

MARKET OVERVIEW

Fob USGC prices flat, freight jumps again

Mid- and high-sulphur fob US Gulf coke prices remained flat this week, as another sharp increase in freight rates weighed on netbacks.

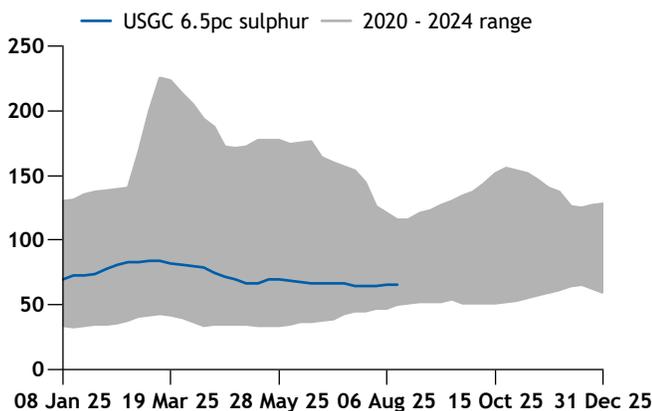
Fob US Gulf coast 5.5pc-6.5pc sulphur coke cargos were heard sold in the mid-\$60s/t fob over the past week, although they could not be immediately confirmed. Although cfr prices in the India, Turkey and China markets moved higher, they did not rise by enough to offset higher freight costs.

Some buyers were also said to have postponed new procurements because of uncertainties surrounding potential retaliatory tariffs by India on US exports, which could lead to more supply available for buyers in markets like Turkey.

Freight rates from the US Gulf coast to India and Turkey jumped again during the assessment week, as shipowners are repositioning fleets in anticipation of new USTR fees set to take effect in mid-October. While the USTR ruling in April largely spared coke shipments because of exemptions regarding cargo size for Chinese-built vessels, the supply chain reconfiguration brought on by the fees has split global tonnage supply into two pools and reduced shipping efficiency, causing rates to surge, according to a shipbroker.

The Argus US Gulf coast to west coast India freight rate av-

fob USGC 6.5pc sulphur \$/t



Petroleum coke fuel-grade assessments							\$/t
	HGI	Weekly Price	±	Four-week avg	±	Jul month index	±
Atlantic basin							
fob US Gulf coast 4.5% sulphur	40	69.50	0.00	69.00	+0.25	69.100	-2.65
fob US Gulf coast 6.5% sulphur	40	65.50	0.00	65.13	+0.25	65.500	-2.25
cfr Turkey 5.5% db sulphur	50-60	97.50	+0.50	97.63	-0.25	97.100	+2.73
cfr Turkey 6.5% db sulphur	40	93.50	+0.50	94.00	-0.38	93.700	+2.70
Sulphur adjustment							
US Gulf coast, per 0.1%		0.20	0.00	0.20			0.00
Pacific basin							
fob US west coast 2.0% db sulphur	45	121.50	+8.00	114.13	+0.38	116.300	-1.45
fob US west coast 4.5% db sulphur	45	68.50	+3.00	64.25	-0.25	66.300	-3.20
cfr China 2.0% db sulphur	45	150.00	+8.00	142.63	+0.38	144.800	-1.08
cfr China 3.0% sulphur	45	165.00	0.00	167.50	0.00	167.000	+22.13
cfr China 6.5% sulphur	40	102.00	+3.00	98.38	-0.87	100.000	+7.00
cfr China 8.5% sulphur	70	110.00	+4.50	106.63	+1.13	104.300	+4.05
cfr India 6.5% sulphur	40	109.50	+1.50	108.38	+0.38	107.100	+2.85
cfr WC India 8.5% sulphur	70	110.00	+1.50	108.63	+0.63	106.800	+2.80

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Fuel-grade coke calendar month indexes: Aug						\$/t
	HGI	6 Aug	13 Aug	20 Aug	27 Aug	Avg
fob US Gulf coast						
4.5% sulphur	40	69.50	69.50			
6.5% sulphur	40	65.50	65.50			
cfr Turkey						
5.5% db sulphur	50-60	97.00	97.50			
6.5% db sulphur	40	93.00	93.50			
fob US west coast						
2.0% db sulphur	45	113.50	121.50			
4.5% db sulphur	45	65.50	68.50			
cfr India						
6.5% sulphur	40	108.00	109.50			
8.5% sulphur, WC	70	108.50	110.00			
cfr China						
2.0% db sulphur	45	142.00	150.00			
3.0% sulphur	45	165.00	165.00			
6.5% sulphur	40	99.00	102.00			
8.5% sulphur	70	105.50	110.00			

Calculated coke indexes: Aug						\$/t
	HGI	6 Aug	13 Aug	20 Aug	27 Aug	Avg
Delivered NWE-ARA						
4.5% sulphur	40	92.08	93.94			
6.5% sulphur	40	88.08	89.94			
Delivered Brazil						
4.5% sulphur	40	91.30	91.84			
6.5% sulphur	40	87.30	87.84			
Delivered India						
4.5% sulphur	40	114.99	119.16			
Delivered China						
4.5% db sulphur USWC origin	40	97.73	100.92			
4.5% sulphur	45	117.57	121.65			
Delivered Japan						
4.5% db sulphur	45	86.91	90.38			

eraged \$48.57/t during the week, up by \$4.13/t on the week. The weekly average freight rate from the US Gulf to east coast India also rose by over \$4/t on the week to \$49.66/t. And the Argus-assessed freight rate from the US Gulf coast to Turkey averaged \$29.98/t, up by \$2.42/t week on week.

Turkey

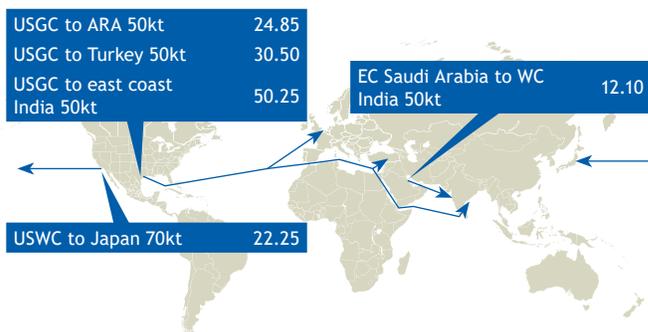
Mid- and high-sulphur cfr Turkey coke prices inched up this week because of the rising freight rates from the US Gulf coast, despite little fresh trading activity.

One cement maker was heard to have purchased medium-sulphur coke in the mid-\$90s/t on a cfr basis, although other market participants suggested this buyer had instead decided to only purchase coal. Another large cement maker issued a new tender this week seeking an October-loading coke cargo.

Petroleum coke calculated fuel-grade prices								\$/t
	HGI	Weekly Price	±	Four-week avg	±	Jul month index	±	
Atlantic basin								
del ARA 4.5% sulphur	40	93.94	+1.86	92.78	+0.12	92.374	+0.06	
del ARA 6.5% sulphur	40	89.94	+1.86	88.90	+0.11	88.774	+0.46	
del Brazil 4.5% sulphur	40	91.84	+0.54	91.15	+0.13	90.628	-0.92	
del Brazil 6.5% sulphur	40	87.84	+0.54	87.27	+0.13	87.028	-0.52	
Pacific basin								
del Japan 4.5% db sulphur	45	90.38	+3.47	86.41	-0.50	88.308	-1.17	
del China 4.5% sulphur	40	121.65	+4.08	119.14	+0.57	117.256	+2.27	
del China 4.5% db sulphur USWC origin	45	100.92	+3.19	96.54	+0.03	97.360	-0.28	
del India 4.5% sulphur	40	119.16	+4.17	116.52	+0.64	114.234	+2.32	

Prices calculated by adding or subtracting relevant fob petroleum coke price to freight rate.

Freight snapshot (full view in Argus Dry Freight)



The full range of dry freight assessments, including TCE rates, as well market news & analysis and exclusive perks is available in Argus Dry Freight. Please e-mail freightteam@argusmedia.com for more details.

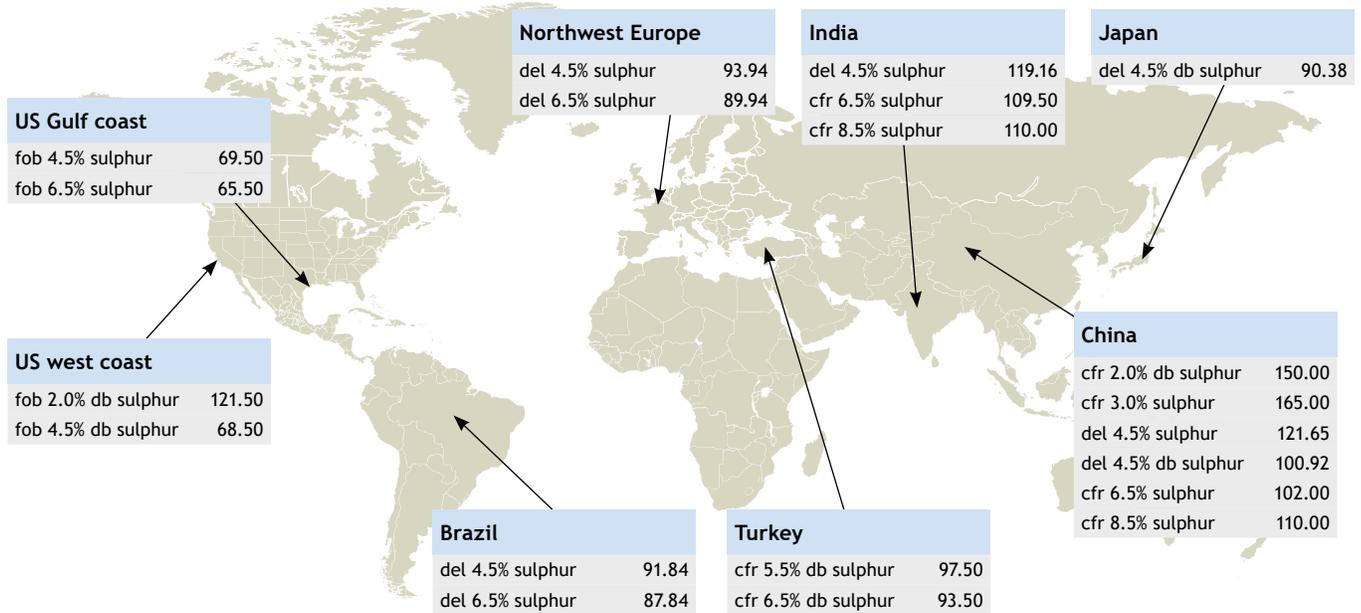
While some Russian coal sellers have tried to lift prices recently, the material remains a competitive fuel for Turkish cement producers, with offers of seaborne 6,000 kcal/kg coal largely in the mid-\$80s/t cfr. One cement firm also purchased a cargo of 5,800 kcal/kg coal from a local trader in the mid-\$80s/t on a free-on-truck basis.

India

Cfr India 6.5pc sulphur coke edged higher this week, supported by a jump in freight rates and an increase in enquiries for

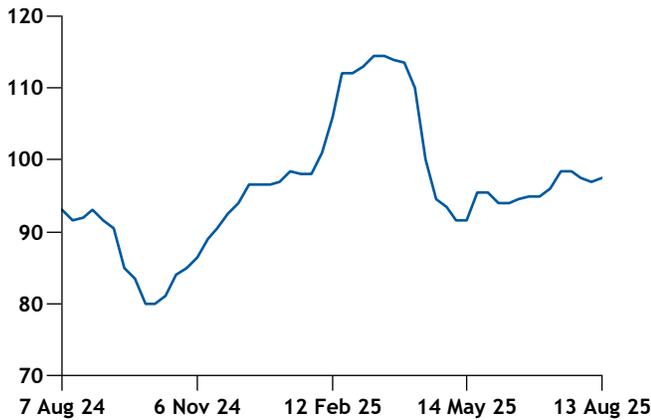
Weekly petroleum coke price snapshot

\$/t



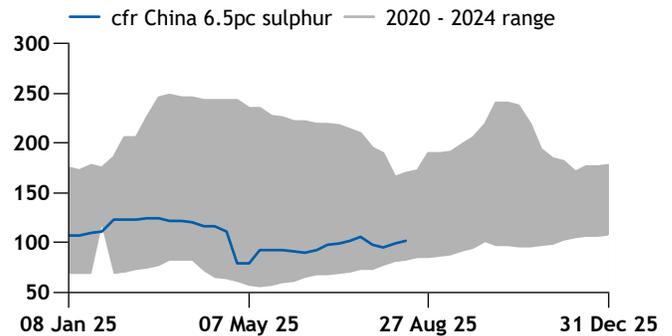
cfr Turkey mid-sulphur price

\$/t



cfr China 6.5pc sulphur

\$/t



September-loading cargoes, with domestic coke supply under pressure from sanctions and an upcoming turnaround at a Saudi Arabian supplier also expected to tighten that supply.

A handful of trades for September-loading Supramax cargoes of US 6.5pc sulphur were heard done at \$108-\$109/t cfr west coast India (WCI) over the past seven days. But offers for end-August and September-loading Supramaxes of high-sulphur US coke increased by \$2-\$4/t over the week into the low-to-mid \$110s/t on a cfr WCI basis, and at least one large buyer was heard to have raised its bid by \$2/t to \$110/t during the week as well.

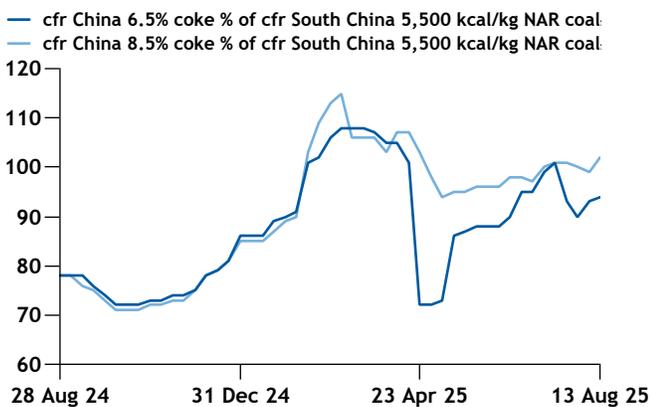
Indian buyers were also purchasing coke from other medium-to-high sulphur suppliers during the past week. A second-half August loading cargo of high-sulphur Omani coke was heard sold around \$110-\$111/t cfr WCI through a tender. And an August-loading Venezuelan coke cargo sold at \$106/t cfr WCI. This was the first time the buyer has bought a Venezuelan cargo in two years. Indian interest in this coke has recently increased because the discount to US-origin supply has re-emerged and US sanctions on the country appear to be easing, the buyer said.

In the Saudi Arabian coke market, an August-loading high-

Coke-to-coal calorific comparisons						
		Coal	4.5% coke	5.5% db	6.5% coke	8.5% coke
del ARA	\$/mn btu	4.025	3.050	-	2.920	-
	% of coal	-	76	-	73	-
del India	\$/mn btu	3.779	-	-	3.555	3.572
	% of coal	-	-	-	94	95
del China	\$/mn btu	3.510	-	-	3.312	3.572
	% of coal	-	-	-	94	102
del Turkey	\$/mn btu	3.301	-	3.166	3.036	-
	% of coal	-	-	96	92	-
fob USGC	\$/mn btu	2.687	2.257	-	2.127	-
	% of coal	-	84	-	79	-

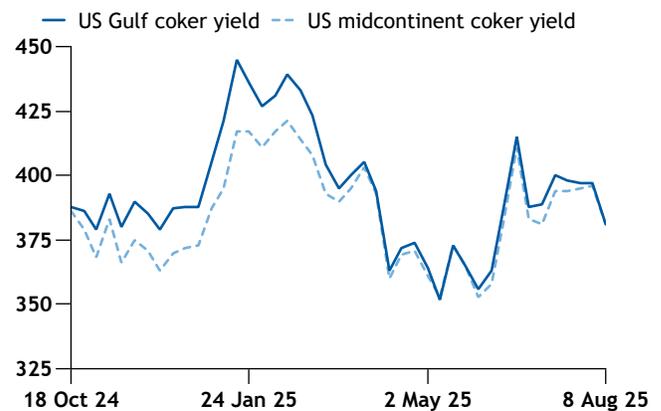
EIA weekly refined products data					
	08 Aug	01 Aug	± %	Year ago	± %
Refinery usage					
Refinery inputs '000 b/d	17,506	17,522	-0.1	16,761	4.4
Refinery utilisation %	96	97	-0.5	92	5.4
Products supplied '000 b/d					
Total products	21,357	20,122	6.1	20,523	4.1
Gasoline	9,000	9,040	-0.4	9,045	-0.5
Jet	1,829	1,705	7.3	1,601	14.2
Distillate fuel	3,701	3,720	-0.5	3,549	4.3

del China coke percent of coal



US Gulf and midcontinent coker yields

\$/st



sulphur cargo was indicatively offered at \$110/t cfr WCI late last week, but offers inched higher to \$111-\$113/t early this week.

