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Argus PVC and Vinyls

Formerly Argus Global Polyvinyl Chloride
Global EDC, VCM, PVC prices and market analysis

Issue 24-5 | Friday 2 February 2024

HIGHLIGHTS

EDC and VCM

- EDC production in Saudi returns at lower levels

US

- Domestic demand steady
- Export prices rise

Latin America

- Offers limited

Europe

- Import prices ease slightly

Turkey

- Demand is not bad but supply is limited

Middle East

- Local producers raise prices

China

- Prices rise on higher ethylene costs

South Asia

- Local production issues persist

Southeast Asia

- Import trades remain active

MARKET PRICES

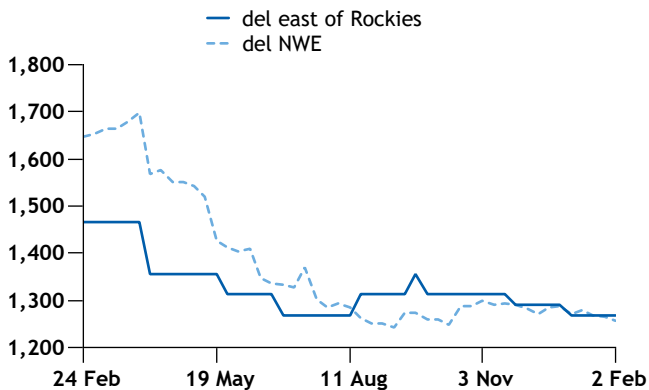
Contract prices				\$/t	
	Timing	Contract marker		Argus Δ	
US					
S-PVC pipe del east of Rockies	Jan	1268	-		0.00
Europe					
S-PVC pipe del NWE	Jan	1257	▼		-9.00
S-PVC pipe del S Europe	Jan	1284	▼		-9.00
S-PVC pipe del CEE	Jan	1246	▼		-9.00
E-PVC paste del NWE	Jan	1559	▼		-11.00

The Argus Δ (delta) is the assessed change in price from the previous month

Spot prices			\$/t	
Product and basis	Price		Weekly ±	
US				
S-PVC pipe Houston fas bagged	710-750	▲		+10.00
E-PVC homopolymer cfr US east coast	1,433-1,764	-		0.00
Latin America				
S-PVC pipe, cfr, Brazil (US-Origin)	800	▲		+15.00
S-PVC pipe, cfr, WCSA (US-Origin)	790	▼		-35.00
Europe				
S-PVC pipe import price cif Europe	841.5	▼		-14.00
Turkey, Egypt and Middle East				
S-PVC pipe cfr Turkey (Europe-origin)	880-920	▲		+32.50
S-PVC k70 cfr Turkey (Europe-origin)	950-970	▲		+45.00
S-PVC pipe cfr Turkey (US-origin)	810-830	▲		+20.00
S-PVC pipe cfr Egypt	800-850	▼		-2.50
S-PVC pipe cfr GCC	840-870	▼		-5.00
Asia-Pacific				
S-PVC pipe fob China (ethylene-based)	730-735	▲		+12.50
S-PVC pipe fob China (carbide-based)	705-710	-		0.00
S-PVC pipe cfr China	715-765	▲		+2.50
S-PVC pipe cfr India	760-790	-		0.00
S-PVC pipe cfr Pakistan	820-840	▲		+5.00
S-PVC pipe cfr Bangladesh	755-790	-		0.00
S-PVC pipe cfr SE Asia	740-760	-		0.00

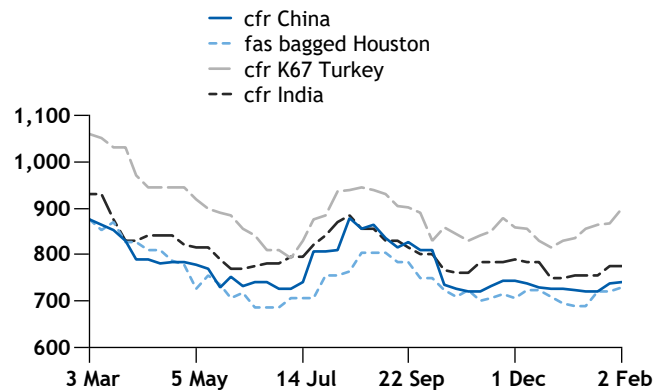
Global S-PVC contract prices

\$/t

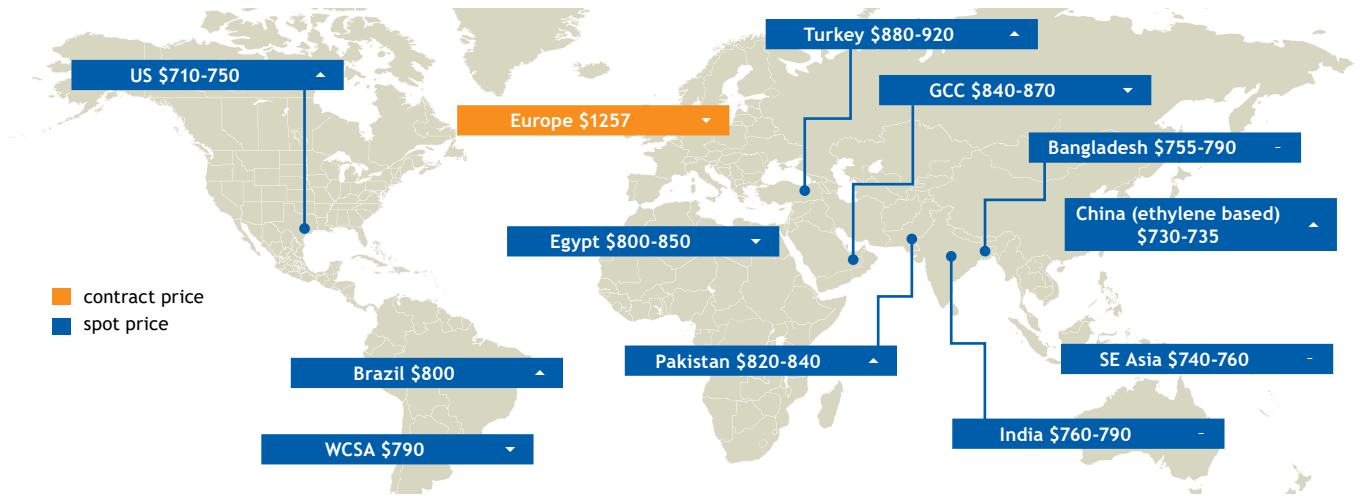


Global S-PVC spot prices

\$/t



GLOBAL S-PVC SNAPSHOT



OIL FEEDSTOCKS

Crude oil

Global crude prices were mixed for most of the week, with North Sea values up slightly on the tensions in the Red Sea, and US down. Refinery maintenance in the US weighed on crude demand, undermining benchmark WTI. But North Sea prices fell sharply by more than \$4/bl on Friday amid some reports of progress on negotiations for a possible pause in fighting in Gaza.

