

Argus report sample

Argus Methanol Outlook

June 2025

Global supply and demand

Methanol demand failing to show much improvement into 2025 as tariff uncertainties weigh heavy. MTO methanol demand remains stable, but barely ahead of 2024 levels—if at all.

Supply/demand versus spot pricing

Global methanol production/regional losses

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Methanol Outlook - What's changed?

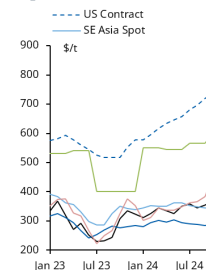
Spot methanol prices falling globally, to date. China's olefin prices remain weak. Atlantic basin supplies improving. Tariff fears somewhat abated for the time being.

Spot/contract methanol prices: history/forecast

\$/t, €/t

Pricing: current forecast vs prior forecast change

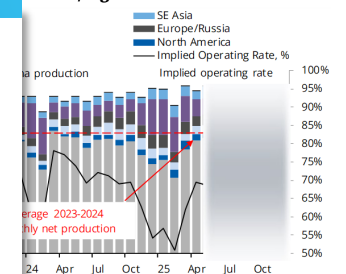
+/- %



- Oil prices see 1-5pc increases over the forecast period as compared to last months views. Still, no support to methanol prices or energy substitution.
- China methanol prices had "stabilized" at \$265/t levels across May and early June, as MTO economics provided no boost, but the Israel-Iran conflict began a spat of higher prices this week.

Forward Months	1-3	4-6	7-12	13-24
Crude Oil Benchmarks				
WTI				
Brent/NSD				
Dubai				
US/NAM Methanol Prices				
Contract				
Spot				
Europe Methanol Prices				
Contract				
Spot				
Asia-Pacific Methanol Prices (spot)				
China				
South Korea				
Taiwan				
Southeast Asia				
India				
China Ethylene/Propylene Index				

- US spot prices hovering at and below 80C/USG levels through mid-June. Currently uncertain how spot prices may react through the rest of the months.
- UK, India and supposedly China reach tariff agreement terms. Escalating activities in the Middle East are clearly a threat to the rest of the world.



in southeast Asia, South America, Egypt and possibly boost prices for any length of time—at least for now. / major market(s) with particularly improving demand. ckets here and there. Still, cumulatively, we look for about 2mn t in 2025 compared to 2024.

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About this report

Argus Methanol Outlook gives you a comprehensive global view of the industry, including regional dynamics and feedstock insights, in a single report.

The service includes a 24-month rolling price forecast and forward-looking analysis of global methanol supply and demand, trade flows and market dynamics. Plus, an annual 5-year price forecast.

Subscribers receive a PowerPoint PDF written by our experts plus the accompanying Excel data files.

This is a sample of the full report only.

To find out more about the full Argus Methanol Outlook service, click here to get in touch.



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Methanol Outlook global overview

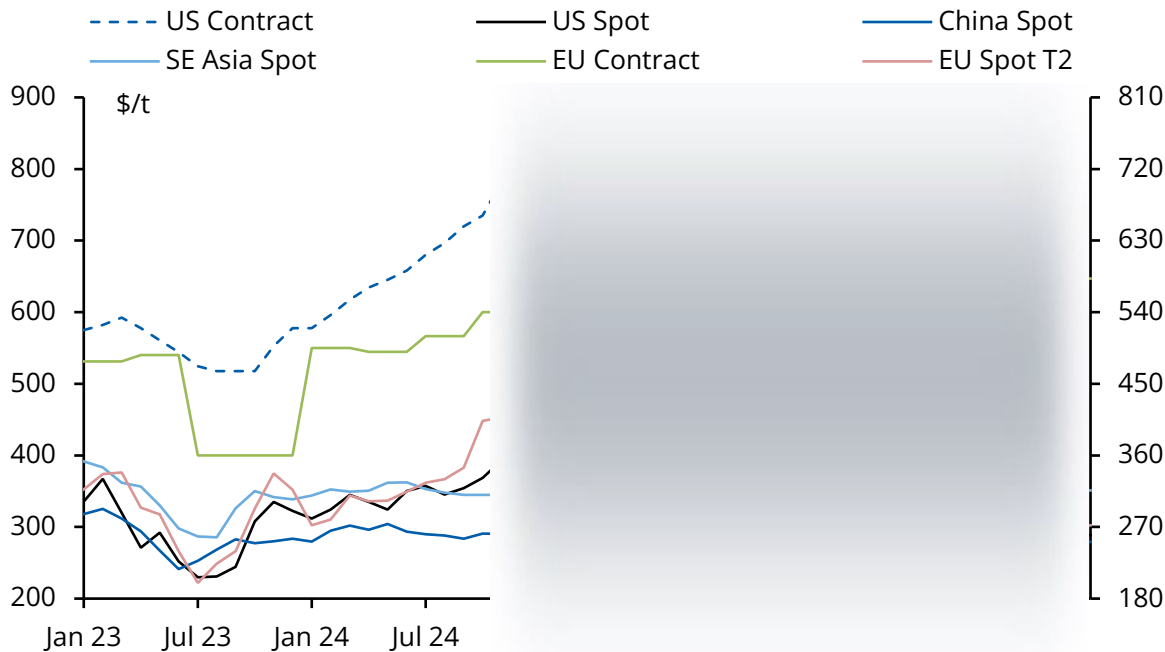
China olefin/derivative prices remain weak, hurting MTO. Oil prices mostly stable. The the Iran-Israel conflict could be very significant. Demand sentiments waning.

