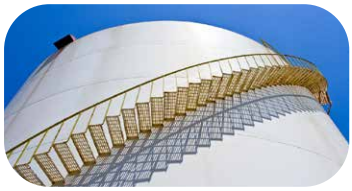
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News, prices and analysis



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IEA, industry weigh LPG emergency stock scheme

The Industry will draw on lessons from this year's emergency oil stock release as the Iran war has pushed LPG higher up the political agenda, writes Matt Scotland

Governments, the IEA and the LPG industry are moving to build an emergency reserve scheme and more storage capacity for LPG, after the Iran war exposed how few importing countries hold enough stocks to ride out a major supply shock, delegates heard at Liquid Gas Week in Istanbul this month.

LPG has emerged from the crisis as a strategic energy security fuel, and the next step is developing physical storage backed by a co-ordinated emergency framework, the audience heard at the World Liquid Gas Association's (WLGA) annual event. This is the first global energy crisis in which LPG has been "front and centre", the IEA's head of sustainable transitions Daniel Wetzel told the audience. The cutting off of supplies to around 1.7bn that have gained access to LPG as a cleaner cooking fuel over the past 15 years has put it at the top of politicians' agendas, he said.

The industry has responded strongly through additional US exports and shifting trade flows, but the supply crisis has still exposed weak points. "There are more than 40 countries that have less than 30 days of operational and strategic [stocks] of LPG," Wetzel said.

IEA executive director Fatih Birol said during his opening keynote address that the agency is discussing with governments and the industry the possible development of an LPG security mechanism, drawing on lessons from the emergency oil stock system used in March to release around 400mn bl of crude and oil products.

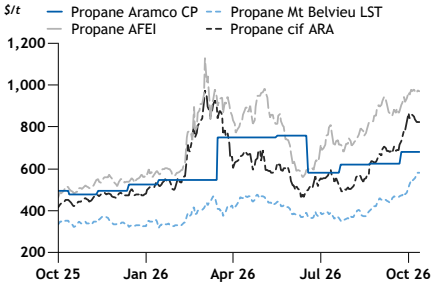
The IEA is working on a policy paper and position paper with a number of member countries and global LPG association the WLGA, Wetzel said, which could be released at the summit on clean cooking in Africa in Nairobi, Kenya, in January. It is important that any programme is not "one size fits all", Wetzel said, contrasting producing countries with landlocked African states that rely on a neighbours' ports.

Japan is one country to have established such a scheme. The country holds 50 days of national LPG stocks and 40 days of mandatory private stocks, Koichi Tanaka of the Japan LP Gas Association said, while households' standard two-cylinder systems add roughly another 30 days.

The US says it is ready to help pay for new storage capacity. "We simply do not have enough storage," said Shiyana Gunasekara, the US energy secretary's lead on global clean cooking access. She pointed to the Democratic Republic of the Congo, a market "which is massive" yet has "just 1,000t of storage". The US energy department is in talks with project developers of storage facilities all the way to cylinder manufacturers and last-mile distributors to help get them funded, she said. "We need to keep the door open for all financing options for LPG," she added, describing clean cooking access as "a national security issue. It's a global security issue".

Turkish energy minister Alparslan Bayraktar put the issue in the same terms. "Energy security is a fundamental priority for our national security," he said, adding that LPG "provides an important alternative for millions of consumers, particularly in times of supply disruptions".

International LPG pricing $/t



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EDITORIAL

Stocks for future shocks

The need for energy resilience and flexible fuels in more volatile times provides the LPG industry with a huge opportunity

The IEA's proposal for a global LPG reserve mechanism could create the strongest case yet for expanding storage infrastructure worldwide.

IEA executive director Fatih Birol and Turkish energy minister Alparslan Bayraktar told delegates at the World Liquid Gas Association's (WLGA) Liquid Gas Week in Istanbul on 14 October that LPG needs to be at the centre of the global energy security conversation. The agency is working with governments and the industry on developing an LPG security mechanism, and could unveil a new policy paper at the next summit on clean cooking in Africa in Nairobi, Kenya, on 27-28 January.

For an industry that has long made the case of LPG's value as a clean and easily transportable fuel for cooking in the developing world, backed by a global supply chain, this high-level emphasis on the need for protection from supply shocks amid the Iran war signifies how far LPG has come under the clean cooking movement.

The world is "facing the largest energy security threat in history... with more than one-third of LPG trade passing through the strait of Hormuz, mainly to Asia", Birol said. Noting more than half of all LPG is used in homes for cooking and heating, he added: "The current energy crisis is directly affecting the heart of daily life."

Energy security is also a matter of national security, Bayraktar told the audience. "We cannot afford to depend on a single energy resource, a single supplier," he added, nor on any one technology or transport route. That "is precisely why LPG deserves greater attention". LPG "is sometimes a little bit overshadowed by its big brothers, natural gas and oil, but its contribution to energy security should not be underestimated", Bayraktar added. "With its flexibility, portability and accessibility, LPG provides an important alternative for millions of consumers, particularly in times of supply disruptions."

Turkey has a large LPG market, as the world's second-largest autogas consumer. This means that industry must seek to "strengthen supply chain resilience through diversified sources, reliable infrastructure and stronger international co-operation", he said — something an emergency reserve scheme could help deliver.

The need for compact and portable energy such as LPG is increasing despite the electrification drive, Turkish distributor Aygaz's chief executive Melih Poyraz said. "LPG is needed to keep energy flowing when other systems fail," he said.

The need for energy resilience and flexible fuels in more volatile times provides the LPG industry with a huge opportunity, distributor DCC chief executive and WLGA president Donal Murphy said. But this opportunity requires substantial investment — in tanks, terminals and caverns. Japan as a key LPG importer has proven it is possible, with emergency reserves of around 2.5mn t, or 90 days worth of imports. India has possibly been the worst affected by the Mideast Gulf war given its limited reserves, prompting the government to ask state-run refiners to build at least 30 days of stockpiles. India is planning to build more storage capacity, while Rwanda and Vietnam are increasing strategic stocks.

An IEA framework would give investors the confidence to back new storage projects. Supply is not a concern, with millions more tonnes of LPG expected to flow from the US, as well as more from the Middle East, Argentina and Canada.

The easiest solution

Greater storage capacity and emergency reserves will be essential to the expansion of clean cooking across Africa. LPG is "the easiest solution today" for Africa's clean cooking transition, Birol said, and the infrastructure developed under a reserve scheme would help bring LPG to millions more homes in the region.

The clearest signal from the conference was that governments, the IEA and industry are now pulling in the same direction when it comes to LPG supply resilience. What matters now is whether the money follows.

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Q&A

IEA's Birol on LPG's key role in African clean cooking

Since the IEA's first summit on clean cooking in Africa in Paris in 2024, governments, development banks, NGOs and the private sector have stepped up efforts to expand access to modern cooking fuels across sub-Saharan Africa, where energy poverty remains most acute. LPG is still the most practical alternative to the harmful fuels used by close to 1bn people in the region, and the IEA has become one of its most prominent advocates despite its fossil-fuel status. Argus' Waldemar Jaszczyk spoke with IEA executive director Fatih Birol in the run-up to Liquid Gas Week in Istanbul this month about progress so far and the challenges ahead:

What key developments have been made since the first summit in Paris?
For almost 25 years, I have tried to raise this issue. Every year, we publish the *World Energy Outlook* and highlight how many people lack access to clean cooking, country by country. After trying to push it almost alone, I was very happy to see growing interest. Based on my discussions with different government leaders, we organised the first IEA summit with great success. We had more than 1,200 delegates and almost 10 heads of state. Together, we raised pledges worth $2.2bn. At the end of the meeting, I told government leaders around the world, as well as delegates and the press, that we would track this $2.2bn. About $740mn of this has now been deployed, or one-third. We have a list of projects across Africa, that are mainly LPG — terminals in Kenya and Tanzania, new stove manufacturing in Nigeria and stove deployment in Senegal.

'For almost 25 years, I have tried to raise this issue... After trying to push it almost alone, I was very happy to see growing interest'

The summit was the first such meeting in history. But there are two other events that I want to draw attention to. The most recent was during the UN General Assembly, when a dedicated clean cooking session took place for the first time. I co-chaired it with Kenyan president [William] Ruto. We had many ministers, including US energy secretary Chris Wright. The third event will be in Nairobi in January. I understand there is huge interest from governments and companies in attending. It will be organised by Kenya, Norway and the IEA. I have received a lot of support from the World Bank. Its president Ajay Banga was in New York, and he will also be coming to Kenya. I will also chair the World Economic Forum in Davos a few days before our second summit in Nairobi. I am going to include, again for the first time, a session dedicated to clean cooking and LPG.

The World Bank suggested a bold proposal would be forthcoming in Nairobi. Can you give any more information on it?
We are in discussions with the World Bank on what would be most helpful. Pledges from governments, the private sector and oil and gas companies are definitely important. But a well-designed bond scheme from the World Bank would be helpful. In my view, the small IEA, with its limited means, has spent the past 25 years raising this key developmental issue in international forums. I think the World Bank should have done so much earlier, as its key objective is development in emerging countries. In my view, the World Bank has, until now, failed to address this issue. So I am very happy that it is now joining forces with us. We are working very closely with the World Bank, the African Development Bank and others. We hope to reach an agreement and make an announcement in Nairobi this year on the bond scheme.

'In my view, the World Bank has, until now, failed to address this issue. So I am very happy that it is now joining forces with us'

Do you think this scheme would be a game-changer for financing clean cooking?
I think it has real potential, but it is still early days. The key question is how effectively the model can be scaled and translated into investments on the ground. Our analysis shows that closing the clean cooking access gap in Africa by 2040 would require around $2bn/yr in up-front investment. The IEA works with a wide range of companies across Africa that are helping expand clean cooking

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Q&A

access and could benefit from this type of financing. We are exchanging with the World Bank to help identify the right partners and ensure that the capital mobilised supports the investments needed on the ground.

What progress has been made in connecting Africa's clean cooking transition to carbon markets?
Carbon markets are already an important part of the financing model for many clean-cooking developers in Africa. By our accounting, carbon credits represent one in every eight dollars flowing into Africa's clean cooking sector. But concerns about the integrity of some projects and the application of certain methodologies have shaken market confidence, and contributed to a credits oversupply, putting downward pressure on prices. Rebuilding trust is therefore essential. There is encouraging work under way, including the application of the Integrity Council for the Voluntary Carbon Market's Core Carbon Principles and the development of more robust methodologies under the Paris Agreement Crediting Mechanism.

How has the Iran war impacted clean cooking transitions to LPG?
When people look at prices, they look at the crude price, but nobody uses crude directly. People use LPG, diesel and other products. LPG is used mainly in developing countries and by lower-income groups, so there was a major problem. We are seeing many developing countries face serious challenges and shortages as prices remain very high. At least 30 significant LPG-consuming countries have less than 15 days of storage left. We already have an oil security mechanism under which we release stocks when there is a market disruption. We are now developing a clean cooking security programme to help countries establish fuel security and emergency response frameworks, and expand strategic and commercial storage capacity. If I had to identify those most vulnerable to the effects of this Iran war, I would say LPG users in the developing world, especially in Africa and Asia.

'At least 30 significant LPG-consuming countries have less than 15 days of storage left'

How will the security programme work in practice?
The programme is focused on making clean cooking markets and supply chains more resilient. In practice, the programme will bring together governments, companies and civil society to identify and advance priority actions. These could include strengthening domestic policies, investing in critical infrastructure and improving international co-ordination to diversify supply and manage disruptions. The IEA brings significant expertise in energy security and policy design. We can work with governments to assess their local energy systems, identify vulnerabilities and develop practical policy approaches to address them.

'Clean cooking is, in my view, the biggest injustice among global energy issues. It can also be solved relatively easily'

What role does the LPG industry play in expanding access?
Clean cooking is, in my view, the biggest injustice among global energy issues. It can also be solved relatively easily, without discovering new technology or requiring huge investment or financing. When we consider the solutions, which is the easiest and most cost-effective? Our country-by-country, fuel-by-fuel analysis shows that LPG is the number one answer. Our analysis also shows that, among people who gained access to clean cooking in the past 15 years, about three-quarters did so through LPG and one-quarter through other sources. India made a major achievement through the PMUY programme. Prime Minister Narendra Modi once told me that our contribution to this programme helped him win elections in India, thanks to votes from women whose lives changed when they gained access to LPG. I therefore see LPG as the primary response to the clean cooking challenge we face. That is why I thought it would be important for the IEA and the WLGA to join forces to organise the meeting in Istanbul. I know LPG has many

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Q&A

uses, but focusing on clean cooking has two advantages for business leaders. First, it is a huge market. Second, it may be good for reputation to be seen as an enabler in addressing one of the biggest injustices in the world.

Are we still on track to reach universal access in Africa by 2040 in spite of the current challenges?
The crisis has certainly created headwinds and real hardship for many households. But political momentum behind clean cooking is continuing to grow, and the number of people gaining access each year is expected to increase. Unfortunately, progress remains too slow and is concentrated in a handful of countries that have made clean cooking a priority and attracted the investment needed. If countries were to accelerate towards the best rates of progress already demonstrated, Africa could close its clean cooking access gap by 2040. Universal access is achievable, but it requires a step change in action. What matters between now and 2030 is laying the foundations to make that possible. For me, success by 2030 means that governments, the private sector and civil society are all taking concrete steps to accelerate progress. Through our summit in January in Nairobi, the IEA is working to bring these actors together, strengthen commitments and turn growing political momentum into the policies, investment and action needed to put Africa on a path to universal clean cooking access.

LIQUID GAS WEEK

Renewable LPG needs partners beyond LPG

Policy support is crucial if the renewable sector is to convince investors to look past its current uncertain demand future, writes Matt Scotland

The LPG industry must build partnerships beyond its traditional value chain and secure supportive policy frameworks if renewable LPG is to move from being a niche by-product to a mainstream fuel, delegates heard at Liquid Gas Week in Istanbul over 12-16 October.

European demand for renewable LPG is expected to exceed supply in every scenario to 2035, distributor SHV Energy's global director of renewable solutions and sustainable fuels, Georgie Debenham, said. The difficulty is accelerating investment despite an uncertain demand future. "The challenge is larger than that of just one company," she said, arguing that the scale of the energy transition requires alternative sources of capital. She pointed to sustainable aviation fuel (SAF), where mandates and dedicated funding mechanisms have helped de-risk projects.

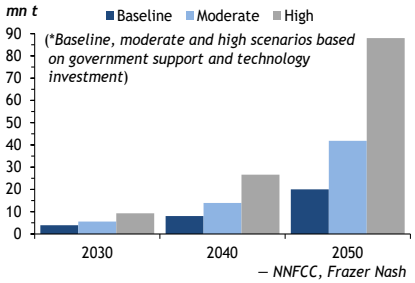
In the US, most renewable propane is produced as a by-product of renewable diesel and SAF plant operations, said Douglas Dagan, senior vice-president for renewable energy at US distributor Suburban Propane. Estimates of current US renewable propane production range 4mn-40mn USG (7,700-77,000 t/yr). Distributors need to engage much earlier in project development. By the time a biorefinery reaches production, feedstock, technology and offtake agreements for its primary product are often already locked in, Dagan said.

Policy support is critical. California's low-carbon fuel standard credit prices fell to $40 from around $200 over 2021-25, causing investment to stall, he said. But recently, federal production incentives have encouraged refiners to separate and market renewable propane.

Technology-neutral, carbon intensity-based mandates that tighten over time would give investors greater confidence, Dagan said.

Global renewable LPG production capacity stands at about 350,000t, according to the Liquid Gas Europe (LGE) association. But a significant proportion of this is consumed internally at the plant or goes to petrochemicals. Feedstock availability is not a long-term constraint, LGE says, and it is advocating a 35-40pc renewable liquid gas mandate for EU heating markets.

Renewable LPG, DME output forecast



— NNFCC, Frazer Nash

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LIQUID GAS WEEK

Turkey's 'resilient' autogas market faces EV test

After decades of investment and support, the world's largest autogas fleet faces stiff competition from electrification, writes Yasmin Zaman

The Turkish autogas sector is one of the world's largest and most resilient autogas markets thanks to its substantial vehicle fleet, robust regulations and extensive refuelling and vehicle conversion infrastructure, delegates heard at Liquid Gas Week in Istanbul this month. But the rapid growth of electric vehicle (EV) sales is emerging as a significant long-term challenge for the sector.

Autogas is likely to retain its significant share of the Turkish car transport sector for many years, even as EV sales increase, industry representatives told the conference held by the World Liquid Gas Association over 12-16 October. Turkey has around 5.3mn autogas vehicles on the road, they said, the largest fleet in the world — its demand of 3.3mn t in 2025 was second only to Russia's 3.5mn t, *Argus* data show.

