Chemicals Latest Updates

Asian Naphtha and other chemicals updates

Activities in the Asian naphtha market Thursday tapered further as crackers turnaround season in the Northeast Asia region loomed nearer. Some sources said the heavy turnaround schedule lined up for a handful of naphtha-fed steam crackers within Japan and Taiwan in the second quarter of this year has been impacting market demand for naphtha. Others, however, said that the stable buying interest was still stemming from South Korea. Yeochun Naphtha Cracking Center was heard to have purchased, again, at least one parcel of 25,000 mt open-spec naphtha with minimum 70% paraffin content for delivery over first-half June into Yeosu at a premium of around $7.50-$8/mt to Mean of Platts Japan naphtha assessments, CFR. The company could not be reached immediately to verify the information. YNCC last heard to have bought around three to four cargoes of similar grade naphtha, each 25,000 mt in size, for delivery in H1 June to Yeosu at a premium of $7.50/mt to MOPJ naphtha assessments on a CFR basis, market sources said. The CFR Japan naphtha physical crack spread on the second-line naphtha trading cycle against prompt-month ICE Brent futures also showed some marginal rebound to $67.70/mt Wednesday, after a steady decline to a near three-month low of $62.325/mt April19. The crack spread was pegged at a notional level of $68.90/mt at 0300 GMT Thursday. Sources noted that naphtha supply for May loading has been rising from India. Coupled with the arbitrage cargoes streaming from other regions into East Asia in May, there is a potential imbalance between supply and demand when the market transits into June. Meanwhile, India's Reliance was heard offering a 55,000 mt naphtha cargo, with 70% minimum paraffin content, for lifting over May 29-31 from port Sikka via a tender closing April 25,market sources said. The private refiner was last heard to have offered a55,000 mt naphtha cargo for lifting over May 13-16 from port Sikka, market sources said. Award details to the tender could not be confirmed.

Asian benzene prices noticed stable to inch lower

Asian benzene was assessed stable to slightly lower Thursday amid active trading for June-loading cargoes. The FOB Korea marker was assessed up 33cents/mt on the day at $845.33/mt Thursday. During the Platts Market on Close assessment process, three trades were concluded between $844/mt and $849/mt FOB Korea. The H1 and H2 June laycans were assessed at $847/mt FOB Korea, below offers standing at $848/mt at the close of the MOC assessment process.CFR China benzene was assessed down $4/mt on the day at $834.50/mt Thursday, tracking domestic East China prices, which were Yuan 50/mt lower on the day, with prompt cargoes heard at Yuan 6,130-6,180/mt and H2 May cargoes at Yuan6,150-6,200/mt. Traders said Thursday that prices on an FOB Korea basis were higher than CFR China, making it uneconomical for cargoes to go to China after accounting for freight at $24.50/mt. Also supply of Southeast Asian cargoes were heard readily available. Cargoes that had originally been for captive use in the region are now being offered in the market on the back of turnarounds at downstream plants in Southeast Asia. Traders said that this had resulted in lower CFR China prices. In other news, Japan's largest refiner JXTG Nippon Oil& Energy nominated its May Asia Contract Price for benzene at $865/mt CFR, a company source said Thursday. The May nomination was $25/mt higher from April's settlement at $840/mt. RATIONALE: Asian benzene was assessed stable to slightly lower Thursday, with the FOB Korea marker inching up 33 cents/mt on the day to $845.33/mt, while the CFR China marker was assessed stable over the same period at $838.50/mt. The markers take the average of the third, fourth and fifth half-month laycans, namely H2 May, H1 June and H2 June. During the Platts Market on Close assessment process, there were no transparent bids or offers. The H2 May laycan was assessed at $842/mt FOB Korea, above a bid last heard at $837/mt Thursday, widening the H2 May/H1 June spread to minus $5/mt from minus$6/mt on Wednesday. The H1 and H2 June laycans were assessed at $847/mt FOB Korea, below an offer last heard at $848/mt. The CFR China marker was assessed down $4/mt from Wednesday at $834.50/mt Thursday, tracking falling domestic East China prices.

