September 2026



Argus *C5 and Hydrocarbon Resins*

Chemicals

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Executive Summary

Key developments

Piperylenes	• Demand for piperylene improved slightly with some restocking in China and with prices higher in September with feedstocks. Supply from the balance of Asia-Pacific for both domestic use and for exports to the west remains constrained by much reduced upstream cracker and IED operating rates. Pips imports to the US continue at greatly reduced volumes. Europe continues to import smaller volumes of pips for C5 tackifier production, much of the volume from Asia-Pacific, which could be at some risk in the short to medium term.
DCPD	• DCPD demand into UPR remains weaker, with demand into HHCR slightly better. DCPD prices in China have increased with feedstocks but with balances improved since mid-April. UPR grade DCPD imports to the US continue to track well below levels seen several years ago with most of the UPR grade supply coming from domestic production. European DCPD balances had been tighter during the second quarter and to the present with some ongoing operating issues, but we see improved Chinese balances for exports to the region.
Isoprene	• Demand remains weaker globally into IR and SIS. Spot IPM pricing increased over the last month in China along with feedstocks and continued Japanese buying interest. In the remainder of Asia-Pacific, production rates are much reduced to match upstream cracker rates and shutdowns that are supplying key C5 processors. New Chinese capacity for isoprene coming online this year and next will be offset by weaker production from Korea, Taiwan and Japan. US and Japanese importers of isoprene are exposed to both risks for reduced volumes along with higher pricing in the current environment.
C5 tackifiers	• Demand remains tepid at best globally, with Asia-Pacific production facing ongoing feedstock supply issues. Sinopec volumes of C5 (and C9) feedstock in China appear to be preferentially destined for the larger HCR producers this month. Chinese domestic demand for road marking grades remains weaker but improving with demand improved this month for adhesive grades. Production in the US is reduced with only one larger producer, with imports increasing from Asia-Pacific as a result. Prices are higher in China since this time last month following feedstock costs despite adequate balances. Europe continues to have a heavy reliance on Asia-Pacific imports. Western prices now appear well supported into fourth quarter with higher feedstock pricing in September, elevated container freight rates, and recent China domestic price increases.
C9 tackifiers	• Demand remains weaker in China along with construction activity and lacklustre tire demand, but with stronger demand for thermal grades in asphalt modification. Demand remains somewhat better overall in the west. Operating rates in China remain very low for most of the small thermal grade producers. Pricing in China is higher in September for all grades. Prices for C9 HCR remain higher in the west but had increased at a slower rate than for HHCR. Western prices appear much better supported than at this time last month. Container freight costs have increased noticeably relative to early March for Asia-Pacific HCR exporters despite the end of the peak shipping season. C9 HCR feedstock pricing has increased in all regions since this time last month.
HHCR	• Prices in China are higher in September with most plants in operation and feedstock supplies improved since the early second quarter. HHCR supplies remain more balanced from domestic producers in the US. Prices in the west moved higher during the second quarter, with HHCR price increases eclipsing those of C5 HCR or C9 HCR. Prices appear well supported in the west for the fourth quarter. Capacity continues to grow rapidly in China with several larger plant start-ups planned in 2026/27/28. US imports of HHCR continue to grow, with YTD imports from Korea noticeably higher vs. 2025.
SIS	• Feedstock isoprene supply remains reduced at Asia-Pacific producers outside of China including Korea and Taiwan. Demand for SIS continues to be weaker on a global basis. Producer operating rates are reduced in the US with production volumes very minimal at best in Europe. Chinese SIS producers continue to run at much reduced rates with lackluster domestic demand, but with operating rates moving lower overall with more capacity from recent start-ups. Prices in China are higher in September with feedstock pricing but with adequate inventory.
SBS	• SBS prices are higher from August with adequate inventory in China but with domestic feedstock costs higher overall this month. Demand into footwear and modified asphalt is slightly improved from last month. Western demand into asphalt will decrease approaching winter, with European exports to the US lower as US producers produce more volume and see ongoing imports from Asia-Pacific. Operating rates in China are weaker due to a combination of new capacity recently online and uncertainty over feedstock costs and margins.

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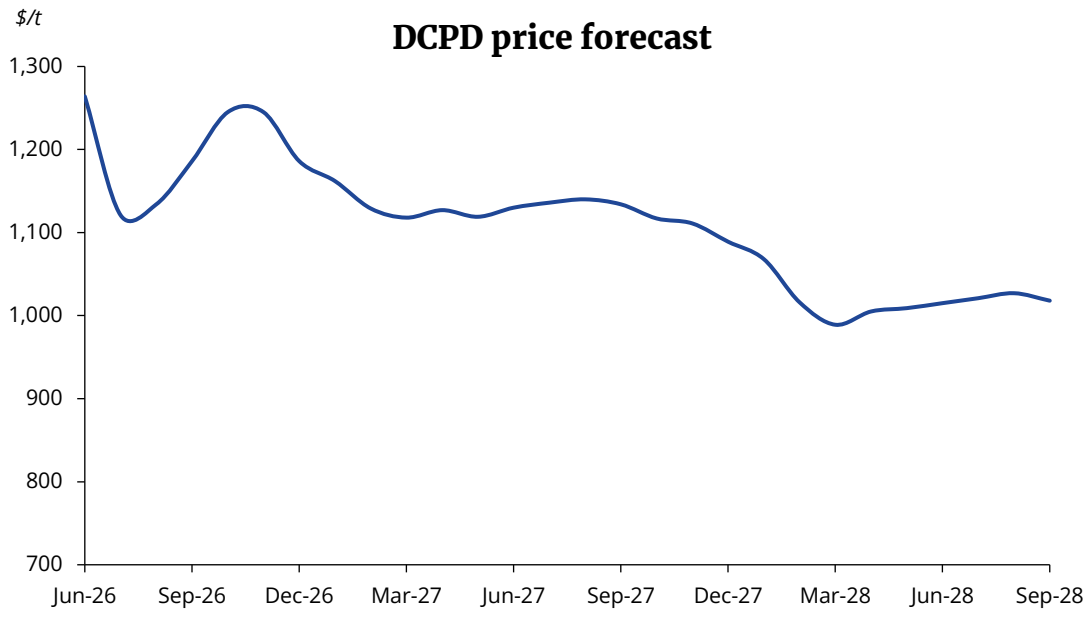
Executive Summary

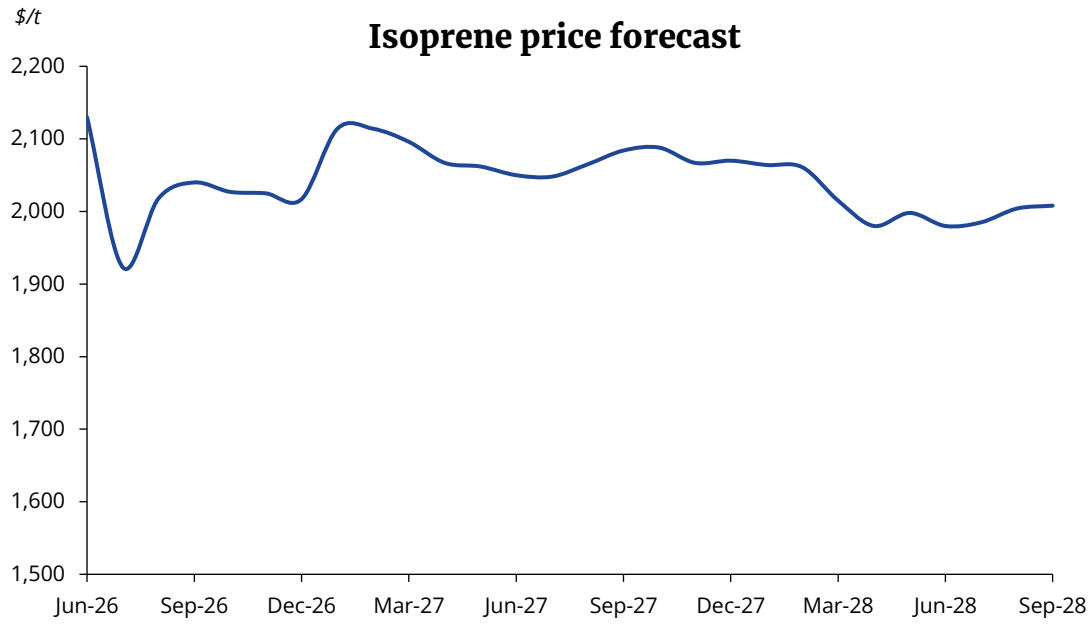
Click here to download the price dataset in Excel

Price assessments

Monomer	May	*June*	*July*	*August*	*September*
DCPD	1394	*1264*	*1121*	*1134*	*1186*
Isoprene	2196	*2130*	*1923*	*2018*	*2040*

C5 Hydrocarbon Resin, delivered US $/t				
Year	**1Q**	**2Q**	**3Q**	**4Q**
2025	1,984 - 2,337	1,984 - 2,337	1,955 – 2,337	1,837 – 2,278
2026	1,889 - 2,337	2,513 – 3,086		





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Monomers

Resin former supply

Supply

- Ethylene plant operating rates are noticeably reduced in Asia-Pacific with numerous rate cuts and shutdowns continuing due to feedstock limitations or poor economics. These could potentially increase as time progresses and crude and naphtha stockpiles are further depleted, with a return to normal ship traffic in the straight of Hormuz once continuing to look more elusive. US cracker operating rates are higher than those in Asia-Pacific or Europe as US polymer exports remain higher to replace Middle East volumes, with export volumes and prices for polymers on the rise this month this month with higher costs and improved export demand. In Asia-Pacific, ethylene producers continue to see ethane (if available and feasible) as the most economic feedstock for cracking, with standalone LPG and naphtha cracking negative again this month. LPG cracking continues in Europe where feasible along with some structural ethane cracking. US crackers continue to operate on predominantly ethane feed, with propane cracking margins also positive for those cracking LPGs.
- Overall cracker rates are reduced in China with naphtha still the most prevalent feedstock. All downstream IED units in China except Sinopec Yanshan (long term outage with restart unlikely) are operational. Average IED operating rates in China are slightly higher in the 75-78pc range but with crude C5 balances tighter than last month. While we are still seeing less crude C5's prioritized for production of cracker feed or motor fuels than in March and early April, there are still some specific cracker shutdowns which are impacting C5 monomer and C9 resin feed production for downstream units. Sinochem Quanzhou remains at reduced cracker rates, which impacts Henghe and Jinhai. Fujian Refining is at reduced cracker rates, and Sinopec Gulei had been down for turnaround, impacting Luhua feed at Zhangzhou. Rate cuts at Sinopec Shanghai, SECCO and shutdowns at Sinopec Yangzi and Sinopec Hainan are impacting C5 monomer production at downstream Sinopec units and C9 resin feed supplies to consumers. One of the CNOOC/Shell crackers at Huizhou is shut down again, impacting feedstock supply to Ecisco and Henghe. The larger HCR producers (Henghe, Luhua, Jinhai) who export much of the tackifier volume from China continue to face some reduced supplies of resin former feedstock along with most of the other domestic HCR producers. Sinopec has been limiting crude C5 and C9 supplies to some smaller downstream HCR producers, which may result in them producing less in October.
- Asia-Pacific crackers outside of China continue to run at much reduced rates and generally at lower overall rates than those seen in China. In Korea, YNCC continues to operate with just two crackers at reduced rates with the downstream IED running at rates to match much reduced feedstock availability. We expect another YNCC cracker to shut down as early as the first half of 2027 as part of the Korean rationalization plans at Yeosu, further limiting feed to the IED unit. Lotte will be operating at IED rates to match overall reduced rates on upstream cracker operations, further reducing feed supply, with their Daesan cracker already shut down in early September as part of the rationalization plans. The smaller LG Chem Yoesu cracker remains shut down with a restart likely late in October, followed by the shutdown of the larger LG Chem cracker at Yoesu, further reducing C9+ feed availability in the shorter term. The October/November period will also see a KPIC cracker outage in Korea. With only two of the current five YNCC/Lotte crackers expected to be operating in the future, having enough crude C5 feedstock supply to the two IED units will be an ongoing issue and some rationalization of IED capacity in addition to the upstream crackers does not seem out of the question.
- In Taiwan, the Formosa No. 1 cracker is shutdown, with the downstream IED running at reduced rates to match feed availability. The Formosa No. 3 cracker restarted earlier in September but will be followed by a No. 2 cracker shutdown at the end of September, reducing Formosa ethylene operations to just one cracker once again. Isoprene and DCPD exports from Taiwan are minimal and may disappear entirely with remaining C5 monomer production being used almost exclusively for domestic waterwhite tackifier and styrene block copolymer production along with some ongoing pips exports. Both CPC crackers in Taiwan are in operation, which will help C9 resin former production. The PCS No. 1 cracker in Singapore (C9 feed producer) remains shutdown with restart timing unclear with just the No. 2 cracker operating.
- Overall cracker rates in Japan remain noticeably reduced, but with IED capacity online. Japan has completed a heavy cracker turnaround season. The Maruzen Chiba cracker is shut down due to margin concerns with no clear restart timing. Idemitsu had trimmed rates and previously warned customers ethylene production may be curtailed at their two crackers amid feedstock shortages. The loss of domestic crude C5 production in Japan will impact domestic C5 monomer production. Production of C9 feedstock for both C9 HCR (Tosoh and Eneos) and HHCR (Arakawa) production remains an ongoing concern. Japan's ethylene sector has announced around 1.9mn t/yr of capacity rationalization through a series of plant closures and operating consolidations. Planned shutdowns include Maruzen Petrochemical's 525,000 t/yr cracker in Chiba, Idemitsu Kosan's 374,000 t/yr cracker in the same prefecture, Eneos' 450,000 t/yr cracker in Kawasaki prefecture, and Asahi Kasei Mitsubishi Chemical Ethylene's 567,000 t/yr cracker in Mizushima.
- ExxonMobil will continue to operate the No. 2 cracker at the Singapore site. Internal production of DCPD is reduced with only one cracker in operation and will necessitate continual imports of DCPD to supplement their own local production if HHCR rates in Singapore are to be maintained or increased to support US sales.
- Ethylene continues to be tightly managed in Europe as producers manage inventories and co-products carefully amid what are somewhat elevated feedstock costs and as polymer buyers operate on an as-needed basis for purchases. DCPD depleted crude C5's continue to flow from Europe to the US with two September arrivals the most recent noted. These crude C5 shipments from Europe to the US should continue for at least the foreseeable future.
- US resin former production remains minimal with an ethane dominated feed slate. Domestic crude C5 feed to the largest consumer Gemspring (Goodyear) should be decent with the overall cracker rates in the US, but these rates could move lower over time if demand for polymer exports weakens.
- C5 monomer exports from Brazil continue to flow predominantly to the US with Braskem now capable of producing UPR grade DCPD. Braskem cracker operating rates remain well below capacity, but available feedstock supply has not been impacted like it has been in Asia-Pacific.

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Monomers

Resin former demand

Demand

- Margins remain slightly improved for Asia-Pacific C5 processors with pricing in China for all three key monomers still well above levels seen in early March and having increased faster than feedstock during September. Demand for C9 feedstock and pips in China has been weaker with weak C9 HCR and C5 HCR demand domestically, but pips pricing has risen with some short-term replenishment out of concern for further price increases.
- Resin formers continue to flow structurally to the US to meet consumer needs. US demand for resin former imports remains reduced with the shutdown of domestic C5 HCR capacity and weaker domestic production rates for SIS and UPR relative to several years ago.
- C5 monomer flows to Europe remain weaker to meet corresponding demand, with minimal isoprene moving from Asia-Pacific to Europe for SIS and butyl rubber production, along with some smaller volumes of pips for HCR production and DCPD imports primarily from China for COC and ENB production

Unit watch

- Chinese IED's including **Jinhai** (two trains), **Sinopec Shanghai** (larger train), **Sinopec SK** (**Wuhan**), **Ecisco** (**Huizhou**), **Henghe (Nanjing)**, **Fushun Yikesi**, **Fushun Yikesi (Panjin)**, **Sunion (Maoming), Sunion (Zhanjiang), Tianli (Xinjiang), Luhua (Zibo), Luhua (Panjin), Luhua (Zhangzhou)** and **Shenghong (Jiangsu)** are all online with overall average rates in the 75-78pc range amid some feedstock concerns but with rates improved from early in the second quarter.
- **Ecisco (Jieyang City)** has restarted after a planned turnaround.
- **Derong** (one train) has restarted one line after a planned turnaround.
- **Sinopec Yanshan** IED remains down due to weak economics with a restart very unlikely.
- **YNCC** and **Lotte** in Korea are running at IED rates to match cracker feed supply at much less than full capacity. **Formosa** is running much reduced rates on the IED with the No. 1 cracker offline, soon to be followed by the No. 2 cracker after a No. 3 cracker restart. **Zeon** in Japan will in the shorter term continue to see lower crude C5 availability and monomer production rates from weaker domestic ethylene production in Japan and from potentially reduced Korean crude C5 imports.
- **Braskem** IED is operating including the upgraded DCPD production unit.

Outlook

- China will continue to see some refinery and in turn cracker rate cuts until normal Middle East crude and naphtha flows are reestablished for a period. Impacts remain less severe however than those observed for competitors Korea, Japan and Taiwan. If the Strait of Hormuz restrictions remain for a more extended period however, we could see further IED rate cuts in China as well as the other Asia-Pacific consumers. Overall global resin former production will be weaker with current and announced cracker shutdowns and rate reductions due to the lack of crude and naphtha supply, particularly in Asia-Pacific where the bulk of resin former supply originates. Weaker demand for resin formers is keeping the supply and demand closer to balanced.
- North American and European consumers of imported C5 monomers are currently seeing some decreased availability of supply. Importers of crude C5 and C5 monomers in Asia-Pacific including Japan and Korea will also see less availability of supply from outside of China. Normalization of vessel traffic in the Straight of Hormuz if it occurs will eventually return export flows of monomers to their pre-war levels, but this is likely to take an increasing period of time.
- Total IED capacity additions in China during the 2026-28 period will likely be 80-90,000t of isoprene per year with accompanying DCPD and piperylenes capacity. Some of these projects are likely to be delayed in the current cost and geopolitical environment. Increased Chinese resin former production will be at least partially offset by the noted weaker resin former production in the balance of Asia-Pacific.

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Monomers

Piperylenes

Supply

- Pips supplies remain adequate within China with most IED units operational at an overall rate of 75-78pc. Production in September is improved from the April/May period.
- Pips production in Taiwan is greatly reduced with only one of the three Formosa crackers normally in operation and corresponding to reduced rates at the downstream IED. Exports of pips will remain correspondingly weaker.
- Korean production volumes of pips are much reduced with IED's matched to very reduced upstream cracker rates with pips exports likely decreased to meet domestic demand into C5 HCR.
- Pips production within Japan is reduced with lower cracker rates. Zeon's IED continues to supply their downstream derivatives in Japan and Thailand but with some reduction in C5 monomer production including pips given the reduced feed supply. Pips production had also been impacted by the very heavy cracker turnaround season in Japan through early third quarter, exclusive to the feedstock related cracker rate reductions.
- Crude C5 and in turn pips production in the US remains structurally weaker with US crackers running on predominately ethane feed. Pips supplies are generally adequate for the domestic market, but some imports are seen, predominantly from Brazil and Korea. In the short term, we are likely to see slightly improved domestic pips production in the US as crackers had been running at stronger rates and may continue to do so approaching the fourth quarter.
- Crude C5 parcels containing piperylene continue to flow from Europe to the US from one producer and continue to provide additional pips (and isoprene) for the US market. There is no pips production within Europe.

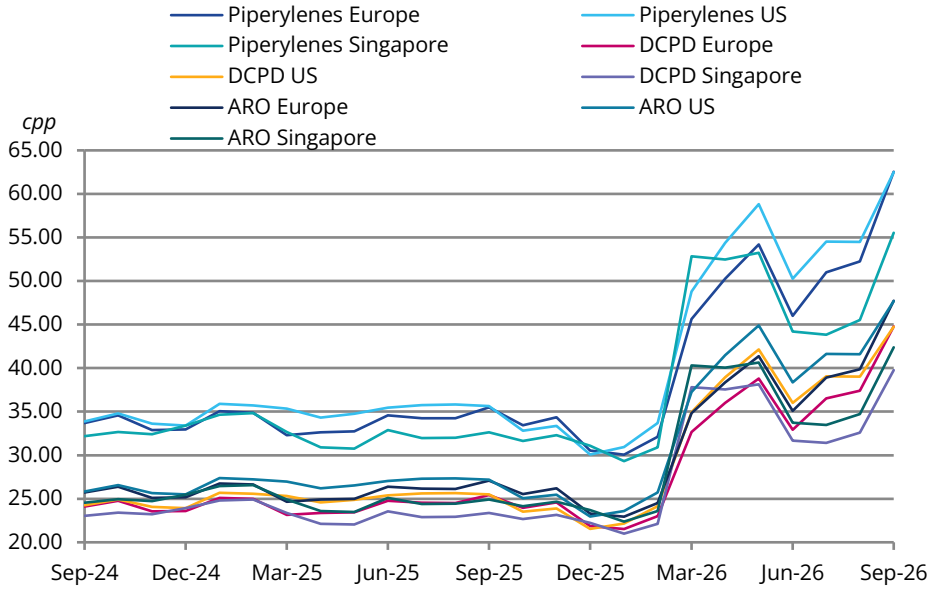
Demand

- Overall demand for pips into C5 tackifiers is tepid at best globally during the third quarter with weaker demand from the tapes and labels markets and with competition for C5 tackifiers in some markets from competitively priced HHCR.
- Pips demand in China into tackifiers and curing agents has improved slightly, do at least in part to some replenishment of inventories over concerns of higher prices. Demand into C5 HCR adhesive grades has improved slightly after a slow period of purchasing from hot melt adhesive producers.
- Posted pricing for pips in China is higher this month with crude C5 feedstock prices and the noted slightly better demand and was recently seen at 9,400 – 10,000 RmB/t ($1,400/t - $1,489/t) ex-plant.
- Demand for pips in the balance of Asia-Pacific remains slightly improved versus several years ago. Pips demand for Thailand, Korea and/or Japan will be structurally stronger with additional C5 tackifier exports to the US and Europe with the recent shutdowns of C5 HCR production in those regions, particularly if the more elevated tariffs for Chinese exports of HCR to the US relative to other exporters remain in place. The tariff situation for many US imports currently has a 10-12.5pc tariff rate but with seemingly endless court challenges and negotiations for more permanent tariffs ongoing.
- Import flows of pips to the US have been reduced but not eliminated since early 2024, given lower overall C5 HCR demand for pips from the shutdown of production at the Resin Solutions tackifier plant during 2024 followed by ExxonMobil in late 2025. Notwithstanding any operating issues, domestic HCR production in the US (both waterwhite and C5) which consume pips should be running at strong rates given the production challenges in Asia-Pacific which will allow domestic production to take advantage of resultant short-term sales opportunities.
- Pips consumption in Europe will remain more minimal given the significantly reduced volume of C5 HCR production in the region but import volumes of pips primarily from Asia-Pacific are likely to continue. Asia-Pacific export volumes to Europe coming from Korea or Taiwan remain at some risk in the current geopolitical environment.