The market's strength stems from the foundations laid in 1996, when the industry focused from the outset on positioning autogas as a branded, reliable fuel rather than a commodity, helping to build trust among motorists, Ipragaz's chief executive Eyup Aratay said. Initial demand came largely from taxi operators seeking lower-cost fuel, but adoption accelerated after 2000 as more consumers embraced LPG conversions. This growth has continued even through periods of economic turbulence and even during the Covid-19 pandemic, delegates heard, although the market is now entering maturity after decades of expansion.

Strong regulations and ensuring product quality were key contributors to the market's longevity, speakers said. Maintaining strict standards for autogas quality continues to be essential to preserving consumer confidence, Milangaz's LPG operations director Can Toydemir said. Imported LPG must meet domestic specifications before entering storage terminals, ensuring compatibility with the country's autogas distribution network and vehicle fleet.

Turkey has also developed a comprehensive regulatory framework for vehicle conversions to autogas. Certified workshops carry out conversions, while installed systems are subject to technical standards and periodic inspections designed to ensure continued safety and reliability. This combination of quality controls and assurances has helped address concerns about the safety of LPG-powered vehicles and supported wider adoption across the country, industry executives said.

Against the current

A continuing advantage for the sector is the ability to convert existing gasoline vehicles during the country's present economic headwinds and rising gasoline and new vehicle prices. But despite the sector's strong foundations, industry participants acknowledged that EVs are becoming an increasingly significant competitor. These account for around 30pc of vehicle sales in Turkey today, according to Toydemir, as more supporting infrastructure is rolled out. But Toydemir remains optimistic for the outlook of Turkish autogas given the vehicle fleet should continue to grow in the coming years and more vehicles are converted. Approximately 70pc of vehicles in Turkey can potentially be converted to autogas, he said.

Gasoline vehicle conversions are likely to sustain Turkish autogas demand in the medium term, slowing the impact of rising EV adoption, the industry experts said. Over the longer term, the benefits of affordability, and robust regulation and safety standards that helped establish LPG as a mainstream road fuel will increasingly face stiffer competition from electrification.

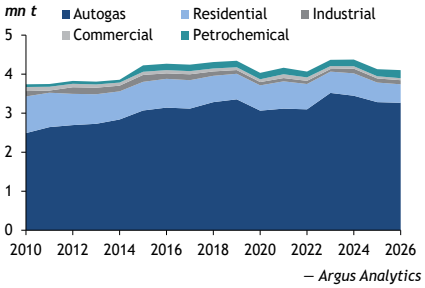
For now, the country's large LPG vehicle fleet, mature conversion network and established regulatory framework will provide a strong foundation for demand. But as EV adoption accelerates, the long-term trajectory of Turkey's autogas market will hinge on whether LPG can maintain its economic advantage in an evolving transport landscape while continuing to attract new vehicle conversions of an ageing gasoline fleet.

Top 10 autogas markets

	Demand *mn t*	Fleet *mn*	Retail sites *'000*
Russia	3.5	3.1	4.7
Turkey	3.3	4.9	10.1
South Korea	2.5	1.8	1.9
Algeria	1.9	1.1	1.4
Kazakhstan	1.8	0.7	3.1
Poland	1.8	3.2	7.3
Italy	1.6	2.9	4.6
Mexico	1.4	0.4	2.3
Thailand	1.0	0.8	1.7
Ukraine	1.0	1.6	2.8

— *Statistical Review of Global LPG 2026*

Turkish LPG consumption by sector



— *Argus Analytics*

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LIQUID GAS WEEK

S America's importers, exporters gear for growth

Governments' efforts to fight fuel poverty and ensure supply security will see regional imports rise, writes Efcharis Sgourou

South America's largest LPG importers — Brazil, Chile and Colombia — are expected to ramp up their intake in the coming years as their domestic markets expand significantly, delegates heard at the Liquid Gas Week conference held in Istanbul, Turkey, over 12-16 October.

The US is likely to be their major supplier, but will be increasingly supported by Argentina as it expands its export capacity in the coming years and benefits from trade routes free from bottlenecks and geopolitical disputes, the audience heard.

Brazil is already tackling fuel poverty by providing around 15.5mn more low-income households with LPG for cooking through its Gas do Povo scheme, which it successfully rolled out by July — although demand has yet to significantly rise. "Two million low-income households still cook mainly using firewood, mostly in rural areas [that are easy to reach], so this is a problem we should address," the Brazilian energy ministry's national secretary for oil, gas and biofuels, Renato Dutra, said.

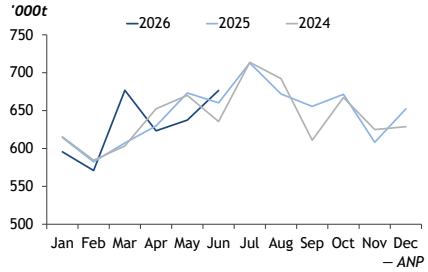
The government launched Gas do Povo, or People's Gas, in November 2025 as a replacement to the Auxilio Gas scheme, which targeted around 5.5mn homes but struggled with subsidy leakage. "We plan to target 17mn families, around 60mn people, or 30pc of the Brazilian population. [Gas do Povo] has a budget of $1bn/yr, so we have tripled the target without increasing the budget a lot," Dutra said.

The scheme has so far reached around 14.7mn families. Many of the remaining household beneficiaries are located in remote regions with limited access to conventional distribution infrastructure. LPG cylinders must be transported by river to communities in parts of the Amazon that cannot be reached by road.

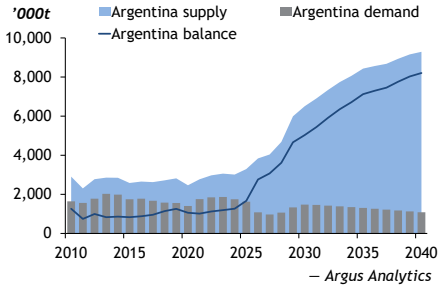
Reaching the remaining households is likely to prove the most difficult stage of the rollout, according to Dutra. "We need to do more — we have to close the last-mile gap."

As well as being expected to import more LPG, Brazil is increasingly diversifying its supply sources. The country imported 1.6mn t of LPG in 2025, down from 1.8mn t in 2024, according to Kpler data, which was largely owing to higher domestic output from gas processing and refineries. But it also increasingly brought in supply from Argentina, taking a record high 720,000t, or 45pc of the total, up from less than 600,000t, or 33pc, a year earlier. Imports from the US stood at 800,000t, retaining the majority share but dropping by 30pc. This trend has continued this year. Brazil has imported just under 1mn t of LPG as of mid-October, with Argentina supplying 422,000t of this, equivalent to 42pc of total inflows.

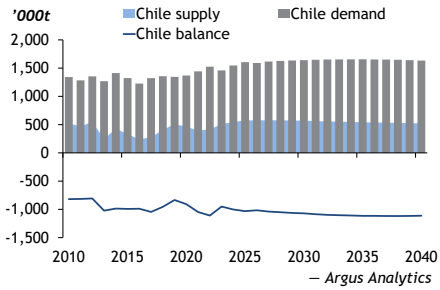
Brazil LPG sales



Argentina LPG supply/demand balance



Chile LPG supply/demand balance



Milking the cow

This diversification is backed by Argentina's emergence as a major LPG exporter as it develops its Vaca Muerta shale basin. State-owned YPF expects LPG production in the country to rise to 7mn-9mn t/yr by or after 2031, up from just under 3mn t/yr currently, creating additional export opportunities, the company's general manager Juan Gimenez said (*see p11*).

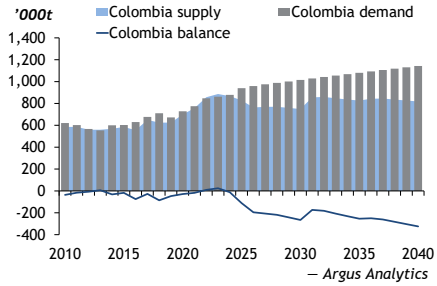
Chile is another importer that could benefit from more Argentinian supply. The country imported more than 1mn t of LPG in 2025, with almost all its cargoes from the US Gulf coast. But declining domestic production and growing concerns around supply security are prompting buyers to explore alternative sources.

"Today we import most [LPG] from the US, from Houston, [so] of course Argentina could be an important supplier not just for Chile but for South America," Chile-based LPG distributor Abastible's chief executive Joaquin Cruz said. Chile is likely to become increasingly reliant on imports as domestic production declines. Supply security has also become a higher priority following disruptions to global trade routes and restrictions at the Panama Canal. "The next 3-4 years, we could change where we are supplying [from]," Cruz said.

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LIQUID GAS WEEK

Colombia LPG supply/demand balance



In Colombia, rising LPG demand is being driven primarily by declining domestic natural gas availability and higher gas prices, which have encouraged consumers and industries to switch to LPG. The country's imports are expected to increase to meet this additional demand, but unlike Brazil and potentially Chile, the economics for receiving more from Argentina are slightly less compelling.

Colombia relies on its seaborne imports from the far nearer US Gulf coast and the Dominican Republic. Arrivals so far this year stand at around 500,000t, the largest on record and putting them on course to nearly triple from 2025, Kpler data show. Around 60pc of Colombia's LPG imports this year originated from the US and most of the balance the Dominican Republic, while no cargoes have been imported from Argentina since records began.

The domestic industry is "prepared" and investing in import facilities and distribution infrastructure as demand grows, backed by lower natural gas availability and higher gas prices, Colombian LPG association Gasnova president Alejandro Martinez told the event. "We are growing [and] we are prepared," Martinez said. "We are satisfying the need of the people, and we are providing the country security supply through diversification of energy sources."

And as trade and geopolitical disruptions continue to play out, South Americans are becoming increasingly aware of the importance of resilience and diversification.

LIQUID GAS WEEK

EU rules mount for Europe's LPG sector

Early and concerted engagement with lawmakers may be key to more favourable policy decisions, writes Matt Scotland

European LPG distributors face a growing burden of EU regulation from carbon border charges on imported steel cylinders to rules affecting transport fuels and heating markets, delegates heard at Liquid Gas Week in Istanbul over 12-16 October.

But a recent success story demonstrated the value of early engagement with policy makers, the audience heard. Under the EU's Packaging and Packaging Waste Regulation (PPWR), which took effect this year, LPG cylinders remained classified as packaging, meaning strict limits on lead content could have applied to cylinder valves. Brass valves typically contain around 2.2pc lead, around 220 times the regulatory threshold, European LPG association Liquid Gas Europe's sustainability manager, John Taylor, said. The industry argued that the regulation conflicted with existing dangerous goods rules governing valve materials, and the European Commission ultimately agreed that existing valves could continue to be used.

The decision avoided a substantial cost, given around 16mn-25mn cylinder valves are replaced each year in Europe, and even a €1 ($1.1) increase would have added €16mn-25mn annually to industry expenses, Taylor said. "If you're not at the table and you're not engaged, then what will happen is you'll have to react," he said.

A further challenge comes from the EU's Carbon Border Adjustment Mechanism (CBAM), which will apply to imported steel products, including LPG cylinders. Companies importing more than 50 t/yr of steel products must collect emissions data from suppliers, with importers required to begin purchasing CBAM certificates from February 2027.

The European industry is also fighting a broader policy battle over the role of liquid fuels in Europe's energy transition. Liquid Gas Europe estimates that around 7mn households, 700,000 businesses and more than 8.5mn vehicles in Europe rely on LPG. But policy makers increasingly frame the debate as one of electrification versus molecules, particularly as the EU moves toward its 2035 ban on sales of new internal combustion-engine vehicles.

The association is campaigning for a 35-40pc renewable liquid gas mandate in heating under the Renewable Energy Directive, arguing that long-term policy certainty is essential to support investment in renewable LPG.

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POLAND

Polish LPG industry confident despite high prices

The country successfully navigated previous upheavals and has invested in LPG infrastructure to reduce its exposure to shocks, writes Waldemar Jaszczyk

The Polish LPG market projected rare optimism in the face of the global price surge resulting from the Iran war, having successfully weathered previous shocks, delegates heard at a recent LPG conference in Poznan.

The market has come under pressure from the surge in international LPG benchmarks since the war began in late February, which lifted domestic autogas prices. Autogas sales in Poland fell by 11pc on the year to 548,000t in the second quarter, state energy agency ARE data show. The impact was amplified by the exclusion of LPG from temporary tax breaks on road fuels introduced to offset the impact of the war, which cut excise and value-added tax on petrol and diesel. The third round of the programme, which also sets maximum retail fuel prices, took effect on 3 October. Every successive support programme for drivers excludes autogas on the assumption that it is cheap anyway, Polish LPG association PIGP president Pawel Bielski told the event on 7 October.

Sentiment temporarily recovered over the summer as the arrival of the peak driving season coincided with a fall in global LPG prices. Seaborne LPG imports jumped by 22pc on the year to nearly 300,000t in the third quarter, also boosted by local refinery maintenance.

But the recent escalation of hostilities again drove up import costs, with the northwest European propane benchmark, the *Argus* cif ARA large cargo price, rising by 40pc since the start of September to a six-month high of $867.50/t on 9 October. The market is bracing for temporary tightness as it approaches the peak crop drying and heating seasons, global distributor DCC's manager for the central and eastern European region, Konrad Malec, told delegates.

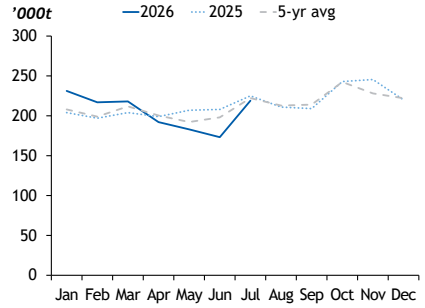
But the sector still projected cautious optimism about the future, having weathered the shock of losing its previous main supplier of LPG, Russia. The Polish market successfully pivoted to other supply origins following the EU ban on imports of LPG from Russia from late December 2024. Baltic Sea ports became the market's main supply route, with seaborne arrivals rising by more than three-quarters to 1.27mn t in 2025 from 700,000t in 2021, according to Kpler data. Last year went exceptionally well from a supply perspective, Bielski said. And the industry coped with the most recent embargo on Russian iso-butane, which took effect in January, by directly importing US product into the Gdynia terminal for the first time.

The shift in trade flows has prompted investment in LPG import and distribution infrastructure across Poland and the wider region, reducing the industry's exposure to shocks. Trading firm Unimot rented the 8,000t Wilhelmshaven terminal in northern Germany, invested in rail transport and chartered an LPG vessel. State-controlled Orlen Paliwa expanded the handling capacity of its Szczecin terminal on the Baltic Sea by 50pc to 400,000 t/yr in mid-2025. Latvian trading firm Latvijas Propana Gaze began re-exporting US propane after modernising its Riga terminal to receive larger vessels. Most recently, distributor Polski Gaz opened a new import facility near Szczecin, taking its first coaster delivery on 30 September.

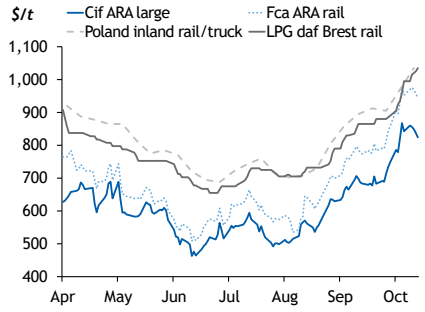
Safe and sorry

The Polish market also learned the pitfalls of being over-prepared, ending up heavily oversupplied in 2025 as importers contracted excess volumes in case competitors struggled to adapt to new supply routes. Firms entered 2025 holding 1.5-2 times their demand, distributor Baltykgaz chief executive Adam Lewandowski said. Under-lifting of term volumes weakened Polish buyers' credibility with northwest European suppliers. Selling pressure reduced margins and, together with infrastructure investment, caused multimillion financial losses among key companies.

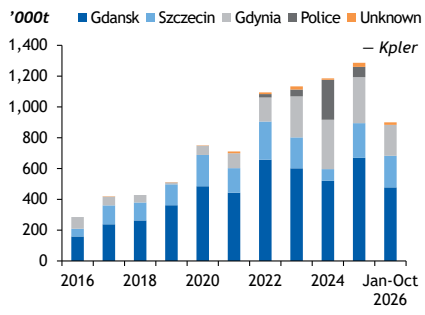
Polish LPG consumption



NWE, Polish LPG prices



Polish seaborne LPG imports



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POLAND

Unlike the Russian sanctions, the Iran war does not directly threaten LPG availability because Poland is supplied mainly from the US and northern Europe. The product will be available, but it certainly will not be cheap, Polish distributor Gaspol chief executive Ewa Gawrys-Osinska told delegates.