Supply from this origin is expected to tighten in the fourth quarter because of a **major turnaround from November to December** at the 460,000 b/d Satorp refinery in Jubail, Saudi Arabia.

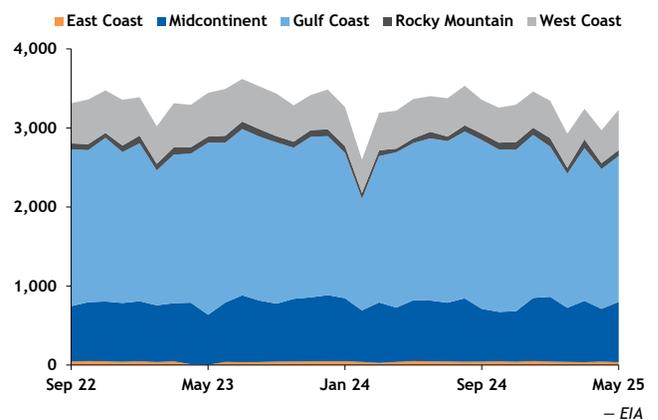
Tighter domestic coke supply has also helped to spur Indian interest in seaborne coke purchases. Nayara Energy's 400,000 b/d Vadinar refinery was **forced to cut throughput** after the Russian-backed firm was hit by EU sanctions last month. Coke output at the refinery on India's west coast is expected to decline by 30,000t this month, and the refiner also recently **hiked its coke prices** for August. Nayara typically produces about 150,000t of coke per month, most of which is sold to cement plants.

China

Seaborne high-sulphur fuel-grade coke prices on a cfr China basis further rebounded this week on higher anode-grade coke

US coke production

'000t

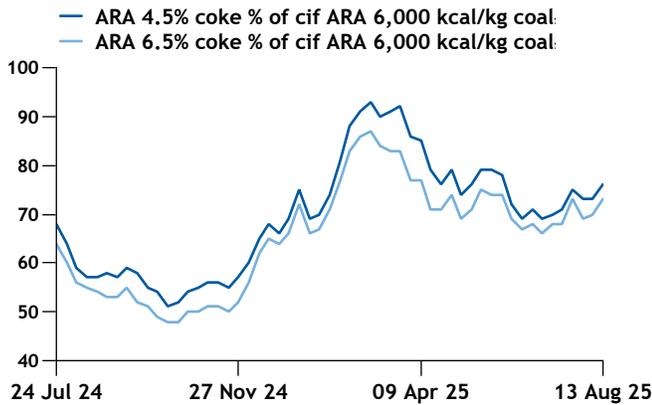


and coal prices, as well as the US and China **officially extending** their pause on higher tariffs that were set to take effect on 12 August.

Firmer anode-grade green coke pricing, particularly for high-sulphur sponge coke from the Saudi Aramco-Sinopec joint-

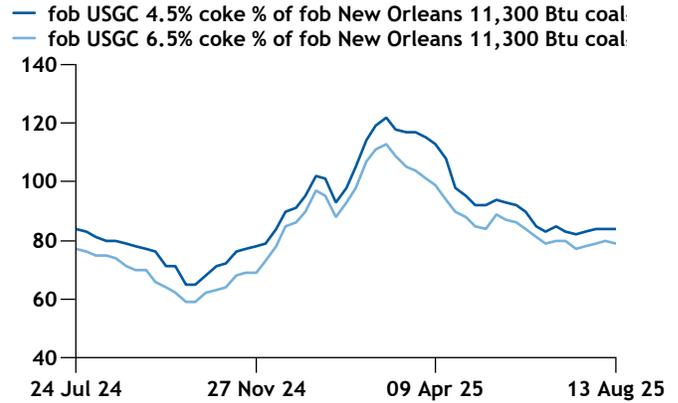
del ARA coke percent of coal

%



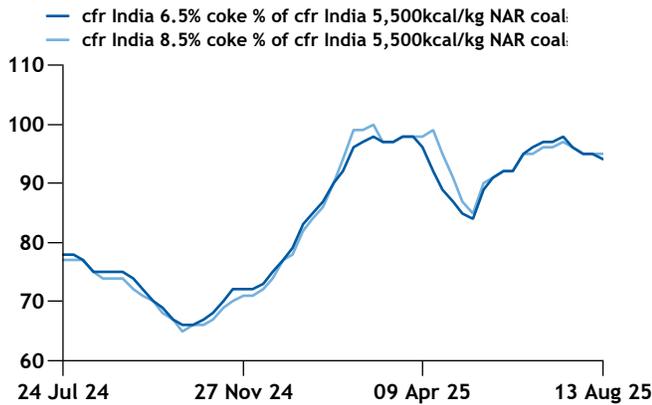
fob USGC coke percent of coal

%



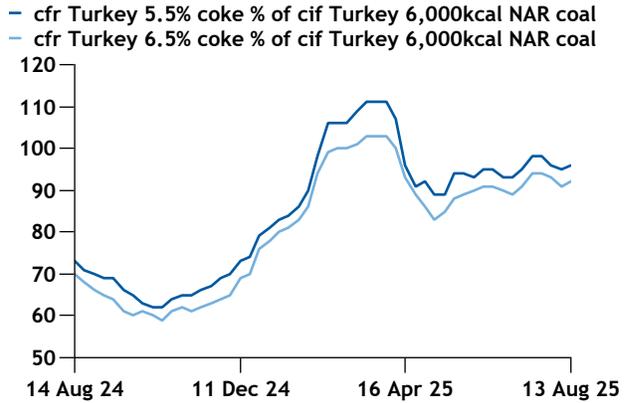
del India coke percent of coal

%



del Turkey coke percent of coal

%



venture 400,000 b/d Yasref refinery in Yanbu, has helped to boost prices for high-sulphur fuel-grade coke as well.

While prices for stockpiled Yanbu coke rose by 100-200 yuan/t over the past one or two weeks, with offers now equivalent to as much as the low-\$170s/t on a cfr basis, stockpile prices for high-sulphur fuel-grade shot coke from Saudi Arabia's Jubail refinery increased more modestly to Yn1,010/t this week, equivalent to the mid-\$110s/t cfr China. Chinese buyers were showing interest for fresh spot cargoes of Saudi shot coke at \$105-\$110/t cfr China. But these indicative bids are still well below where Indian cfr prices would net back for sellers, keeping deal activity sluggish.

China's coal supply has tightened because of investigations by local governments into overproduction of coal and measures to control coal output, bad weather conditions in major coal-producing areas, and possible restrictions on production

over the next two months to reduce emissions before government events in Beijing. As a result, coal prices have continued to rise, providing support to high-sulphur fuel-grade coke prices.

In China's low-sulphur fuel-grade coke market, one September-delivery Colombian coke tender was heard to have closed in the high-\$160s/t cfr last Friday, according to a market participant, above many Chinese buyers' expectations. The higher price could have been because the tender closed prior to the official announcement of the 90-day tariff delay between China and the US, causing some buyers to find the Colombian supply less risky.

But prices for 2pc sulphur US coke rose on the news that the higher tariffs have been officially paused until 10 November, with US coke continuing to have only an additional 10pc tariff compared with other supply like Colombian.

NEWS

COKE

US-China tariffs delayed by 90 days

The US and China have agreed to extend a pause on higher tariffs until 10 November, keeping intact lower rates that have been in place over the last three months while bilateral negotiations continue on a broader trade agreement.

President Donald Trump, in an executive order signed on 11 August, said the US had agreed to a 90-day suspension of higher rates in light of the “significant steps” China has taken toward addressing US concerns about “non-reciprocal” trade. The US will retain tariffs on imports from China at a minimum rate of 30pc, and China will retain retaliatory tariffs of 10-15pc on most energy and agricultural commodities from the US.

Trump hinted earlier in the day that an [extension of the tariff pause](#) was likely because of progress in negotiations with Chinese president Xi Jinping.

“They’ve been dealing quite nicely,” Trump said on Monday. “The relationship is very good with President Xi and myself.”

China confirmed the suspension of the tariff increase in a joint statement with the US. On Monday, China’s foreign ministry said it hoped the US would “work for positive outcomes on the basis of equality, respect and mutual benefit.”

China is the third largest trading partner of the US, which last year imported \$439bn of goods from China and exported \$143bn. Trump [increased tariff rates](#) on dozens of countries last week, but so far has declined to further raise tariffs on China, even as he [prepares to double tariffs](#) on India to 50pc on 27 August.

The existing minimum 30pc tariff on China is stacked on other “sectoral” tariffs, pushing the effective tariff on Chinese imports to 41pc, credit ratings service Fitch Ratings said in a report earlier this month. Absent the 90-day suspension signed on Monday, the US would have increased its minimum tariff on China to 54pc, pushing up the cost of goods ahead of the holiday season.

Trump last week threatened that China could be subject to additional “secondary” tariffs for its purchases of Russian oil, but so far has only put that penalty on India. US vice president JD Vance said on 10 August that Trump was still “reviewing his options” but that putting secondary tariffs on China would be “a little bit more complicated” because of broader trade issues.

By Chris Knight

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Brazil coke imports hit 8-month low in July

Brazilian green petroleum coke imports reached a multi-month low in July because of a drop in shipments from other Latin American countries, as well as a weaker outlook for the country's cement industry in the second half of the year.

Brazil's coke imports fell to 225,100t in July, down by 57pc on the year and 14pc from June, customs data compiled by Global Trade Tracker (GTT) show. This was Brazil's lowest monthly import volume since November, when imports reached an almost two-year low.

Year-to-date imports declined to 2.4mn t, down by 14pc on the year, mainly because of a sharp drop in supplies from Venezuela, Argentina and Colombia.

The US was Brazil's sole coke supplier in July, but shipments from the US fell by 40pc on the year. Still, US coke imports were up by 29pc from June, when it had also imported from Colombia and Mexico. During May and June, when most July-arrival cargoes would have been booked, prices for fob US Gulf high-sulphur coke were in the mid-to-high \$60s/t, which was more attractive than prices from other major suppliers such as Venezuela. It is possible that this contributed to the month-on-month increase in US-origin supply.

Brazil received no coke from Venezuela in July, compared with 59,400t the prior year. Venezuela's coke loadings **dropped sharply in June**, largely because of uncompetitive prices with US-origin coke.

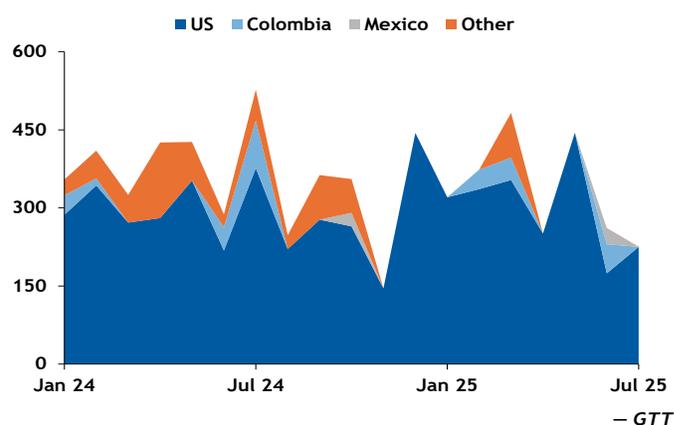
Brazil had also imported 91,500t and 56,000t of Colombian coke a year and month earlier, respectively, but none last month.

Although strong construction activity contributed to 3pc higher year-on-year cement sales in July, an economic slowdown is expected in Brazil in the second half, according to the National Cement Industry Union, weighing on the cement industry's short-term outlook. Brazil also imported almost 4pc more cement in the first seven months of the year, to 38.2mn t, which also may have reduced the need for kiln fuels. On the other hand, the Brazilian real closed on Tuesday at its strongest level since June 2024, with steadily-high interest rates in Brazil helping the currency gain as the US dollar has weakened globally this year.

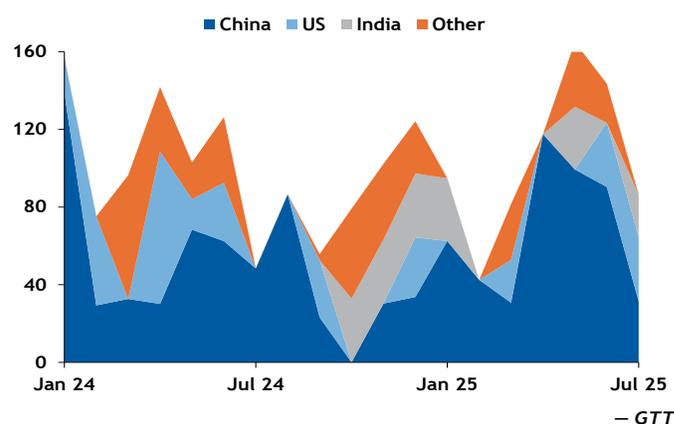
The Brazilian real stood at R5.40/\$1 on 12 August's market close, strengthening from R5.44/\$1 a day before and the strongest to the dollar since late June 2024. The real has strengthened by nearly 17pc to the dollar since late December 2024.

Brazil posted inflation figures on Tuesday. [Inflation in Brazil](#)

Brazil green coke imports '000t



Brazil green coke exports '000t



decelerated to an annual 5.23pc in July, while monthly inflation stood at 0.26pc in July, up from 0.24pc in June, according to national statistics agency IBGE.

Another point of uncertainty is how Brazil's government will react to **50pc tariffs imposed by US president Donald Trump** earlier this month. Brazil is searching for ways to counter the tariffs – president Luiz Inacio Lula da Silva on Wednesday **signed a \$5.5bn decree** to support companies hurt by the levies – and **is seeking to challenge them** before the World Trade Organization. A planned 13 August meeting between Brazilian finance minister Fernando Haddad and US treasury secretary Scott Bessent to address the tariffs **was cancelled several days prior**.

Coke market participants do not expect that coke will be included in any potential retaliatory tariffs.

Exports increase

Brazil's coke exports rose to 86,500t in July, up by 78pc on the year. But shipments declined by 40pc from June, and this was Brazil's lowest export volume since March.

Exports to China, typically Brazil's largest buyer, fell to 31,600t in July, down by 35pc on the year and 65pc on the month. High inventory levels and weak downstream demand limited Chinese buyers' interest in seaborne low-sulphur coke cargoes throughout much of [May](#) and [June](#), which may have contributed to the steep drop in Brazil's July-loading shipments to the country.

But Brazil also loaded 32,900t of coke for the US and 22,000t for India during the month after shipping no coke to either country in July 2024, which helped to offset the sharp decline in Chinese exports.

By *Alexander Makhlay*

CEMENT

Indian cements use more domestic coal in July

Domestic thermal coal supplies to Indian cement makers in July rose by almost 31pc on the year because of increased availability and competitive prices, partly curbing their demand for imported petroleum coke.

Cement makers received 750,000t of domestic coal in July, up from 570,000t a year earlier, India's coal ministry data show. Receipts in April-July – the first four months of India's April 2025-March 2026 fiscal year – were up by more than 30pc on the year at 3.59mn t.

Higher domestic coal supplies have enabled cement plants to increase the share of coal in their fuel mix. Cement plants use coal and coke as fuel in cement making. Most plants can switch between coal and coke to take advantage of lower costs.

Indian coal supplies to non-power consumers, such as cement plants and steel mills, increased in the first four months of the current fiscal year because of higher availability and lower demand from coal-fired power plants. Producers were pushing more coal to non-power consumers to partly offset the lower demand from utilities.

Coal-fired generation across the country fell to 101.46TWh in July, down from 105.88TWh a year earlier, data from the Central Electricity Authority (CEA) show. Large-scale hydro-power generation rose by 23pc on the year to 21.6TWh in July, while India's overall generation fell by 0.5pc to 133.7TWh.

Producers sent 58.6mn t of coal to utilities in July, down by

10.4pc on the year. Power plants have reduced lifting due to a combined effect of lower coal burn and higher stocks. Combined coal inventories at Indian power plants stood at 54.2mn t as of 30 July, up from 45.78mn t a year earlier, the CEA data show.

Coke imports ease

Higher domestic coal supply to cement plants and a partial replacement of coke usage may be partly limiting India's overall appetite for imported coke this year.

India received 6.35mn t of imported coke over January-June, down by almost 11pc from 7.12mn t a year earlier, according to shipbroker InterOcean.

Cement makers received 4.7mn t of the 6.35mn t of imported coke. This is down by more than 11pc from 5.3mn t in January-June 2024.

But Indian buying of seaborne coke is expected to be steady in the coming months because cement demand is likely to grow by 5-6pc on the year in the April 2025-March 2026 fiscal year.

India's domestic coke supply has partly lowered, with private refiner Nayara Energy [cutting run rates](#) at its 400,000 b/d Vadinar refinery, after the Russian-backed firm was hit by EU sanctions last month. This has pushed at least two cement makers to book imported coke cargoes since the start of the month.