Outlook

- Production of pips will remain reduced in Asia-Pacific until feedstock issues related to the US-Iran war are substantially resolved, with the likelihood of this happening gyrating from week to week. Pips, like the other C5 monomers, will be produced in reduced quantities in each of Korea, Japan and Taiwan and to a lesser extent China until we see idled crackers restart and/or others increase rates.
- Structurally, pips supply capacity is expected to be more than adequate given current demand for C5 tackifiers until such time as the tapes and labels markets see much stronger demand.
- Piperylene imports to the US will remain lower with reduced domestic C5 HCR production, and piperylene imports to Europe will remain more minimal to match much reduced C5 HCR production in the region.
- Piperylene exports from Taiwan and Korea are expected to decrease structurally as part of future domestic ethylene capacity rationalization plans and remain lower in the shorter term due to feedstock constraints.

Gasoline effects on resin formers



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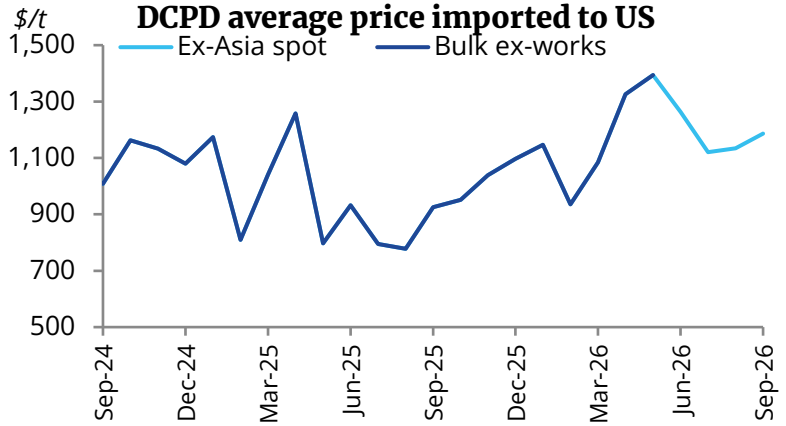
Monomers

DCPD supply

Supply

- DCPD supply/demand is balanced in China this month but with prices higher and approaching values last seen in April. Prices were seen recently at 9,100 – 9,300 RmB/t ($1,355/t - $1,385/t) ex-plant for 80-85pc grade material with prices strongest in the northeast. Nearly all producers are online, with rates in the 75-78pc range overall. Sinopec Yanshan remains offline with a restart unlikely.
- Korean DCPD production is reduced with cracker rate reductions and shutdowns continuing to impact production at YNCC and Lotte. This is impacting domestic HHCR producers. Increased structural imports of DCPD to Korea are necessary to supplement domestic DCPD production for use in HHCR units, much of it needing to come from China. The availability of these import supply volumes is improved since April but remains at some risk.
- Japan is producing less DCPD with crackers at much reduced rates or having been recently on turnaround. This has the potential to constrain downstream HHCR and COC production with less DCPD production at Zeon and others. Supplies would obviously improve going forward with stronger domestic production if the Straight of Hormuz transit situation were to improve. Zeon recently announced a 20pc DCPD capacity expansion in support of their COC business recovering additional DCPD from the C5 raffinate stream at the IED unit.
- DCPD production volumes in Singapore are reduced with current cracker operations. DCPD imports to Singapore will be required if ExxonMobil is to maintain or potentially increase HHCR production rates to support HHCR volumes destined for the US. DCPD import volumes will likely need to come from China, with availability improved versus the second quarter.
- Production rates for DCPD in Taiwan are noticeably reduced with Formosa typically operating just one cracker and with reduced downstream IED rates the result. These reduced ethylene rates should eliminate DCPD exports from Taiwan and constrain DCPD supply for domestic HHCR production. DCPD exports from Taiwan in 2025 were 12,544t. July exports of DCPD were zero once again, and YTD Taiwan has exported just 1,216t of DCPD, down 76pc from the same period of 2025. Most Taiwanese exports of DCPD find their way to the US for UPR production.
- DCPD availability remains adequate at present to meet UPR demand for the construction, automotive and RV markets in the US, with US producers that are normally capable of producing high or ultra high purity DCPD continuing to be the primary suppliers to the domestic UPR market to move volumes. This is likely to change going forward with Braskem now capable of supplying UPR grade material to the US and with demand for ultra-high purity DCPD likely to increase domestically. US imports of European resin grade material are likely to continue going forward and could also become a feedstock for ultra-high purity DCPD production. We have also seen some resin grade DCPD upgraded to UPR grade at custom processing facilities within the US as balances dictate it.
- Brazil (Braskem) has become a UPR grade DCPD exporter with product now suitable for direct sale to UPR customers in the US (tariffs, which are constantly evolving, notwithstanding), Mexico, Europe and elsewhere. This additional supply of UPR grade material should provide competition for the current DCPD producers supplying the UPR grade market in the US and to other markets in the region.
- European DCPD production was reduced in the first half of the year with a supplier turnaround and unplanned outages. Production has been reduced at Unipetrol during this quarter. Lower upstream cracker rates at European DCPD producers will mean slightly lower European production than what may have been seen even several years ago. DCPD exports from Taiwan to Europe were very minimal in 2025 and have been zero so far this year, with any DCPD imports to supplement domestic production coming almost exclusively as of late from China. European imports of DCPD from China are at some risk with some reductions seen in Chinese DCPD supply but the situation has improved since the early second quarter. With any Chinese exports of DCPD facing what could still be elevated import tariffs to the US, Europe and the balance of Asia-Pacific including Singapore should tend to be the preferred home for available Chinese DCPD exports outside of Asia-Pacific.





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Monomers

DCPD demand

Demand

- Overall DCPD demand in China remains tepid and with supply improved from the April/May period. UPR overall operating rates are weaker at 33pc, with HHCR demand for DCPD stronger than the UPR market.
- Korea is looking for additional DCPD import volumes given the weaker domestic supply, which should continue to be supportive of Chinese DCPD export pricing. HHCR producers in Korea are likely to secure at least some additional structural import volume from China with the ongoing rationalization of cracker capacity in Korea to ensure their plants can operate at desired rates. In the short term, Korean HHCR producers have also looked to the US or Europe for spot material if the economics are feasible.
- Reduced HHCR production in Europe and the US means more Chinese, Korean, Japanese and Taiwan exports of HHCR will find their way to those regions, supporting long-term DCPD (and C9 ARO) demand for DCPD into HHCR in Asia-Pacific.
- US UPR market demand for DCPD remains weaker with the construction and housing markets and slightly better for the auto sector. DCPD demand for HHCR is much reduced in the US with the recent ExxonMobil HHCR shutdown. Demand for ultra-high purity DCPD for poly DCPD applications is expected to increase significantly in the US, serving as feedstock for ExxonMobil's emerging Proxxima™ business. The recent announcement that ExxonMobil will build a 120,000t Proxxima blending facility at Baton Rouge will mean that additional ultra high purity DCPD production capacity in the US will be required to upgrade DCPD streams and/or additional imports of ultra high purity material will be needed to supplement domestic balances.
- Based on July GTT data, US imports of DCPD increased to 1,920t from 435t in June, with arrival volumes from Belgium, Brazil, China, the Netherlands and Japan. Benchmark DCPD prices were assessed at $1,394/t for May bulk loadings to the US with prices for September loadings forecasted to be $1,186/t ex-Asia with improved supply but renewed strength in energy pricing. For 2025, US DCPD imports were 19,863t and tracked 14pc lower than for the same period of 2024. YTD through July, US imports of DCPD are just 8,888t, 31pc lower from 2025. Weaker demand in the UPR markets coupled with stronger domestic production of UPR grades is the key reason for the weaker imports. Imports are likely to grow in the future in support of higher purity applications.
- European domestic production of high purity DCPD continues to feed domestic consumers for ENB in Belgium and cyclic olefinic copolymer (COC) production in Germany. The start-up of the second COC plant by TOPAS Advanced Polymers GmbH in Germany remains delayed to the first quarter of 2027. Demand for UPR grade in Europe is weaker like the US given weaker construction markets. European demand for resin grade material remains more minimal due to much reduced DCPD based HHCR production.
- DCPD exports from Taiwan to Europe for 2025 were just 1,517t, and YTD through July Taiwan has exported just 220t to the EU. Chinese exports will make up most of the balance of demand in the EU. Smaller Russian origin DCPD volumes if produced should flow to India, Turkey or other Asia-Pacific consumers having been displaced from the Eurozone by sanctions.

DCPD Outlook

- DCPD production in Asia-Pacific is being negatively impacted by numerous cracker shutdowns, rate cuts and resultant decreased rates at IED units, particularly those outside of China. DCPD production in Europe has increased after a completed producer outage in the first half of the year, while DCPD production in the US, like isoprene, may be slightly stronger in the short term with cracker rates.
- DCPD exports from Taiwan and China are at risk with the reduced production, while exports from Brazil are likely to be less impacted.
- DCPD balances are expected to remain slightly snug in Europe due to a combination of reduced production, and less available imports from China.
- DCPD balances in the US should be more immune to current Asia-Pacific production issues, given the more limited quantity of DCPD that the US currently imports.
- Supply growth for DCPD will come primarily from China. HHCR demand for DCPD continues to grow at a much faster overall rate than UPR demand, but with overall demand currently on the weaker to tepid side. Demand for higher purity DCPD is likely to grow well above global GDP rates with COC and especially poly DCPD applications.

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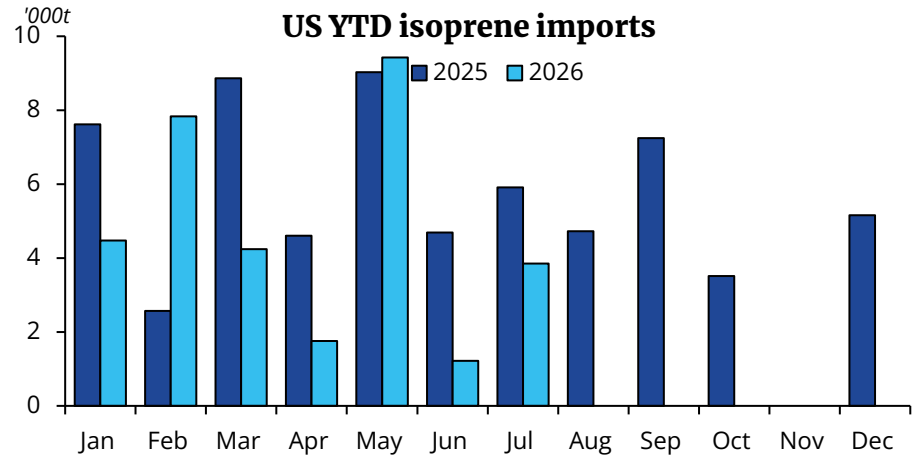
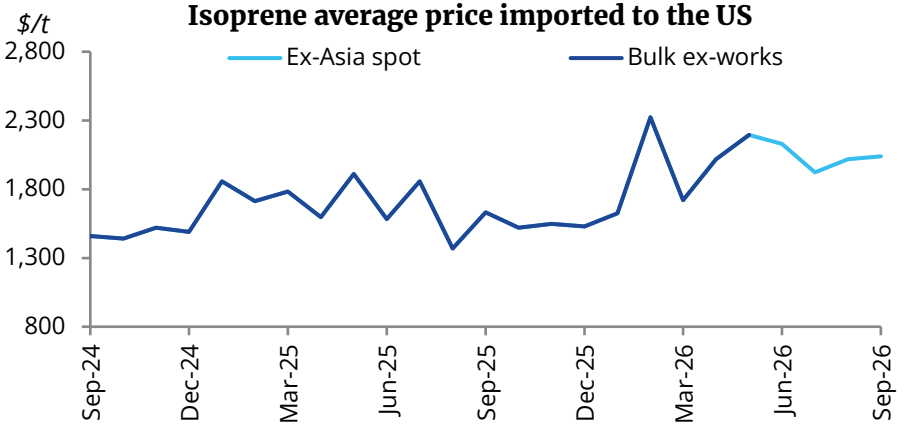
Monomers

Isoprene supply

Supply

- Isoprene supply in China remains improved since mid-April, with most isoprene units except for Sinopec Yanshan (long term outage and unlikely to restart) operating at present, with overall rates at 75-78pc. Domestic prices are higher than August with higher feedstock and IR pricing and with supply/demand balanced to tighter and were seen recently at 14,200 – 15,000 RmB/t ($2,115/t - $2,234/t) ex-plant with prices strongest in the northeast. Producers continue to try and hold on to increased margins since the onset of the US-Iran conflict.
- China exported 21,881t of isoprene in 2025, up 80pc from 2024. YTD through August, Chinese exports of isoprene are 18,544t, up 18pc from the same period of 2025. Chinese isoprene exports remain at some risk with reduced Chinese production, with exports to Japan and Singapore likely to be the least impacted given their use in higher value derivatives and closer proximity to production. China has been the primary isoprene supplier to Singapore for 2026 YTD, with those export volumes up 331pc YTD at 6,406t.
- Korean isoprene production and in turn exports have been lower with the much-reduced IED operating rates at YNCC and Lotte, and with the US, as the largest importer of isoprene likely to be the most impacted. Korean isoprene exports were just 2,955t in August, down from 3,468t in July and are tracking 19pc below 2025 YTD according to GTT data. Korean isoprene exports to Singapore increased with the start-up of the new Cariflex IR latex facility in 2024/2025, but with very minimal exports seen during 2026 and with those volumes as noted replaced by Chinese exports. Korean production of isoprene is likely to suffer structurally in the future with the rationalization proposals including a permanent shutdown of YNCC cracker No. 3, further rationalization of YNCC cracker capacity at Yoesu, and the recent shutdown of the Lotte Daesan cracker at the beginning of September. The end of 2025 had already seen weaker upstream cracker rates in Korea and in turn IED rates and this had continued into 2026 even prior to the US-Iran conflict.
- Taiwan had historically been the second largest isoprene exporter in the Asia-Pacific region outside of China with 2025 export volumes of 20,006t, 9.6pc below volumes for 2024. In 2025, 88pc of export volumes from Taiwan headed to the US. The shutdown of a second Formosa cracker due to feedstock supply issues and poor economics has negatively impacted isoprene production with very minimal exports of isoprene being the result. YTD through July, Taiwan exported just 6,702t of isoprene, down 46pc from 2025. July exports were just 119t. We have seen some growing isoprene imports to Taiwan which are up 760pc from 2025 to 1,184t, presumably as feedstock for domestic SIS production.
- In Japan, we have seen the end of a heavy turnaround schedule for upstream crackers accompanied by numerous cracker rate reductions and shutdowns due to limited naphtha supply as fallout from the US-Iran hostilities. This is negatively impacting isoprene production and will continue to do so until trade flows of crude oil and naphtha from the Middle East to Japan return to closer to normal. This will increase demand for isoprene imports which would likely come from China and not Korea.
- Spot pricing for IPM which is negotiated quarterly or on a spot basis has been at or above annual contract pricing for IPM export parcels to the west . This is likely to remain the case until if/when global supply/demand balances lengthen in very late 2026 or early 2027 assuming we see an end to shipping restrictions in the Straight of Hormuz and new IED capacity comes online in China. It is looking increasingly likely however, that continued lower isoprene production from Korea, Taiwan or Japan even after a return to normal crude and naphtha trade flows may offset some or all of the future production gains in China. This will continue to support isoprene pricing as we approach 2027.
- US production of isoprene remains structurally lower with crackers on predominantly ethane feed but will be marginally improved with US cracker rates in the short term. Isoprene contained in regular crude C5 imports from Europe continues to boost production numbers at the largest isoprene producer in the US.
- Isoprene supply to Europe is made up entirely of imports, most of which has historically flowed to Italy for SIS production and smaller volumes to other countries for butyl rubber production. Isoprene flows to Europe have not increased in 2026 with limited SIS production.





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Monomers

Isoprene demand

Demand

- SIS demand for isoprene in the west remains tepid during 2026, with demand into IR slightly better. Domestic demand in China into SIS remains tepid at best with ample inventory. Isoprene demand into IR within China is seeing lacklustre demand into the tire segment but a recently reduced flow of lower-priced Russian IR imports which has domestic production running harder. New Chinese SIS/SEPS capacity online at Jinhai, Ecisco and Sinopec Shanghai/Baling recently will continue to see a zero-sum production game versus existing capacity given current market demand, which saw some demand destruction at the higher domestic SIS prices in April and May. Demand for Chinese isoprene exports to Japan has been stronger and supportive of prices, which is not surprising considering weaker domestic Japanese production and lower production and exports from Korea and Taiwan.
- US isoprene production continues to be used primarily for internal use and mostly for IR (Gemspring/ex. Goodyear) production with some external IR sales. Gemspring received a number of isoprene import parcels in 2025 including volumes from China in support of domestic IR production, and this trend is continuing in 2026 with several imports to Gemspring noted. This is providing some increased competition for the US SIS producers, who are normally the largest isoprene importers.
- Export markets for US SIS producers remain challenging given the delivered cost of isoprene feedstock to their operations relative to Chinese producers, with IPM formula pricing stronger in 2026 as it was in 2025. Isoprene exports to the US from China increased overall in 2025. Most isoprene arrivals to the US remain contract purchases from Korea or Brazil. Brazil sales to the US may be stronger if import tariffs were to remain at a lower rate but this has been a constantly moving target.
- In July, total imports of isoprene to the US increased to 3,850t compared to June at 1,220t per GTT data. US isoprene imports are now tracking 24pc below 2025 levels YTD at 32,801t. Benchmark isoprene prices were assessed at $2,196/t for May bulk loadings, with September loading prices forecast to be $2,040/t ex-Asia with current energy pricing and tighter balances especially outside of China. 2025 US imports of isoprene for 2025 were 63,920t, 11pc higher than the same period of 2024. Korea and Taiwan have been exporting reduced volumes as fallout from the US-Iran war, which does not bode well for isoprene importers including the US and potentially Japan. The situation would start to ease somewhat if shipping volumes in the strait of Hormuz improve at some point.
- Demand for isoprene in Europe remains weaker with minimal SIS production and with smaller volumes destined for butyl rubber production. Korea exported just 2,522t to the Eurozone during 2025, China 2,931t, and Taiwan just 75t. Exports to Europe are reduced this year, with isoprene exports to Italy just 1,212 YTD.
- Japan, the second largest importer of isoprene after the US, imported 9,703t of isoprene in 2025, down 37pc from 2024. Japan has imported 8,441t of isoprene through July YTD, up 93pc from the same period of 2025 after stronger July imports. China and Korea have supplied 84pc of the exports to Japan thus far in 2026, with Chinese volumes expected to grow at the expense of Korea as Japanese isoprene production remains challenged by reduced feedstock volumes and lower cracker rates.

Outlook

- Global isoprene production is much reduced as many IED facilities in Asia-Pacific struggle to have sufficient feedstock. Upstream cracker outages and rate reductions in Asia-Pacific mean less crude C5 and C9 feedstock for downstream processors. The situation would improve over time with increased vessel movement in the strait of Hormuz.
- Korean and Taiwan exports of isoprene to the US, Japan and elsewhere will be at risk due to the current low operating rates for isoprene plants in those countries. While a return to normal crude oil and naphtha trade flows would help production in these countries, isoprene production will not return to levels seen several years ago due to ongoing rationalization activities.
- Isoprene pricing for spot and quarterly parcels exported from Asia-Pacific and Brazil to the US and Europe should continue to exceed that of contract purchases for the balance of the year, with landed costs for US SIS producers remaining high as a result.
- Global IED capacity is expanding further in 2026 through 2028 with new Chinese capacity and expansions of existing facilities. Some of this production will be from producers not fully integrated downstream to isoprene derivatives, creating more volume for merchant sale.
- The US will continue to see IPM imports primarily from Korea and Brazil to meet demand requirements, most of which is destined for SIS production. Imports from Taiwan may be reduced or approach zero in the future. Imports from China may be required similar to the 2001/early 2002 period. Europe will continue to import smaller volumes of isoprene for butyl rubber and much reduced SIS production.

