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Argus Benzene and Derivatives

Formerly Argus DeWitt Benzene and Derivatives

Issue 20-33 Thursday 13 August 2020

HIGHLIGHTS

Americas

- Benzene lowered slightly in thin trade.
- Styrene declined as netbacks fell.

Europe

- Benzene eased on limited trading activity.
- Styrene edged higher on firmer buying interest.

Asia-Pacific

- Benzene prices fell while the contango widened despite margins pressure.
- Styrene monomer oversupply pressured prices to a two-month low.

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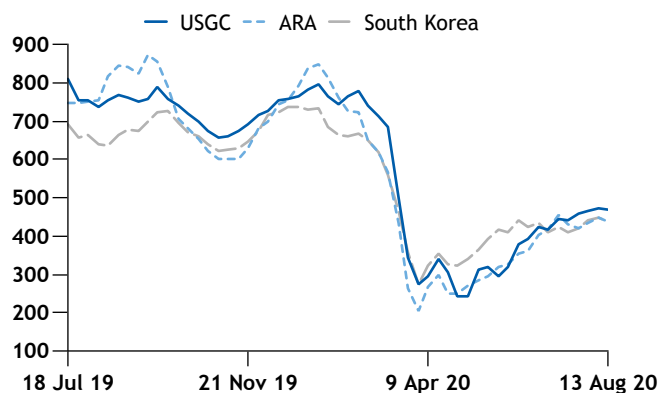
MARKET SNAPSHOTS

Global benzene prices					\$/t
	Timing	Low	High	Mid	±
Americas					
fob USGC contract	Aug	457.93	457.93	457.93	nc
USGC spot	Prompt	469.90	469.90	469.90	-1.50
Europe					
cif NWE contract	Aug	440.00	440.00	440.00	nc
cif ARA spot weekly average	Prompt			436.00	-11.50
Asia-Pacific					
cfr South Korea contract	Aug	430.40	440.00	435.20	nc
cfr Taiwan contract	Aug	432.40	440.00	436.20	nc
cfr Asean contract	Aug	425.40	440.00	432.70	nc
fob South Korea	Marker			436.31	-12.88
cfr China	Prompt	435.00	450.00	442.50	-2.50

Benzene breakeven price from toluene conversion				\$/t
Process	Asia-Pacific	Western Europe	US Gulf coast	
STDP	364.17	304.05	372.11	
TDP	357.71	407.93	521.12	
HDA	503.75	518.75	588.35	

