from NE Asia to SE Asia at \$10/mt from a producer.

Platts is part of S&P Global Commodity Insights.

## Acrylonitrile

### European Acrylonitrile: Prices stable despite weak market fundamentals

- Poor macroeconomics weigh on market
- Acrylic fibre demand to aid market

The European acrylonitrile market was quiet in the week to July 25 amid poor fundamentals and limited buying appetite.

Spot activity was thin as abundant supply and muted downstream demand weighed on sentiment. Weak demand is expected for the remainder of the year, with the summer holiday period likely to see limited market activity, according to sources.

Market length has weighed on sentiment since early 2023. However, planned maintenance periods throughout Europe could create a more balanced market, one producer said, with less supply expected in the Mediterranean during August and September as key market players shut down.

Further downstream, a slight uptick in acrylic fibre demand was heard to be lending some market support. Downstream derivative demand has been particularly weak in recent months due to restricted consumer spending amid the gloomy macroeconomic outlook in Europe.

According to a producer, economic recovery is needed to boost demand, with the current recessionary worries and high interest rates limiting buying activity.

According to another market participant, China's reopening and economic recovery after the pandemic will also help the European spot market recover. "We need a bit of both, economic recovery in the West and an uptick in China's demand to see some market recovery," one producer said.

Platts assessed European acrylonitrile spot prices at \$990/mt CIF ARA July 25, stable on the week.

Platts is part of S&P Global Commodity Insights.

### Platts European Acrylonitrile Weekly Rationale

Platts assessed European acrylonitrile spot prices steady on the week at \$990/mt CIF ARA, July 25, moving below two producers' indications heard at \$1,100/mt and \$1,050/mt and within a trader's indicative range of \$950-\$1,000/mt, while pending further market feedback.

Platts is part of S&P Global Commodity Insights.

### US Acrylonitrile: Export levels near three-year low

- Domestic contract price falls on week
- Trading talked thin over July 19-25

Spot export prices for US acrylonitrile fell \$40 on the week on July 25, with activity remaining thin as domestic feedstock propylene contracts rolled over into July from June.

An offer indication was heard at \$1,250/mt FOB Houston basis during the July 19-25 period for a 1,000-2,000 mt parcel. Subsequent market feedback indicated this price point was competitive for 2,000-3,000 mt parcel sizes in some global regions.

Platts assessed spot export ACN below the offer indication, which also partially tracked the \$50/mt week-on-week decline in the CFR Far East Asia, CFR Southern Asia and CFR Southeast Asia markers.

Growing Chinese spot supply has weighed on prices, Asia-based sources said in late July. One US-based producer source said informal talks indicated that Chinese producers were poised to cut operating rates, with profit margins compressing amid lower ACN prices.

"I'm expecting some surprises in terms of shutdowns," the US-based source said, adding producers "just overbuilt and no one wants their product outside China no matter how cheap."

In global production news, Shanghai SECCO Petrochemical is aiming to run its No. 1 ACN plant at full capacity around July 27 after it restarted on July 23 following a planned turnaround, a company source said July 24. The company has two plants in Shanghai, each with an output capacity of 260,000 mt/year.

Meanwhile, Taiwan's China Petrochemical Development Corp. is planning to run its 240,000 mt/year ACN plant in Kaohsiung at 70% in August, unchanged from July.

On the domestic side, Platts assessed US ACN 1 cent lower from a week ago, with monthly chemical-grade propylene contracts settling flat in July from June at 33.5 cents/lb.

US spot export prices were at the lowest assessed level since late 2020, according to S&P Global Commodity Insights data. Prices were last lower on Nov. 24, 2020, with the assessed level rising to \$1,300/mt the following week.

Platts is part of S&P Global Commodity Insights.

### Platts US Acrylonitrile Weekly Rationale

Platts assessed US spot acrylonitrile at \$1,245/mt FOB US Gulf July 25, falling \$40 from the prior week.

The assessment considered an offer indication heard at \$1,250/mt FOB Houston for a 1,000-2,000 mt parcel during the July 19-25 period, as well as feedback that this level was competitive in some regions for parcels within the Platts assessed range of 2,000-3,000 mt.

The domestic ACN contract price was assessed at 53.50 cents/lb delivered, down 1 cent on the week. The assessment was based on an industry-accepted formula, considering the 33.50-cent/lb July chemical-grade propylene contract settlement and the July ammonia contract price of \$295/mt.

Platts is part of S&P Global Commodity Insights.