Styrene prices showed upward trend

Asian SM remained in an uptrend from Wednesday as prices rose $6.50/mt on the back of firm domestic Chinese demand. Chinese domestic buyers emerged Wednesday following news of a local SM plant about to undergo unexpected turnaround in May to resolve technical issues. With three SM plants under maintenance in May, prompt supply was further tightened, pushing more demand out to secure spot volumes. According to a market participant, approximately 18,000 mt of stored volumes at the East China main ports were sold in a week to place the total inventory level at 91,700 mt. Around 17,000 mt that had arrived in the same period were also delivered to Chinese end-users. The traders' inventory level dropped 10,800 mt from last week to 70,800 mt Thursday. Firm demand continued to push East China prices upward, as prompt prices rose Yuan 60/mt day on day to Yuan 10,540/mt, while May prices increased Yuan 60/mt over the same period to Yuan 10,350/mt. In a bid to fulfil prompt Chinese demand, buy indications for H1 May-loading cargoes delivered to China were persistently seen in Thursday, and rose from $1,350/mt first heard early Thursday to$1,373/mt last heard before the MOC. However, as the bids were for only Asia-origin loading material, they were normalized accordingly. Thin activity was continuously heard for the other laycans amid uncertainty toward anti-dumping duties in China and front-month spot demand. RATIONALE: Asian styrene monomer was assessed $6.50/mt higher day on day at $1,361/mt CFR China and $1,319/mt FOB Korea Thursday, in tandem with a firmer domestic Chinese market. The markers currently take the average of the H2 May and H1June laycans. During the S&P Global Platts Market on Close assessment process, there were no transparent bids or offers. The FOB Korea marker was assessed at$1,319/mt Thursday, up $6.50/mt over the from the day before.

Asian Iso-mixed showed upward trend

Asian isomer-grade mixed xylene prices continued rising Thursday, despite minor weakness in upstream markets. The FOB Korea marker rose $6/mt to$788.50/mt FOB Korea, while CFR Taiwan rose $4/mt to $808/mt. Bids were heard for both FOB Korea and CFR Taiwan laycans, but no offers were heard. Chinese prices were heard stable at around Yuan 6,080/mt. June ICE Brent crude oil futures dipped 87 cents/b to $74.17/b at 0830 GMT in Asian trade, while naphtha prices slipped $1.50/mt to $626.13/mt CFR Japan. However, MX-feedstock toluene inched up $2/mt day on day to $740/mt FOB Korea. RATIONALE: Isomer-MX was assessed up $6/mt day on day at $788.50/mt FOB Korea, and up$4/mt at $808/mt CFR Taiwan, Thursday. The markers currently take the average of the H2 May and H1 June laycans. There were no transparent trades, bids or offers during the Platts Market on Close assessment process. During MOC, a bid for CFR Taiwan cargo arriving in H1 June was heard rising to$810/mt, without any offers seen in the market. The June laycans were assessed above the bid, at $811/mt CFR Taiwan. H2 May was assessed at$805/mt, maintaining the H2 May/June contango at $6/mt. On an FOB Korea basis, H2 May was heard bid at $786/mt and June at $789/mt. H2 May was assessed at $787/mt, and H1 June at $790/mt, both above the bids.

EDC prices jumped higher in Asian markets

Asian ethylene dichloride jumped $35/mt week on week to hit an 11-monthhigh Thursday. Some EDC buying emerged this week for non-vinyls production, with some end-users buying small quantities at over $300/mt CFR China. But end-users for vinyls production were reluctant to accept more than $300/mt as the downstream VCM/PVC market was seen to be bearish. Market sources said traders have been moving US-origin EDC cargoes to Thailand or India instead of China since an additional 25% tariff was imposed on US-origin EDC to China earlier this month. Traders are trying to mitigate the impact of the tariff by moving US-origin cargoes to Thailand and India instead of China, and moving Asian-origin cargoes, mostly from South Korea and Taiwan, to China instead of Thailand and India. In some cases, Chinese EDC end-users may also be exempted from the additional tariff. "Some EDC buyers in China use EDC for PVC production that is exported. In such cases, they may be exempted from the additional EDC tariff," one market source said. But market sources said the impact on spot EDC prices of the tariff was still unclear.EDC: The CFR Far East Asia EDC price jumped $35/mt week on week to be assessed at $280/mt Thursday. A buying idea was heard in the mid-$200s/mt CFR FE Asia, and a price discussion level heard in the high $200s/mt CFR FE Asia. The CFR Southeast Asia EDC price was also assessed up $35/mt week on week, at $275/mt, in line with firmer FE Asia market.

Asian vinyl chloride monomer was assessed stable Thursday from the week before. The downstream PVC market fell $20/mt week on week to be assessed at$940/mt CFR China Thursday, according to S&P Global Platts data. But the Asian VCM market remained stable supported by limited supplies. Market sources estimated that Japan's Tosoh lost around 30,000 mt of production following its recent unplanned VCM plant outage in Nanyo. The plant was shut April 6due to a power failure and restarted fully on Thursday. But looking forward, the Asian VCM market would likely come under pressure due to the bearish downstream PVC market. In addition, some spot cargoes from the Middle East are seen to be available. The price spread between PVC and VCM was calculated at$180/mt Thursday, down $20/mt from the previous week, but still higher than atypical breakeven spread of plus $150/mt, Platts data showed. In statistics news, Japan's VCM production inched up 0.5% month on month to 219,210 mt in March, the Vinyl Environmental Council said in a statement Thursday. Japan's VCM exports rose 2.2% from a month earlier to 77,335 mt, it noted.

(Source-Secondary research)

CRUDE OIL NEWS

Oil rises as concern heats up over Iran sanctions, Venezuelan output

Oil rose on Thursday, supported by expectations of renewed U.S. sanctions on Iran, declining output in Venezuela and continuing strong demand.