Autogas has regained its competitiveness against other fuels in Poland despite the recent price rises, supporting the domestic industry. The retail autogas-to-gasoline price ratio retreated to 47pc in October from a peak of 62pc in April. Consumers will judge LPG against other energy carriers, which are also becoming more expensive, Bielski said.

US BUTANE

Gasoline blending lifts US butane to four-year high

Winter blending season started early thanks to White House efforts to mitigate surging gasoline prices, write Amy Strahan and Dennis Kovtun

US butane prices at the Mont Belvieu hub in Texas hit a more-than-four-year high in October due to strong gasoline blending demand and the prospect of even higher exports in the fourth quarter.

The Mont Belvieu EPC butane price rose to 177¢/USG ($348.80/t) on 13 October, the highest since 10 March 2022, on elevated US gasoline prices, strong blending demand and atypically high exports for the time of year. Winter-grade gasoline blending season kicked in earlier than mid-September this year as the US administration waived summer vapour pressure limits to mitigate surging gasoline prices as a result of the Iran war — allowing more butane to be used. High temperatures in southern US prevented more butane blending but states in the north were able to implement relaxed rules and began stockpiling butane at Mont Belvieu.

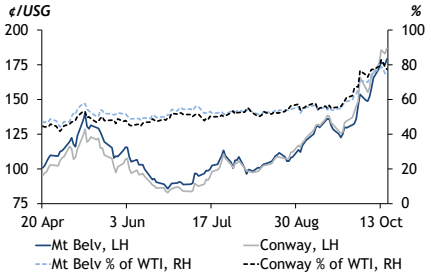
A threat of the US banning diesel exports led to even more bullish sentiment. Nymex Rbob gasoline futures averaged 336.24¢/USG in September, up from 200.1¢/USG last year, and started October at 340.26¢/USG before easing to 325.01¢/USG mid-month.

Even as gasoline futures eased, bids for butane remained high as buyers from southeast Asia and India turned to the US to replace lost Mideast Gulf supplies. US butane exports hit a record high of 893,000 b/d (2.6mn t) in May, according to the US EIA, as Asian buyers rushed to find alternatives to supplies cut off through the strait of Hormuz. Exports have eased since but remained elevated, at roughly 556,000 b/d in September, according to Kpler.

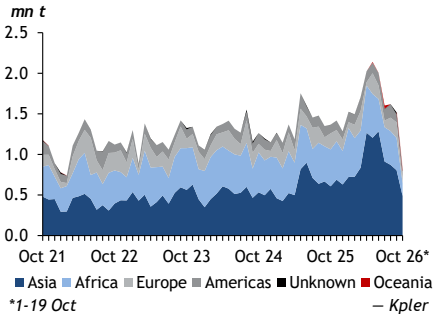
It looks increasingly likely that Asian importers will need more US LPG, including butane, over the remainder of this year owing to the Iran war. But demand is mainly prompt and as a result, the Mont Belvieu forward market is steeply backwardated. The October-November Mont Belvieu spread widened to a 12-13¢/USG backwardation on 13 October as prompt prices continued to rise, compared with a contango of 0.125¢/USG a year earlier.

Strong exports are driving butane prices this month as they outpace gasoline levels. Mont Belvieu butane increased to 54.4pc of Nymex Rbob gasoline by mid-October from 42.7pc at the start of the month and up from an average of 44.9pc in the first half of October 2025.

US butane prices, vs WTI crude



US seaborne butane exports



North by northwest

Butane prices in Alberta, Canada, have also climbed to levels not seen since January 2022. Prices at the Edmonton hub reached 72.3pc of the calendar month average of Nymex WTI crude — against which it is usually traded — over 13-14 October.

Butane prices on an outright basis have also risen to levels not seen for several years. The Edmonton assessment stood at 157.81¢/USG on 14 October, the highest since November 2021. These gains have been driven by increases at the Conway and Mont Belvieu hubs in the US.

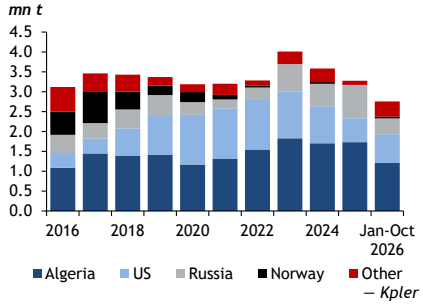
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LIQUID GAS WEEK

Turkey's Aygaz warns of difficult supply outlook

LPG distributor fears long-lasting disruption resulting from current geopolitical upheavals, writes Efcharis Sgourou

Turkish seaborne LPG imports



Turkey's largest LPG distributor and importer, Aygaz, warned that securing product has become increasingly challenging, as conflict in the Middle East and earlier Panama Canal transit restrictions disrupted global shipping and tightened vessel availability, delegates at the recent Liquid Gas Week in Istanbul heard.

"This year has been hell," Aygaz supply chain director Elifcan Yazgan said, referring to the difficulty of securing vessels and moving LPG from producers to consumers. Aygaz buys 2.5mn t/yr of LPG and expects to secure the same volume this year despite the logistical challenges. But Yazgan cautioned that shipping constraints are likely to persist in the coming years.

She said the company would like to source LPG from nearby suppliers such as Algeria, as well as from the US, but moving product to users remains a challenge. Longer shipping times, higher freight costs and limited vessel availability have complicated procurement and can ultimately lead to demand destruction if customers are unable or unwilling to absorb higher costs.

Strong demand from Asia, particularly after Middle Eastern supply was disrupted by the Iran conflict, has contributed to bottlenecks by drawing vessels east for longer periods. The impact was especially pronounced when earlier this year, transit restrictions were also limiting vessel movements through the Panama Canal, which offers the most direct route between US suppliers and Asian buyers.

But Aygaz expects some relief from the arrival of two dual-fuel VLGCs, due for delivery over 2028-29, reducing its dependence on third-party vessel availability.

Yazgan said recent disruptions could have a lasting effect on buying behaviour as importers seek to diversify their supply sources. "Even if the war ends, I am not sure that all the major buyers in the east will go back to the Middle East supply. I am sure they will be carrying over generations this trauma," she said.

"Because of the geography we are surrounded by disruptions," Yazgan added, citing the Russia-Ukraine war and the more recent conflict involving the US and Iran.

LIQUID GAS WEEK

Argentina LPG availability to more than double: YPF

Additional output from Vaca Muerta will be available to the global market as regional demand is set to remain steady, writes Efcharis Sgourou

Argentina's LPG availability will more than double in the next five years, state-owned YPF's general manager Juan Gimenez told attendees of Liquid Gas Week in Istanbul over 12-16 October.

Argentina is positioning itself to significantly expand production as oil output from the Vaca Muerta shale formation ramps up, Gimenez said during the event held by the World Liquid Gas Association. LPG availability is forecast to increase to 7mn-9mn t/yr by or after 2031, from current levels of just under 3mn t/yr, he said.

With regional demand likely to remain broadly steady, the additional supply will be available to the global market, according to Gimenez.

Argentina exported just over 1mn t of LPG in 2025, the majority to neighbouring countries including Brazil and Chile, and 115,000t to China, shipping data show.

Argentina could offer greater supply diversification, particularly as many buyers seek sources away from major geopolitical conflict zones, Gimenez said.

YPF said the Vaca Muerta formation holds the world's fourth-largest shale oil resource, estimated at 16bn bl, and the second-largest shale gas resource, estimated at 300 trillion ft^3 (8.5 trillion m^3). Full development will require the drilling of around 10,000 wells, necessitating substantial long-term investment.

Argentina has a number of gas processing and natural gas liquid fractionation projects in the pipeline. The government in August also overhauled its authorisation framework for LPG export licences, to streamline the process and help companies to increase overseas shipments and invest in new infrastructure.

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NORTHEAST ASIA

Chinese LPG wholesale prices hit record high

State-owned refiners have raised residential prices, while the country's LPG production has come under pressure

Chinese LPG prices



Chinese wholesale LPG prices climbed to their highest on record this month as a result of the ongoing Iran war and the decision not to remove import tariffs on US LPG following trade talks.

A number of state-owned refiners raised residential LPG prices to new highs by mid-October. Sinopec Guangzhou raised prices to 8,225 yuan/t ($1,228/t, including 9pc value-added tax), Sinopec Zhenhai to Yn7,725/t, Sinopec Shanghai to Yn7,875/t, and Sinopec Qingdao to Yn8,175/t.

Import prices to China have also surged. The propane and butane Argus Ningbo Index (ANI), basis cfr east China, averaged $1,049/t and $1,087/t, respectively, during 1-19 October, the highest monthly average since January 2021.

China's LPG production has come under pressure over the past three months. Crude runs at domestic refineries fell by about 16pc on the month in July and 6.9pc on the month in August, data from the National Bureau of Statistics (NBS) show. China's LPG production declined by 17pc on the month in July and by 15pc in August.

China's commerce ministry also eased restrictions on refined product exports from July. Higher export margins for gasoline and diesel encouraged major refiners to maximise clean product yields and cut LPG production.

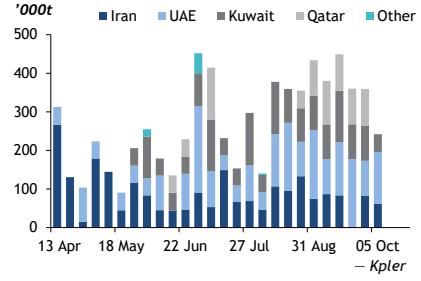
Domestic LPG output is likely to remain depressed this month, according to market participants. China's commerce ministry resumed approvals for clean product exports, reversing a suspension imposed during the 1-7 October National Day holiday, which could prompt refiners to continue prioritising gasoline and diesel over LPG yields.

MIDEAST GULF

Mideast Gulf shipping threats curb STS transfers

Iran has increased attacks on commercial shipping in and outside the strait of Hormuz, writes Charlotte Buchanan

Mideast Gulf LPG exports via Hormuz



Mideast Gulf producers are becoming more reluctant to move VLGCs through the strait of Hormuz or conduct ship-to-ship (STS) transfers outside the strait, with overall shipments sliding.

Some LPG shipments from the Mideast Gulf are still being exported through the waterway, but numbers have slowed considerably. Exports through the strait have reached 2.68mn bl this month, down from 7mn bl in the first two weeks of September and from 14mn bl during the same period in October 2025, Kpler data show.

Around 10 VLGCs have crossed the strait this month. Three were carrying Iranian cargoes along the northern Iranian-controlled lane and six transited without their automatic identification systems enabled, probably passing along the southern lane and originating from non-Iranian Mideast Gulf producers.

Shuttling activity through the strait has fallen this month, as an escalation in Iranian military strikes has heightened security risks for commercial shipping, prompting many charterers to delay fixing ships.

Kuwait's state-owned KPC has shuttled two cargoes of LPG totalling 1.1mn bl this month. The cargoes were delivered to India's west coast for transhipment before heading to east Asia. KPC shuttled 10 cargoes totalling 4.2mn bl in September. Transits from Adnoc's shipping arm Admic have reached 1mn bl this month, across two cargoes, with one cargo conducting an STS transfer onto a secondary vessel off Sohar, Oman.

Iran's Islamic Revolutionary Guard Corps Navy on 9 October claimed an attack on a large LPG carrier that was travelling through an "unauthorised route". Two more vessels came under attack on 13 October in the strait, according to the UK Maritime Trade Operations centre. The incidents follow strikes on six commercial vessels over the weekend of 10-11 October.

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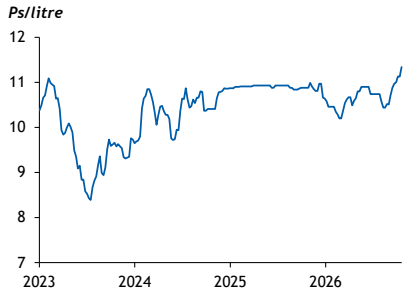
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LATIN AMERICA

Mexico LPG price cap hits highest since 2022

Logistics issues helped to push prices higher in the retail sector, writes Cas Biekmann

Mexico average retail LPG price



Mexico's average LPG retail price cap rose for a sixth consecutive week in mid-October, hitting its highest level since October 2022 amid rising US propane prices.

The average of 2,747 city-specific retail price caps over 18-24 October increased by about 2pc on the week to 11.34 pesos/litre ($2.32/USG). This is the highest level since the week started 9 October 2022, when it was Ps11.38/litre.

The lowest maximum retail price in Mexico, near important export hubs in the northern state of Tamaulipas, rose to Ps9.87/litre, up from Ps9.67/litre the week prior. The highest individual price rose to Ps13.32/litre, up from Ps13.11/litre, for Baja California Sur, where constrained logistics lead to higher prices. Prices for the week 19-25 October last year were Ps10.88/litre. Mexico changed the methodology to calculate the cap in January to give greater weight to regional distribution costs and domestic average LPG prices.

Prices of propane delivered to Mexico's east coast on 16 October rose by 6pc to $1.20/USG, up from $1.13/USG the previous week, according to *Argus* assessments. Prices for propane at the Mont Belvieu, Texas, hub rose last week supported by gains in crude prices and a larger-than-expected decline in inventories.

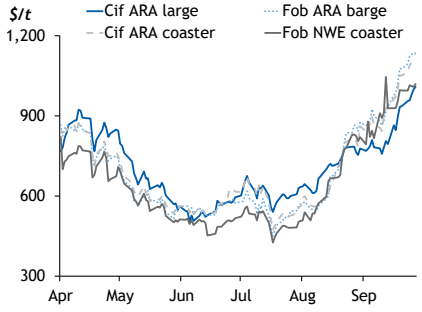
Mexico's energy safety agency Asea has separately updated emergency rules governing LPG road transport, introducing stricter compliance requirements. The nationwide standard, effective from 6 October for six months, requires companies to hold competency certificates for tractor-trailer drivers and provide annual training for tank-truck operators. Companies operating vehicles without valid operation and maintenance certificates will have 90 days to obtain them, and units lacking certification will be barred from transporting LPG.

NORTHWEST EUROPE

NWE butane surges on global tightness

All cargo sizes have seen prices rise across the region as competition for scarce supply mounts, write Peter Wilton and Waldemar Jaszczyk

NWE butane prices



Northwest European (NWE) butane prices are rising steeply as reduced Middle East exports continue to push Asian buyers towards the US. This is tightening availability for NWE importers from their swing supply source just as local production faces a squeeze from high natural gas prices.

Benchmark large cargo cif Amsterdam-Rotterdam-Antwerp (ARA) prices for 7,000-12,000t, 22,000t or 23,100t cargoes surged by nearly 26 percentage points from the start of September to more than 114pc relative to naphtha by 16 October.

The war has affected global butane balances to a greater extent than propane, supporting butane prices more. This reflects the roughly even propane-butane split of Mideast Gulf cargoes missing from the market being replaced by propane-heavy US exports. More recently, strong US winter gasoline blending demand has combined with high export volumes to push US butane prices to four-year highs. Exports are being driven largely by India, which is entering its peak festive demand period.

The regional supply squeeze increased large butane's gains as scarce refinery availability increased this year's blending demand surge for winter-grade gasoline, boosting ARA barge and coaster prices to all-time highs.

The butane barge ratio to physical naphtha on a cif ARA basis surged by 49.5 percentage points in the past six weeks to 125.5pc, an all-time high. Locally delivered coasters gained 42 points to 117pc over the same period.

Strong gasoline exports from the hub boosted demand for butane, with shipments to the US and Mediterranean up by 11pc on the year to 2.14mn t in September, Kpler data show. Rising European natural gas prices also curtailed butane sales from local refineries and North Sea terminals, while planned maintenance at the Karsto gas processing plant in Norway and the 270,000 b/d Fawley refinery in the US also cut supply.

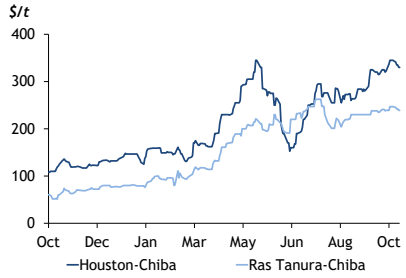
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SHIPPING

LPG carrier attack adds to VLGC freight surge

A series of strikes has dashed hopes of a recovery in Mideast Gulf exports, write Charlotte Buchanan and Matt Scotland

VLGC freight rates



Escalating attacks on commercial shipping in and around the strait of Hormuz, including a strike of an LPG carrier on 9 October, are adding support to already elevated VLGC freight rates.