Nayara, on India's west coast, typically produces 150,000 t/month of coke, most of which is sold to cement plants. But output is expected to be lower by 30,000t this month due to a throughput cut.

By *Ajay Modi*

India's Shree posts lower April-June cement sales

India's third-largest cement producer Shree Cement posted lower sales for April-June compared with a year earlier, but higher prices lifted the firm's quarterly profit.

Bombay Stock Exchange-listed Shree sold 8.95mn t of cement in April-June, down by about 7pc from 9.64mn t a year earlier, according to the company.

Shree's revenue during April-June rose by 2pc on the year to 49.5bn rupees (\$565.6mn) despite the lower sales, because of an increase in cement prices. Higher cement prices and lower fuel costs led to a 24pc on-year increase in the company's profit to Rs11.61bn for April-June.

The company's ongoing expansion projects of 3mn t/yr of capacity in the northern state of Rajasthan and another 3mn

t/yr in the southern state of Karnataka are on schedule. Shree aims to reach 68.8mn t/yr in capacity by the end of the April 2025-March 2026 fiscal year, up from its current cement capacity of 62.5mn t/yr. The company is continuously exploring various opportunities to reach its stated goal of 80mn t/yr of capacity by 2028, it said.

Indian cement demand is projected to grow by 6-7pc in the current fiscal year, helped by robust government capital expenditure, higher urbanisation, rising rural housing demand, and steady industrial and infrastructure activity, said Shree. The industry is poised for a stable and profitable phase ahead, it added.

Cement plants use thermal coal and petroleum coke as fuel in cement-making. Most plants can switch between coal and coke to take advantage of lower costs.

The *Argus*-assessed delivered India price of 6.5pc coke averaged \$105.38/t in April-June, down by 4.5pc from the average of \$110.38/t in the same period a year earlier, boosting cement makers' profitability. This market was last assessed at \$108.50/t cfr India on 6 August.

By Ajay Modi

Amrize to increase cement capacity

Amrize, the North American spin-off of Swiss-based building materials company Holcim, is "on track" to increase cement production capacity at two of its plants in the US and Canada over the next two years.

Amrize, which officially became a company independent of Holcim in June, currently has a cement production capacity of about 25mn t/yr across 18 integrated cement plants in the US and Canada. After becoming a standalone company, Amrize is "fully focused" on expanding its reach in the "attractive" North American market, chief executive officer Jan Jenisch said in an earnings call on Thursday.

The company is in the process of adding 660,000t/yr of cement capacity at its flagship North American cement plant in Sainte Genevieve, Missouri, which Amrize said is expected to be completed by year end. This is North America's "largest and market-leading cement plant," Jenisch said, and once the expansion is complete the plant will produce more than 5.6mn t/yr of cement.

Amrize is also expanding its St Constant cement plant in Quebec, which will increase capacity by another 300,000t/yr by the second half of 2027, the company said.

While Amrize reported a decline in cement sales volumes during the second quarter, it expects demand in its building

materials segment, which includes cement, aggregates, concrete and asphalt, to recover throughout the rest of 2025.

Amrize's cement sales volume declined by 6pc in the second quarter from a year earlier, the company said. Sales volumes also declined in the company's aggregates business, but a 0.5pc increase in cement pricing and 7pc increase in aggregates pricing helped to keep building materials revenue and margins nearly stable on the year in the second quarter. Amrize's cement pricing is the "strongest pricing" for cement in North America, the company said.

Revenue in Amrize's building materials segment totalled \$2.3bn in the second quarter, down by about 1pc on the year.

While public infrastructure spending drove some demand during the quarter, market uncertainty, high borrowing costs and weather hindered construction activity and new project starts, Amrize said.

But [commercial data centre expansion](#) was a "bright spot" in the second quarter, and commercial spending on energy plant projects remained strong, Jenisch said. Amrize expects continued data centre investment in North America to be a source of high demand for the company over the next couple of years.

"It is estimated that the US alone will build about 600 new data centres through 2027," Jenisch said. "For Amrize, that brings opportunity not just in the foundation of the data center but in the rooftop, the wall systems and to support all of the infrastructure surrounding the data centre to make it work."

Amrize also expects "substantial pent-up demand" from delayed projects in the residential sector during the second quarter to support business in the coming months.

"We are not seeing projects being cancelled. The current environment is simply affecting time," Jenisch said. "As uncertainty subsides and the interest rate environment improves, we see significant upside potential for Amrize."

By Hadley Medlock

COAL

Supply tightness pushes up China's coal prices

China's coal inventories have dropped significantly during the past three weeks because of heavy rain in major coal-producing areas and the government's efforts to control overproduction. This has driven up coal prices in the country.

Argus assessed NAR 5,500 kcal/kg coal at 676.36 yuan/t (\$94/t) fob Qinhuangdao on 8 August, up by Yn20.50/t com-

pared with a week earlier. Prices have been rising continuously for eight weeks, from Yn610.50/t on 13 June, and the increase has accelerated significantly in the past two weeks.

Coal supply in China has tightened recently because of multiple factors. Firstly, there was news last month that the [National Energy Administration was intending to investigate excessive coal production](#) in eight provinces and autonomous regions – Shanxi, Inner Mongolia, Anhui, Henan, Guizhou, Shaanxi, Ningxia and Xinjiang.

Since then, China's [major coal-producing areas](#) have taken steps to implement restrictions, with one 50.8mn t/yr capacity mine in Inner Mongolia halting operations, while several coal mines in Yulin and Shaanxi will operate on a staggered basis from 24 July-31 October to avoid overloading the power grid.

The overproduction inspection has been taking place in Shanxi province since the start of August, according to the latest information obtained by *Argus* from market participants. A large state-owned coal enterprise in Shanxi has implemented an output restriction on its 11 mines from the beginning of August, whereby working days at these mines will be capped at 276 days in a year. Market participants think that previously, production days at the mines totalled at least 300 days each year. This enterprise mainly produces coking coal so this will have little impact on thermal coal.

There may also be production restrictions imposed on domestic coal mines to reduce emissions and mining disasters ahead of a military parade in Beijing on 3 September, said market participants. These production curbs may continue until the fourth plenary Session of the 20th Central Committee of the Communist Party of China (CPC), which will be held in Beijing in October.

Heavy rainfall since late July in several major coal-producing areas such as Yulin in Shaanxi province and Ordos in Inner Mongolia, has forced many local coal mines to cut production or suspend operations. Logistics and coal transportation have also been severely disrupted by the bad weather. Although weather conditions in most areas have improved from the beginning of August, continued heavy rain in Ordos has led to 12 thermal coal mines reducing production or suspending operations on 8 August. The Shaanxi meteorological bureau has also issued warnings of heavy rain and mountain floods, which has reduced the thermal coal supply in the local area.

Combined volumes transported by railway were significantly affected by heavy rain two weeks ago but have gradually recovered. Rail deliveries to Qinhuangdao increased to an average of 943,000 t/d in the week to 9 August from 884,400

COAL SPOTLIGHT

[Adani to build largest India private coal plant](#)
[India's coal supply to utilities falls in July](#)
[Ice cuts thermal coal margin rates](#)
[Ice thermal coal future volumes inch up in July](#)
[Australian coal loadings rise in July](#)
[Australian coal loadings slip on falling demand](#)
[China's coal imports drop in July](#)
[Coal stocks rise at China's Qinhuangdao port](#)
[Indonesia's exports hit 40-month low in June](#)
[Fresh imports, minimal coal burn lift ARA stocks](#)
[Colombian ban on Israel coal exports scrutinised](#)
[Morocco's Taqa seeks 140,000t of thermal coal](#)
[Cheniere details Corpus Christi LNG expansion](#)
[Met coal mining firm Blackhawk sues XCoal](#)

t/d a week earlier, although this is significantly lower than an average of 1.08mn t/d in June.

Inventory levels at China's northern ports have also dropped due to lower inbound deliveries. Stocks at Bohai rim ports – including Qinhuangdao, Caofeidian, Huanghua and Jingtang – stood at 24.02mn t as of 10 August, falling by more than 3mn t over three weeks.

India's coal throughput declines in July

Thermal coal throughput at India's 12 state-controlled ports edged lower on the year in July, mainly due to weaker demand from utilities who are pivoting to hydropower during the monsoon season.

The ports handled 44.1mn t of thermal and steam coal, a 2pc decrease from 45mn t from the same period a year earlier, preliminary data from the India Ports Association (IPA) show.

The IPA data do not include the origin of the thermal coal shipments or indicate whether the coal was imported, exported, or transshipped.

The decrease in volumes handled at the ports was in line with lower demand from public utilities who are pivoting to hydropower during the monsoon season. Utilities also have ample supplies from pre-monsoon restocking and are [operating from their inventories](#) rather than procuring more coal from domestic and international sources.

India's thermal receipts mirror the weaker appetite for

coal. Imports edged lower to 11.6mn t in July, down by 16pc from a year earlier, and less than the 13.93mn t it imported in June, according to preliminary data from analytics firm Kpler.

The weak demand comes as coal-fired generation, which meets the bulk of India's power demand, remains under pressure. Coal-fired generation across the country declined to 101.46TWh in July, down from 105.88TWh a year earlier, data from the Central Electricity Authority show.

Large-scale hydropower generation rose by 23pc on the year to 21.6TWh in July, while India's overall generation fell by 0.5pc to 133.7TWh over the same period. Combined coal inventories at Indian power plants stood at 54.2mn t as of 30 July, down from 61.66mn t in June, but up from 45.78mn t a year earlier, CEA data show.

Port throughput

Paradip port in eastern India handled the largest volume of thermal coal among the 12 state-run ports at 17.4mn t in July. This was higher than the 17.26mn t it handled in the same period the year earlier, according to IPA data.

Kamarajar port on the southeast coast, formerly known as Ennore, handled the second-largest volume at 7.7mn t of thermal coal cargoes, up from 7.5mn t a year earlier.

Deendayal port on the west coast, formerly known as Kandla, handled around 6.3mn t in July, a 11pc decline on the year.

The east coast ports of Visakhapatnam and Chidambaranar and the west coast ports of New Mangalore, Mormugao and Mumbai made up the remaining thermal coal throughput during the period.

The Jawaharlal Nehru Port Authority at Navi Mumbai and the ports of Kolkata, Chennai and Cochin were included in the IPA data, but they did not handle any thermal coal in July.

By Haridas

US coal firm XCoal faces 2 more lawsuits

Alliance Coal and Reading Anthracite (RAC) have filed lawsuits against US coal trading firm XCoal and its chief executive, Ernie Thrasher, according to documents obtained by Argus.

Alliance is a large firm that produces thermal and coking coal in the eastern US, while RAC is a smaller company that mines anthracite in Pennsylvania.

Both Alliance and RAC accuse XCoal and Thrasher of breaching their contracts.

XCoal, Alliance claims, owes \$2.6mn for coal it bought in 2023 and 2024.

The pair signed a contract, with Alliance agreeing to deliver 500,000t of coking coal to XCoal over a 13-month period. XCoal, the June filing states, failed to pay for some of these cargoes altogether and paid for others nearly a year late.

The firms later signed a contract for another 250,000t of coking coal, which Alliance would ship on a pre-paid basis.

XCoal did not pay for the contracted tonnes or collect them, Alliance claims.

RAC also says XCoal owes it money. XCoal bought about 48,000t of anthracite from the mining firm, RAC states in its July lawsuit, but did not pay for \$8mn worth of deliveries.

During this time, Thrasher bought a stake in a rival anthracite producer called Atlantic Carbon. Thrasher, the lawsuit claims, funded the purchase in part with money "defrauded from RAC".

RAC further alleges that Thrasher pushed the mining firm for more deliveries, once claiming that he needed "additional coal to complete a sale to a customer and avoid a default".

US coal producer [Blackhawk sued both XCoal and Thrasher](#) on similar grounds on 7 August, a week after RAC filed its suit.

Swiss shipping company [Bunge filed a lawsuit against XCoal](#) earlier this year, alleging that the US firm paid for its services two and a half months late, causing its vessel to arrive in China just after tariffs on US goods came into effect.

By Austin Barnes

Eastbound Russian coal exports hit by derailment

A total of 19 wagons loaded with coal were derailed along state-controlled Russian Railways' (RZD) Far Eastern Railway in Primorsky on 6 August, disrupting traffic bound for Russia's eastern ports, the Primorsky Transport Prosecutor's Office said.

The incident occurred along the Shkotovo stretch in far eastern Primorsky, but no railcars overturned and no casualties were reported, according to the statement.

While the extent of the damage is still being assessed, the derailment is expected to affect rail operations into Vostochny and Nakhodka ports, sources said.

Coal deliveries for export via Russia's eastern ports reached 49.5mn t in the first half of 2025, up by 1.9mn t from the same period last year, according to rail data. The growth reflects heightened interest in the export route from suppliers because of higher profit margins in the Asian coal market.

Exports via Vostochny, however, fell by 2.3mn t year on year to 14.8mn t, while coal shipments through Nakhodka also fell during the same period, rail data show.

Meanwhile, RZD transported 50,000t of coal for export from Primorsky in January-April, down from 320,000t in the same period last year.

By Dayu Park

Russia dominates Turkey June coal import market

Turkey's thermal coal imports climbed on the year to 2.81mn t in June, as Russian coal exporters continued to dominate the Turkish import market, with prices of coal from the origin continuing to hover around multi-year lows.

Thermal coal imports to Turkey rose by 860,000t or 44pc from June 2024, customs data compiled by Global Trade Tracker show. Imports also increased on the month by 260,000t or 10pc from May, on the back of purchasing activity picking up as the country began to exit its April-June peak hydropower season.

Imports from Russia totalled 2.6mn t in June, up by 243,000t on the month and 1.06mn t higher on the year, with Russian coal still available at significant discounts compared with other origins. Fob Taman prices averaged \$68.04/t in June, down on the month by \$3.11/t, while fob Baltic prices in June stood at \$63.74/t, inching higher from \$63.31/t in May.

Russian coal exporters in June retained their 93pc share of the Turkish import market. Russian suppliers increased their share of the market by 23.5 percentage points on the month to 93pc in May, rising to their most dominant position since *Argus* began tracking these data in 2014 and probably on record.

This left little room for Colombian coal imports to increase significantly. Although imports from Colombia in June tripled on the month to 93,000t – from a record low base of 30,000t in May – the origin accounted for a paltry 3pc of the Turkish import market.

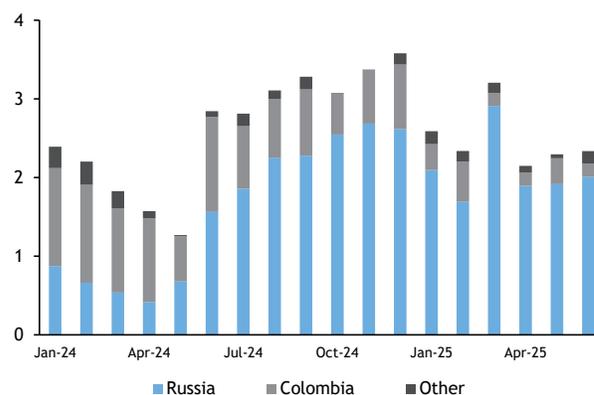
Colombian coal in June last year accounted for 12pc of the Turkish import market, but improved its share from just 1pc of the Turkish import market in May, likely the result of fewer cargoes contracted for delivery at the height of the Turkish hydropower season.

But Turkey recovered its position as Colombian producer Cerrejon's largest export market in June, with a total 475,000t of coal from Cerrejon shipped to the destination in June, compared with just 65,000t in May. Cerrejon's June exports to Turkey were also 35pc higher compared with the 351,000t shipped in the same month last year.

Meanwhile, Turkey's imports of Kazakh coal declined by 51,000t on the month to 90,000t in June, and halved from 160,000t in June 2024. Imports from Tajikistan increased to

Turkey coal imports

mn t



20,000t in June, up from 15,000t in May and nothing in the same month last year.

There were still no imports of South African coal in June, after no imports from the origin were recorded in May for the first time this year. Imports from South Africa averaged 40,000 t/month in January-April.

Coal burn increases on extreme heat

Average power generation at Turkey's imported coal-fired plants rose by 1.4GW on the month to 9.8GW in July, on the back of record temperatures being set in the country last month.

Extreme heat across Turkey also saw overall power generation ramp up by 8.6GW on the month to 42.2GW. Imported coal-fired generation increased by 300MW from July 2024, despite overall output easing by 400MW on the year.

Compared with imported coal, gas-fired output benefited more greatly from the higher temperatures in Turkey, more than doubling on the month to average 11.7GW in July and increasing by 1.55GW on the year. Turkish coal-fired power plants last month were already running close to their technical limits, in line with peak summer demand, according to market participants.