### Asian Acrylonitrile: Falls \$50/mt on week as supply glut adds pressure

- Shanghai SECCO Petrochemical to run No. 1 ACN plant at 100% by July 27
  - Taiwan's CPDC to hold Kaohsiung ACN runs at 70% in August
- The acrylonitrile market in Asia trended lower in the week ending July 25, as growing spot supply in China weighed on spot prices.

The price of ACN in eastern China was heard to be Yuan 7,900/

mt ex-tank July 25, down Yuan 200/mt on week.

"SECCO has restarted their No.1 plant earlier this week, the market is weakening as everyone is concerned that oversupply is going to hit spot price," said a major Northeast Asian producer.

Shanghai SECCO Petrochemical is aiming to run its No. 1 acrylonitrile plant at full rate around July 27 after it restarted on July 23 following a planned turnaround, a company source said July 24.

The company has two ACN plants in Shanghai, each with an output capacity of 260,000 mt/year.

In plant news, Taiwan's China Petrochemical Development Corp. is planning to run its 240,000 mt/year acrylonitrile plant in Kaohsiung at 70% in August, unchanged from July.

"We will run the plant at 70% for August, unchanged on month," the source said.

Many ACN producers in Northeast Asia have reduced run rates or shut plants since the second half of 2022 due to a supply glut amid poor downstream demand.

ACN prices weakened in March and April due to lackluster downstream demand and emerging new capacity in China.

Planned turnarounds by production majors in Northeast Asia supported the market early May before prices were weighed down by weak acrylonitrile-butadiene-styrene consumption

mid-month.

Platts, part of S&P Global Commodity Insights, assessed ACN down \$50/mt on the week at \$1,195/mt CFR Far East Asia on July 25, and CFR South Asia marker was assessed down \$50/mt week on week at \$990/mt July 25.

Offers for CFR South Asia were heard in a range of \$980-\$1,080/mt.

A trader in India said buyers have realized that prices have bottomed out, which has led to some enquiries, but demand is still weak.

"A lot of supply pressure was there which has eased due to shutdowns in China and that has balanced the Asian markets," a source in India said.

Acrylic fiber plants in India are running at 50%-60% capacity due to weak demand.

### Platts Asian ACN Weekly Rationale

Platts assessed acrylonitrile CFR Far East Asia down \$50/mt week on week at \$1,195/mt July 25 on a weaker RMB market, below selling ideas heard from two producers at \$1,200/mt, and above buying ideas heard from two end users at \$900-\$950/mt. Other selling indication for the Far East Asia marker was heard at \$1,350/mt CFR Far East Asia.

## Global Production Update

Company	Location	Capacity*	Timing	Status
Fujian Zhonging	Fujian	1200	H1 2023	SU
Long Son Petrochemicals	Ba Ria-Vung Tao	400	H1 2023	SU
Inter Pipeline	Alberta, Canada	525	Offline since April-May 2023	SD!

TA = scheduled turnaround; SD! = unplanned shutdown; SU = startup; DB = debottlenecking; OR = operating rate

## Platts

S&P Global  
Commodity Insights

## Polymerscan

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Platts assessed acrylonitrile CFR Southeast Asia down \$50/mt week on week at \$1,195/mt July 25, below selling ideas heard from two producers at \$1,200/mt.

Platts assessed acrylonitrile CFR South Asia \$50/mt lower week on week at \$990/mt on July 25, after tradable indication was reported at \$980-\$990/mt.

Selling indications heard from producers at \$1,050/mt CFR South Asia and \$1,080/mt were also considered in the assessment.

A deal heard at \$960/mt CFR South Asia was not considered in the assessment as the laycan was beyond the 30-day forward delivery period and the cargo is scheduled to arrive around mid-September. The cargo size was also smaller than Platts Methodology Specification.

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## Ethylene Dichloride, Vinyl Chloride Monomer

### **European Chlor-Alkali, EDC/VCM: Caustic spot prices rise despite weak summer demand**

- Caustic prices lift as summer holidays begin
- NWE EDC prices weaken amid drop in Asia

Caustic soda: Heading into the summer period, caustic soda prices rose in the week to July 25 amid expectations among some buyers that they have hit a floor, according to sources.

However, this view was not as comprehensive or as clear-cut throughout the market amid some suppliers seen tight in their system with little pressure to off-load supply. With other suppliers shipping from NWE into the Med, meanwhile, this was considered a long haul for them, suggesting that some producers are still weighed down with the product.

