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Argus Propylene

Formerly Argus Propylene and Derivatives

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HIGHLIGHTS

Americas

- Spot PGP prices fall to three-month low.
- Enterprise PDH-1 restarts, ramps up rates.
- Pipeline RGP falls back under PGP spot in a trade.

Europe

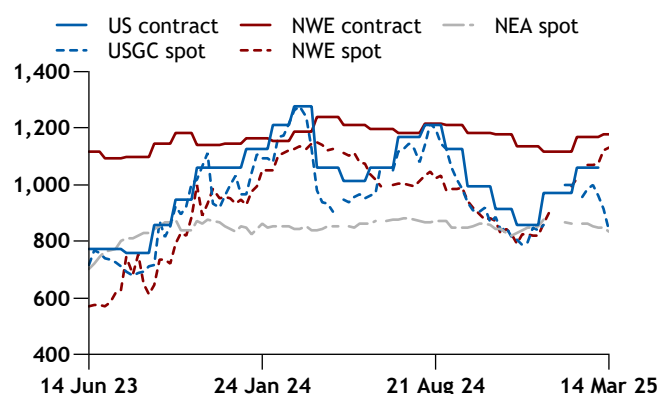
- European chemicals competitiveness in the spotlight.
- European tariff response includes plastic products.
- Propylene remains tight but supply improving.

Asia-Pacific

- Propylene prices in the cfr northeast Asia market remain stable.
- Negotiations pick up marginally.
- Chinese PDH operating rates decline to 71pc.

[Click here to access your Propylene Workspace](#)

World PG propylene prices



MARKET SNAPSHOTS

Propylene global prices				\$/t
	Timing	Low	High	Mid
US daily				
US Gulf coast PGP	Jan	821	827	824
	Jan	829	841	835
US Gulf coast RGP	Jan	733	744	739
	Jan	733	744	739
US Gulf coast PGP VWA	Jan			825
US Gulf coast PGP volume <i>mn lb</i>	Jan			1,543
RGP alkylation value		1,310	1,329	1,319
US weekly, 14 Mar				
Poly grade USGC contract	Feb			1,058
Poly grade USGC contract	Jan			970
Poly grade USGC contract	Dec			860
Chemical grade USGC contract	Feb			1,025
Chemical grade USGC contract	Jan			1,025
Chemical grade USGC contract	Dec			1,025
Poly grade USGC pipeline spot		799	874	836
Refinery grade Mt Belvieu spot		821	832	827
C3 alkylation USGC calc value		1,310	1,329	1,319
PP Homo GP IM del EOR 8 Nov	Jan			1,367
Western Europe weekly, 14 Mar				
Poly grade NWE contract	Jan			1,135
Poly grade NWE cif spot		1,115	1,148	1,131
Chem grade NWE cif spot		995	1,055	1,025
PP Homo GP IM NWE del 14 Mar*	Jan			1,572
Asia-Pacific daily				
Northeast Asia, cfr	Jan	830	840	835
Asia-Pacific weekly, 14 Mar				
Poly grade Taiwan contract	Jan			881
Poly grade Taiwan contract	Dec			881
Poly grade Taiwan contract	Nov			881
Poly grade SE Asia cfr spot		870	890	880
Poly grade SE Asia fob spot		820	850	835
Poly grade NE Asia cfr spot		830	840	835
Poly grade NE Asia fob spot		795	800	798
Raffia cfr China 14 Mar		890	900	895
*freely negotiated monthly prices				
Acrylonitrile, weekly, 14 Mar				\$/t
	Timing	Low	High	Mid
USGC fob prompt <i>¢/lb</i>	Jan	64	65	64
China cfr spot	Jan	1,200	1,250	1,225

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Propylene spot trades, week to date

Date	Product	Price €/lb	Delivery
14 Mar	PGP Gulf Coast	37.250	Mar
14 Mar	PGP Gulf Coast	37.500	Mar
14 Mar	PGP Gulf Coast	37.500	Mar
13 Mar	PGP Gulf Coast	36.500	Mar
13 Mar	PGP Gulf Coast	36.250	Mar
13 Mar	PGP Gulf Coast	-0.750	Mar
13 Mar	PGP Gulf Coast	-0.750	Mar
12 Mar	PGP Gulf Coast	38.000	Mar
12 Mar	RGP Gulf Coast - pipe	33.500	Mar
12 Mar	PGP Gulf Coast	38.000	Mar
12 Mar	PGP Gulf Coast	37.000	Mar
12 Mar	PGP Gulf Coast	37.500	Mar
12 Mar	PGP Gulf Coast	37.500	Mar
11 Mar	PGP Gulf Coast	39.500	Mar
11 Mar	PGP Gulf Coast	39.625	Mar
11 Mar	PGP Gulf Coast	39.500	Mar
11 Mar	PGP Gulf Coast	39.500	Mar
10 Mar	PGP Gulf Coast	-0.375	Mar

US propylene prices

	Timing	Low	High	Mid
US Gulf coast PGP	Mar 25	37.25	37.50	37.375
	Apr 25	37.63	38.13	37.875
US Gulf coast RGP	Mar 25	33.25	33.75	33.500
	Apr 25	33.25	33.75	33.500
US Gulf coast PGP VWA	Mar 25			37.417
US Gulf coast PGP volume <i>mn lb</i>	Mar 25			70.000
RGP alkylation value	prompt	59.40	60.30	59.850

US prices

	Timing	Low	High	Mid
Propylene, weekly, 14 Mar				
Poly grade USGC export spot		38.75	42.13	40.44
Poly grade USGC pipeline spot		36.25	39.63	37.94
Refinery grade USGC spot		37.25	37.75	37.50
Refinery grade USGC spot MTD	Mar			36.83
C3 alkylation USGC calc value		59.40	60.30	59.85
C3 fuel USGC calc value		19.50	20.50	20.00
Acrylonitrile, weekly, 14 Mar				
USGC fob prompt		64	65	64

US contract pricing, monthly, 26 Feb

	\$/t	€/lb
Poly grade		
Argus PGP Contract Index, 21 Feb	1,049	47.59
Feb	1,058	48.00
Jan	970	44.00
Dec	860	39.00
Chemical grade		
Feb	1,025	46.50
Jan	937	42.50
Dec	827	37.50

