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Argus Propylene

Formerly Argus Propylene and Derivatives

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HIGHLIGHTS

Americas

- October PGP trades higher this week, between 38.75-40¢/lb.
- Propane and crude oil costs behind price rise this week.
- The Argus October PGP Contract Index settles more than 1¢/lb lower.
- US PDH units continue their lengthy run of no operational issues.

Europe

- Spot prices fell further on soft demand, derivative issues.
- One cargo exported to Asia.
- Feedstock costs rose further.

Asia-Pacific

- Stronger crude futures lifted propylene values.
- China PDH operating rate increased to 69pc.
- Trades in China's domestic market remained thin.

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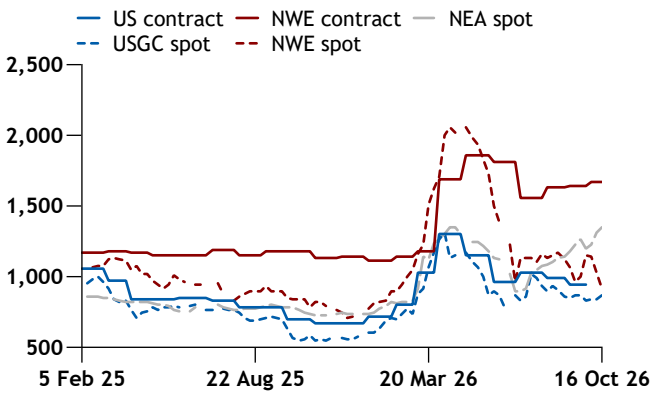
World PG propylene prices $/t



MARKET SNAPSHOTS

Propylene global prices				$/t
	Timing	Low	High	Mid
US daily				
US Gulf coast PGP	Oct	882	882	882
	Nov	876	887	882
US Gulf coast PGP VWA	Oct			882
US Gulf coast PGP volume *mn lb*	Oct			2,734
RGP alkylation value		2,000	2,019	2,010
US weekly, 16 Oct				
Poly grade USGC contract	Sep			948
Poly grade USGC contract	Aug			992
Poly grade USGC contract	Jul			1,025
Chemical grade USGC contract	Sep			915
Chemical grade USGC contract	Aug			959
Chemical grade USGC contract	Jul			992
Poly grade USGC pipeline spot		854	882	868
Refinery grade Mt Belvieu spot		785	785	785
C3 alkylation USGC calc value		2,000	2,019	2,010
PP Homo GP IM del EOR 8 Nov	Sep			1,279
Western Europe weekly, 18 Sep				
Poly grade NWE contract	Oct			1,490
Poly grade NWE cif spot		877	956	917
Chem grade NWE cif spot		877	956	917
PP Homo GP IM NWE del 18 Sep	Sep			1,852
Asia-Pacific daily				
Northeast Asia, cfr	Oct	1,320	1,380	1,350
Asia-Pacific weekly, 16 Oct				
Poly grade Taiwan contract	Jul			978
Poly grade Taiwan contract	Jun			1,040
Poly grade Taiwan contract	May			1,250
Poly grade SE Asia cfr spot		1,230	1,300	1,265
Poly grade SE Asia fob spot		1,160	1,250	1,205
Poly grade NE Asia cfr spot		1,320	1,380	1,350
Poly grade NE Asia fob spot		1,290	1,350	1,320
Raffia cfr China 16 Oct		1,230	1,290	1,260

**freely negotiated monthly prices*

Acrylonitrile, weekly, 16 Oct				$/t
	Timing	Low	High	Mid
USGC fob prompt ¢/*lb*	Oct	78	78	78
China cfr spot	May	1,580	1,700	1,640

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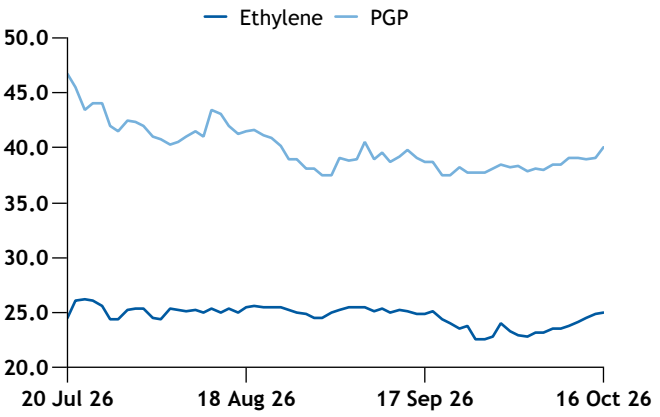
Propylene spot trades, week to date