Naphtha

European naphtha prices fell rapidly at the end of the week as crude prices fell. Weak demand for exports also weighed on naphtha prices and cracks to crude through the week.

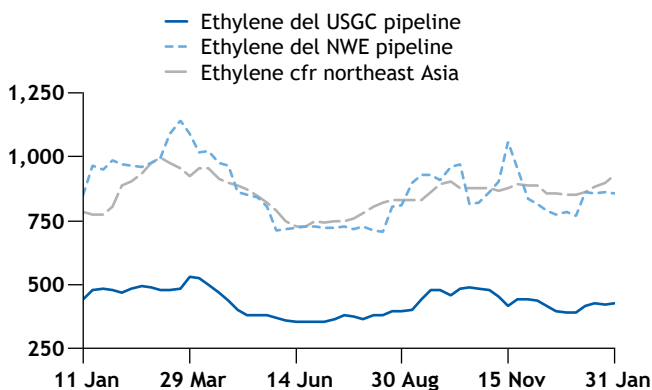
Asian naphtha prices fell with crude prices and as earlier increase put naphtha feedstock at a disadvantage to propane, prompting several Asian petrochemical producers

Crude			\$/bl	
	Effective date	Price	Weekly ±	
Ice Brent	1 Feb	78.70	-4.85	
Nymex WTI	1 Feb	73.82	-4.19	
Naphtha			\$/t	
70 min paraffin USGC waterborne del	1 Feb	615.41	-14.68	
65 para NWE cif	2 Feb	626.00	-34.50	
Japan c+f	2 Feb	653.25	-50.50	
Ethylene				
	Basis	Effective date	Price	±
del USGC	€/lb	Jan 1 Feb	29.50	+1.00
del Europe	€/t	Feb 2 Feb	1,190.00	+5.00
cfr NE Asia	\$/t spot	31 Jan	927.50	+27.50

Effective date is the date of last assessment. Change is compared with the previous assessment.

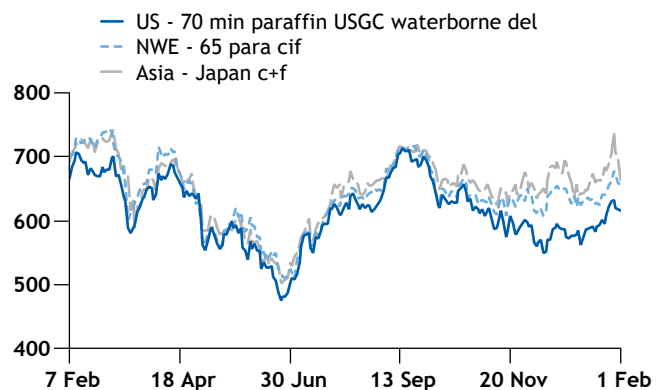
Global ethylene prices

\$/t



Global naphtha prices

\$/t



OIL FEEDSTOCKS

to switch to propane as a cracking feedstock. Earlier in the week, the Argus cfr Japan naphtha price had reached an 11-month high of \$737/t on 29 January.

Ethylene

US spot EPC ethylene prices traded between 19-19.5¢/lb on 1 February, up from levels earlier in the week. February volumes traded between 19.5-19.625¢/lb by mid-week. Ethylene prices have trended higher for the last week and a half as scheduled turnarounds take supply offline. Multiple crackers were believed to be down for turnaround, including Formosa’s mixed-feed Point Comfort, Texas, cracker; ExxonMobil’s mixed-feed cracker in Baton Rouge, Louisiana; Nova Chemicals’ mixed-feed cracker in Geismar, Louisiana, and LyondellBasell’s mixed-feed cracker in Corpus Christi, Texas. The January US ethylene contract settled up 1¢/lb to 29.5¢/lb.

In Europe, the spot ethylene market is stable and balanced. The February monthly contract price settled late in the week at a €5/t increase from January. The last deals in the spot market were done at percent discounts to the MCP in the mid-30s.

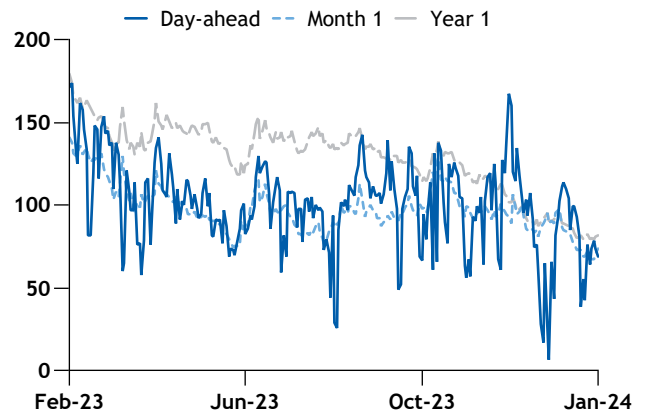
In Asia-Pacific, ethylene prices rose in northeast Asia due to tight supply. Most buyers refrained from buying at higher prices in light of weak derivative margins and an expected slowdown in demand in China in February because of the lunar new year holiday. Some US cargoes were reported to be offered at \$960/t cfr China during the week for April delivery. This followed market talk of a deal at \$940-950/t cfr China last week.

GAS, ELECTRICITY AND COAL

- European power and gas prices continued to fall with milder weather easing consumption levels.
- Spot prices at the Katy storage hub, a key natural gas market near Houston, Texas, dropped in the past week on milder weather and high regional inventories.
- The DDP Shanghai coal price rose marginally this week, as sentiment was lifted by the onset of a cold snap that could disrupt domestic supplies while simultaneously boosting heating demand.