Volume-weighted averages

	€/lb
Propylene	Mid
VWA	37.417
VWA 30-day	42.179
VWA 45-day	42.546

Propylene forward curves

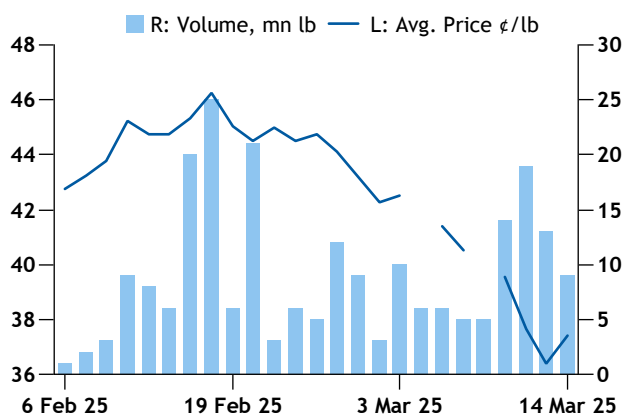
Period	Price
Mar 25	37.375
Apr 25	37.875
May 25	38.125
2Q25	40.000
3Q25	40.500
4Q25	41.000

Announcement

The holiday calendar showing which Argus reports are not published on which days is now available online
<http://www.argusmedia.com/Methodology-and-Reference/Publishing-Schedule>

Propylene deals, Gulf Coast

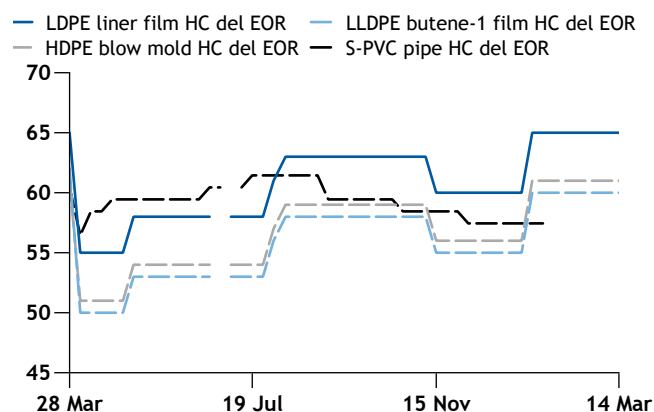
€/lb



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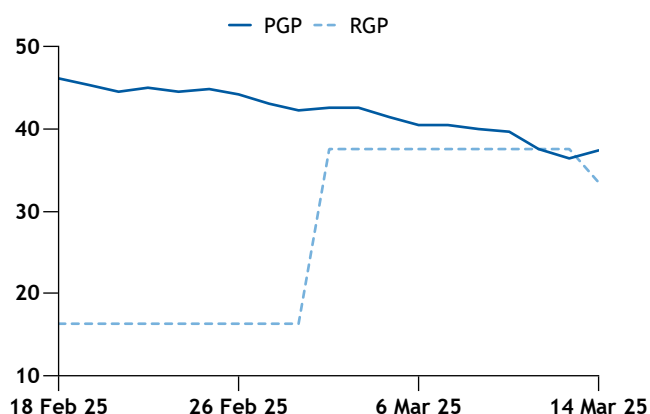
US polymers

¢/lb



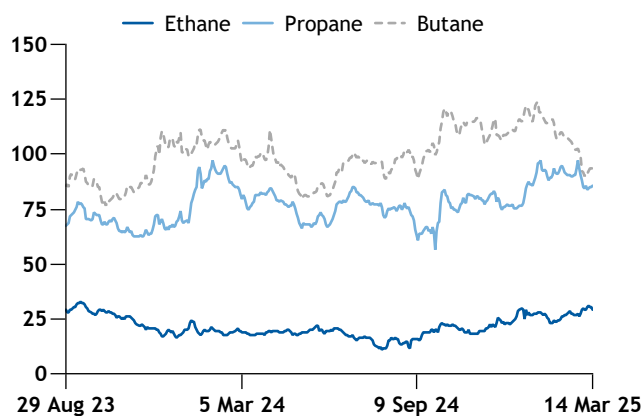
US Gulf coast spot propylene prices

¢/lb



US Gulf coast NGL prices

¢/USG



US/Canada Daily

March PGP traded three times, once at 37.25¢/lb and twice at 37.5¢/lb; Argus used the deals to set the assessment at 37.375¢/lb, up by 1¢/lb from the prior day. March/April PGP spread ideas were discussed around 0.5¢/lb contango. Argus therefore set the April PGP assessment at 37.875¢/lb, up by 0.75¢/lb from the prior day.

March pipeline RGP traded mid-week at 33.5¢/lb, down by 4¢/lb from the last recorded March deal in late February. Argus bracketed the deal to set the assessment for March and April. The RGP spread against PGP flipped back to a discount of 3.875¢/lb from a slight and extremely rare premium.

US/Canada Weekly

The price of polymer-grade propylene (PGP) for prompt-month delivery at the Enterprise Products Partners' (EPC) system fell sharply again this week on the restart of a propane dehydrogenation (PDH) unit. Argus recorded fifteen March PGP deals between 36.25-39.625¢/lb this week. The deal at 36.25¢/lb on 13 March was the lowest recorded in three months, effectively erasing all the price gains of 2025 to date. Volumes picked up this week as prices fell, with Argus recording at least 50mn lb for March delivery. April had no outright deals but traded twice at a 0.75¢/lb contango to March, maintaining the prior direction of the forward curve.

Spot prices have fallen by a full dime since peaking in mid-February at 46.25¢/lb. This more than 20pc decline came on lackluster derivative demand but shown signs of acceleration since the Enterprise's 750,000 metric tonne (t) PDH-1 unit in Mont Belvieu, Texas, restarted on 12 March. From last week's high deal to this week's low deal, spot prices have fallen by 6.25¢/lb. The PDH-1 will likely around two weeks to ramp up to full rates, adding further downward pressure on spot prices. Enterprise's sister unit, the 750,000 t/yr PDH-2 also in Mont Belvieu remains running but on allocation with no clear timeline on when its design issue will be fixed. Also, More supply will return next month, as LyondellBasell's 473,000 t/yr metathesis unit in Channelview, Texas, which converts ethylene into propylene, is down on planned turnaround and is expected back by mid-April. Without a pickup in demand, US PGP spot prices may fall further over the next several weeks. Spot prices hit a 15-month low on 9 December with a trade at 35¢/lb and there a strong change that price level may be broken through to the downside soon.