In addition, coal-fired power plants operate as base-load operators in Turkey and do not have the same degree of flexibility to alter output as combined-cycle gas power plants. Turkish gas reliance had been forecast to increase this year, with the country's LNG imports reaching a record high over the past winter.

Meanwhile, hydropower output in July improved on the month to 7.6GW, up by 900MW on the month, despite the

country having passed its typical April-June peak hydropower season. This was despite reports of Turkish grid operator Teias being forced to limit hydropower generation to preserve drinking water for the later summer months because of low rainfall this year – which saw Turkey experience its driest March in 35 years – leaving only gas-fired generation to meet the country's additional power demand.

By Bryan Wu

REFINING

Saudi Satorp refinery plans 4Q turnaround

The 460,000 b/d Satorp refinery in Jubail, Saudi Arabia, will undergo a scheduled turnaround during November-December.

The shutdown will last for 60 days, market sources told *Argus*. The maintenance will involve both crude distillation units (CDUs) and their linked secondary units.

The Satorp refinery processes Arabian Heavy crude and is a major producer of ultra-low-sulphur diesel (ULSD), at around 200,000 b/d. Exports of ULSD are at 5mn t (167,000 b/d) this year to date, according to oil analytics firm Vortexa.

Major destinations for Satorp ULSD this year are South Africa, with 1.52mn t, the UAE with 1.48mn t, and France with 1.17mn t.

TotalEnergies owns a 37.5pc stake in Satorp, with state-controlled Saudi Aramco holding the remainder.

Elshan Aliyev and Ieva Paldaviciute

Asian gasoline crack spreads rise to 2-month high

Asian gasoline crack spreads have rallied for the second consecutive week to a two-month high, driven by tighter regional balances due to reduced Chinese exports and more refining capacity going off line.

The Singapore 92R gasoline crack spread, or the prompt 92R swap price against Ice Brent values, rose for a ninth straight session to \$11.63/bl on 12 August, the highest since 24 June when it reached \$11.90/bl. Both supply-side constraints and firm demand have supported this rise, said market participants.

In northeast Asia, a heavy turnaround schedule has prompted rare imports from the usual exporters while simultaneously limiting outflows of gasoline. Japan so far has bought about 10 Medium Range-sized cargoes for August delivery on the [back of more maintenance plans in August](#), according to analysts' estimates.

And in Taiwan, state-owned CPC [purchased a rare alkylate cargo for August-September delivery](#). Maintenance programmes

REFINING SPOTLIGHT

US cracks: Margins narrow on product prices
Calif refiners curb jet, CARB ULSD output: CEC
US gasoline prices to drop below \$3/USG in 2026
US won't accept IMO bunker fuel levy
Mexico to invest \$17bn in refining through 2035
IEA marks up global refinery runs forecasts
Indian refiners buy Libyan Sarir/Mesla cargoes
Key Russian refiners raise July crude intake
Mol starts downstream efficiency programme

at the refiner's Talin refinery and at Formosa's Mailiao refinery will unusually take place during the same period, restricting Taiwan's gasoline supplies.

China's reduced export programme for August has also reinforced the current strength in the market, with exports for August expected at around 650,000t, sharply below July's 1mn-1.1mn t. Some traders noted that higher export volumes in July partially offset the decline in August, but the market has now begun to feel the effects of the tighter August export programme as the deluge of supplies from July is beginning to clear. China's slowing exports for August were also in line with tepid Chinese export margins.

Turnarounds in the Middle East have also compounded the supply tightness in Asia. Saudi Aramco's 400,000 b/d Jizan refinery reformer unit has reportedly remained off line since July, according to market participants, removing around four to five Medium Range-sized cargoes from the market. A restart is expected by the end of the month, said the participants, but this is yet to be confirmed. Market participants also noted that Aramco has also been sourcing more cargoes from Asia-Pacific to offset their supply shortfall, including buying gasoline from Taiwan in a rare move.

Aramco has outlets in Indonesia, the Middle East and east Africa, and it needs to meet its monthly "shorts", a trader added. The firm also occasionally took about one cargo per month from India's Nayara Energy, but recent EU sanctions on the Indian refiner may have disrupted that flow temporarily, prompting Aramco to seek supply elsewhere. The firm's 460,000 b/d Satorp refinery in Jubail, Saudi Arabia, will also undergo a [scheduled turnaround during November-December](#).

Market participants also noted that Saudi Arabia's Riyadh and Sasref refineries are also due to undergo maintenance in

the fourth quarter of the year, but this could not be officially verified.

On the demand front, Indonesia – Asia-Pacific’s largest gasoline buyer – has [raised its purchases for August](#), issuing spot tenders and seeking additional cargoes from term suppliers. The reason for the prompt spot requirement could not be confirmed with state-owned energy firm Pertamina, but traders in Dubai and Singapore suggested a Middle East Gulf trading firm may have failed to deliver some cargoes.

Market participants are also monitoring other potential bullish signals, including any disruptions to Nigeria’s 650,000 b/d Dangote refinery, and purchases by Mexico’s PMI. PMI was enquiring for a cargo from Asia-Pacific in the week to 13 August. No deal has been finalised yet as of the time of writing, but this has boosted the bullish sentiment in the market.

Malaysia’s PRefChem has also experienced loading delays at its 300,000 b/d Pengerang refinery in recent days due to terminal congestion, according to a source close to the matter. The delays are expected to be resolved soon, but this has still led to concern among participants regarding some near term supply disruptions that could exacerbate an already tight market. But these delays stem from vessel congestion rather than any refinery issues, with total exports from PRefChem expected to remain steady at around 8-10 Medium Range-sized cargoes this month, noted the source.

Looking ahead, the market is likely to remain supported through the early period of the fourth quarter, as more refining capacity is set to go off line in Asia and the Middle East for maintenance. Market participants are also continuing to monitor any changes to Chinese export quotas, the pace of Dangote’s operations, and the return of refineries from unplanned shutdowns, which could tilt supply balances either way.

By Asill Bardh

Pemex eyes fuel boost as coking projects advance

Mexico’s state-owned Pemex plans to add 169,000 b/d of gasoline, diesel and jet fuel output by 2026, once long-delayed cokers at its Tula and Salina Cruz refineries come online, according to its new business plan.

The coking unit at the 315,000 b/d Tula refinery is set to reach full production in early 2026, yielding 31,000 b/d of gasoline and 64,000 b/d of diesel and jet fuel, the company said. The 330,000 b/d Salina Cruz refinery’s coker will become operational by the end of 2026, with a projected output of 27,000 b/d of gasoline and 47,000 b/d of diesel and jet fuel.

Pemex has long struggled with excess output of lower-value

high-sulphur fuel oil (HSFO) because of limited upgrading capacity at its refineries. The coker project at Tula was launched a decade ago, while construction at Salina Cruz began about four years later. Both projects have faced repeated delays, slowing efforts to boost yields of higher-value products like gasoline and diesel.

Still, Pemex’s HSFO output declined by 23pc to 231,200 b/d in the first half from a year prior, as the company processed lighter crude, Pemex data show.

Pemex in the second quarter produced 383,000 b/d of gasoline, 210,000 b/d of diesel and 43,000 b/d of jet fuel. The new units could lift gasoline output by 15pc and diesel and jet fuel output by 44pc.

The coking units are central to Pemex’s strategy to drastically cut the imports of gasoline and jet fuel and become a [net exporter of diesel by the start of 2027](#).

Coking units convert heavy residuals such as fuel oil into higher-value products like road fuels and jet fuel. Pemex expects fuel oil output to fall by 110,000 b/d at Tula – which will also process residuals from the 220,000 b/d Salamanca refinery – and by 88,000 b/d at Salina Cruz.

With the new units online, Pemex’s fuel oil production could fall by 86pc to 33,000 b/d by the end of 2026.

“Even though fuel oil production will be reduced, it remains a significant part of total output and contributes to lower refinery margins,” Pemex said in its business plan.

By Cas Biekman

Pemex aims to boost Deer Park refinery runs

Mexico’s state-owned Pemex plans to raise crude processing at its 312,500 b/d Deer Park refinery by 23pc in 2026, lifting motor fuels output by 19pc, according to its 2025-2035 business plan.

Pemex aims to boost Deer Park’s crude throughput to 303,000 b/d in 2026 from an estimate of 247,000 b/d in full-year 2025. From 2027-2031, processing is expected to stabilize around 290,000 b/d, the company said. Gasoline, diesel and jet fuel output at the refinery will rise to 268,000 b/d in 2026 from an estimate of 225,000 b/d this year.

Pemex expects an average refining margin of \$9/bl at the Deer Park refinery for the 2026-2036 period. In the second quarter of 2025, Pemex’s refining margin at its domestic refining system rose to \$4.40/bl from \$0.84/bl a year earlier, supported by lower crude prices and higher refined fuels output.

Pemex forecasts annual profits of around \$625mn from Deer Park in 2026-2036.

“The strategy prioritizes operational availability via investments in predictive maintenance, reducing unplanned shut-downs and efficient execution of major maintenance projects,” Pemex said.

The business plan refers to a strategy to “strengthen the national supply of refined products,” but does not provide further details. Mexican officials have repeatedly said Deer Park will play a key role in the country’s push for fuel self-sufficiency, yet most of the refinery’s output is sold outside Mexico.

Deer Park sold 269,000 b/d, or 94pc, of its total gasoline, diesel and jet fuel production in the second quarter to outside buyers rather than to Mexico. Logistics and operational costs make those sales more profitable than exports to Mexico, market sources say.

“Commercial management is focused on positioning in high-value markets, leveraging regional arbitrage opportunities, including hedging strategies,” the business plan reads, suggesting that Pemex will continue its approach to look for outside buyers, too.

By Cas Biekmann

USGC HSFO stocks fall, relief may be in sight

US Gulf coast fuel oil supplies drained to renewed historic lows last week, extending declines for a sixth straight week but the return of Venezuelan crude to the US market may provide some relief.

US Gulf coast residual fuel oil stockpiles shrank by 600,000 bl to 8.8mn bl in the week ended 1 August, extending declines for a sixth straight week US Energy Information Administration (EIA) data showed. The drop marked a more than 46pc annual drawdown to reflect the lowest level in the EIA’s 35-year historical records.

The sulphur cap regulations set forth by the International Maritime Organization (IMO) in 2020 limits the sulfur content in fuel oil used by ships to 0.5pc, down from 3.5pc. Refiners have increasingly turned to 3.5pc high-sulphur fuel oil (HSFO) as a feedstock alternative to crude to produce gasoline or diesel.

But the spread between HSFO and heavy crude such as Western Canadian Select (WCS) has been tight for most of 2025, averaging \$0.66/bl this year through 30 June. The same spread in the past six weeks ballooned to an average of \$3.53/bl including an 18-month high of \$6.58/bl on 29 July. US Gulf coast refiners have opted to run either HSFO or heavy sour crude such as WCS on a case-by-case basis, depending on how wide the price spread is.

The administration of President Donald Trump’s decision to

allow Chevron once again export crude oil from Venezuela may provide some relief for US Gulf coast refiners seeking heavy feedstocks. But details of the deal were described as private and not a general one of which details are made public, Venezuelan interior minister Diosdado Cabello said.

US market sources noted that most Venezuelan crude would be earmarked for refinery coker units over actual HSFO production. But more heavy crude availability for US Gulf coast refineries may ease demand for HSFO and allow for stocks to recover.

By Craig Ross

India’s Nayara faces mounting logistical hurdles

India’s Nayara Energy has reduced crude processing as it is facing challenges supplying refined products in the domestic market in addition to facing restrictions in exports.

The 400,000 b/d privately-owned refinery in Vadinar is running at 60-70pc of its nameplate capacity as of late last week, down from 80-85pc in late July. The refinery, which is 49pc-owned by Russia’s state-controlled Rosneft, had been running above capacity earlier this year, averaging 103pc utilisation in January-June, Indian oil ministry data show.

The company is seeking New Delhi’s help in setting up accounts with smaller domestic Indian banks to pay for crude imports and receive payments for refined product sales, sources told *Argus*.

Smaller Indian banks are likely to mitigate the risk of secondary sanctions compared with foreign banks or larger domestic financial institutions.

Additionally, Nayara is also seeking New Delhi’s help in securing railway wagons and shipping capacity as issues related to payments are making it difficult for domestic shipowners to work with the company, traders told *Argus*.

Indian shipping firms Great Eastern Shipping and Seven Islands Shipping have cancelled their contract with Nayara. Nayara Energy also floated a tender for a time charter earlier on 7 August, sources added without sharing many details.

Nayara had not responded to requests for comments at the time of writing.

The company has failed to secure enough trucks to transport its fuel products domestically as trucks carrying transport fuel are booked based on long-term tenders that are planned way ahead in advance, traders added.

Nayara’s own retail units are not enough to stock its fuel. It has only 6,763 retail outlets mostly around India’s western region – in comparison IOC has an extensive network of close

to 40,000 petrol pumps across the country. The logistical challenges are also making it harder for Nayara to supply to the retail outlets owned by domestic refiners.

Following the [EU sanctions in July](#), Nayara will be transporting a total 451,100 bl of diesel to Vizag and Paradip this week for the domestic market, ship tracking data from Vortexa show. Another ship carrying 267,900 bl of diesel was seen around Vadinar and Mundra ports, the data show.

Exports resume

The firm loaded its first oil products tanker last week since the EU sanctions with the *Tempest Dream* scheduled to arrive at Sohar in Oman on 11 August carrying 370,000 bl of gasoline, according to Vortexa data.

The *Mogren*, previously known as *Sard*, loaded over 300,000 bl of gasoil at Vadinar on 4 August. The vessel is currently awaiting declaration, Vortexa data show.

Nayara’s monthly exports have been weak over the past few months. Oil products exports were at 103,000 b/d in July, marginally lower by 2pc on the month but 22pc on the year, Kpler data show.

By Rituparna Ghosh

Venezuelan return caps crude, residue rally

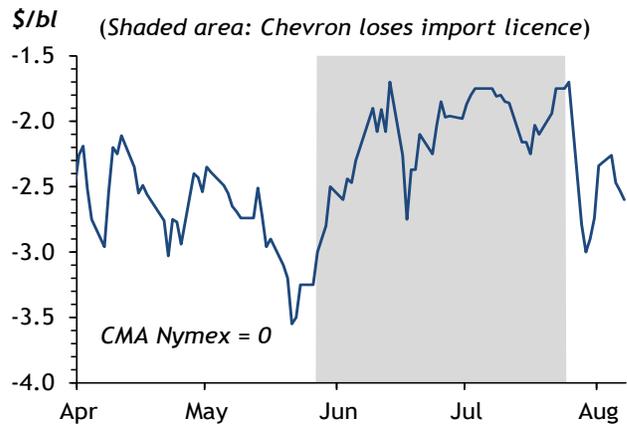
The return of Chevron’s Venezuelan import waiver should restore balance to the US Gulf coast market for sour crudes and high-sulphur residue feedstocks.

The administration of US president Donald Trump appears to have handed Chevron back its waiver to import crude from its Venezuelan joint-venture operations with state-owned PdV after rescinding it in late May. Deliveries may not immediately return this month, Chevron chief executive Mike Wirth says. But the decision should mark the beginning of the end of a tight spell for sour crudes and residue feedstocks in the Gulf coast market.

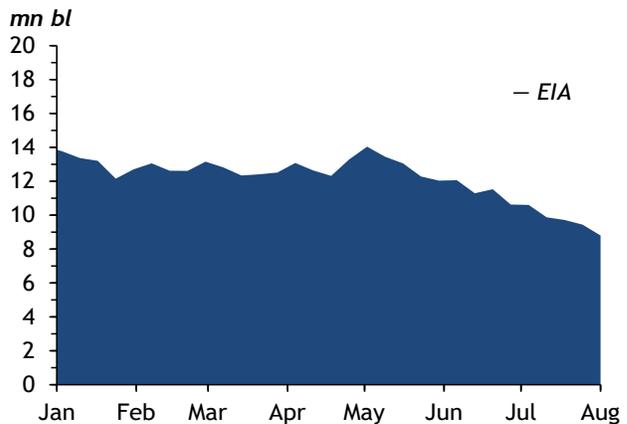
“Since our licence changed in May, we have been engaged with the US government, working closely with the administration to ensure our compliance with our country’s policies towards Venezuela,” Wirth says. “This month, it looks like there will be a limited amount of oil that will begin flowing to the US from the Venezuela operations that we have an interest in, consistent with US sanctions policy.”

Venezuelan crude is sought after by US Gulf coast refiners that were built to process heavy grades. “It serves as a reliable source of supply for the American economy,” Wirth says. Not all Chevron’s exempted supply went to its own refineries.