Iran's Islamic Revolutionary Guard Corps said on 9 October that it had targeted the Vietnamese-flagged LPG carrier *NV Sunshine*, accusing it of using an "unauthorised route", and warned that it would no longer limit attacks to ships transiting Hormuz. A second vessel was also struck in the Mideast Gulf the same day.

The attack is the latest in a series of incidents targeting tankers in the region. The UK Maritime Trade Organisation reported at least five attacks on vessels transiting the strait of Hormuz via the US-protected lane along Oman's coast since 3 October.

The renewed security threat has further undermined hopes of a full recovery in Mideast Gulf LPG exports and normal shipping operations through Hormuz. While producers continue to export LPG through ship-to-ship transfers, regional supply remains far below historical levels, prompting Asia-Pacific buyers to increase purchases from the US Gulf coast.

This shift has helped push the Houston-Chiba VLGC freight rate to $345/t on 6 October, up by $25/t since the start of the month and the highest level since May. The Ras Tanura-Chiba rate climbed to $247/t, its highest since late July.

Freight rates have also been supported by tight vessel availability in the Atlantic basin. Higher Panama Canal costs and ongoing transit constraints continue to encourage ships to ballast around the Cape of Good Hope, adding around 20 days to voyages and keeping vessels occupied for longer.

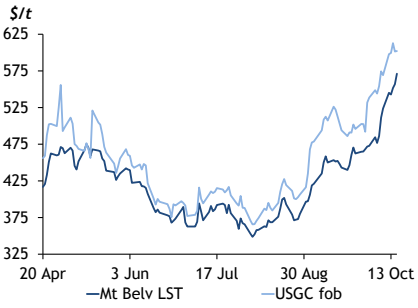
With Mideast Gulf export disruptions persisting and Asian propane prices strengthening, market participants expect US Gulf cargoes to remain the preferred source of supply for many buyers, maintaining support for both freight rates and tonne-mile demand.

NORTH AMERICA

US propane hits four-year high after tanker attacks

Fresh insecurity in the Mideast Gulf is spurring bullish sentiment ahead of the peak demand months, writes Amy Strahan

US propane prices



US propane prices surged to four-year highs on 9 October on reports Iran struck an LPG tanker in the strait of Hormuz, and continued to climb over the following week with no relief in sight to the curtailment of Mideast Gulf supply.

Mont Belvieu LST propane prices on the US Gulf coast rose to the highest levels since September 2022 on word that Iran's Islamic Revolutionary Guard Corps hit the *NV Sunshine*, which was attempting to transit the southern route through Hormuz. The price climbed by around 2.4¢/USG to 100.5¢/USG ($524.90/t) on 9 October, the highest since September 2022, and continued to rise over the next week, reaching more than 111¢/USG by 19 October — the highest since August 2022. The record high of 163¢/USG came in March 2022 following Russia's invasion of Ukraine.

The US is the world's largest exporter of LPG, shipping 1.8mn b/d (53mn t/yr) of propane and 544,000 b/d of butane in 2025, and US propane prices have climbed in the months following the Iran war as Asia buyers, including India, sought to secure more US-origin cargoes in the face of uncertainty over Hormuz transits. News of additional insecurity in the Mideast Gulf is only spurring additional bullish sentiment ahead of the peak demand months late in the fourth and early in the first quarters.

While outright US propane prices remain higher versus last year, Mont Belvieu LST propane's value relative to Nymex WTI crude futures rose to 45.4pc by 16 October, below the 46.1pc valuation on 16 October 2025, as US propane inventories were about 15pc above the five-year average, according to the US EIA.

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IN BRIEF

Asia-Pacific

PV Gas eyes LPG growth

Vietnam's state-controlled PetroVietnam Gas (PV Gas) plans to invest in LPG and LNG import infrastructure and increase international trade, to grow revenue by at least 10pc/yr to 2030. The company intends to develop a new import terminal in northern Vietnam after receiving investor approval, which will be able to store 60,000t of LPG and receive vessels of up to 100,000 deadweight tonne (dwt), company executive Phan Thanh Thao said earlier this month. PV Gas aims to supply more than half of Vietnam's LNG demand, which could reach 20mn t/yr by 2030 under the country's revised national power development plan. The firm has secured term LNG supplies for 2027-31, will supply the Nhon Trach 3 and 4 power plants, and is expanding its Thi Vai terminal to 3mn t/yr from 1mn t/yr while developing three additional LNG import terminals.

India's tile industry opts for propane

Indian tile manufacturers in the Morbi region of Gujarat state have begun using more propane over piped natural gas (PNG) this month as it remains more competitive despite climbing import prices. Propane prices in the region rose to 99 rupees/kg ($1.02/kg) in early October from Rs91.60/kg in September as a result of firming import costs, while PNG was unchanged at Rs90/m³. But propane stood at Rs8.90/kcal on an energy equivalent basis compared with PNG's Rs10.70/kcal. The rise in price has affected production plant utilisation in the region, with propane use at 5.5mn m³/d on a natural gas equivalent basis this month and PNG use at 1mn m³/d, bringing total consumption to about 6.5mn m³/d, below capacity of more than 8mn m³/d, traders say. But demand should increase in the coming months as monsoon season subsides and supplies rise, they say.

Europe

Romania seaborne LPG imports rise

Seaborne LPG deliveries to Romanian ports increased by 20pc, or 59,800t, on the year in January-September to 349,900t, supported by stronger regional demand, according to Vortexa data. Romanian marine terminals received a record 50,600t of LPG in September, up by 2,500t from August and the highest monthly volume this year. Higher seaborne imports have partly offset the loss of domestic production following the shutdown of the Lukoil-owned Petrotel refinery in October 2025. Before the shutdown, the refinery produced around 8,000-9,000 t/month of LPG. Market participants expect seaborne LPG deliveries to Romanian ports to increase further, supported by firm demand in Romania and Ukraine.

Shipping

Dubai's BGN orders four dual-fuel VLGCs

Dubai-based trading firm BGN has ordered four new 93,000m³ LPG dual-fuel very large gas carriers, scheduled for delivery in January 2030. The firm signed a deal with South Korean shipbuilder HD Hyundai Heavy Industries for the construction of the dual-fuel vessels capable of running on traditional LPG or conventional marine fuels. BGN's order will increase the company's owned VLGC fleet from 19 to 23 vessels. The agreement follows two earlier orders for four 90,000m³ VLGCs announced in April and two 93,000m³ VLGCs announced in June. The trading firm's order is part of a global trend of increasing VLGC shipbuilding. The global VLGC orderbook has seen a massive wave of ordering with approximately 155 VLGCs and very large ammonia carriers, representing 35.7pc of the existing fleet, to be delivered by 2030, with an estimated third of that total being ordered in the second quarter of this year.

Latin America

Argentina clears $3.2bn NGL projects

Argentina's government has approved gas company TGS' two natural gas liquids projects under the large investment incentive regime (Rigi), advancing more than $3.2bn in investments aimed at expanding Vaca Muerta NGL processing, transportation and export capacity.

The projects will increase NGL evacuation capacity from the Neuquen basin, helping remove infrastructure constraints that could limit further hydrocarbon production growth, economy minister Luis Caputo says.

The first project involves NGL separation facilities at Tratayen in Neuquen province. The second includes a 577km pipeline to transport NGLs to Bahia Blanca port, where TGS plans to build an NGL fractionation plant, storage facilities and export infrastructure.

The approvals advance TGS' integrated NGL project unveiled earlier this year with participation from state-owned YPF, Pluspetrol, Pluspetrol Cuenca Neuquina and Chevron Argentina. The broader development includes processing facilities designed to raise capacity at Tratayen to about 43mn m³/d and new export infrastructure in Bahia Blanca, Argentina's main LPG export hub.

The projects will generate around 19,000 construction jobs and contribute about $1.1bn/yr in export revenues once operations begin in 2030, Caputo says.

TGS has estimated the wider project could generate about $1.2bn/yr in exports while easing bottlenecks for growing NGL production from Vaca Muerta.

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IN BRIEF

Latin America

Venezuela weighs private role in LPG

Venezuela is considering a greater private-sector role in LPG distribution as it seeks to address persistent domestic shortages. Representatives of state-owned PdV, the oil ministry and Venezuela's gas processors' association discussed outsourcing LPG tank distribution, as well as the operation of associated gas pipelines and gas processing plants, association director Luis Herrero says. The industry is also seeking a master plan to increase natural gas production and fully meet domestic demand. Venezuela's gas output stands at about 4.1bn ft³/d (42.2bn m³/yr), most of which is associated gas at oil fields. As much as 80pc of this associated gas is flared at times, limiting LPG recovery and domestic availability, industry sources say. A unified domestic gas price and bidding rounds to develop non-associated gas resources are also under consideration.

Bolivia freezes prices through mechanism

Bolivia has introduced a mechanism that allows LPG distribution margins to adjust to diesel-related costs while keeping regulated consumer prices unchanged. Future changes in regulated diesel prices will be incorporated into wholesale and retail LPG margins. To prevent those adjustments from reaching consumers, the government will simultaneously modify discounts within the LPG pricing formula and compensate state-owned YPFB through fiscal credit notes. The decree sets wholesale margins at 0.75 bolivianos/kg ($64.21/t) and retail margins at Bs0.90/kg. It also establishes discounts of Bs1.19/kg for LPG produced at gas-processing plants and Bs1.53/kg for refinery-produced LPG. For refinery-produced LPG, the mechanism is designed to maintain the regulated sales price at Bs2.25/kg, equivalent to Bs22.50/10kg cylinder.

Brazil sets fuel tax rates, extends relief

Brazil has announced the specific goods and services contribution rates that will apply to fuel transactions under its consumption-tax reform. The PIS/Pasep and Cofins taxes on gasoline and other fuels are cut to zero over 10 October-9 November. Effective rates during the preceding 10 September-9 October period were 28.49 reals/m³ (2.158¢/USG) for PIS/Pasep and R131.51/m³ for Cofins. Among other cuts, will be taxed at R0.1677/kg, except when intended for domestic use and sold in cylinders of up to 13kg.

North America

US winter propane use to fall 1pc: EIA

US household average propane consumption is forecast to fall by 1pc on the year to 494 USG (0.9t) per home this winter owing to milder weather, according to US government agency the EIA. The EIA's total number of heating degree days (HDDs), a measure of demand, is estimated at 3,155 under a base case scenario, unchanged from the previous winter. Higher temperatures are forecast for northeast US, with 12pc fewer HDDs, while in the midcontinent they will drop by 2pc. But HDDs in southern US are forecast to rise by 1pc. Around 5pc of US households rely on LPG for heating, with the majority using natural gas. The warmer weather will lead to northeast US propane use for heating falling by 10pc to 515 USG. Demand in the midcontinent falls by 1pc to 641 USG per household, while in the south, consumption is forecast to remain stable at 365 USG per household.

US ethane hits 10-month high

Ethane prices at Mont Belvieu, Texas, rose to a more than three-year high of 31.25¢/USG ($232.70/t) on 15 October,supported by surging propane values and stronger natural gas demand. October ethane at the Enterprise Products (EPC) cavern rose by 1.35¢/USG to 29.25¢/USG, the highest since 8 December. Natural gas inventories rose by 85bn ft³ (2.4bn m³) to reach 3.5 trillion ft³, or 2pc above the five-year average, the US EIA said. The most recent injection marks the eighth consecutive week of meager inventory builds, a sign that hot weather in August and September helped absorb record gas production. Market participants suggested ethane's gains may also stem from test runs at Chevron Phillips Chemical's new 2.08mn t/yr ethane cracker

Construction to limit Houston ship traffic

A major bridge project in Houston, Texas, could lead to ship traffic restrictions for dozens of industrial sites along the Houston Ship Channel. The channel under the Beltway 8 bridge will be closed to all vessel traffic at 6pm every other day starting 8 November until May 2027, according to local port agents, due to construction of a new bridge. All closure schedules remain subject to weather conditions. The bridge construction site is located downstream from one of the Houston Ship Channel's largest industrial corridors. Major facilities upstream from the restricted area include Targa Resources' LPG export terminal.

Energy Transfer buys Vaquero for $2.6bn

US midstream firm Energy Transfer is to acquire Vaquero, a peer that focuses on natural gas gathering and processing in the Permian region of the southern US, for $2.6bn in cash and stock. The deal is expected to close in the fourth quarter. Vaquero operates the 675mn ft³/d Caymus gas processing complex, which includes a 300-mile (482km) pipeline network. This network connects to Energy Transfer's unprocessed NGL Lone Star pipeline as well as the Chaparral, Targa Grand Prix and Epic NGL pipelines. The takeover is expected to increase Energy Transfer's total processing capacity to about 1.2bn ft³/d (12.4bn m³/yr).

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TRADE FLOWS: NORTH AMERICA EXPORTS

US propane exports					'000 bl
	Jul	±% Jul 25	May-Jul	±% May-Jul 25	2026
Region					
Asia-Pacific	37,137	7.6	113,718	21.5	255,786
Latin America	15,441	12.3	42,377	9.1	89,972
Europe and Turkey	6,019	-26.5	19,335	-11.0	52,092
Africa	362	-65.4	4,390	2.0	11,541
North America	196	40.0	484	6.6	1,052
Middle East	0	-	300	-	339
Total	**59,155**	**2.7**	**180,604**	**13.7**	**410,782**
Country					
Japan	14,814	5.2	43,997	17.5	103,401
China	11,114	72.2	26,315	61.8	52,037
South Korea	2,724	-41.1	9,842	-24.7	24,367
Indonesia	2,357	-27.3	8,454	-0.5	18,907
Mexico	5,613	1.1	15,431	3.3	38,435
Netherlands and Belgium (ARA)	3,173	-11.0	8,915	-27.6	24,140

— *EIA*

US normal butane exports					'000 bl
	Jul	±% Jul 25	May-Jul	±% May-Jul 25	2026
Region					
Asia-Pacific	11,908	74.8	41,633	62.6	81,897
Latin America	3,082	56.2	6,857	18.8	13,119
Europe and Turkey	1,017	-68.0	5,795	-12.8	11,815
Africa	5,163	11.9	18,669	18.0	42,498
Middle East	0	-	243	-	338
North America	308	199.0	507	-1.4	1,264
Total	**21,478**	**28.7**	**73,704**	**35.6**	**150,931**
Country					
Indonesia	1,795	-19.1	6,744	20.4	15,291
South Korea	1,599	58.0	4,874	-7.7	9,063
Morocco	2,145	73.5	7,353	69.0	16,926
Egypt	408	-24.7	2,957	0.3	8,360
Turkey	257	-47.8	1,546	124.4	3,868
China	1,400	-	6,244	1,174.3	11,542

— *EIA*

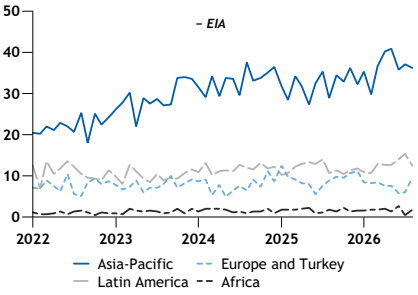
US ethane exports					'000 bl
	Jul	±% Jul 25	May-Jul	±% May-Jul 25	2026
China	12,469	29.5	41,919	97.7	92,162
India	3,159	99.9	7,108	-2.7	14,217
UK	264	-84.4	1,786	-52.2	3,885
Norway	1,322	22.2	3,928	5.5	10,264
Other	3,690	-4.3	11,503	-0.1	26,901
Total	**20,904**	**17.2**	**66,244**	**39.5**	**147,429**

— *EIA*

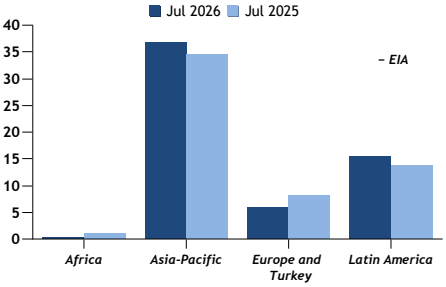
Canada LPG exports					'000t
	Aug	±% Aug 25	Jun-Aug	±% Jun-Aug 25	2026
US	417	14.2	1,433	35.6	4,179
Japan	100	100.0	249	25.3	499
South Korea	62	-	183	1,393.8	467
Mexico	20	25.2	77	29.3	119
China	124	-33.3	410	-26.6	1,208
Others	0	-	0	-	0
Total	**723**	**17.1**	**2,353**	**24.7**	**6,471**