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Monomers

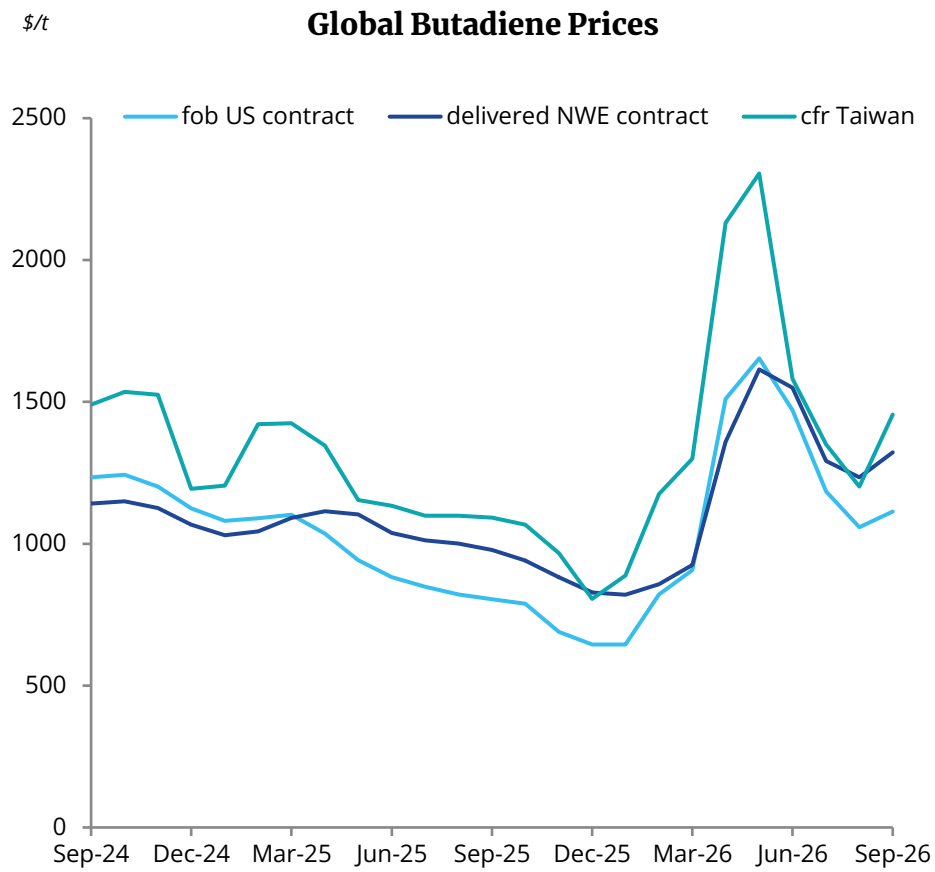
Butadiene

Supply

- The September *Argus* prevailing butadiene (BD) contract price (CP) in the US was assessed at 50.5¢/lb ($1,113/t), up 2.5¢/lb from August on the back of higher Asia-Pacific and energy pricing. The higher price was primarily driven by price movements in the Asia-Pacific region, an outlet for excess US supply, where volumes were directed in the third quarter. Supply-side concerns emerged recently after TPC Group experienced a brief power outage at its Houston, Texas, petrochemical complex. Another Texas BD producer remains under *force majeure*.
- The European butadiene monthly contract price (MCP) for September settled at €1,185/t ($1,322/t), €100/t higher from August. European producers were closely eyeing the rally in Asia after prices bottomed out in early July. Northeast Asia BD prices on a cfr basis rose for three consecutive weeks for a cumulative increase of $222.5/t in August, reaching $1,500/t near the end of August. The upward momentum was also reflected in cif ARA spot prices, albeit to a lesser extent. Some coastal producers were less constrained than their inland counterparts and were able to offload surplus volumes into deep-sea export markets.
- BD inventories in east China increased to 23,700t at mid-month, up by 4,700t from the previous week. BD operating rates increased by two percentage points to 66pc. Synthetic butadiene rubber (SBR) plants ran at 66pc, up by three percentage points, while polybutadiene rubber (PBR) plant rates lowered by one percentage point to 59pc from the previous week.

Demand

- US butadiene (BD) spot prices edged higher at mid-month as domestic demand returned. Tighter supply conditions underpinned buying inquiries for September and October material, though trading activity remained relatively limited as much of the available volume had already been committed to export markets. Some buyers expressed renewed interest in spot material, while offers were scarce because of ongoing supply constraints.
- Demand remains stable but subdued in Europe. Some prompt demand has emerged because of logistical disruptions and limited pre-buying ahead of expected feedstock price increases in October. However, some consumers further up the Rhine are also being affected by low water levels, while one consumer in France has entered a period of planned maintenance.
- Asia-Pacific butadiene (BD) prices decreased at mid-month, tracking declines in crude futures and domestic Chinese prices. Tradeable ideas for cfr northeast Asia October-delivered cargoes were quoted at $1,570-1,650/t over the trading week. Domestic BD prices in east China were assessed 13,500-14,400 yuan/t over the week, down by Yn700/t, or about $1,804/t on an import parity basis. Prices softened following upstream values and as BD inventories increased, likely as domestic appetite saw some demand destruction due to high BD prices.



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Monomers

Aromatic resin oil (ARO)

Supply

- Ethylene cracker rates remain reduced in Asia-Pacific during September with reduced crude and naphtha supply to the region. Korea, Japan and Taiwan continue to see cracker rate reductions and shutdowns because of the US-Iran war and strait of Hormuz transit issues, with more moderate cuts in China observed. Cracker cash margins within Asia-Pacific are negative this month for naphtha and for LPG cracking and remain the strongest and positive for those able to crack ethane. The US continues to run on an ethane-based feed slate with standalone cracking margins strong despite lower prices for ethylene. Europe continues to operate at much reduced operating rates with numerous permanent cracker shutdowns and recurring barge transit issues on the Rhine river.
- C9 ARO supply for adhesive grade tackifier producers in China had seen much tighter balances as several producing crackers in China had either reduced rates, shut down, or had planned to shut down. Since later April we had seen improvement in C9 feed availability however as refiners have had more naphtha available for downstream crackers and with the restart of several C9 ARO producing crackers. The current (re)escalation of hostilities in the Middle East has moved C9 feedstock prices higher once again and tightened C9 feed supplies relative to the previous month with more diesel production from refineries. September has seen Sinopec conserving more C9 feed for diesel production at the expense of downstream tackifier producers than in recent months.
- Available C9 ARO supply for Taiwanese consumers remains constrained with reduced production from YNCC with only two of three crackers operating at reduced rates, a PCS cracker force majeure in Singapore still ongoing, but with both CPC crackers in Taiwan operating, and the Crasus cracker in Japan operating. Reduced YNCC production of C9 ARO will also impact export customers in Europe and Japan. LG Chem has a shutdown at its smaller cracker with a restart later in the fall likely when the second and larger LG Chem cracker at Yoesu takes a planned outage, which is further reducing potential C9+ feed supply.
- Japanese C9 ARO supplies for C9 HCR production in Japan have seen cracker rate reductions with the transit restrictions in the strait of Hormuz and a recently completed heavy turnaround season, with some C9 ARO flows to Japan from Korea continuing to supplement domestic volumes for use in C9 HCR production. The Maruzen Chiba cracker remains down with an unknown restart date, but with the Mitsui cracker having restarted after a planned turnaround. Future rationalization of crackers in the Mizushima, Chiba or Kawasaki hubs has the potential to disrupt C9 feedstock supply to tackifier producers in the region.
- C9 ARO production in the European region remains decreased after the 2024 shutdown of the Sabic Geleen No. 3 cracker, and the shutdown of the Versalis Priolo cracker in 2025. C9 ARO continues to flow from the Synthomer assets on the Dow Boehlen site to the Netherlands, but Dow will permanently shutdown this cracker in later 2027. The future status of the Geleen No. 4 cracker remains a question mark with a new owner which could impact C9 ARO production. More naphtha in the crack slate for European crackers would help domestic C9 ARO production but seems unlikely. Some C9 ARO volumes continue to find their way from Asia-Pacific to Europe to supplement domestic production in the region and this may need to increase in the future. C9 feedstock supply for C9 tackifier production in Estonia remains more minimal with European sanctions on Russian feedstocks, and with tackifier and with tackifier plant rates reduced to match the much lower feedstock availability.

Demand

- Most of the smaller C9 tackifier plants remain offline in China due to weaker overall domestic demand and poor economics, reducing overall C9 resin feed consumption, particularly for the lower quality feeds. This remains particularly true for thermal grade producers of C9 HCR supplying the construction markets, which have remained weaker through all of 2026.
- Prices for crude C9 feed streams in China are higher this month with decreased volumes available relative to August for petrochemical use and are seen at 5,650 RmB/t ($841/t) ex-plant in the northeast to as high as 6,000 RmB/t ($893/t) in the south with stronger demand into the fuels market than seen last month.
- Naphtha pricing in Asia-Pacific is stronger from last month and was assessed by *Argus* at $909/t cfr Japan as of 25 September with petrochemical consumption still weaker for the paraffinic grades with overall reduced rates and better economics for LPG and more so for ethane cracking. Demand for C9 ARO in Japan and Taiwan will continue to keep balances tighter with the declines in supply.
- Spot northwest European naphtha pricing is higher since this time last month and was assessed by *Argus* at $847/t as of 25 September, and with spot European gasoline prices also higher since this time last month and assessed at $1,219/t as of 25 September. Demand for C9 ARO in Europe will continue to challenge available domestic supply when coupled with domestic supplier shutdowns. Pricing for C9 ARO will move slightly higher in the short term in Europe with the September increases in regional gasoline pricing.

Outlook

- Gasoline futures prices have given back some of their initial gains since the start of the US-Iran war and have remained in a highly backwardated structure (priced lower going forward) with a premium for prompter barrels due to the strait of Hormuz constraints.
- C9 ARO pricing for formula-based purchases tied to gasoline will move higher in the short-term following underlying physical gasoline prices but could retreat if confidence grows over a return to normal shipping through the strait of Hormuz, which remains questionable at present.
- Demand for C9 ARO into HHCR production in China is stronger than for C9 HCR and is expected to remain that way. C9 ARO supplies for C9 HCR and HHCR production were reduced in China due to several key cracker rate reductions and/or shutdowns but have improved overall since earlier in the second quarter. September has seen increased C9 demand into diesel production, which has tightened C9 ARO balances relative to August.
- European balances for C9 ARO are expected to remain tighter given the loss of various C9 ARO streams with cracker shutdowns. C9 ARO supplies to Taiwan and Japan are also expected to remain constrained given increased demand for Korean and other Asia-Pacific C9 ARO from Europe and reduced Asia-Pacific supply due to recent cracker shutdowns and rate reductions.

Argus C5 and HCR Publication Schedule 2026	
Argus C5 and Hydrocarbon Resins	26th October
Argus C5 and Hydrocarbon Resins	23rd November
Argus C5 and Hydrocarbon Resins	21st December

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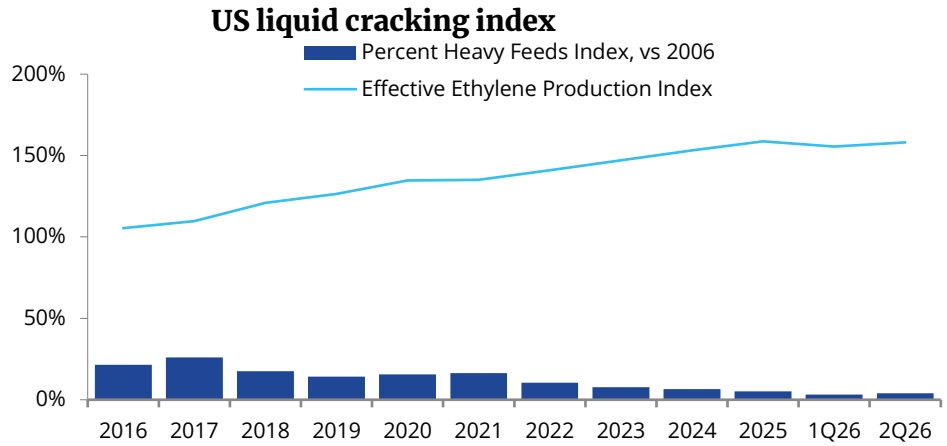
Monomers

Ethylene production

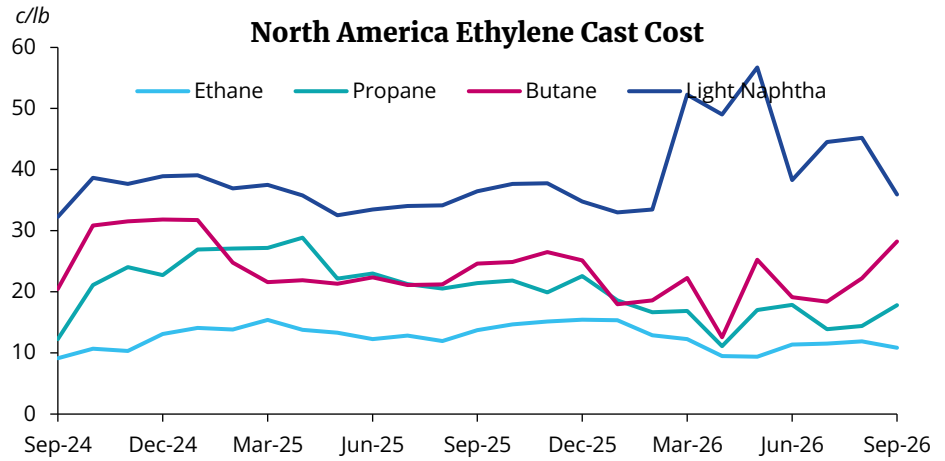
Supply

- Import restrictions in key Latin American markets are reducing flexibility for US PE exports. New cost-advantaged capacity in Europe and the Middle East is increasing competition for global polyethylene demand. North American producers retain a significant ethane-based cost advantage despite weaker margins.
- September MCP for European ethylene dropped by 12.5 Euros roughly in line with the average month on month naphtha price decrease. Subsequently, raw materials have strengthened substantially based on renewed hostilities in the Middle East, which could potentially test producer margins once again in September if sustained.
- Northeast Asian ethylene prices rose in August, supported by stronger crude and naphtha prices and tight spot availability. The ethylene-naphtha spread widened from $121/t in July to $246/t in August. Tight supply should continue to support prices in September. Cracker maintenance is limiting availability, particularly in South Korea, where export volumes remain constrained. China's MTO operating rate continued to fall in early September, further reducing spot supply. Both Chinese domestic and northeast Asian spot markets are therefore expected to remain tight in the near term.



Demand

- Golden Triangle (CP Chem/Qatar Energy) and other ethylene derivative projects will increase domestic ethylene consumption in the US. Most new derivative output must compete in oversupplied export markets.
- The European market remains in a wait and see mode with little buying interest, but if there is no resolution to the Middle East conflict in the short term, the market could face some difficult decisions in terms of demand vs pricing and margins against an increasingly volatile price outlook.
- Near-term tightness and seasonal buying in northeast Asia should limit the ethylene to naphtha spread decline, while eased supply and subdued downstream demand could weigh on spreads later in the year. Further new MTO and cracker capacity is scheduled to start in the fourth quarter. New capacity, particularly in South Korea, is expected to increase merchant ethylene availability, although commissioning schedules remain uncertain. These additions, together with the completion of maintenance, should gradually ease supply constraints as seasonal demand support fades in November to December.



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5. C5 and HCR Trade Data
6. Economic and Energy Insight
7. Industry News
8. Appendix

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Tackifying Resins

C5 tackifiers supply

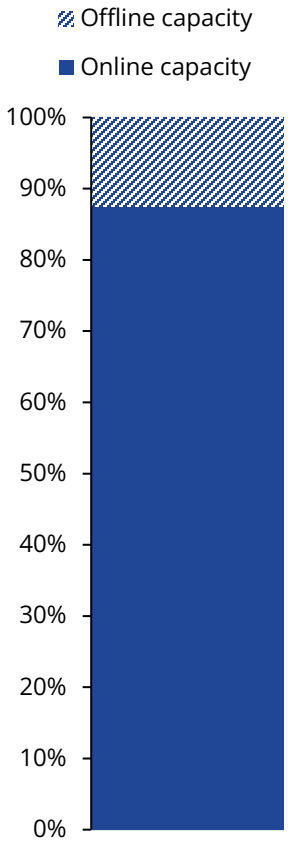
Supply

- C5 tackifier operating rates in China remain reduced with some producers limiting output amid generally weaker demand but with most units remaining online. Chinese domestic prices for C5 adhesive grade tackifiers are higher at the end of September with recent increases in feedstock pricing. Pricing was most recently seen at 11,300 – 13,000 Rmb/t ($1,683/t - $1,936/t). Prices remain below domestic HHCR grades and are also slightly below those of rosin esters. Feedstock piperylene prices increased in September with crude C5 pricing. Most HCR producers including those producing C5 HCR continue to see some issues related to feedstock supply and with Sinopec appearing to prioritize C5 and C9 feedstock deliveries to larger customers over some of the smaller HCR consumers which could lead to lower HCR production from these smaller consumers in October.
- Production volumes for C5 tackifiers in Japan continue to see reduced upstream cracker operating rates and the recent completion of a heavy cracker turnaround schedule, limiting C5 HCR production, but with C5 HCR exports to the west continuing and volumes to the US stronger as of the fourth quarter of last year after the ExxonMobil C5 HCR shutdown in the US.
- Exports of C5 HCR from Korea continue to all regions including C5 HCR flows to the US. C5 HCR feedstock production in Korea is reduced from what is normally a significant surplus of production relative to domestic needs but should be adequate for domestic C5 HCR production needs.
- August exports of HCR from Thailand (C5 HCR) were lower from July at 1,403t and YTD through August are tracking 10pc below the same period in 2025. Thailand exported 24,441t of HCR in 2025, up 4.6pc from 2024. Export volumes to Italy, Belgium, and Turkey are the strongest this year, but with at least some volume exported to many other countries. C5 HCR exports from Thailand remain at risk in the future due to reduced feedstock availability from suppliers in Japan, Korea and Taiwan.
- Container freight costs continue to remain much higher for Asia-Pacific exporters this month and have trended much higher since the beginning of March. Despite the end of the peak season for container ship demand, rates have not been retreating noticeably thus far.
- Europe continues to receive growing C5 HCR tackifier imports from Asia-Pacific, with US C5 HCR exports to Europe more minimal and now almost exclusively Synthomer volumes. Chinese exports of C5 HCR to Europe continue to grow, due to a combination of minimal European domestic supply, the current lack of any protective tariffs, the significant growth in Chinese productive capacity, and elevated US tariffs on Chinese C5 HCR imports. Reduced C5 HCR production in China due to impacts from the US-Iran war would have an impact on short term European C5 HCR imports, as would impacted C5 HCR production in Japan, Korea and Thailand. Weaker domestic demand for C5 HCR in China has helped limit the impact of any reduced production however on exports to Europe. Europe has minimal C5 HCR production, and this will not change for the foreseeable future. We have anticipated for some time that we could see a petition to the EU for implementation of anti-dumping duties on some Asia-Pacific tackifier exporters, but this has yet to materialize.
- Domestic sales volumes for the remaining large US C5 HCR producer should be stronger with a lack of any domestic competition and what could at times be reduced or more erratic import flows because of the US-Iran war. US imports of C5 HCR were stronger in the second half of 2025 and have grown further in 2026, but the increases remain less than the production lost by the shutdown of ExxonMobil. Some of the additional C5 HCR imports will continue to come from Chinese producers given the more minimal number of C5 HCR producers in Asia-Pacific outside of China. Korea and Japan provide nearly all of the imported C5 HCR volume to the US from outside of China since the shutdown of ExxonMobil's C5 HCR production. Imports of C5 HCR to the US are likely to grow further as remaining inventories of ExxonMobil C5 HCR are depleted.

Unit Watch

- **Luhua (Zibo), Luhua (Wuhan), Sunion (Maoming), Ningbo Jinhai** (two trains), **Puyang Binder, Fushun Huaxing, Nanjing Yuangang (Henghe), Daqing Huake, Ningbo Yonghua (Henghe), Henghe (Ningbo Plant B), Puyang Xinyu, Shandong Ruisen** (two lines), **Lanzhou Xinlan, Ecisco (Huizhou), Xinjiang Tianli** (both lines) and **Luhua (Zhangzhou)** are all online but with average operating rates well below full capacity.
- **Zhejiang Derong** restarted after planned maintenance in conjunction with the upstream IED.
- **Shandong Ruisen** is expected to take an outage at the Puyang facility (one of their two C5 HCR lines) in October.
- **Anhui Tongxin** shut down last December with original restart planned for after the lunar new year holiday, but with a restart date still not confirmed.
- **Shanghai Jingsen** permanently shut down operations late in 2025 after being idled for an extended period.
- **Zibo Kaixin** remains offline as it has been for an extended period with restart unlikely.
- **ExxonMobil** permanently shut down the C5 HCR line at Baton Rouge in the US during the fourth quarter of 2025.