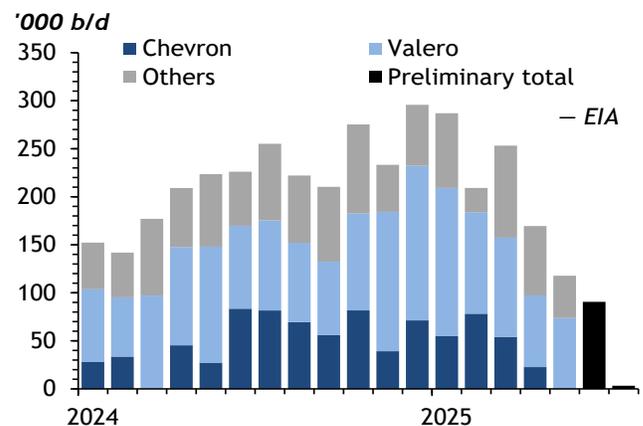
WCS Houston vs WTI



USGC fuel oil stocks



US importers of Venezuelan crude



Independent Valero was a bigger customer, and Phillips 66 and PBF also took resold volumes, before deliveries tapered off last month.

The return of Venezuelan crude will offer some respite to US refiners looking for heavy feedstocks. Most Venezuelan crude will go to highly upgraded refineries, typically those with coking units to upgrade heavy residues into higher-value light products. And with more heavy crude available, coking refineries will need to buy less high-sulphur fuel oil (HSFO), allowing stocks to recover. The draw from coking units starved of Venezuelan oil has contributed to a sharp tightening in fuel oil inventories on the Gulf coast since mid-June. Stockpiles fell by 600,000 bl to 8.8mn bl in the week to 1 August, extending declines for a sixth straight week, EIA data show. Fuel oil stocks have fallen to the lowest level in the 35-year stretch that the EIA has been keeping weekly records, and below any monthly reading going back to 1981.

Price impact

Heavy sour crude and fuel oil markets have been supported by the hiatus in Venezuelan supplies. Canadian WCS crude deliveries to the Houston area for September are averaging just \$2.65/bl below benchmark WTI. And the market for August WCS deliveries traded at the narrowest discount to WTI since early 2021. The spread between HSFO and sour crudes has reflected these tight conditions too. Fuel oil averaged less than a 70¢/bl premium to WCS on the Gulf coast in January-June. That same spread ballooned out to more than a \$3.50/bl premium for fuel oil during the past six weeks.

Sour crude markets will also become better supplied as more offshore production comes on stream in the Gulf of Mexico. Beacon Offshore Energy's 120,000 b/d Shenandoah floating production system started delivering oil into Genesis' SYNC pipeline in July. The line connects to the Cameron Highway Oil Pipeline System (Chops), which feeds the SGC medium sour crude stream. BP recently started up the Argos Southwest Extension project, adding 20,000 b/d of oil equivalent to the existing platform. Argos output also goes into Chops to feed the SGC stream.

Genesis also expects to see first oil from LLOG Exploration's Salamanca project in the Gulf of Mexico in the third quarter after receiving flows from another new project in July. "We expect Salamanca's production to ramp relatively quickly over the subsequent few months after first production to its initial peak design of 40,000-50,000 b/d," Genesis chief executive Grant Sims says.

By Mykah Briscoe and Craig Ross

OIL

Chevron-linked tankers load in Venezuela

Chevron-linked oil tankers have converged on Venezuela's main terminals, with one already carrying a cargo of Boscan crude from Bajo Grande and another Hamaca crude from the Jose terminal.

The movements suggest Chevron has resumed loading Venezuelan crude for export in August under its restricted US license.

The *Mediterranean Voyager* arrived at the Jose port on 11 August seeking to load 340,000 bl of 10.5°API Boscan-type crude, according to a PdV log seen by Argus. Chevron chartered the tanker that was still near the Bajo Grande port in Lake Maracaibo in western Venezuela as of Wednesday morning, but headed to the US Gulf coast with about 350,000 bl of Boscan crude, ship tracking data from Kpler indicates.

The *Canopus Voyager* had loaded about 500,000 bl of 26°API Hamaca crude and as of Tuesday morning was offshore of the Jose port in eastern Venezuela, with no destination yet set, tracking data indicate.

Both tankers are ones that Chevron has chartered in the past to carry Venezuelan crude to its refineries in the US. Chevron did not comment on the loadings, but said it conducts its business in compliance with "... the sanctions frameworks provided for by the US government, including in Venezuela."

Chevron had previously said it **expected a "limited amount" of oil** to flow from Venezuela in August after the US government returned its waiver to export Venezuela crude, to count against Venezuela's state-owned PdV's debt.

The return of more Venezuelan crude to the US market is expected to **remove some support for sour crude** and high-sulphur residue feedstock prices in the US Gulf coast.

By Carlos Camacho and Carla Bass

New US import tariffs take effect

New import tariffs the US has imposed on a range of trading partners have taken effect, and President Donald Trump is threatening more tariffs could be on the way.

The latest tariffs, which were **set at rates of 10-50pc**, came into force at 12:01am ET (04:01 GMT) on 7 August.

"BILLIONS OF DOLLARS, LARGELY FROM COUNTRIES THAT HAVE TAKEN ADVANTAGE OF THE UNITED STATES FOR MANY YEARS, LAUGHING ALL THE WAY, WILL START FLOWING INTO THE USA," Trump said on his social media platform shortly before the new tariffs kicked in.

New US tariff rates and effective dates		
	Rate	Date
UK	10%	5 Apr
EU	15%	7 Aug
Japan	15%	7 Aug
South Korea	15%	7 Aug
Indonesia	19%	7 Aug
Vietnam	20%	7 Aug
India	25%	7 Aug
Mexico	25%	30 Oct
Canada	35%	1 Aug
China	54%	12 Aug
Brazil	50%	7 Aug
Afghanistan	15%	7 Aug
Algeria	30%	7 Aug
Angola	15%	7 Aug
Bangladesh	20%	7 Aug
Bolivia	15%	7 Aug
Bosnia and Herzegovina	30%	7 Aug
Botswana	15%	7 Aug
Brunei	25%	7 Aug
Cambodia	19%	7 Aug
Cameroon	15%	7 Aug
Chad	15%	7 Aug
Costa Rica	15%	7 Aug
Côte d' Ivoire	15%	7 Aug
Democratic Republic of the Congo	15%	7 Aug
Ecuador	15%	7 Aug
Equatorial Guinea	15%	7 Aug
Falkland Islands	10%	7 Aug
Fiji	15%	7 Aug
Ghana	15%	7 Aug
Guyana	15%	7 Aug
Iceland	15%	7 Aug
Iraq	35%	7 Aug
Israel	15%	7 Aug
Jordan	15%	7 Aug
Kazakhstan	25%	7 Aug

New US tariff rates and effective dates		
	Rate	Date
Laos	40%	7 Aug
Lesotho	15%	7 Aug
Libya	30%	7 Aug
Liechtenstein	15%	7 Aug
Madagascar	15%	7 Aug
Malawi	15%	7 Aug
Malaysia	19%	7 Aug
Mauritius	15%	7 Aug
Moldova	25%	7 Aug
Mozambique	15%	7 Aug
Myanmar (Burma)	40%	7 Aug
Namibia	15%	7 Aug
Nauru	15%	7 Aug
New Zealand	15%	7 Aug
Nicaragua	18%	7 Aug
Nigeria	15%	7 Aug
North Macedonia	15%	7 Aug
Norway	15%	7 Aug
Pakistan	19%	7 Aug
Papua New Guinea	15%	7 Aug
Philippines	19%	7 Aug
Serbia	35%	7 Aug
South Africa	30%	7 Aug
Sri Lanka	20%	7 Aug
Switzerland	39%	7 Aug
Syria	41%	7 Aug
Taiwan	20%	7 Aug
Thailand	19%	7 Aug
Trinidad and Tobago	15%	7 Aug
Tunisia	25%	7 Aug
Turkey	15%	7 Aug
Uganda	15%	7 Aug
Vanuatu	15%	7 Aug
Venezuela	15%	7 Aug
Zambia	15%	7 Aug
Zimbabwe	15%	7 Aug

Trump said on 7 August it was up to Russian president Vladimir Putin whether there would be additional tariffs. Last month, Trump [said](#) that if Russia failed to make progress on a ceasefire deal with Ukraine by 8 August he would put “secondary” tariffs on countries purchasing Russian oil, although [so far only India has faced higher tariffs](#).

Trump then said on 8 August he will [meet](#) with Russian president Vladimir Putin in Alaska on 15 August to discuss a potential ceasefire agreement with Ukraine he thinks is “getting very close”.

The higher tariff rate on India, which is due to take effect on 27 August, would double the tariff on goods imported from India to 50pc. US tariffs on China are currently set at a baseline of 30pc, and the two countries on 11 August agreed on another 90-day extension to a temporary trade truce.

Trump also said on 6 August that he would impose a 100pc tariff on [imports of chips and semiconductors](#), with exceptions for companies that are building or have committed to build production facilities in the US.

By Kevin Foster and Chris Knight

WTI falls as China tariffs postponed

WTI crude futures fell on Tuesday as the US and China agreed to extend a pause on higher tariffs and the US lowered its oil price forecast.

September Nymex WTI fell by 79¢/bl to \$63.17/bl while October Ice Brent fell by 51¢/bl to \$66.12/bl. The October Brent-October WTI spread widened by 10¢/bl to \$3.64/bl.

WTI at the Magellan East Houston terminal in Texas was shown on the Argus Crude Market Ticker (ACMT) at a prompt 85¢-95¢/bl bid-ask spread above the Cushing benchmark at Nymex settlement, above Monday's 77¢/bl volume-weighted average.

The US and China have agreed to extend a pause on higher tariffs until 10 November, keeping intact lower rates that have been in place over the last three months while bilateral negotiations continue on a broader trade agreement.

President Donald Trump, in an executive order signed on Monday, said the US had agreed to a 90-day suspension of higher rates in light of the "significant steps" China has taken toward addressing US concerns about "non-reciprocal" trade.

Meanwhile, the market is looking to a planned 15 August meeting between Trump and Russian president Vladimir Putin to discuss a potential ceasefire agreement with Ukraine.

Ukrainian president Volodymyr Zelenskiy has dismissed a proposed Ukraine-Russia land swap as part of the ceasefire.

The Energy Information Administration forecast on 12 August that benchmark WTI prices will average less than \$50/bl in 2026 because of global production and inventory builds. WTI is expected to average \$47.77/bl in 2026, the agency said in its latest Short-Term Energy Outlook, lower by 13pc from its July forecast.

In Brazil, finance minister Fernando Haddad said that a meeting with US treasury secretary Scott Bessent scheduled for 13 August to discuss import tariffs has been cancelled, attributing it to "coordinated efforts of the far-right in the US".

Elsewhere, Syria's energy minister Mohammed al-Bashir will visit Iraq this week to continue talks around the potential rehabilitation of a pipeline that previously transported Iraqi crude from Kirkuk, in the north of the country, to the Syrian Mediterranean port of Banias.

By Eunice Bridges

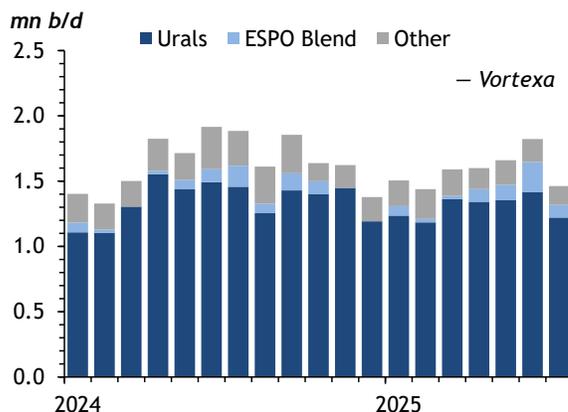
India ready to resist Trump pressure: Modi

Indian Prime Minister Narendra Modi said on 7 August that the country is "ready to pay a heavy price" to protect the interest of its farmers and fisherman – his first comments since US

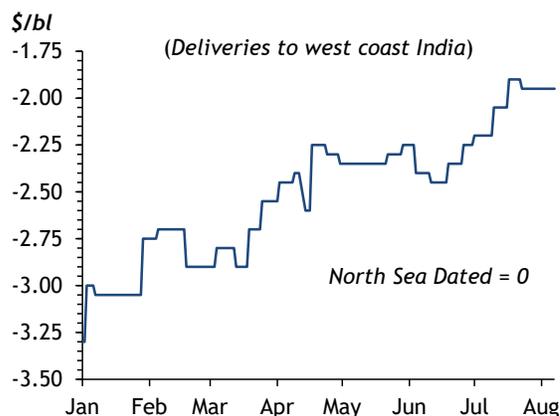
India-bound Russian vessels						in bl
Vessel Name	Buyer	Crude grade	Quantity	Arrival date	Arrival port	Status
Vladimir Monomakh (2020)	RIL	Urals	777,500	3-Sep	Sikka	Sanctioned
Ma Jin (2007)	RIL	Urals	734,800	31-Aug	Sikka	Sanctioned
Mirabel (2010)	Nayara Energy	Urals	732,800	4-Sep	Vadinar	Sanctioned
Nissos Paros (2012)	RIL	Urals	755,800	16-Sep	Sikka	High risk

– Vortexa

Indian imports of Russian crude



Urals India



President Donald Trump threatened to put an additional 25pc tariffs on Indian imports to punish the country for accepting Russian oil.

Indian equity markets recovered from their lows earlier that day on expectations that the 21-day implementation

period of the US tariffs may open an opportunity to negotiate a trade deal.

While the 25pc tariffs that were announced in late July came into effect from 7 August, the additional 25pc would be effective from 27 August, taking total tariffs on Indian imports to the US to 50pc.

In his comments at an event in New Delhi last week, Modi was responding to the US pushing for greater access to India's agricultural market – especially corn, soybeans, and cotton – which was discussed during trade negotiations earlier this year.

India also signed a protocol with Russia on 6 August to deepen cooperation in aluminium, fertilisers, railways, and mining technology despite pressure from the US to stop buying Russian oil.

A protocol is a more formal and legally binding agreement used in international law and relations. It was signed at the 11th session of the India-Russia working group meeting in New Delhi.

Russian barrels

Russian Urals cargoes were continuing to load for India last week. A total of 3mn bl of Russian Urals loaded last week through Thursday en route to India's western ports of Sikka and Vadinar and set to arrive after the tariff deadline, ship-tracking data from Vortexa showed.

Sikka serves Reliance's 1.34mn b/d Jamnagar refinery, while Vadinar serves Nayara Energy's 400,000 b/d refinery.

It is not certain if these vessels would end up coming to India or if they will be diverted elsewhere, traders said, adding that it will be a setback for the Indian government if they give in to Washington's pressures.

Most of the supplies were for Reliance Industries (RIL) as part of their [long-term contract with Rosneft](#).

A narrowing discount for Russian Urals to the North Sea Dated benchmark has also played a part as it remained at a record \$1.95/t since July. Urals delivered prices to India's west coast were at \$67.62/bl on 6 August, down by 5pc on the week but sharply up from \$58.70/bl in early May.

Indian state-run refiners have accounted for a third of Russian crude purchases so far in 2025, down from a 47pc share a year earlier, Kpler data show. The remainder was bought by HMEL, ONGC, Reliance and Nayara Energy.

India's Russian imports have largely stood flat at 1.79mn b/d during January-July, Kpler data showed.

OIL SPOTLIGHT

[Venezuela crude output at 1.1mn b/d in July](#)
[Texas crude stocks up, Cushing down: AlphaBBL](#)
[IEA trims global oil demand forecasts again](#)
[WTI to fall to \\$48/bl in 2026: EIA](#)
[UBS cuts end-2025 Brent crude price forecast](#)
[ExxonMobil speeds up in Permian, Chevron brakes](#)
[Opec cuts US supply view, Brazil to lead in 2026](#)
[Brazil's inflation decelerates to 5.23pc in July](#)
[Trans Mountain exports steady in July](#)
[Saudi's China crude allocations at 5-month low](#)
[ANS premium eases in October cycle](#)

Indian crude buying shifts

State-run refiners including IOC, HPCL and BPCL have been [considering taking less Russian crude](#) since Trump threatened extra tariffs against India on social media on 30 July. Even before then, seasonal demand considerations led to a roughly 300,000 b/d drop in Russian crude shipments arriving last month to all buyers. The three state-run refiners have mostly expressed interest in buying US and Mideast Gulf crude as they look for the most economical option. Russian crude has been rising against North Sea Dated, moving to less than a \$2/t discount to the benchmark in late July for deliveries to the west coast of India. The same market was trading at discounts of \$16-17/bl in early 2023.

India's largest refiner IOC bought 4.5mn bl of US light sweet WTI through a tender process that closed on 1 August. It also secured 2mn bl of light sour Das crude from the UAE and 500,000 bl of Canadian heavy sour WCS in another tender. The volumes sought in both tenders were above the typical 1mn-2mn bl purchased by state-run refiners, which market participants have been interpreting as a move to replace Russian supply.