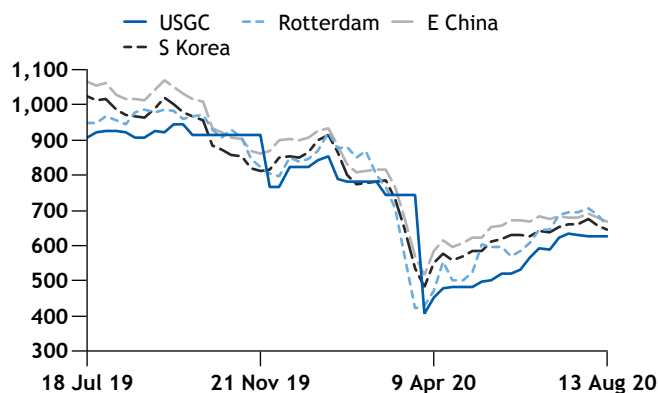
Global benzene prices

\$/t



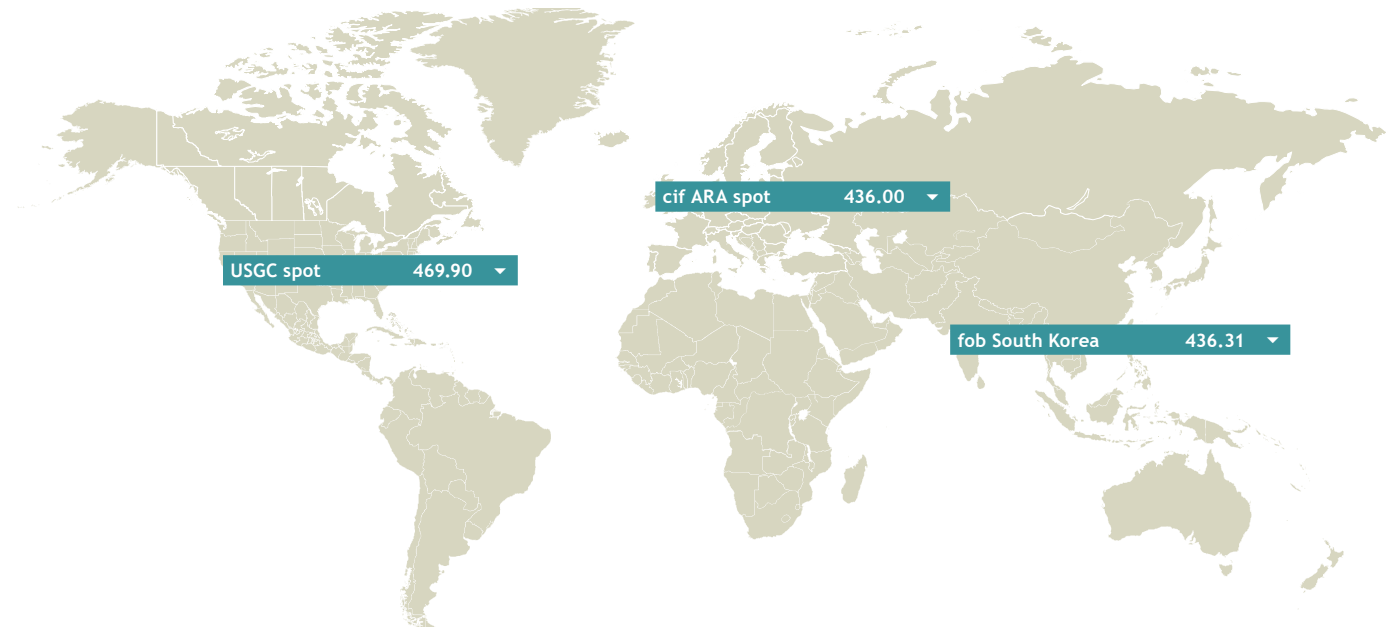
Global styrene prices

\$/t



GLOBAL PRICES

\$/t



USGC benzene premium to USGC gasoline

¢/USG

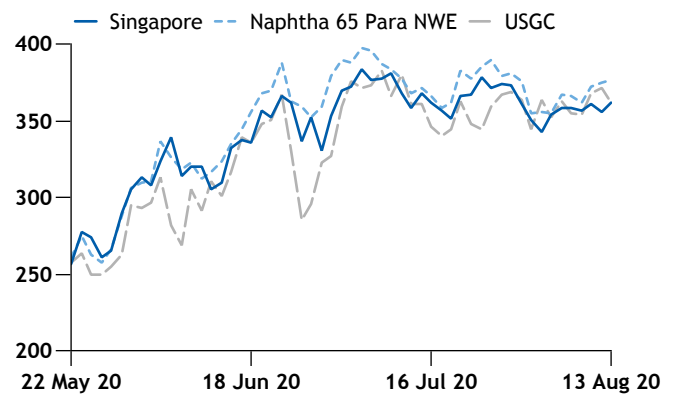
Global naphtha prices

\$/t



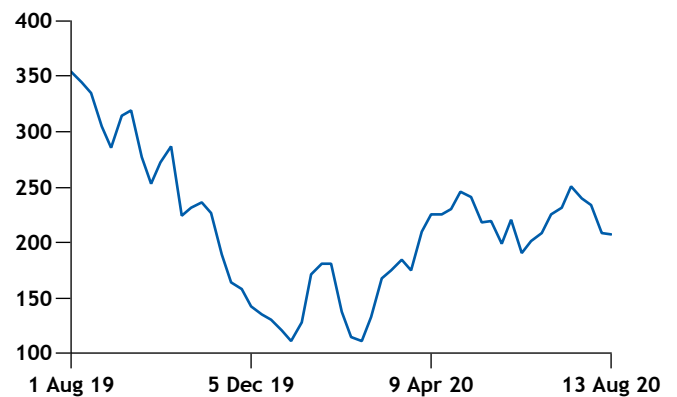
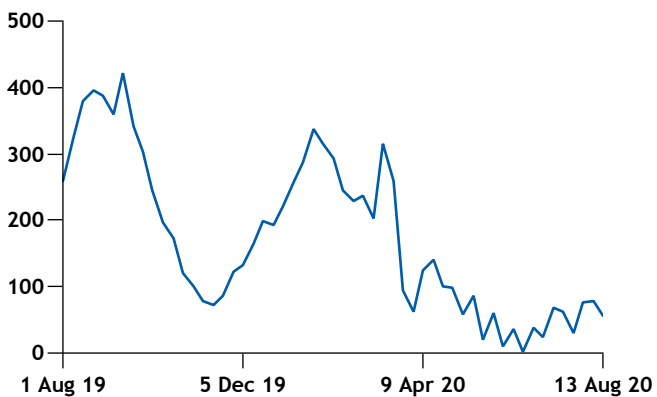
ARA benzene premium to NWE naphtha

\$/t



South Korea styrene premium to benzene

\$/t



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Benzene

The benzene market declined by 0.5¢/USG to 157¢/USG this week for August, which stands as the prompt month. Liquidity proved particularly thin this week following a month of higher than expected imports in July that satiated consumers and prompted little buy interest from domestic sellers. Most US benzene producers are only selling volume as needed, as focus on the US is largely set on US products and matching refinery operating rates with gradually increasing gasoline, diesel and jet fuel demand. Benzene prices proved unexpectedly soft as many styrene producers were reluctant to conclude styrene trades tied to benzene amid narrowing spreads that are threatening margins. This further contributed to a stalemate in the styrene market as well as the feedstock benzene market. One benzene producer was seen in the market purchasing following a recent supply disruption, but that volume purchased did little to move the market. Traders were heard with volume in tanks that they continue to keep in stock at present in anticipation of slightly higher pricing in September. Still, the forward curve contango continued to flatten this week, creating fewer opportunities to take positions in the benzene market and contributed further to limited trading.