- Iran-Israel escalation has happened so quickly it is currently unclear how the methanol industry will be impacted. Potential loss of Iran methanol supplies will no doubt boost China/India prices—maybe significantly.
- As stated last month, we still anticipate the US tariff hikes will trigger a slowdown in global GDP growth—from 2.8pc last year to a more sluggish . While likely the US economy will suffer a bigger hit to growth than other major economies, the US will not be alone.
- Supply outages are again minimal in the Atlantic basin, but seemingly never gone entirely. European production is mostly stable, although we understand one German refinery-based operation is now permanently shut. Southeast Asia still deals with planned/unplanned outages helping to strengthen prices there some. Iran production had been seeing some small issues in earlier June, but now the industry is grasping for any information regarding their sustained operations in the near term. Significant loss of Iran methanol supply to China/India would underpin rapid increases in methanol prices. The rest of the world would likely directionally follow.
- Iran production is not only vulnerable, but we are already aware some vessel companies are not allowing their fleets to navigate the Strait of Hormuz due to the rapid escalating tensions. This could impact methanol supplies from Saudi Arabia, UAE, Qatar and/or Oman.
- Poor olefin prices are ongoing in China, . Tariff wars of course could impact these fundamentals—good or bad. MTO producers “struggle” to break even, despite well lower methanol prices. While operating rates have recently reduced, how tariff battles play out could still drive-up short-term olefin prices, boosting MTO operations. But as well. if olefin remain a current low levels. methanol prices have to move lower. Cost calculations suggest methanol transaction prices a some and producers—
- However, Israel-Iran tensions will crush any industry fundamental analyses, conclusions and/or forecasts immediately and sadly indefinitely.

Methanol Outlook – What’s changed?

Spot methanol prices falling globally, to date. China’s olefin prices remain weak. Atlantic basin supplies improving. Tariff fears somewhat abated for the time being.

Spot/contract methanol prices: history/forecast \$/t, €/t



- Oil prices see █ increases over the forecast period as compared to last months views. Still, no support to methanol prices or energy substitution.
- China methanol prices had “stabilized” at \$ █ levels across May and early June, as MTO economics provided no boost, but the Israel-Iran conflict began a spat of higher prices this week.

Pricing: current forecast vs prior forecast change +/- %

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- US spot prices hovering at and below █ USG levels through mid-June. Currently uncertain how spot prices may react through the rest of the months.
- UK, India and supposedly China reach tariff agreement terms. Escalating activities in the Middle East are clearly a threat to the rest of the world.

Methanol price forecast

Planned/unplanned methanol unit outages having less impact, no longer supporting Atlantic basin price strength. Iran–Israel escalation impact is unknown at this time but could be significant.

U.S. Gulf Coast (fob)																										Full Year Average			
		Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	2024	2025	2026	2027
Crude WTI \$/bl	\$/Barrel																												
Natural gas Henry Hub \$/mnBtu	\$/MMBtu																												
Methanol - contract index ¢/USG	¢/USG																												
Methanol - contract index \$/t	\$/t																												
Methanol - spot ¢/USG	¢/USG																												
Methanol - spot \$/t	\$/t																												
Western Europe (fob)																										Full Year Average			
		Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	2024	2025	2026	2027
North Sea Dated \$/bl	\$/Barrel																												
Natural gas TTF \$/mnBtu	\$/MMBtu																												
Euro per US dollar																													
Methanol - benchmark €/t	€/t																												
Methanol - benchmark \$/t	\$/t																												
Methanol - benchmark ¢/USG	¢/USG																												
Methanol - spot T-2 €/t	€/t																												
Methanol - spot T-2 \$/t	\$/t																												
Methanol - spot T-2 ¢/USG	¢/USG																												
Asia-Pacific (cfr)																										Full Year Average			
		Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	2024	2025	2026	2027
Dubai crude oil \$/bl	\$/Barrel																												
Yuan per US dollar																													
Methanol - China spot \$/t	\$/t																												
Methanol - China spot ¢/USG	¢/USG																												
Methanol - South Korea spot \$/t	\$/t																												
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Methanol - SE Asia spot \$/t	\$/t																												
Methanol - SE Asia spot ¢/USG	¢/USG																												
Methanol - India spot \$/t	\$/t																												
Methanol - India spot ¢/USG	¢/USG																												
China Ethylene/Propylene Index	\$/t																												

Global supply and demand – Outages

Most all US operations stable, with only occasional minor hiccups. Europe stable with Equinor running and Shell idled. Iran production becoming a huge question mark. SEA sees some planned outages.

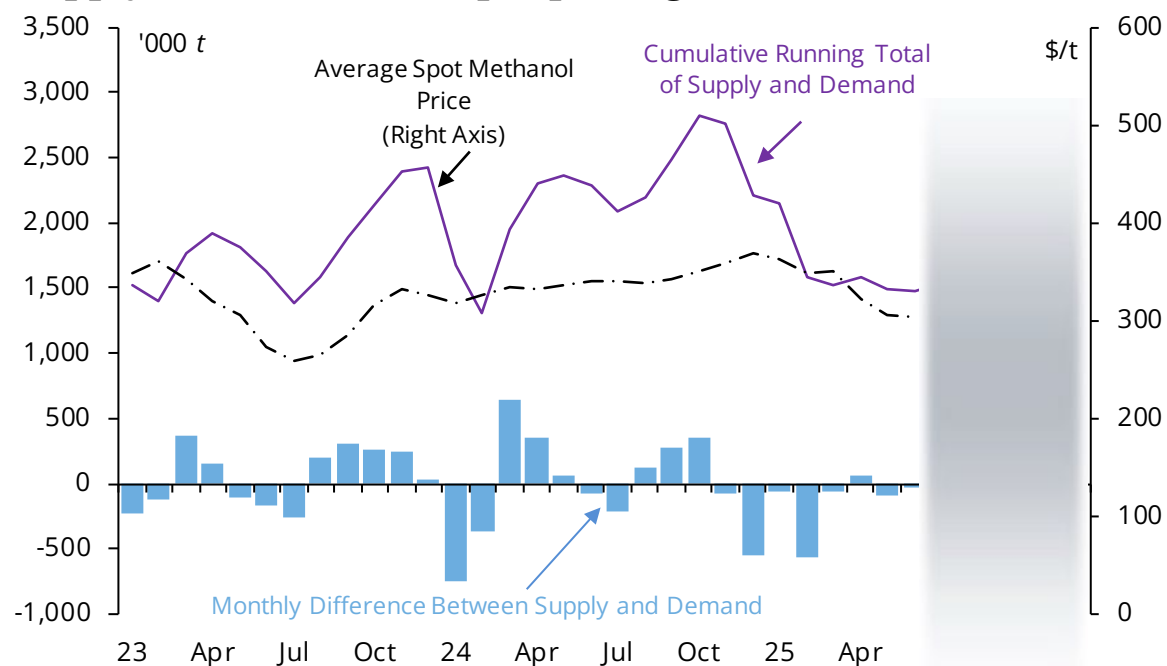
2025 METHANOL UNIT OPERATING SCHEDULE
(Lost Volumes, -000- Metric Tons)