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One aspect supporting PGP prices is a low run rate and maintenance at propylene splitters. *Argus* recorded one March pipeline refinery-grade propylene (RGP) deal at 33.5¢/lb, a 4¢/lb decline from the last recorded March-delivery deal transacted at the end of February. The US propylene market had entered the extremely rare scenario in which lower-grade RGP was briefly priced above higher-grade PGP. The market reacted with expected disbelief at this price inversion, with one participant saying “that’s scary” and another saying “This can’t last for long.” That one participant was right, with this week’s lower trade, putting PGP back at a still narrow 2.75¢/lb premium to RGP. *Argus* recorded no failed deals this week. Refineries operated at 86.5pc of their operable capacity last week, according to this week’s data from the Energy Information Agency.

Sentiment in the US/Canada polypropylene (PP) market is shifting in March, with prices now expected to decline following the 4¢/lb increase in February contracts. If PGP spot prices continue to slide, some market participants said they would expect propylene producers to attempt an early settlement, hoping to avoid a steep one-month price swing.

The falling PGP prices are spurring some slight movement for spot PP prices, with producers this week heard to be willing to offer discounts of 1-2¢/lb for some generic spot cars that have lingered in inventory. Availability was heard to be good, with one trader saying pretty much any grade can be found, and producers appear willing to make a deal for most grades.

In acrylonitrile (ACN), *Argus* recorded two trades this week at \$1,415/t and \$1,425 on an fob basis. Propylene oxide (PO) derivative price announcements were announced in February and March and are being discussed throughout the market.

Latin America

In South America and most global markets, tension and investor uncertainties have grown due to US President Donald Trump’s stop-and-start trade policies and reaction to trade partners’ retaliation to tariffs. Even so, Trump confirmed that from 12 March, with no exceptions or exemptions, a 25pc import tariff will go into effect on all steel and aluminum imports into the US. EU and China reacted immediately, with the EU announcing retaliation of \$28bn on products imported from the US and China saying it would respond to defend its legitimate rights.

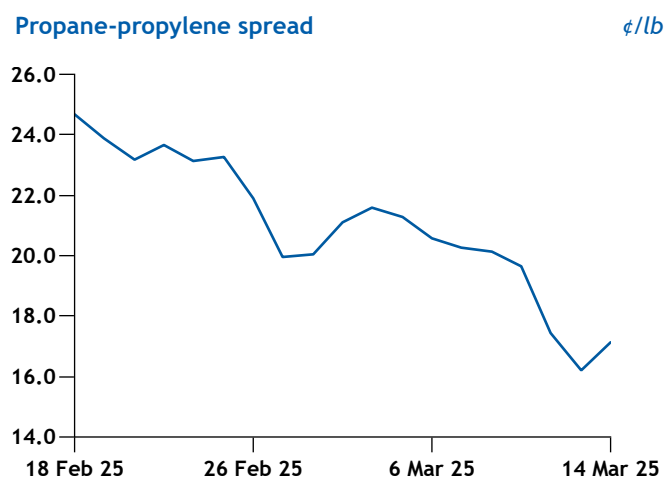
In Argentina, 50pc of the petrochemical hub of Bahía Blanca is paralyzed due to torrential rains on 7 March, which caused deadly floods and evacuations. Eight hours of non-stop rainfall destroyed roads and bridges, flooded buildings, and left large parts of the city without electricity. Unipar, Profertil and Dow are among the companies affected. Unipar released on 10 March that its plant is preserved, and the company is monitoring the situation, taking all measures to reestablish the operations safely, and will keep the market informed. Unipar’s production capacity is 240,000 t/yr of polyvinyl chloride (PVC), 95,000 t/yr of caustic soda, and 85,000 t/yr of chlorine. Dow is the main ethylene/polyethylene (PE) producer in Argentina, with the capacity of 750,000 t/yr of ethylene and 655,000 t/yr of PE.

On the energy front, the Guillermo Brown thermoelectric plant is out of service, as is the Transportadora Gas del Sur (TGS), which is responsible for gas facilities in that area. Meanwhile, Trafigura is operating its refinery in Bahía Blanca slower than usual.

Brazil’s GDP growth in 2024 was 3.4pc, registering 0.4pc in 4Q24, below expectations and showing a slowdown in economic activity in response to consecutive interest rate hikes. In March, the rate reached 13.25pc, with the central bank expected to raise it to 14.25pc next week after February’s inflation spike of 1.31pc, well above expectations to meet the government’s 2025 target of 3pc.

However, Brazilian propylene and polypropylene (PP)

Propane-propylene spread



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production increased in February amid lower PP imports due to higher import tariffs from 12.6pc to 20pc in force since 15 October.

There were no propylene imports or exports in Brazil, but lower PP imports favored domestic propylene demand in the two first months of this year. In February, Brazilian PP imports reduced 21pc from February 2024 to 44,700t, with lower buys from Africa-Middle East and Asia-Pacific. In the first two months of this year, Brazil imported 110,700t, 10pc less year-on-year. Africa-Middle East, notably Saudi Arabia, maintained 39pc of the market share, South America with 34pc gained 8 percentage points (p.p.), and Asia-Pacific lost 7 p.p. falling to 18pc.

Brazil's PP exports grew 10pc in February from February 2024 to 19,400, favored by a dollar appreciation and with more available product and opportunities in South America, which had 91pc of the total acquisitions. The region maintained its leadership in the first two months of this year with 88pc of the market share, increasing 26pc year-on-year to 35,700t with a PP monthly average price 2pc lower at \$1,150/t fob.

In February, the PP trade balance continued showing a deficit, with imports superior in volume and value to the exports. From January to February, it was -69,900t or -\$102.6mn.

Concerning prices, after keeping PP domestic prices stable from September to December 2024, Braskem has been raising its PP prices since January. In March, Braskem implemented a price adjustment policy, increasing R\$200/t (\$35/t) for all PP families, cumulating \$282/t in 1Q25.