In addition, one trader said that imports from the Egyptian market had become more limited in recent weeks, adding that "Maybe the record temperatures or summer vacation are having an impact."

The consensus within the market was that the reduction in chlorine operating rates had led to an impact on caustic supply, and therefore producers were keen to re-establish margins eroded since the start of the year. Despite this, however, demand remained weak, with producers and consumers starting their summer season production maintenances. In the Southern European market, an indication was heard within the mid-\$400s/dmt to late \$400s/dmt CFR Italy range for a minimum of 5,000 dmt parcels.

Despite the pressure to increase prices amid the caustic tightness, one source said that imports were still due to arrive from traders into the Nordics for both contract and spot buyers. One trader said that two vessels with each 80,000 mt capacity were fixed for arrival in August and September. This could limit the success with which price increases are achieved. However, the key indicator would be on supplies after consumers returned to their desks in September after the summer holiday. If buyers

returned with limited supply in their tanks, then any production interruption could mean the return of volatility, according to sources.

EDC/VCM: European EDC indications were heard at around \$200/mt FOB NWE in line with decreases seen in Asia. Platts assessed the CFR Far East Asia ethylene dichloride price down \$20/mt week on week at \$260/mt July 20.

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### **Platts European Chlor-Alkali, EDC/VCM Weekly Rationale**

Platts assessed CFR Mediterranean caustic soda spot prices up \$20/mt on the week at \$450/dmt July 25, at the bottom of a trader's indication heard in the mid-\$400s/dmt to high \$400s/dmt on a CIF Italy basis, pending further feedback and in line with feedback of more balanced supply.

Platts assessed FOB Northwest European caustic soda spot prices up \$20/dmt on the week at \$345/dmt, considering the rise in CFR Med prices and the feedback of tighter caustic soda supply.

Platts assessed ethylene dichloride spot prices down \$20/mt on the week at \$280/mt FOB Northwest Europe, moving toward a trader's indication heard in the \$200s/mt, pending further corroboration at lower pricing and in line with the decrease in the Asian spot price.

Platts assessed spot prices of FOB NWE vinyl chloride monomer down \$20/mt on the week at \$690/mt, moving lower in line with the fall in EDC spot prices.

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### **Platts US EDC/VCM: Spot export EDC prices down \$75/mt on week**

- Spot EDC deal confirmed at \$200/mt FOB USG for 10,000 mt
- VCM prices steady week on week

US spot export ethylene dichloride prices were assessed down \$75/mt on the week July 25, based on a deal done for 10,000 mt at \$200/mt FOB USG.

Platts assessed prices at \$200/mt FOB USG.

Market sources had expected spot export EDC prices to decline amid lower Asian EDC prices. India and Taiwan were the No. 2 and No. 5 export markets for US EDC in the first five months of 2023, having received a combined 103,320 mt, or nearly 33% of 314,876 mt shipped out in the January-May period, according to US International Trade Commission data.

Platts last assessed Asian EDC prices July 20 down \$20/mt from the prior week at \$260/mt CFR Far East Asia and \$260/mt CFR Southeast Asia.

US spot export PVC prices have risen 5.8% in the first half of July to \$725/mt FAS Houston, and market sources expected further uplift given higher Asian PVC prices for August volumes. That could siphon incentive for producers to sell spot export EDC amid stronger PVC prices.

However, sources noted that US spot PVC export volume availability was seen tightening with Shintech running its 1.45

million mt/year PVC unit in Freeport, Texas – the world's largest – at reduced rates and upcoming turnarounds at Formosa Plastics USA's PVC units in Texas and Louisiana in August and September.

Sources said PVC demand was not seen stronger, and any supply-related lifts in pricing could deflate once production normalizes.

VCM: Spot export vinyl chloride monomer prices were assessed flat week on week, in line with stable downstream PVC prices.

Platts assessed spot export VCM prices at \$470/mt FOB USG. Platts also assessed domestic VCM prices stable on the week July 25 as well at 59.5-61.6 cents/lb, also based on unchanged downstream PVC contracts.

Shintech has been running its Freeport PVC operations at reduced rates for weeks, as Olin did not resume normal rates at its 835,000 mt/year VCM unit in Freeport upon concluding a lengthy turnaround in mid-June. Olin shut the unit again July 12, citing equipment failures, and told Shintech the outage was expected to last three weeks, according to Shintech.