Date	Product	Price ¢/lb	Delivery
16 Oct	PGP Gulf Coast	0.000	Oct/Nov
16 Oct	PGP Gulf Coast	40.000	Oct
16 Oct	PGP Gulf Coast	40.000	Oct
16 Oct	PGP Gulf Coast	0.625	1Q/2Q
15 Oct	PGP Gulf Coast	0.000	Oct/Nov
15 Oct	PGP Gulf Coast	38.750	Oct
15 Oct	PGP Gulf Coast	38.750	Oct
15 Oct	PGP Gulf Coast	38.750	Oct
15 Oct	PGP Gulf Coast	39.125	Oct
15 Oct	PGP Gulf Coast	39.375	Oct
15 Oct	PGP Gulf Coast	39.250	Nov
15 Oct	PGP Gulf Coast	39.250	Nov
15 Oct	PGP Gulf Coast	39.250	Nov
15 Oct	PGP Gulf Coast	39.250	Nov
15 Oct	PGP Gulf Coast	39.125	Nov
14 Oct	PGP Gulf Coast	39.000	Oct
14 Oct	PGP Gulf Coast	39.000	Oct
13 Oct	PGP Gulf Coast	0.000	Oct/Nov
13 Oct	PGP Gulf Coast	39.000	Oct
13 Oct	PGP Gulf Coast	39.000	Oct
13 Oct	PGP Gulf Coast	39.125	Oct
12 Oct	PGP Gulf Coast	39.000	Oct
12 Oct	PGP Gulf Coast	39.000	Oct
12 Oct	PGP Gulf Coast	39.000	Oct
12 Oct	PGP Gulf Coast	39.000	Oct
12 Oct	PGP Gulf Coast	39.125	Oct

Mont Belvieu ethylene vs PGP ¢/lb



US propylene prices ¢/lb

	Timing	Low	High	Mid
US Gulf coast PGP	Oct 26	40.00	40.00	40.000
	Nov 26	39.75	40.25	40.000
US Gulf coast PGP VWA	Oct 26			40.000
US Gulf coast PGP volume *mn lb*	Oct 26			124.000
RGP alkylation value	prompt	90.70	91.60	91.150

US prices ¢/lb

	Timing	Low	High	Mid
Propylene, weekly, 16 Oct				
Poly grade USGC export spot		41.25	42.50	41.88
Poly grade USGC pipeline spot		38.75	40.00	39.38
Refinery grade USGC spot		35.60	35.60	35.60
US Gulf coast RGP	Sep	35.60	35.60	35.60
C3 alkylation USGC calc value		90.70	91.60	91.15
C3 fuel USGC calc value		24.00	25.00	24.50
Acrylonitrile, weekly, 16 Oct				
USGC fob prompt		78	78	78

US contract pricing, monthly, Sep

	$/t	¢/lb
Poly grade		
Argus PGP Contract Index, 16 Oct	902	40.91
Sep	948	43.00
Aug	992	45.00
Jul	1,025	46.50
Chemical grade		
Sep	915	41.50
Aug	959	43.50
Jul	992	45.00

Volume-weighted averages ¢/lb

Propylene	Mid
VWA	40.000
VWA 30-day	38.364
VWA 45-day	38.681

Propylene forward curves ¢/lb

Period	Price
Oct 26	40.000
Nov 26	40.000
Dec 26	40.125
1Q27	41.500
2Q27	40.875
3Q27	40.125

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US/Canada Daily

US Gulf coast propylene trading ended the week with a few deals for prompt-month delivery. PGP for October delivery traded twice at 40¢/lb, raising the month's assessment by about 1¢/lb, or by 2.5pc. November PGP was assessed at 40¢/lb, reflecting a flat October/November PGP spread trade.

Trading was also active for outer-month delivery. A first-quarter/second-quarter 2027 spread traded at a 0.625¢/lb backwardation. In paper markets, a November/December spread traded flat, while two second-quarter 2027 deals traded at 40.25¢/lb.

US/Canada Weekly

Prompt-month polymer-grade propylene (PGP) at the Enterprise Products Partners (EPC) hub in Mont Belvieu, Texas, rose from last week to between 38.75-40¢/lb this week. Spot prices closed the week at their highest levels since early September. The rise comes largely from feedstock costs as both crude oil and propane were higher week-on-week. Propylene production at on-purpose units continues uninterrupted, but one mixed-feed, propylene-producing cracker did have an upset earlier this week.

Argus recorded 17 deals for October PGP delivery this week that totaled 6mn lb, rebounding to volumes from two weeks ago. As the market enters the back-half of the month, November PGP trades emerged with *Argus* recording five deals that totaled 15mn lb. November's trading all occurred on Thursday of this week, with prices between 39.125-39.25¢/lb, at a slight contango to October on the day of trade.

The story this week has been rising input costs for propylene production at on-purpose PDH units and crackers and refineries. Propane dehydrogenation (PDH) unit operations are still running smoothly, but propane-propylene margins are being squeezed by rising propane cash costs. According to *Argus* pricing data, on a cent-per-pound basis, PDH margins are their most constricted in nine months. The premium of PGP over propane on a cent-per-pound basis has fallen to just 13¢/lb; three months ago those margins stood at just over 30¢/lb. At US crackers, which were already running maximum ethane, propane cracking margins have been negative for the last month and a half. In that same start of September to mid-October timeframe, US propane prices have risen by 47pc from 70.75¢/USG to 103.82¢/USG at market close yesterday.

Fundamental supply-demand imbalance supported propane prices into October. In September, Mont Belvieu propane exports reached a record 5.05 million tonnes, while domestic propane consumption averaged 886,000 b/d, up by 11.2pc from the previous month and the highest level since April. This dual demand surge created severe inventory pressure: US propane stocks stood at 109 million barrels at the end of September, having increased by just 2.1pc over the month—the smallest September stock build on record.

Argus' WTI Houston outright crude price rose is up by 11pc since just the middle of last week, rising from $89.03/bl on 7 October to $99.12/bl at market close yesterday. This was largely driven by continued attacks in the Middle East, including on Saudi Aramco's headquarters in Dhahran.