— *Statistics Canada*

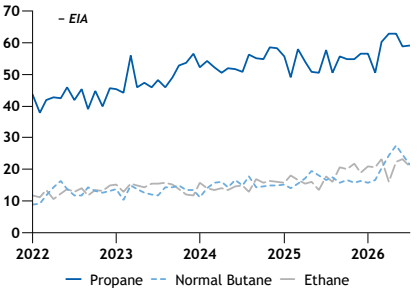
US propane exports by region *mn bl*



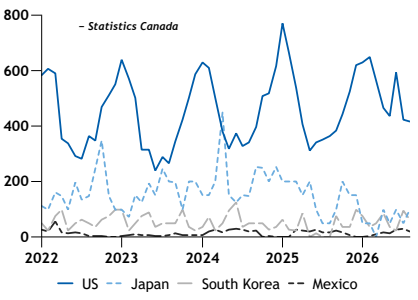
US propane exports by region, YoY *mn bl*



US propane, butane, ethane exports *mn bl*



Canada LPG exports by country *'000t*

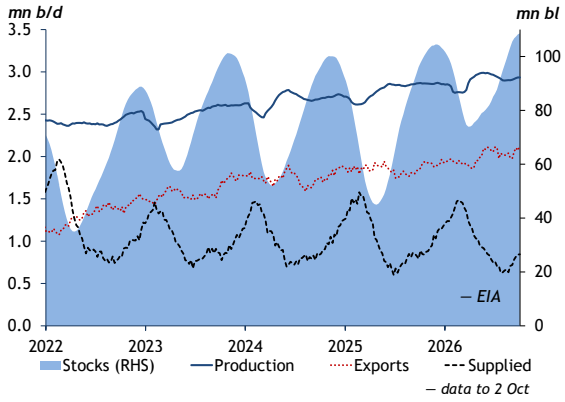


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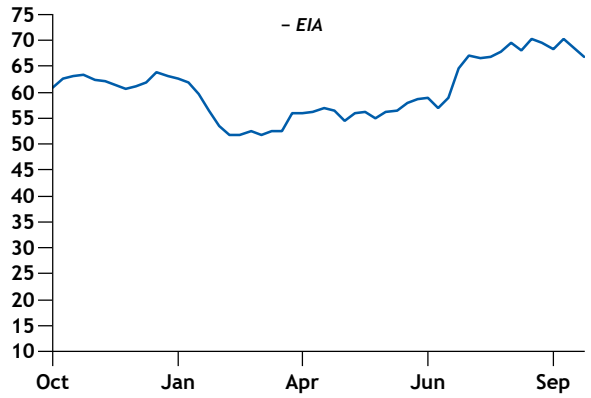
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INVENTORIES: US

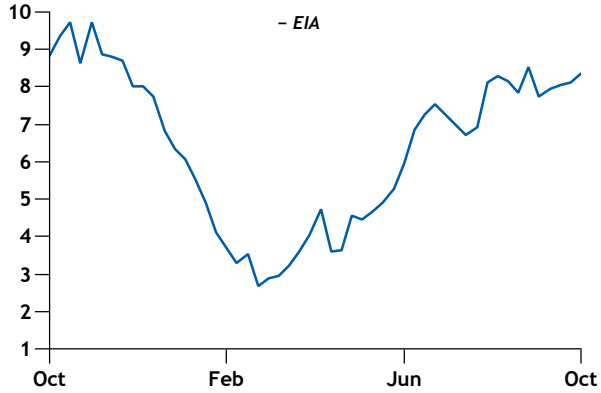
US propane fundamentals



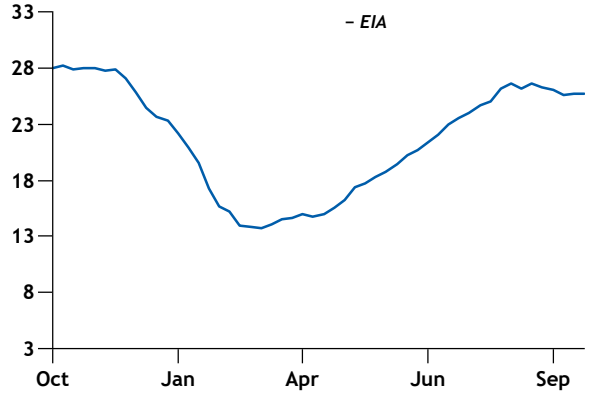
US Gulf coast stocks mn bl



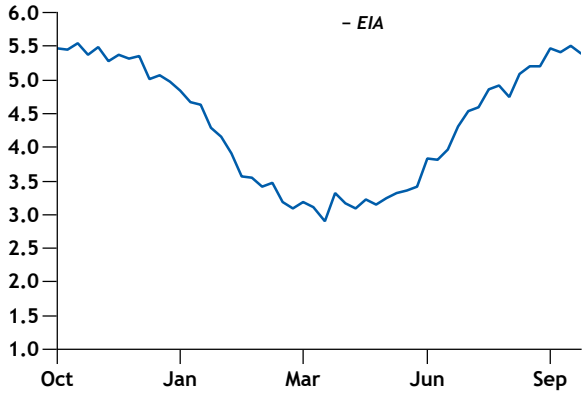
US east coast stocks mn bl



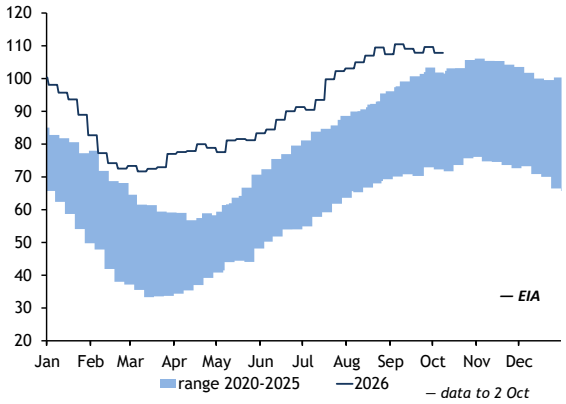
US midcontinent stocks mn bl



US west coast stocks mn bl



US Propane stocks



MARKET ANALYSIS

■ US propane inventories fell by 1.5mn bl to 106.4mn bl (8.6mn t) over the week to 9 October, driven by declines on the Gulf coast as domestic demand increased, the latest EIA data show.

■ US Gulf coast stocks declined by 1.9mn bl to 66.7mn bl, while other regions posted builds.

■ US east coast stocks rose by 232,000 bl to 8.34mn bl, and midcontinent stocks edged 9,000 bl higher to 25.7mn bl. Fractionated propane stocks dropped by 1.7mn bl to 70.9mn bl, making up 67pc of total inventories.

■ Domestic sales rose by 436,000 b/d to 1.21mn b/d, but exports declined by 472,000 b/d to 2mn b/d.

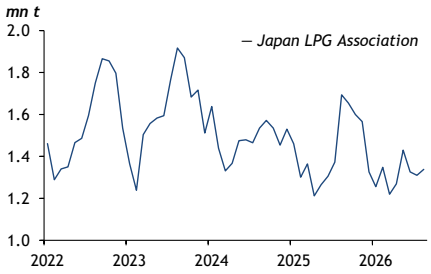
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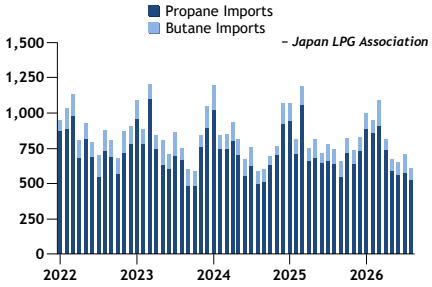
TRADE FLOWS: JAPAN, SOUTH KOREA

Japanese LPG imports							'000t
Imports by country	**Aug**	**Jun-Aug**	**Jun-Aug 25**	**26/25 ±%**	**Jun-Aug 24**	**26/24 ±%**	**2026**
US	583.7	1,838.6	2,127.0	-13.6	1,254.7	46.5	6,186.6
Canada	0.0	0.0	0.0	-	430.8	-100.0	0.0
Australia	28.2	121.1	104.0	16.5	219.6	-44.8	259.7
Middle East	0.0	0.0	4.3	-100.0	98.1	-100.0	33.2
Others	1.1	5.1	4.5	13.3	3.7	36.5	14.3
Total imports	**612.9**	**1,964.8**	**2,239.9**	**-12.3**	**2,006.8**	**-2.1**	**6,493.8**
Imports by product							
Propane	526.8	1,661.2	1,951.8	-14.9	1,672.7	-0.7	5,651.4
Butane	86.1	303.6	288.1	5.4	334.1	-9.1	842.5

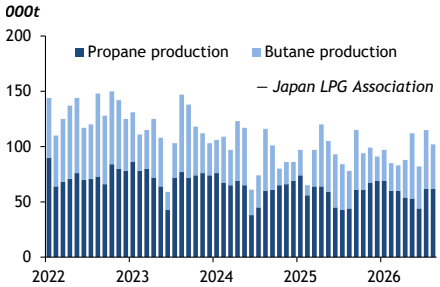
Japan: LPG stocks



Japan: LPG imports '000t

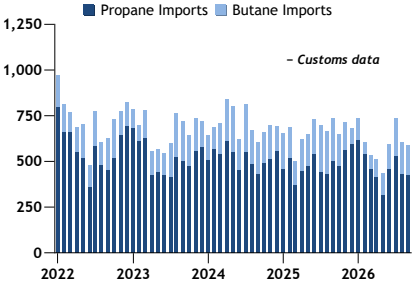


Japan: LPG production

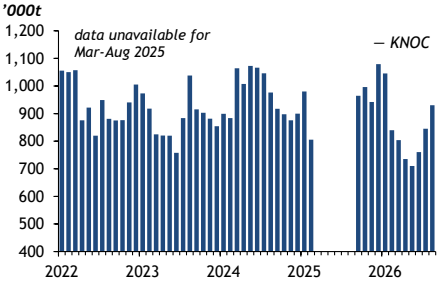


South Korean LPG imports							'000t
Imports by country	**Sep**	**Jul-Sep**	**Jul-Sep 25**	**26/25 ±%**	**Jul-Sep 24**	**26/24 ±%**	**2026**
US	585.8	1,888.9	1,877.2	0.6	1,855.5	1.8	5,067.6
Canada	0.0	34.5	11.5	200.4	184.6	-81.3	264.5
Saudi Arabia	0.0	0.0	219.6	-100.0	7.2	-100.0	0.0
Australia	0.0	0.0	0.0	-	43.8	-100.0	0.0
Others	0.0	0.0	0.6	-98.4	3.7	-99.7	6.9
Total imports	**585.8**	**1,923.4**	**2,108.9**	**-8.8**	**2,094.8**	**-8.2**	**5,338.9**
Imports by product							
Propane	425.0	1,388.1	1,384.9	0.2	1,468.4	-5.5	4,202.1
Butane	160.7	535.3	724.0	-26.1	626.4	-14.5	1,136.8

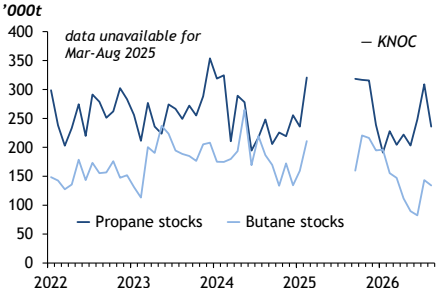
South Korea: LPG imports '000t



South Korea: LPG consumption



South Korea: LPG stocks



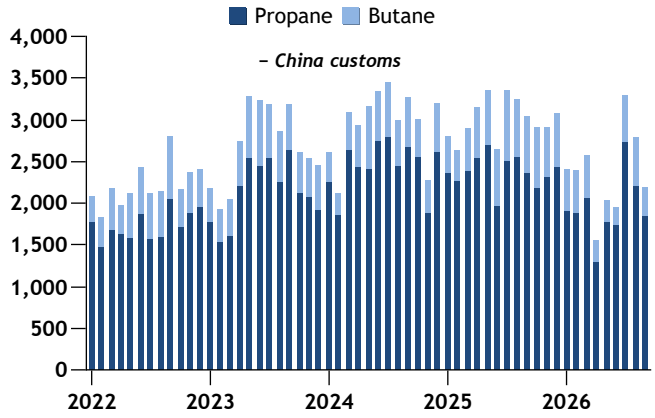
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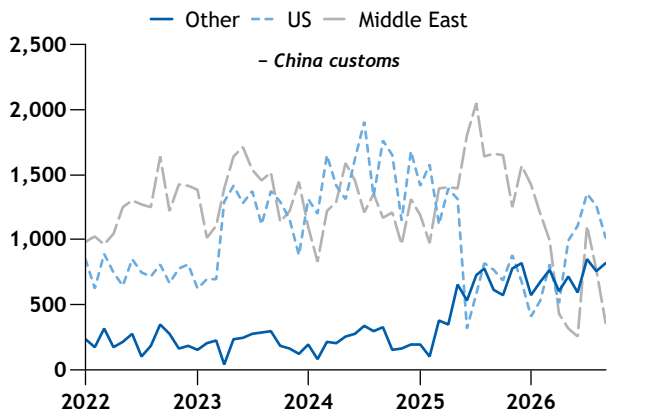
TRADE FLOWS: CHINA

China LPG imports							*'000t*
Imports by country	**Sep**	**Jul-Sep**	**Jul-Sep 25**	**26/25 ±%**	**Jul-Sep 24**	**26/24 ±%**	**2026**
US	1,014.8	3,623.5	2,169.7	67.0	4,999.0	-27.5	7,988.0
UAE	0.0	544.6	1,969.7	-72.3	1,724.6	-68.4	2,484.3
Oman	153.2	618.4	1,128.7	-45.2	594.3	4.1	1,739.6
Qatar	0.0	226.6	1,165.7	-80.6	677.8	-66.6	920.9
Saudi Arabia	23.9	219.5	559.2	-60.7	434.7	-49.5	815.0
Kuwait	184.7	624.2	510.2	22.3	280.3	122.7	905.1
Australia	135.6	441.1	454.6	-3.0	237.6	85.6	1,029.1
Algeria	81.1	128.9	199.2	-35.3	281.7	-54.2	417.1
Others	599.2	1,855.5	1,486.1	24.9	467.5	296.9	4,906.5
Total imports	**2,192.6**	**8,282.4**	**9,643.1**	**-14.1**	**9,697.5**	**-14.6**	**21,205.5**
Imports by product							
Propane	1,849.1	6,785.3	7,447.4	-8.9	7,910.2	-14.2	17,479.6
Butane	343.5	1,497.1	2,195.7	-31.8	1,787.4	-16.2	3,726.0

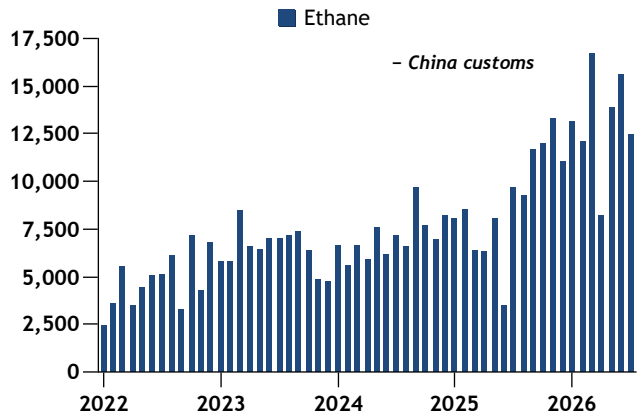
China LPG imports by product *'000t*



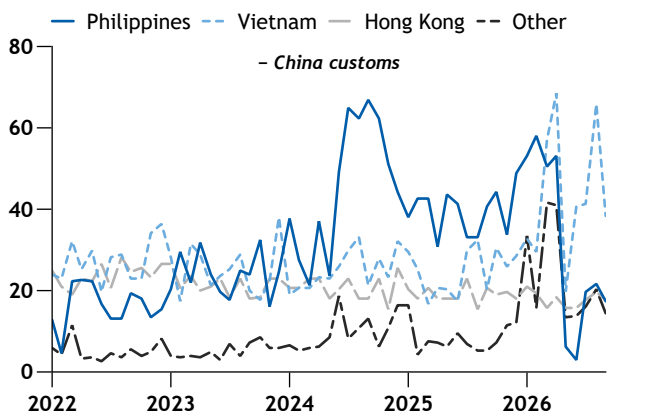
China LPG imports by origin *'000t*



US ethane exports to China *'000t*



China LPG exports by destination *'000t*



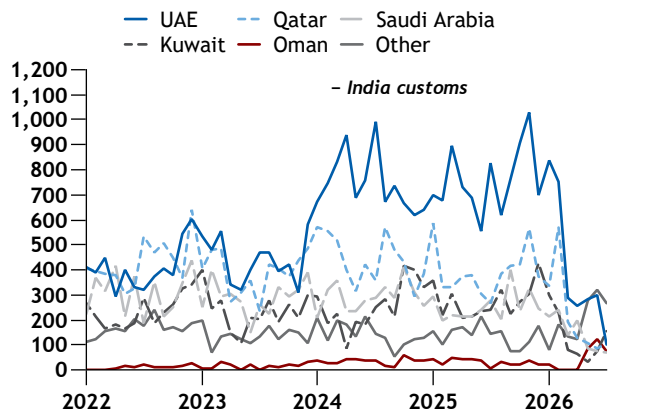
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TRADE FLOWS: INDIA