Olin has not responded to requests for comment. Shintech is suing Olin in federal court in Texas in a VCM supply contract dispute, according to court filings from both companies.

Shintech said Olin provides 50% of the VCM needed to run the Freeport PVC operations at normal rates, and Shintech's Plaquemine, Louisiana, operations provide the remaining 50%.

Shintech has tried to tap other US producers for excess VCM to try to fill the gap, but said in court filings that they had none available. Shintech also lacks infrastructure in Freeport to unload VCM delivered via ship, so it is not feasible to receive supply from its Japanese parent company, Shin-Etsu, or other global producers.

In Asia, Platts last assessed the CFR Far East Asia VCM market July 20 up \$40/mt from the prior week at \$650/mt, while the CFR Southeast Asia VCM marker was assessed up \$70/mt from the prior week at \$690/mt, Platts data showed.

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### Platts US EDC/VCM Weekly Rationale

EDC: Platts assessed US spot export EDC prices at \$200/mt FOB USG July 25, down \$75/mt on the week, based on a deal done at \$200/mt FOB for 10,000 mt.

VCM: Platts assessed spot export VCM prices at \$470/mt FOB USG. Platts also assessed domestic VCM prices stable on the week July 25 as well at 59.5-61.6 cents/lb, also based on unchanged downstream PVC contracts.

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### Asian EDC/VCM: EDC falls while VCM higher on supply tightness

- South Korea EDC exports down 61.7% on month
- PVC offers for August up \$60/mt from July

EDC: Asian ethylene dichloride market sentiment was reported to be bearish due to lower VCM plant operations, with

the market seeing a temporary imbalance in spot supplies from the Middle East and Northeast Asia.

However, cost pressures were heard to be limiting the extent of price falls, with some market sources noting that chlorine prices in July have risen month on month.

"[EDC] supplies aren't ample, but they are coming out at the same time, I think the market will balance out in the longer term," one market source said.

In statistics news, South Korea's EDC exports in June dipped 61.7% from a month earlier and dropped 30.6% on the year to 16,492 mt, the lowest level since December 2022, when the exports were at 12,047 mt, the customs data showed. The country's exports to Japan fell almost half to 8,258 mt in June compared with 15,486 mt in May, while exports to Taiwan also fell 47.7% to 5,230 mt during the same period, according to the customs data.

Platts assessed CFR Far East Asia ethylene dichloride price \$20/mt lower week on week at \$260/mt July 20, in line with tradable values heard at \$250-\$300/mt CFR FE Asia and below offers and sell indications heard between \$270-\$290/mt.

Platts assessed CFR Southeast Asia EDC price \$20/mt lower week on week at \$260/mt July 20, in line with tradable values heard at \$250-\$300/mt CFR SE Asia.

VCM: Asian vinyl chloride monomer rose \$40-\$70/mt week on week July 19, driven by bullish downstream polyvinyl chloride market.

Platts assessed CFR China PVC price \$45/mt higher week on week at a four-month high of \$800/mt July 19, according to S&P Global Commodity Insights data.

Fresh PVC offers for August were increased by \$60/mt from July at \$815/mt CFR China, \$820/mt CFR India, \$770/mt FOB Taiwan and \$810/mt CFR Southeast Asia. The increase was higher than the market's expectation of an increase of \$20-\$30/mt.

VCM supplies were also reported to be tight due to some plant shutdowns.

In statistics news, South Korea's VCM exports in June jumped 66.6% from a month earlier and marked a 28.2% increase on the year to 15,020 mt, the highest level since February 2023, when the exports were at 17,032 mt, the customs data showed July 17.

Meanwhile, Japan's VCM production in June fell 2.2% on the month and 17.4% on the year to a nine-year low of 166,421 mt, the VEC data showed. Japan's VCM production in June declined as plant operations were lowered, in line with falling steam cracker operations.

Platts assessed CFR Far East Asia vinyl chloride monomer \$40/mt higher week on week at \$650/mt July 20, based on tradable values heard between \$640-\$670/mt and above a buy indication heard at \$640/mt CFR FE Asia.

Platts assessed CFR Southeast Asia VCM price rose \$70/mt to \$690/mt during the same period, in line with tradable values heard between \$680-\$700/mt CFR SE Asia.

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## Platts Asian EDC/VCM Weekly Rationale

EDC: Platts assessed the CFR Far East Asia ethylene dichloride price \$20/mt lower week on week at \$260/mt July 20, in line with tradable values heard at \$250-\$300/mt CFR FE Asia and below offers and sell indications heard in the range \$270-\$290/mt.