In operations this week, BASF-TotalEnergies' mixed-feed cracker in Port Arthur, Texas, reported an upset on 10 October. That cracker's feedstocks are 50pc LPG, and has a propylene capacity of 620,000 t/yr. Market sources confirmed to *Argus* that the cracker was functioning fully by the end of the week.

The October *Argus* PGP Contract Index settled today at 40.91¢/lb, down by 1.19¢/lb from its September level. This likely portends a similar decline in the October contract price, which could put it around 42¢/lb. It is still early, with two full weeks in the month remaining. But the pricing trajectory month-on-month has been lower.

Sentiment has turned more bullish in the US/Canada polypropylene (PP) market, as tightening supplies caused by strong export demand and ongoing outages have some producers pushing for margin increases in November. This week, LyondellBasell and TotalEnergies, announced separate 3¢/lb margin increases for November contracts. For most PP contracts any increase or decrease in PGP contracts is automatically passed along to PP customers. Anything in addition to the feedstock-related increase is considered a margin increase. If implemented, the proposed increases would take back the 3¢/lb of margin producers gave up during the August contract settlement. For now, buyers have said they don't believe the market is strong enough to support another margin increase. But recent supply tightness and stronger export demand could help to shift market sentiment enough to allow producers to limit any further margin loss heading into next year.

There were early concerns around potential disruption to propylene oxide (PO) and propylene glycol (PG) plants in the US Gulf as Hurricane Isaias made landfall along the Florida-Alabama border on 9 October. But the storm weakened as it moved inland and caused little-to-no operational impact in either Louisiana or Texas.

The PG market continues to grapple with ample supply, as

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imports afford buyers greater flexibility. Even so, PG arrivals into the US are expected to ease through the fourth quarter as arbitrage economics from Europe and the Asia-Pacific region become less attractive. Many US buyers procure PG on a monomer plus basis, prompting closer attention to propylene price movements.

In polyether polyols, market conditions remain challenging amid weak underlying demand, with many estimating consumption is down by the mid-single digits to low double digits from last year. The demand slowdown, combined with an influx of imports, has intensified downward price pressure heading into the fourth quarter. While the broader market continues to trend lower, producers are pursuing slightly different strategies. Some have reduced contract prices, in certain cases below competing import offers, to regain market share, while others have taken a more measured approach.



Latin America

Argentina's LPG availability will more than double in the next five years, state-owned YPF's general manager Juan Gimenez said this week.

Speaking at Liquid Gas Week in Istanbul, Gimenez said the country is positioning itself to significantly expand production as oil output from the Vaca Muerta shale formation ramps up. LPG availability is forecast to increase to 7mn-9mn t/yr by or after 2031, from current levels of just under 3mn t, he said.

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

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

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

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

In Panama, an earthquake that struck the country's southern coast last week has not affected operations on the country's transoceanic canal, the canal authority ACP said.

The canal's operations are "normal" following the 7.7 magnitude earthquake that struck near Pitaloza Arriba, about 200km (124.3 miles) west of the canal's southern entrance.

The waterway is operating "as usual" but the facilities were being inspected for any infrastructure damage from the earthquake, ACP said.

The earthquake disrupted domestic and foreign air services and damaged buildings in many parts of Panama. ACP cancelled some transits through the waterway, according to market participants. At the time of the earthquake, five vessels, three LPG and one LR1 laden and one ballast coastal were transiting the canal, maritime firm Vortexa data show.

The earthquake "should not be used to generate alarm and disorder", Panama's president Jose Raul Mulino said, in calling for calm. The education ministry ordered schools to close.

The USGS said casualties are possible and that extensive damage was "probable", estimating losses could reach as high as 9pc of the GDP of Panama itself.

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Hazardous tsunami waves are possible along parts of the coasts of Panama, Colombia, Costa Rica, Ecuador, Peru, Nicaragua, Guatemala and El Salvador, the US Geological Survey said in an alert.

Mexico's industrial production rose by 0.6pc in August from the prior month, with a solid advance in manufacturing offsetting stalled construction and contraction in mining.

The industrial activity indicator (IMAI), reported Monday by statistics agency Inegi, followed a 0.5pc increase in July and a 0.3pc contraction in June. The index reached its highest level since January 2024.

Manufacturing rose by 1.2pc in August, following a revised 0.8pc increase in July, with 12 of its 21 subsectors recording gains. The manufacturing index climbed to 108.2, its highest level on record.

Transport equipment, which includes auto production, fell by 3.1pc in August, after a revised 1.2pc increase in July and a 2.9pc decline in June. The segment has expanded in five of the first eight months of 2026.

Computer, communications and electronic equipment output rose by 2pc, marking six consecutive months of growth, supported by demand from the US artificial intelligence sector. Petroleum-based products rose by 4.7pc and electrical generating equipment by 2.1pc. Furniture and paper goods were the largest decliners, each falling by 1.6pc.

In contrast, mining declined by 1.6pc in August. Related services fell by 12.9pc, while oil-related extraction dropped by 1.3pc, its fifth contraction in six months. Non-oil extraction increased by 0.5pc.

Generation, transmission and distribution of electricity, natural gas and water rose by 1.2pc, after a revised 0.1pc increase in July.