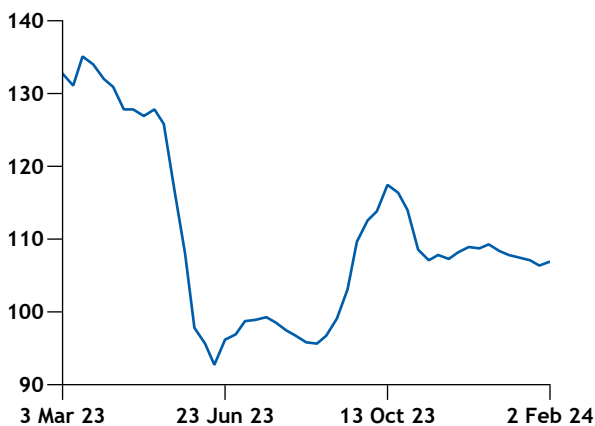
Europe electricity prices

€/MWh



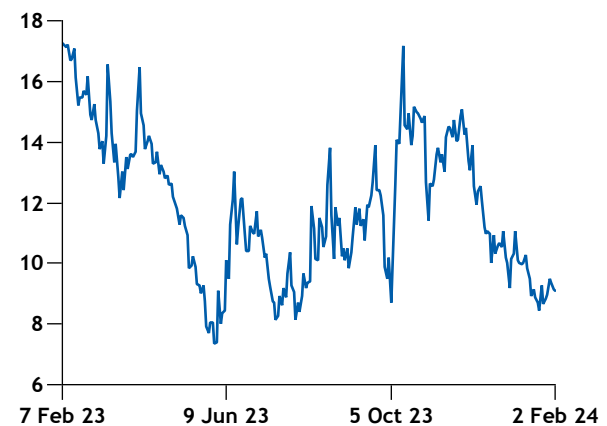
China coal prices

\$/t



US gas prices

\$/mnBtu



CAUSTIC SODA, EDC, VCM

Americas

The US chlor-alkali market is still challenged by low demand for derivatives. Producers tried to bolster caustic soda prices in January for domestic contracts and exports as a means of offsetting low chlorine demand, but had limited success in the face of a strong increase in PVC production.

No significant EDC deals were picked up this week as the potential for availability to tighten in February is rising. Multiple producers have outages ongoing or planned for February that will reduce EDC volumes for the export market. Overseas demand for EDC remains strong, especially in Asia, Africa, and to a lesser extent Europe. However, US producers remain uninterested in making on purpose EDC. Volume availability should improve by early March and April, when various maintenance outages are concluded. There still remains no clear timeframe for when Olin's idled capacity at St. Gabriel, Louisiana and Freeport, Texas will be brought back online. EDC availability should improve further when Olin restarts operations at these plants.

Europe

Caustic soda supply and demand across northwest Europe remain in line with one another. Consumption along the supply chain remains well below normal, but its seasonality continues albeit on a smaller scale. Caustic soda availability is supported by high operational reliability as well as seasonally stronger chlorine consumption as customers are restocking ahead of more activity in spring. There has also been some caustic soda restocking after customers depleted inventories before the year ended and, for now, the market is not showing signs of imbalance in either direction.

Import EDC discussions for February shipment have yet to begin in Europe.

Overseas producers will be assessing transatlantic freight costs in order to derive their price intentions to European PVC producers, with indications of freight prices rising to around \$70-100/t depending on the EDC parcel size in question. Buying interest in January was mostly limited to contractual volumes via the sole domestic producer of EDC in Europe, with price offers in the high \$300's/t cfr remaining unworkable from a European producers' perspective.

US EDC offers are likely to remain elevated in February on the back of rising freight rates associated with vessel attacks along the Red Sea, production maintenance in the US and ongoing lower operating rates across chlor-vinyls production across the Gulf.

Caustic soda				
	Effective date	Price		±
fob USGC contract \$/dst	Jan 24	690.00	▼	-23.00
fd NWE contract €/dmt	Q1-2024	680.00	▼	-5.00
fob NE Asia export \$/dmt	Week 5	340.00	▲	+12.00
EDC & VCM				\$/t
EDC fob USGC	Jan 24	267.00	▲	+14.00
EDC cfr Europe	Jan 24	370.00	▲	+15.00
EDC cfr Northeast Asia	Jan 24	350.00	▲	+5.00
VCM cfr Northeast Asia	Jan 24	570.01	u	-5.00

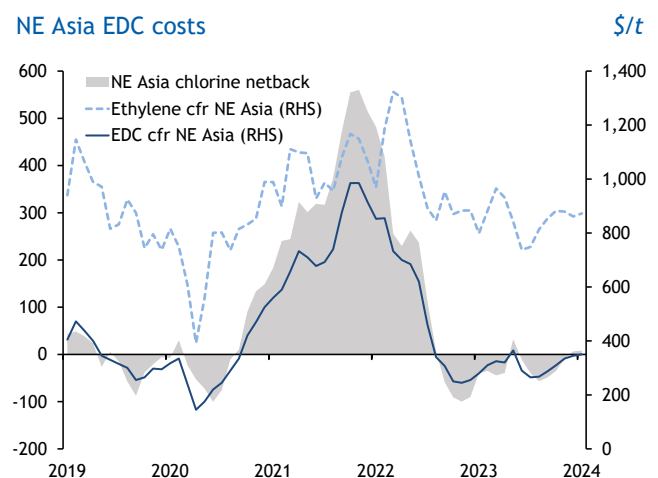
Asia-Pacific

The northeast Asian caustic soda export market was muted this week as market participants look for leads to assess price direction. Traders were trying to secure their positions for March loading in anticipation of a rebound after business resumes following the lunar new year holidays towards the end of February. Chinese producers hiked their March-loading cargoes to \$350-360/dmt fob in response to production outages and maintenance shutdowns at some major facilities, especially in the north. The market also expected to see some demand recovery after the holiday.

The monthly ethylene dichloride (EDC) price assessment for January was reported \$5/t higher last week at \$350/t cfr northeast Asia, with one US-origin parcel transacting at \$350/t cfr last month and destined to Taiwan.