Brent crude oil futures LCOc1 were up 59 cents at $74.59 a barrel at 1354 GMT, having touched a session high of $74.97, while U.S. West Texas Intermediate (WTI) crude futures rose 23 cents to $68.28 a barrel.

The oil price has risen by 15 percent in the last four weeks thanks to expectations that the United States will reimpose sanctions on Iran, a major oil producer and member of the Organization of the Petroleum Exporting Countries (OPEC).

French President Emmanuel Macron said on Wednesday he expected U.S. President Donald Trump to pull out of a deal with Iran reached in 2015 in which the Islamic Republic suspended its nuclear program in return for Western powers lifting crippling sanctions.

Trump will decide by May 12 whether to restore U.S. sanctions on Tehran, which would probably result in a reduction of Iranian oil exports.

“Geopolitical concerns in the Middle East, together with Venezuela’s deteriorating macroeconomic situation, are supporting oil prices. It is widely anticipated that President Trump will pull the U.S. out of the Iran nuclear deal, which is bullish for prices”, said Abhishek Kumar, senior energy analyst at Interfax Energy’s Global Gas Analytics.

“However, (the) full impact of the move will not materialize unless it is supported by European allies of the U.S.”

Venezuela’s crude production PRODN-VE has fallen from almost 2.5 million barrels per day (bpd) in early 2016 to around 1.5 million bpd due to a political and economic crisis.

Moscow is holding off on taking retaliatory measures against the United States for imposing sanctions on Rusal, hoping the EU can persuade Washington to ease restrictions against the world’s second largest aluminum producer further, sources told Reuters.

Trade data in Thomson Reuters Eikon shows seaborne imports of crude oil by Asia’s main buyers will hit a record this month, a big portion going to slake China’s voracious thirst.

By end-April, China will likely have taken in more than 9 million barrels per day (bpd) of crude - its most ever and nearly 10 percent of global consumption.

In the United States, production C-OUT-T-EIA continued to grow, rising 46,000 bpd to 10.59 bpd last week, government data showed on Wednesday.

Soaring U.S. output has made WTI crude around $6 per barrel cheaper than Brent and drawn exports to record highs over 2 million bpd.

With U.S. output and exports surging, some analysts warn that the 20 percent climb in Brent prices since February is starting to look overdone.

"The market does look a little toppish," said Greg McKenna, chief market strategist at futures brokerage

(Source-Secondary research)

chemical industry news

Saudi petrochemical stocks under pressure despite index rise

Saudi petrochemical stocks ended Thursday's trading on the downside after some disappointing earnings, but key banking and property stocks helped the index close slightly higher.

Other Gulf markets were mixed.

The Saudi index closed 0.2 percent up at 8,248 points, hovering near the level last seen in August 2015.

Petrochemicals firms were under pressure with the index's most heavily weighted company, Saudi Basic Industries Corp , down 2.1 percent. SABIC will announce its quarterly results on Sunday.

Three analysts polled by Reuters expect the company to make an average net profit of 5.8 billion Saudi riyal ($1.6 billion) in the first quarter.

Saudi International Petrochemical Co (Sipchem) dropped 4.9 percent after missing earnings forecasts with a first-quarter net profit of 151 million riyals, up 65 percent on year. Three analysts surveyed by Reuters had on average forecast a profit of 189 million riyals.

Alinma Bank slipped 0.4 percent despite surpassing a SICO Bahrain earnings forecast for its quarterly profit of 501.5 million riyals. The bank posted a profit of 582 million riyals.

However Al Rajhi Bank closed 0.3 percent higher while property firm Dar Al Arkan gained 1.6 percent, providing the index some support.

Qatar's index lost 0.2 percent after a spate of strong earnings helped recent gains. The index is up 6.6 percent so far this year.

Telecommunications firm Ooredoo fell 3.3 percent after reporting a 17 percent decline in quarterly net profit. Ooredoo's revenues suffered from industry-wide challenges in Indonesia, its biggest international market.

Dubai's index rose 0.6 percent, with Emaar Properties jumping 3.0 percent and DAMAC Properties up 1.5 percent as bargain-hunting emerged in the real estate sector after recent selling.

Both stocks are down more than 15 percent so far this year on anxiety about the outlook for the Dubai real estate market.

Abu Dhabi's index was up 0.6 percent. Top mover Dana Gas rose 15 percent after falling for several days. .

Dana Gas, Crescent Petroleum, Dragon Oil, and Eni are among companies that sent letters to take part in Iraq's oil and gas contract bidding round, an Iraqi oil official said on Thursday.

In Egypt, main index rose 1.3 percent, helped by a 2.8 percent rise in Commercial International Bank.

NWE mixed xylene price over $800/mt, May premium to gasoline above $100/mt

Northwest European mixed xylene prices have broken above the $800/mt mark to the highest this year, while the MX May premium over Eurobob gasoline has hit three figures.