From August to September a 1-2¢/USG contango was still intact but significantly narrowed from the 5¢/USG spread seen the week prior. September and October were nearly at parity this week, with September holding a slight 0.5¢/USG premium over October. This is down significantly from the 5¢/USG spread seen last week. Arbitrage opportunities were scarce on paper again this week, which further dampened liquidity. Prices in South Korea and Europe stood nearly at parity this week, holding about a \$23-28/t discount to US prices on paper from either region. This effectively closed arbitrages on paper when accounting for freight.

Following another month of below average imports of benzene in July - albeit higher than anticipated - imports in August are set to also fall below average import levels this year at 130,000t. This will continue to keep the benzene market snug in the third quarter, although steadily increasing operations at refineries and related reformers each month will offset limited imports in some measure. However, so long as styrene demand remains supported, along with cumene and aniline demand, this will continue to create demand-side support for benzene. Weaker spreads of styrene over benzene in recent weeks though have threatened margins for US styrene

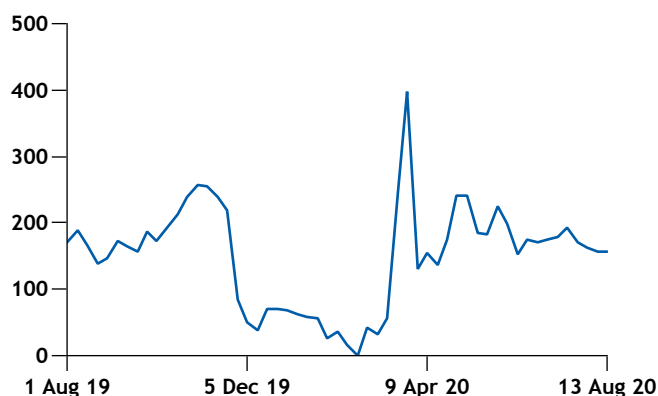
Americas prices					
	Timing	Low	High	Mid	±
Benzene ¢/USG					
fob USGC contract	Aug	153.00	153.00	153.00	nc
USGC spot	Prompt*	157.00	157.00	157.00	-0.50
Styrene ¢/lb					
fob USGC contract	Jun	54.43	58.30	56.37	nc
fob USGC spot	Prompt*	28.35	28.58	28.46	nc
fob USGC VWA	Jul			27.22	nc
USGC large buyer index	Jul			32.01	nc
Cumene formula ¢/lb					
fob USGC contract	Jul	20.69	20.69	20.69	nc
Phenol ¢/lb					
fob USGC contract	Jul	61.09	64.60	62.85	nc
Cyclohexane ¢/USG					
fob USGC contract	Aug	168.23	168.23	168.23	nc
Marker with NG escalator	Aug	174.76	174.76	174.76	nc

*Prompt refers to current month, but if the publication date is on or after the 15th of a given month, then the spot posting will include current month and next month trades

Benchmark margins		¢/USG	
		Margin	±
BTX US reformat extraction vs floor contract		21.51	+2.29
BTX US reformat extraction vs floor spot		22.08	+2.22
BT US reformat extraction vs floor contract		26.76	+4.65
BT US reformat extraction vs floor spot		27.76	+4.52

USGC styrene premium to benzene

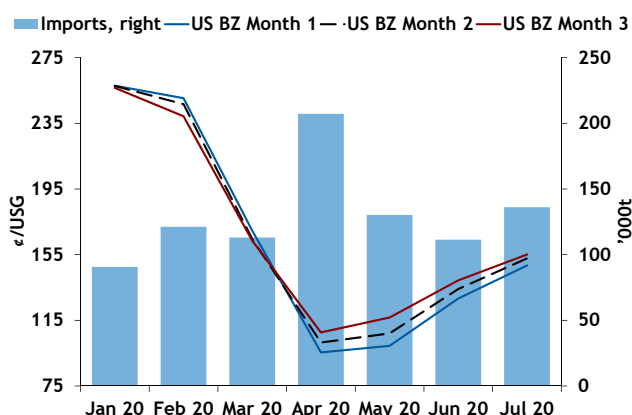
\$/t



producers. Styrene demand makes up about 50pc of benzene consumption in the US. Strong styrene export demand has effectively helped overall styrene prices rebound and keep

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US BZ forward curve vs imports