Import EDC discussions for February have yet to start, but EDC spot prices across Asia are likely to sustain their gains during the first half of 2024 as the market remains pressured by lower global production rates, rising demand from PVC producers in south and southeast Asia and rising

NE Asia EDC costs



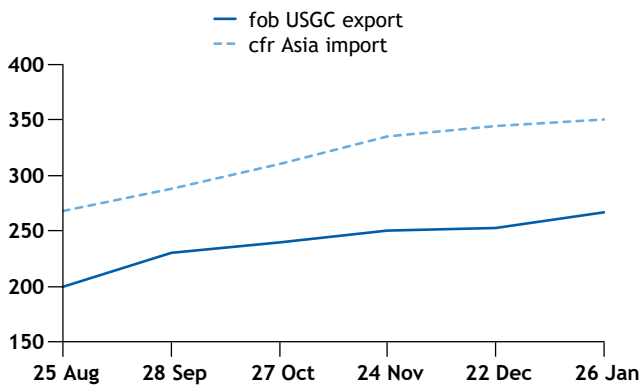
CAUSTIC SODA, EDC, VCM

freight costs associated with shipping disruptions through the Red Sea. Chlorine netbacks into EDC returned to positive territory since December 2023, but producers will remain cautious over raising EDC operating rates as they will want to limit incremental caustic soda supply in a weakening market. Caustic soda and EDC production in Saudi Arabia is likely to return to normal rates in mid-2024, which will maintain EDC requirements across Asia elevated in the coming months as PVC producers prepare for restocking season. Chinese EDC producers raised their offers further this week to 2,740-2,760 yuan/t ex-tank in east China, up by 50-60 yuan/t week-on-week and in line with higher feedstock ethylene costs.

The monthly vinyl chloride monomer (VCM) price assessment for January was reported \$5/t lower at \$570/t cfr northeast Asia, with Japanese cargoes sold to Taiwan and China at \$570/t cif. Sellers raised their offers for February shipments as Japan prepares for their annual production maintenance schedule, which is expected to keep supply limited in the coming months. PVC restocking demand across Asia may also support higher VCM prices in the coming months. Chinese VCM producers in east China raised their offers to 5,100-5,150 yuan/t ex-tank, up by 100-150 yuan/t from the previous week.

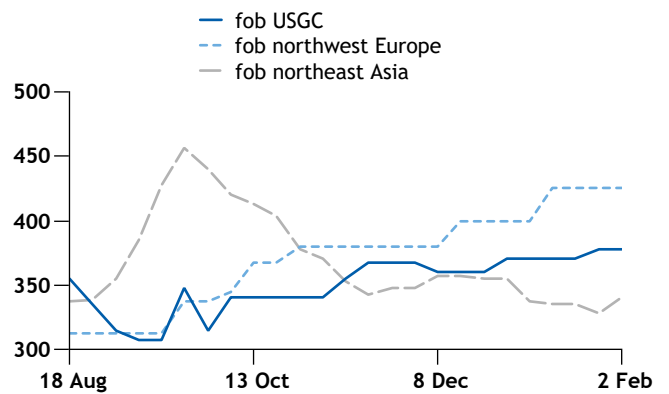
Global EDC prices

\$/t



Global caustic soda export prices

\$/dmt



PVC PRICING ANALYSIS

US

US suspension-grade polyvinyl chloride (S-PVC) prices remain under negotiation for January with producers still attempting to secure a price increase of some level while buyers hold out for a rollover in pricing. Export prices widened this week to between \$710-750/t fas Houston.

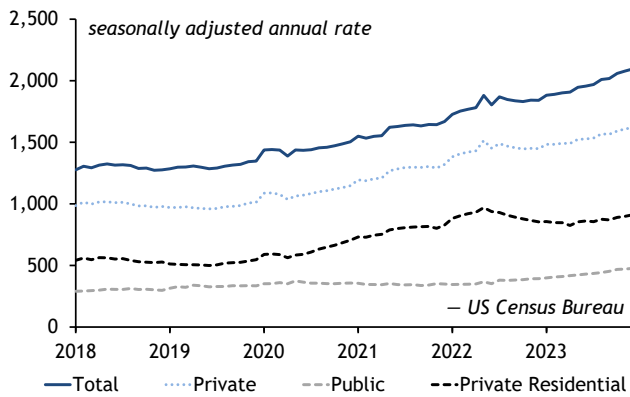
US spot ethylene declined on 1 February from previous days. February EPC ethylene was assessed at 19.25¢/lb, 0.25¢/lb below the prior assessment. March EPC ethylene was assessed at the same price following a single trade. The January US ethylene contract settled up 1¢/lb to 29.5¢/lb.

Total US construction spending grew 0.9pc from November to a seasonally adjusted annual rate of \$2.1 trillion in December, with growth in both public and private investment, according to the latest from the US Census Bureau. Total construction spending was also 13.9pc higher than December 2022.

Total private construction spending was at a rate of \$1.62 trillion in December, 0.7pc above November and 11.8pc higher than the year prior. Private residential spending was at a rate of \$912bn, 1.4pc higher than November and 6.8pc higher than December 2022.

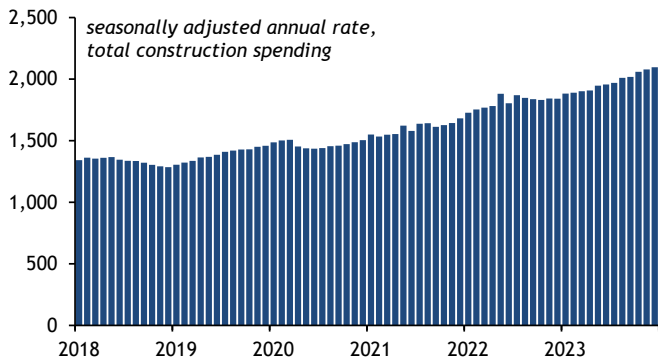
US construction spending breakdown

\$mn



US construction spending

\$bn



US polyvinyl chloride contracts				¢/lb
	Timing	Argus Δ	Contract marker	Low / High ±
PVC pipe del east of Rockies	Jan	0.00	57.5	0.0/+5.0

The Argus Δ (delta) is the assessed change in price from the previous month

North America PVC spot markets			¢/lb
Product and basis	Price		±
S-PVC pipe fas/Houston bagged	32-34	▲	+0.5
E-PVC homopolymer cfr US east coast	65-80	-	0.00

Public spending was at a rate of \$476bn in December, rising 1.3pc from November and 21.3pc from December 2022. Spending on the water supply and sewage in December fell 1.5pc from November, but was 21.7pc higher year to year.

PVC demand has deviated from rising construction spending in recent months, mainly as weaker housing construction activity has weighed more heavily on PVC producers. While demand for various PVC end uses has stabilized, buyers have been somewhat slow in restocking because few can confidently anticipate when demand will truly pick up. Ongoing weakness in the commercial real estate market is also causing problems, with construction spending in that market plateauing for several months as PVC demand into the sector has been steady but soft.