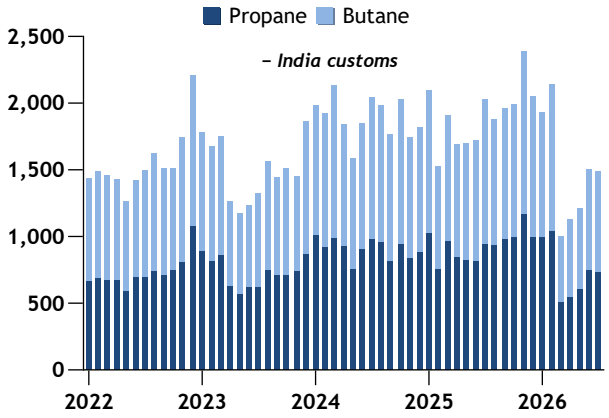
India LPG imports							'000t
Imports by country	**Jul**	**May-Jul**	**May-Jul 25**	**26/25 ±%**	**May-Jul 24**	**26/24 ±%**	**2026**
UAE	103.3	687.2	2,065.7	-66.7	2,437.3	-71.8	4,544.0
Qatar	108.7	302.9	951.3	-68.2	1,093.3	-72.3	2,468.8
Saudi Arabia	68.1	227.8	729.7	-68.8	802.1	-71.6	1,590.2
Kuwait	155.1	261.3	686.9	-62.0	624.0	-58.1	1,662.8
Singapore	42.6	215.8	103.2	109.2	162.2	33.1	435.6
Norway	0.0	4.4	105.6	-95.9	106.2	-95.9	110.3
US	789.9	1,864.4	522.3	256.9	22.5	8,179.5	2,909.8
Oman	72.7	281.9	83.1	239.4	115.0	145.2	356.4
Others	154.0	364.3	198.9	83.2	107.5	239.0	768.1
Total imports	**1,494.4**	**4,210.0**	**5,446.6**	**-22.7**	**5,470.0**	**-23.0**	**14,846.1**
Imports by product							
Propane	742.8	2,096.5	2,599.7	-19.4	2,656.7	-21.1	7,368.5
Butane	751.6	2,113.5	2,846.9	-25.8	2,813.3	-24.9	7,477.6

— *Indian customs*

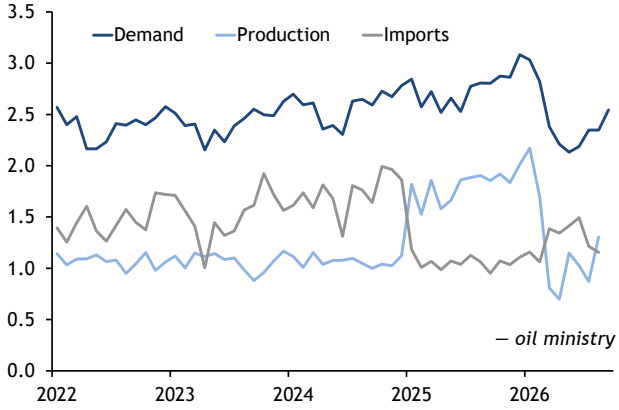
India LPG imports by ME country '000t



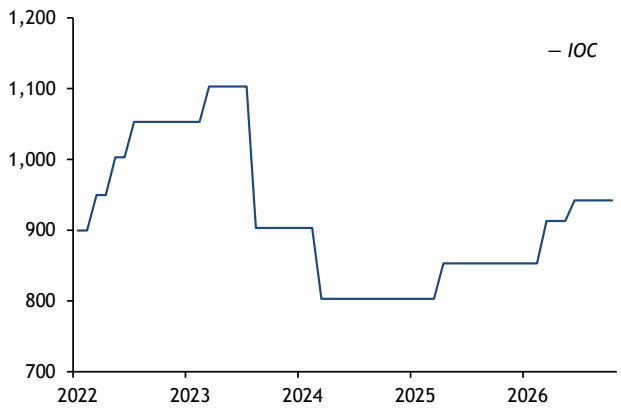
India LPG Imports by product '000t



India LPG demand and output mn t



India 14kg cylinder LPG prices Rs

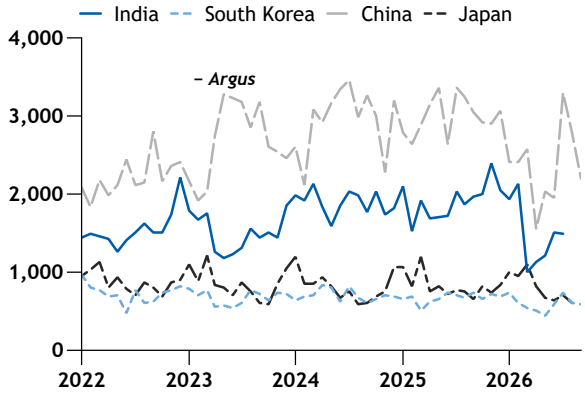


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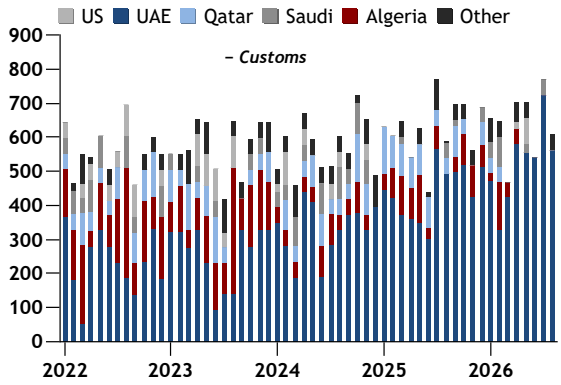
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TRADE FLOWS: ASIA

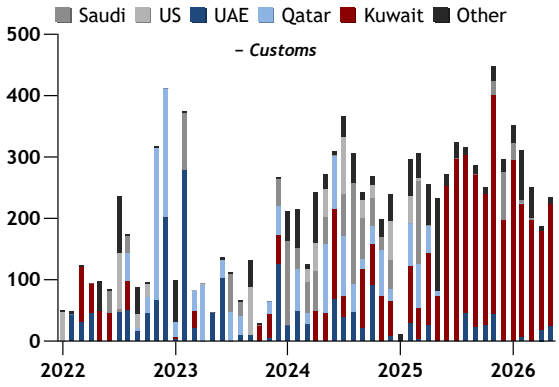
Key Asia-Pacific LPG importers '000t



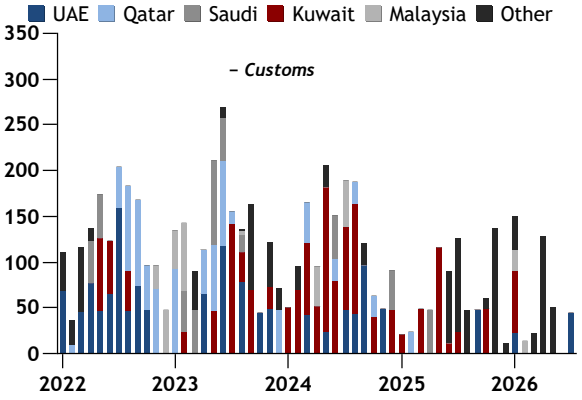
Indonesia: LPG imports origin '000t



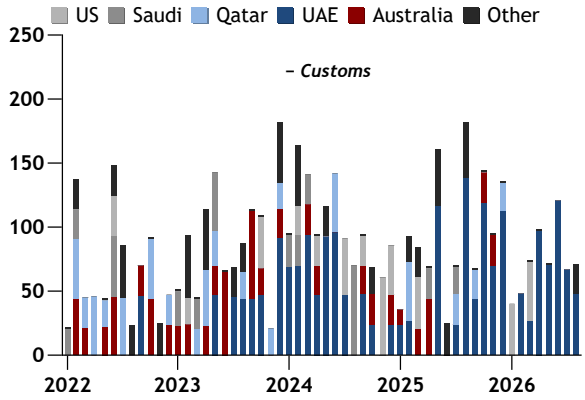
Vietnam: LPG imports origin '000t



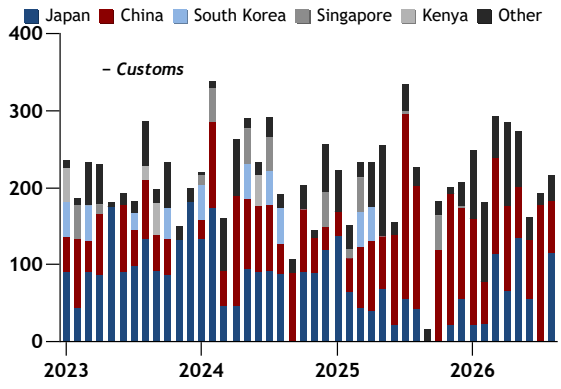
Thailand: LPG imports origin '000t



Taiwan: LPG imports origin '000t



Australia LPG Exports '000t

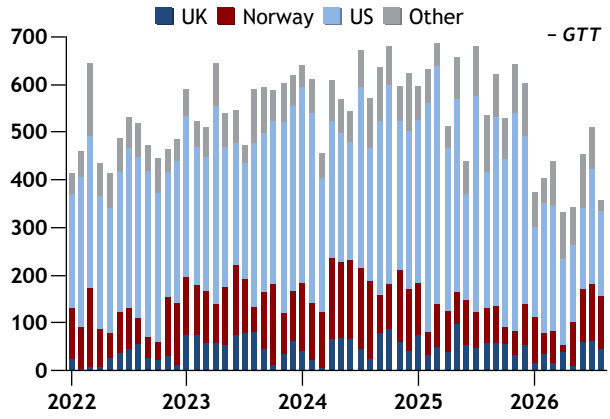


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STATISTICS: EUROPE

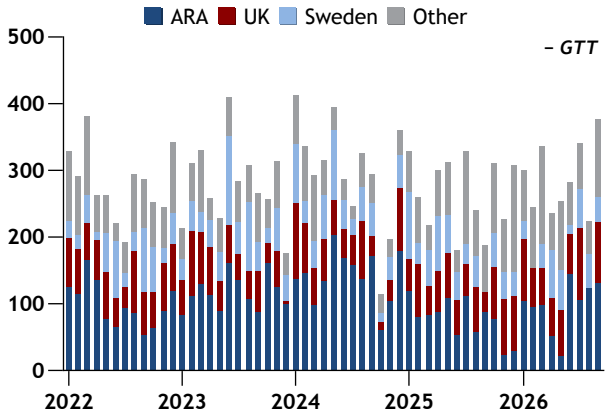
Netherlands, Belgium LPG Imports

'000t

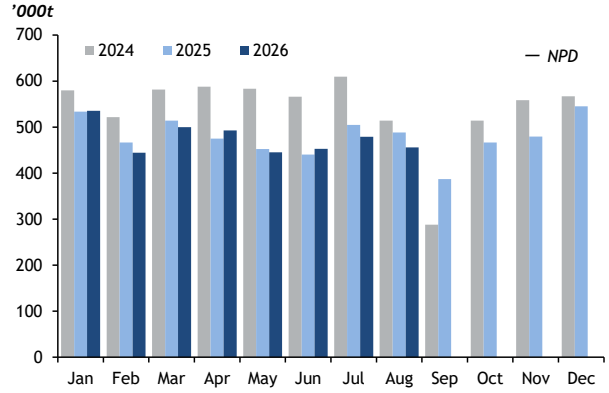


Norway LPG exports

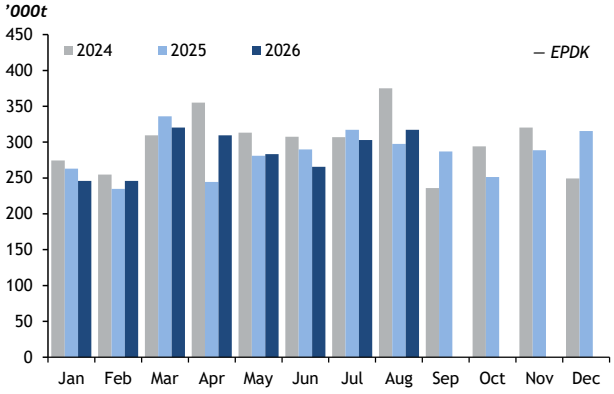
'000t



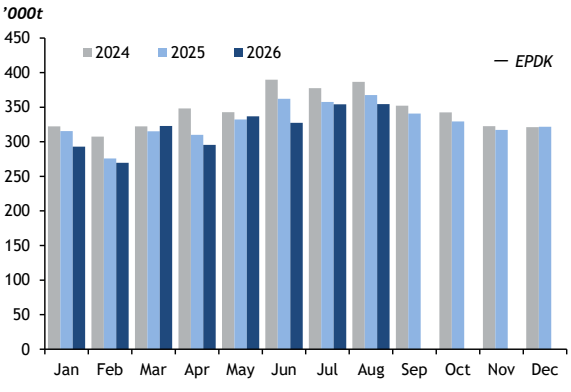
Norway: NGL production



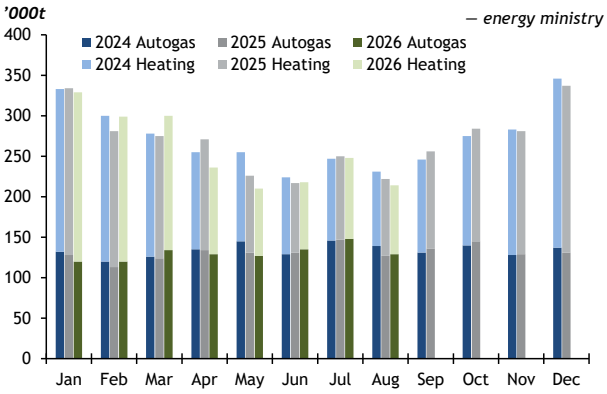
Turkey: LPG imports



Turkey: LPG consumption



Italy: LPG transport and heating consumption



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EUROPEAN PROPANE

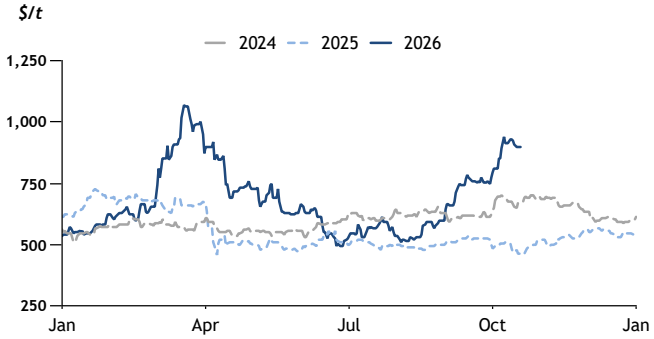
■ Large cargo propane prices firmed significantly in the first half of October, rising by $103.75/t to $837/t cif Amsterdam-Rotterdam-Antwerp (ARA) over 1-15 October.

■ Prices surged as local supply proved insufficient to meet demand and recently subdued imports from the US left pockets of buying uncovered. Petrochemical demand remained strong despite narrowing discounts to competing feedstock naphtha, with propane retaining a significant price advantage. Heating demand also picked up after high prices delayed restocking during the spring and summer.

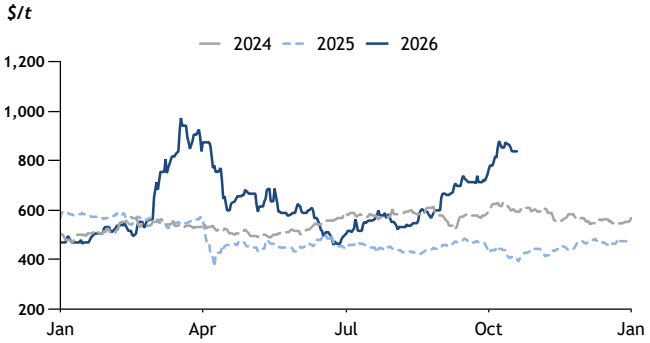
■ Maintenance at ExxonMobil's 270,000 b/d Fawley refinery and stronger Polish demand for crop drying allowed propane coaster prices to outpace large cargo gains. The fob premium firmed by $9.50/t to $72/t by 15 October, but remained below its late-September peak of $77/t.