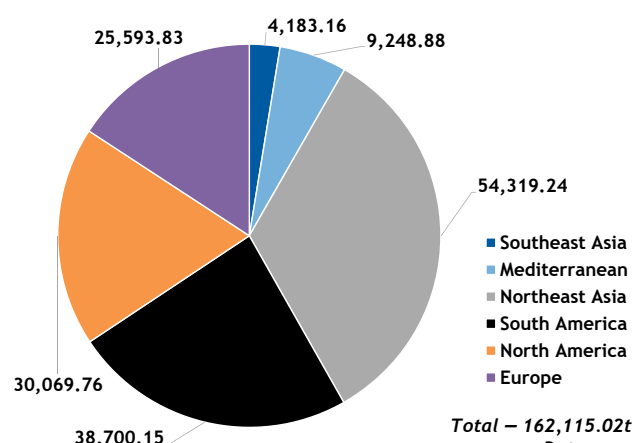
consumption of benzene consistent in the second quarter. But recent spreads at \$144/t between benzene and styrene are approaching breakeven levels closer to \$110/t after hitting spreads as high as \$175-180/t earlier this year. So far, styrene producers continue to run at steady operating rates.

Looking ahead, the scheduled styrene turnarounds in Europe are set to soften consumption of benzene in Europe. Some traders are anticipating possible import opportunities of benzene from Europe in September and October, which further supports a backwardated market from September to October, if only slightly. In Asia, steadily increased production in China and Southeast Asia is creating some prompt length in the continent. But sustained production cuts commencing in June and July in South Korea could continue to cap imports of benzene to the US Gulf coast from South Korea moving further along the forward curve. Scheduled styrene turnarounds in South Korea in November could signal a turning point in the benzene export trend and push more benzene to the US moving into the fourth quarter 2020 and into first quarter 2021.

Styrene

US styrene was unchanged for a second consecutive week at \$625-630/t as producers and traders continued in wide discussions that resulted in an absence of liquidity this week. August volume was sold out, and producers hesitated to transact at lower levels for September initially this week as spreads of styrene narrowed over benzene while margins were squeezed already. However, traders pushed for lower pricing in effort to sell into weakening arbitrage markets like Europe and Asia,

US July SM exports by destination



which saw netbacks decline this week. That said, a cracker issue in The Netherlands caused a styrene production snag that boosted netback prices today. A couple of September volumes sold at \$610/t and 611/t for 5,000t each. September is currently not included as part of the prompt assessment, and so did not change the weekly posting, but the trades will count toward the styrene volume-weighted average and large buyer index. Murmurings of interest from South America to purchase volume out Houston-Texas City emerged, but no transactions to the continent were confirmed this week. With export opportunities limited but feedstock benzene costs expected to firm moving through the remainder of August and September, styrene participants are bracing for slim margins through the end of the third quarter until benzene prices are expected to soften in October along the forward curve. For now, styrene operating rates remain supported in the third quarter at about 80pc. This will continue to support benzene consumption, so long as styrene prices remain high enough to shoulder rising cash costs.

Bids and offers for styrene in fixed discussions ranged from a wide \$580/t on the low end to as high as \$620/t on the offer side. Netback levels from Europe later pointed to early styrene buy interest levels at \$590-600/t against offer levels that slid lower to \$615/t. By week's end the netback stood at \$608-612/t. Netback levels from Asia surfaced at near \$580/t, or on the lower end of discussions. The arbitrage on paper has been closed to Asia over the last month or so, but as US prices have lowered in tandem with Europe prices, that arbitrage appears closer to reopening on paper this week. That said, while turnarounds due to commence in Asia in November are stirring up

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demand for September loading, that demand is primarily coming from South Korea, where supply is tightening amid a large balance of scheduled turnarounds. Overall, supply in Taiwan, Japan and China remain ample and more than sufficient to soften prices in Asia overall and limit the draw of US product. In the last week, inventories in China fell by a small 5,000t to 311,000t, evidence of slow progress in whittling down China inventories. This will keep the balance of overall supply in Asia fairly long in the near-term. Expectations of new capacity due to start up in the fourth quarter as scheduled could further dampen export opportunities to Asia as a whole, as China - a net buyer of styrene - becomes more self-sufficient.

Discussions for styrene this week also surfaced on a floating basis in the interest of preserving margin. Talk from last week ranging from benzene + 130-150/t fell this week to discussions of benzene + 110-130/t. Producers were reluctant to take anything under \$130/t, and some expressed that breakeven levels for spreads stood at \$110/t, where buy interest held. In

July, margins of styrene prices over cash costs stood at \$144/t. Early August indications pointed to styrene spreads over cash costs at \$114/t, near where producers saw breakeven costs for floating bids and offers. Wide bids and offers yielded little in the way of liquidity as a result, much like fixed styrene discussions this week. This week in spot, styrene stood at a \$144/t premium over benzene for September. On a contract basis, styrene discussions this week stood at a \$140/t spread over benzene.

Looking to production, North American styrene operators were running at fairly hard in effort to capture margin as demand strengthens. One scheduled turnaround is expected in the fourth quarter. In recent months, export demand has proven supportive of styrene demand, and domestic demand has rebounded for some producers to average levels relative to this time last year. Still, those styrenics derivatives linked to the auto sector continue to see soft demand moving into next year as states gradually reopen and driving habits resume.