Construction, which accounts for about one-fifth of the index, was unchanged in August, after expanding by 3pc in July. New building construction fell by 0.2pc, following increases of 1.3pc in July and 5pc in June.

Civil engineering rose by 5pc, after contracting by 2.6pc in each of the previous two months. Mexican bank Banorte said the increase was "not surprising" given a 23pc annual rise in federal funding for physical infrastructure. Specialized construction declined by 3.9pc, after increasing by 2.9pc in July.

On a seasonally adjusted annual basis, industrial production rose by 3.6pc in August, the strongest increase since October 2023. Construction grew by 7.9pc from August 2025 and manufacturing by 3.2pc. Mining was the only one of the IMAI's four sectors to contract, falling by 0.8pc, while utilities expanded by 1.4pc.

In Brazil, the country's superior court of justice (STJ) has again postponed a decision on the legality of fracturing technologies, or fracking, for oil and natural gas production.

Brazil's court expected to hear the case on 14 October after a previous postponement from 9 September, but the hearing was delayed once more.

STJ told *Argus* that there is no new date set yet for a new hearing.

The federal public prosecutors' office has argued since 2021 that fracking presents too many threats to the environment. Meanwhile, the defendants in the case — hydrocarbons regulator ANP and state-controlled Petrobras — say it is an important tool for exploring non-conventional reserves.

Bolivia's government has introduced a mechanism that allows LPG distribution margins to adjust to diesel-related costs while keeping regulated consumer prices unchanged.

A decree published on 13 October requires future changes in regulated diesel prices to be incorporated into wholesale and retail LPG margins. To prevent those adjustments from reaching consumers, the government will simultaneously modify discounts within the LPG pricing formula and compensate state-owned YPFB through fiscal credit notes. The decree sets wholesale margins at Bs0.75/kg ($64.21/metric tonne) and retail margins at Bs0.90/kg. It also establishes discounts of Bs1.19/kg for LPG produced at gas-processing plants and Bs1.53/kg for refinery-produced LPG. Those discounts may be adjusted in the future to offset changes in distribution costs. For refinery-produced LPG, the mechanism is designed to maintain the regulated sales price at Bs2.25/kg, equivalent to Bs22.50/10kg cylinder. The decree entered into force upon publication, although the hydrocarbons and energy ministry and regulator ANH have 10 and 15 business days, respectively, to issue implementing regulations. The changes come as Bolivia's LPG production continues to decline alongside falling natural gas output, according to sources. Most LPG is produced at gas-processing plants, making supply highly dependent on gas production. The shrinking LPG surplus has fueled market discussion that Bolivia could eventually require LPG imports if domestic supply continues to tighten.

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WESTERN EUROPE

European propylene prices declined for a second consecutive week, as sellers faced increased pressure despite rising upstream costs. Coastal demand remains particularly weak, with distressed volumes entering the market because of downstream production issues. One vessel has been booked to export from the UK to Asia. Buyers reported general discussions around the mid-40s as a percentage of the October monthly contract price (MCP), a level also considered for November volumes, even with an anticipated increase in the MCP driven by higher feedstock costs. The Mediterranean region is long, with reduced demand from several polypropylene assets not operating.

In the inland European market, one deal was reported for PGP delivered northwest Europe at a 42pc discount to the October MCP, with broad consensus around this level for both PGP and CGP negotiations. Deals for a combined 1,000t of CGP delivered northwest Europe at a 23.5pc discount to the October MCP surprised participants, but reflected specific logistics and timing requirements and were not seen as representative of the wider market. The market remains fragmented, with each spot negotiation dependent on individual circumstances, including extremely low water levels in the Rhine, which have limited barge movements of propylene and other feedstocks. The extended duration is having a greater impact, with some participants holding high stocks of propylene that cannot be moved, and others, including a major refinery, experiencing production constraints. Some buyers are beginning to factor the risk of a repeat into their planning for next year, prioritising flexibility in supplier sourcing options.

Crackers are operating at reduced rates because of weak demand across products. The ethylene balance is not tight, but less long than previously. In Spain, one cracker has remained offline since late September because of a technical issue, while in the UK, a cracker has not been confirmed restarted after planned maintenance. Naphtha prices are averaging €65/t higher so far this month than in September, with prompt spot prices €90/t above the September average as of 15 October. Brent crude front-month futures remain supported above $100/bl. LPG prices have risen faster than naphtha, with propane's discount to naphtha narrowing to less than 10pc and butane moving to a premium, reducing the benefit for flexible crackers.

The European polypropylene (PP) market continues to see depressed demand and slow trading activity. Expectations of

Western Europe prices						€/t
	Timing	Effective	Low	High	Mid	±
Contract MCP €/t	spot	Oct	1,490.00	1,490.00	1,490.000	80.00
Poly grade NWE cif spot	spot	Oct	780.00	850.00	815.000	-105.00
Chem grade NWE cif spot	spot	Oct	780.00	850.00	815.000	-70.00

Western Europe prices				¢/lb
	Timing	Low	High	Mid
Propylene, weekly, 16 Oct				
Poly grade NWE cif spot		780	850	815
Chem grade NWE cif spot		780	850	815
Acrylonitrile, monthly, 02 Oct				
Monthly feedstock cost delta	Oct			+71