<i>Region</i>	<i>Capacity</i>	<i>JAN</i>	<i>FEB</i>	<i>MAR</i>	<i>APR</i>	<i>MAY</i>	<i>JUN</i>	<i>JUL</i>	<i>AUG</i>	<i>SEP</i>	<i>OCT</i>	<i>NOV</i>	<i>DEC</i>
North America													
South America													
Europe/Central Europe													
Russia/CIS													
ME/Africa													
SEA/Oceania													
India													
China													
<i>Total Capacity - Wld</i>													
Lost Production - Wld													
Eff. Capacity - Wld													
<i>Op Rates - Wld</i>													
Total w/o China													
Lost w/o China													
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Global supply and demand

Methanol demand failing to show much improvement into 2025 as tariff uncertainties weigh heavy. MTO methanol demand remains stable, but barely ahead of 2024 levels—if at all.

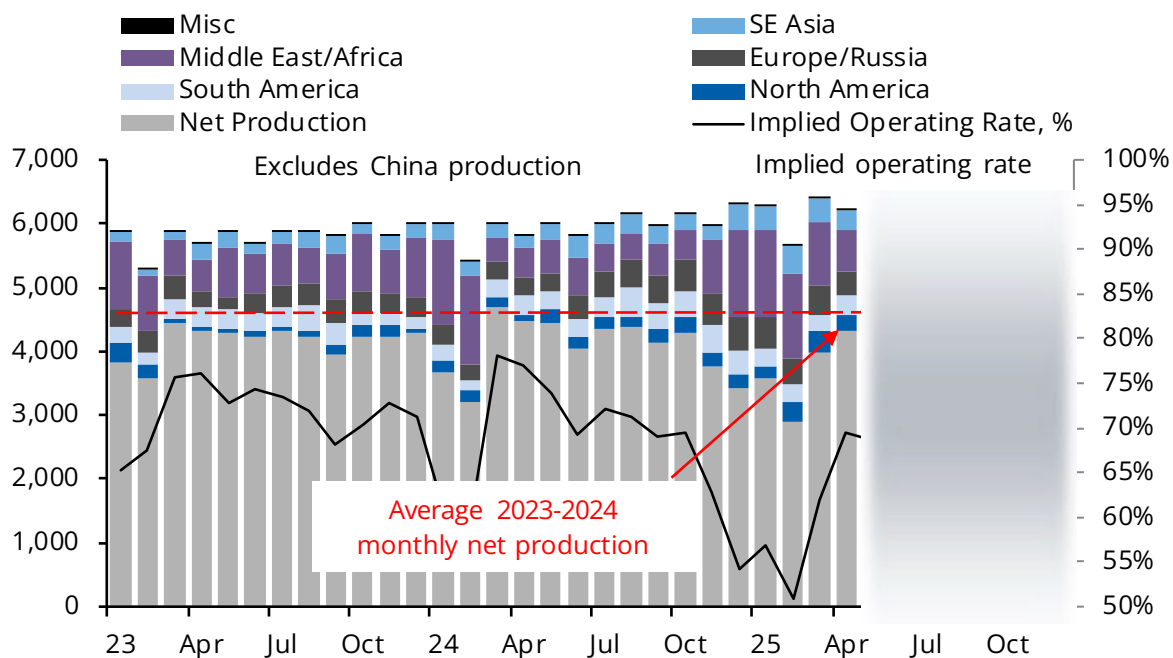
Supply/demand versus spot pricing



- Atlantic basin posted prices ██████████ in Q1. Europe Q2 benchmark saw a decrease. June US posted prices dropped ██████████/USG on average. More may be seen in July depending on Middle East events.
- China remains adequately supplied, keeping prices suppressed. Occasional fears of Iran supply reductions drives sentimental spikes, but the reality of very weak fundamentals remains the net driver for prices—which remain weak.

Global methanol production/regional losses

- '000t

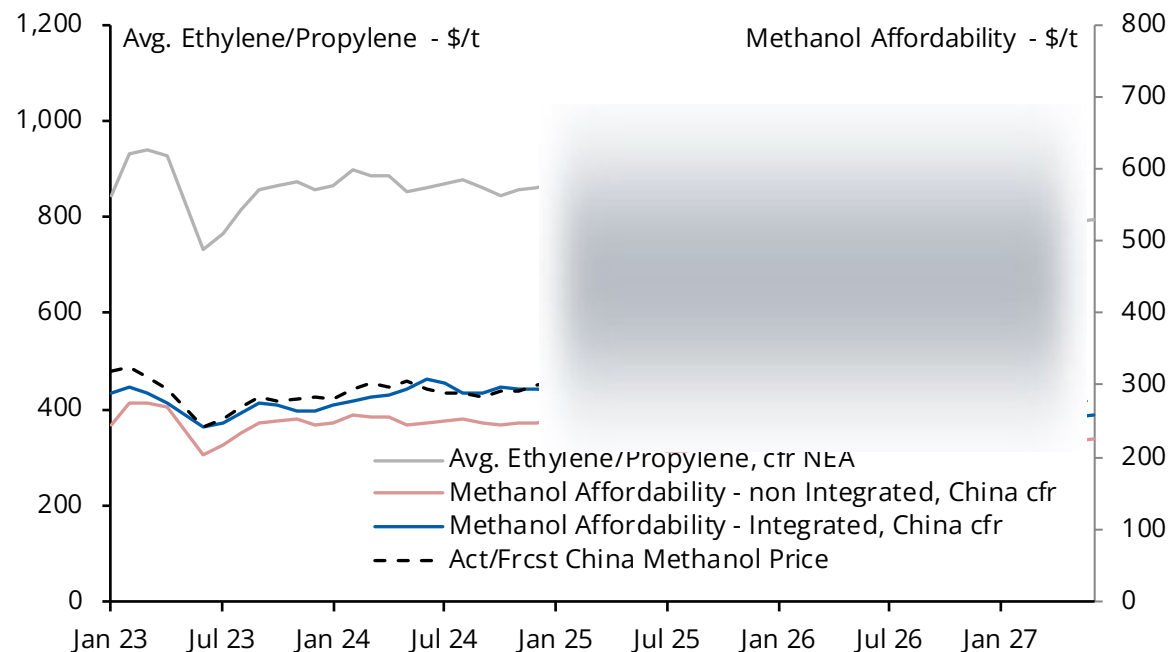


- Small outages are ongoing in southeast Asia, South America, Egypt and possibly Iran and have done little to boost prices for any length of time—at least for now.
- We still struggle to see any major market(s) with particularly improving demand. There are always a few pockets here and there. Still, cumulatively, we look for global demand growth of about ██████████ in 2025 compared to 2024.