EUROPE

Benzene

Spot benzene prices eased slightly towards the end of the week on limited trading activity. Many market participants remained away from their desks as they enjoyed their summer break. August bid-offer ranges eased from \$435-450/t at the start of the week to \$425-435/t by the end, with no prompt deals reported to have been done. The market remained in a slight contango, with September generally discussed at a \$10/t premium to August.

North Sea Dated crude was relatively steady this week, trading at \$44-45/bl. Prices were supported after EIA data showed a 4.5mn bl fall in US crude inventories to 514.1mn bl, while some cautious optimism emerged for improved crude demand on the potential for an imminent new round of US-China trade talks. But gains were capped by the IEA's latest Oil Market Report, which forecast that global oil demand will fall by 8.1mn b/d this year to 91.9mn b/d, which is 140,000 b/d lower than its forecast a month ago. Naphtha rose to \$379/t on 12 August, with prices buoyed by an open arbitrage to Asia-Pacific. But domestic demand from petrochemical end users and gasoline blenders remained limited, capping gains.

The benzene-naphtha spread has narrowed over the past

week but has averaged \$74/t so far in August, up from \$53/t in July. Benzene's premium to North Sea Dated crude has averaged \$106/t so far in August, down slightly from \$109/t in July.

Benzene supply remains plentiful, with reduced production from pygas offset by a steady increase in reformat-based production. A steady stream of structural imports from India, the Middle East, central Europe and the eastern Mediterranean region has also helped to keep supply adequate.

Hot weather across Europe is affecting operations at some crackers. The higher temperatures mean that crackers have reduced cooling capacity and this can affect operating rates, but for the moment this is not a major issue for most units as many are not running at maximum capacity. Operating rates are continuing to hover at about 85pc. LPG and ethane remain the preferred feedstock for crackers with flexibility, restricting benzene output from pygas.

The hot weather has affected cracker operating rates in other ways, with a cracker in Lavera, France, shut since last week because of local fires. A cracker in the Netherlands, with a 500,000 t/yr benzene extraction capacity, experienced a short, unplanned shutdown late this week, but it is understood to now be restarting. The Feyzin cracker in France, with

EUROPE

pygas-based benzene capacity of 110,000 t/yr, has ramped up production and is now operating normally after the refinery at the site returned from an extended shutdown.

The Wesseling, Germany, cracker will be down for a four-week planned maintenance at the end of this month, restricting production at its 120,000 t/yr benzene-from-pygas unit.

Refinery run rates have steadily increased this month as more refineries in Europe restart units, helping support benzene production from reformat. But overall operating rates are struggling to rise much higher than 70pc as gasoline in northwest Europe is oversupplied.

Benzene has held at a premium to spot toluene since mid-July, but hydrodealkylation economics remain firmly below breakeven. Selective disproportionation rates and margins also are under pressure from a relatively long PX market.

Benzene demand for ethylbenzene/styrene and cumene/phenol will be reduced by scheduled maintenance that will take place mainly in September and October. But the impact is likely to be reduced as other producers ramp up operating rates.

A cumene/phenol plant in France has been down for a two-week turnaround but is in the process of restarting. A 200,000 t/yr MDI unit in Germany continues to experience production issues, with a force majeure in place since late July. This is weighing on benzene demand for aniline production.

Styrene

Spot styrene prices fell early on, before recovering towards the end of the week.

August deals were completed at \$650-665/t, with the

Europe prices				
	Timing	\$/t	€/t	Volume t
Benzene				
cif NWE contract	Aug	440	375	
cif ARA spot weekly average	Prompt	436.00	368.07	
Styrene				
fca ARA contract	Aug	909	767	
fob ARA contract	Jul	904	763	
fca ARA spot	Prompt	687-734	580-620	
fob ARA spot	Prompt	650-665	549-561	
Argus fob ARA VWA	Jul	649.74	572.55	23,000
Argus fob ARA VWA	Jun	590.44	533.64	16,000
Phenol				
delivered ARA contract	Aug	989	835	
Cyclohexane				
fob ARA contract	Aug	610	515	

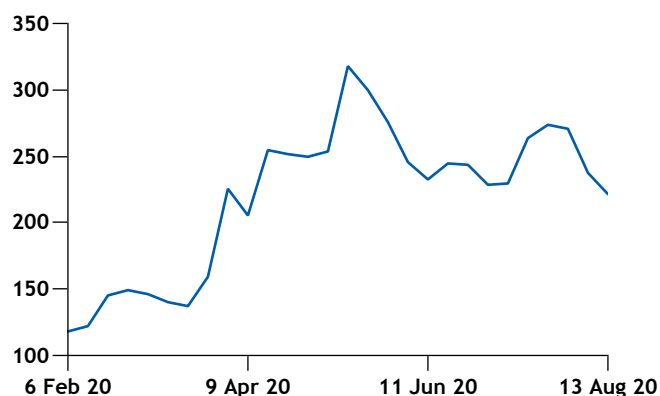
Supplementary benzene transaction data (cif ARA)					
	Timing	Volume weighted average \$/t	Min \$/t	Max \$/t	Total volume t
Week 33	Prompt	na	na	na	0
Month to date	Aug	444.19	430.00	455.00	16,000
Previous month	Jul	428.56	400.00	470.00	18,000

prompt assessment ending the week at \$660/t. The market structure was mostly flat, with September cargoes at a \$0-5/t premium to August, while fourth-quarter cargoes were broadly at parity to September. This was restricting interest from traders and limiting market activity.