From an operational point of view, the Triunfo Petrochemical Complex reestablished operations without restrictions on 6 March. On 14 February, there was a fire at an electrical substation and power supply was interrupted, affecting the operation of Braskem's polymer units and reactors.

For other propylene derivatives, from January to February there were:

- Acrylic Acid: 1,366t imported, being 88pc from Asia-Pacific paying an average monthly price of \$1,252/t cif and 20pc from North America at \$1,607/t cif.
- 2-Ethylhexyl Acrylate: 925t imported from Asia-Pacific (85pc) at an average monthly price of \$1,678/t cif and Europe (14pc) at \$1,754/t cif.

■ Propylene Glycol: imports grew 64pc year-on-year to 6,300t, with 59pc from the US at the average of \$1,342/t cif and 31pc from China at \$1,261/t cif.

■ Di-propylene Glycol: imports of 1,450t, increasing 63pc from 2024, with 81pc from the US at the monthly average of \$1,536/t cif and 16pc from China at \$1,800/t cif.

■ Acrylonitrile: no information from Unigel when its plant would be restarted. Its production paralyzed in 2023 due to financial issues.

In Argentina, Federico Susbielles, mayor of Bahía Blanca, said at a press conference that the reconstruction of the city, which has 350,000 inhabitants, will cost no less than 400bn pesos (\$363mn). The Argentine government announced the provision of 10bn pesos (\$9.3mn) in emergency aid.

In propylene, there were no imports or exports in January, but PP imports grew 97pc from January 2024 to 11,800t amid reduced import tariffs from 12.6pc to 7.5pc and lower prices. On the other hand, PP exports fell 21pc to 13,400t, and the value declined 27pc to \$13.120mn. The PP trade was almost balanced, pending in volume to exports at 1,648t, but due to lower prices, it was more favorable to imports in terms of value at \$3.353mn.

Operationally, there were no issues reported. The PP plants are out of Bahía Blanca, located in Lujan de Cuyo, in Mendoza Province, and Ensenada, in Buenos Aires.

Regarding domestic prices in March, PP continued stable after falling \$100/t in December from November to \$1,533/t - \$1,704/t.

Chile's propylene production is limited by the local refinery, which also limits the PP output in 80,000 t/yr. Even so, there are no propylene imports to complete the domestic supply and allowing the 150,000 t/yr capacity of PP to run at full rates. PP imports are needed to meet the demand.

In January, PP imports increased 55pc from January 2024 to 8,400t, sold at the average monthly price of \$1,244/t, 1pc lower. Asia-Pacific and South America had 36pc of the market share each, selling at a price 5pc higher at \$1,244/t and \$1,231/t.

PP exports in January were 4,000t, with all sold to South America, mainly Brazil, Argentina and Peru at an average price of \$1,174/t.

WESTERN EUROPE

The European propylene market has seen limited activity but plenty of discussion over the past week as the industry gathered in Antwerp, Belgium for the European Petrochemical Luncheon. The prompt market remains tight, but recent production restarts should help improve the balance in the coming month. Discussions were largely focused on asset closures and changes of ownership amid a cautious and pessimistic outlook for demand and margins along propylene and other chemical value chains. The seeds of some developments have emerged that could, in certain scenarios, have a positive effect on the industry, but none of them can yet be called game-changers.

European countries are waking up to the risks of deindustrialisation, especially in light of a discombobulating shift in the way global politics and trade negotiations are carried out. In the short term, the European Commission has published a provisional list of US products on which it could impose retaliatory import tariffs. It does not include any direct propylene derivatives. But it does include many semi-finished and finished goods, which could support demand for European producers, albeit at the expense of higher costs for buyers of these goods and ultimately consumers. The list includes plastic goods such as films, containers, caps, sacks and bags, as well as textiles including flooring and carpets, plastic furniture and mattresses. The products listed would be covered from 13 April if approved by EU member states, with a tariff level of around 25pc expected.

Western Europe prices						€/t
	Timing	Effective	Low	High	Mid	±
Contract MCP €/t	spot	Feb	1,135.00	1,135.00	1,135.000	7.50
Poly grade NWE cif spot	spot	Mar	1,035.00	1,035.00	1,035.000	2.50
Chem grade NWE cif spot	spot	Mar	915.00	970.00	942.500	10.00

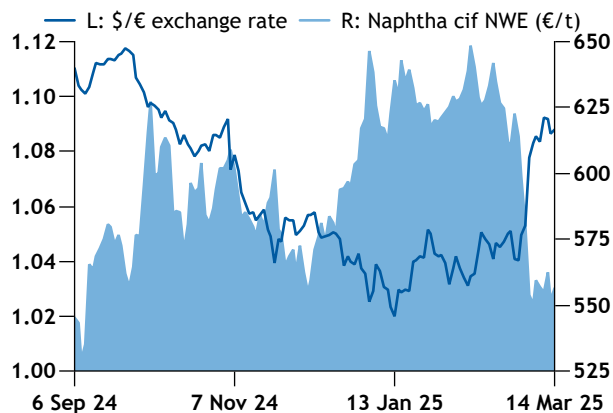
Western Europe prices					€/t
	Timing	Low	High	Mid	
Propylene, weekly, 14 Mar					
Poly grade NWE cif spot		1,025	1,055	1,040	
Chem grade NWE cif spot		sq	970	943	
Acrylonitrile, monthly, 7 Mar					
Monthly feedstock cost delta	Mar				-5

*freely negotiated monthly prices

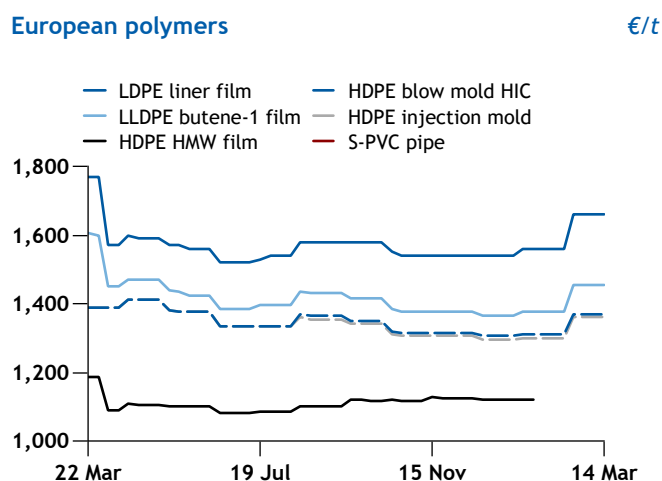
Western Europe contract pricing (MCP), monthly, 28 Feb			\$/t	€/t
Poly grade				
Mar			1,180	1,135
Feb			1,170	1,128
Jan			1,117	1,075