Another state-run refiner, HPCL, bought a 2mn bl cargo of Nigerian medium sweet Escravos and another 2mn bl of Ghanaian light sweet Jubilee through a tender process from trading firm Glencore on 6 August. The refiner was also reported to have taken Das. The cargoes are scheduled to arrive in late September to November, market sources say. West African crude markets firmed markedly after Trump's comments on 30 July.

Indian refiners are also considering taking extra non-Russian volumes by exercising options on their term contracts with Mideast Gulf producers to offset any shortfall. Sour crudes from the region suit Indian refineries, as they do not require complex blending.

While supply from the US currently could be based on cost economics, New Delhi had also been pushing to increase energy imports from the US earlier this year to help narrow its trade deficit. US crude imports by state-run refiners rose by 58pc on the year to 202,000 b/d in January-July, according to Kpler data. The imports by these refiners accounted for close to 70pc of India's total US crude imports of 294,000 b/d during the period.

Urals crude sinks under sanctions, tariff pressure

Russian medium sour Urals crude lost ground against North Sea Dated on both a dap and fob basis as mounting sanctions and tariff pressure weighed on Indian buying.

Argus assessed Urals for September delivery to west coast India at a \$3.05/bl discount to North Sea Dated on a dap basis on 7 August. This was down by \$1.10/bl from previous assessments and marked the lowest differential since 28 January. Differentials were pressured in January after then US president Joe Biden implemented tighter sanctions on Moscow on 10 January.

Indian state-owned refiners IOC, BPCL and MRPL are yet to return to Urals buying, according to market sources. This was not directly confirmed. It was not clear if HPCL had resumed purchases of Russian crude. All four refiners were still heard to be buying crudes from other regions such as the Mideast Gulf, west Africa and even Libya.

Several Indian refiners suspended purchases last week in response to tightening EU sanctions, and US tariffs, market participants told Argus. Washington [ratcheted up the pressure](#) on 6 August by threatening to double tariffs on Indian imports to 50pc. A 25pc tariff against the country [came into effect on 7 August](#).

Differentials for Urals on a fob basis also dropped on the back of lower demand from India as well as from Turkey, where seasonal summer demand for transport fuels is easing. Chinese buyers were also said to be exploring alternatives to Russian barrels.

In the Baltic, Argus assessed Urals loading from Primorsk and Ust-Luga in August at a \$12.55/bl discount to Dated on 7 August. That marked a \$1.05/bl drop on the day and the lowest differential since 16 July. Aframax-sized and Suezmax-sized

shipments of August-loading Urals from Novorossiysk were assessed at a \$12.25/bl discount to the benchmark, down by \$1.10/bl from a day earlier when cargoes were assessed at a record high and the lowest since 25 June.

Traders said rising freight costs were pressuring fob differentials. EU sanctions introduced on 18 July, together with new US sanctions on Iranian tankers carrying Russian crude, narrowed the pool of unsanctioned tankers available to load Russian crude. The cost of shipping Urals from the Baltic and the Black Sea to west coast India rose by 11pc and 17pc, respectively, in the fortnight to 7 August compared with the two weeks prior.

Key Urals buyers India, Turkey and China will be closely eyeing US president Donald Trump's 8 August deadline for Russia to make progress on its peace talks with Ukraine. The US has threatened to impose secondary tariffs after this point on countries buying Russian oil and other products. Trump and Russian president Vladimir Putin are expected to meet in the coming days, according to the Kremlin.

By Melissa Gurusinghe

Canadian railed crude exports near annual low

Canadian crude-by-rail exports in May fell by 24pc from a year earlier, as tight locational spreads suppressed their viability.

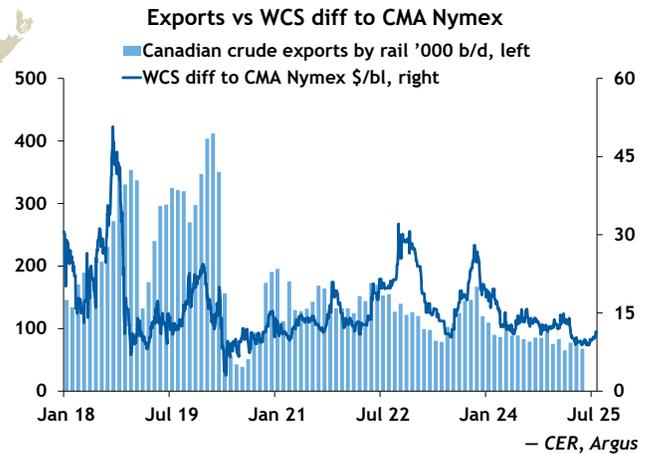
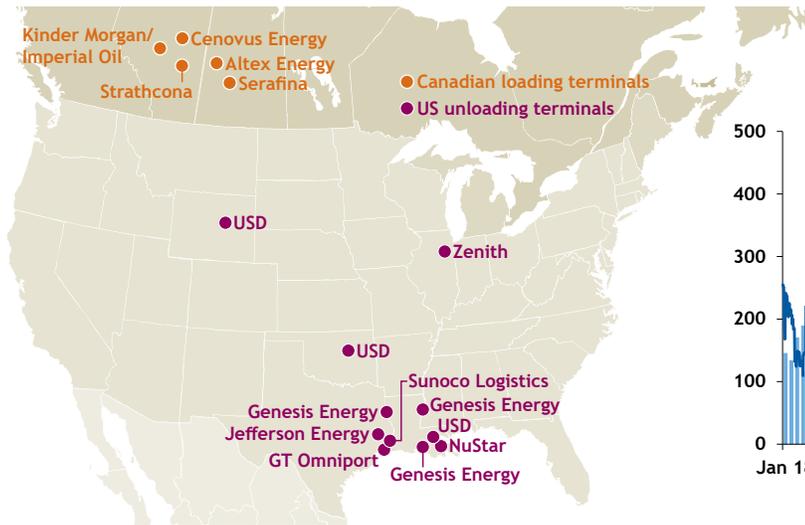
Exporters shipped 67,700 b/d in May, down from 89,100 b/d a year earlier, according to the latest Canada Energy Regulator data. Railed exports fell from 76,900 b/d in April and were only slightly ahead of an annual low of 65,400 b/d in February. Flows are well south of the all-time record annual high of 280,000 b/d set in 2019 and the 412,000 b/d monthly record high in February 2020.

While second-quarter oil sands turnarounds reduced the supply of bitumen available for export, crude-by-rail shipments have remained near or below committed volumes since the expansion of the 890,000 b/d Trans Mountain pipeline in May 2024. Increased pipeline capacity out of Alberta has discouraged shipments by rail – typically a costlier mode for producers.

For May flows, Enbridge's 3mn b/d Mainline was not apportioned for the second consecutive month despite a short outage at South Bow's 622,000 b/d Keystone pipeline, which also runs into the US. In the same month of 2024, Enbridge apportioned 5pc of heavy crude and 4pc of light crude nominations flowing through Superior, Wisconsin.

Argus' June-delivery Western Canadian Select (WCS) assessment at Houston, Texas, averaged a \$2.78/bl discount to

Canadian crude by rail



the benchmark, while Argus’ WCS Hardisty differential averaged a \$9.55/bl discount during the May Canadian trade cycle dates. The locational spread between the two hubs was \$6.77/bl, well shy of the \$15-20/bl that typically makes crude-by-rail movements viable for shippers without rail commitments.

Railroads Canadian Pacific Kansas City (CPKC) and rival Canadian National (CN) have shifted focus to other petroleum-related cargoes such as refined products and renewable fuels, since plentiful pipeline capacity has filled the need for most long-distance crude movements. The change comes as pipeline capacity from major North American fields like the Bakken in North Dakota and the Western Canadian Sedimentary basin (WCSB) have expanded to meet the lion’s share of transport demands.

CN has pivoted toward hauling more refined products and LPG, and CPKC has been transporting undiluted bitumen from USD Group’s diluent recovery unit in Hardisty, Alberta, to the Gulf coast, since the facility started in 2021.

CN’s petroleum and chemical shipments fell to 154,000 carloads in the second quarter, down by 5pc from a year earlier. Shipments of refined products like gasoline and diesel fell in the quarter, with ongoing turnarounds at about 50pc of CN-served refineries in western Canada, CN interim chief commercial officer Janet Drysdale said.

CN said its petroleum and chemicals segment was less hit by tariff threats.

Refined products shipments should rebound later in the third quarter as refinery turnarounds subside, with petroleum

and chemical shipments also boosted by propane exports from the port of Prince Rupert on Canada’s west coast, Drysdale said.

Renewable fuels shipments fell because of policy changes in the US and Canada that drove producers to get fuel from inside Canada rather than from US states like Iowa and Louisiana, Drysdale said.

On the one hand, growing Canadian pipeline capacity is shuttling more crude off the rails. On the other, Canada’s drive to break its reliance on the US as its prime trading partner will likely create new avenues for Canada’s railroads to move more crude, refined products and natural gas liquids (NGLs) across their networks.

Alberta and Ontario plan to study new trade routes to boost economic activity between the two provinces and beyond, with an interest in exporting oil and gas through Hudson Bay. Alberta premier Danielle Smith and Ontario premier Doug Ford in July signed two memorandums of understanding to drive interprovincial trade and major infrastructure development, including pipelines and rail lines.

A “potential” new deep sea port at James Bay on the south side of Hudson Bay in northern Ontario would also enable further export opportunities for land-locked Alberta, which is trying to get more pipelines built before growing oil sands production fills existing capacity. Oil and gas would need to flow across Saskatchewan and Manitoba to get to Ontario.

CN has already boosted its shipments of NGLs to Prince Rupert on Canada’s west coast, and is laying plans to boost railed deliveries in coming years

CN is the exclusive rail supplier for LPG to AltaGas' Ridley Island propane export terminal (Ripet) in British Columbia, which is near Prince Rupert, and AltaGas is planning an expansion that could spur more CN rail traffic. AltaGas is exploring a plan to expand its still-to-be-opened Ridley Island energy export facility, the first 55,000 b/d phase of which is scheduled to start up in late 2026.

By Chris Baltimore

STEEL AND STEEL FEEDSTOCKS

China's coking coal prices hit near 7-month high

China's premium low-volatile (PLV) hard coking coal cfr price climbed to a near seven-month high on 12 August, mainly driven by the ongoing output and capacity inspections in domestic key mining hubs and a modest improvement in downstream demand.

The Argus-assessed PLV coking coal price to China hit a near five-year low of \$156.60/t cfr on 25 June, marking the lowest level since \$152.20/t cfr on 17 November 2020. The index has rallied since then and was assessed at \$184.70/t on a cfr basis on 12 August, up by about \$26.80/t from a month earlier. The second-tier price also rose by \$24.35/t on the month to \$169.25/t cfr north China.

The increase in imported coking coal prices tracked the rise in domestic coking coal prices, particularly in the country's coal hub Shanxi. The price of low-sulphur prime coking coal in Anze, Linfen, reached 1,500 yuan/t (\$208.40/t) in early August, compared with only Yn1,170/t in early July.

A mild recovery in downstream steel prices and at least five rounds of coke price hikes – totalling Yn250-275/t – since mid-July have kept the coking coal market underpinned by bullish downstream performance and supported spot coking coal prices.

A steady flow of optimistic macroeconomic and policy signals have also buoyed overall market sentiment and supported notable growth in the futures market.

China's Central Financial and Economic Affairs Commission on 1 July called for curbing aggressive price cuts, disorderly competition and urged companies to improve product quality. It also supported the orderly phase-out of outdated production capacity.

Xie Shaofeng, chief engineer of the Ministry of Industry and Information Technology (MIIT), on 18 July announced that the work plans for 10 key industries, including the steelmaking sector, would be released soon to optimise supply and eliminate outdated capacity.

STEEL AND STEEL FEEDSTOCKS SPOTLIGHT

Explosion at US Steel Pennsylvania coke plant
China's coking coal prices uncertain
India steel makers seek Chinese wire rod AD duty

Supply curbs

Domestic coking coal prices started to climb as local authorities intensified inspections on the production and capacity of coal mines, sparking some concerns over tighter supply.

Huozhou Coal Electricity Company, a subsidiary of China's top state-run coking coal producer Shanxi Coking Coal Group, has advised its affiliated coal mines to reduce their statutory working days this year to 276 days from the usual 330 days, reinforcing market expectations of tightening supply.

The move was widely interpreted as a signal that the government would take steps to curb excess capacity, market sources said, and this also prompted significant movement in the derivatives market in July.

Coking coal futures on the Dalian Commodity Exchange remained strong since mid-July, with prices hitting the daily upper limit on several consecutive days at the end of the month. But the rally is driven more by sentiment rather than fundamentals, some market participants said.

The rapid gains in the short term may not be sustainable, market sources said. Some high-priced domestic coking coal grades have stabilised after retreating somewhat in early August.

Downstream demand may also face headwinds, as steel mills and coke factories in north China are expected to cut output in response to government orders ahead of the military parade on 3 September in Beijing.

The price of low-sulphur prime coking coal in Anze, Linfen, fell to Yn1,470/t in recent days, indicating price volatility. And the sixth round of coke price hikes proposed by coke firms is still pending, with the market awaiting the final decision from steel mills.

Deadly explosion limits US Steel coke output

US Steel's Clairton coke plant in western Pennsylvania is operating at a limited capacity following a massive explosion on 11 August that killed two people.

The explosion occurred at the plant's coke batteries 13 and 14, which were operating as normal, US Steel told Argus.

The Clairton plant is now operating and producing coke at

a limited capacity, the company said. It could not provide the number of batteries in operation.

An investigation into what caused the explosion began on Tuesday.

The plant is located approximately 20 miles south of Pittsburgh and is part of US Steel Mon Valley Works.

Clairton has a production capacity of 3.6mn short tons/yr of coke, according to the company. US Steel has taken numerous coke batteries offline in recent years. It [permanently idled coke battery No 15 in 2024](#) as part of a consent decree with multiple state agencies to upgrade environmental controls. The company also shut down three coke batteries in [March 2023](#).

Japanese steelmaker Nippon Steel agreed with the US government to [invest \\$2.4bn into the Mon Valley Works](#) by 2028 when it bought US Steel in [June](#).

By Brad MacAulay

Vale loses lawsuit over Colombian coal dispute

Brazilian mining company Vale, which used to operate the Colombian Natural Resources (CNR) coal mine, has lost its lawsuit against the Colombian government over the relocation of towns near coal-producing provinces in the province of Cesar, Colombia's national agency for legal defence of state (ANDJE) has said.

Colombia's highest administrative court upheld the decision issued by a separate regional court that ordered Vale to participate in the resettlement of communities affected by coal mining in Cesar province.

Colombia's environment ministry in 2010 ordered US-based Drummond, Switzerland-based Glencore and CNR to relocate about 1,500 inhabitants of the towns of Plan Bonito, El Hatillo and Boqueron elsewhere in the Caribbean province of Cesar because of their high levels of exposure to coal dust.

Vale alleged that the environment ministry had exceeded its powers by imposing resettlement obligations on individuals and questioned the existence of technical evidence to support the ruling.

But both Colombian courts concluded that Vale's environmental license contained a provision that obliged the company to relocate communities.

The ruling saved Colombia from having to pay out 223.25bn Colombian pesos to Vale, according to ANDJE.

"This judicial victory represents a significant precedent, reaffirming the inescapable responsibility of companies to

comply with the environmental conditions of their licenses and to mitigate the social impacts that their operations may generate," ANDJE director Cesar Palomino said.

Vale sold its Colombian coal assets, which had output capacity of 3mn t/yr, to the local unit of Goldman Sachs for \$407mn in May 2015. The operations were relatively small and too costly to run, the company said at the time.

By Diana Delgado

FREIGHT

Bauxite fueling minor bulk: Star Bulk

The global "minor" dry bulk trade that excludes grains, iron ore and coal shipments will increase faster than previously projected in 2025 on strong bauxite exports out of west Africa, according to dry bulk shipowner Star Bulk.

Star Bulk projects that for 2025 the minor bulk trade will grow by 2.1pc on the year in tonnes, and 3.6pc in tonne-miles, rising by 1.7 and 2.8 percentage points, respectively, from its first quarter estimates.

The minor bulk trade, which has a strong correlation with global GDP growth, will perform better than expected in 2025 supported by the improved outlooks on global economic growth [as published by the IMF](#), according to the shipowner.

The increase in the minor bulk trade is underpinned by higher bauxite exports out of west Africa, according to Star Bulk. Bauxite exports out of west Africa reached 89mn t in the first half of 2025, up by 33pc on the year, according to Kpler.

Higher bauxite exports out of west Africa will support tonne-mile demand for the Capesize vessel segment which carries bauxite, according to Star Bulk.

Star Bulk reported a profit of \$39,000 in the second quarter of 2025, down from a profit of \$106mn in the second quarter of 2024. The average time charter equivalent (TCE) rate earned by its fleet dropped to \$13,624/d in the second quarter of 2025, down from the average TCE of \$19,268/d earned in the second quarter of 2024, which cut revenue by \$105mn to \$247.4mn.