Available C5 capacity



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Tackifying Resins

C5 tackifiers demand

Demand

- C5 HCR demand into the tapes and labels sector remains tepid globally during the second half of 2026. China saw slightly improved demand for C5 HCR adhesive grades this month but with demand for road marking grades weaker than normal with reduced road construction and increased precipitation including typhoons from the strong El Nino weather pattern. There had been reduced buying interest from hot melt adhesive producers in China with the rapid escalation in feedstock costs, cutting across all HCR families to some extent, but demand in this sector has improved over the last month and some C5 HCR producers are prioritizing adhesive grade production over road marking grades as a result.
- Waterwhite tackifier pricing was providing competition for the available Chinese domestic demand in many sectors. Prices for waterwhite tackifiers moved higher than those of C5 HCR in the March and early April period and recent price increases continue to place their cost above C5 HCR pricing. Structurally, there will be increased Chinese C5 HCR exports to the US, with suppliers also selling lookalikes to former US domestic grades including ExxonMobil or Resin Solutions which are no longer being produced.
- Prices for C5 HCR road marking grades in China are higher from Augst like the adhesive grades following feedstocks and were most recently seen in the 9,800 – 10,800 Rmb/t ($1,458/t - $1,606/t) range ex-plant, with more typical discounts to the pricing seen on adhesive grades. Overall sales margins for some C5 HCR producers could be negative depending on actual feedstock acquisition costs and C5 raffinate sales values.
- Price increases were more aggressive during March and April in the west given the increase in feedstock costs and short-term supply concerns from consumers. C5 HCR price increases were noted as slightly below those of HHCR. With margins for HCR producers having been relatively thin for an extended period, we are watching to see how prices react when normal vessel flow resumes through the strait of Hormuz and crude and energy prices retreat to pre-March levels. Western pricing should eventually retreat following overall price drops in the Chinese domestic market, but more recent price increases in the Chinese domestic market, higher feedstock pricing in September, and elevated freight rates should mean stable to potentially higher pricing entering the fourth quarter.
- For 2025, the US imported 11,771t of C5 HCR while exporting 18,724t. Of the imports, 5,740t of C5 HCR, or 49pc were from China. Most of the remaining imports are from Korea, with smaller volumes from Japan and Thailand. YTD through July, US C5 HCR imports of 11,726t exceeded exports by 4,644t.
- The significant reduction in US domestic production of C5 HCR with current demand levels will necessitate larger structural Chinese imports, despite the punitive US import tariffs in place.

Outlook

- C5 HCR producers in Asia-Pacific have been seeing reduced volumes of C5 feedstock, limiting production rates for some producers until such time as normal import flows and inventories of crude and naphtha are reestablished to China, Taiwan, Korea and Japan.
- C5 HCR production in the US should see adequate if not additional C5 feedstock availability with current US cracker rates in support of PE exports in the short term.
- C5 HCR pricing rose quickly in both Asia-Pacific and the west due to increased feedstock costs, a scarcity of feedstock in many cases, increased freight costs, and lower production of C5 HCR in Asia-Pacific. Prices in China have retreated since mid-April along with lower feedstock pricing before partially rebounding more recently. The recent price increases in the China market, higher container freight rates and feedstock price increases are likely to provide ongoing support for tackifier pricing in the west during the fourth quarter.
- All planned additions to C5 HCR capacity through 2028, currently estimated to be more than 120,000t, will occur in China. Several projects originally planned for 2026 start-up have been deferred to 2027 and 2028 given the current market conditions and geopolitical uncertainties. New capacity additions from a number of IED start-ups or expansions over the same period will provide additional feedstock.
- US imports of C5 HCR are increasing with Asia-Pacific exporters looking to capture all of the available market share. Asia-Pacific C5 HCR volumes moving to Europe will continue to grow. Most of this increased C5 HCR import volume to Europe should come from China barring any significant changes in tariff regimes for imports.

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Tackifying Resins

C9 aromatic tackifiers supply

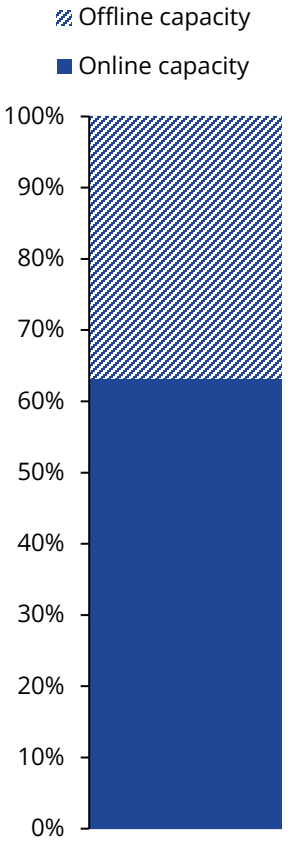
Supply

- Overall operating rates for C9 HCR plants in China remain structurally low amid overall weaker demand for C9 HCR. Over 65pc (by current facility count) of the C9 HCR producers are presently offline or idled for an extended period. Most of the adhesive grade C9 HCR producers continue to operate. Feedstock supply for C9 HCR production has been impacted by a number of ongoing or planned cracker outages/rate reductions in China but has been generally sufficient given demand. Feedstock supply is noted as slightly tighter this month with increased C9 feedstock volumes flowing to the diesel market instead of tackifier producers. Feedstock reductions do continue to have an impact on more sizable producers including Henghe and Luhua. Most of the feedstock issues are a result of the restrictions on shipping in the strait of Hormuz. CNOOC/Shell has shut down a cracker, and several other C9 feedstock suppliers are running at reduced rates.
- C9 ARO feedstock supply availability for resin producers in Taiwan remains negatively impacted by cracker rate reductions and shutdowns at YNCC in Korea and PCS in Singapore, but with both CPC crackers in Taiwan operational along with the Crasus cracker in Japan helping supply. C9 HCR overall operating rates remain reduced in Taiwan with challenging netback economics for C9 HCR exports to the west. Feedstock supply for C9 HCR production in Asia-Pacific outside of China could become structurally more problematic if we were to see any or all of the CPC No. 4 cracker, Formosa No. 2 cracker, and YNCC/Lotte cracking capacity permanently rationalized.
- C9 HCR production in Korea is steadier with regular exports to all regions and only one producer (Kolon) but could see some periodic reductions in feedstock availability with numerous domestic cracker rate reductions and shutdowns. Thus far we are not noting any resultant operating rate reductions. C9 HCR production in Japan is typically used domestically, but both Eneos and Tosoh saw reduced feedstock supply with Japanese cracker turnarounds and rate reductions since the start of the second quarter. The cracker turnaround season is now behind us in Japan, but overall cracker rates remain reduced. Japan also sees C9 HCR feedstock supply from Korea, which has reduced C9 feedstock production. Tosoh will be the sole domestic C9 HCR producer in Japan after a planned shutdown of the Eneos C9 HCR unit in several years time.
- C9 HCR production in Europe has been steadier in Europe and expected to be less impacted by current events than producers in Taiwan or Japan, notwithstanding what have been increased feedstock costs. Domestic C9 feedstock supplies are reduced after the recent shutdown of several former C9 feedstock suppliers, and in the future by the shutdown of the Dow cracker at Boehlen in 2027. Imported C9 feedstock volumes are helping to support C9 HCR operating rates but as noted earlier in the report could be at risk structurally with ongoing Korean and Taiwan cracker rationalizations.
- The shortage of crude C9 feedstock supply for the C9 HCR plant in Estonia is not expected to change until when and if the sanctions on Russian sourced feedstock are lifted. Export volumes of C9 HCR from Estonia were 17,587t in 2025, up 19pc from 2024 but well below highs seen prior to the sanctions on Russian feedstock. Nearly all (99pc) of the Estonian C9 HCR is exported to within the EU, with the largest volumes to France, Germany and the Netherlands during 2025 and 2026. YTD through July, Estonian export volumes are tracking 8.5pc below 2025 levels at 10,029t. July export volumes were just 1,050t.
- C9 HCR production in the US continues to consist mostly of C9/DCPD hybrid resins using lower quality feed in place of C9 ARO with no production of domestic C9 ARO feedstock to support the structural domestic shortage of C9 HCR. This C9 HCR production is not expected to be negatively impacted by any feedstock related issues in the shorter term given the stronger US cracker rates. Chinese C9 HCR volumes cannot be entirely replaced by Korean or Taiwanese C9 HCR exports to the US, especially in the shorter term and China has a growing surplus of C9 HCR capacity relative to domestic demand with the US remaining structurally short of C9 HCR.

Unit Watch

- Units online**: Shandong Qilong** (all lines), **Guangdong Xin Huayue, Fushun Qilong, Henghe (Plant A** and **B), Lanzhou Huifeng, Zibo Zhengde, Tianjin Jinye, Puyang Xintian, Liaoning Yufu.**
- Units offline**: Luhua (Wuhan), Gaocheng Hongda, Shandong Wudi Tongye, Tangshan Kerun, Fushun Huaxing, Anhui Dingcheng, Fushun Kelong, Qingdao Eastsun, Linzi Xinzheng Shandong Kete, Shandong Landun, Shandong Kerong, Anhui Tongxin, Xinjiang Tianli, Inner Mongolia Zhoujin Huixin, Dongfang Hongye, Panjin Baoteng, Puyang Zhongtai, Beijing Xinlan,**
- **Liaoning Yufu** restarted after a planned outage**.**
- **Daqing Huake** is restarting after a planned outage**.**
- **Luhua (Zhangzhou)** C9 HCR is now in HHCR service**.**

Available C9 capacity



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Tackifying Resins

C9 aromatic tackifiers demand

Demand

- C9 HCR continues to see reasonable demand in the west. Netbacks remain weak for C9 tackifier exports to the west from China (with the additional tariffs in the case of the US) and with freight costs much higher since early March.
- Demand for C9 HCR in China remains improved but weaker relative to production capacity, for both adhesive and thermal grades. Tire demand for C9 HCR remains tepid to weaker overall. Demand for thermal grades of C9 HCR into asphalt modification increased noticeably starting in late August as asphalt prices rose and producers looked to lower priced compounding materials for supply.
- Spot pricing for lighter colored thermal C9 HCR grades in China is higher from August with feedstock price increases and was seen recently at 7,100 – 7,700 RmB/t ($1,057/t - $1,147/t), with weaker demand into plastic modification and much of construction. Dark color thermal C9 HCR pricing in China is also higher from August and seen most recently at 4,700 – 5,800 RmB/t ($700/t - $864/t) but with many of the smaller producers for thermal C9 HCR grades remaining offline. C9 HCR adhesive grade pricing in China is higher over the last month and approaching that of C5 HCR adhesive grades and most recently seen at 11,000 – 12,500 RmB/t ($1,638/t - $1,862/t) with HHCR pricing remaining well above that of C9 HCR even after the price increases.
- We saw substantial price increases for C9 HCR in the west from both exporters and domestic producers during March and April as supplies became more limited in Asia-Pacific. After the initial surge in short-term buying, prices were more stable as buyers access downstream demand and hope to avoid high price purchase of feedstock for which there may not be a corresponding sale. C9 HCR prices have decreased in the China market since the March/April time frame, but recent upward price movements coupled with elevated container freight rates and higher feedstock and energy pricing in general are supportive of western pricing entering the fourth quarter. We were expecting some downward pressure on western tackifier pricing if not for the recent run-up in feedstock pricing and container freight rates which while not at levels seen during the Covid-19 pandemic, remain very elevated by historical standards and add to the cost of exporting HCR from Asia-Pacific to Europe or especially the US.
- In July, the US imported 2,172t of C9 HCR, with 1,414t of that from China. YTD through July the US has imported 12,480t of C9 HCR, 29pc more than for the same period of 2025, with 50pc of those imports from China. In 2025 the US imported 18,352t of C9 HCR, with 10,453 (57pc) of the volume from China.
- Chinese C9 HCR volumes remain more difficult to replace in their entirety for US consumers should Chinese producers choose to export elsewhere in the future because of current or future US tariffs. Thus far, Chinese producers are continuing to export volumes to the US with what is typically very aggressive pricing, notwithstanding the second quarter run-up in prices. Taiwan and Korea remain the next largest C9 HCR exporters to the US, with Germany and Brazil exporting smaller volumes. Brazilian exports to the US may increase under a more favorable tariff regime (which admittedly is a moving target as of late) but remain much smaller relative to the larger exporters to the US.

Outlook

- C9 HCR producers in Asia-Pacific, particularly outside of China, have been seeing reduced volumes of C9 feedstock, potentially limiting production rates for many producers until such time as normal import flows of crude and naphtha are reestablished to China, Korea, Taiwan and Japan.
- European C9 HCR production could feel the impact of less C9 ARO feedstock production in Asia-Pacific and Europe due to a variety of current cracker rate reductions and turnarounds. C9 feedstock supply is increasingly at risk in the future due to cracker rationalization plans and shutdowns in Europe, Korea, Japan and Taiwan, with C9 HCR producers in these regions having minimal options at present for feedstock replacement.
- C9 HCR pricing had risen quickly in both Asia-Pacific and the west due to increased feedstock costs, a scarcity of feedstock in many cases, increased freight costs, and reduced production of C9 HCR in Asia-Pacific. Prices have since retreated overall in China since later April despite the recent uptick in prices, particularly for adhesive grades, with prices in the west likely to follow lower to some degree but currently well supported by feedstock, container freight and recent Chinese price increases.
- Further rationalization of Chinese C9 HCR capacity is likely to occur over the next several years, given the surplus of capacity, including the smaller, older thermal plants not capable of producing higher grades of HCR. C9 HCR capacity is heavily concentrated in Asia-Pacific and China, even more so than for the other HCR families. Any C9 HCR capacity being built in the near to mid-term is occurring within China. We could see additional C9 HCR capacity over the next several years from several producers despite the current surplus of capacity in the market, but with any new capacity likely to be producing higher grades of C9 HCR.

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Tackifying Resins

HHCR (waterwhite) tackifiers supply

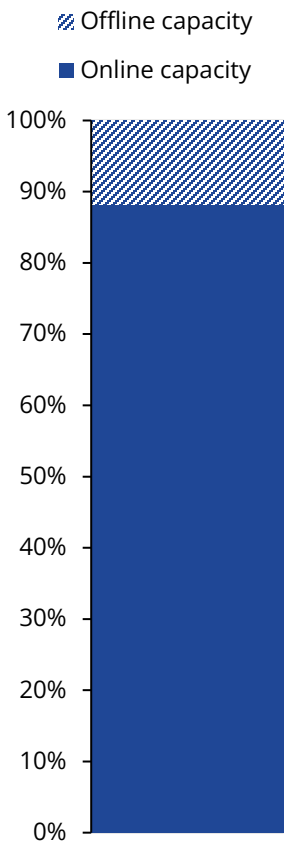
Supply

- Most HHCR plants in China are currently operating, but with several outages currently providing balance to the market and with producers indicating inventories on the lower side. Tianli's DCPD based unit remains in turnaround for an equipment upgrade. Derong at Zhoushan returned to service after a turnaround with the upstream IED. Luhua Zhangzhou (C9 and DCPD HHCR) have reportedly restarted. Nanjing Yangzi Synthomer declared FM due to feedstock issues with the plant still offline and the restart of the upstream Sinopec Yangzi cracker delayed once again. Feedstock supply to Henghe, Jinhai and Luhua and others has been impacted by a number of associated cracker outages or rate reductions including Sinochem Quanzhou, Sinopec Gulei, Sinopec Maoming, and Fujian Refining and Chemical. CNOOC/Shell did restart an idled cracker at Huizhou at the end of April, improving the feedstock situation for Henghe and Ecisco, only to see the cracker shut down once again. The amount of crude C5's preferentially directed back to the fuels market over use in C5 monomer production has declined since mid-April, as of late this is a little more of a concern for C9 feed streams finding their way into the diesel market. Major HCR producers are generally facing a 15-20pc reduction in available raw material supply, but this can vary by producer.
- Korean HHCR facilities are seeing impacts of reduced upstream cracker and in turn resin former production. YNCC has just two crackers running at much reduced rates, directly impacting DCPD production used as feed at Hanwha. Kolon will be exposed to decreased DCPD production in the Asia-Pacific region from both Lotte and other DCPD exporters to Korea and to increased cost volatility. Korean HHCR facilities continue to export globally with much stronger volumes flowing to the US since the summer of 2025. Korean HCR exports to the US (which are mostly HHCR) in 2025 were up 66pc in 2025 and have increased by a further 54pc for 2026 YTD.
- Taiwanese HHCR production sees C9 ARO feed from Asia-Pacific producers including YNCC, PCS, and CPC, some of whom have reduced rates or have shut a cracker down. Idemitsu's HHCR JV sees DCPD feed from Formosa, and with a second Formosa cracker typically shutdown DCPD feedstock supply is constrained. The September feedstock supply will improve temporarily with Formosa running two crackers simultaneously for some of September allowing for temporarily higher HHCR operating rates.
- Japan was being impacted by the recently completed heavy turnaround season for crackers combined with numerous cracker rate reductions due to crude and naphtha supply concerns, and available C9 feedstock for HHCR production will need to be managed closely.
- Prior to the outbreak of the US-Iran war, HHCR production volumes in Singapore were expected to increase with imported feedstock required to supplement on-site feedstock production which has itself decreased. Replacing any lost internal DCPD production volumes regionally should prove a little easier going forward given improved balances in China. Export HHCR volumes from Singapore had typically in the past found their way to Asia-Pacific and Europe but exports of HHCR from Singapore to the US have been arriving since July last year as ExxonMobil shutdown HHCR production in the US and shifted supplies for remaining US HHCR customers to Singapore. Supply volumes to the US went from zero in 2024 to almost 6,000t in the second half of 2025 and have continued at a similar pace through 2026.
- US producers are running closer to sold out for HHCR given current sales commitments and operating rates with some consumers looking for additional product to replace sporadic losses in import volumes. Feedstock piperylenes and DCPD remain readily available in the US. Margins for domestic HHCR producers in the US were improved with the higher sales prices for HHCR in the second and early third quarter. Europe is seeing structurally reduced levels of domestic HCR production including HHCR. C9 ARO availability has the potential to constrain production volumes in Europe at times given the tightness in supply at present as more fully detailed in the C9 HCR discussion.

Unit Watch

- **Luhua Tianjin** (both lines), **Luhua (Wuhan), Jinhai** (both lines), **Henghe** (**Ningbo Plant A** and **B**), **Zibo Kaixin**, **Shandong Ruisen, Taixing Tianma,** and **Ecogreen (Zhangzhou)** are all operating,
- **Luhua (Zhangzhou DCPD** and **C9 HHCR**) restarted after being shutdown.
- **Derong (Zhoushan)** restarted along with the upstream IED after a planned outage.
- **Tianli (DCPD HHCR)** remains down for planned turnaround with an October restart expected.
- **Nanjing Yangzi Synthomer** remains offline due to feedstock supply issues with the upstream Sinopec Yangzi cracker.
- **Lanzhou Huifeng** is offline with restart timing unknown. **Tianli** (**C9 HHCR**) remains offline as it has been for some time but could restart in 2027.
- **Shandong Qilong** and **Xinjiang Liming Xintong** remain in extended shutdown having never operated commercially.
- **ExxonMobil** has permanently shut down the HHCR at Baton Rouge in the US.

Available HHCR capacity



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Tackifying Resins

HHCR (waterwhite) tackifiers demand

Demand

- HHCR demand in China remains better than for C5 HCR but remains tepid. Demand remains more stable in the west with HHCR supply/demand in the US more balanced. European demand for HHCR is being increasingly met with Asia-Pacific imports as domestic production has dropped significantly since 2023.
- Spot pricing for HHCR in China is higher in September with feedstocks and was noted most recently in the 13,300 – 14,500 RmB/t ($1,981/t - $2,160/t) range, higher than adhesive grade C5 tackifier pricing in the domestic market and above pricing for rosin esters. Feedstock prices in China for DCPD and C9 ARO have increased with higher HHCR sales prices required to protect margins.
- HHCR prices in the west moved much higher in the second quarter with structurally reduced domestic production in 2026. Price increases for HHCR were the strongest of the HCR tackifier families, with western increases often mimicking Chinese domestic price increases seen in March and April. HHCR outages and reduced rates from large producers in China remain supportive. The US is having to replace lost domestic HHCR production with increased imports from any or all of China, Korea, Japan, Taiwan or Singapore, all of which had struggled to maintain desired HHCR production rates with reduced upstream cracker production. HHCR pricing for European customers was on the rise with similar price increases for many of the same reasons with feedstock costs, recent Chinese domestic price increases and elevated freight continuing to provide price support toward the end of 2026.
- Overall EU HCR import volumes continue to grow substantially to meet demand. In 2025 the EU imported 290,012t of HCR from outside the region, up 8.4pc from the same period in 2024. For 2026 YTD through June, imports are tracking 2.1pc below 2025 levels at 162,155t. China and Korea dominate the exports to the EU. Korean import volumes for Europe (39,585t YTD) will be mostly HHCR given the production profile of Korean producers. Given their heavy dependence on HCR imports, European consumers remain at risk for ongoing supply interruptions from any reduced Asia-Pacific production and exports.
- Overall Chinese exports of HCR including HHCR continue to grow rapidly with capacity increases outpacing increases in domestic demand. For 2025, China exported 526,862t of HCR, up 14pc from 2024, in turn 15pc above 2023. For 2026 YTD through August, China has exported 395,676t of HCR, up 13pc from 2025. In the wake of the ExxonMobil HCR capacity shutdowns in the US during late 2025, overall Chinese exports of HCR to the US have jumped by 35pc YTD through August. Chinese HCR exports to Mexico, a traditional destination for some US HHCR exports, have jumped 82pc YTD as Chinese HHCR and other HCR volumes backfill for reduced US exports.
- The US imported 28,153t of HHCR in 2025 out of a total of 58,369t of HCR imports. During the same time frame, the US exported 21,035t of HHCR out of a total of 41,171t of HCR exports. The US has moved from being a net exporter to a structural net importer of HHCR after the shutdown of the ExxonMobil US HHCR production. In July, the US imported 3,374t of HHCR, with most (58pc) of the volume from Korea. YTD through July the US has imported 25,968t of HHCR while exporting just 7,799t.