Western Europe feedstock prices				Prices	±
Naphtha para 65 cif NWE barge averages €/t					
Spot	14 Mar			556.350	4.280
	14 Mar (MTD)			562.625	
	Feb			628.580	1.345
	Jan			627.235	43.350

US dollar/euro exchange rate and naphtha cif NWE



European polymers



WESTERN EUROPE

The inclusion of polyethylene grades on the list is also potentially significant for propylene supply. European cracker operating rates may increase if domestic producers are called on to fill any gap from lower US imports. The threat of tariffs may even support a temporary lift because of the uncertainty.

While some pockets of the industry may see short-term benefit from tariffs, this can also be offset by the effects of higher costs, supply chain disruption and fewer EU exports of finished goods to the US. Europe is a net importer of the plastic goods identified, but the origin of the tariff dispute is President Donald Trump's goal to reduce the overall US trade deficit with Europe.

The EU's tariff proposals are a reluctant response to moves made by the US. They do not represent a targeted effort to support European industry and do not solve some of the fundamental challenges Europe faces, such as high energy costs, stagnant demand or supporting the investment needed to meet climate and sustainability goals.

There are tentative signs that more action could be taken to support the chemical industry. Eight European countries have published a proposal for an "EU critical chemicals act" that would go beyond the recent Clean Industrial Deal to provide additional support for decarbonisation and modernisation of infrastructure for products including the key olefins. Turning this into a concrete plan and securing European Commission support will be difficult, but it is a sign that the debate is moving in the right direction and at higher levels of government.

A lower crude price environment would also lift European competitiveness. The global crude price has dropped, with North Sea dated around \$71/bl, compared with a €77/bl average for the first two months of the year. Naphtha prices have fallen faster. The average for March so far is €65/t lower than February and prompt spot prices are nearly €80/t lower.

The propylene spot market has been quiet. The discounts for prompt material remain in single digits to the monthly contract price (MCP) and activity has been limited by the lack of availability in the near term. There is a sense that discounts will widen if the effect of recent unplanned production issues fades, but there have been limited offers for April so far. The Libyan cracker may complete repairs and restart in the coming weeks, but until it does it is not known if there will be import opportunities. Traders have offered cargoes from the Middle East for May arrival, with supply enabled by planned derivative maintenance in the region. Some has been heard fixed by

European buyers at discounts in around the mid-teens to the MCP.

Production issues originating in the German refinery system are largely resolved, although it may take more time to normalise balances, and an Italian refinery has restarted its FCC unit. A cracker in Belgium has also restarted after an outage of around a week. In Italy, the planned permanent closure of one of the two Versalis-owned crackers is scheduled to take place at the end of this month. This will tighten the mediterranean balance, assuming the continuation for now of PP production.

The European polypropylene market has seen a deterioration in fundamentals in March, owing to lacklustre demand. This has resulted in a gradual build-up of supplies, with sellers coming under more pressure. Many buyers have reduced their offtakes in March, in anticipation of lower prices in April. But weak demand in their value chains is limiting buyers' need to restock. Producers had targeted March price increases in line with the propylene increase, but softer demand has led to more rollovers and price decreases. Some of this is flexibility in anticipation of lower feedstock costs. Producers will fight hard to defend margins next month if propylene costs fall, but confidence levels are mixed.

The phenol and acetone markets remain under pressure. Low operating rates have tightened acetone supply, but while that supported acetone prices last year imports are now filling more of the supply gap and putting pressure on prices and margins for domestic producers. Planned maintenance works are scheduled in Scandinavia and Germany in the second quarter.

Reduced supply has tightened the propylene oxide and polyols markets. A force majeure remains in place from one Amsterdam-Rotterdam-Antwerp unit, while a second is scheduled to begin planned maintenance from late April. In eastern Europe a delayed new PO unit is in the process of starting up and will stabilise production.

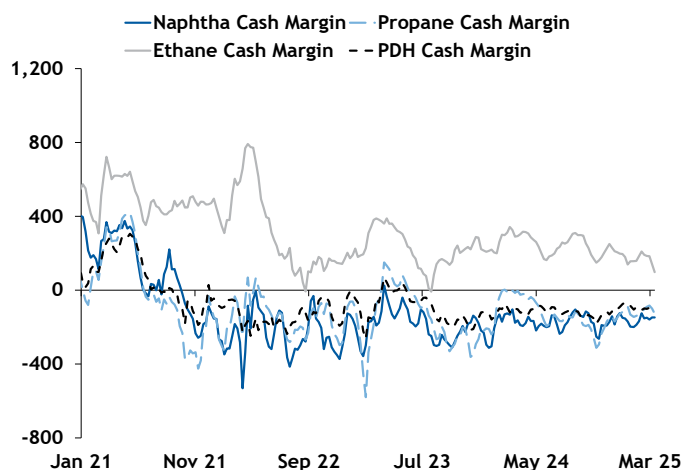
Announcement

All data change announcements can be viewed online at www.argusmedia.com/announcements. Alternatively, to be added to the email distribution list for all announcements, please email: datahelp@argusmedia.com.

ASIA-PACIFIC

Feedstock cash margin comparison

\$/t



Upstream and cracker margins

Naphtha prices were lower at an average of \$628/t cfr Japan, down by \$10/t compared with last week. Propane prices were relatively stable at \$600/t cfr Japan, down by \$1/t. For naphtha cracker, production margin was stable at -\$148/t because of losses seen in ethylene prices. Meanwhile propane cracker production margin dropped to -\$127/t, down by \$27/t. Propane dehydrogenation (PDH) margin was at -\$72/t, up by \$3/t compared with last week.

The production losses for propylene in January and February were revised to 15.0pc and 16.3pc respectively after factoring in the adjustment of idle crackers production losses. March's production losses are expected at 14.5pc now. LG Chem restarted its cracker in South Korea on 7 March. Vietnam's Hyosung restarted its PDH on 11 March, while China's Hebei Haiwei also restarted its PDH on 12 March.