Producers are operating at lower rates collectively. One producer is running at reduced rates after a problem at one of its ethylene crackers prompted a month-long shutdown of the cracker for maintenance. Another producer is running maintenance at two sites in February, for chlor-alkali and the vinyl chain, which will likely tighten availability of PVC. Domestic impacts have been minimal so far, with most buyers still able to get whatever volumes they need.

The emulsion-grade PVC (E-PVC) was flat this week for pricing at 65-80¢/lb as demand has been stable. Buyers have continued to try and leverage cheaper imports from Europe to get more favorable pricing from domestic producers. As domestic producers have narrowed the gap, however, they have been unwilling to drop prices much further. The potential for European supply to be impacted by rising freight costs and vessel availability issues is also an ongoing issue being monitored by market participants, though pricing has been stable so far.

The S-PVC export price range widened this week to \$710-750/t fas Houston as producers begin to make offers for February. Some producers have offered \$750/t, with some even offering higher prices, but some traders have balked at the rise in prices given persistent weak demand in most key destinations.

Some producers still haven't made price announcements at time of writing, so there is room for prices to shift further in the coming weeks. Producers are anticipating volume to tighten due to the various outages occurring and set to begin this month. Traders contend that demand is weak in regions like the Mediterranean and Latin America, and the Red Sea and Panama Canal issues are making Asia harder to reach. Traders have argued producers can't raise prices to just any level, and that if prices get too high, buyers will step back from potential deals.

Latin America

South American buyers of imported polyvinyl chloride (PVC) continued to see limited resin offers for the region amid logistics issues and lower operating rates in some producing regions.

The limited PVC offers made prices behave in opposite ways in Brazil and the west coast South America (WCSA), showing the volatility faced by the market. Brazilian buyers saw prices up by \$15/t week-over-week, at the \$790-810/t range for US produced PVC. In the WCSA, prices at \$780-800/t were \$35/t lower for the same origin when compared to the prior week.

The price increase seen in Brazil seems to be unsustainable. PVC demand in the region's largest market is currently stable but a demand increase should be seen only in mid-February, after the local Carnival celebrations ends.

The prospect made one local PVC producer give up on increasing its prices, announcing a rollover for February. However, the situation is expected to change in March and April, when price increases are being prepared, *Argus* heard.

Meanwhile, Asian material was heard with higher prices, with China origin PVC quoted at \$880-920/t cfr for South American main ports. This material saw low buying interest in the region.

In the WCSA, major concerns relate to the political issue in Ecuador. Two different traders told *Argus* last week that conditions in Ecuador are currently difficult due to the local turmoil, which is affecting polymers' demand.

Another issue impacting shipments to Ecuador is the Panama Canal situation. The local port authority has been increasing rates and some delays were felt for shipments between the US Gulf and the WCSA, which includes Ecuador. However, one trader stated that he doesn't have customers complaining yet about shipments to the region.

In Argentina, traders told *Argus* that a slight recovery in the polymers markets seems to be taking place after over a year of harsh macroeconomic conditions that led to a strong decrease in resin imports into the country.

With the new government implementing several eco-

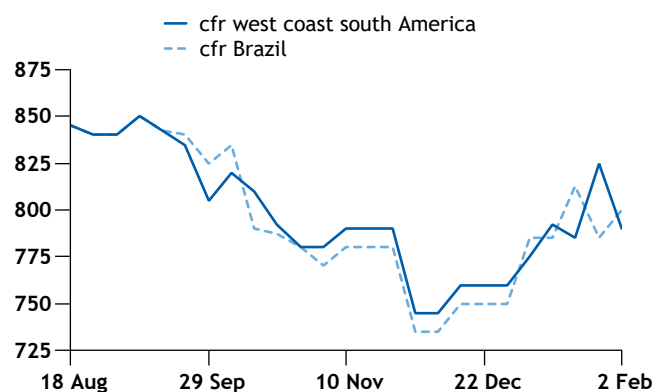
Latin America PVC markets			\$/t
Product and basis	Price		±
S-PVC pipe cfr Brazil US-origin	800	▲	+15.00
S-PVC pipe cfr WCSA US-origin	790	▼	-35.00

nommic measures to face inflation and currency devaluation and giving importers better conditions to credit and import licenses, *Argus* heard important resin producers and exporters resuming offers for Argentinian buyers, including the largest Brazilian manufacturer, absent from Argentina since late-2022. The list also includes traders in Europe and the US, according to sources.

The move should give local buyers some relief from higher domestic prices, heard this week at \$1,650-1,700/t for spot material. As a comparison, US produced PVC offers in neighboring Uruguay was quoted at \$830-850/t cfr Montevideo this week.

Latin America S-PVC prices

\$/t



PVC PRICING ANALYSIS

Europe

The European PVC market is gearing up for another round of monthly contract price negotiations, but producers have yet to communicate their initial price indications as they currently assess local demand requirements, export requirements across various grades and production cost structures.

Following significant downward price adjustments on net delivered suspension PVC (s-PVC) contract prices for 2024, most participants were happy to settle contract price negotiations at a rollover in January. This will form the basis of the Argus January s-PVC contract deltas, with limited deviations noted between northwest, southern and central eastern Europe. Some buyers reported price decreases for the month, but these were mostly achieved in order to align their net delivered contract prices with those of larger consumers of s-PVC. Current s-PVC contracts are being quoted in the high €800's/t and low-to-mid €900's/t net delivered. We will be taking these annual contract price adjustments into account during our yearly contract marker re-assessments in April, as per our methodology.

Paste PVC (e-PVC) contract prices also settled at a rollover in January, following a hefty round of downward annual contract price adjustments due to lower domestic energy prices near the end of 2023. Buyers continue to note potential for further e-PVC contract price decreases in the coming months should energy costs remain steady at such levels, especially in light of lower price decreases on e-PVC contracts compared with s-PVC over recent months. The Argus e-PVC northwest Europe contract marker for January will be finalised at a rollover this week.

The northwest European market remains broadly balanced, with demand appearing to have flattened over recent months, albeit still within lower levels, while supply pressure begins to subside in light of fewer import offers and reduced spot availability among domestic producers. Some European spot indications remain noted below €800/t DDP, but buyers remain reluctant to source these as they are either adequately covered by contracts, or already restocked earlier in December in order to meet annual contract volume targets for 2023. Deliveries of s-PVC from Wilhelmshaven, Germany remain restricted due to a leakage at an integrated VCM production unit at the site, with restart plans scheduled for mid-February.