■ Rhine traffic restrictions and a lack of spot refinery supply pushed downstream buyers towards ARA terminals, lifting premiums for 45t fca railcars to large cargoes by $10/t to a six-month high of $120/t. Differentials for fob barges rose by $12/t to $82/t as buyers competed for limited smaller lots.

Propane cif NWE cargoes small



Propane cif Mediterranean cargoes large



EUROPEAN BUTANE

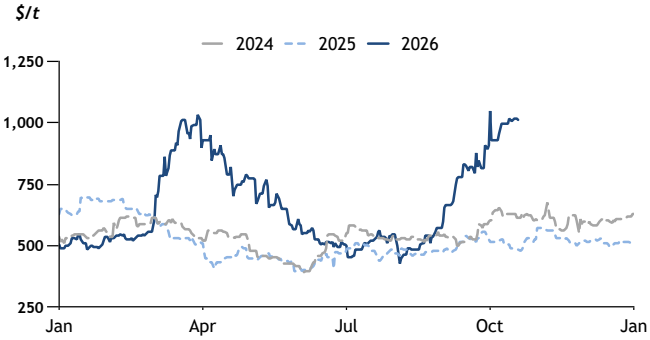
■ Large cargo butane prices firmed by $193.50/t to $999.50/t cif Amsterdam-Rotterdam-Antwerp (ARA) over 1-15 October. Prices rose on a dearth of US cargo availability as cargoes headed to Asia-Pacific, where buyers continued to lack butane-rich Mideast Gulf supplies.

■ On the demand side, gasoline blenders dominated barge and coaster buying, pushing additional petrochemical demand into the large cargo market.

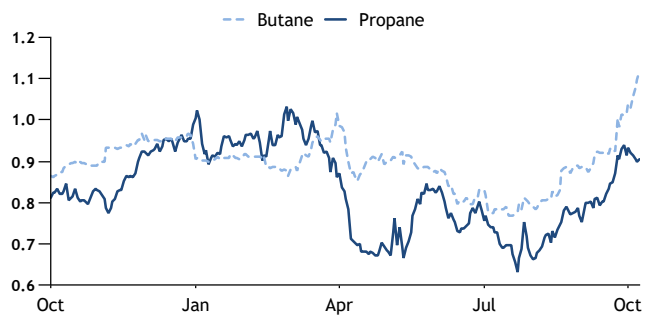
■ Locally delivered coasters increased by 12 percentage points to 119.5pc of naphtha as high natural gas prices and maintenance suppressed supply from refineries and North Sea terminals. Prompt buying interest from a west African trader lifted the fob assessment by 13 percentage points to 121pc of naphtha at the start of the month, before the value retreated to 108pc once the short was covered.

■ Butane barge prices surged by 16.5 percentage points to an all-time high of 125pc of naphtha on a cif ARA basis during the first half of October. Robust demand from gasoline blenders led to buyers competing for scarce spot cargoes amid limited refinery sales and high import costs for break-bulking terminals.

Butane fob NWE cargoes small



Propane and butane ratios to naphtha NWE



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EURASIA LPG

■ Russian producers hiked domestic LPG prices for rail and truck cargoes by 1,000-7,000 roubles/t ($12-83/t) over 1-15 October owing to limited supply, while demand continued to be strong.

■ Propane-butane mix railcar prices on the Belarus-Polish border increased by $140/t to $1,025/t daf Brest, and propane values increased by $150/t to $1,005/t daf Brest, both in line with cif ARA assessments in northwest Europe and strong buying interest from Polish traders. The availability of Kazakh product was still low at the Polish border.

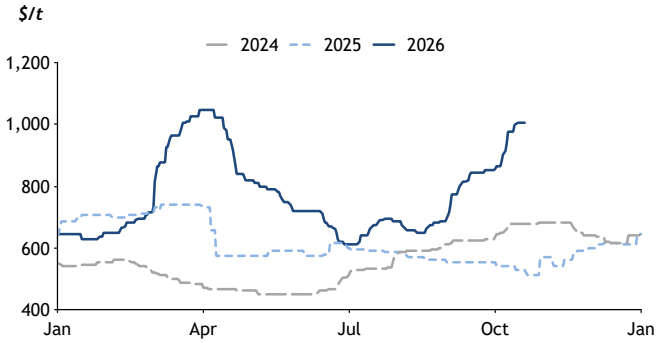
■ Propane railcar and truck values at Polish ports firmed to $1,025-1,045/t fca/fot from $890-920/t fca/fot two weeks earlier, tracking gains in northwest Europe.

■ Polish traders continued to purchase truck cargoes from Latvia's Riga port. The latest vessel, the midsize carrier *Guadalupe Explorer*, is due to arrive with 22,000t of US propane at Riga on 17 October. The previous 22,000t cargo was delivered on board the *Kontich* on 29 September.

■ Propane-butane mix prices at the Uzbekistan-Tajikistan border increased by $10/t to $710/t daf Bekabad due to an expectation of reduced supply from Kazakhstan and Russia in the second half of October.

■ Propane-butane mix values at the Uzbekistan-Afghanistan border fell sharply, by $130/t to $670/t cpt Galaba, owing to high product availability from Iran and Russia.

Propane Argus daf Brest



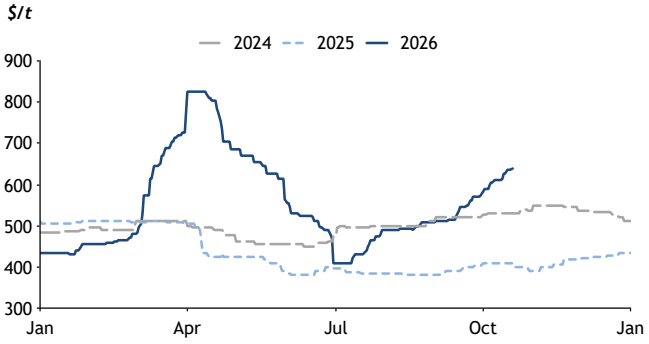
BLACK SEA LPG

■ Black Sea fob coaster assessments increased over 1-15 October, reflecting growing prices on international markets. Propane-butane mix prices rose by $35/t to $660/t fob Black Sea, propane values moved up by $42.0/t to $625/t, and butane firmed by $25/t to $685/t.

■ The midsize LPG carrier *Cerro Alto Explorer* delivered 17,000t of propane and 5,000t of butane from the US to the Black Sea region by the start of October. A total of eight ship-to-ship transfers were carried out on the *Gas Madrid*, *Enigma* and *Kempton*. Market participants did not expect any more midsize vessels to arrive in October.

■ A supply shortage arose in Romania due to limited deliveries through the Sulina channel of the Danube river, which was closed between 26 September and 3 October owing to adverse weather conditions. Vessel crews were also reluctant to enter the Danube because of the high risks involved.

Propane Argus fob Black Sea



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ASIA PROPANE

■ Northeast Asian propane prices rose alongside crude and on higher freight costs. The Argus Far East Index (AFEI) increased by $49.50/t, or 5.4pc, to $962/t over 2-16 October after front-month Brent prices climbed by 5.9pc.

■ Elevated shipping costs supported prices despite weaker petrochemical demand owing to high prices. VLGC rates on the Houston-Chiba route hovered near record highs on tight vessel availability driven by longer voyages.

■ Chinese PDH operators bought 46,000t propane cargoes for November delivery basis Ningbo at $40s/t premiums to November AFEI despite limited demand on squeezed margins.

■ Winter stockbuilding remained thin as a result of a backwardated forward structure. Strong US export availability, with shipments expected to approach the record high of more than 7mn t this month, kept buyers on the sidelines.

ASIA BUTANE

■ Butane outperformed propane as robust demand from south and southeast Asia curtailed US inflows to northeast Asia. The Argus Far East Index (AFEI) for butane rose by $83.50/t, or 8.6pc, to $1,055/t over 2-16 October.

■ Lower Iranian exports, which fell to 420,000t in September from an average of 960,000 t/month in 2025, reduced regional availability. Kuwait's KPC sold a 44,000t propane-heavy cargo at November CP paper plus $380-390/t basis Chiba to a Chinese trader, while QatarEnergy sold a 50,000t split cargo via a ship-to-ship transfer to Thai importer PTT.

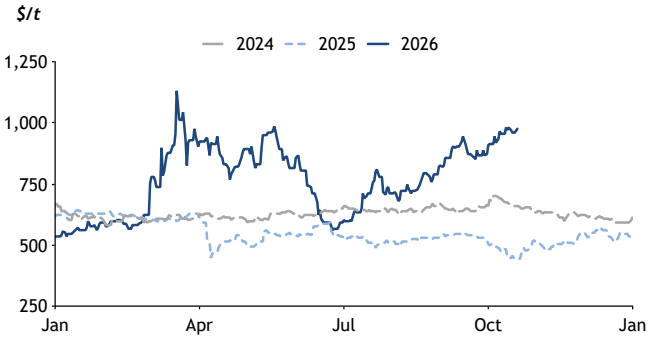
■ Indonesian importer Pertamina bought three cargoes for November delivery and two for December at $350-450/t premiums over the respective month's CP swaps.

ASIA PRESSURISED

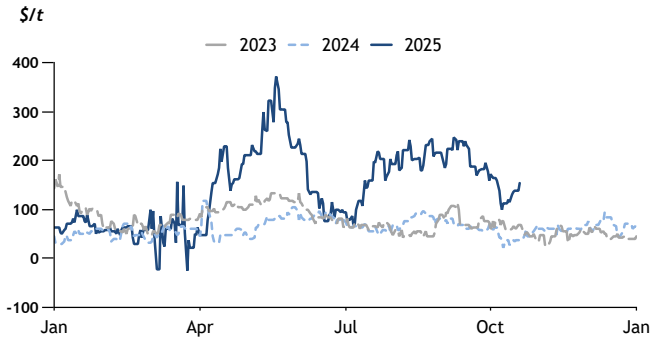
■ South China fob coaster prices rose to $450/t premiums to Saudi Aramco's October contract price from $420/t premiums in the first half of October owing to limited imports and domestic production. Delivered coaster prices to north Vietnam rose by $30/t to $500/t premiums basis cfr Haiphong.

■ Chinese wholesale prices increased by as much as $63/t, or 5.4pc, after the Golden Week holiday in the first week of October. The Pearl River Delta index rose by 1.4pc to 7,949 yuan/t ($1,188/t) between 30 September and 16 October as weak heating and petrochemical demand, and rising refinery and terminal supply, tempered price gains.

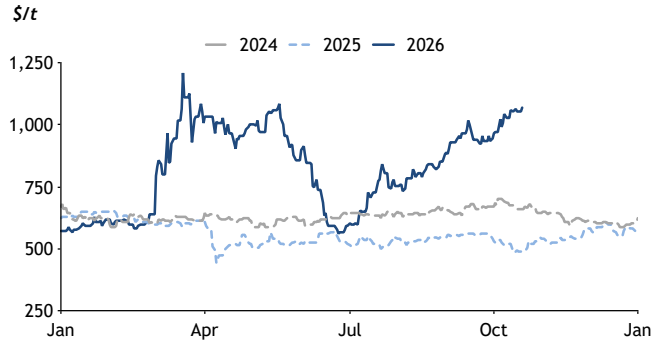
Propane Argus Far East index



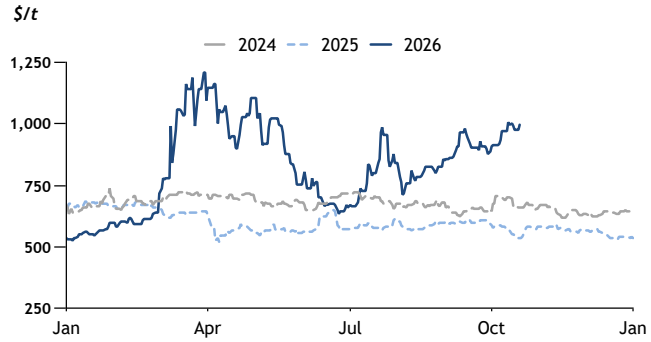
Propane Argus Far East Index differential to NWE



Butane Argus Far East Index



Naphtha c+f Japan



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AMERICAS PROPANE

■ Mont Belvieu LST propane prices on the US Gulf coast rose to 106.875¢/USG ($556.80/t) from 90.5625¢/USG over 1-15 October, as strong export demand and higher crude prices provided support. Mont Belvieu propane's value relative to Nymex WTI crude also rose to 45.8pc from 41pc.

■ Mont Belvieu EPC propane rose to 103.8125¢/USG from 87.625¢/USG, maintaining its 2.75-3¢/USG discount to LST.

■ US midcontinent propane prices at the Conway hub in Kansas increased by 18.688¢/USG to 101.438¢/USG, tracking gains at Mont Belvieu. Conway propane's discount to LST propane at Mont Belvieu narrowed by 2.376¢/USG to 5.437¢/USG over the two-week period.

■ Edmonton hub propane prices in Alberta, western Canada, increased by 14¢/USG to 88¢/USG, pulled higher by US midcontinent Conway levels. But Edmonton propane's discount to Conway widened by 4.75¢/USG to 13.5¢/USG as regional demand support was not as strong.

AMERICAS ETHANE

■ US Gulf coast Mont Belvieu EPC ethane prices surged over the first half of October, tracking seasonal gains in natural gas values and firming propane, which raised the price ceiling across all petrochemical feedstocks. The price rose to 31.25¢/USG ($230.60/t) from 26.875¢/USG.

AMERICAS BUTANE

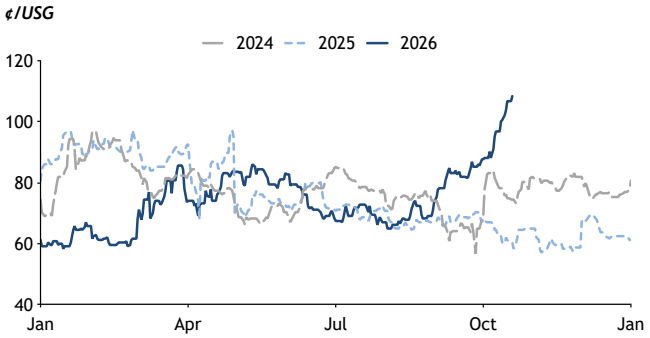
■ Mont Belvieu EPC butane prices on the US Gulf coast rose to 175¢/USG ($792.30/t) from 145.25¢/USG during 1-15 October, as strong demand from domestic gasoline blenders and for exports pushed prompt values higher.

■ Butane's percentage relative to Rbob gasoline futures rose to 55pc from 42.7pc, reflecting strength on the market.

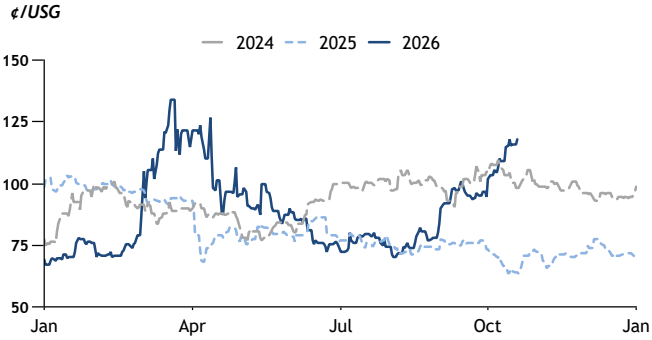
■ Conway butane prices in the US midcontinent increased by 34.5¢/USG to 183¢/USG alongside gains at Mont Belvieu. Conway butane's value relative to Nymex Rbob gasoline also rose by 13.9 percentage points to 57.5pc.

■ Edmonton butane prices in Alberta, western Canada, increased by 14.5¢/USG to 158.25¢/USG alongside rising crude and US butane values. Edmonton butane's value relative to the calendar month average of Nymex WTI crude grew by seven percentage points to 72pc by 15 October from 65pc on 1 October.