Propylene

The following deals were done in the past week:

- Selling indication: \$840-845/t cfr northeast Asia
- Buying indication: \$825-830/t cfr northeast Asia
- Deal: \$835/t cfr China main port, South Korea origin, April shipment
- Deal: \$835/t cfr China main port, South Korea origin, April shipment

Propylene negotiations picked up marginally in the northeast Asian market. A few Chinese consumers returned and made

Asia-Pacific price					\$/t
	Timing	Low	High	Mid	±
Poly grade propylene daily	prompt	830.00	840.00	835.000	
Poly grade propylene weekly	prompt	830.00	840.00	835.000	

Asia-Pacific prices					
	Timing	Low	High	Mid	±
Poly grade propylene, weekly, 14 Mar					
SE Asia cfr spot \$/t		870	890	880	+10
SE Asia fob spot \$/t		820	850	835	+13
NE Asia cfr spot \$/t		830	840	835	-13
NE Asia fob spot \$/t		795	800	798	-13
east China domestic Yn/t		6,900	6,950	6,925	nc
Sinopec east China domestic Yn/t				6,950	nc

Acrylonitrile, weekly, 14 Mar					
China cfr spot		1,200	1,250	1,225	-75.00
Propylene oxide, weekly, 12 Mar					
del east China Yn/t		7,800	7,900	7,850	-75
del east China \$/t		874	885	880	-4
Phenol, weekly, 13 Mar					
ex-tank east China Yn/t		7,300	7,500	7,400	-488
ex-tank east China \$/t		846	869	858	-55

Asia-Pacific contract pricing			
	\$/t		€/t
Poly grade Taiwan, monthly, 14 Mar			
Jan	881		810
Dec	856		818
Nov	869		827

purchases for April shipments to fulfill production requirements.

Softer crude oil futures and weak downstream demand forced trading firms to cut offers from \$850/t to \$840/t cfr China's main ports on March 11. Buyers' notional buying ideas maintained at \$825-830/t cfr. An east China consumer bought a South Korean cargo with April shipment at \$835/t cfr.

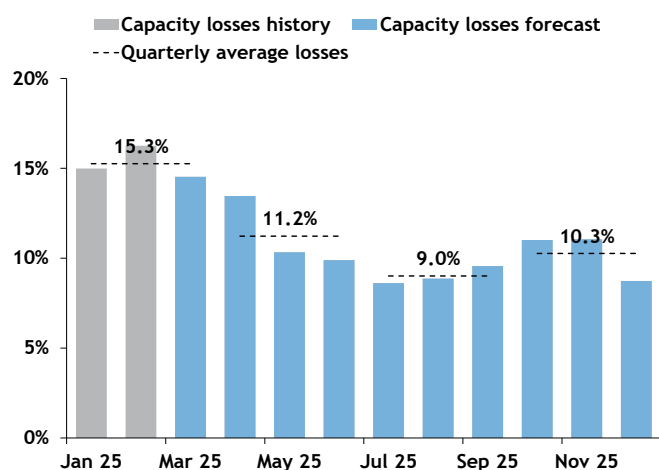
Discussion levels held steady in the following trading sessions, although crude oil futures rebounded. Sufficient Chinese domestic propylene supply capped negotiation levels at around \$835/t cfr China's main ports. A consumer purchased a South Korean-origin cargo with April shipment at \$835/t cfr on March 14.

Limited trades occurred in the Chinese domestic market

ASIA-PACIFIC

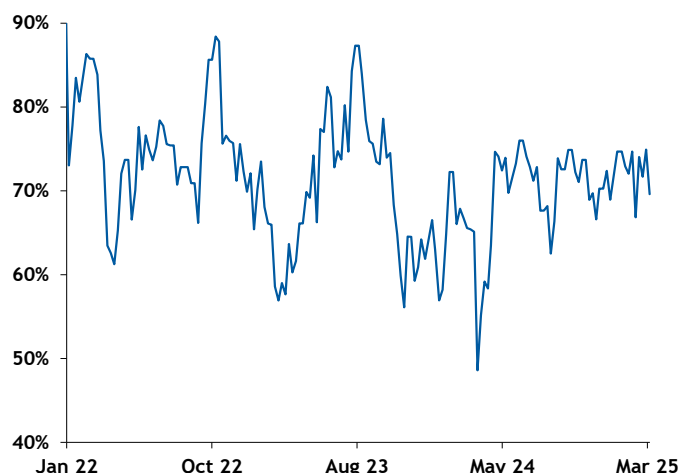
Asia propylene capacity loss 2025

%



China PDH operating rates

%



as downstream demand remained weak. Deal prices in the Shandong market fell from 6,900 yuan/t to Yn6,750-6,800/t ex-tanks during the week. Prices in the east China market held steady at Yn6,900-6,950/t ex-tanks. Sinopec maintained its propylene list prices in the east China market at Yn6,950/t.

China's propane dehydrogenation (PDH) operating rates declined to 71pc this week as two lines were shut for maintenance. Fujian Zhongjing Petrochemical shut its 900,000 t/yr No. 2 PDH unit on March 13 for 3-4 days of maintenance. Oriental Energy shut its 660,000 t/yr No. 1 PDH line on March 12 for a month-long turnaround. Hebei Haiwei restarted its