There is limited fundamental change in the southern European market this week, with PVC production in France seeing limited impact from an ongoing upstream vinyl production shutdown at Fos-sur-mer.

In central eastern Europe, the restart of production in

Europe polyvinyl chloride contracts					€/t
	Timing	Argus Δ	Contract marker	Low / High	±
S-PVC pipe del NWE	Jan	0	1165		0/0
S-PVC pipe del southern Europe	Jan	0	1190		0/0
S-PVC pipe del central and eastern Europe	Jan	0	1155		0/0
E-PVC paste del NWE	Jan	0	1445		0/0

The Argus Δ (delta) is the assessed change in price from the previous month

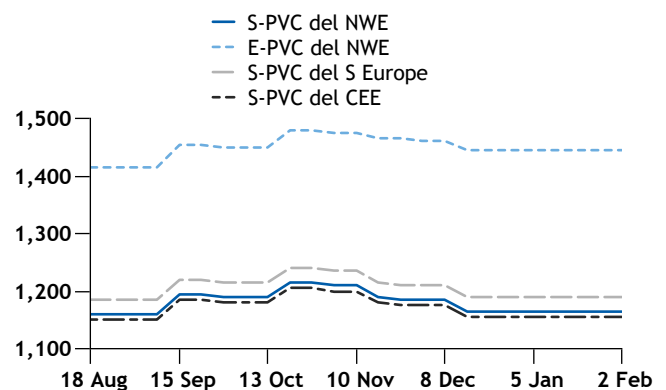
Europe polyvinyl chloride import prices			€/t
Product and basis	Price		±
S-PVC pipe import price cif Europe	780	▼	-7.5

Poland is helping to alleviate some of the local supply tightness witnessed in recent months, but while supply remains restricted from Czech Republic and the Ukraine, local buyers are noting no real issues in procuring required volumes for the month given ample supply from other sources.

The s-PVC import market saw limited activity this week, despite some traders reducing their offers to \$830/t cfr (around €760/t cif) for US-origin cargoes. We will be adjusting our s-PVC import price range this week to €760-800/t cif Europe.

Europe PVC contract prices

€/t



PVC PRICING ANALYSIS

Turkey

Polyvinyl chloride (PVC) import prices into Turkey increased this week, owing to tight supply rather than high demand. And current demand is mostly from traders, not end-users. Although some offers have been heard from various origins, not all February prices have been announced yet. Buyers are waiting for all prices to be announced. With Asian cargoes facing freight problems owing to the Red Sea crisis, buyers have turned their attention to Europe and the US, but the limited supply in these regions will have a negative impact on trade if demand increases.

Northwest Europe-origin K67 material was assessed at \$880-920/t cfr this week, \$15/t higher on the low end and \$50/t higher on the high end, compared with last week. Offers from Egypt were available at \$850-870/t cfr and Mexican offers were heard at \$880/t cfr. Domestic producer Petkim offered its material at \$970/t, plus value-added tax (VAT). US-origin K67 was assessed at \$810-830/t cfr, \$30/t higher on the low end and \$10/t higher on the high end. Northwest Europe-origin K70 material was assessed at \$950-970/t cfr, \$40/t higher on the low end and \$50/t higher on the high end. Mexican offers were available at \$930-940/t cfr and Petkim's offers were at \$1,030/t, plus VAT. Northwest Europe-origin K58 material was offered at \$910-920/t cfr.

Middle East

The s-PVC import market into the Gulf Cooperation Council (GCC) remained quiet this week, with prices easing slightly by \$5/t to \$840-870/t cfr GCC.

Prices for US-origin cargoes remained elevated this week, with reduced export availability from the US Gulf because of lower operating rates and planned maintenance restricting supply to the Middle East. Some deals were noted done between \$830-840/t cfr late last week, but reduced availability forced sellers to bump up price offers between \$840-850/t cfr.

Offers from China were mostly quoted between \$850-870/t cfr, with prompt shipments remaining limited as Chinese sellers begin to wind down their operations ahead of the Lunar New Year holidays. Trading activity was muted in the import market as converters remain cautious over longer shipping times and higher freight costs associated with the attacks along the Red Sea.

Local producer Sabic announced s-PVC price increases of 190 Saudi riyal/t for February deliveries to local customers to 3,565 Saudi riyal/t delivered, equivalent to roughly \$950/t delivered. These prices remain roughly in line with import deliveries into Saudi Arabia, after accounting for inland

Turkey and Middle East PVC markets			\$/t
Product and basis	Price		±
S-PVC pipe, cfr Turkey (Europe-origin)	880-920	▲	+32.5
S-PVC k70, cfr Turkey (Europe-origin)	950-970	▲	+45.0
S-PVC pipe, cfr Turkey (US-origin)	810-830	▲	+20.0
S-PVC pipe cfr GCC	840-870	▼	-5.0

Egypt PVC markets			\$/t
Product and basis	Price		±
S-PVC pipe cfr Egypt	800-850	▼	-2.5

logistics costs to customers, but supply for certain k-value grades from Sabic remains slightly reduced this month for applications such as profiles and fittings. The producer continues to operate caustic soda and EDC production at lower levels this month, but while this was mostly affecting caustic soda and EDC contractual obligations to overseas customers at first, EDC supply shortages may have caught up to s-PVC production now, thereby resulting in certain s-PVC grades being unavailable to customers for now.

Egypt

Polyvinyl chloride (PVC) import prices into Egypt were slightly decreased this week. Market participants are waiting for all offers to go out, but there is little demand at the moment. The main reasons for this are the ongoing US dollar shortage issue and freight shortages caused by the Red Sea crisis. These issues are also limiting supply, so this week the majority of offers for PVC were available from Europe.

PVC is assessed at \$800-850/t cfr this week, \$25/t lower on the low end and \$20/t higher on the high end, compared with last week, with the offers heard from European suppliers.