Global pricing outlook

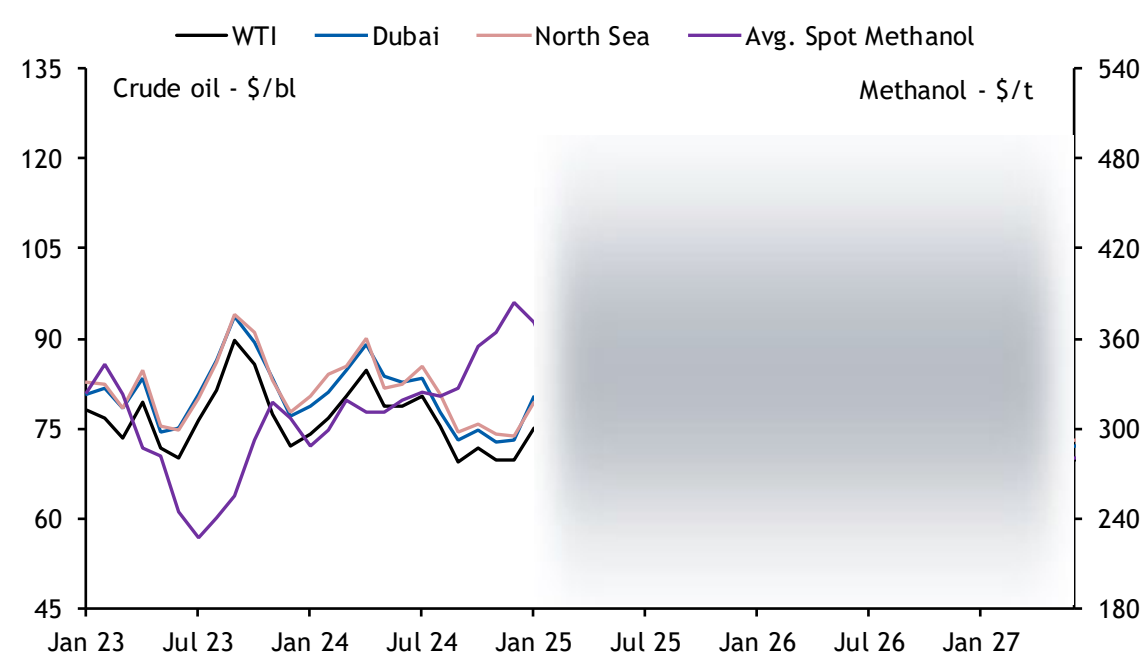
Methanol prices have been slipping, with China leading Asia-Pacific weakness. Unplanned outages having minimal impact. Iran-Israel tensions the big unknown.

Methanol affordability into MTO



- Before this week, *Argus* still looking for improving supplies outpacing what demand improvement there is to be found. Tariff uncertainties continue although a few countries have reached agreement. The Israeli-Iran conflict is not. THE industry wildcard.
- Based on 2025 expectations, Atlantic basin posted prices likely [redacted] Europe Q2 benchmark saw a drop, with [redacted] in Q3.

Crude oil vs methanol pricing – energy equivalence



- US posted prices saw significant May/June decreases, with [redacted] July. There had been a little further room for China prices [redacted] methanol. This is now in limbo, awaiting direction from Israel-Iran.

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Economy and Energy

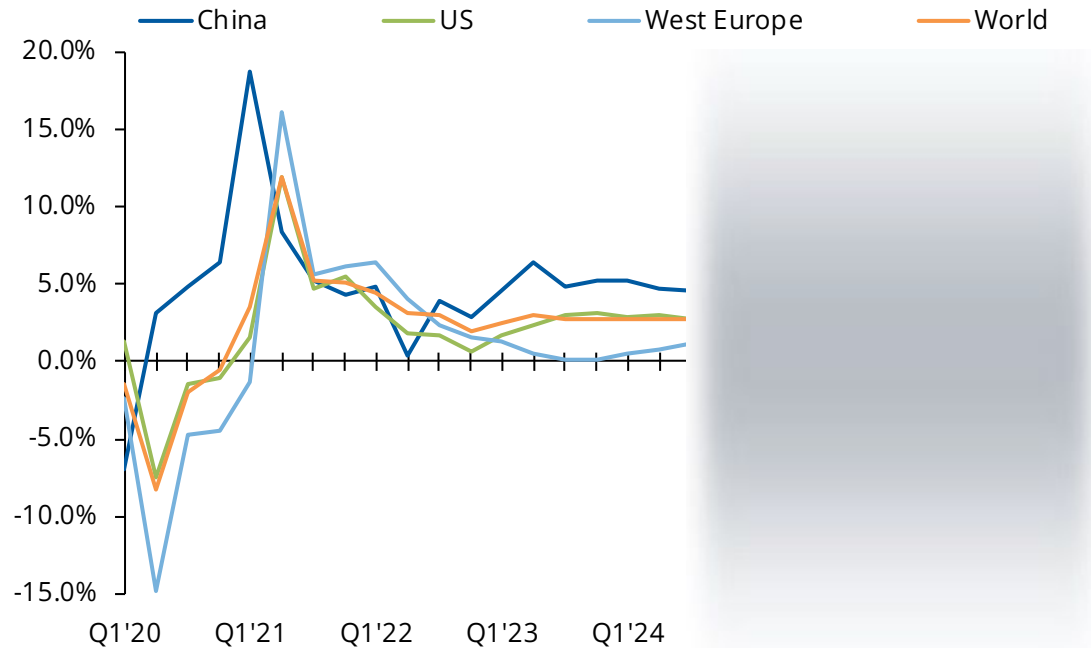
Economic growth expectations reduced as tariff uncertainty continues. Crude prices revised up to reflect recent price rise, but not yet capturing the Iran-Israel impact.