Outages			
Shutdown	Plant	KTA	Duration
Restarted			
Huifeng Haiyi	PDH	250	28Jan-12Feb
Tianjin Bohua	PDH	600	9Nov-19Feb25
Lihuayi Weiyuan	PDH	600	12-15Feb
Pertamina Cilacap	RFCC	150	midJan-midFeb
Jiangsu Sailboat	PDH	700	28Nov-21Feb25
Ningbo Fund	MTO	400	12Feb-1Mar
Lotte Chemical Daesan	Cracker	550	25-28Feb
SK Advanced	PDH	600	LateDec24-1Mar25
Guoheng Chemical	PDH	660	20Feb-end Feb
Zhejiang Xingxing	MTO	390	lateDec-5Mar
LG Chem Daesan	Cracker	650	25Feb-7Mar
Hyosung Vietnam	PDH	600	5Feb-11Mar
Hebei Haiwei	PDH	500	13Nov-12Mar25
Ongoing			
Formosa No.2	Cracker	515	1Aug, restart unclear
Puyang Far East	PDH	150	12May23, restart unclear
Zhejiang Huahong No.2	PDH	450	12Sep23, restart unclear
Yanchang Zhongran Taixing	PDH	600	20Sep23, restart unclear
Zibo Xintai	PDH	300	26Aug23, restart unclear
Shaoxing Sanyuan	PDH	450	21Aug23, restart unclear
PTTGC I1	Cracker	127	earlyOct-lateMar, delayed
Long Son Petrochemical	Cracker	450	endOct, likely 6mths
Hyosung No.1	PDH	200	June, restart unclear
JG Summit	Cracker	240	lateDec24, restart unclear
Lotte Titan No.1	Cracker	160	15Dec24, restart unclear
Sinopec Shanghai	Cracker	150	3Sep23-1Apr25
Taekwang	PDH	250	endDec, restart unclear
Shandong Zhonghai Fine Chemicals	PDH	400	22Jan, restart unclear
Hyosung No.2	PDH	300	5Feb, 35days
PRefChem	Cracker	630	endJan-endApr, extended
PRefChem	RFCC	730	One unit shut on endJan-endApr
YNCC No.2	Cracker	458	10Feb-4Apr
Guangxi Huayi	PDH	750	10Feb to End Mar
Ningbo Fuji	PDH	660	11Mar, 1 mth
SoftPackaging No.2	PDH	900	13Mar, 3-4days
Expected			
Huifeng Haiyi	PDH	250	Mar, duration unclear
Maoming Petrochemical No.2	Cracker	320	14Mar-24May
Jinneng Technology No.1	PDH	900	Apr, 1mth
Lotte Chemical Daesan	Cracker	550	12Apr-16Jun
Haldia Petrochemical	Cracker	330	midApr-endMay
PTTGC I4 No.1	Cracker	300	2HApr-1HJun
BASF Yangzi Petrochemical	Cracker	375	10Apr-endMay
Sinopec Sabc Tianjin	Cracker	500	20Apr-4Jun
Yanchang Yulin Energy	CTO	300	Apr-May, 1mth
Wanda Tianhong	PDH	450	May, duration unclear
New Plants			
Shandong Jincheng	KCOT	500	Target Mar
Ineos Tianjin Nangang	Cracker	600	Onspec 1H Nov
Shandong Yulongdao	Cracker	650	Onspec in mid Dec
Guoheng Chemical	PDH	660	Onspec earlyFeb25
Wanhua Chemical No.2	PDH	900	Onspec midFeb25
ExxonMobil Guangdong	Cracker	800	Likely Apr25
Wanhua Chemical No.2	Cracker	600	end of 1Q25
Lotte Titan Indonesia	Cracker	600	endMay

ASIA-PACIFIC

500,000 t/yr PDH line on March 12 after a four-month turnaround.

Propylene prices rose slightly in southeast Asia with ongoing supply tightness mainly because of extended shutdowns of regional plants.

Propylene prices were assessed at \$870-890/t cfr southeast Asia, up by \$10/t against last week.

Some 2,000t of Malaysian-origin propylene supplies were offered at \$900/t cfr southeast Asia for April-loading. Vietnamese PP producer Hyosung Vina could have sought the respective cargo at \$890/t cfr southeast Asia, but this could not be confirmed with the buyer or seller.

Other spot propylene offers were also seen at \$910-920/t cfr southeast Asia for April-loadings, but no deals could be confirmed at such levels.

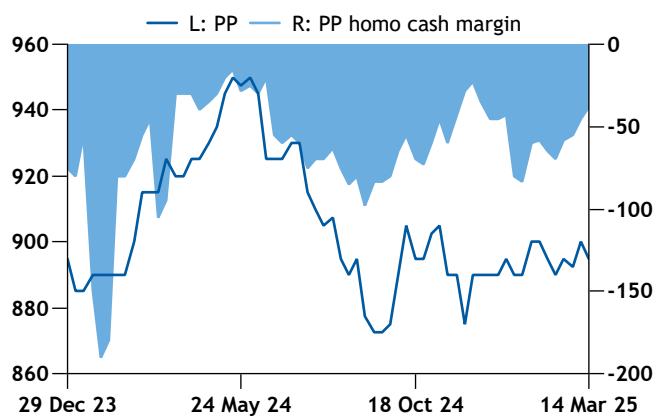
Propylene prices on a fob basis were raised slightly to \$820-850/t fob southeast Asia this week with respect to increase in cfr prices, amid limited discussions.

Polypropylene (PP)

PP prices in China softened with lower PP futures and waning buying interests this week. Ex-works prices of PP raffia in east China ranged between 7,220-7,550 yuan/t in east China, Yn30/t lower than previous range. Ex-works prices of PP co-polymer in east China also fell by Yn50/t on the week to Yn7,450-7,900/t. Import offers remained limited during this week. The workable level for import PP raffia ranged between \$890-900/t cfr