Outlook

- HHCR producers in Asia-Pacific are seeing reduced volumes of C5, C9 and DCPD feedstock, limiting production rates for some producers until such time as normal import flows of crude and naphtha are reestablished to China, Taiwan, Korea and Japan.
- HHCR production in the US should see adequate feedstock availability with current US cracker rates higher supporting PE exports.
- European HHCR production could feel some impacts of less C9 ARO production in Europe and Asia-Pacific. As highlighted, numerous Asia-Pacific and Chinese C9 ARO producers have cut rates, but with European domestic supply of C9 ARO improved after a completed turnaround at a domestic producer earlier in the year.
- Pricing rose quickly for HHCR in the March/April time frame for both Asia-Pacific and the west due to increased feedstock costs and reduced availability, increased freight costs, and reduced production of HHCR in Asia-Pacific. Price increases were higher for HHCR than C5 HCR and C9 HCR. HHCR prices in China have retreated overall the last three month's but have seen recent price increases. Prices in the west are now expected to remain at or above current levels in the fourth quarter until such time as feedstock pricing and container freight costs start to decrease for HHCR exporters in Asia-Pacific.
- 2025 and 2026 HHCR capacity additions could add as much as 320,000t of new HHCR capacity, but with capacity increasingly concentrated amongst the largest Chinese producers.
- The US will be a net importer of HHCR in 2026 and beyond. Additional imports from all of Korea, China, Singapore, Japan and Taiwan are all anticipated.

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Tackifying Resins

Rosin supply

Supply

- The oleoresin tapping season in China is peaking during September but with volumes in southern and coastal areas including Fujian, Guangdong, Jiangxi and southern Guangxi province weaker in early September due to rainy weather and typhoons which limited tapping. Volumes from Guangxi have since recovered with improved weather. Unfavorable weather impacted *Pinus massoniana* oleoresin volumes in Fujian and Guangdong province. Oleoresin volumes are below expectations thus far with *Pinus elliotti* production in Jiangxi hampered by the recent rainfall and typhoons. Oleoresin prices are expected to move higher as the tapping season peaks.
- Chinese imports of gum rosin 2026 YTD through August are 73,357t and showed a YoY increase of 36pc. August imports showed a year-on-year decrease of 4.4pc at 6,793t. Average pricing for Chinese gum rosin imports during August was $1,460/t on a CIF basis, very much below the domestic pricing levels but slightly above July import pricing. Indonesia, Vietnam, Brazil, Uganda and Argentina have provided much of the import volume in 2026.
- Gum rosin ester pricing in China moved higher in early September with stronger energy pricing and higher pricing for competing C5 HCR, with 18 September *Argus* assessments of $1,938/t for gum rosin glycerol ester and $1,953/t for gum rosin pentaerythritol ester, both ex-works. Rosin ester pricing in China is slightly higher than C5 HCR pricing given current price levels and with C5 HCR demand on the weak to tepid side in the domestic market.
- Brazil oleoresin supply remains in the offseason, but we may transition to the new tapping season by end of October or November depending on market and weather conditions. Prices for oleoresin remain firm with sellers seeing limited supply. Tapping in Rio Grand del Sul is very minimal due to the recent precipitation, but with production continuing at reduced levels in the Sao Paulo state. Gum rosin producers are struggling to increase prices with competitively priced TOR in Europe, who are a key buying market. Much of the rosin ester production in southern Europe had been shut down in August for the summer holiday period but is now resuming.
- Brazil gum rosin exports in August were 21pc lower from July at 5,991t according to GTT data, with much of the export volume destined for Portugal and Turkey, with more minimal exports to the US, Mexico and Spain. Trading activity has been soft and gum rosin producers are concerned rising oleoresin prices will continue to erode gum rosin margins. Gum rosin producer operating rates are lower as processors struggle to secure bulk oleoresin volumes during the offseason.
- In July, US export volumes of crude tall oil (CTO) decreased to 37,599t, down 7.4pc from June but were up 203pc from the same period in 2025. Nearly all the July export volume was headed to Finland and Sweden. For 2025, CTO export volumes were 46pc above 2024 levels at 374,425t and 85pc of total CTO export volumes found their way to Finland and Sweden. For 2026 YTD, 91pc of the US CTO exports of 237,789t have been to Finland or Sweden based on GTT data. US supply of CTO is expected to decrease with recent and future closures of pulp mills, and with the purchase of the Ingevity North Charleston and Deridder, La. sites by Mainstream Products, we could potentially see increased processing of CTO within the US leaving less available for export.

Outlook

- The current tapping season in China is in the peak of production, with oleoresin supply volumes expected to build further. Current downstream demand for gum rosin is weaker, but with prices increasing with competing C5 HCR tackifiers also seeing higher pricing with feedstock pricing, all against tepid market demand.
- CTO balances have remained long in the US with the reduction in CTO processing. Most CTO exports are finding their way to Sweden and Finland with lesser volumes to Japan, and this trend is expected to continue into next year. Export volumes should trend lower in the future as pulp and container mill closures continue in the US and with US CTO processing capacity potentially more fully utilized with new ownership.
- Oleoresin production in Brazil is now in the off-peak season. Lower US import tariffs on Brazilian imports could help increase export volumes of rosin esters. Gum rosin exports will continue to find their way to China, Turkey and Portugal, with volumes to China stronger this year due to the lack of competition from tall oil rosins and stronger domestic pricing.
- Rosin ester producers in China are looking to gum rosin imports as a cheaper alternative to domestic gum rosin to help meet feedstock requirements. Indonesia and Vietnam typically supply most of these gum rosin imports, but volumes from Brazil, Uganda and Argentina will continue to flow if pricing is supportive.

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Tackifying Resins

Rosin demand

Demand

- Gum rosin pricing in China is higher this month despite weaker gum rosin demand but with production below expectations due in large part to weather conditions from the stronger El Nino pattern and was assessed 24 September at $1,755/t exw in drums for WW grade *Pinus massoniana.* WW grade *Pinus elliotti* pricing was also higher from last month and was assessed 24 September at $1,624/t exw in drums. Imported gum rosin to China will have a more limited impact on *Pinus massoniana* pricing given the rosin's unique characteristics. *Pinus massoniana* gum rosin prices have averaged $1,813/t fob thus far for September. August CGR market prices for *Pinus massoniana* averaged $1,835/t fob, down $40/t from July. Profitability for many gum rosin factories continues to come in larger part from gum turpentine sales volumes but the contribution from gum rosin sales remains improved.
- The Brazilian gum rosin market is seeing reduced operating rates amid reduced oleoresin supply. Demand for Brazilian gum rosin in China has dropped with the peak of the Chinese tapping season. Demand for Brazilian rosin ester exports to the US dropped dramatically with the previous 50pc tariff and flows have yet to recover. Movements to the US continue to face uncertainties over trade policy and tariffs. *Argus* last assessed *Pinus elliotti* gum rosin 15 September at $1,515/t fob Brazil, down $10/t from mid-August.
- Prices for US CTO were relatively stable during 2025 after trending lower for the previous two years as CTO fractionation capacity was taken offline. *Argus* last assessed spot US CTO pricing 15 September at $871/t southeast US port fob for smaller spot volumes, higher from last month. With less fractionation capacity currently online in the US, CTO balances remain long, and CTO exports should continue at increased levels until eventually starting to trend lower in the future as additional US pulp mills cease operations and in turn their production of CTO and/or the existing idled CTO fractionation capacity is more fully returned to service. CTO pricing has not seen the strong upward trajectory that other crude oil related products witnessed beginning in early March, with the market more closely tied to domestic natural gas pricing than global crude oil pricing.
- TOR and GR esters have seen supply dynamics change in the US with reduced CTO processing, and with the higher tariffs that had been in place for Brazilian gum rosin ester exports to the US also weighing heavily on Brazilian export volumes. Mexico and Sweden are supplying much of the rosin ester import volume for the US to supplement reduced domestic TOR based supply. Brazilian export volumes of rosin esters will be lower during the tapping offseason.
- Third quarter ex-mill drum contract CTO pricing in Europe was assessed higher from the second quarter at 42.66¢/lb, with weaker softwood demand weighing on CTO supply in Europe and providing some price support along with generally higher energy pricing since early March. Fourth quarter pricing may again settle higher with stronger energy markets. TOR esters had been more competitively priced relative to gum rosin counterparts, but weaker softwood pulping demand will reduce TOR ester availability in the shorter term.



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Tackifying Resins

Natural terpene-derived resins

Supply

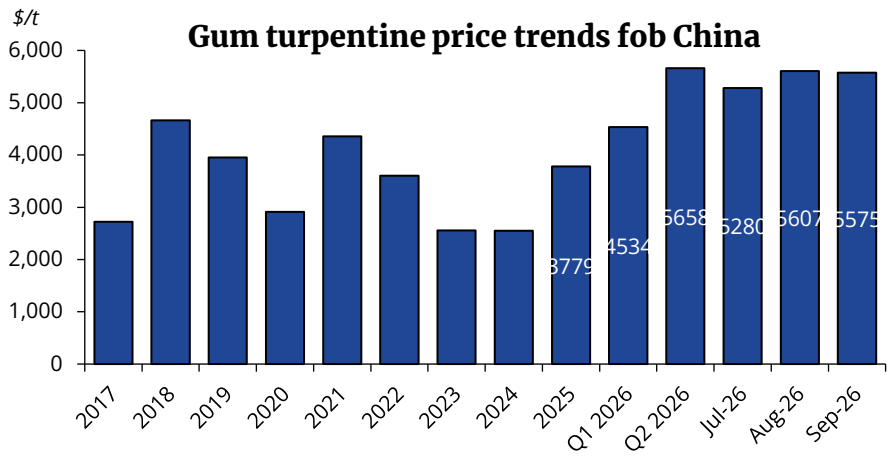
- Chinese gum turpentine markets were firmer at September mid- month with reduced gum rosin production, which has also decreased gum turpentine availability. Reduced supplies have kept inventories at lower levels despite being in the peak of the production season.
- Chinese gum turpentine pricing was assessed 24 September at $5,573/t for *Pinus massoniana* super grade, and at $5,513/t for *Pinus elliotti* super grade, both ex-works.
- Indonesia, Vietnam and Brazil were the dominant gum turpentine exporters to China in 2025, supplying 79pc of imports. Thus far in 2026, Vietnam, Brazil and Uganda are the largest exporters to China supplying 71pc of imports but with Indonesian imports likely to increase during the balance of the year.
- Brazilian production of gum turpentine has declined during the tapping off-season with the decreases in gum rosin production, with more limited availability the result. Gum turpentine pricing still provides much of the margin for oleoresin processors in Brazil. Many suppliers are sold out and with others able to offer minimal volume to the spot market.
- Brazilian exports of gum turpentine in August were higher from July at 2,159t with India, Japan, Mexico, China and France seeing all the exports. Brazil has exported 16,826t of gum turpentine YTD through August, up 13pc from the same period of 2025.

Demand

- While sales volumes have been more minimal, China market sellers have raised prices following increased buyer inquiries and low stocks. Buyers have been taking a more cautious approach.
- *Pinus massoniana* gum turpentine prices in China averaged $5,607/t fob in August, down $327/t from July. September fob prices are currently averaging $5,575/t, close to flat from last month as energy prices have rebounded and with production below expectations thus far in the current tapping season.
- Average pricing for August Chinese gum turpentine imports of 872t was $4,040/t, much below current domestic pricing levels. YTD through August, China has imported 6,391t of gum turpentine, 25pc above volumes for the same period in 2025. For 2025, Chinese gum turpentine imports were 7,800t, up 91pc from 2024.
- Brazilian gum turpentine demand has been steady to firm across key application against more limited supply availability during the tapping off-season. Camphor markets in India are in the peak demand season, while aroma chemicals buyers remain on the sidelines over margin concerns. Customers remain cautious as they assess market conditions at the elevated price levels. Some buyers are finding it difficult to secure volumes with several factories sold out and near-term volumes uncertain with uncertainty in the rosin markets.
- India remains the largest export destination for Brazilian gum turpentine and has seen 55pc of total Brazilian exports in 2026 YTD through August, with gum turpentine exports to Mexico dropping by 28pc in 2026 relative to 2025. Exports of Brazilian gum turpentine to the US were down by 46pc in 2025 versus 2024 and have been very minimal thus far during 2026. Export volumes to China and France are on the rise in 2026, with volumes up by 57pc and 46pc respectively relative to the same period in 2025.
- *Argus* assessed Brazilian *pinus elliotti* gum turpentine pricing on 15 September at $4,350/t fob.

Outlook

- Supply of domestic gum turpentine in China during the current tapping season is increasing and has limited upward price movement thus far.
- With the current strength in domestic gum turpentine pricing, China will continue to import volumes from exporters at prices much below those of the domestic gum turpentine market. Indonesia provided most of the import volumes for China in 2025, but volumes from Brazil could grow further.
- India is the largest export market for Brazilian gum turpentine, with volumes destined for the Mexican market dropping this year after a strong 2025. Brazilian gum turpentine exports to the US dropped significantly in 2025 versus a strong 2024 and are very minimal during 2026 thus far.



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Polymers

Natural rubber (NR)

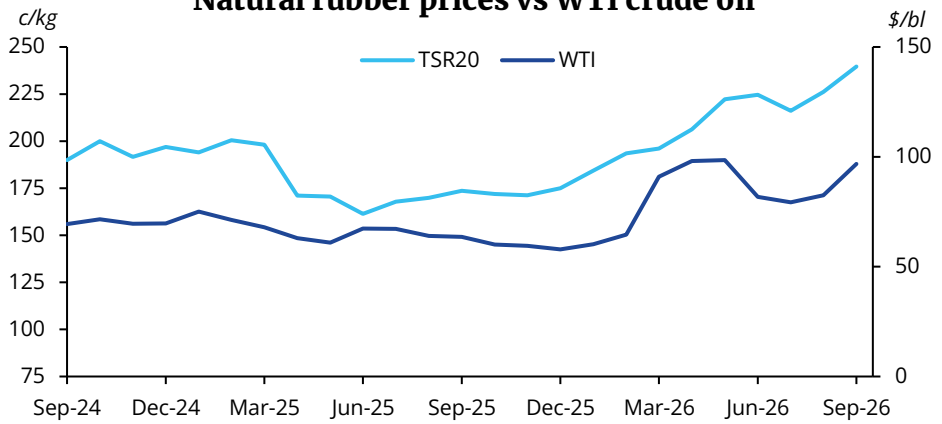
Supply

- TSR20 natural rubber (NR) futures on the SGX settled at $2,558/t on 25 September, an increase from prices at the start of the month. Prices have averaged $2,417/t MTD, up from $2,261/t in August. NR futures pricing has trended more than $675/t higher since early December of last year, with some of the more recent increases on the back of higher pricing for crude oil and for competing synthetic rubber products.
- The top five exporting countries of Thailand, Ivory Coast, Indonesia, Viet Nam and Malaysia have accounted for 89pc of all NR exports YTD through June according to GTT data. Total NR exports from all nations totaled 8.65mn t in 2025, about 4.3pc below the previous year's levels. These top five NR exporters accounted for 88pc of global natural rubber exports in 2025.
- The most recent update (30 August) from the Association of Natural Rubber Producing Countries (ANRPC) member nations indicate that global natural rubber (NR) production is projected to rise by 2.1pc in 2026 to 15.279mn t led by production gains in Thailand, China, India and Malaysia. Improved weather conditions in several key producing countries and stronger NR pricing are supportive of supply growth. NR supply grew 2.0pc in 2025.
- The ANRPC reported NR production of 1.321mn t in July, down 5.2pc year on year, with high temperatures and some rainfall disruptions southeast and south Asia.

Demand

- 2026 demand growth for NR is currently projected by the ANRPC at 0.4pc to 15.356mn t annually. July global consumption rose to 1.297 mn t, up 0.8pc year on year. Chinese consumption was 603,100t in July with India at 116,000t. Per the ANRPC, steady tire and EV linked demand, coupled with a resilient PMI in India (53.5) and record Indian auto sales are helping drive demand growth.
- The 6 August forecast (the latest available) released by the US Tire Manufacturers Association (USTMA) is projecting a 1.8pc decrease in tire shipments in the US during 2026 relative to 2025 with member shipments at 330.3mn units. 2025 actual member shipments were estimated at 336.3 mn units, which is only a 1.1pc increase since 2019.
- The 5 August report from Tyres Europe indicated that member sales of consumer tires were up 2pc for the first half of 2026 relative to 2025, with truck and bus tire sales up 7pc in the same period. Imports of tires to the region were up 13pc for the second quarter relative to the first quarter, but overall imports were down 11pc over the first five months of the year with anti-dumping duties on Chinese tire imports coming into effect on 8 July for a five-year period.
- The United Steelworkers (USW) union has called for a federal probe into US tire imports, arguing that they have captured an increasing share of the US market, fueling a wave of domestic capacity reductions. The union sent a letter to the US Trade Representative (USTR) on 14 September requesting an investigation under Section 201 of the US Trade Act of 1974. Under the provision, industries injured, or facing the threat of injury, may seek import relief without having to demonstrate an unfair trade practice. See the *Industry News* section for further details.

Natural rubber prices vs WTI crude oil



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Polymers

Polyisoprene (IR)

Supply

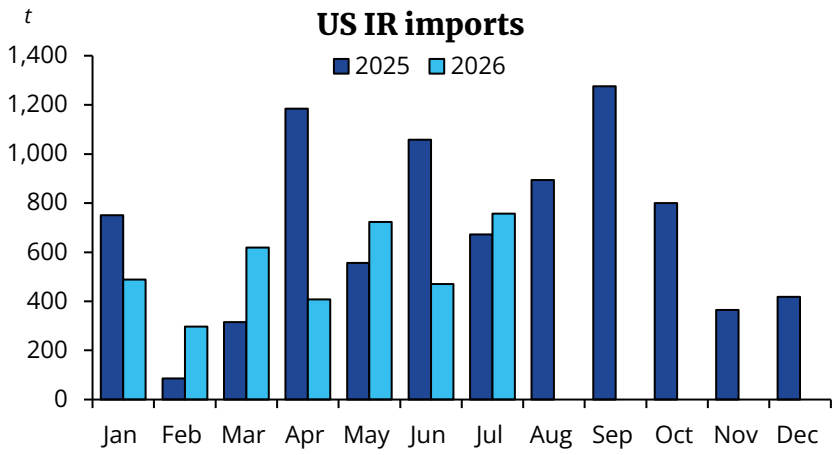
- Chinese IR production remains stronger with all plants in operation, and with reduced IR import volumes from Russia noted the balances have been tighter and prices moving higher as a result.
- US exports of IR totalled 1,373t for July and were 23pc lower relative to the same period in 2025, with export volumes to Brazil, Canada and Mexico the strongest. Exports YTD through July are 14,473t and tracking 9.4pc below the same period for 2025. Unlike some of their counterparts in Asia-Pacific, feedstock isoprene production for US production of IR has not been severely impacted by the current events in the Middle East, and as long as US cracker rates remain stronger, we should see typical domestic availability of isoprene for IR production at the largest producer. A smaller portion of the 2025 supply of US produced IR was supported by isoprene imports from Asia-Pacific, which do remain at some risk. US import volumes of IR were 757t during July and 3,763t YTD for 2026, with imports remaining weak overall with reduced Russian IR exports to the US. Average CIF pricing for US IR imports from Japan was $3,780/t in July, an increase from $3,180/t in June.
- Annual IR export volumes from Singapore are trending higher with the new Cariflex plant ramps up production, with August IR exports of 1,330t and for YTD exports are tracking 212pc above 2025 at 7,272t. Nearly all of these exports find their way to Malaysia or Thailand. The potential sale of the Cariflex business is moving more slowly after the initial announcements last September.
- Japanese production of IR at producers including Zeon, Eneos and Kuraray has seen some reduced feedstock production due to various upstream cracker shutdowns and rate reductions. Japan remains a larger net exporter of IR, but with significant volume remaining within Asia-Pacific. YTD through July exports are down 3.8pc at 20,242t with weaker exports in July.
- A portion of natural rubber imports for domestic tire production in Russia is reportedly being replaced with domestically produced isoprene rubber to help sustain higher IR production at domestic producers and is reducing some lower priced IR exports. Russian imports of NR (based on GTT mirror data from exporting countries) showed 2026 YTD imports of just 35,041t through July and are 32pc below last year's levels. The Togliatti chemical site in the Samara region which produces IR was attacked by the Ukraine on 12 September, see the *Industry News* section for further details.
- Isoprene rubber exports from Brazil were 525t in August, down 19pc year on year. YTD export volumes through August are up 16pc year on year at 6,971t. It appears increased amounts of isoprene produced in Brazil is being used domestically for IR production instead of being exported to the US for SIS or IR production. IR exports from Brazil will be Cariflex volumes produced at Paulinia.