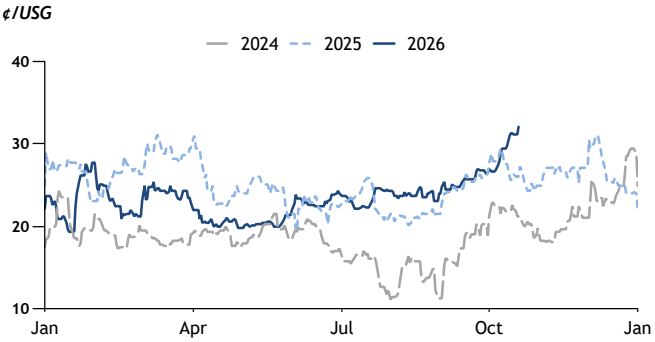
Propane Mont Belvieu non-LST



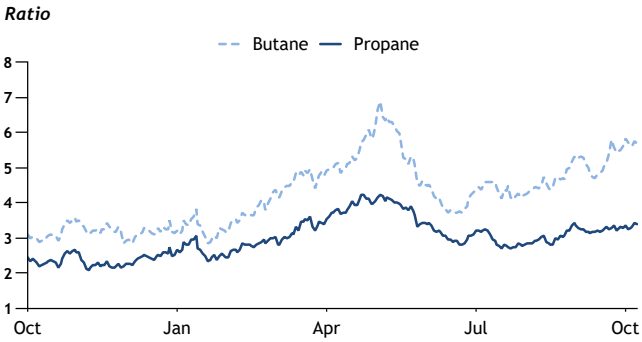
Propane US Gulf coast import



Ethane Mont Belvieu



Propane and butane ratios to ethane



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NGL ECONOMICS/SHIPPING

Ethylene plant total variable cash cost*	16 Sep	23 Sep	30 Sep	7 Oct	14 Oct
Purity ethane	12.49	12.82	12.68	13.52	14.80
Propane	21.61	22.49	23.87	26.14	33.69
N-Butane	35.74	29.92	35.70	45.14	58.25
Light naphtha	58.86	54.42	56.61	59.20	62.79
Gasoil	221.55	160.01	163.09	159.36	172.99

at Mont Belvieu, Texas

— Argus

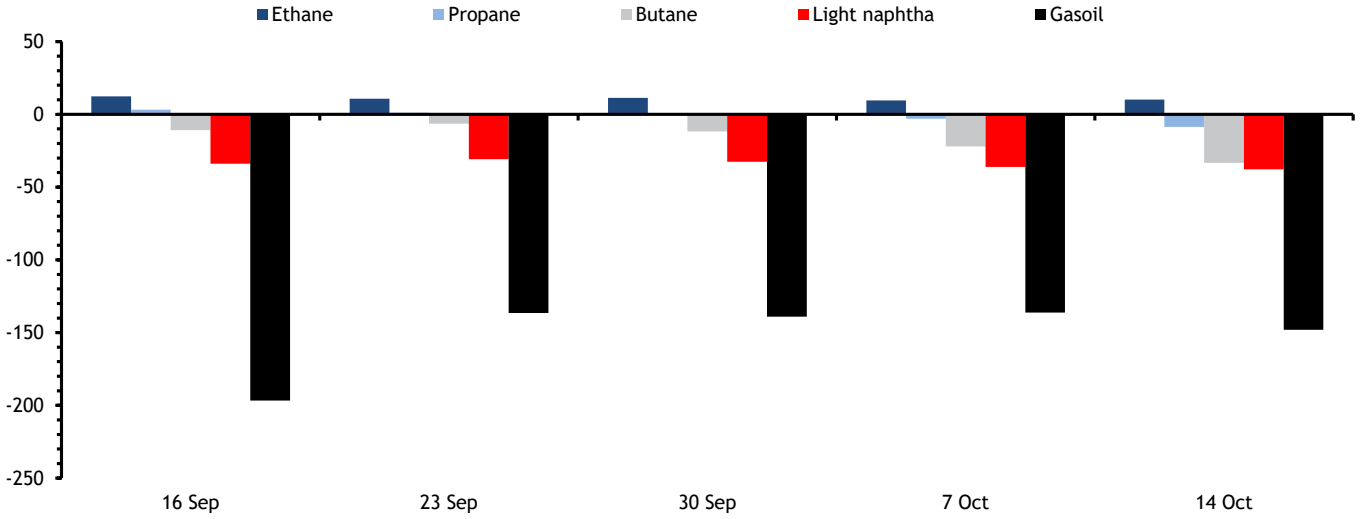
Ethylene plant gross margins* (see graph below)	16 Sep	23 Sep	30 Sep	7 Oct	14 Oct
Ethane	12.38	10.75	11.32	9.60	10.20
Propane	3.26	1.07	0.13	-3.01	-8.69
Butane	-10.86	-6.36	-11.70	-22.02	-33.25
Light naphtha	-33.98	-30.85	-32.61	-36.07	-37.79
Gasoil	-196.68	-136.45	-139.09	-136.23	-147.99

at Mont Belvieu, Texas

— Argus

US Ethylene plant gross margins (Mont Belvieu, Texas)

¢/lb of ethylene



Shipping

■ Singapore-based shipowner BW LPG's product trading arm posted a profit of $118mn in the third quarter, supported by strong performance across cargo, freight and hedging activities, the firm says. BW Product Services generated a gross trading result of $164mn.

■ The business delivered a strong result despite geopolitical uncertainty and volatility in the LPG markets, BW LPG chief executive Kristian Sorensen said.

Shipping rates

■ The Houston-Chiba VLGC rate rose by $8/t to $330/t over 2-16 October, peaking at $345/t on 6 October. Vessel supply tightened as more sailed to the US via the longer Cape of Good Hope route rather than the Panama Canal.

■ The Ras Tanura-Chiba freight rate held at $239/t, after peaking at $247/t on 7 October as Mideast Gulf attacks escalated. Rising security risks reduced ship-to-ship transfers outside of the strait of Hormuz.

Shipping rates			$/t
Spot			
44,000t	Ras Tanura-Chiba	◂ ▸	239.00
44,000t	Houston-Chiba	▲	330.00
44,000t	Houston-Flushing	▲	183.00
1,800t	Tees-ARA	▼	49.00
1,800t	Tees-Lisbon	▼	122.00
4,000t	Tees-Mohammedia	▼	90.00

— Argus Gas Freight

Shipping rates		$/calendar month
12-month time charter		
84,000m³	◂ ▸	2,280,000
38,000m³	▲	1,300,000
35,000m³	▲	940,000
3,500m³ pressurised (west)	◂ ▸	300,000
3,500m³ pressurised (east)	◂ ▸	220,000

— Gibsons

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DATA

PROPANE

	Oct 25	Nov	Dec	Jan 26	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Middle East $/t													
Saudi Arabia	495.00	475.00	495.00	525.00	545.00	545.00	750.00	750.00	760.00	580.00	620.00	625.00	680.00
Kuwait	495.00	475.00	495.00	525.00	545.00	545.00	750.00	750.00	760.00	580.00	620.00	625.00	680.00
Mediterranean $/t													
Algeria (Sonatrach)	470.00	455.00	470.00	475.00	500.00	525.00	850.00	700.00	575.00	440.00	540.00	560.00	670.00
Spot prices $/t													
Large cargo cif ARA*	434.00	452.00	479.50	511.00	552.75	851.25	658.00	589.50	476.25	574.25	536.25	683.00	na
Large cargo cif Lavera	427.25	442.25	470.33	488.36	530.81	825.97	707.05	624.72	544.03	551.18	560.64	703.61	na
Large cargo Japan cfr	480.70	507.18	544.36	562.74	592.90	887.27	869.35	898.62	680.16	690.34	744.63	877.49	na
Large cargo India cfr	521.29	553.46	605.99	607.24	590.85	746.02	1,014.26	1,049.06	772.81	682.10	755.98	978.26	na
Large cargo Argus South China Index	533.97	551.95	590.75	611.00	647.71	971.39	963.85	1,005.11	759.62	771.52	813.83	957.02	na
Large cargo Argus Ningbo Index	539.92	557.95	597.30	618.00	655.60	979.39	956.75	989.16	748.62	759.53	822.08	968.84	na
Large cargo Argus Far East Index*	490.50	512.25	535.00	583.50	594.75	826.50	826.50	860.00	560.25	717.50	780.25	864.75	na
Asia spot premiums to CP $/t													
Mideast Gulf	11.36	22.75	40.32	18.33	-14.44	60.00	205.95	175.63	0.14	-84.57	4.90	155.59	na
India cfr	57.29	73.51	97.13	77.39	55.13	136.06	314.54	323.01	149.41	94.10	161.78	326.88	na
South China (pressurised)	78.00	80.10	90.73	103.00	103.83	301.18	482.38	293.16	197.62	163.91	186.25	416.36	na
Japan	10.79	24.13	38.40	31.69	52.57	290.04	151.54	153.36	38.35	90.47	137.98	229.95	na
Mont Belvieu ¢/USG													
LST	65.70	64.72	67.14	64.44	63.62	79.58	81.36	87.18	77.04	72.63	71.59	85.58	na
Non-LST	63.67	59.22	64.54	61.82	60.88	75.55	76.95	82.11	74.84	69.78	68.49	82.36	na
Europe $/t													
Coasters fob NWE	489.77	525.00	548.62	565.20	628.18	923.01	783.65	677.22	579.49	562.84	549.74	734.55	na
Barges fob NWE	530.87	539.40	566.64	582.54	629.50	924.06	792.05	680.49	579.93	572.32	549.85	734.68	na
Coasters fob Med	684.97	593.46	552.77	602.96	633.89	953.06	811.25	689.86	594.44	579.95	561.29	710.05	na

**as of Apr 2019 spot price on 25th or nearest working day to 25th of the month* — *all prices from Argus International LPG*

Ethane ¢/USG

	Sep 25	Oct	Nov	Dec	Jan 26	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Mont Belvieu	25.13	26.52	26.66	26.64	23.57	22.74	24.06	20.70	20.32	22.94	23.42	23.91	25.63

Naphtha $/t

	Sep 25	Oct	Nov	Dec	Jan 26	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Cargoes cif NWE	563.30	528.16	529.84	505.46	522.61	563.65	858.47	943.44	882.32	689.55	749.30	750.33	846.85
Cargoes c+f Japan	600.71	569.45	572.58	548.73	556.98	607.40	994.53	1,031.54	942.73	704.81	798.26	792.40	903.13

BUTANE

	Oct 25	Nov	Dec	Jan 26	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Middle East $/t													
Saudi Arabia	475.00	460.00	485.00	520.00	540.00	540.00	800.00	800.00	820.00	600.00	640.00	660.00	730.00
Kuwait	475.00	460.00	485.00	520.00	540.00	540.00	800.00	800.00	820.00	600.00	640.00	660.00	730.00
Mediterranean $/t													
Algeria (Sonatrach)	465.00	465.00	485.00	485.00	490.00	500.00	900.00	880.00	610.00	480.00	570.00	610.00	750.00
Spot prices $/t													
Large cargo cif ARA*	484.00	479.25	486.25	485.75	507.75	859.25	866.75	761.25	527.00	651.00	611.00	782.50	na
Large cargo cif Lavera	434.92	461.59	448.45	439.61	476.79	765.61	839.24	770.62	560.64	563.82	577.31	731.35	na
Large cargo Japan cfr	515.70	540.68	578.36	593.26	608.24	969.31	983.67	993.00	695.87	707.34	806.03	943.81	na
Large cargo India cfr	516.61	541.29	597.23	598.54	581.96	743.38	1,053.59	1,098.56	799.06	700.65	778.18	1,018.64	na
Large cargo Argus South China Index	535.78	554.83	598.64	615.05	610.49	971.39	1,068.05	1,099.49	762.81	707.61	790.58	1,015.66	na
Large cargo Argus Ningbo Index	541.74	560.83	605.18	622.05	618.38	979.39	1,060.95	1,083.54	751.81	695.62	798.83	1,027.48	na
Large cargo Argus Far East Index*	530.50	547.25	569.50	613.50	607.75	926.50	963.50	920.00	560.25	747.50	825.25	934.75	na
Asia spot premiums to CP $/t													
Mideast Gulf	11.36	22.75	40.32	18.33	-14.44	60.00	205.95	175.63	0.14	-84.57	4.90	155.59	na
India cfr	57.29	73.51	97.13	77.39	55.13	136.06	314.54	323.01	149.41	94.10	161.78	326.88	na
South China (pressurised)	78.00	80.10	90.73	103.00	103.83	301.00	482.38	293.16	197.62	163.91	185.75	416.36	na
Japan	53.97	71.48	81.04	70.88	75.40	374.27	219.95	195.69	24.21	86.43	177.28	255.54	na
Mont Belvieu ¢/USG													
LST	81.38	84.17	81.08	73.58	76.07	96.39	96.32	118.52	96.79	90.72	98.27	122.79	na
Non-LST	83.68	86.29	83.22	75.71	80.24	107.58	104.00	122.46	98.28	100.51	104.72	127.77	na
Europe $/t													
Coasters fob NWE	510.33	534.13	512.38	508.71	536.61	881.95	825.26	679.53	532.51	510.71	498.41	782.53	na
Barges fob NWE	548.45	569.00	562.37	544.37	580.54	945.22	884.04	713.97	562.07	566.33	530.98	805.49	na
Coasters fob Med	541.05	566.06	561.37	547.86	605.75	920.76	834.90	661.75	502.73	498.13	488.15	705.93	na

**as of Apr 2019 spot price on 25th or nearest working day to 25th of the month* — *all prices from Argus International LPG*

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DATA

Chinese domestic prices													*Yuan/t*
	Sep 25	Oct	Nov	Dec	Jan 26	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
East China terminal													
Ningbo ex terminal	4,598	4,581	4,515	4,600	4,773	4,904	6,537	7,398	7,547	6,330	5,615	5,995	7,536
Wenzhou ex terminal	4,687	4,660	4,640	4,680	4,808	4,843	6,608	7,275	7,378	6,408	5,703	6,040	7,470
Zhangjiagang ex terminal	4,650	4,581	4,590	4,632	4,985	5,146	6,618	7,225	7,557	6,433	5,725	6,135	7,723
Shandong ex terminal	4,802	4,572	4,625	4,675	4,888	5,072	6,520	7,475	7,531	6,500	5,679	5,873	7,659
Fujian ex terminal	4,552	4,538	4,506	4,568	4,808	4,871	6,457	7,462	7,357	6,568	5,752	6,184	7,621
East China refinery													
Shanghai ex refinery	4,366	4,222	4,237	4,325	4,359	4,272	6,020	6,645	6,637	5,803	5,492	5,935	7,046
Zhenhai ex refinery	4,450	4,258	4,350	4,422	4,442	4,475	6,198	6,749	6,798	5,840	5,432	5,845	7,139
Yangzi ex refinery	4,559	4,555	4,484	4,516	4,672	4,754	6,191	6,655	6,999	6,108	5,475	6,010	7,194
Fujian ex refinery	4,377	4,275	4,343	4,393	4,623	4,550	6,109	6,917	6,849	6,177	5,630	6,165	7,387
Gaoqiao ex refinery	4,366	4,181	4,169	4,251	4,234	4,124	5,835	6,493	6,598	5,674	5,345	5,780	6,994
South China terminal													
Zhuhai ex terminal	4,600	4,475	4,468	4,574	4,954	4,772	6,309	7,223	7,164	6,345	5,572	5,956	7,614
Shenzhen ex terminal	4,600	4,481	4,484	4,600	4,967	4,802	6,337	7,270	7,182	6,368	5,607	6,012	7,633
Raoping ex terminal	4,548	4,445	4,587	4,603	4,979	4,882	6,309	7,507	7,259	6,649	5,798	6,192	7,649
Nansha ex terminal	4,600	4,481	4,484	4,600	4,967	4,802	6,337	7,270	7,182	6,368	5,607	6,012	7,633
Shantou ex terminal	4,548	4,445	4,587	4,603	4,979	4,882	6,309	7,507	7,259	6,649	5,798	6,192	7,649
Yangjiang ex terminal	4,636	4,491	4,435	4,536	4,960	4,881	6,311	7,198	7,197	6,318	5,590	5,980	7,407
South China refinery													
Maoming ex refinery	4,669	4,440	4,373	4,405	4,821	4,779	6,248	7,127	7,117	6,205	5,578	6,015	7,390
Guangzhou ex refinery	4,470	4,431	4,388	4,493	4,866	4,750	6,231	7,215	7,085	6,260	5,572	5,898	7,506
Northeast China refinery													
Daqing ex refinery	4,053	4,044	4,008	4,119	3,969	4,006	5,289	5,889	5,861	5,344	5,313	5,640	6,845
Dalian ex refinery	4,167	4,159	4,068	4,220	4,088	4,139	5,581	6,270	6,152	5,532	5,307	na	na
Northwest China refinery													
Urumuqi ex refinery	3,667	3,346	3,228	3,380	3,140	3,178	4,042	5,158	5,028	4,753	4,401	5,115	6,080
Inland China refinery													
Yan-An ex refinery	4,350	4,473	4,473	4,406	4,148	4,130	5,356	6,133	6,077	5,564	5,210	5,449	6,771

— all prices from Argus International LPG

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