PVC PRICING ANALYSIS

China

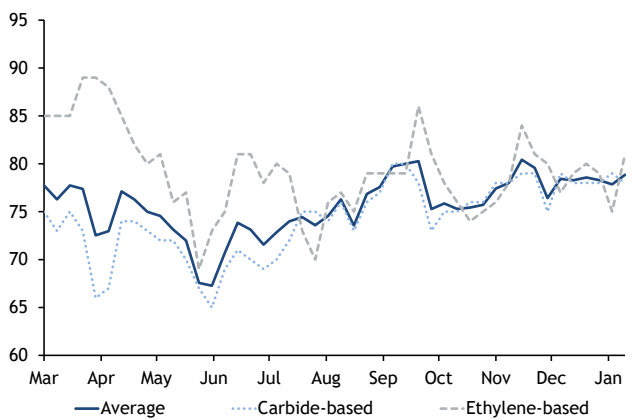
PVC prices in China saw mixed movements this week, as carbide-based PVC prices edged lower on weakening demand while ethylene-based PVC prices rose on the back of higher feedstock costs.

PVC futures fell significantly during mid-week, attributable to weaker market sentiment in China and shrinking exports trades. Downstream demand in the country was also slow ahead of the Lunar New Year holidays. Operating rates at the converter level were reported around 35-38pc this week, down by 5-7pc compared with the previous week. Lower PVC futures weighed down on spot PVC prices, attracting speculative demand on 31 January as downstream converters opted to restock cargoes to be delivered after the Lunar New Year holidays.

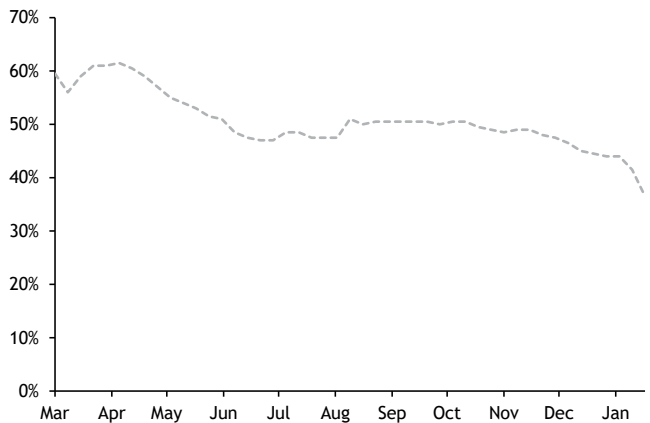
Carbide-based PVC prices in east China edged lower to 5,550-5,750 yuan/t ex-works, down by 50 yuan/t week-on-week. Ethylene-based PVC prices inched higher to 5,750-6,100 yuan/t ex-works, also 50 yuan/t higher from the previous week.

Average PVC production rates in China inched higher

China PVC production rates %



China converter rates %



Asia-Pacific PVC markets

Product and basis	Price	±
China (Yn/t)		
S-PVC pipe ex-works China (ethylene-based)	5,750-6,150	▲ +25.00
S-PVC pipe ex-works China (carbide-based)	5,550-5,750	▼ -25.00
China (\$/t)		
S-PVC pipe fob China (ethylene-based)	730-735	▲ +12.50
S-PVC pipe fob China (carbide-based)	705-710	- 0.00
S-PVC pipe ex-works China import parity	650-697	▲ +0.59
S-PVC pipe cfr China	715-765	▲ +2.50
South Asia (\$/t)		
S-PVC pipe cfr India	760-790	- 0.00
S-PVC pipe cfr Pakistan	820-840	▲ +5.00
S-PVC pipe cfr Bangladesh	755-790	- 0.00
Southeast Asia (\$/t)		
S-PVC pipe cfr SE Asia	740-760	- 0.00

to 79pc this week, 1pc higher than the previous week. Carbide-based PVC production ran at an average of 78pc, while ethylene-based PVC production ran at an average of 81pc. Sinopec Qilu is maintaining their 360,000 t/yr PVC unit offline following a fire at an integrated upstream cracker on 23 December, while Suzhou Huasu ended their planned maintenance at their 130,000 t/yr PVC unit. Another planned shutdown at Suzhou Huasu's PVC production unit will take place during the Lunar New Year holidays.

Ethylene-based PVC producers raised their export offers to \$730-745/t fob China, in light of higher costs, but buying interest from India remained suppressed at higher levels despite adequate demand from customers there. Offers for carbide based PVC exports rose slightly to \$705-715/t fob China during the week, attracting equally low buying interest from overseas markets. Overall transactions were limited in the export market, with ethylene-based PVC trades noted between \$730-735/t fob China. Carbide-based PVC trades were instead noted between \$705-710/t fob China. Export trades were mainly destined to south Asia. Carbide-based PVC prices were assessed stable at \$705-710/t fob China, while ethylene-based PVC prices were assessed at \$730-735/t fob China, up by \$12.50/t since the previous week.

The import market in China remained quiet this week, with overseas producers unwilling to table fresh offers in light of the upcoming holiday period in China and Taiwan during mid-February. Some offers were noted slightly higher into China, in light of higher domestic ethylene-based PVC prices and higher ethylene and upstream vinyl feedstock costs. PVC import prices into China were assessed at \$715-765/t cfr China, up by \$5/t from the previous week's low end.

South Asia

Indian s-PVC import prices were steady this week between \$760-790/t cfr India, with adequate buying interest emerging before Lunar New Year celebrations in China.

Import interest into India remains good this week as buyers were keen to restock cargoes following limited monthly export allocations from Taiwanese producers. Chinese-origin cargoes remained particularly competitive this week, with ethylene-based s-PVC trades noted at \$760/t cfr. Carbide-based s-PVC trades were also noted at \$760/t cfr, but for limited volumes as Indian buyers remain reluctant to purchase these cargoes in light of potential quality restriction announcements on PVC imports with a residual VCM (RVCM) content above 2 parts per million.

Import offers from south Korea were steady at \$790/t cfr, with most allocations selling out earlier in the week. One producer in Thailand offered s-PVC cargoes between \$820-830/t cfr, or around \$800-810/t cfr after accounting for duty benefits from southeast Asia, but buying interest was muted at these levels. One small parcel of Thailand-origin s-PVC pipe-grade was reported trading at \$835/t cfr, or around \$815/t cfr after accounting for duty benefits, but this was omitted from the current assessment as it was deemed outside of the commonly reported price range for the week. In the domestic market, one local producer raised s-PVC prices by 1,000 Indian rupees/t effective from 1 February, following a recent return to production from planned maintenance in Hazira which led to a renewed leakage at their integrated VCM production unit. VCM and s-PVC production in Hazira is expected to remain shut for about a week as the producer assesses the situation, but response from customers appears surprisingly calm for now as they note adequate import offers in the market in order to replace lost domestic supply. Other local producers continue to face renewed pressure from higher logistical costs from the Middle East and the US, which is expected to support higher EDC and VCM costs in the medium-term.