Demand

- Japanese exports of IR used frequently in medical and other higher end applications, are tracking 5.7pc lower in 2026 versus 2025. Japan exported 2,499t of IR in July, down 19pc from the same period in 2025, and volumes may be slightly weaker with reduced feedstock supply in the shorter term.
- Domestic IR pricing in China is higher from last month and was most recently seen at 19,100 RmB/t ($2,845/t). Chinese demand for IR is tepid with higher IR pricing relative to NR and lacklustre demand into the tire sector, but reduced Russian imports have supported domestic IR pricing and operating rates, as have higher NR prices.
- Russian origin landed IR exports (based on GTT mirror data from all receiving countries) totalled 198,915t in 2025, up 8.6pc from 2024. YTD through July, exports are tracking 18.4pc below 2025 levels at 98,428t. European imports of Russian IR have been sanctioned since 1 July 2024. Much of the Russian IR export volume (67pc) has found its way to China with fast growing volumes to India (13pc). European overall imports of IR remain greatly reduced after 2024 with tire producers formulating with NR in place of IR in many instances.
- August imports of Russian IR to China were 5,064t, down 64pc from the same period of 2025. YTD through August these imports are tracking 26pc below 2025 levels. June, July and August imports have been weaker which is providing price support for domestic production. Average pricing for Chinese IR imports from Russia was just $1,970/t (cif basis) for August, well below noted domestic pricing levels. China imported 136,163t of Russian IR in 2025, up 46pc from 2024. This represented 95pc of all Chinese IR imports, and for 2026 YTD, Russia has provided 94pc of all Chinese IR imports. Indian imports of Russian IR are up by 237pc YTD through July versus 2025.
- YTD through August, China has imported a total of 75,428t of IR, 26pc below 2025 levels. Overall IR import volumes for China were up 42pc YoY for 2025 as China relied on cheaper imported IR to meet domestic demand while at the same time exporting some IR volumes to southeast Asia and India.

Outlook

- Russian IR export volumes continue to be offered at aggressive prices to China and in recently increasing volumes to India. China continues to export smaller volumes of IR to India and other southeast Asia-Pacific countries.
- Russia appears to be replacing natural rubber imports with additional domestic isoprene rubber production, which allows for higher operating rates at Russian IR producers and helps make up for lost European demand. Russian imports of NR dropped in 2025 versus 2024 and are dropping further again in 2026.
- Overall demand for IR has dropped with European sanctions on Russian product. The US will continue to be a smaller net exporter of IR, primarily from Gemspring/Goodyear.
- Global IR latex production continues to increase with the ramp-up of the Cariflex Singapore unit and with Brazilian export volumes on the rise relative to 2025.
- IR production is likely to be less impacted by events in the Middle East than some of the other polymers, given substantial IR production outside of Asia-Pacific, but we could see some tightness for higher medical grades of IR if rates in Japan or Singapore are reduced due to isoprene feedstock limitations.



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Polymers

SIS

Supply

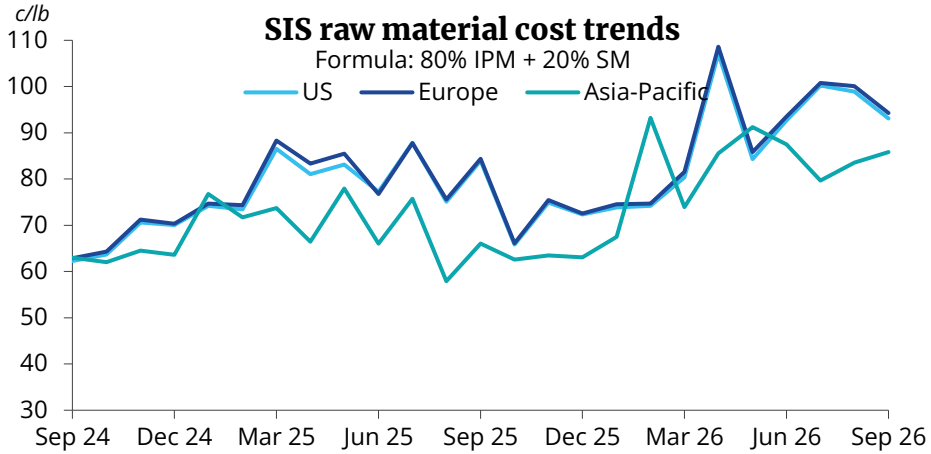
- Overall rates for SIS producers in China remain reduced, with isoprene feedstock showing better availability overall since mid-April but tightening over the last several months. Jinhai is operating three lines for SIS production. TSRC, Jusheng, Ecisco and Sunion are all operating as is Luhua (Zibo and Zhangzhou). Baling-Shanghai is operating at 60-70pc rates with Baling at Yueyang steady at reduced rates.
- Three new SIS projects (Jinhai's fourth SBC line, third SIS line), Ecisco at Jieyang City, and Baling-Shanghai started up since October of last year, adding to a global surplus of capacity. These new lines represent more than 20pc of global capacity.
- Zeon is operating with exports to the west including the US continuing but will see some impacts from reduced feedstock supply from both Japanese and Korean crackers limiting rates at the downstream isoprene plant.
- Operating rates at US domestic SIS producers remain well below maximum with more limited export opportunities and challenging cost economics, with feedstock isoprene pricing maintaining strength through 2026. Reduced isoprene production in Asia-Pacific will limit exports to the US and could eventually result in further reduced SIS operating rates if Korean cracker rates and isoprene production do not improve. SIS flows from China to the US are more minimal with the current tariff regime but should increase structurally over the course of time with no growth in SIS production in the US.
- Production of SIS in Europe remains minimal with reduced volumes of feedstock isoprene having been exported to the region, with only 1,213t of isoprene exports to Italy noted for 2026 YTD, all of it from China.
- SM feedstock spot pricing is higher from August in the west and in Asia-Pacific. US pricing was higher at $1,687/t fob USGC as of 25 September. European spot pricing was at $1,797/t fob ARA as of 25 September. Asia-Pacific spot pricing was at $1,360/t cfr east China as of 25 September.
- SIS exports from Taiwan and Japan to Europe and the US are likely to remain weaker in the shorter term with some loss of production due to feedstock availability, while Chinese exports to Europe and the US should be slightly less impacted. Margins on SIS exports to the west remain weaker, with freight costs very elevated and having risen with higher fuel costs, Middle East disruptions, and increased wait times and costs at the Panama Canal for shipments to the US east and south coasts.
- The existing section 301 and base duties remain on Chinese SIS imports to the US. The US administration is applying tariffs of 10 to 12.5pc for exporters to the US not seen to be aggressive enough on eliminating forced labor from their supply chains. We continue to see ever changing tariff announcements and proposals from the US administration.

Demand

- SIS global demand has been weaker thus far in 2026. SIS demand into the tapes and labels markets remains below the demand peaks of 2021 and 2022. The market in all regions will take a number of years to return to the demand levels seen during that period. The more elevated price levels in the west could lead to some demand destruction in the shorter term.
- Domestic ex-plant spot pricing for SIS in China is higher from last month with higher feedstock costs and was seen most recently at 17,200 RmB/t ($2,562/+/-) for ex-plant east China. Domestic demand remains tepid at best. Pricing remains elevated in the west, both for import and domestic volumes and would move lower if not for freight and feedstock cost considerations.
- Spot container freight rates to the US were seen last week at $9,606/FEU for main port Asia to the USEC according to Freightos weekly data. Spot rates to the USWC were seen at $8,411/FEU. These rates have increased dramatically since the end of May even as we have exited the peak shipping season. Rates are currently more than $5,000/FEU above end of March levels for the USEC, with costs and transit times for the Panama Canal increasing due to drought conditions. Rates below these numbers remain possible where contract or regular movements are involved.
- Spot main port Asia to northwest Europe container rates were seen near $3,376/FEU. Most traffic continues to reroute around South Africa instead of transiting the Suez with its greatly increased risks.
- European SIS demand will continue to be serviced primarily by Chinese, Japanese, and Taiwanese producers who will be exposed to noted container ship freight rates as part of their cost structure.

Outlook

- Global operating rates for SIS remain reduced awaiting demand improvement from the tape and label sector and have seen feedstocks in reduced supply in Asia-Pacific amid the weaker demand. More elevated isoprene feedstock costs are likely to carry into 2027 and spot pricing to remain more elevated. We are seeing much less feedstock isoprene produced in Asia-Pacific in conjunction with recent upstream cracker outages and rate cuts in Korea, Taiwan and Japan as fallout from the US-Iran conflict. This can impact rates not only Asia-Pacific but also in the US and Japan where SIS and IR producers rely on imported isoprene feed.
- New Chinese capacity for SIS/SEPS from Jinhai, Ecisco and Baling/Shanghai Petrochemical JV started up in 2025 and early 2026, providing further surplus SIS capacity to the market, but production as noted is a zero-sum game limited by feedstocks and overall demand.
- Economics for US SIS producers continue to be challenging with the cost of delivering imported isoprene to production facilities. European SIS production is expected to be very minimal at best with Europe relying almost exclusively on SIS imports to meet demand, dominated by supply emanating from Asia-Pacific. Structurally, Taiwan and Japan will continue to export to Europe and the US. China will increasingly seek exports to all regions.



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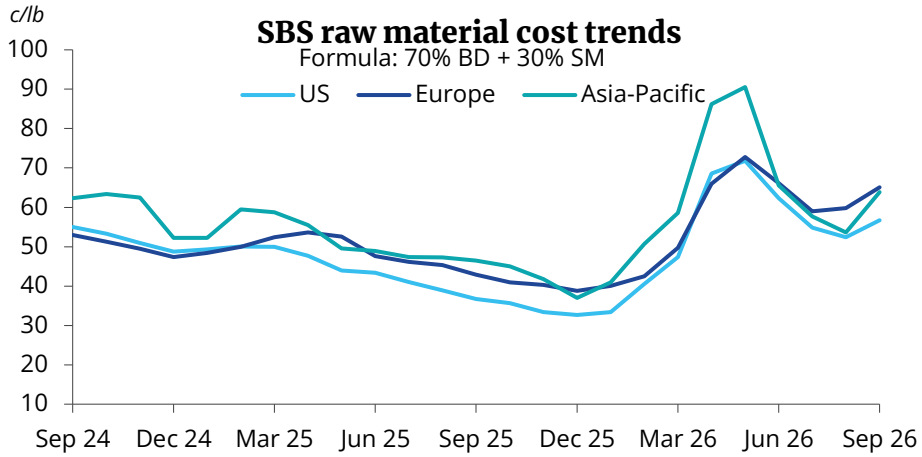
Polymers

SBS

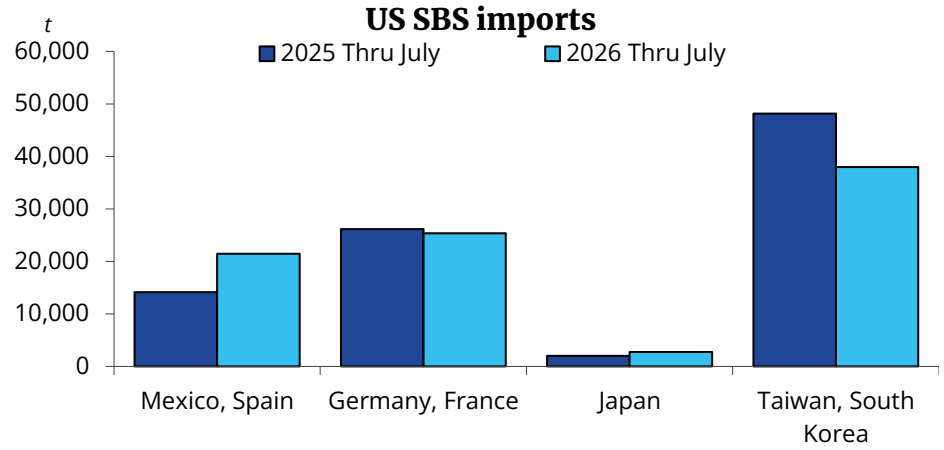
Supply

- SBS feedstock costs in Asia-Pacific are higher since this time last month with spot BD pricing and styrene pricing both moving higher. Feedstock pricing movements were higher in the west with higher September BD contract pricing in the US and Europe and with spot styrene also higher during September.
- In China, overall SBS operating rates remain lower, with most integrated producers having at least some capacity offline and many independents idled. LCY is running one of three lines. Sinopec Gulei is running reduced rates. Baling Shanghai is operating at reduced rates. SBS supply capacity had increased in China later last year with the start-up of new SBS capacity from Petrochina Guangxi and the Sinopec Shanghai/Baling JV. Overall operating rates are estimated at just 35-40pc, well below last year's average of 60pc.
- Domestic SBS operating rates in much of the west are seeing the end of the summer road construction period and are likely to move lower.
- Europe is now in a net import position for SBS. Korea (32pc), Taiwan (28pc), and China (23pc) were the largest SBS exporters to the EU for 2025, which imported 140,833t of SBS last year. Import volumes from Korea and Taiwan increased at the expense of Russian import volumes. The net importer trend for Europe has continued in 2026, with China now the largest exporter to the EU in 2026 with most of the increase in volumes coming at the expense of Korea.
- Domestic producers of SBS in the US continue to benefit from a favourable feedstock cost position, especially as BD pricing has recently moved higher again in Asia-Pacific. Minimal volumes of SBS currently flow to the US from China unlike several other Asia-Pacific producing countries including Korea and Taiwan.
- Turkey increased Russian SBS imports by 46pc in 2025, but imports of Russian SBS are tracking 15pc below 2025 levels YTD through July despite making up 47pc of Turkey's imports. Chinese imports of Russian SBS also continue but are likely to decrease as Chinese domestic capacity and production further increased at the end of 2025.



Demand

- SBS consumption in China for modified asphalt remains weaker in September with higher asphalt prices, with demand in other sectors including footwear and residential construction weaker and with inventories at more elevated levels. Recent domestic spot SBS pricing is higher from the end of last month with feedstock pricing however and seen recently at 14,900 RmB/t +/- ($2,219/t +/-) ex-plant for south and east China. Lower-priced SBS from Petrochina Guangxi continued to dominate market pricing, while most independent producers struggled to absorb losses at current price levels.
- Prices were on the rise in the west to try and keep pace with higher raw material costs during the second quarter but with overall BD pricing decreases since that time and continued SBS import competition.
- July US SBS imports were 0.75pc higher than June at 12,950t but were down 3.0pc Y-O-Y. Imports from Japan, France and Mexico are higher thus far in 2026 while those from Korea, Taiwan, Germany and Spain are lower. US imports of SBS from Russia are zero thus far in 2026. The average value of SBS imports to the US in July was $2,720/t on a CIF basis per GTT data, close to flat from June. Import prices are expected to be supported in the short term by higher freight costs and stronger BD and styrene pricing in Asia-Pacific rather than any increase in demand.
- European SBS exports to outside the EU were 12pc higher in 2025 versus 2024, but with imports to the EU noticeably higher than exports for 2025, continuing the previous year's new annual trend. The US has accounted for about 47pc of the European SBS exports to outside the EU in 2025 and YTD 2026 in what is dominated by intra-company transfers. In 2026, through June, European exports of SBS to outside the region are tracking 13pc below 2025 levels at 34,501t. At the same time, EU imports of SBS have totalled 56,889t.
- EU imports of SBS from Russia have disappeared with the full implementation of sanctions on synthetic rubber imports from Russia effective 1 July 2024.



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Polymers

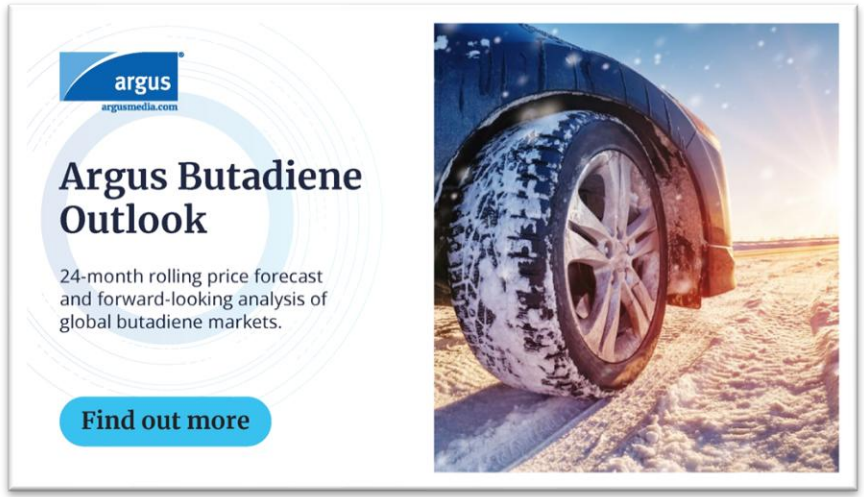
SBR

Supply

- Chinese styrene-butadiene rubber (SBR) and polybutadiene rubber (PBR) prices retreated last week alongside losses seen in the feedstock butadiene (BD) values. Synthetic butadiene rubber (SBR) plants ran at 66pc, up by three percentage points, while polybutadiene rubber (PBR) plant rates dropped by one percentage point to 59pc from the previous week.
- For SBR 1502, domestic Chinese prices dropped to 15,300-15,500 yuan/t, down by Yn400/t compared with the previous session. Meanwhile for SBR 1712, domestic prices declined to Yn13,300-13,500/t, down by Yn250/t. For PBR 1500, Chinese domestic prices dropped to Yn15,000-15,400/t, down by Yn450/t.
- There were more buying activities early in the week when prices started to decline. Buying interest waned afterwards when downstream buyers finished restocking ahead of Mid-Autum festival holidays.
- Offers for SBR and PBR for South Korean origin cargoes emerged this week. For SBR 1502, selling ideas were placed at $2,200/t cfr China. Meanwhile for PBR 1500, selling ideas were at $2,300/t cfr China, according to market players.

Demand

- Margins for Asia-Pacific synthetic rubber producers may be tighter again going forward as costs have increased a little more rapidly than synthetic rubber prices.
- US emulsion styrene butadiene rubber (eSBR) 1502 and 1712 mid-September pricing was very slightly higher from the same time last month at $2,064/t and $2,062/t, up $8/t in both cases. The September prevailing US BD contract price was higher versus August at 50.5¢/lb, up by 2.5¢/lb.
- European eSBR 1502 and 1712 prices increased to $2,332/t and $2,251/t, respectively, for mid-September, an increase of $100/t in both cases from the same time last month. The September European monthly contract price for butadiene is 100€/t higher from August at €1,185/t.
- Tire company operating rates in the west remain mixed to weaker amongst the top tier producers with tepid demand for synthetic rubber into tires in China.
- The current US Tire Manufacturers (USTMA) forecast for 2026 is for member sales at 1.8pc below 2025 volumes. Tyres Europe indicated a 2pc Y-O-Y increase in sales for consumer tires in the first half of 2026 for its member companies in its most recent release.
- Italian tiremaker Pirelli has approved a multi-phase investment to expand car tire production at its Rome, Georgia, US plant. The initial phase of expansion is expected to add 3mn tires/yr of capacity steadily starting in 2028. A fully automated conventional production line for premium tire products is also planned. At full operating rates, the facility adds another 3mn tires/yr, bringing the total new capacity to 6mn tires/yr. See the *Industry News* section for further detail.



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Polymers

Unsaturated polyester resins (UPR)

Supply

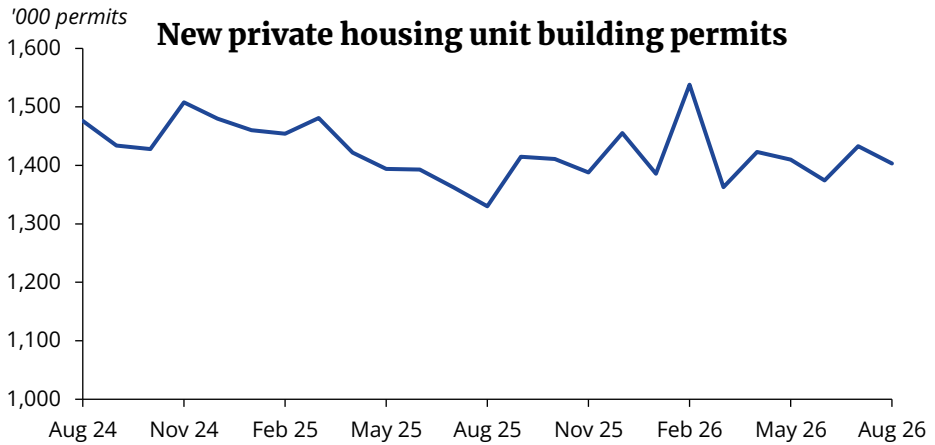
- UPR production rates in China were in the 33pc +/- range last week to match continued weak demand. UPR production rates in the west also remain reduced and estimated near 40pc +/- with adequate feedstock availability.
- Domestic UPR spot pricing in China is higher from August with higher feedstock costs squeezing margins for producers and was most recently seen in the range of 9,800 – 10,100 RmB/t ($1,460/t - $1,504/t) with prices on the lower end of the range in east China and the higher end in southern China.
- DCPD pricing in China is higher from August with feedstock pricing. Spot SM feedstock prices are much higher from this time last month in the west and in Asia-Pacific and seen recently for the US at $1,687/t, Europe at $1,797/t and Asia-Pacific at $1,360/t cfr east China. Pricing for MA and PA in China is higher this month, as is MEG and DEG pricing.
- DCPD feedstock supply for UPR consumption in the US continues to come from domestic producers who can normally produce ultra-high purity DCPD. We should see some smaller DCPD imports to the US to continue in later 2026 in support of UPR production, and more so when UPR demand improves in the future. DCPD supply from Taiwan to US or European importers will be more problematic with current cracker shutdowns and operating rates.