Platts assessed CFR Southeast Asia EDC price \$20/mt lower week on week at \$260/mt July 20, in line with tradable values heard at \$250-\$300/mt CFR SE Asia.

VCM: Platts assessed CFR Far East Asia vinyl chloride monomer \$40/mt higher week on week at \$650/mt July 20, based on tradable values heard in the range \$640-\$670/mt and above a buy indication heard at \$640/mt CFR FE Asia.

Platts assessed CFR Southeast Asia VCM price rose \$70/mt to \$690/mt during the same period, in line with tradable values heard in the range \$680-\$700/mt CFR SE Asia.

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## Methyl Methacrylate, Poly Methyl Methacrylate

### Asian MMA/PMMA: MMA stable; PMMA slips on weak demand

- Selling interest directed at India's MMA market
  - China's sluggish electronics sale weigh on PMMA prices
- Platts assessed methyl methacrylate (MMA) CFR China marker unchanged on the week at \$1,500/mt on July 26, on limited spot discussions and slow demand.

Fundamentals in China were heard to be bearish due to sluggish demand and slow-moving MMA inventory, sources said.

The CFR Southeast Asia MMA marker did not budge from \$1,600/mt week on week as market sources deemed tradable

levels at \$1,600-\$1650/mt July 26.

There were, however, some selling interest for the Indian market.

A zero-duty cargo of 1,000 mt for August shipment was heard offered at \$1,770/mt CFR India, while a full duty cargo of a similar size was offered at \$1,630/mt CFR India, a trader said. No deal was heard concluded on July 26.

In the downstream PMMA market, Chinese electronic sales were heard to be lackluster, which affected PMMA demand, sources said.

Platts assessed polymethyl methacrylate CFR China marker down \$5/mt on the week at \$1,875/mt July 26, under an offer at \$1,880/mt CFR China.

Platts is part of S&P Global Commodity Insights.

### Platts Asian MMA Daily Rationale

Platts assessed the Asian methyl methacrylate CFR China marker unchanged on the day at \$1,500/mt on July 26, amid limited spot discussions.

CFR Southeast Asia was assessed stable over the same period at \$1,635/mt, amid tradable levels at \$1,600-\$1,650/mt provided by a trader.

Platts is part of S&P Global Commodity Insights.

This rationale applies to symbol(s) <AMMAC00> <AMMAS00>

### Platts Asian PMMA Daily Rationale

Platts assessed the Asian polymethyl methacrylate CFR China marker down \$5/mt on the day at \$1,875/mt July 26, below an offer heard at \$1,880/mt CFR China.

CFR Southeast Asia was assessed down \$5/mt over the same period at \$2,095/mt, reflecting declines in adjacent markets.

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This rationale applies to symbol(s) <PMMAA00>, <PMMAC00>.

## Subscriber Notes

### Platts corrects Europe CIF ARA acrylonitrile assessments for July 11, 2023

Please note that Platts, part of S&P Global Commodity Insights, has corrected CIF ARA acrylonitrile assessments for July 11, 2023.

The corrected assessment is as follows:

(Platts)—11July2023

Symbol Low-High Midpoint Change

CIF ARA \$/mt PHAS004 1,038-1,042 1,040.000 -105.000

The correction affected the following fixed pages:

This assessment appears on Platts Market Center and on Petrochemical Alert (PCA) page 175, page 244 and in the following publications:

Weekly Polymerscan.

Please send any feedback to [petchems@spglobal.com](mailto:petchems@spglobal.com) and [pricegroup@spglobal.com](mailto:pricegroup@spglobal.com). For written comments, please provide a clear indication if comments are not intended for publication by Platts for public viewing.

Platts will consider all comments received and will make comments not marked as confidential available to the public upon request.

### Platts discontinues CFR Russia PVC Assessments

Platts, part of S&P Global Commodity Insights, has discontinued weekly cost and freight (CFR) Russia polyvinyl chloride (PVC) spot assessments, effective July 5, 2023, in light of limited liquidity.

The discontinuation affects the following codes:

PVC Suspension CFR Russia	Spot (EUR)	AAXCK00	AAXCK03
PVC Suspension CFR Russia	Spot (USD)	AAUMR00	AAUMR03

Platts first proposed the discontinuation in a note published on March 3, available here: <https://www.spglobal.com/commodityinsights/en/our-methodology/subscriber-notes/030323-platts-proposes-to-discontinue-cfr-russia-pvc-assessments>

The affected assessments appear on Platts Petrochemical Alert fixed pages 260, 239, 442, on Platts Dimensions Pro and Platts Market Center, in Polymerscan and in the Platts database.