This was on increases in the energy complex and firmer bids in the Platts Market on Close window.

The 5-30 days forward price of MX rose $13 to $808/mt CIF ARA Tuesday.

The MX May premium over Eurobob was assessed at $101/mt Tuesday, up from $99/mt the previous day, S&P Global Platts data showed.

An outstanding MX bid for May 15-25 delivery at a $100/mt premium was seen from Total in the Platts MOC window, although no spot selling interest was evident.

But demand fundamentals were weak for prompt dates as a force majeure remains in place at BP's purified terephthalic acid plant in Geel, Belgium. This dampened MX buy interest for paraxylene extraction despite peak demand season in the downstream bottled beverages sector.

Recent bullishness in the energy complex and slow demand from solvent users also weighed on the appetite for spot procurement of MX from distributors. Some distributors were also concerned demand could weaken further as a result of increases in CIF ARA prices.

Similarly, the arbitrage from Europe to the US was hard to work, despite it being open on paper.

The FOB USG May price was last assessed Tuesday at 282 cents/gal ($854.46/mt), which put Europe at a discount of $46.46/mt. While this was sufficient to cover Europe-US freight of around $40/mt, the specifications in the US were stringent for MX, which makes European material less suitable for buyers in that region.

US buyers also usually required steep discounts to the US domestic price to account for demurrage risk associated with imports of transatlantic parcels. This kept European traders wary and demand limited.

Gasoline blending interest for MX has also remained slow in recent weeks with ample supplies of reformate and toluene-xylenes streams, which offered lower cost per RON values.
The blend value of MX was heard at weak levels of around $40-$50/mt premiums, which did not prove attractive to sellers.

Repsol to carry out maintenance at Sines, Portugal petrochemical plant in May

Repsol's petrochemical plant at Sines, Portugal will undergo maintenance during May and June, a company spokesman told S&P Global Platts on Tuesday.
The company said it will spend Eur60 million ($73 million) to upgrade its energy efficiency and technology, and carry out other maintenance.
The 500,000 hours of work will affect all units at the complex, Repsol said.
The site can produce around 410,000 mt/year of ethylene, 200,000 mt/year of propylene and 45,000 mt/year of butadiene, as well as derivatives such as polyethylene and polypropylene.

Sinopec hikes East China butadiene price for second time this week Friday

China Petroleum and Chemical Corp., or Sinopec, raised its ex-works butadiene offer price in East China for the second time this week to Yuan 10,100/mt, or $1,346/mt on an import-parity basis, Friday, up Yuan 200/mt or about 2%, market sources said.
On Monday, the state-run company had increased the prices by Yuan 400/mt to Yuan 9,900/mt.
The price hikes come amid market concerns that the domestic supply will tighten as local plants shut for maintenance.
For instance, BASF-YPC shut its 130,000 mt/year butadiene extraction unit at Nanjing Thursday for scheduled maintenance, which will last for about 24 days.
Sinopec Zhenhai Refining & Chemical plans to shut its naphtha-fed steam cracker at Zhenhai, Zhejiang province, from H2 May through end-June for scheduled maintenance, sources close to the company had said.
The cracker, which will be offline for about 40-45 days, is able to produce 1 million mt/year of ethylene

PTTGC Announces Dissolution of Auria, A Biochemicals Venture With Myriant

On 12 Apr. 2018, at a general meeting of Auria shareholders, a resolution was passed to dissolve the joint venture, which was established in 2013 to conduct research and development of bio-based chemicals in order to

enhance Myriant's technology. Myriant is a wholly-owned subsidiary of PTTGC.
PTTGC said the decision was based on low crude oil prices and "unfavorable" conditions for applying intellectual property on bio-based succinic acid in South East Asia making it not feasible to invest in commercial production.

Lianyungang Selects CB&I Technology For Two New Chinese Ethylene Units

Shanghai�ianyungang Petrochemical Co., a subsidiary of Zhejiang Satellite Petrochemical Co., has awarded a technology contract to CB&I for two new ethylene units at Lianyungang's petrochemical facility in Jiangsu Province, China.
CB&I's scope of work includes a process design package, heater engineering and technology license for the ethylene facilities, which will have a capacity of 1.25-million t/y each. A schedule for the project and value of the contract were not disclosed.
CB&I will utilize its "market-leading," low-cost ethane cracker flowsheet, which reduces investment costs by eliminating plant equipment, CB&I noted.
"Once complete, these will be China's first ethylene plants to crack 100% ethane feed, signifying a new wave of ethylene projects fed by shale gas ethane sourced from the U.S.," explained CB&I. "Currently all large ethylene plants in China crack mixed feeds of liquid feeds."