The styrene-benzene spread has narrowed to \$226/t so far in August, from \$249/t in July, while styrene's premium

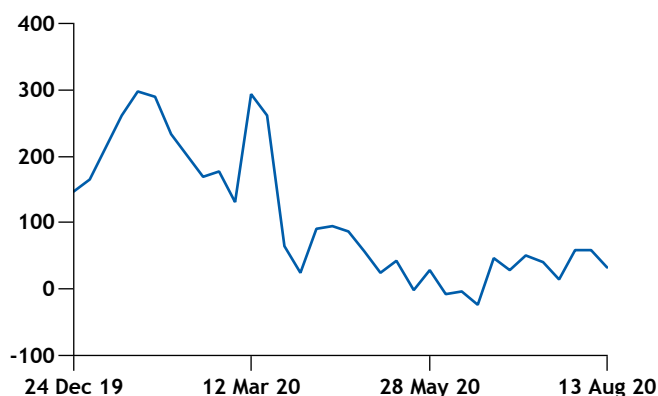
NWE styrene premium to benzene

\$/t



cif ARA benzene premium to Eurobob

\$/t



EUROPE

to naphtha has fallen below \$300/t this month, down from an average of \$301/t the previous month.

The arbitrage from the US remains open on paper, with cargoes arriving in northwest Europe to offset lost production from planned turnarounds. A 550,000 t/yr styrene unit in Germany will be down from the end of August until the end of September, while in Italy one unit with a capacity of about 160,000 t/yr, will be down for 5-6 weeks from mid-September. The larger unit at the site will continue to run and is likely to increase operating rates. At least one line in Antwerp, Belgium, will be down in September for a catalyst change, further restricting domestic production.

A 550,000 t/yr unit in the Netherlands was heard to be running at reduced levels at the end of the week following an unplanned shutdown at a cracker on site. This helped to buoy prompt styrene prices, but the impact is likely to be limited with production initially expected to return to normal by next week.

The styrene customer reference price (CRP) for August was agreed at €767/t fca, up by €4/t from July and the highest

since April.

Water levels on the Rhine river fell to 146cm on 13 August at the key measuring point of Kaub. This has created some logistical issues as barges have been forced to restrict loading capacity, but the impact so far has been limited because of reduced barge demand. Hot and warm weather across the continent is forecast to see river levels drop further, to 110cm, by 17 August.

Cyclohexane

The European cyclohexane market remains weak on oversupply, while demand is sluggish. The downstream automotive market is running at about 50pc capacity and is unlikely to recover significantly in the near term, restricting demand for cyclohexane.

Phenol

Cumene production in France has resumed, while the downstream phenol-acetone unit began a restart process following a two-week planned maintenance shutdown.

ASIA-PACIFIC

Benzene

Benzene prices reversed track after hitting a seven-week high two weeks ago, closing its key demand outlets. The arbitrage to China has remained shut since June, while there were only brief windows of arbitrage opportunities to the US over the recent few weeks. Demand also slowed as phenol became the only derivative to afford benzene but phenol margins are also shrinking.

Market direction was mixed and trading activity was limited amid a market standstill as the narrow naphtha-benzene production spread also provided support to fob South Korea benzene prices despite softer demand. After September fob South Korea benzene sold at \$430/t on 7 August, no further deals were done with price discussions holding at around a \$434-437/t range. The assessment week ended with an offer at \$433/t fob that found no bids as buyers had exited the market.

There was no lack of benzene in Asia-Pacific despite the recent deeper production cuts in Japan and South Korea in June and July. This was reflected in the contango between September and October, which increased from \$4/t at the start of the assessment week to \$9/t towards the end of the

assessment week. The outlook for forward month October was mixed, with discussions in a wide range with bids around \$431-435/t fob South Korea finding offers at \$450-455/t fob.

Cfr China discussions that has been quiet in recent weeks livened up a little but prices remained at \$435-450/t cfr. These prices are almost at parity to fob South Korea prices and are unfavorable to China-based importers, especially when supplies in China are plentiful.