**freely negotiated monthly prices*

Western Europe contract pricing (MCP), monthly, 01 Oct		
	$/t	€/t
Poly grade		
Oct	1,685	1,490
Sep	1,634	1,410
Aug	1,556	1,420

Western Europe feedstock prices		
	Prices	±
Naphtha para 65 cif NWE barge averages €/t		
Spot 16 Oct	816.235	-9.640
16 Oct (MTD)	802.545	
Sep	735.785	88.495
Aug	647.290	-8.765

Argus northwest Europe propylene Index			€/t
Final	Period	Outright	±
Propylene Index	Oct 26	1,047.00	48.00
Index elements*			
Feedstock naphtha (50pc of propylene index)	Oct 26		44.00
Feedstock propane (10pc of propylene index)	Oct 26		13.00
Feedstock butane (10pc of propylene index)	Oct 26		14.00
Spot propylene cif NWE (30pc of propylene index)	Oct 26		-23.00
Data for next month, based on month-to-date (16 Oct)			
Propylene Index	Nov 26	1,113.00	66.00
Index elements*			
Feedstock naphtha (50pc of propylene index)	Nov 26		33.00
Feedstock propane (10pc of propylene index)	Nov 26		14.00
Feedstock butane (10pc of propylene index)	Nov 26		16.00
Spot propylene cif NWE (30pc of propylene index)	Nov 26		3.00

**Index elements are weighted to show their contribution to the index, not the change in the outright component*

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WESTERN EUROPE

higher upstream prices and production issues have done little to support demand or pricing. Buyers report that a PP plant in the UK has reduced output because of a lack of ethylene for copolymer production, while a merchant PP producer in Germany continues to supply customers but has issued a force majeure notice this week, citing feedstock shortages in the Cologne area caused by low Rhine water levels. PP supply remains relatively tight in central eastern Europe owing to plant outages. Buyers are resisting efforts to target steeper-than-monomer increases in October PP contract prices and see supply as comfortable.

The propylene oxide and derivatives value chain is stable, but demand is insufficient for most producers to pass cost increases through to customers.

In the acrylics value chain, the European Commission has published provisional anti-dumping duties of 29-40pc on certain imports of acrylic esters, including butyl acrylate and 2-ethylhexyl acrylate (2-EHA) from China, Saudi Arabia, South Africa and the United States.

The arrival of imported downstream and finished products into Europe continues to affect the cumene chain, albeit at a slower pace, as the Middle East conflict disrupts key shipping and trading routes. The oversupply of phenol in Europe has eased following plant closures and capacity idling, though this has been partly offset by further closures downstream. Covestro is the latest company to announce measures affecting phenol-acetone consumption in Europe, stating it will end bisphenol-A (BPA) production in Belgium as part of plans to restructure polycarbonate production at its Antwerp site. Polycarbonate production lines at Antwerp will be reduced from four to one.

ASIA-PACIFIC

Upstream and cracker margins

Naphtha prices increased to an average of $993/t cfr Japan, up by $62/t compared with last session. For propane, prices increased to an average at $972/t cfr Japan. Naphtha cracker production margin edged lower on higher feedstock costs. For naphtha cracker, production margin dropped to -$255/t, down by $129/t. Propane production margin were also lower at -$241/t, down by $76/t compared with last session. Propane dehydrogenation (PDH) margin edged lower to -$22/t, down by $13/t.

Propylene

The following deals were done in the past week:

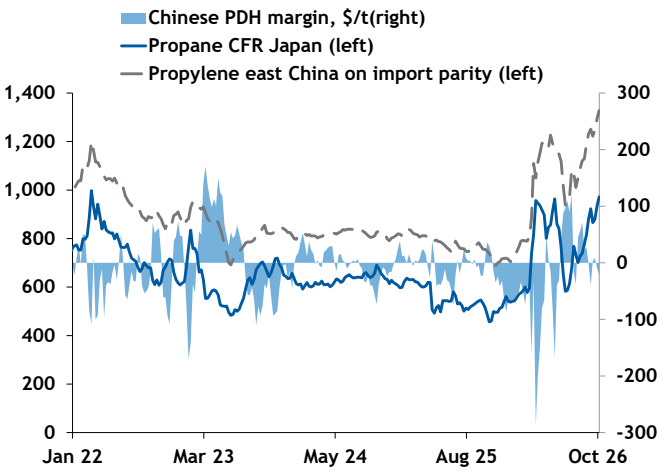
- Selling indication: $1,370-1,380/t cfr northeast Asia
- Buying indication: $1,320-1,330/t cfr northeast Asia

Propylene prices in the cfr northeast Asia market increased this week, supported by gains in crude futures and firmer discussions.

Notional offers rose to $1,380-1,400/t cfr northeast Asia in the first half of the week, while buying ideas increased to $1,300-1,320/t cfr. But negotiations remained limited because of the wide gap between bids and offers. Discussion levels were largely unchanged in the second half of the week as most consumers adopted a wait-and-see approach amid weak spot demand.

A South Korean producer concluded a sales tender for November-loading cargoes. Several trading firms and consumers participated in the tender, which closed on 13 October. Three buyers secured a combined volume of around 10,000t

PDH cash margin, based on spot propane cfr Japan



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ASIA-PACIFIC

at a formula-linked price on a flat cfr northeast Asia basis, equivalent to fob Korea levels.