Please send all comments, feedback, and questions to [petchems@spglobal.com](mailto:petchems@spglobal.com) and [pricegroup@spglobal.com](mailto:pricegroup@spglobal.com).

For written comments, please provide a clear indication if comments are not intended for publication by Platts for public viewing.

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### S&P Global Commodity Insights launches daily PTA FOB China assessment

Platts, part of S&P Global Commodity Insights, has launched a daily spot assessment for purified terephthalic acid on an FOB China basis, in light of increasing export volumes from China amid

growing capacity, effective July 3, 2023.

The assessment is based on the latest information sourced from the market up to the close of the assessment process at 4:30 pm Singapore time (0830 GMT). It is published in \$/mt and follows the Singapore publishing schedule.

The assessment reflects the product with the following parameters:

Cargo size: 1,000-3,000 mt

Quality specifications: Minimum purity of 95%.

Timing: Loading 15-30 days forward from the date of publication

Location basis: FOB China: Dalian, Gulei, Hainan, Lianyungang, Ningbo, Zhangjiagang, Zhapu, Zhuhai

Credit terms: Up to L/C 90 days

Pricing information for material with other specifications and terms may be normalized to the proposed standard.

The assessment is published alongside Platts' existing PTA assessments in Polymerscan and Asian Petrochemicalscan as well as on the Platts real-time petrochemical service, Platts Market Center, Platts Dimensions Pro, and Platts Petrochemicals Alerts on fixed pages 0542, 0179, and 0737.

The symbols for the assessments are as follows:

Symbol	Currency	UOM	Description
PTFCA00	USD	MT	PTA FOB China
PTFCA03	USD	MT	PTA FOB China MAvg
PTFCA04	USD	MT	PTA FOB China WAvg

A decision note was published on June 28, 2023: <https://www.spglobal.com/commodityinsights/en/our-methodology/subscriber-notes/062823-s-p-global-commodity-insights-to-launch-daily-pta-fob-china-assessment>

Please send all comments, feedback, and questions to [petchems@spglobal.com](mailto:petchems@spglobal.com) and [pricegroup@spglobal.com](mailto:pricegroup@spglobal.com). For written comments, please provide a clear indication if comments are not intended for publication by Platts for public viewing.

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### Platts launches two daily recycled polystyrene assessments for Northwest Europe

Platts, part of S&P Global Commodity Insights, has launched two new daily spot recycled polystyrene assessments for Northwest Europe, effective May 3, 2023, in light of increasing consumer demand and interest in recycled plastic.

The decision to launch these assessments was published on April 26, 2023, available at <https://www.spglobal.com/commodityinsights/en/our-methodology/subscriber-notes/042623-platts-to-launch-two-daily-recycled-polystyrene-assessments-for-northwest-europe>

The new assessments are published in Eur/mt on a daily basis and reflect the following specifications:

Basis and Locations: Delivery duty paid Northwest Europe.

Northwest Europe includes Germany, the Benelux region, France, and Switzerland. Pricing information from other regions may be taken into consideration for the assessment, subject to

normalization.

Standard spot cargo size: Minimum 20 mt lots

Product Specifications: R-PS pellets are non-odorless, non-food-grade, with a melt flow index (MFI) of 4.0-8.0g/10 minutes tested at 200 degrees Celsius, with a density of 1.04-1.07g/cm<sup>3</sup>. Pellets should have at least 30% HIPS and do not include any EPS.

R-PS black pellets: Black pellets.

R-PS grey pellets: Grey and whitish-grey pellets that do not contain black, white, or colored grades.

Delivery: 3-30 days forward

The assessments reflect the spot value of recycled polystyrene at 16:30 pm London time. The assessments follow the London publication schedule. The weekly average will be

published every Wednesday. A weekly commentary and rationale will also be published on a Wednesday.

The assessments are published on Petrochemical Alert pages PCA0385, PCA0386, PCA0503, PCA0574, and PCA0441 in the Platts price database, on Platts Market Center, on Platts Dimensions Pro and in Polymerscan under the symbols listed above.

Please direct any questions or comments to [petchems@spglobal.com](mailto:petchems@spglobal.com) with a copy to [pricegroup@spglobal.com](mailto:pricegroup@spglobal.com)

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