- At the beginning of June, Oxford Economics (OE) continues **to see a slowdown** in global GDP growth from 2.8pc last year to **2.5pc** in both 2025 and 2026. While OE thinks the **US economy** will suffer a bigger hit to growth than other major economies, they don't think the US tariff hikes spell an end to US economic exceptionalism. **The US economy** is likely to head back towards the top of the growth pack.
- With GDP growth set to be solid, but unspectacular, over the coming quarters and inflation set to slow, OE continues to **advocate for a more dovish stance** in order to make policy less restrictive. However, in the absence of a **clear signal** central banks must tread cautiously in a bid to claw back some lost credibility amidst lingering concerns about the strength of service sector inflation and still tight labor markets.
- OE has slightly adjusted its **assumptions** and now project GDP will **grow at 2.5pc** both 2025 and 2026. Our assumptions about US-EU tariffs have not changed since last month and recent data continue to signal a slow but steady expansion. The balance of risks tilts to the downside as the assumed extension of the 10pc US tariff could prove too optimistic. The EU-US negotiations are unlikely to be smooth and the 20pc tariff announced could be reinstated.
- *Argus Consulting* does **not see a significant impact** having already seen a global **oil price rise** first quarter. The fundamentals' view assumes that the accelerated return of production by eight Opec+ members through July and the more muted original tapering schedule beyond that, leaves the market with mounting oversupply and potentially lower prices. But prices are forecast at levels at odds with this global balance, in the expectation that Opec+ will eventually alter its market management strategy.

Economy and Energy

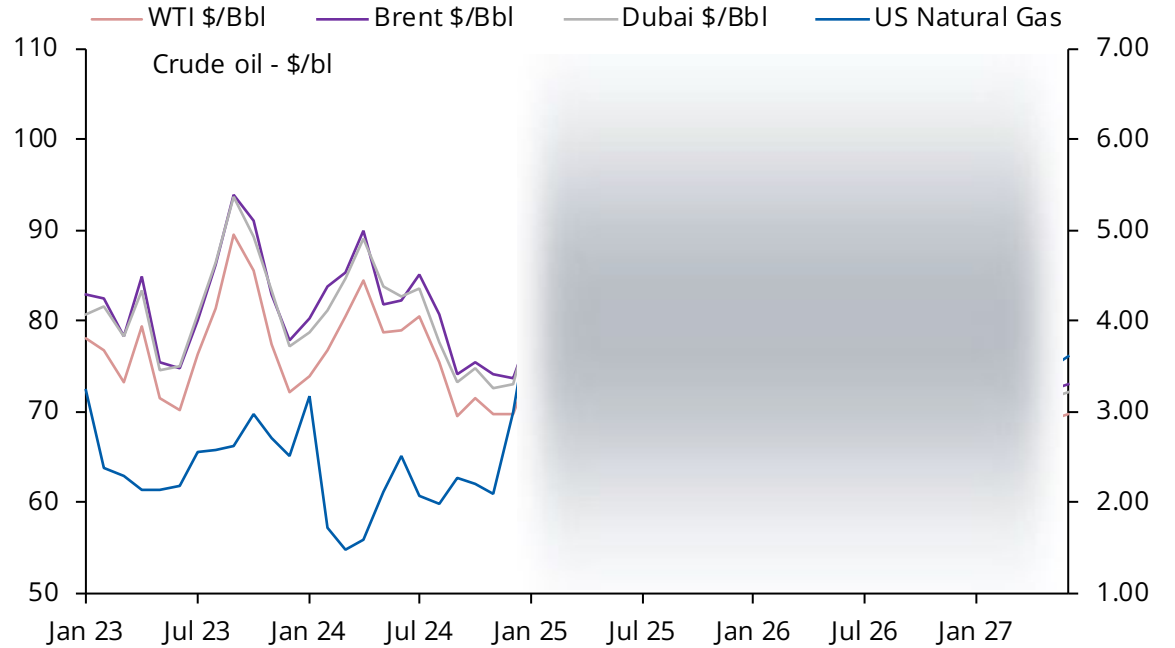
GDP forecasts seeing further downward revisions, underpinned by tariff impacts. The 2-4pc GDP growth bounds remain, but forecasts of 4pc growth are not expected.

Economic indicators: Y-o-Y quarterly GDP



- OE expects **inflation to remain elevated**, and headline rates in some economies **to stay high**. But with services inflation typically slowing less sharply, core inflation may ease back more slowly. While there are good reasons to think inflation may be more volatile than during the build up to the pandemic, OE expects **inflation to remain elevated** target on average in the medium to long term.

Crude oil and natural gas price history/forecast



- With GDP **growth slowing** but unspectacular over the coming quarters, and inflation set to slow, OE still expects **inflation to remain elevated** in order to make policy less restrictive. However, in the absence of a major downside shock, central banks will tread cautiously in a bid to claw back some lost credibility amidst lingering concerns about the strength of service sector inflation and still tight labor markets.