Activity in China's domestic propylene market was subdued. A few consumers purchased material early in the week to meet near-term production needs, but buying interest weakened thereafter as downstream players turned increasingly cautious.

Deals in east China rose to 10,450-10,650 yuan/t ex-tank in the first half of the week before easing to Yn10,250-10,600/t ex-tank in the second half.

Trading levels in Shandong increased to Yn10,650-10,750/t ex-tank during the first two sessions of the week and then held steady, supported by tight spot availability.

China's propane dehydrogenation (PDH) operating rate increased by 6 percentage points to 69pc this week following the restart of three units. Oriental Petrochemical restarted its 600,000 t/yr PDH unit in Maoming on 10 October after a three-day outage. Ningxia Runfeng resumed operations at its 300,000 t/yr unit on 14 October following a two-month turnaround. Guangdong Juzhengyuan also restarted its 600,000 t/yr PDH unit on the same day after a three-week maintenance shutdown.

Taiwan's Formosa concluded a sell tender for 20,000t of November-loading propylene at a discount of $30/t to cfr northeast Asia assessments on an fob Taiwan basis, according to market participants.

On the supply side, South Korea's LG Chem restarted its 400,000 t/yr No. 2 cracker in Yeosu on 12 October after it had been offline since March because of feedstock supply disruptions. The restart is intended to balance olefins supply ahead of the planned end-October turnaround of LG Chem's 1.15mn t/yr No. 1 cracker in Yeosu, according to a market source. The No. 1 cracker is expected to resume operations in early December.

In southeast Asia, a key buyer indicated buying ideas at $1,100/t cfr southeast Asia, while offers were heard at $1,320/t cfr southeast Asia. Buying ideas for December-loading cargoes were also heard at flat to prevailing cfr southeast Asia assessments.

Asia-Pacific price					$/t
	Timing	Low	High	Mid	±
Poly grade propylene daily		prompt	1,320.00	1,380.00	
Poly grade propylene weekly		prompt	1,320.00	1,380.00	

Asia-Pacific prices					
	Timing	Low	High	Mid	±
Poly grade propylene, weekly, 16 Oct					
SE Asia cfr spot $/t		1,230	1,300	1,265	+10
SE Asia fob spot $/t		1,160	1,250	1,205	+10
NE Asia cfr spot $/t		1,320	1,380	1,350	+35
NE Asia fob spot $/t		1,290	1,350	1,320	+45
east China domestic Yn/t		10,250	10,650	10,450	+300
Sinopec east China domestic Yn/t				10,650	+250
Acrylonitrile, weekly, 16 Oct					
China cfr spot		1,580	1,700	1,640	+15
Propylene oxide, weekly, 14 Oct					
del east China Yn/t		11,300	11,700	11,500	+700
del east China $/t		1,368	1,416	1,392	+88
Phenol, weekly, 15 Oct					
ex-tank east China Yn/t		9,425	9,700	9,563	+313
ex-tank east China $/t		1,181	1,216	1,199	+41

Asia-Pacific contract pricing		
	$/t	€/t
Poly grade Taiwan, monthly, 09 Oct		
Jul	978	871
Jun	1,040	890
May	1,250	1,092

Polypropylene (PP)

China polypropylene (PP) prices rose this week as lower domestic production tightened supply, although weaker spot trading and limited export demand capped buying interest.

PP raffia prices in east China increased by Yn225/t on the week to Yn10,550-10,850/t ex-works. Further reductions in domestic output and low producer inventories supported the market.

Export activity remained subdued as the sharp rise in Chinese prices outpaced buying interest from overseas markets. Domestic producers were also reluctant to offer discounts because of firm local prices and limited inventories. PP raffia was assessed at $1,330-1,370/t fob China, up by $45/t from a week earlier.

In the import market, an open arbitrage window encouraged overseas producers and traders to offer forward cargoes into China. PP raffia was assessed at $1,230-1,290/t cfr China, up by $15/t on the week.

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ASIA-PACIFIC

Outages			
Shutdown	**Plant**	**KTA**	**Duration**
Restarted			
Shenghong Petrochemical	Cracker	550	1Jul-23Aug
Formosa No.3	Cracker	600	24Mar-9Sep
Aster	Cracker	550	Aug, 1mth
CNOOC Shell	Cracker	500	7Aug, 2mths
Rayong Olefins	Cracker	400	10Mar-17Sep
Liaoning Kingfa	PDH	600	13 Aug-6Sep
Nanjing Chengzhi No.2	MTO	360	16Jul-15Sept
Shandong Levima	MTO	230	19Jul-16Aug
Oriental Petrochemical	PDH	600	7 Oct, 10 Oct
Ningxia Runfeng	PDH	300	20 Aug, 14 Oct
Guangzhou Jvzhengyuan No.1	PDH	600	21Sep, 14 Oct
Yan'an Energy	CTO	300	3Aug-13Sept
Shandong Levima No.1	MTO	230	11Sept-23Sept
Datang International	CTP	460	15Aug-20Sept

Propylene oxide (PO)

China's propylene oxide (PO) market strengthened in the first week following the National Day holiday, supported by tight spot availability, low producer inventories and firmer feedstock costs.

Most PO plants maintained stable operating rates, but spot supply remained limited as producers continued regular sales during the holiday period and entered the post-holiday market with relatively low inventories.

Spot PO prices were assessed at Yn11,300-11,700/t delivered east China on 14 October, up by Yn700/t from 30 September.