Analysis: NWE LPG seeks new markets on fluctuating seasonal demand

European LPG sellers are looking for new demand, particularly in growing consumer markets in North and West Africa, because of increasingly unpredictable consumer demand in Northwest Europe and a shifting seasonal structure that leaves petrochemical buyers holding more of the cards.
Morocco is in the spotlight as the largest LPG market in the Western Mediterranean, importing 2.2 million mt of butane a year, while also being easily reachable from major supply hubs in Northwest Europe, southern France and Spain.
The expectation that demand will continue to grow, paired with expectations that the government will further liberalize its import system, has attracted a host of new players all vying to import butane.
That additional demand provides options for the butane market in Northwest Europe even when blending demand falters, market sources said.

Analysis: NE Asia may see shift in ACN trade flow as US-China trade war simmers

Northeast Asia may see a reshuffle in the trade flow of acrylonitrile should China go ahead with slapping an additional tariff on ACN imports from the US.
But so far, the brewing US-China trade war has drawn muted reaction from Northeast Asia ACN producers and the downstream Chinese acrylonitrile-butadiene-styrene market, industry sources said this week.
"If [the] tariff passes, then [US producers] such as Ineos currently selling to Chinese ABS producers will probably shift to South Korea or Taiwan instead. South Korean and Taiwanese ACN producers will move their cargoes to China accordingly, with a logistical markup," a trader said Tuesday.
Two China-based ABS plants most likely to be affected by the proposed tariff is the 700,000 mt/year Ningbo-LG Yongxing Chemical and the 850,000 mt/year Zhenjiang Chimei Chemical, as they take in significant ACN volumes from the US, industry sources said.

(Source-Secondary research)

Latest plant updates

Maroon Petocchemical overhaul expected to start at the beginning of May and will continue full month, the plant with the ability to produce 1100000 tons of ethylene annually, 200,000 tons of propylene, 300,000 tons of heavy polyethylene, 300,000 tons of polypropylene and more than 443,000 tons of glycol.

Shandong Lihuayi Group has undertaken an unplanned shutdown at its oxo-alcohols plant, the source said that the company has shut the plant on April 6, 2018 owing to technical issues. The plant is likely to remain off-line for around one week.The plant located in Shandong province, China, the plant has production capacity of 250,000 mt/year.

Brunei Methanol Co (BMC) has taken off-stream its methanol plant at the Sungai Liang industrial park, the source informed that the company has started turnaround at the the plant over the weekend. The plant is likely remain under maintenance for around 8-10 days. The plant located at Sungai Liang Industrial Park in Brunei, the plant has a production capacity of 850,000 mt/year.

Iran's Fanavaran Petrochemical Company will shut its 1 million mt/year methanol plant on April 20 for 20-30 days of maintenance, according to sources close to the company.The plant is in the Bandar Imam Khomeini Special Economic Zone.Another Iranian methanol producer, Zagros Petrochemical, will be shutting its 1.65 million mt/year No. 2 plant on April 7 for 50 days, according to industry sources.India and Southeast Asia will likely see higher prices this week, a producer said, citing tighter spot methanol cargoes.

Shanghai Coking is in plans to take off-stream its No. 3 methanol plant for maintenance, the source informed that the company is likely to start turnaround at the plant on April 10, 2018. The plant is expected to remain off-line for about 8-10 days. The plant located at Wujing, Shanghai, China, the No. 3 plant has a production capacity of 650,000 mt/year.

BASF Petronas Chemicals is in plans to undertaken planned shutdown at its an oxo-alcohols plant in Gebeng, Kuantan, the source said that the company is likely to start turnaround at the plant towards the end of this week. The planned maintenance is expected to remain in force for around one month.The plant located Gebeng at Kuantan, Indonesia have a production of 100,000 tonnes/year of Butyl acrylate (Butyl-A), 60,000 tonnes/year of 2-ethylhexyl acrylate (2-EHA) and 160,000 tonnes/year of Acrylic acid (AA).

Sumitomo Chemical is in expected to take its propylene oxide (PO) plant off-stream for a maintenance turnaround, the source informed that the plant is expected to be taken off-line for maintenance in early-May, 2018. It is likely to remain shut until end-June 2018. The Plant located at Chiba in Japan, the plant has a production capacity of 200,000 mt/year.

Jiangsu Leasty Chemical has shut its No. 1 styrene monomer (SM) unit for a maintenance turnaround, the company has commenced turnaround at the unit on March 23, 2018. The planned maintenance is expected to remain in force until early-May 2018. Located in Jiangsu province of China, the No. 1 SM unit has a production capacity of 200,000 mt/year.

Lucite International has taken off-stream its methyl methacrylate (MMA) plant in Shanghai, the company has commenced turnaround at the plant on March 20, 2018. The plant is likely to remain under maintenance for around one week. The plant located at Shanghai, China, the plant has a production capacity of 182,000 mt/year.

Salalah Methanol Co (SMC) is likely to shut its methanol plant for turnaround, the company has planned to undertake shutdown in early-April 2018. The Plant is expected to remain under maintenance for around 6-7 Weeks. The plant located at Salalah, Oman, the plant has a production capacity of 1.3 million mt/year.