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Americas

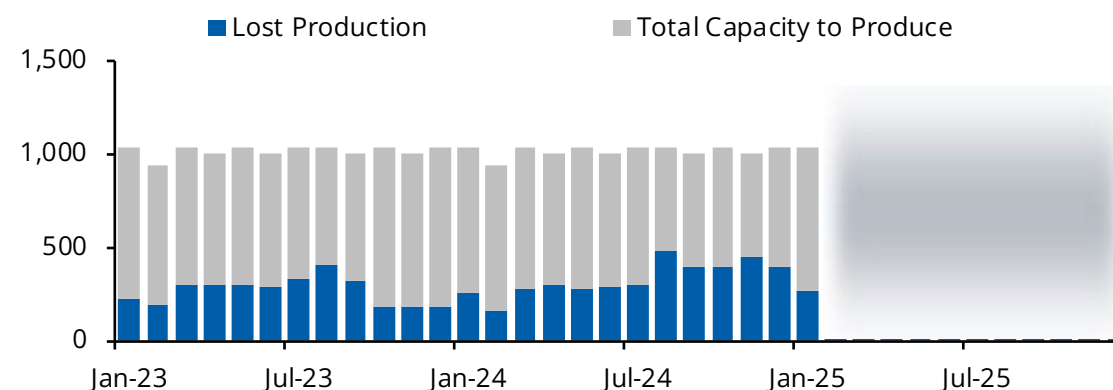
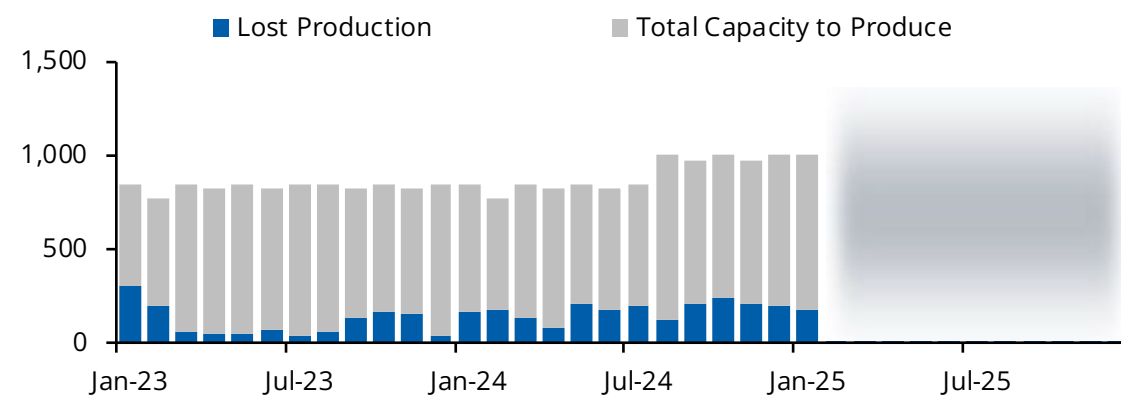
After flat Q1, posted Q2. Will there be a recovery in July? Fundamentals say yes, Iran-Israel conflict may delay. US production still good.

- How different Q2'25 looks vs Q2'24. Last year saw outage after outage stretch sentiments thin as spot and posted prices saw monthly increases. Since March of this year, the reverse is true, with improved production/supply and somewhat stagnant demand welcome in bearish sentiments and falling prices. It would have been easy to suggest this downward trend continues. Forecasting upcoming events is nearly impossible, but it is clear in the methanol space focus is on operations and maintenance.
- Spot methanol prices are stable in China and India, while the rest of the industry keenly watches and speculates. Atlantic basin prices are volatile but again we are only talking days since the events began. North American fundamentals still show lethargic demand against ample supply. Spot prices have fallen from May levels, which again open the door for price movement in July posted prices. However, with the *Outlook* publishing a bit earlier this month, there's the second half of June open to speculation in sentiments and price levels. Any hint of a recovery would likely result in posted prices rising. Clearly there is far more uncertainty than certainty at time of publication.
- Sticking with what we do know, we do see US supplies still strong in May. Industry players suggest most suppliers and derivative manufacturers are sitting on high feedstock inventories for weeks but attracting no sellers. The gulf coast continues to see the quiver of producers having occasionally upsets, but again nothing noteworthy. Trinidad operations may have seen (seeing) some downtime among the smaller units but nothing of concern.
- Methanex announced this week the regulatory review period under the US Hart-Scott-Rodino Antitrust Act has lapsed and as a result all regulatory approvals required to close its acquisition of OCI Global's international methanol business have been obtained. The transaction is expected to close on June 27, 2025.

Americas

Current operational issues are minimal as spot price is at USG levels. We expect US posted prices to see a slight increase for July.