PP homopolymer non-integrated margin

\$/t



Downstream outages

Shutdown	Plant	KTA	Duration
PetroChina Jilin	Ph/Ac	94/56	1Mar, restart unclear
CNOOC Shell	Ph/Ac	220/130	Jul23, restart unclear
Sinopec Yanshan Petrochemical	Ph/Ac	110/66	22Nov23, restart unclear
Huizhou Zhongxin No.1	Ph/Ac	185/110	1Nov, 1mth
Chang Chun Petrochemical	Ph/Ac	300/180	8Oct, 45days
Shandong Fuyu	Ph/Ac	155/97	to start Nov24
Lihuayi	Ph/Ac	220/135	earlyNov, 1 week
Qingdao Haiwan	Ph/Ac	200/120	18Nov, 1 week
Jilin Petrochemical	ACN	452	2H Aug-mid Oct
Tongsuh Petrochemical	ACN	270	11Oct-late Dec
CPDC	ACN	120	late October to late Nov
CPDC	ACN	120	late Oct to early Nov
Formosa Plastics	ACN	280	earlyDec, 4 weeks
Zhejiang Petrochemical	ACN	130	mid-Nov to 13 Jan 2025
Jilin Petrochemical	ACN	130	3Dec, 10days
Lihuayi Weiyuan	ACN	130	early Jan 2025
Wanhua Chemical	CHPPO	400	Feed-in endMar2024
Jiangsu Ruiheng	HPPO	400	Onspec 2Jan
Lihuayi Weiyuan	HPPO	300	Started end-Mar2024
Qixiang Tengda	HPPO	300	8 Aug 2024 - restart unclear
Shenghong Petrochemical	PO/SM	200/450	midSep
Jiangsu Ruiheng	HPPO	400	26 Nov - mid Dec
Zhejiang Petrochemical	PO/SM	270/600	end March - early April
Jiangsu Yida	HPPO	150	2 Jan 2025 - restart unclear
Wanhua Chemical	CHPPO	400	Feed-in Jan 2025
Befar Group	PO/MTBE	240/742	Feed-in Jan 2025
Satellite Chemical	HPPO	400	13 Feb 2025 - mid Mar
Zhonghai Fine Chemical	PO	80	10 Feb 2025 - restart unclear
Hengli Petrochemical	EBSM	720	Likely late-April, restart unclear
Wanhua Petrochemical	POSM	650	Early April - early May
Shell Singapore	POSM	550	May-June
Hanwha Total	EBSM	600	Early April - Late April

ASIA-PACIFIC

China, down by \$5/t from previous week. And the import PP co-polymer was noted at a narrower range of \$900-920/t cfr China, unchanged from the previous week.

Propylene oxide (PO)

China's propylene oxide (PO) spot price was assessed at 7,800-7,900 yuan/t delivered east China this week, equivalent to \$911/t on an import parity basis and down by Yn75/t compared with last week. The average operating rate for Chinese PO production was estimated at 59pc this week, flat to last week as thin margins hold capacity offline.

Production margins for non-integrated chlorohydrin-based PO producers were estimated at Yn60/t or \$8/t, down by Yn215/t from last week with higher chlorine costs. For the hydrogen peroxide PO (HPPO) process, the production margin was estimated to -Yn874/t or -\$121/t, down by Yn121/t from last week.

Acrylonitrile (ACN)

Acrylonitrile (ACN) prices extended their downward trend this week because of sufficient supply and weak downstream demand.

Deal prices fell from 8,900 yuan/t to Yn8,600/t ex-tanks this week. Trades remained limited as most consumers remained on the sidelines. Consumers expect ACN oversupply to weigh on prices further in the coming weeks.

Softer Chinese domestic ACN prices also weighed on negotiation levels in the cfr northeast Asian market. Taiwanese producers lowered offers to \$1,240/t cfr and notional discussion levels were at \$1,200-1,240/t cfr. Deals were limited.

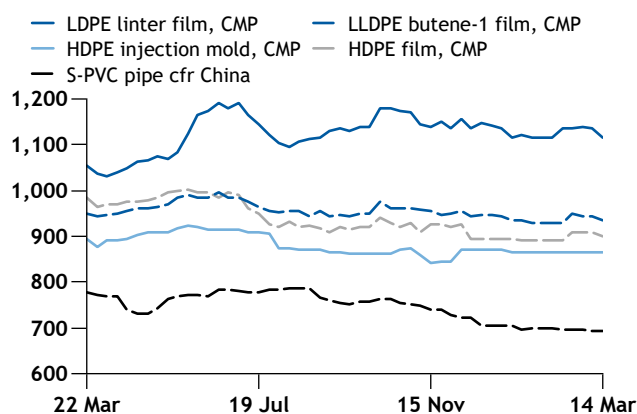
Chinese non-integrated ACN margins widened this week from negative \$137/t to negative \$194/t because of lower ACN prices and firmer feedstock ammonia values. Other Asian non-integrated ACN margins fell from \$18/t to negative \$32/t this week because of lower ACN prices.

Phenol/acetone

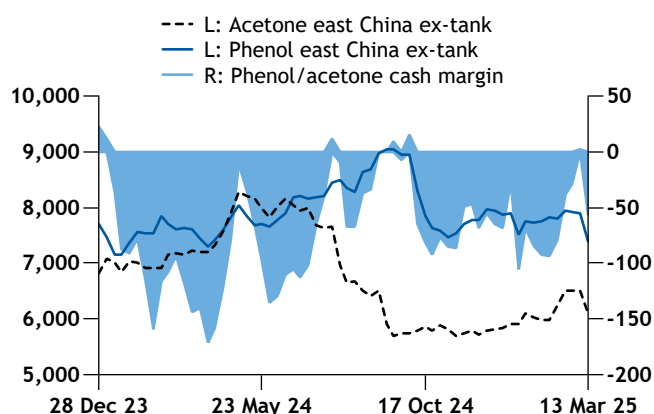
Asian phenol prices tracked downturns in feedstock benzene prices. Sharp drops in domestic Chinese benzene prices over the past two weeks kept buyers on the sidelines and awaiting for prices to bottom out. Average phenol operation rates in China were fairly unchanged at around 80pc, sources shared. Asian phenol prices inched down by 488 yuan/t from last week to close at Yn7,300-7,500/t this week. Meanwhile, acetone prices dipped by Yn400/t to close at Yn6,000-6,200/t.

Asia polymers

\$/t

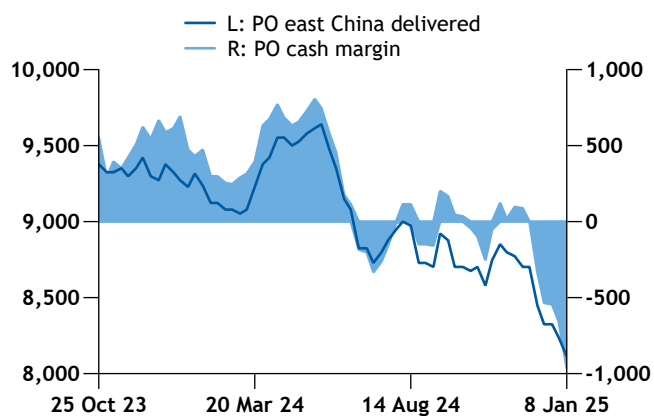


Phenol non-integrated margins



PO non-integrated margins

Yn/t



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US chemicals firm Dow will provide some details about its plans for its European business next month, chief financial officer Jeff Tate said today.

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