Dow Chemical is likely to shut its acrylic acid unit for a maintenance turnaround, the company has planned to commence maintenance at the unit in early-April 2018. The unit is expected to remain off-line for around 60 days. Located at Bohlen, Germany, the acrylic acid plant has a production capacity of 100,000 mt/year.

Jiangsu Sopo Chemical is currently operating its ethyl acetate (etac) plant at curtailed capacity levels,the source informed that the company has reduced run rates at the plant to around 25-30% of production capacity rates on March 6, 2018 owing to technical issues. The plant is expected to operate at lower rates for around one week.The plant located in Jiangsu province, China, the plant has a production capacity of 500,000 mt/year.

Celanese has restarted its vinyl acetate monomer (VAM) plant at Nanjing, the source informed that the company has resumed operations at the plant on March 8, 2018. The plant was taken off-line for maintenance on February 13, 2018.Located in Nanjing, China, the plant has a production capacity of 300,000 mt/year.

Sinopec Tianjin Petrochemical has undertaken a planned turnaround at its monoethylene glycol (MEG) unit, the unit has been taken off-line for maintenance on March 6, 2018. The planned maintenance is expected to remain in force for around 15 days.The plant at Tianjin in China, the unit has a production capacity of 40,000 mt/year

Hanwha Chemical is in plans to restart a phthalic anhydride (PA) plant following a maintenance turnaround, the company Expected to resume operations at the plant on March 11, 2018. The plant was taken off-line for a brief maintenance on March 5, 2018.The plant located at Ulsan in South Korea, the plant has a production capacity of 80,000 mt/year..

Olin has undertaken a planned shutdown at its phenol-acetone plant in Oyster Creek, the company has started turnaround at the plant on March 1, 2017. The plant is expected to remain under maintenance until end-March 2018.The plant located at Oyster Creek, Texas in US, the plant has a phenol production capacity of 295,000 mt/year and acetone production capacity of 180,000 mt/year.

Shandong Kaitai Petrochemical has started maintenance at its acid unit in Shandong province, the source said that the company has shut the unit for maintenance on February 10, 2018. The unit is expected to remain off-line until mid-March 2018. The plant Located at Shandong province of China, the plant has a production capacity of 80,000 mt/year.

The Zagros Petrochemical Complex will shut down its Methanol Unit No. 2 in Assalouyeh with a production capacity of 1.65 million tons per year for pre-planned maintenance operations from early April for 50 days.

Mitsui Phenols is in plans to shut its bisphenol A (BPA) plant at Singapore, the source informed that the company likely to take the plant off-stream for turnaround in end-March 2018. It is slated to remain under maintenance until mid-May 2018.The plant located in Singapore, the plant comprises of two BPA unit has a total production capacity of 150,000 mt/year.

(Source-Importers)

Inventory Level

Toluene inventory noticed around 25000-26000 tonnes combined all ports of India.

LAB inventory noticed around 8500 tonnes combined all ports of India.

IPA inventory noticed around 5000 tonnes at combined ports of India.

NBA inventory noticed around 2200 tonnes combined all ports of India.

IBA inventory noticed around 1000-1200 tonnes combined all ports of India.

2-EHA inventory noticed around 2500 tonnes combined all ports of India.

(Source-Importers)

Expected Arrivals at JNPT

Vessel Name	Chemicals Name	Quantity in mt	Expected date of Arrival
SPRING PLOEG	ORTHOXYLENE	1952	25/04/2018

BEECH GALAXY	A ACID	6000	27/04/2018
GREEN WHICH PARK	PH ACID	12000	27/04/2018
TSM POLARIS	A.ACID+ACETONE+BUTYL ACETATE	2736+1000+600	28/04/2018
BOW TITANIUM	STYRENE MONOMER	2000	28/04/2018
SC NEPTUNE	E OIL + MMA	7000+900	29/04/2018
SEA DELTA	STYRENE MONOMER	2000	29/04/2018
EVERRICH 7	MX + TOLUENE	900+2600	30/04/2018
SC SHENZHEN	STYRENE MONOMER	3000	01/05/2018

(Source-JNPT Official)