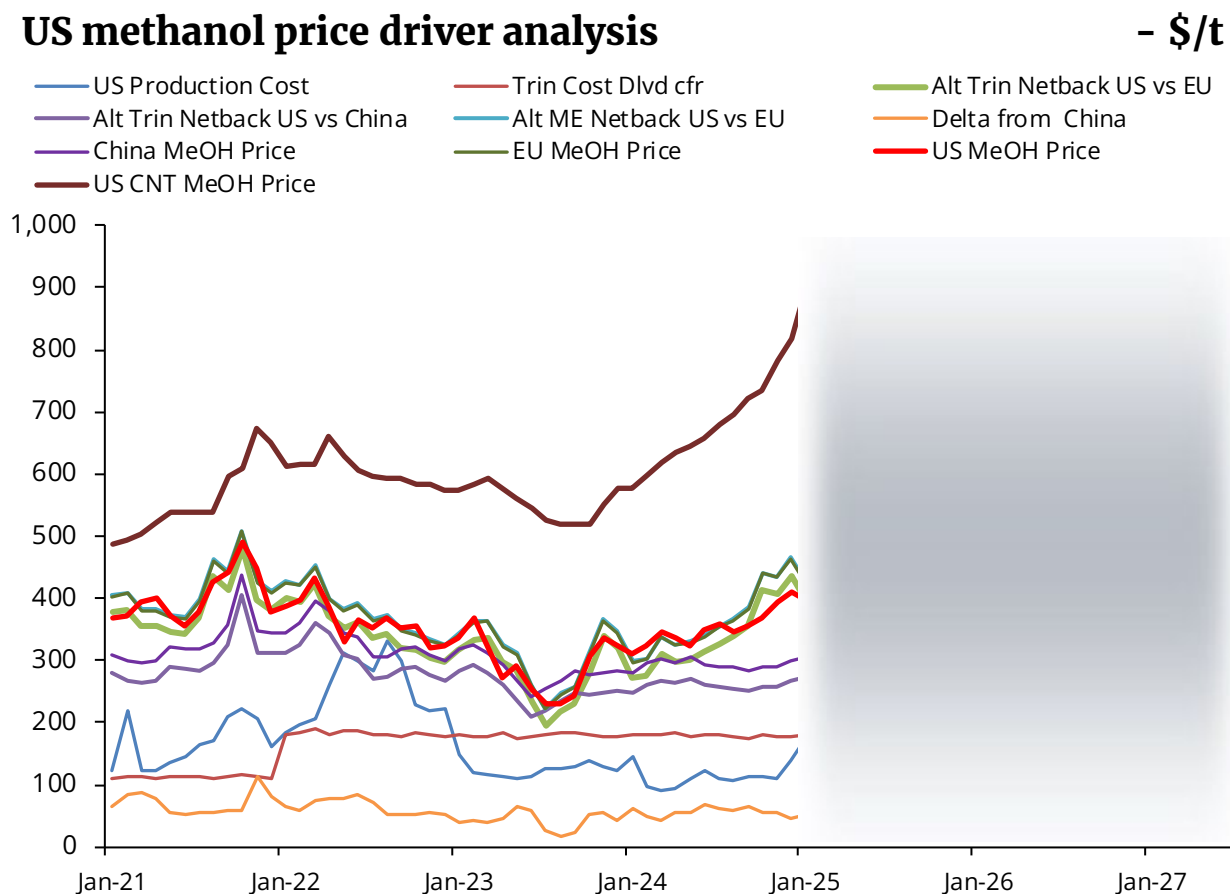
2025 METHANOL UNIT OPERATING SCHEDULE : NORTH AMERICA/SOUTH AMERICA											Major facilities - '000t				
COMPANY	LOCATION	CAPACITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
Methanex #3	Canada, Medicine H														
Pemex	Texmulcan, MEX														
OCI North America	Beaumont, TX														
Natgasoline LLC	Beaumont, TX														
Fairway LLC	Clear Lake, TX														
Eastman	Kingsport, TN														
Lyondell/Basell	Channelview, TX														
Lyondell/Basell (Millennium	Deer Park, TX														
Methanex Geismar #1	Geismar, LA														
Methanex Geismar #2	Geismar, LA														
Methanex Geismar #3	Geismar, LA														
Pampa Fuels LLC	Pampa, TX														
US Methanol	Institute, WVA														
Koch Methanol One	St. James Parish, LA														
YPF	Argentina														
Methanex #1	Chile														
Methanex #4	Chile														
CMC (M2)	Trinidad														
Methanol IV (M4)	Trinidad														
TTMC #1 (M1)	Trinidad														
TTMC #2 (M3)	Trinidad														
MHTL (M5)	Trinidad														
Titan - Methanex	Trinidad														
Atlas Methanex/Ineos	Trinidad														
CGCL/Mitsubishi	Trinidad														
Metor	Venezuela														
Metor 2	Venezuela														
Supermetanol	Venezuela														
Total Nameplate Capacity															
Lost Capacity/Production															
Effective Capacity/Production															
I = Idled Unit			S = Standby (Mothballed)					M = Planned Maintenance							
R = Reduced Rate Operation >25%			r = Reduced Rate Operation <25%					UC = Under Construction			O = Operational Problem				



North America

Argus examines a myriad of potential cost/price drivers to ultimately forecast North America methanol prices.

US methanol price driver analysis

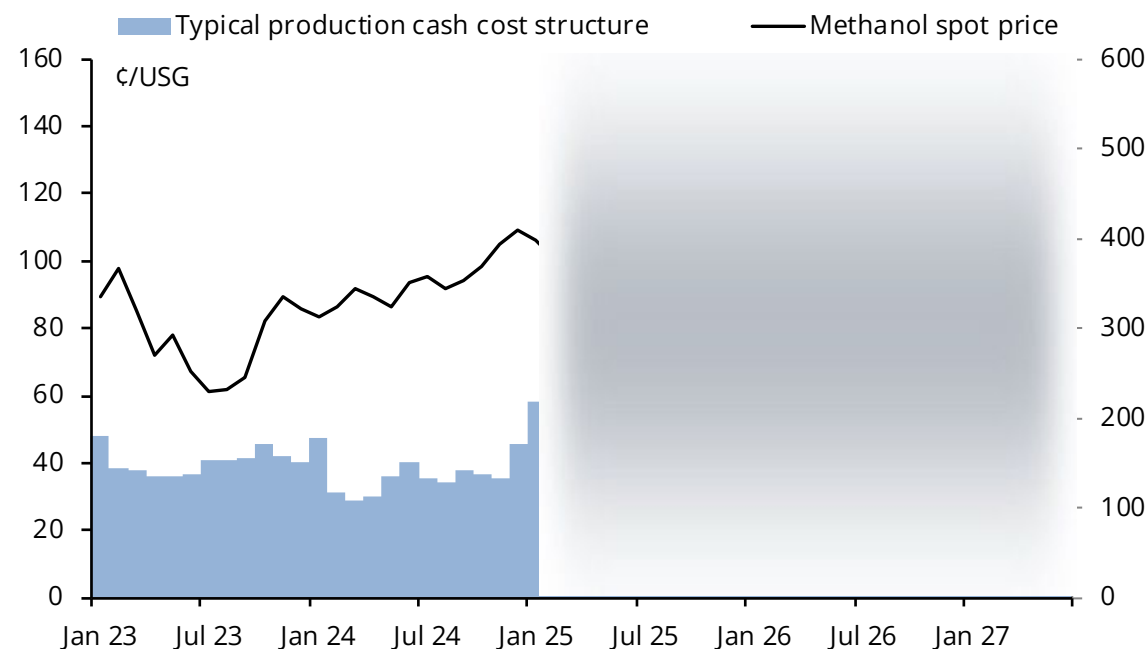


- North America methanol prices must address competitiveness with Europe and Asia methanol prices, but at the end of the day this region is a “price taker.”
- As a net exporter, the region must also be priced competitively with other major markets to insure a steady flow of exports.
- To determine the spot methanol price for North America, Argus considers the following potential drivers:
 - Cash cost of US methanol production, fob US Gulf.
 - Cash cost of Trinidad methanol production delivered, fob US Gulf.
 - China methanol price and delta.
 - Europe methanol price.
 - Alternate Middle East netback, US versus EU.
 - Alternate Trinidad netback, US versus EU.
 - Alternate ME netback, US versus EU.
 - Of course, there can be others.
- North America contract prices are simply ratioed higher based on assumed discounts.