Star Bulk's fleet is comprised of 138 bulk carriers, including 17 Newcastlemaxes, 16 Capesizes, 38 Kamsarmaxes, 48 Ultramax and 11 Supramaxes. Its Ultramax and Supramax fleet was bolstered by its acquisition in 2024 of minor bulk-focused Eagle Bulk, increasing Star Bulk's exposure to the minor bulk trade dominated by these vessel segments.

By Charlotte Bawol

REFINERY OPERATIONS UPDATE

US Gulf coast

■ ExxonMobil reported flaring caused by an unspecified operating condition on 12 August at its 609,000 b/d refinery in Beaumont, Texas. The company did not disclose the affected refinery units.

■ Motiva's 626,000 b/d refinery in Port Arthur, Texas, underwent flaring on 10 August. The company did not disclose which units were affected. On 1 August, the refinery experienced a process upset that resulted in flaring.

■ TotalEnergies reported flaring caused by stormy weather at its 238,000 b/d refinery in Port Arthur, Texas, on 11 August. Heavy rainfall and lightning tripped an unspecified unit, resulting in seven hours of flaring from the east, south, and north flares. The company did not disclose any other units affected by the rainy weather. TotalEnergies will be conducting a turnaround at the refinery from August to October. This will include work on the 165,000 b/d crude unit, alkylation unit, catalytic reformer and four hydrotreaters.

■ US refiner Phillips 66 reported flaring of excess sulphur dioxide (SO₂) at its 149,000 b/d refinery in Borger, Texas, on 10 August. The SO₂ levels from the west flare exceeded 500lbs, resulting in flaring on 11 August. The company did not disclose any other affected units. Phillips 66 last reported flaring at the refinery on 2 August when an upset resulted in emissions of sulphur dioxide for five hours.

US west coast

■ Chevron's 269,000 b/d refinery in El Segundo, California, began flaring on 6 August. The company did not immediately disclose the reason for the flaring. The El Segundo refinery last flared on 25 July, with the reason for that flaring incident listed on the notification system as unknown.

India

■ Indian state-controlled oil refiner IOC has partially halted operations at its 275,000 b/d Koyali refinery until 7 September for a planned maintenance. Work on the fluid catalytic cracker and gas hydrotreating unit has been in progress since early August, and the refinery is expected to run on lower capacity until mid-September. Further details were not disclosed. The refinery underwent work on the motor spirit quality unit, fifth crude distillation unit (CDU) and hydrocracker unit in April after a planned maintenance at its FPU-II feed preparation unit, its AU-3 CDU and its hydrocracker was completed in March. IOC's 301,000 b/d facility at Paradip is also undergoing maintenance at its catalytic reformer until the end of this month.

Russia

■ A fire was extinguished at the 120,000 b/d Afipsky refinery in Russia on 7 August. The fire was caused by debris from a downed drone. It ignited a unit processing gas and gas condensate. No further details on damage or casualties were provided. A series of drone attacks from Ukraine have targeted Russian refineries this year.

Announcement

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

Risk Management Data Services Expanded

Introducing Argus North American Natural Gas and Electricity Implied Volatility Curves

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ANODE COKE MARKET

Chinese GPC continues to rise

Anode-grade green petroleum coke (GPC) in China continued to rise this week because of firm demand from the battery anode industry and higher prices from domestic refiners.

At least two Chinese domestic low-sulphur GPC producers lifted their prices this week by Yn50-100/wet metric tonne (\$18-\$22/wmt) to Yn3,650-3,760/wmt.

Seaborne GPC prices also increased in China. A cargo of South American low-sulphur GPC was heard to have sold in the low-\$400s/wmt fob late last week, equivalent to the mid-to-high \$400s/wmt on a cif China basis. A cargo of this coke last sold to China in the \$380s/wmt fob in July.

At least two other South American refiners, as well as refiners in eastern European and former Soviet Union countries, also offered September-loading cargoes of low-sulphur GPC to the Chinese market over the past week.

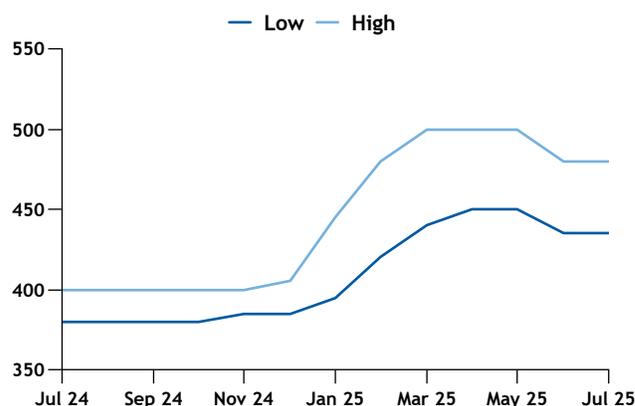
Multinational petroleum coke calciner [Rain Industries](#) said in its quarterly earnings report that it continues to face a challenge to its GPC raw material pricing and availability because of growing demand from the battery anode industry. Strong demand from battery anode manufacturers and an expected increase in battery production in the coming months has helped to support China's domestic and seaborne GPC prices. China's production of power and energy storage batteries [rose by 44pc from a year earlier](#) in July because of firm demand from the new energy vehicle (NEV) sector, according to the China Automotive Battery Innovation Alliance. The country [produced about 1.24mn NEVs in July](#), up by 26pc on the year, as the government extended incentives. Major cities such as Beijing and Shanghai have also continued to ease NEV purchasing restrictions this year.

Monthly anode-grade coke assessments: Jul					\$/t
Assessment date:	6 Aug 25	Sulphur	Low	High	Mid
Green					
cif US Gulf, dry basis		0.8%	380.00	415.00	397.500
		3.0%	190.00	210.00	200.000
		5.0%	98.00	122.00	110.000
cif China, as received		0.8%	370.00	435.00	402.500
ex works China, as received Yn/t		0.8%	3,300.00	4,200.00	3,750.000
		3.0%	2,000.00	3,150.00	2,575.000
fob Mideast Gulf, as received		4.0%	275.00	325.00	300.000
Calcined					
fob US Gulf		3.0%	435.00	480.00	457.500
fob China		3.0%	420.00	480.00	450.000
cif Europe		1.5%	420.00	465.00	442.500
cif Mideast Gulf		3.0%	480.00	525.00	502.500

Next assessment date: 10 Sep 25

Calcined fob USGC 3% sulphur

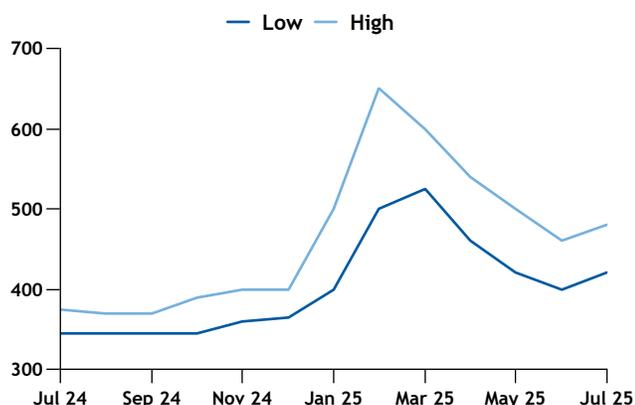
\$/t



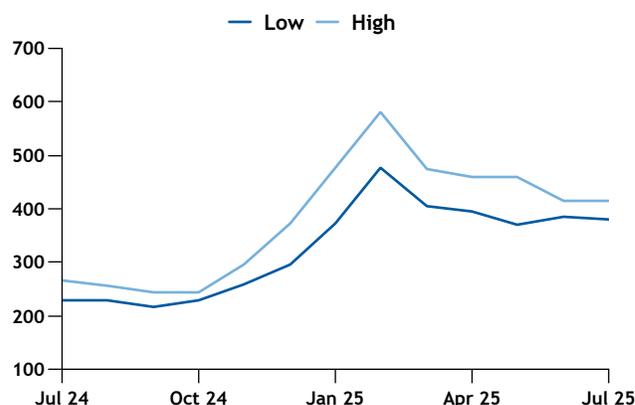
Monthly anode-grade coke assessments											\$/t
	Sulphur	May 25			Jun 25			Jul 25			Mid
		Low	High	Mid	Low	High	Mid	Low	High		
Green											
cif US Gulf, dry basis	0.8%	370.00	460.00	415.000	385.00	415.00	400.000	380.00	415.00	397.500	
	3.0%	190.00	215.00	202.500	177.00	215.00	196.000	190.00	210.00	200.000	
	5.0%	101.00	126.00	113.500	100.00	125.00	112.500	98.00	122.00	110.000	
cif China, as received	0.8%	350.00	450.00	400.000	350.00	420.00	385.000	370.00	435.00	402.500	
ex works China, as received Yn/t	0.8%	3,150.00	4,070.00	3,610.000	3,100.00	3,930.00	3,515.000	3,300.00	4,200.00	3,750.000	
	3.0%	1,900.00	3,250.00	2,575.000	1,900.00	2,950.00	2,425.000	2,000.00	3,150.00	2,575.000	
fob Mideast Gulf, as received	4.0%	300.00	345.00	322.500	230.00	320.00	275.000	275.00	325.00	300.000	
Calcined											
fob US Gulf	3.0%	450.00	500.00	475.000	435.00	480.00	457.500	435.00	480.00	457.500	
fob China	3.0%	420.00	500.00	460.000	400.00	460.00	430.000	420.00	480.00	450.000	
cif Europe	1.5%	425.00	460.00	442.500	420.00	465.00	442.500	420.00	465.00	442.500	
cif Mideast Gulf	3.0%	480.00	560.00	520.000	480.00	525.00	502.500	480.00	525.00	502.500	

ANODE COKE MARKET

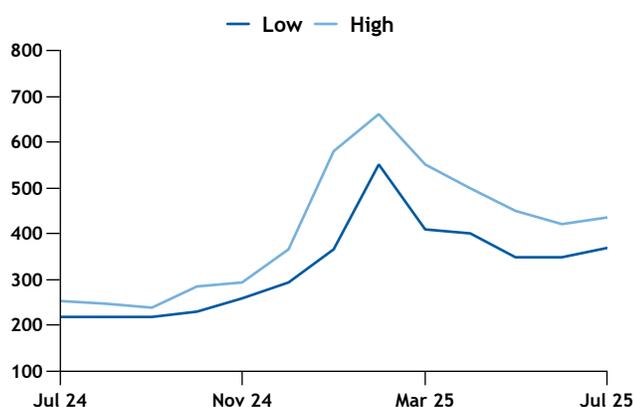
Calcined fob China 3% sulphur \$/t



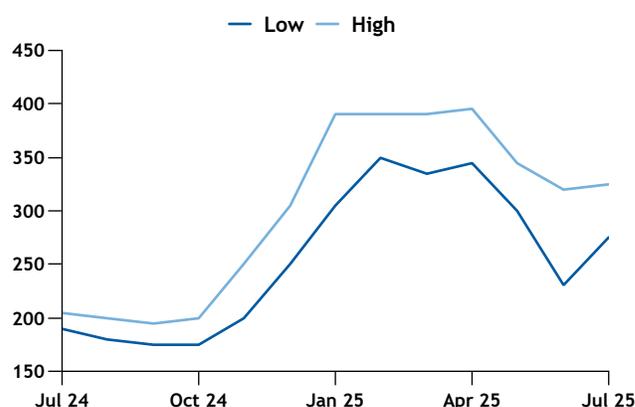
Green cif USGC 0.8% sulphur \$/t



Green cif China 0.8% sulphur \$/t



Green fob Mideast Gulf 4% sulphur \$/t



Chinese graphite anode materials producer Qingdao Xintaihe Nano Technology said on 9 August that it [plans to begin construction](#) on the second 50,000 t/yr phase of its graphite anode production plant in Shandong province in May 2026, to be completed in three years.

The stronger demand for low-sulphur coke from the battery materials market was supporting higher-sulphur GPC prices as well.

A US-based refinery was heard to have sold a cargo of medium-sulphur GPC to China in the low-\$200s/wmt fob, similar to or potentially higher than the last tender for this coke, despite the tender closing before the [US-China trade truce extension](#) was finalised on 11 August.

A tender from a UAE-based refiner for a 3.8pc sulphur September-loading GPC cargo was also expected to close this week, but the final price was not yet clear.

Prices for stockpiled Saudi Arabian sponge coke also increased, despite sufficient stockpiles at Rizhao port. Stockpiled coke from the Saudi Aramco-Sinopec joint-venture 400,000 b/d Yasref refinery in Yanbu was offered around Yn1,300-1,500/wmt, equivalent to about \$149-\$170/wmt cfr China, which was up from trades at Yn1,180-1,350/wmt earlier this month. Rizhao port stockpiles of this coke are estimated to be sufficient to meet demand at around 200,000t, but prices for local sponge coke have also increased, which may have contributed to the boost in stockpiled prices, a trader said. A Chinese refiner sold a cargo of 7-7.5pc sulphur, 350ppm vanadium sponge coke at Yn2,060/wmt in a tender late last week, up by Yn330/wmt from a previous trade.

In the US market, GPC and calcined coke demand could ultimately get a boost as well, after Century Aluminum said it will [restart](#) more than 50,000t/yr of previously idled produc-

ANODE COKE MARKET

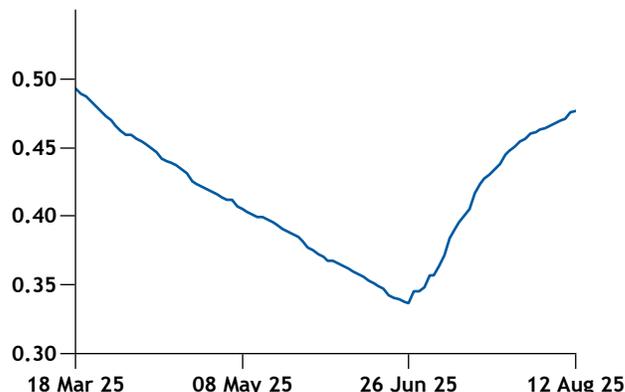
LME aluminium prices

\$/t



LME aluminium warehouse stocks

mn t

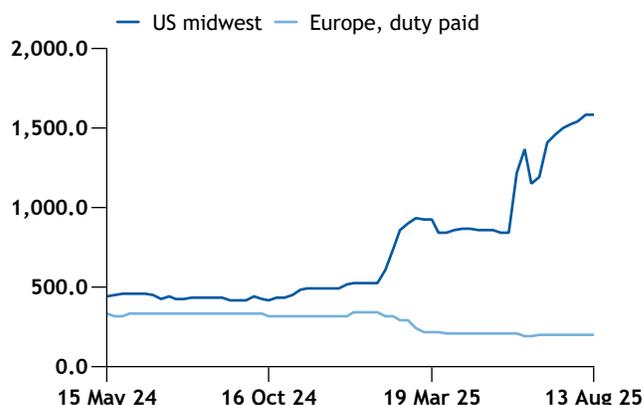


tion at its Mt Holly, South Carolina, smelter – one of only four primary aluminium smelters in the US – by 30 June 2026. Century attributed the decision to President Donald Trump’s 50pc Section 232 [tariffs on imported aluminium](#).

But other global smelters are seeing negative effects on their earnings from shifting trade flows and geopolitical tensions. Saudi Arabian aluminium producer Ma’aden’s aluminium sales volumes dropped by 8pc to 280,000t in the first half, and [earnings were down by 3pc on the year](#). Brazilian aluminium company CBA’s aluminium sales were down by 7pc on the year and the company is [counting on more exports](#) to China, Latin America and Europe to offset declines to the US following the 50pc tariffs.

Aluminium premiums

\$/t



ANODE COKE NEWS

Rain CPC sales, prices increase in 2Q

A surge in Chinese calcined petroleum coke (CPC) prices helped to boost India-based Rain Industries’ CPC sales and pricing during the second quarter, but the company does not expect the Chinese market to continue to support pricing for the rest of the year.

“This price surge in China created a favourable window for us to increase volumes for our calcination plants in India,” managing director Jagan Reddy said. “However, we must acknowledge that the Chinese CPC price surge earlier in the second quarter, which helped to boost our earnings, began to contract at the end of the second quarter.”

The Argus fob China 3pc sulphur CPC price averaged \$463/t in April-June, up by \$101/t from the same period in 2024. This price had also reached \$575/t in February, its highest point in two years. But by the end of the second quarter, fob China 3pc sulphur CPC had fallen to \$430/t.

Sales volumes for Rain’s carbon products, which includes CPC and coal tar pitch (CTP) totalled 664,000t in the second quarter, up from 615,000t in the same period the previous year. Revenue in this segment rose by 14pc to 32bn rupees (\$365mn) during the quarter.