Inventories in east China have returned to historical highs of more than 250,000t since mid-July. This high was first touched in March last year. Chinese inventories returned to a high even though derivative styrene monomer (SM) operating rates were also high at more than 80pc because imports in the second quarter were more than normal. Domestic operating rates were also high in the second quarter, especially at units integrated to refineries, while derivative phenol operating rates during June-July were exceptionally low. Many phenol plants were shut for turnarounds during this period, bringing the phenol operating rate in China to as low as 54pc at its peak.

China domestic prices kept within a 3,510-3,600 yuan/t

ASIA-PACIFIC

range for a third straight week, which is the highest since 19 June. The ample supplies in China made it difficult for prices to increase further but stable and high SM operating rates kept demand firm and supported prices. These prices are about \$440-444/t on an import parity basis. Chinese producer Sinopec also kept its benzene price stable at Yn3,450/t after increasing its listed price a week ago, which is about \$431/t on an import parity basis. These prices are more favorable to consumers than to import benzene.

Apart from high operating rates in China, the supply cuts in Japan and South Korea were also being negated by relatively high production in southeast Asia. Benzene supplies from southeast Asia remains normal and regular. August-loading cargoes were sold at discounts of \$30-35/t to fob South Korea, while one shipment from Indonesia was sold at discounts of \$45-50/t as this cargo had more limitations than usual. Thailand's PTT sold its September-loading cargoes at high \$20s/t discounts to fob South Korea this week. A September shipment may also be available from Malaysia even though the Pengerang aromatics unit remains shut.

Phenol

Sentiment in the phenol market remained subdued as supplies increased in China while demand was still soft. Operating rates in China are firm now that the peak turnaround season is over. Supplies are plentiful as more than normal imports arrived over July-August. More supplies are also set to come on stream as Zhejiang Petrochemical's 400,000 t/yr plant is beginning a start-up process.

Buying interest for import material ebbed with buyers reducing their targets to \$600/t cfr China, although sellers kept their offers stable at \$650/t cfr. The downwards trend in China's domestic market continued with offers currently at 5,400 yuan/t.

Phenol production margins have been shrinking since early June. Production margins for Chinese standalone producers fell below \$100/t this week from about \$130/t a week ago. Other Asian non-integrated producers are no longer enjoying profits this week when they still saw profits of more than \$60/t last week.

Phenol operating rates remain largely supported by demand for co-product acetone but producers in South Korea are already considering rate cuts in September.

Asia-Pacific prices					\$/t
	Timing	Low	High	Mid	±
Benzene					
cfr South Korea contract	Aug	430.40	440.00	435.20	nc
cfr Taiwan contract	Aug	432.40	440.00	436.20	nc
cfr Asean contract	Aug	425.40	440.00	432.70	nc
fob South Korea	Sep	422.00	437.00	429.50	-14.00
fob South Korea	Oct	431.00	444.00	437.50	-12.50
fob South Korea	Marker			436.31	-12.88
cfr China spot	Prompt	435.00	450.00	442.50	-2.50
cfr China month avg	Jul	411.81	432.29	422.05	-8.86
fob southeast Asia	Prompt	397.00	407.00	402.00	+6.00
ex-tank E China Yn/t	Prompt	3,510	3,600	3,555	+25.00
ex-tank E China	Prompt	423.44	434.30	428.87	+2.87
ex-works Sinopec Yn/t	Prompt			3,450	nc
ex-works Sinopec	Prompt			416.20	+11.92
Styrene					
cfr Taiwan contract	Jul	670.50	670.50	670.50	nc
cfr China	Aug	660.00	675.00	667.50	-7.50
cfr China	Sep	665.00	680.00	672.50	-7.50
cfr China	Marker			668.13	-9.37
cfr India	Prompt	670.00	680.00	675.00	-20.00
fob South Korea	Aug	635.00	650.00	642.50	-15.00
fob South Korea	Sep	640.00	655.00	647.50	-15.00
fob South Korea	Marker			643.13	-14.37
ex-tank China Yn/t	Prompt	5,250	5,350	5,300	-100.00
ex-tank China	Prompt	633.35	645.42	639.38	-12.29
ex-tank India Rs/kg	Prompt	60.00	60.00	60.00	-6.00
ex-tank India	Prompt	801.70	801.70	801.70	-78.81

Benzene freight rates				\$/t
	Size t	6 Aug	13 Aug	
South Korea to China	3,000	22	22	
Thailand to mid China	6,000	34	34	
South Korea to Houston	6,000	56	56	
South Korea to Houston	12,000	50	50	

Styrene

Styrene monomer (SM) prices fell to a two-month low to the bottom of the recently traded range, as increasing supplies in an already oversupplied market outweighed the effect of rising feedstock costs and still strong and stable demand.

Although market participation remained thin, weaker market sentiment weighed on the paper swaps market on the Singapore Exchange, the China domestic market and the Chinese

ASIA-PACIFIC

futures market. September-arrival cargoes were discussed at around \$665-675/t cfr China. Trading for August-arrival cargoes is largely over as there is still a lack of commercial tank space in China. August prices continue to be valued at a \$10/t contango to September prices.