Demand

- UPR demand remains weaker during September in China. Weak construction activity is keeping overall demand lower, especially for maleic grades. Slightly better UPR demand is seen in the auto sector. Demand in the west continues to remain weak awaiting a turnaround in the housing market, which could be longer in coming if interest rates remain at current levels or were to move higher. Demand into the auto sector has been steadier.
- The US Census Bureau and US Department of Housing and Urban Development release on 17 September showed seasonally adjusted August new building permits for privately owned housing units were at a 1.394mn annualized rate. This is 2.7pc below the revised July rate of 1.433mn but is a 3.5pc increase compared to August 2025. Privately owned housing starts decreased 2.6pc from July to August and decreased 1.2pc from August 2025. Privately owned housing completions decreased 11.9pc from July and decreased 27.1pc from August 2025. The National Association of Realtors reported a 2.0pc decrease month over month for existing home sales in August, and a 1.2pc decrease year over year. Unsold inventory increased by 3.2pc to 4.9 months of supply. Most US statistics are not supportive of stronger UPR demand in the housing market in the short term.
- The US Federal Reserve increased target interest rates by 0.25pc on 16 September after interest rate reductions in September, October and December of last year. The next Fed Open Markets Committee (FOMC) meeting occurs October 27/28, with 47pc (as of September 22) of the market expecting rates to remain steady after the next meeting and 53pc anticipating another quarter point increase, according to the CME FedWatch Tool. The US Bureau of Labor Statistics report for August showed a 3.4pc inflation rate (not seasonally adjusted) over the previous 12 months, flat from 3.4pc in July, with the unemployment steady at 4.1pc. Core inflation (exclusive of energy and food) was 2.4pc annually.
- According to NADA data, 2025 full year US light vehicle sales were 16.2mn, with 2026 full year currently tracking at a 16.1mn SAAR through August, a slight decrease year on year.

Outlook

- Figures from the US National Association of Home Builders/Wells Fargo Housing Market Index release show home builder confidence at 32 in September, down 3 points from August. The US housing market continues to be challenged, with 38pc of builders cutting prices in September by an average of 6pc.
- The China National Bureau of Statistics (NBS) real estate investment statistics for January through August 2026 showed China's national investment in real estate development growth rate was down 19.9pc year-on-year.
- Section 301 tariffs on Chinese imports to the US remain in place as they have been since 2018. Most other imports are subject to a single 10pc up to 12.5pc tariff on imports, notwithstanding sector specific tariffs and exemptions and ongoing lawsuits challenging the legality of any or all of the tariffs.
- In the shorter term, housing and development statistics do not point toward any significant strengthening in the larger housing markets, with the demand outlook for UPR remaining weaker as a result.



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Polymers

Polyethylene (PE)

Supply

- The new Golden Triangle units in the US should make their first resin during September, adding to supply length. There are additional turnarounds expected in the coming months, but no major tightness in the market is expected. In Mexico, Braskem Idesa restarted a second PE unit, now making both LDPE and HDPE. Supply should be adequate to long in the US as the Golden Triangle project ramps up through 4Q26 and planned turnarounds are completed.
- Availability is comfortable in Europe and spot liquidity is thin, with the import arbitrage from the US still workable for HDPE and LLDPE butene grade. European supply has been impacted by the shutdown of 420,000 t/yr of Italian PE capacity which is unlikely to return, and low Rhine and Danube water levels remain a threat to inland logistics. US exporters are being looking to better Asia-Pacific netbacks, which remains a risk to European positions. Supply remains more than adequate, with US imports backfilling and need-to-basis buying capping restocking; only an arbitrage closure or worse low-water disruption would tighten the balance.
- Domestic maintenance last month in China tightened supply and drew down inventories. Those units are returning in September, with further recovery as new capacity starts up in the third and fourth quarters. Imports are also increasing. Middle East shipments to China had fallen rom a 2025 average of about 539 kt/month to 137kt in June, but Borouge was back at full rates in June with a further 1,400 kt/yr capacity addition by October. Supply is expected to lengthen as restarts, new domestic capacity and a return of Gulf cargoes rebuild availability.

Demand

- Demand in the US is somewhat stronger as buyers return to restock, and operations remain steady. Export demand is improving, with firmer Chinese appetite for US resin giving US producers the confidence to push for domestic price increases. Whether global buyers accept the higher offers remains unclear, although traders expect sidelined buyers to be forced into the market eventually. Domestic demand remains weak and is unlikely to pull material out of the export market. With domestic offtake holding near current levels with seasonal softening in 4Q26, exports will carry the growth as Chinese and Mexican buying improves in 1Q27.
- Fundamentals remain weak in Europe with only limited seasonal restocking following the summer break. Buyers are keeping procurement on a need-to basis while they manage inventories and liquidity. Some interest in buffer stock and pre-buying for the fourth quarter has emerged as a hedge against increases, but underlying weakness across value chains, inflation and higher interest rates are all keeping any significant recovery out of reach. Hand-to-mouth buying will persist into Q4, with no durable recovery without an improvement in end-user sectors.
- September is the traditional peak season for agricultural film in China. Converters remain cautious, with margins squeezed and feedstock costs high, and are buying for immediate needs rather than to build inventories. Restocking is therefore narrow and concentrated in the film sector while packaging and injection molding lag, and the seasonal lift should fade after the fall season. Demand growth is expected to stay modest and with buyers holding to purchasing for immediate needs.

Outlook

- Higher crude pricing will lift naphtha and global resin values, widening the US ethane feedstock advantage and pulling exports offshore; a de-escalation of hostilities in the Middle East will reverse the advantage quickly. Bearish factors include ample supply, new capacity startup, buyer resistance and Canadian tariffs. Crude oil continues to set the price range. A sustained hold above $100/bl skews resin prices higher; de-escalation of hostilities alongside new capacity start-up are the main downside drivers.
- Escalation between Saudi Arabia and the Houthis is adding to the risk premium for crude oil; that has lifted September naphtha well above the August average, with the prompt price rising faster still. Freight and war-risk premiums leading to higher costs could shut the US arbitrage that currently keeps European PE buyers relaxed and pull US Gulf cargoes toward Asia, exposing the European region that is short of capacity. Risk remains asymmetric, with the upside for pricing fast and cost-driven and the downside slow and demand-driven.
- The market In Asia-Pacific is subject to oil-based feedstock costs, with geopolitical disruptions supporting crude. Lower crude oil pricing would feed through to PE pricing. China's net-export position for PE looks temporary, with northeast Asia back to a net import position in July. Renewed Middle East disruption are the main upside risk with faster normalization on the downside likely.

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Polymers

Polypropylene (PP)

Supply

- August production in the US rose to a yearly high, running at about 84.4pc of nameplate, which built inventories to a year-high 43 days. Maintenance at a northeastern copolymer unit should be completed, while a planned turnaround at a Louisiana PP plant begins mid-September. Supply is expected to remain long. Despite planned turnarounds, high operating rates and elevated inventories mean no shortages are expected through January.
- Availability in Europe remains ample despite ongoing force majeure declarations at several central and eastern European plants, with planned maintenance continuing at one further CEE site. Reports of length and discounted spot offers persist. The Middle East import arbitrage is workable, but fresh shipments are delayed around four weeks by vessel congestion at Jeddah. Supply is expected to stay balanced-to-long, as Gulf exporters earn better netbacks in Asia-Pacific and Q4 European import volumes remain uncertain.
- The average Chinese PP operating rate slipped to 69pc last month, while combined PP and PE inventories at Sinopec and PetroChina rose to 690,000t, 2pc higher on the year. Approximately 3mn t/yr of new capacity is expected to come online between October and December, intensifying competition and potentially increasing supply.

Demand

- August demand in the US softened with total PP sales down 2.5pc, with domestic demand down while exports rose to 5.2pc of total sales. Year-to-date sales are still up 5.8pc on 2025, and August US auto sales hit a 16-month high. Mexican buyers have paused purchasing after crude and energy costs rose against expectations of declines, though a September-October rebound is hoped for before the year-end. New US and Canadian tariffs on certain finished plastic goods are worrying converters on both sides of the border. Demand should stay stable but subdued, moderating toward year-end, with Mexico below seasonal norms.
- European demand has been weak in September despite some post-summer restocking. Buyers are purchasing on a need-to basis, managing both inventory and liquidity, though there is some appetite for Q4 pre-buying and buffer stock. Inflation and rising interest rates are squeezing discretionary spending, hitting PP harder through its exposure to big-ticket durable goods. A modest seasonal recovery is possible, but ample supply and workable imports suggest restocking stays limited and no sustained rebound is likely without broader economic improvement for the region.
- Downstream buying in China remains weak. Spot pricing gains have lagged the futures rally because converters cannot pass higher raw material costs into finished goods, and some are delaying purchases outright. August auto sales fell 5.1pc on the year and auto production fell 4.7pc. Seasonal support through September and October should be modest at best, and if Middle East supply recovers, buying in southeast and south Asia will shift away from Chinese material, intensifying competition for northeast Asian suppliers.

Outlook

- Pricing risk in the US is skewed upward on costs. Sustained crude and propane strength would lift PDH and PGP costs and could erase the expected contract declines, while a de-escalation in the Middle East would remove the risk premium and re-expose structural length.
- European prices remain highly sensitive to the Middle East war. The €10/t ($12/t) propylene MCP cut for September is seen as outdated, and the ECB has raised interest rates while lifting its inflation forecasts. A prolonged Hormuz disruption would sustain cost-push upside, while normalized shipping would restore downward pressure.
- Prices are in northeast Asia are being driven by feedstock and geopolitics rather than fundamentals. Northeast Asian propylene rose $50/t to $1,225/t cfr and Japan naphtha jumped $101.75/t to $964.75/t. Any easing in the strait of Hormuz would normalize trade flows and remove the risk premium on pricing. Combined with continued Chinese capacity additions and weak global demand, conditions should stay challenging through 2027-28.

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Polymers

EVA

Supply

- China's overall EVA operating rate was steady at 55pc last week. Sinopec Yangzi Petrochemical's 100,000 t/yr EVA unit remains offline for scheduled maintenance. Sinochem Quanzhou's 100,000 t/yr EVA unit has been down for maintenance since July. Jiangsu Hongjing's No.2 200,000 t/yr unit has been offline for maintenance since July. China Coal Yanchang shut its 300,000 t/yr EVA unit for maintenance recently.
- US exports of EVA during July were 9,098t, down 36pc from the same month in 2025. For 2026 YTD through July exports were down 19pc from 2025 at 85,993t. Mexico (28pc) and Belgium (14pc) are the two largest recipients of US EVA exports during 2026, with China third. Average pricing for US July exports was $2,350/t on a fob basis, up $20/t from June.
- Canadian exports of EVA for July were 8,184t, up 5.0pc from the same period in 2025. EVA exports from Canada YTD through July were 59,924t, up 20pc from the same period of 2025. The US (53pc) and China (35pc) were the recipients of nearly all this volume, with Canadian exports to China increasing in the short term to replaced lost Asia-Pacific and Middle East imports.
- The EU exported 9,091t of EVA outside the region in June, down 19pc from the same period of 2025. For the year 2025 the EU was a small net importer of EVA as production lags, with exports to Turkey, China and India the strongest. The trend is continuing in 2026.

Demand

- China's ethylene-vinyl acetate (EVA) market extended price gains last week, supported by tighter supply.
- PV-grade EVA prices rose by Yn350/t last week to Yn10,600-11,000/t ex-works East China and were Yn375/t higher than the end of August. Foaming-grade values increased by Yn300/t to Yn10,600-11,500/t ex-works East China and were up Yn1,450/t since late last month.
- In the import market, the workable levels for PV grade EVA were assessed at $1,300-1,350/t cfr China while foaming grades were at $1,300-1,400/t cfr China, up by $55/t and $40/t from the previous week respectively. In the export market, the workable levels for foaming grade EVA were assessed at $1,370-1,500/t fob China, up by $40/t from the previous week.
- EVA imports to China for 2026 YTD through August were 326,158t, down by 33pc from the same period in 2025. Imports during August were 41,401t, down by 7.5pc from July and down by 21pc from the same period in 2025. The overall lower trend for imports continues to reflect increasing Chinese EVA production capacity. Imports may suffer slightly in the short term as China moves to replace imports from Middle East producers with imports from other regions.

Outlook

- Export volumes from China are growing again in 2026. Exports were up 22pc for 2025 versus 2024 and YTD through August are up 72pc Y-O-Y. Exports are widely scattered across the globe to many non-OECD countries. China has become a net exporter of EVA YTD through August.
- EVA imports to China will continue for the next several years until the rapid growth in higher VA content domestic production catches up with domestic demand for the PV sector. Imports from the Middle east have dropped at the expense of potentially more imports from the US, Canada and even Korea who are able to maintain production rates in the short term, unlike other key suppliers including Saudi Arabia or Thailand.
- Start-ups at new Chinese plants in 2025 brought China's total EVA capacity to almost 4.0mn t/yr. 2026 should see substantial additional capacity additions from a number of Chinese producers bringing capacity closer to 6.0mn t/yr.
- Competition in export markets is intensifying for western and other Asia-Pacific producers as China moves to a surplus position for EVA production over the next several years. Barring a change in the tariff regime, Chinese EVA volumes to/from the US will remain more minimal.
- Margins for producers in all regions who export are likely to be pressured lower in the future as Chinese EVA exports grow, following the lead of many other petrochemicals which have seen a surge in Chinese production and export volumes.

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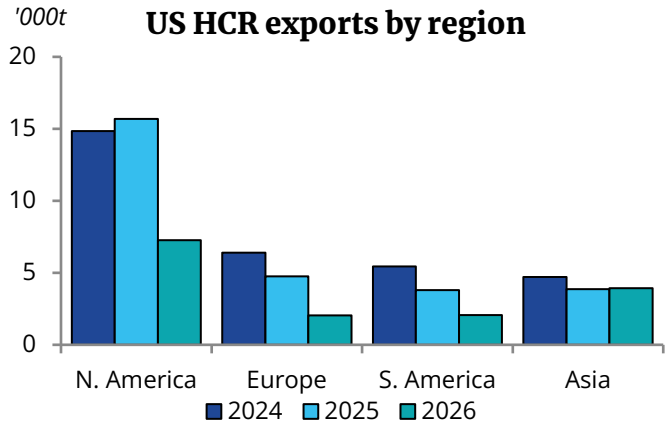
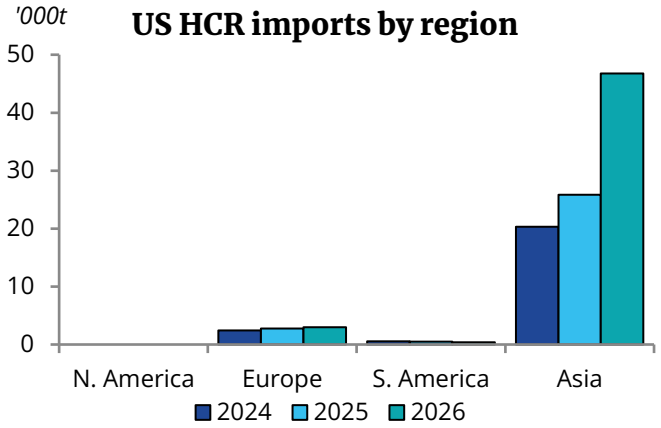
C5 and HCR Trade Data

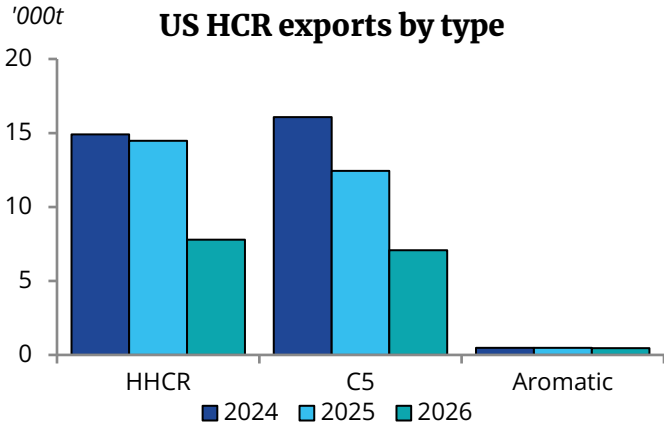
US imports and exports, YTD through July



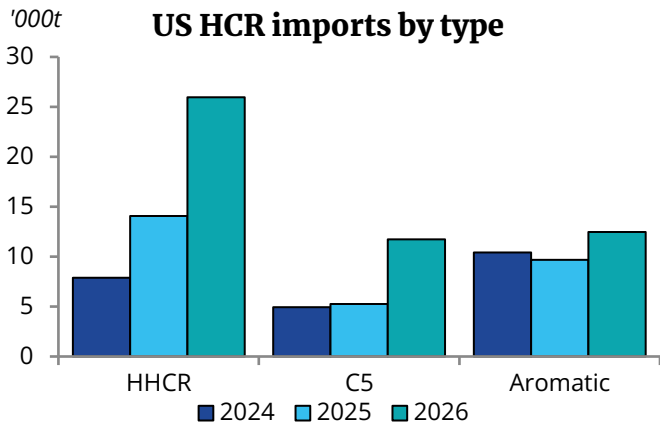
- US HCR exports decreased in July with only 1,699t exported.
- 47pc of all US exports YTD remained within North America. Europe received 13pc, Asia-Pacific 26pc and South America 13pc of exports.



- 93pc of all HCR imports YTD have originated from Asia-Pacific.
- Europe has exported 8pc more volume of HCR to the US YTD, 2,974t YTD versus 2,754t in 2025.
- Asia-Pacific originated imports accounted for 7,109t of all US imports July.



- Total YTD HCR exports (15,330t) are down 44pc versus 2025.
- C5 exports decreased by 302t and HHCR exports decreased by 145t in July.
- 57pc of July exports were HHCR tackifiers, with another 40pc of the exports being C5 tackifiers.



- In July, total HCR imports to the US increased to 7,542t.
- HHCR and C5 tackifiers have seen increased imports in 2026 with an 84pc and 123pc increase YTD in imports compared to 2025, respectively.

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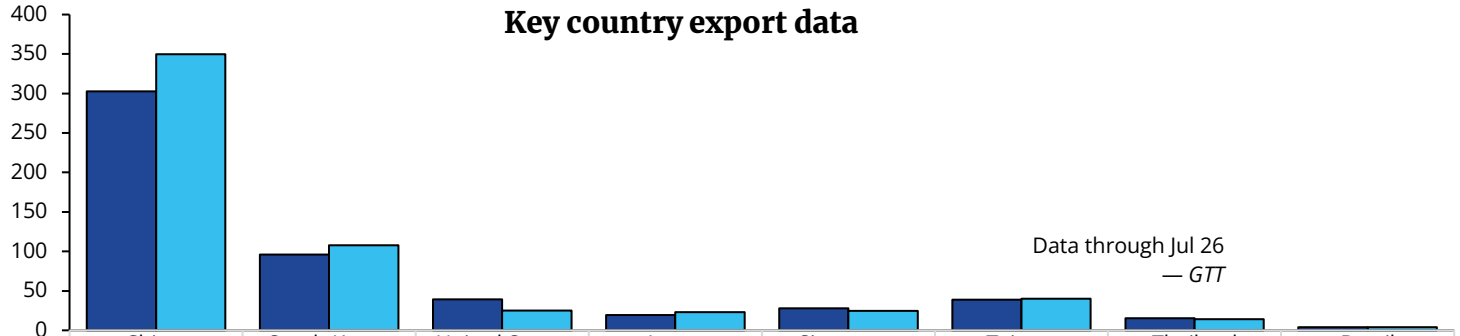
C5 and HCR Trade Data

Key country and regional trade data

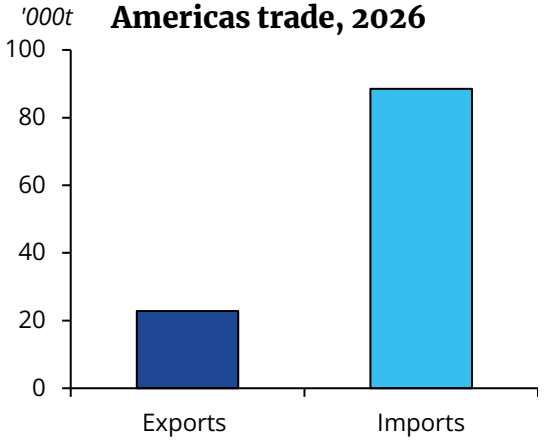
Key country export data



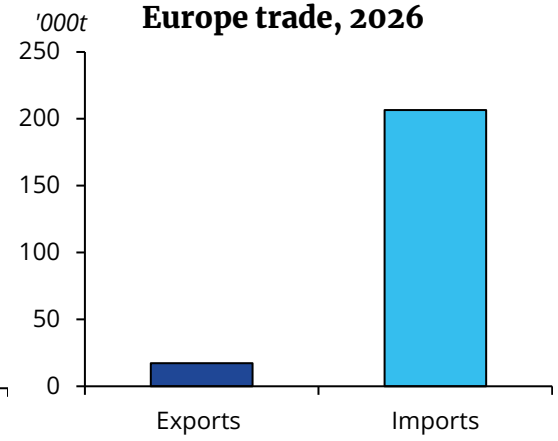
	China	South Korea	United States	Japan	Singapore	Taiwan	Thailand	Brazil
YTD 2025	302.6	96.1	39.4	19.3	27.8	39.0	15.5	4.1
YTD 2026	349.7	107.8	25.0	23.1	24.7	40.2	14.3	4.2

- Chinese HCR export volumes are up by 16pc year on year accounting for 60pc of all key country exports thus far in 2026.
- South Korea has exported higher volumes than 2025, exporting 11,700t (12pc) more YTD in 2026 than 2025.
- The US, Thailand, and Singapore have exported less volume YTD than in 2025.
- Japan, Brazil and Taiwan have exported slightly higher volumes YTD than in 2025.