Margins for non-integrated chlorohydrin-based PO producers were estimated at around Yn130/t on 14 October, down by Yn300/t from 30 September. Margins for hydrogen peroxide propylene oxide (HPPO) producers improved by Yn233/t over the same period to a loss of Yn189/t.

Acrylonitrile (ACN)

China's domestic acrylonitrile (ACN) prices rose to Yn11,400-11,500/t ex-tank this week, supported by higher propylene costs and post-holiday restocking activity. Some consumers returned to the market to secure material for November requirements.

Spot activity in northeast Asia improved slightly, with discussions rising to $1,580-1,700/t cfr on firmer propylene

Outages			
Shutdown	**Plant**	**KTA**	**Duration**
Ongoing			
Shangdong Zhonghai Fine Chemicals	PDH	400	22Jan, restart unclear
Huifeng Haiyi	PDH	250	21Mar, restart unclear
YNCC No.3	Cracker	270	8Aug, restart unclear
Formosa No.1	Cracker	305	16Sep25, restart unclear
Zhongyuan Ethylene	MTO	100	24Oct, restart unclear
Zhejiang Xingxing	MTO	390	12Jan, restart unclear
Zhejiang Petrochemical	PDH	600	10 Mar, restart unclear
LG Chem Yeosu No.2	Cracker	400	23Mar-12Oct
Zhenhua Petrochemical	PDH	750	Mid Mar, restart unclear
Wanhua Petrochemical	PDH	750	Late Mar, restart unclear
PCS No.1	Cracker	270	EarlyMar, restart unclear
Mitsui Chemical	Cracker	350	Jul-Aug, 45days, delayed
Maruzen Chiba	Crakcer	335	10May, restart unclear
Long Son Petrochemical	Cracker	450	midMay, restart unclear
GS Caltex	FCC	250	MidMay, restart unclear
Oriental Energy Ningbo	PDH	660	10 Aug, restart unclear
Zhejiang Satellite No.1	PDH	450	10 Aug, restart unclear
Wanda Tianhong	PDH	450	7 Aug, early Sep
Sinopec Hainan	Cracker	500	5June-17Sep
Lotte Chemical Daesan	Cracker	550	1Sep, rationalization
Yangmei Hengtong	MTO	170	18Sept, restart unclear
Fujian Soft Packaging No.2	PDH	900	25Sep, restart unclear
Grand Pacific Chemical	PDH	660	25Sep, restart unclear
KPIC	Cracker	400	13Oct-23Nov
Formosa No.2	Cracker	515	lEndSep, restart unclear
Shandong Luxi Chemical	MTO	180	24Jun, restart unclear
Ningbo Fund	MTO	300	21Sept, restart unclear
Shandong Levima No.2	MTO	230	9Oct, restart unclear
Tianjin Bohua	MTO	300	1Oct, restart unclear
Expected			
LG Chem Yeosu No.1	Cracker	600	endOct-earlyDec
Nanjing Chengzhi No.1	MTO	180	20Oct, restart unclear
New Plants			
Ineos Tianjin Nangang	Cracker	600	Onspec 1H Nov
Shandong Yulongdao No.1	Cracker	650	Onspec in mid Dec
Guoheng Chemical	PDH	660	Onspec earlyFeb25
Wanhua Chemical No.2	PDH	900	Onspec midFeb25
ExxonMobil Guangdong	Cracker	800	Feed in Apr25
Wanhua Chemical No.2	Cracker	600	Onspec 4 Apr
Lotte Chemical Indonesia	Cracker	600	Onspec 31May, but shut on 2Jun
SoftPackaging No.3	PDH	900	Onspec on 15 May
PetroChina Jilin Petrochemical	Cracker	400	Onspec 31Aug
CNOOC Daxie	DCC	300	Feed in early Aug, restart Sep
Shandong Yulongdao No.2	Cracker	650	Onspec midSep
BASF Zhanjiang	Cracker	1,000	Startup earlyJan26

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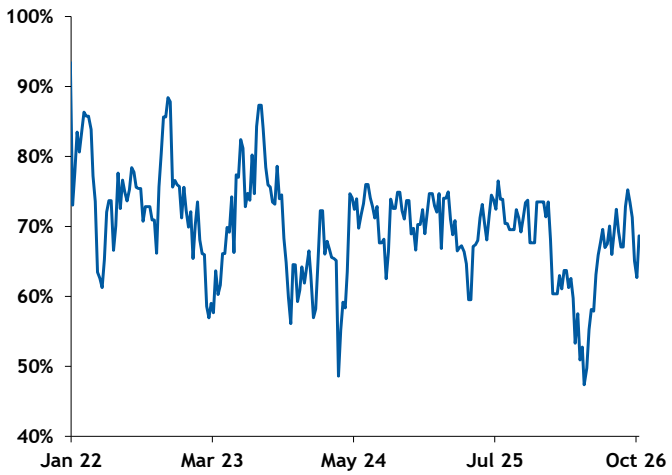
ASIA-PACIFIC

China PDH operating rates

%



values. Some buyers re-entered the market and secured November-loading cargoes.

Margins for non-integrated ACN producers in China weakened further, with losses widening to $348/t from $329/t a week earlier because of higher propylene feedstock costs. Margins for other non-integrated Asian producers also deteriorated, with losses increasing to $233/t from $201/t over the same period, pressured by rising propylene and ammonia costs.