Even with cfr China now slightly weaker, these prices were still at a premium to China domestic prices, making imports unattractive, especially with domestic supplies plentiful, making it difficult for market participants to trade. Prompt China domestic prices were 5,250-5,350 yuan/t this week, or about \$660-665/t on an import parity basis.

Inventories in east China have mostly stayed above 300,000t since March. The average inventory balance in 2019 was about 220,000t. Even as demand has been unexpectedly strong since April and such high consumer operating rates will remain during August, China still has difficulty digesting the stocks, which have now built to 312,000t this week, a slight dip from last week's 315,000t.

Zhejiang Petrochemical and Hengli Petrochemical stabilized operations at their new plants around March this year, adding almost 2mn t/yr of SM to China's supplies. Bora LyondellBasell has started trials its new 350,000 t/yr SM plant, which has yet to achieve on-specification production.

Other SM plants that may come on stream in the final quarter of the year include Anhui Jiayi's 350,000 t/yr unit and Tangshan Risun's 300,000t/yr unit in Hebei. The market is also anticipating the start-up of a few larger SM plants such as Sinochem Quanzhou's 450,000 t/yr and CNOOC Shell's 700,000 t/yr units, which may be around the end of the year or next year.

SM operating rates in China have stayed high, around the mid-80pc, even as production losses for standalone units have deepened from \$45/t a month ago to the current \$70/t. The benzene-SM production spread was about \$205/t when at least \$230/t is needed to cover production costs. High operating rates are also keeping inventories high in China.

Ethylene prices in northeast Asia have fallen from a near one-year high of \$900/t cfr northeast Asia in early July but current prices of this co-feedstock at \$750/t cfr are still relatively expensive for SM producers. While pressure from ethylene eased, the cost pressure from main feedstock benzene increased as prices rose from \$400/t fob South Korea to the current \$440/t. Even as cost pressures persist amid stable demand, SM prices that had previously kept stable for two months have now given way to supply pressures, although

prices are still within the recently discussed range.

Consumer sentiment was starting to cool because expectations that the Covid-19 pandemic will exert further economic damage on global economies and destroy demand for consumer goods that require plastics. This first emerged in March but the damage was unseen as demand for plastics from food delivery packaging, medical supplies and pent-up demand was firm.

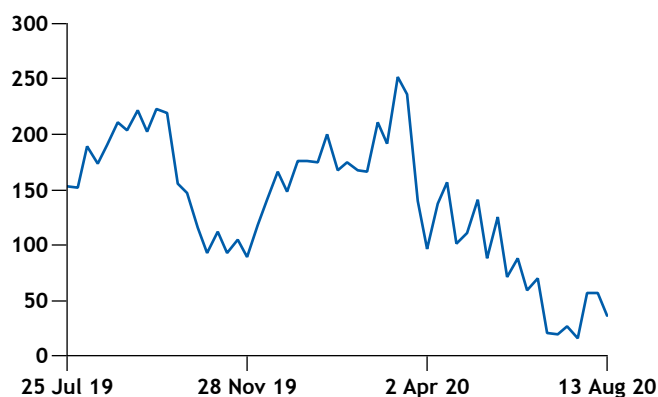
India:

Styrene monomer (SM) prices in India's domestic market finally stabilized at 60 rupees/kg this past week, after a volatile two months that saw prices swing rapidly in large ranges of Rs59-75/kg. There were sufficient inventories in coastal tanks to meet rising demand and replenishment of supplies from imports have been steady.

India has suffered periods of shortages in the past two months because its strict Covid-19 lockdown made the outlook unclear and difficult for importers to replenish supplies because of weaker demand and disrupted logistics. The arbitrage from the US was also shut in July and earlier in August.

India's shortage was covered by additional supplies from southeast Asia and the Middle East. Offers from the US have also resumed with September- and October-arrival offers made at parity to cfr China basis for delivery to India. There was also an offer to sell a southeast Asia cargo at \$710/t cfr India, although this price is now considered high since supplies are now comfortable.

South Korea benzene premium to Japan naphtha \$/t



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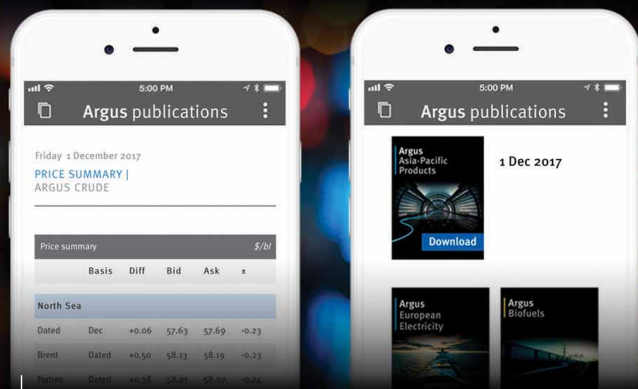
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Argus Benzene and Derivatives is published by Argus Media group

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ISSN: 2399-9136

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