North America

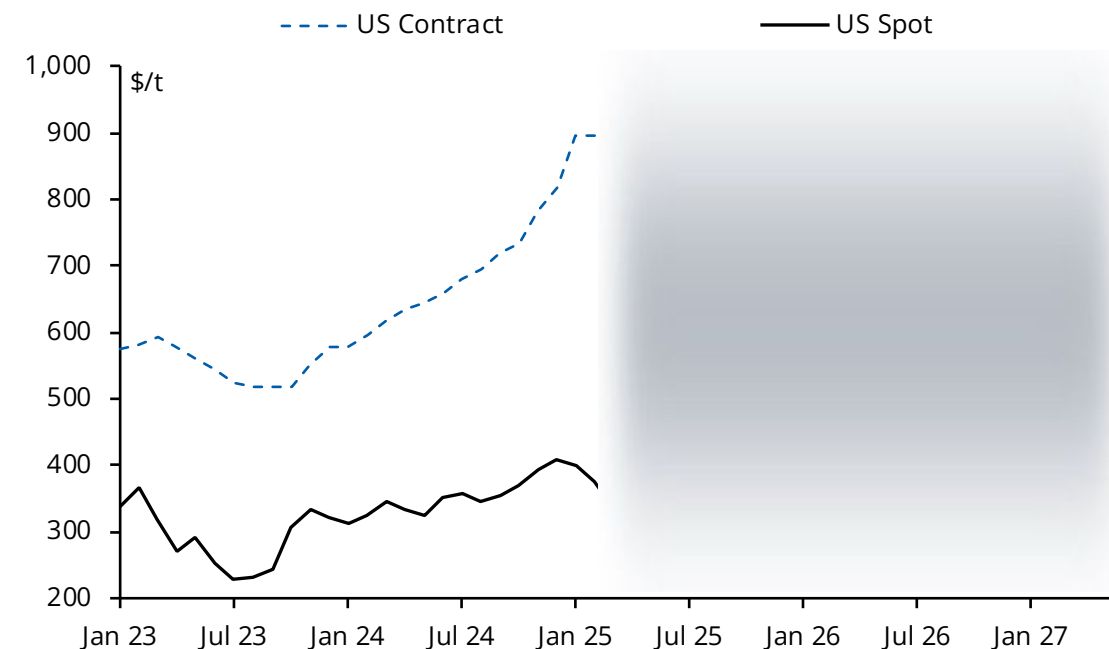
The US had been a price maker (versus taker) through 2024, through 2025. Tariff uncertainties continue, but take center stage.

US methanol production costs - \$/t or ¢/USG



- prices are now at levels last seen in 2022. Posted prices, however, are at levels seen in 2021, but are expected to rise across 2025. Sellers set the rules of engagement across 2024 and through Q1'25, but

US methanol pricing - \$/t or ¢/USG



- Tariffs remain a cloud over global economic activity, but “calmer heads” are appearing. Again, a wild card.
- The average spot-to-contract spread for 2024 is around 150 \$/t and for 2025.

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Contact us



dave.mccaskill@argusmedia.com

Dave McCaskill Vice President Global Methanol and Derivatives

Dave McCaskill is responsible for managing *Argus' Global Methanol Services* with individual emphasis on methanol and downstream derivative activities in the Americas. Dave has nearly 45 years of experience in the petrochemical industry, beginning at Celanese Chemical Company as a chemical engineer. In 2000, Dave moved to serve as Global Business Director of Methanol & Derivatives for two private petrochemical consulting firms for almost 13 years, developing extensive knowledge of the methanol industry. He has participated in many methanol industry conferences sharing his views of the methanol industry. Dave holds an undergraduate degree in Chemical Engineering from the University of Kansas.



roel.salazar@argusmedia.com

Roel Salazar Lead Consultant, Fuels and Octanes

Roel Salazar is the Lead Consultant for Fuels and Octane for *Argus*. Roel is responsible for covering the US and Latin American MTBE markets and the weekly Fuels & Octane Report. Roel is also instrumental in preparing the global Fuels and Oxygenates Annual. Roel joined *Argus* in 2005 as an Olefins Analyst and joined the Fuels and Octane team in 2011. His petrochemical experience includes working at one of Mobil's ethylene crackers in Houston between 1996-97. He holds an undergraduate degree in Information Systems from the University of Houston.



becky.zhang@argusmedia.com

Becky Zhang Editor, Olefins and Methanol

Becky works as an editor for Asian olefins and methanol markets. She has 10 years experience of real-time market editor work. She also spent two years in consulting services as a project manager focusing on the Chinese market and led projects in various industries, including refining, olefins, polymers, coal and methanol. Becky is a chemical engineering graduate from the East China University of Science and Technology and has two masters' degrees, in environmental and energy engineering from the University of Sheffield and in Entrepreneurship from the University of Nottingham.



victoria.baghdjian@argusmedia.com

Victoria Baghdjian Head of European Methanol

Victoria Baghdjian joined *Argus* in 2020 and is Head of the European Methanol markets. She contributes to benchmark spot price assessments, as well as supply and demand analytics for the *Argus Methanol* and *Argus Fuels and Octanes* services. Victoria has more than 10 years of experience covering the methanol and fuel octanes markets, in various pricing and consulting roles at *Platts* and *IHS Markit*. She holds MA and MPhil degrees from Trinity College, University of Cambridge.



cassidy.staggers@argusmedia.com

Cassidy Staggers Senior Analyst

Cassidy is an analyst in Houston focused on polymers and methanol markets, data science initiatives, product development and content creation. Prior to joining the Chemicals team, she led various operation roles at *Argus* and *McKinsey*. Cassidy holds a degree from The University of Michigan and an MBA from University of Houston.

About this report

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This is a sample of the full report only.

To find out more about the full Argus Methanol Outlook service, click here to get in touch.



Argus Media Group

Registered office

Lacon House, 84 Theobald's Road,
London, WC1X 8NL
Tel: +44 20 7780 4200

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SVP Chemicals

Chuck Venezia

Customer support and sales:

support@argusmedia.com

sales@argusmedia.com

London Tel: +44 20 7780 4200

Houston Tel: +1 713 968 0000

Singapore Tel: +65 6496 9966