Phenol/acetone

China's phenol prices increased week on week as feedstock costs continued to strengthen. Domestic phenol prices rose to Yn9,425-9,700/t from Yn9,200-9,300/t a week earlier.

In contrast, by-product acetone prices softened to Yn8,400-8,650/t from Yn8,550-8,650/t last week.

Phenol inventories at Jiangyin ports increased to 25,000t on 12 October from 7,000t on 5 October.

Higher benzene and propylene prices prompted sellers to raise phenol offers. However, buying interest remained limited at current levels, with most consumers continuing to purchase only on a need-to basis.

Production losses for non-integrated Chinese phenol producers narrowed to $225/t at the end of last week from $319/t a week earlier. Losses for other non-integrated Asian producers also narrowed to $225/t from $319/t over the same period, according to *Argus* estimates.

Downstream outages

Shutdown	Plant	KTA	Duration
Taiwan Prosperity Chemical	Ph/Ac	430/210	Jan 26
Ineos Singapore	Ph/Ac	300/183	Dec 25
Shenghong Petrochemical	Ph/Ac	400/250	late June-first half August
Shanghai Secco	ACN	130	6 May -21 May
Zhejiang Petrochemical	ACN	130	end Mar - mid May
PetroChina Jilin	ACN	130	8 June- unclear
Sinopec Zhenhai	ACN	400	end June, unclear
Liaoning Kingfa	ACN	260	early Jul to late Aug
Jiangsu Shenghong	ACN	260	June, unclear
Tianchen Qixiang	ACN	130	early July, 20 Aug
Jiangsu Shenghong	ACN	260	early July, early Sep
Lihuayi Weiyuan	ACN	260	28 July, 5 Aug
PetroChina Jieyang	ACN	130	29 July, 2 Aug
Liaoning Kingfa	ACN	130	13 Aug, early Sep
Zhejiang Petrochemical	ACN	130	14 Aug, 20days
Hengli Petrochemical	EBSM	720	14 May, restart unclear
Lotte Chemical	EBSM	577	15 Oct - 19 Nov
Idemitsu Kosan	EBSM	210	late-May to mid-June
Formosa Chemicals and Fibre	EBSM	350	restart delayed from early-Jul to Aug
Zhejiang Petrochemical	EB/SM	600	late-April to end-June
Chandra Asri	EB/SM	240	restarted end-Sep to early-Oct
Anhui Jiaxi New Material	EB/SM	350	9 Oct to H1-Nov
Shandong Jingbo	EB/SM	670	10 Oct - restart unclear
YNCC	EBSM	370	Mid Oct - late Nov
GuoEn Chemical	POSM	80	mid-Dec 2025
Levima (Lianhong)	CHPPO	300	mid-Dec 2025
Ningbo ZRCC Lyondell Chemical	PO/SM	280	25 Sep 2025 - restart unclear
Guangxi Petrochemical	PO/SM	270	early Nov, 2025
GuoEn Chemical	POSM	80	mid-Jan 2026, restart unclear
Zhenhai Refining & Chemical	CHPPO	300	1H Apr, 2026
Jincheng Petrochemical	HPPO	300	end May, restart unclear
Ningbo ZRCC Lyondell Chemical	PO/SM	290	25 May - 15 June
Jiangsu Yida	HPPO	150	30 May, restart unclear
Jiangsu Hongwei	PO/SM	200	28 May, 3-4 months
Wanhua Chemical	CHPPO	600	26 Apr - 11 June
Qixiang Tengda	HPPO	300	mid June - 2H Aug
Levima (Lianhong)	CHPPO	300	2H July - late Aug
Satellite Chemical	HPPO	400	10 Aug - one month
Tianjin Bohua	PO/SM	200	20 Aug - restart unclear

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NEWS

ExxonMobil flags $4.5bn refining boost in 3Q

ExxonMobil signaled that sharply higher refining margins could lift third-quarter profit by $4.5bn compared with the previous three months.

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Russia has played down the impact of Ukraine's latest strikes on its refineries and claimed its protection system was proving "effective".

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Russian diesel returns to Brazil importers' radar

Russia's partial easing of diesel export restrictions this week revived expectations that Russian volumes could return to the Brazilian market, as buyers have greater negotiating leverage because Brazil is approaching a seasonally weaker demand period.

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ANNOUNCEMENT

Proposed change to PGP volume-weighted averages

Argus proposes to expand the pool of trades considered for inclusion in its PGP pipeline Gulf Coast's cumulative volume-weighted averages to capture more market activity.

Under this proposal, trades reported one business day after publication may be considered for inclusion in the month-to-date, 30-day rolling and 45-day rolling volume-weighted averages.

The exception is at the end of the month, when only trade done and reported on the day of assessment will be considered for inclusion in the month-to-date volume weighted averages.

For the avoidance of doubt, daily volume-weighted averages and other assessments will include only trade done and reported on the day of assessment.

Argus will accept comments on this change up to 23 October.

To discuss comments on this proposal, please contact Michael Camarda at michael.camarda@argusmedia.com

Formal comments should be marked as such and may be submitted by email to ethylene@argusmedia.com by 23 October.

Please note, formal comments will be published after the consultation period unless confidentiality is specifically requested.

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