Previous News of Chemicals

Asian aromatics market updates

The appetite for naphtha in the Asian market had shown divergence within the northeast Asian region recently, market sources Wednesday said. Demand in South Korea remained broadly healthy, while requirement from Taiwan and Japan slowed due to naphtha crackers' maintenance season in the coming months. Petrochemical cracking margins had been stable, although one producer cited some marginal narrowing of olefins' cracking margins due to stronger naphtha values. Stronger underlying crude markers had led the CFR Japan naphtha physical to climb up to $617.50/mt on April 19, the highest in more than three years. It inched down to $616.125/mt at the Asian close Tuesday. Meanwhile, LG Chem in South Korea was heard to have bought at least one 25,000 mt open-spec naphtha parcel with minimum 70% paraffin content for delivery over H1 June into either port Yeosu or Daesan, at a premium of around $8-$9/mt to Mean of Platts Japan naphtha assessments, CFR. The company could not be immediately reached for verification. LG Chem last bought at least one 25,000 mt cargo of naphtha for H2 May delivery to Yeosu at a premium of $13/mt to MOPJ naphtha assessments, CFR. Lotte Chemical Titan in Malaysia procured, via tender, around one or two 25,000 mt cargoes each, full range naphtha with a minimum paraffin content of 77% for delivery into Pasir Gudang port over H1 June, at a premium of around $6/mt to MOPJ naphtha assessments, CFR. Lotte Chemical Titan was last heard to have purchased at least one 25,000 mt cargo of full range naphtha with a minimum paraffin content of 77%, for H1 May delivery to Pasir Gudang at a premium of $10-$11/mt to MOPJ naphtha assessments, CFR. Oil and Natural Gas Corp. in India is offering a small 6,250 mt clip of naphtha with minimum 48% paraffin content for lifting over May 15-18 from Kakinada Sea Port, east coast India. The tender expires April 24, with validity expiring April 25. India's state-owned Bharat Petroleum Corp. had sold 35,000 mt of naphtha with a minimum paraffin content of 85%, for May 1-2 loading from Kochi at a premium of around $23/mt to average of Platts and Petroleum Argus Arab Gulf naphtha assessments, FOB. The buyer was heard to be Gunvor.

Asian benzene prices diverged Wednesday, rising on an FOB Korea basis one expectations of tightening supply and falling for CFR China on lower offers. The FOB Korea market rose $5.67/mt day on day to $845/mt FOB Korea Wednesday amid active trading. During the Platts Market on Close assessment process, three trades were concluded in the range of $847-$850/mt FOB Korea. A trader said supply was expected to be tight going forward amid turnarounds in the region, including at Ulsan Aromatics' toluene disproportionation unit at end May and at JX Nippon's Kashima Aromatics plant. Ulsan Aromatics has a nameplate capacity of 520,000 mt of benzene and Kashima Aromatics a capacity of 262,000 mt. The trader also noted increasing interest from the Chinese market and said expectations prices would rise going forward was supporting buying interest. In the CFR China market, participants said prices were largely range bound, but buying sentiment was heard to be improving. Domestic East China prices were heard stable on the day, with prompt cargoes at Yuan6,180-6,230/mt, while H2 May cargoes were discussed at Yuan 6,200-6,250/mt. Despite this, the CFR China benzene marker was assessed down $5/mt day on day at $838.50/mt Wednesday on the back of lower offers. In related plant news in China, Abel Chemical's downstream styrene plant was heard to have experienced technical issues and will shut for a month from mid-May to undergo maintenance. SM was assessed higher as a result, with the CFR China SM marker up $16.50/mt day on day at $1,354/mt, despite turnarounds at downstream plants in May and June dampening SM demand. RATIONALE: Asian benzene was assessed up $5.67/mt day on day at $845/mt FOB Korea Wednesday and down $5/mt at $838.50/mt CFR China. The markers takes the average of the third, fourth and fifth half-month laycans, currently H2 May, H1 June and H2June. During the Platts Market on Close assessment process, there were no transparent bids or offers. H2 May was assessed at $841/mt FOB Korea, above a bid last heard at $840/mt. H1 and H2 June were assessed at $847/mt FOB Korea, above the last bid heard at $846/mt and below an offer heard at $848/mt. In the CFR China market, the H1 and H2 June laycans were assessed at $841/mt CFR China, below an offer heard at $842/mt CFR Jiangyin/Ningbo/Changzhou.

Asian SM increased $16.50/mt from Tuesday, mainly supported by bullish sentiments. Discussions in the CFR China market had risen early Wednesday by around $6-$7/mt following firmer sentiment in the domestic China market. East China prices had risen by around Yuan 130/mt from the day before, mainly tracking firmer domestic huaxicun SM futures. This uptrend in Asia was further supported by an unexpected issue at a plant in China, and some tightness in the prompt Chinese market, which pushed East China prices up further. Prompt prices were last heard up Yuan 230/mt to around Yuan 10,450-10,500/mt, while May prices also rose Yuan 210/mt to about Yuan 10,280-10,300/mt. June prices were eventually heard traded at Yuan 10,150/mt. Strong support had prompted CFR China buy indications to rise in tandem later Wednesday, with an H1May-loading bid last heard at $1,357/mt CFR China, but which did not attract any selling interest. A H1 June-loading bid was also last heard at $1,330/mt CFR China, against a June arrival offer heard at $1,365/mt CFR China, but both failed to attract interest due to the wide price gap. Despite the uptrend in prices, CFR China trading activity had remained muted Wednesday as several participants were out of the market for an industry event held in China. RATIONALE: Asian styrene monomer was assessed $16.50/mt higher from Tuesday at$1,354.50/mt CFR China and $1,312.50/mt FOB Korea Wednesday, on the back of the firmer Chinese market. The markers currently take the average of theH2 May and H1 June laycans. During the S&P Global Platts Market on Close assessment process, there were no transparent bids or offers. The FOB Korea marker was assessed at $1,312.50/mt Wednesday, up $16.50/mt over the same period, based on the the CFR China-FOB Korea spread of $42/mt day on day.