The growth in sales volumes and revenue was largely driven by stronger performance in the company’s CPC busi-

ness, which Reddy attributed to “higher capacity utilisation of Indian calcination plants following the relief from import restrictions” and higher prices for the material supported by the surge in Chinese CPC prices. Rain earlier this year secured the highest [GPC import allocation](#) from India’s Directorate General of Foreign Trade at 462,589t and also began to [ship its US-origin CPC](#) to its Indian operations for the first time in six years at the end of 2024.

But geopolitical issues continue to cause concern over “stability in volumes and margins,” the company said. While Rain said tariffs have had no material impact on its business so far, the company is still “closely monitoring” recent tariff measures the US has imposed on Indian exports.

“While we recognize that market conditions remain volatile and not yet stable enough to sustain this level of performance in the near term, we are encouraged by the momentum we have built,” Reddy said.

Rain also said that raw material availability remains a challenge, especially with growing demand for green petroleum coke (GPC) from the battery anode industry. Rain continues to navigate securing high-quality raw materials at competitive prices, as it works to [ramp up CPC production](#) in India.

Rain posted a profit of Rs2.1bn in the second quarter, compared with a loss of Rs33.5bn a year earlier.

By Hadley Medlock

Century Aluminum to restart US smelter

Century Aluminum will restart more than 50,000t/yr of previously idled production at its Mt Holly, South Carolina, smelter.

The company will invest \$50mn in the project and expects to ramp up to full production of 229,000t/yr by 30 June 2026, up from currently operating at 75pc capacity. The Mt Holly smelter is one of only four primary aluminium smelters in the US.

Chief executive officer Jesse Gary attributed the company’s ability to restart the smelter to President Donald Trump’s imposition of 50pc Section 232 tariffs on imported aluminium.

By Jenna Baer

Century Aluminum expects post-tariff boon in 3Q

US-based primary aluminium producer Century Aluminum is attributing increased demand and restarting of idled capacity to the imposition of the Section 232 tariff on primary aluminium.

The company said it did not begin to benefit from the rapidly increasing Midwest premium because of contractual lags

ANODE SPOTLIGHT

[Indian Al scrap pressure could rise in Europe](#)
[Rio Tinto to expands bauxite mining in Australia](#)
[YPF continues expansion despite headwinds](#)
[YPF to repurpose refinery to \\$400mn SAF plant](#)
[Petrobras 2Q spending up by 31pc, drives output](#)
[Ford to invest \\$5bn in electric trucks, batteries](#)
[GM, Hyundai team up to move away from EVs](#)
[China’s EV output, sales extend gains in July](#)
[China battery output, installations rise in July](#)
[China’s Zhengkunyuan to build battery LMFP plant](#)
[China’s CATL shuts major lithium mine in Jiangxi](#)
[CATL mine shutdown to boost China lithium prices](#)
[Chinese battery recyclers eye Li uptrend](#)
[PetroChina Jieyang exports 3 cargoes in one day](#)

until the second quarter, but a 25pc tariff on primary aluminium went into effect on 12 March. Revenues in the quarter rose by 12pc to \$628.1mn from the year prior period.

Century’s quarterly primary aluminium shipments rose 4.7pc to 175,741t and it maintained its full-year delivery guidance of 700,000t of aluminium products.

The company noted it would not fully reap financial benefits from the now 50pc tariff on primary aluminium imports, which led the spot Midwest premium to rise to \$1,600/t, until the fourth quarter. The average regional premium increased by \$248/t to \$850/t in the second quarter.

The company announced plans to restart [more than 50,000t](#) of previously idled production at its Mt Holly, South Carolina, smelter, to meet increased demand for domestic material. Century’s domestic billet shipments increased 8pc in the first half of the year, from the year prior, as downstream customers shifted supply back to the US to avoid the impact of tariffs.

The company anticipates demand growth will continue to outpace global supply as China nears its production cap.

The company reported a quarterly loss of \$4.6mn, larger than the \$2.5mn loss from the year prior.

Although US tariffs are expected to boost earnings for primary aluminium producers like Century, US downstream aluminium producers are bracing for steep costs. Aluminium-roller [Novelis expects tariffs may cost the company](#) as much

as \$60mn in the second quarter. And US aluminium extrusions producer Bonnell Aluminum said [orders declined by 20pc](#) after the [Section 232 tariffs on steel and aluminium increased to 50pc](#) on 4 June.

By Jenna Baer

Brazil's CBA pivots aluminium exports from US

Brazilian aluminium company CBA will pivot its exports from the US to Europe, Latin America, and Brazil's domestic market to shield the company from 50pc US tariffs on aluminium and other Brazilian exports.

CBA said that it is not taking the step alone as competitors have also increased their supplies both domestically and in Europe, executives said during an earnings call on Thursday.

The additional duties could have an estimated impact of R1.15bn (\$210mn) on the aluminium supply chain by the end of 2025, according to the Brazilian aluminium association Abal.

Exports to the US represent a small portion of CBA's total sales, it said. The company sold 119,000t of aluminium across all markets in the second quarter, down by 7pc from a year earlier. Domestic sales accounted for 91pc of the volume, with the remaining 9pc directed to foreign markets. The specific volume delivered to the US was undisclosed.

CBA is betting on strong demand from China and Brazil to offset the loss of exports to the US. Low official inventories on the London Metal Exchange (LME) may help ease price pressure caused by the US tariffs, the company said.

Domestic demand has been steady in CBA's key sectors, including construction, energy, and transportation, it said.

Primary aluminium output at CBA fell to 86,000t, down from 90,000t in the same period a year prior. The company attributed the decline to scheduled maintenance at one of its alumina refineries and the temporary shutdown of several liquid aluminium furnaces. The facilities have since resumed operations, and ramp-up has started. The company expects production to gain traction in the coming quarters.

Still, CBA committed to sourcing an additional 30,000t of alumina in the third quarter, as a precaution to ensure all deliveries are fulfilled.

CBA had already purchased 31,500t of alumina in the second quarter. The move increased its final production costs, despite a decline in energy prices.

Higher production costs and sales and price declines led CBA to a R73mn (\$13.3mn) loss in the second quarter, flat from a year earlier.

By Isabel Filgueiras

Ma'aden's Al earnings dip in 1H after weaker 2Q

Saudi Arabian commodities firm Ma'aden has reported slightly lower earnings in its aluminium business in the first half of 2025 on a year-on-year basis, as declines in the second quarter dragged results lower owing to weaker aluminium prices as well as shifting trade flows and geopolitical tensions that weighed on demand.

Ma'aden reported earnings before interest, taxes, depreciation and amortisation (ebitda) of 1.47bn riyals (\$391mn) in the first half of this year, down by 3pc on the year, while second-quarter ebitda dropped by 20pc from the previous quarter to SR656mn. Sales revenues climbed by 15pc over the first half of the year to SR5.26bn, but fell by 6pc on the quarter to SR2.55bn in April-June.

Ma'aden manufactures alumina to feed its smelting operations, and further processes the aluminium into flat-rolled products (FRP). The company produced 939,000t of alumina in the first half of the year, down by just 1pc from the same period a year earlier, with external sales volumes reaching 131,000t, down by 17pc. Second-quarter output fell by 4pc on the quarter to 461,000t, and second-quarter sales were down by 19pc to 59,000t.

Aluminium production was 496,000t in the first half, up by 2pc on the year, while sales dropped by 8pc to 280,000t. Second-quarter aluminium output was down by 1pc on the quarter to 247,000t, and sales fell by 6pc to 136,000t.

FRP output jumped by 31pc on the year to 154,000t in the first half, and was 1pc higher on the quarter in April-June, at 78,000t.

"The aluminium market continues to be shaped by external uncertainty in the near term, however medium to long-term market fundamentals for aluminium remain favourable as global demand is expected to outpace supply," Ma'aden said.
By Jethro Wookey

EGA delivers first Al made with nuclear power

UAE-based producer Emirates Global Aluminium (EGA) and Emirates Nuclear Energy Company (ENEC) for the first time have delivered aluminium produced using carbon-free nuclear energy, they announced on 7 August.

ENEC provides about a quarter of the UAE's energy needs and has supplied power to EGA from the Barakah nuclear plant in the Al Dhafra region of Abu Dhabi. The aluminium was sold under the MinimAL brand to Egyptian downstream producer Canex Aluminum.

EGA's other low-carbon aluminium brand, CelestiAL, is

produced in Dubai using solar power and has been supplied to German automaker BMW since 2023.

“Global demand for low-carbon aluminium is expected to triple by 2040, and EGA aims to play an important role in this growth,” chief executive Abdunnasser Bin Kalban said.

By Jethro Wookey

Kuwait’s Mina Abdullah refinery plans turnaround

Kuwait’s state-owned refiner Kuwait National Petroleum (KNPC) will shut several units at its 490,000 b/d Mina Abdullah (MAB) refinery for a planned maintenance beginning on 1 October, according to sources close to the refiner.

The maintenance work is expected to last for around 30 days and includes one of the two crude distillation units (CDUs) which has a capacity of 264,000 b/d, a 50,000 b/d atmospheric residue desulphurisation unit, and a kerosene hydrotreating unit, among others.

Latest figures from Opec’s annual statistical report showed that Kuwait’s domestic refining capacity increased to 1.45mn b/d in 2024 from 1.41mn b/d a year earlier. The increase was driven by the addition of 36,000 b/d of capacity at the Mina Abdullah refinery in 2024, which boosted its overall capacity by 9pc from 454,000 b/d. KNPC in 2021 completed its Clean Fuels Project, which integrated the Mina al-Ahmadi and Mina Abdullah refineries into a combined complex.

By Rithika Krishna

Chinese refiners cut oil product exports in July

Chinese refiners exported less oil products in July, largely because fuel oil shipments returned to typical levels after an unusual surge in June.

China exported 5.3mn t of oil products in July, including gasoline, diesel, jet fuel and fuel oil, equivalent to around 1.36mn b/d, preliminary data from the General Administration of Customs show. This represents a drop of 40,000 b/d or 3.1pc from June, but a rise of 90,000 b/d or 7.2pc compared with the same month in 2024.

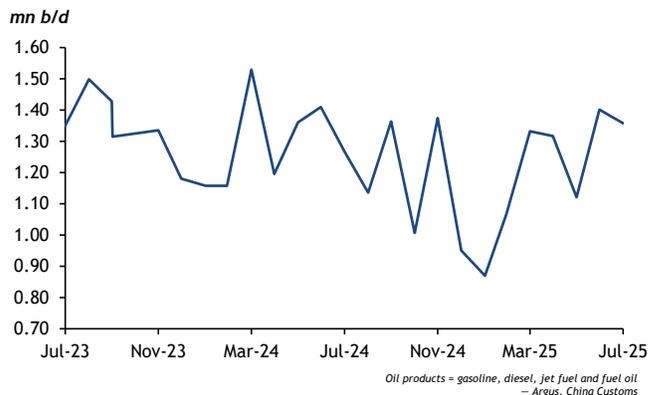
Average oil product exports from January-July were 1.21mn b/d, down by 6.9pc on the year. A detailed breakdown of July exports by product is not yet available.

Chinese oil companies planned to export a combined 1.039mn b/d of gasoline, diesel and jet fuel in July, compared with 764,000 b/d of actual exports in June.

A possible drop in fuel oil exports likely drove the overall decline in July exports, given that refiners aimed to increase gasoline, diesel and jet fuel shipments. China’s fuel oil exports

China’s oil product exports

(mn b/d)



surged to 499,000 b/d in June, up from 257,000 b/d in May and 406,000 b/d a year earlier, largely because of a temporary jump in bonded bunker fuel deliveries.

Companies usually base their export plans on the previous month’s margin levels. July export plans were made in June, when gasoline margins weakened slightly to -\$6.29/bl from -\$6.10/bl in May, and jet fuel margins declined further to -\$9.64/bl from -\$9.44/bl over the same period. Diesel margins rose to -\$7.49/bl, up from -\$8.26/bl a month earlier. Export margins are calculated as the Singapore spot price minus domestic supply costs and freight.

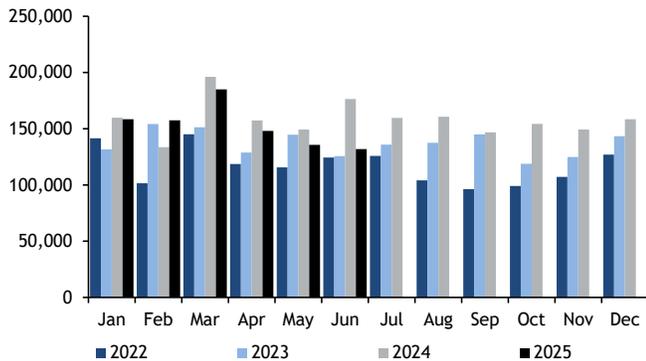
China’s domestic refining margins were stronger in July compared with a year earlier. The gasoline crack spread in Bohai Bay averaged \$12.69/bl, up by \$0.53/bl from June, while the diesel crack averaged \$19.82/bl, falling by \$0.87/bl on the month. Both spreads were still significantly stronger than in July 2024.

China’s Ti dioxide to fall below 5-year lows

Chinese titanium dioxide prices are expected to stay on a downtrend in the near term because of lower production costs, weak demand from downstream sectors and reduced buying from overseas consumers following a series of anti-dumping measures on Chinese exports, market participants said.

Dioxide prices have hit a five-year low and have stayed on a downward trajectory since 24 April. The price range for 93pc rutile grade dioxide was assessed at 12,200-13,200 yuan/t (\$1,699-1,838/t) ex-works on 7 August – the lowest since 11 August 2020 – down by 15pc at the midpoint from the Yn14,500-15,300/t range assessed on 24 April.

China's titanium dioxide exports in 2022-25.pdf (t)



Prices for 46pc grade concentrate feedstock have continued to fall since 29 July as there is enough spot supply and due to slow buying and lower bids from dioxide producers. The dioxide producers have been bidding lower as they face narrower profit margins or losses in the dioxide sector. Argus assessed 46pc grade concentrate at Yn1,630-1,680/t ex-works with 13pc value-added tax unpaid on 7 August, the lowest level since 4 July 2023, down by 2.4pc at the midpoint from Yn1,670-1,720/t ex-works on 29 July.

Most dioxide producers are facing losses because of higher spot stocks and falling demand from consumers in and outside China. Some producers have cut or suspended their output during the seasonal lull in June-August to cope with the persistent weak demand and thin profit margins. Private-sector dioxide producer Anhui Annada Titanium industry released its semi-annual earnings report on 30 July, swinging from profit to a loss for the period.

China's exports of titanium dioxide have faced challenges since July 2024 because of trade restrictions imposed by the EU, Brazil, India, Saudi Arabia and the Eurasian Economic Union, which includes Russia, Kazakhstan, Belarus, Kyrgyzstan and Armenia. The European Commission on 13 July 2024 announced final anti-dumping duties on imports from China, with 39.7pc on LB, 14.4pc on Anhui Gold Star, 35pc on other co-operating companies during the investigation and 39.7pc on all other companies.

The export market has weakened further since May because India – the largest buyer of China's dioxide – imposed definitive anti-dumping duties on imports from China on 10 May. China exported 131,931t of dioxide in June, down by 25pc from 176,386t a year earlier and by 2.7pc from 135,626t in May.

China exported 916,557t of dioxide over January-June, down by 5.8pc from 973,024t in the same period of 2024, according to Chinese customs data.

Most international consumers have continued to reduce dioxide buying from China as they have enough stocks, and due to a slowdown in the global coating market. This has pressured China's export prices. Argus assessed export price for 93pc rutile grade dioxide at \$1,750-1,850/t fob China, down by 12pc at the midpoint from \$2,000-2,100/t fob China on 24 April.

China's Xintaihe plans graphite anodes expansion

Chinese graphite anode materials producer Qingdao Xintaihe Nano Technology plans to build the second phase of its production plant in Laixi city in east China's Shandong province in 2026.

The second phase has a designed production capacity of 50,000 t/yr for anode materials used in the production of lithium-ion batteries, the firm said on 9 August. Site construction is scheduled to start on 6 May 2026 and be completed on 5 May 2029.

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The 50,000 t/yr first phase of the project was put into production in August 2023.

Many Chinese companies have accelerated capacity expansion in recent years given buoyant downstream demand. Domestic new materials producer Guangzhou Rongjie Energy has also completed construction of [its 50,000 t/yr anode materials plant](#) and is on track to start trial production in August.

The global graphite market will increase to \$13.35bn in 2032 from \$8.32bn in 2025, in response to stronger lithium-ion

battery demand from the downstream electric vehicles, storage power, consumer electrics and electric tools industries, according to the International Energy Agency.

China's new energy vehicle (NEV) production and sales increased further in January-July in response to firm consumer demand and the government's continued incentives. The country produced 8.232mn NEVs over January-July, up by 39pc compared with the same period in 2024. Sales also increased by 39pc to 8.22mn over the same period, according to the China Association of Automobile Manufacturers.



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