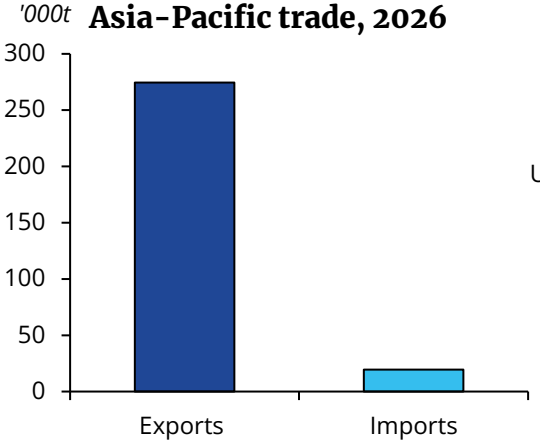
Americas trade, 2026



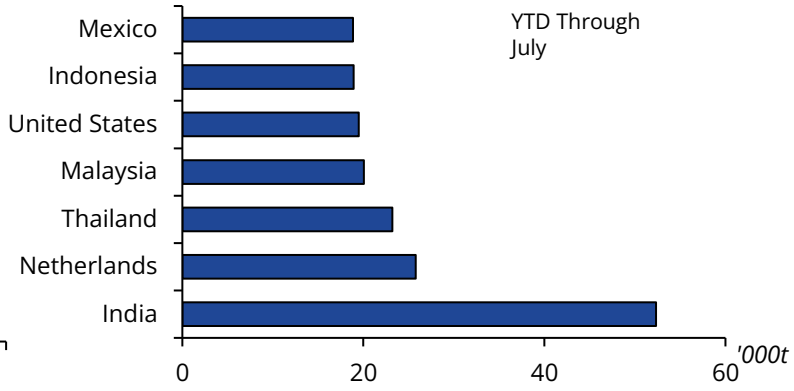
Europe trade, 2026



Asia-Pacific trade, 2026



China top HCR export destinations



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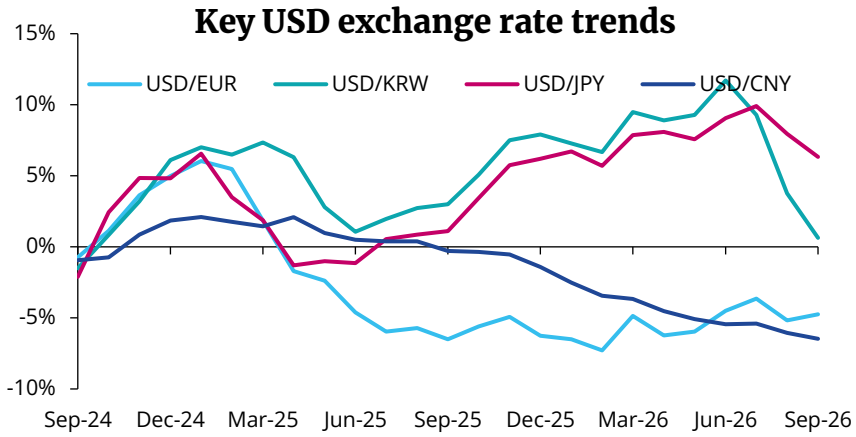
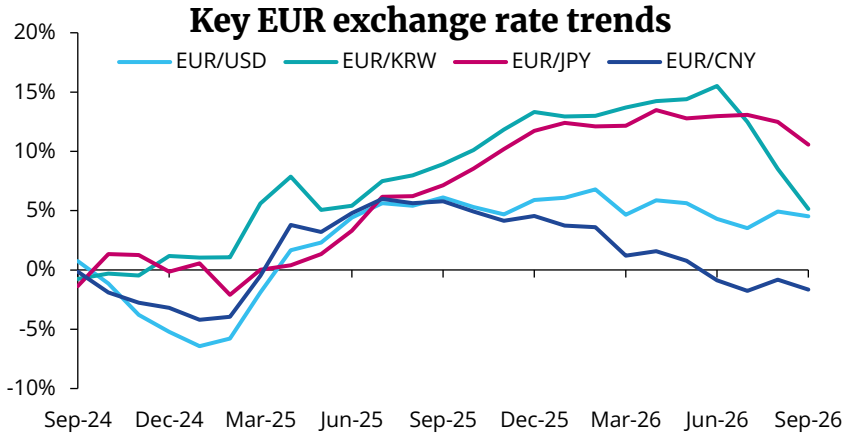
Economic and Energy Insight

Macroeconomics

- The US added 162,000 nonfarm jobs in August, nearly triple analysts' expectations, following two months of small job gains, in a sign the labor market may be stabilizing. Job gains were led by hiring in food services, drinking places and local government education, the Labor Department reported. Employment was revised up to 21,000 jobs added in July following upward revisions of 44,000, while gains were revised up to 31,000 for June on upward revisions of 11,000, for combined upward revisions of 55,000 over the two months, the Labor Department said. Still, job gains for the prior 12 months beginning July averaged just 31,000/month. Manufacturing added 16,000 jobs last month and is up by 58,000 from a recent low in December 2025. Construction added 22,000 jobs in August. The unemployment rate remained unchanged at 4.1pc, the Labor Department reported. Average hourly earnings slowed to an annual 3.1pc in August from 3.2pc the prior month, showing wage gains are trailing inflation. The labor participation rate ticked up to 61.6pc last month from 61.2pc the prior month, which was the lowest since the Covid-19 pandemic.
- The eurozone manufacturing sector continued to strengthen in August, on rising new order volumes and factory output, according to S&P Global Market Intelligence. The S&P Global eurozone manufacturing purchasing managers' index (PMI) rose to 52.7 in August, its highest since May 2022, from 51.9 in July. A reading above 50 signals expansion. Factory output and incoming new order volumes increased at their quickest rates since early 2022, which supported purchasing activity growth and business confidence, S&P Global Market Intelligence said. Germany, the eurozone's largest economy, posted its best month of manufacturing sector growth in over four years, it said. The intermediate goods sub-sector, which includes chemicals, metals, and the electrical and electronic components sector, was the main contributor of manufacturing growth. The European Central Bank (ECB) on 10 September raised interest rates for the euro area and increased its inflation forecasts for 2027 and 2028, warning that the Middle East war continues to "generate inflation pressures" and will keep price rises above its 2pc target for "an extended period". The ECB increased its key lending rate by 25 basis points to 2.5pc with effect from 16 September, after raising it by the same amount in June. The bank sees consumer price inflation (CPI) across the euro area remaining at 3pc this year. But it raised its forecast for 2027 to 2.5pc from 2.3pc in June and increased its 2028 projection to 2.1pc from 2pc. The ECB also raised its baseline economic growth forecast for the euro area to 0.9pc in 2026 and 1.4pc in 2027, up from 0.8pc and 1.2pc respectively in its June projections, pointing to the bloc's "greater than expected resilience".
- China's record trade surplus emerged as a key point of contention at this week's meeting of G20 finance ministers, adding to pressure on Beijing to curb its exports of commodity-intensive manufactured goods. The US Treasury Department said that China did not back the G20 Chair's statement issued after the meeting in North Carolina yesterday, and after finance leaders failed to reach consensus on a joint communique — a negotiated outcome which typically concludes G20 meetings. "The country with the world's largest and unsustainable current account surplus, the People's Republic of China, was the dissenter," treasury secretary Scott Bessent said. The other 19 members of the group "believe that non-market-based economies pushing out a never-ending stream of cheap exports is not sustainable," he said. China today acknowledged disagreement on some issues at the meeting but did not comment on whether it had blocked a statement. Beijing regrets the failure of the G20 meeting to issue a joint communique and is ready to work with the US and other countries to "deepen macroeconomic policy coordination", a foreign ministry spokesman said. China's trade surplus was almost $690bn in January-July, up slightly from a year earlier. The surplus hit a record $1.2 trillion last year. Exports of Chinese goods — from steel and petrochemicals to electric vehicles and semiconductors — are capturing a growing share of global markets, threatening local industries around the world and strengthening calls for tariff protection. China's export engine is helping maintain its commodity demand, despite a domestic slowdown in energy-intensive sectors such as property. In the oil sector, exports of oil products — gasoline, diesel and jet fuel — accounted for more than 2mn b/d of the country's crude demand in August, and this share could increase in September, according to *Argus* estimates. China's exports are becoming so important to the world economy that the risk of a sudden contraction — should importing countries raise trade barriers, or domestic factors undercut the sustainability of exports — could spark a global economic crisis, some analysts have warned. The IMF and other global bodies have consistency called on China to boost domestic consumption to help curb exports. Beijing last week announced its latest plan to increase retail sales of consumer goods, in a potential boost for domestic commodity demand.





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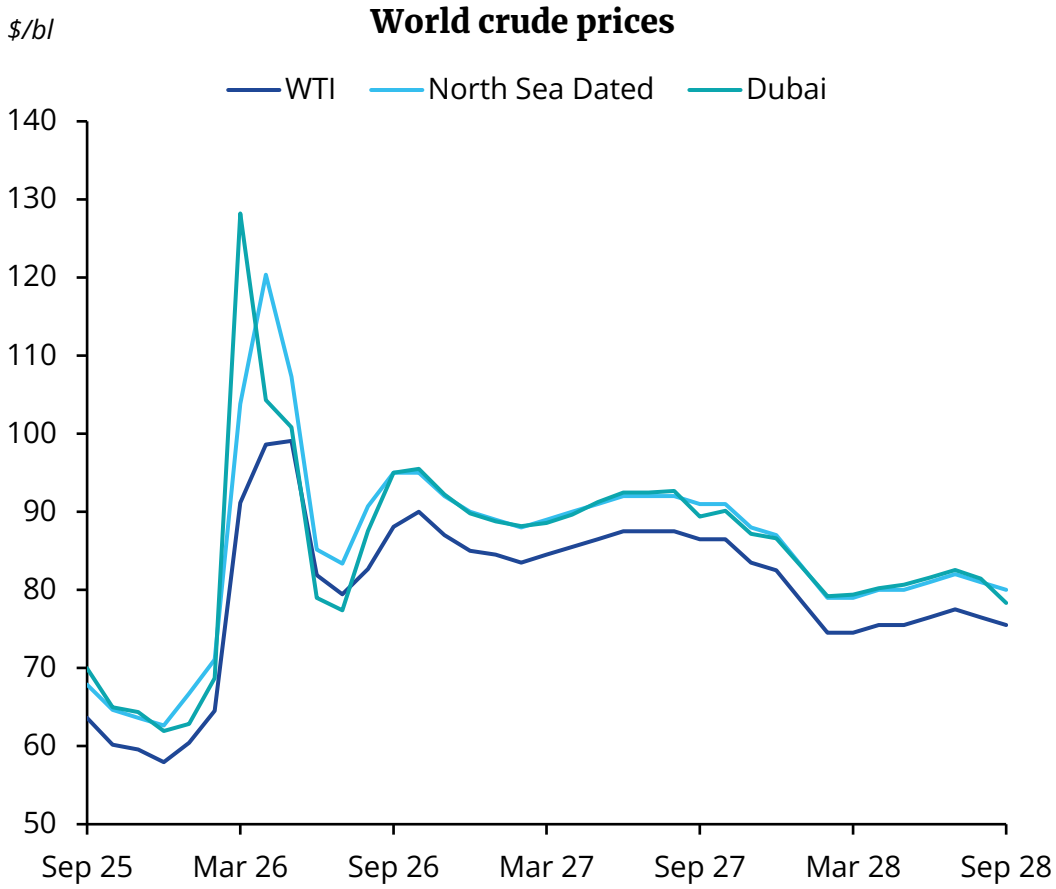
Economic and Energy Insight

Crude and LPG

- Crude markets are expected to remain firm as the prospects for a sustained reopening of the strait of Hormuz continue to diminish, keeping tanker traffic and export flows greatly below normal levels. At the same time, persistent supply security concerns, recurring geopolitical disruptions, and exceptionally strong refining margins are supporting refinery utilization rates and demand for prompt crude grades, sustaining tight physical market conditions and underpinning North Sea Dated prices in the $90-95/bl range through 2027, before structural oversupply risks potentially re-emerge from 2028 onward.
- LPG markets are expected to remain tight as ongoing disruptions to Mideast Gulf exports through the Strait of Hormuz continue to constrain supply, while rising winter heating demand supports higher prices. Although improving cargo flows should prevent inventories from reaching critically low levels, elevated freight costs, strong butane premiums, and sustained PDH operating rates in Asia are likely to keep market fundamentals firm, with supply constraints continuing to support prices through the winter season.



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Economic and Energy Insight

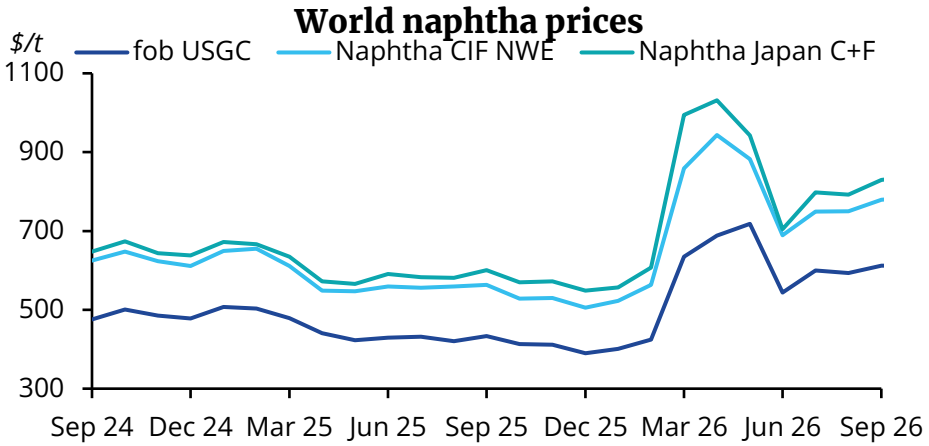
Naphtha, gasoline and natural gas

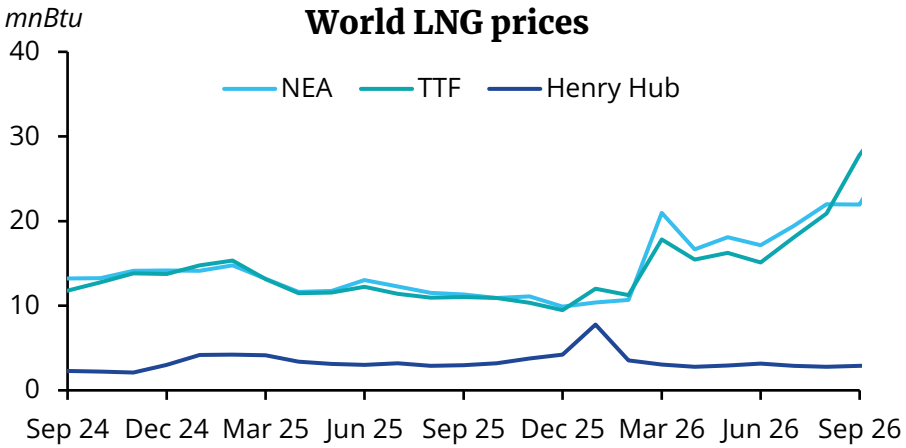
Naphtha and Gasoline

- Naphtha cracks are expected to remain supported despite recent weakness, as tight LPG availability in Asia, firm gasoline markets in Europe, strong co-product values, and seasonal restocking demand continue to offset persistently weak petrochemical fundamentals. While improving cracking economics, low olefin inventories, and refinery maintenance should provide near-term support to naphtha demand and margins, subdued downstream demand, expanding Chinese capacity, and the potential recovery of Middle Eastern exports are likely to limit any sustained recovery.
- Gasoline cracks are expected to remain supported despite seasonal weakness, as below-average inventories, constrained export availability, tight octane and blendstock markets, and ongoing refinery preference for middle distillate production continue to limit supply flexibility. While higher refinery run rates and Chinese exports are helping to balance regional deficits, persistent supply constraints across the Atlantic basin, Asia-Pacific, and Africa are likely to keep market fundamentals tighter than seasonal norms through year-end.

Natural Gas and Ethane

- US ethane prices will remain globally competitive through 2028 as associated-gas-driven supply growth continues to outpace domestic demand growth. While higher natural gas prices may periodically increase ethane recovery costs, the North American market retains substantial recovery flexibility and surplus production capability. As a result, ethane prices are expected to remain well below the cost of competing naphtha-based feedstocks.





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Eurozone manufacturing accelerates further in August
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China's industrial output rises in August
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US inflation holds steady, energy rises in August
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US construction spending falls in July
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China's trade surplus climbs global economic agenda
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Trump vows import bans unless Fed cuts rates
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Panama Canal auction prices; delays back to July levels
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US auto sales set 16-month high in August
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South Korea's August naphtha imports at record low
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Russia's Taneko refinery hit by drones again
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Argus HCR experts



Steve Williams

VP, C5 and Hydrocarbon Resins

Steve has been with Argus since 2020 and has more than 40 years of experience in the petrochemical industry. He spent 28 years with The Dow Chemical Company (now Dow Inc.), a global petrochemical company, as well as seven years with Chemium International, a Houston-based petrochemical trading firm. Mr. Williams served in numerous roles at Dow, including sourcing feedstocks for ethylene production, managing NGL joint venture interests and managing the Americas aromatics and derivatives businesses. As a part of his aromatics business responsibilities, he was exposed to many C5 monomer suppliers and developed an extensive knowledge of feedstock, olefin and downstream operations. Steve is an expert in pygas-related co-products, including C5 monomers, DCPD and related aromatic processing co-products serving as feed for hydrocarbon resin production.



Simon Sheppard

Senior Analyst

Simon is an analyst in the London Consulting office focusing on hydrocarbon resins. He holds an MSc in Chemistry from the University of Manchester. Before joining Argus, he worked as a chemical emergency responder for the National Chemical Emergency Centre.

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Argus Acronyms

aBCP	asymmetric block copolymers
APAO	amorphous poly alpha olefin
APO	amorphous poly olefin
ARO	aromatic resin oil (C9 resin feed)
AMS	alpha methyl styrene
ASTM	ASTM International, formerly American Society for Testing and Materials
b/d	barrels per day
BD/C4	butadiene
bl	barrel (42 US gallons)
BLS	black liquor soap
bn	billion
BOPP	biaxially oriented polypropylene
BR	butadiene rubber (polybutadiene)
Btu	British thermal unit
BTX	benzene, toluene, xylene
C2	ethylene
C3	propylene
C4/BD	butadiene
C5 HCR	piperylene based C5 aliphatic tackifier resins
C9 HCR	aromatic based resin
CAGR	compound annual growth rate
CC5	crude C5 stream
CGR	Chinese gum rosin
CI	coumarone-indene
COC	cyclic olefinic copolymer
COP	polycyclic olefin polymer
CPD	cyclopentadiene
CST	crude sulfate turpentine
CTL	coal to liquids
CTO	coal to olefins
CTO	crude tall oil
DACP	1:1 xylene and 4-hydroxy-4-methyl-2-pentanone
DCPD	dicyclopentadiene
ENB	termonomer ethylidene-norbornene
EPDM	ethylene propylene diene monomer
EVA	ethylene vinyl acetate
FDA	US Food and Drug Administration
GDP	gross domestic product
GR	gum rosin
HCR	hydrocarbon resin
HDPE	high-density polyethylene
HEVA	EVA with >18% vinyl acetate content
HHCR	hydrogenated hydrocarbon resin (waterwhite)
HMA	hot-melt adhesive
HMPSA	hot-melt pressure sensitive adhesive
HSBC	hydrogenated styrene block copolymer
IED	isoprene extractive distillation unit
IIR	isobutylene isoprene rubber (butyl rubber)
IPM	isoprene monomer
IR	isoprene rubber (polyisoprene)
LDPE	low-density polyethylene
LPG	liquefied petroleum gas (propane, butane)
MA	maleic anhydride
mn	million
Mn	number average molecular weight
mPO/mPP/mPE	metallocene catalyzed polymers
MTO	methanol to olefins
Mw	molecular weight
NDG	Notre-Dame-de-Gravenchon, France
NGL	natural gas liquids (ethane, propane, butane, condensate)
NR	natural rubber
OBC	olefin block copolymer
OCP	oil cloud point
OMS	odorless mineral spirits
PA	phthalic anhydride
pc	percent
Pd	polydispersity
PE	polyethylene polymers
PHR	per hundred rubber
PIPs	C5 piperylene stream
PMR	pure monomer resins
PP	polypropylene polymers
PSA	pressure sensitive adhesive
PSTC	Pressure Sensitive Tape Council
PV	photovoltaic solar cell
RIM	reaction injection molding
SB	styrene butadiene
SBCs	styrenic block copolymers
SBS	styrene butadiene styrene block copolymer
SBR	styrene butadiene rubber
SEBS	styrene ethylene butylene styrene block copolymer
SEPS	styrene ethylene propylene styrene block copolymer
SIS	styrene isoprene styrene block copolymer
SM	styrene monomer
SR	synthetic rubber
st	short ton
t	metric ton
t/yr	tons per year
Tg	glass transition temperature
TOR	tall oil rosin
TPO	thermoplastic polyolefins
UPR	unsaturated polyester resins
USBC	unsaturated styrene block copolymer
USG	US gallon
WBPSA	water-based pressure sensitive adhesive
WCP	wax cloud point
WW	waterwhite
WWT	waterwhite tackifier resin (HHCR)
VA	vinyl acetate
VOC	volatile organic compounds
yr	year

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