The 5-30 day forward styrene spot price strengthened marginally Wednesday to be assessed at $1,383/mt FOB ARA, up $1.50/mt from Tuesday. The styrene market has been backwardated for a while and this backwardation has extended to June. The backwardation between May and June was assessed at $46/mt on Wednesday. There was also a backwardation between H1 May and H2 May, a source said Wednesday. Headded that reports of delays on imports from the US have meant limited product availability at the beginning of May. Elsewhere, prices in Asia rose, supported by firmer sentiment in the domestic China futures market. In the US, however, styrene spot prices eased on the day Tuesday. The CFR China marker price rose $16.50/mt to $1,354.50/mt Wednesday, while the prompt US spot price fell 0.90 cents to 58.95 cents/lb ($1,299.50/mt) Tuesday. In the feedstock benzene market, any May deals were heard done in a range of $855-$865/mt and an H1 May deal at $850/mt. Traded levels were below the April benzene contract price level of $870/mt or Eur702/mt.RATIONALE: S&P Global Platts assessed styrene for loading 5-30 days forward at $1,383/mt FOB ARA Wednesday, up $1.50/mt on the day. Any May was assessed at $1,351/mt, unchanged on the day, and within bid-offer ranges heard. June was assessed at$1,305/mt, within the narrowest bid-offer ranges heard at $1,300-$1,310/mt inthe previous two days. Platts assessed the daily backwardation between April and any May dates at $5.875/mt, based on Platts April assessment at $1,445/mt on Tuesday. Neither an April bid at $1,450/mt nor an offer at $1,440/mt heard Wednesday could be fully corroborated in the market and were not used for the assessment.

Asian Toluene rose $7/mt on the day to $738/mt FOB Korea Wednesday, as crude rose sharply, prompting higher bids. Bids for June were heard as high as$738/mt on the back of stronger crude futures. ICE June Brent crude rose$1.34/b higher to $75.04/b 0830 GMT Wednesday. Producers were in no hurry to sell as they expected the demand for toluene as a gasoline blend stock to improve with the market moving toward the peak gasoline summer season. Meanwhile in China, prompt domestic prices were assessed up Yuan 80/mt to Yuan5,630/mt. Demand was heard to be especially strong for prompt cargoes on the back of low port inventory concerns. Several domestic refineries were also heard to be undergoing turnaround, thereby limiting domestic supply further. The CFR China marker was assessed at $746/mt, up $5/mt on the day. RATIONALE: The FOB Korea marker was assessed $738/mt FOB Korea Wednesday, up $7/mt from Tuesday. The marker takes the average of the third and fourth half-month laycans, currently H2 May and H1 June. During the Platts Market on Close process, no transparent deals, bids or offers were seen. June was last heard bid at $738/mt FOB Korea, and was assessed at the pegged level above this bid at $739/mt. H2 May was also assessed at the pegged level, $737/mt, keeping the contango structure between H2 May and H1 June unchanged at $2/mt. The CFR China marker was assessed up $5/mt at $746/mt, at the pegged level, above a May bid heard at $745/mt.

Asian isomer-grade mixed xylene prices rose $11/mt day on day to $782.50/mt FOB Korea and $804/mt CFR Taiwan on Wednesday, amid firm upstream prices that also pushed downstream prices higher. June ICE Brent crude oil futures rose$1.34/b to $75.04/b at 0830 GMT Wednesday in Asian trade. Market sources said bids for May cargoes of MX were close to $800/mt on a CFR China basis as the domestic prompt price in East China rose to Yuan 6,050-6,070/mt, or around$805.60/mt on an import parity basis -- or $792.30/mt if subtracting Yuan 100for various fees. Other bids were also heard on an FOB Korea basis as well as CFR Taiwan. However, no firm offers were heard Wednesday, except a mention of offers on a CFR China basis at $820/mt for May cargoes. RATIONALE: Isomer-MX was assessed up $11/mt day on day at $782.50/mt FOB Korea, and up$11/mt at $804/mt CFR Taiwan, Wednesday. The markers currently take the average of the H2 May and H1 June laycans. There were no transparent trades, bids or offers during the Platts Market on Close assessment process. During MOC, a bid for CFR Taiwan cargo arriving in June was heard at $806/mt. The June laycanswere assessed above the bid, at $807/mt CFR Taiwan. H2 May was assessed at$801/mt, maintaining the H2 May/June contango at $6/mt. Earlier on an FOB Korea basis, H2 May was bid at $780/mt and June at $783/mt. H2 May was assessed at $781/mt, and H1 June at $784/mt, both above the bids.

(Source-Secondary research)