In Pakistan, s-PVC import prices rose slightly by \$5/t to \$820-840/t cfr Pakistan, following a couple of deals confirmed for Indonesian-origin s-PVC at this level. Supply from local producer Engro is expected to remain restricted following a planned maintenance schedule at their site since late January for around 20-25 days, which will likely raise import inquiries among local converters.

The s-PVC import market in Bangladesh remained quiet this week, with prices holding steady between \$755-790/t cfr Bangladesh in light of limited trading activity.

Southeast Asia

Trading activity in the southeast Asian s-PVC market remained adequate this week, but this failed to translate into higher import prices as discussions were mostly steady between \$740-760/t cfr southeast Asia.

Buyers continued to seek import cargoes as they viewed current import prices favourable enough to meet their restocking requirements, which typically increases ahead of the Lunar New Year holidays in China. Demand for polymer resins also tends to increase after the holidays as some customers seek to restock ahead of the holy month of Ramadan, which typically sees construction activity slowing.

Demand for s-PVC imports was particularly noticeable from Vietnam this week, following a Taiwanese producer selling all their monthly allocations to export markets earlier than usual. South Korean producers used this opportunity to raise offers into southeast Asia to \$760/t cfr, while Japanese cargoes were maintained at price levels of \$780/t cfr, or \$740/t cfr after accounting for duty free benefits from Japan. Deals were reportedly done at these price levels. Chinese ethylene-based s-PVC offers were heard between \$750-760/t cfr, but for limited volumes as Chinese sellers begin to wind down for the Lunar New Year holidays.

Indonesian producers entered the market this week by offering \$765/t cfr to certain countries across southeast Asia. Offers to Vietnam were slightly elevated in comparison.

Argus Chlor-Alkali and Vinyls Forum

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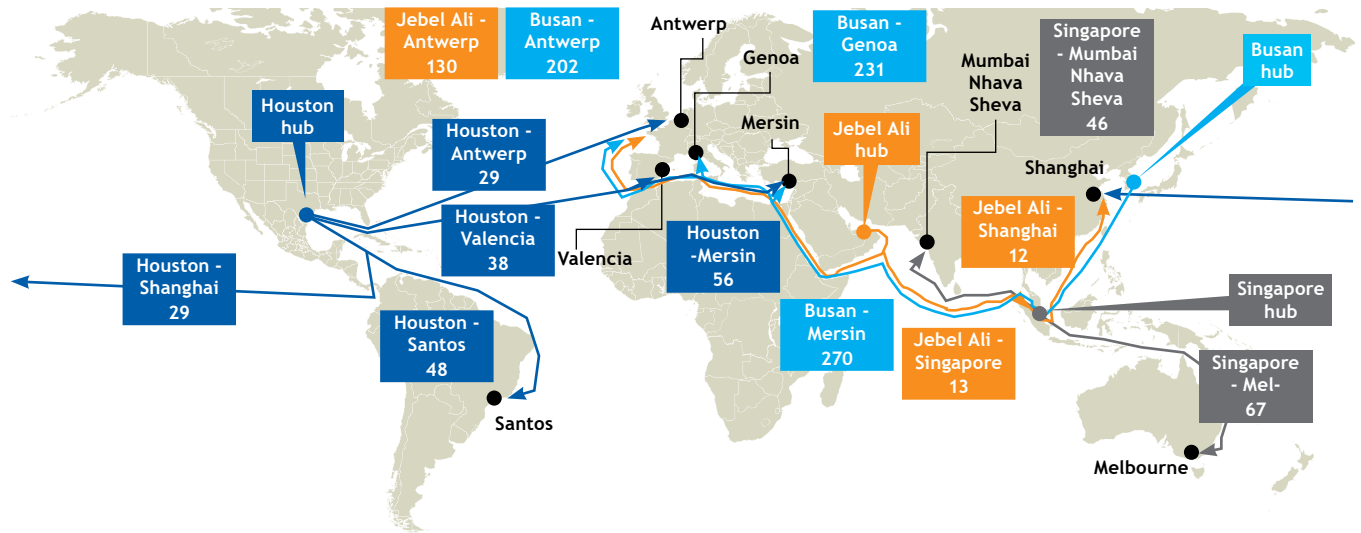
Plant maintenance, outages and disruptions								
Status	Plant	Product	Location	Grade	Capacity '000t/yr	Nature of shut-down		Duration
	Olin Corporation	EDC	US	Various	2480	Reduced rates	Due to poor market conditions	
	Olin Corporation	EDC	US	Direct chlorination	425	Temporary closure	Due to poor market conditions	
UPDATE	Westlake	EDC	US	Various	1882	Maintenance	Feb - Mar	
UPDATE	Westlake	VCM	US	Ethylene-based	989	Maintenance	Feb - Mar	
NEW	Westlake	PVC	US	Suspension	750	Maintenance	Feb - Mar	
NEW	Formosa	PVC	US	Suspension	755	Reduced rates due	One month	
NEW	Formosa	PVC	US	Emulsion	90	Maintenance	One month	
	Vynova	EDC	UK	Ethylene-based	450	Process upgrade	Project to finish Q2 2024	
	Vynova	VCM	Germany	Ethylene-based	400	Water leakage	22 Jan - mid Feb	
	Vynova	PVC	Germany	Suspension	320	Water leakage	22 Jan - mid Feb	
	Karpatnaftochim	VCM	Ukraine	Ethylene-based	300	Temporary closure	State of emergency in Ukraine	
	Karpatnaftochim	PVC	Ukraine	Suspension	300	Temporary closure	State of emergency in Ukraine	
	Spolana	PVC	Czech	Suspension	120	Maintenance	Ext. until 1H 2024	
	Kem One	EDC	France	Ethylene-based	630	Tech issues	Indefinitely	
	Kem One	VCM	France	Ethylene-based	430	Tech issues	Indefinitely	
UPDATE	Sadaf (Sabic)	EDC	Saudi Arabia	Ethylene-based	840	Reduced rates	Jan till now	
	Hengyang Jiantao	PVC	China	Carbide-based	220	Maintenance	18 Oct till now	
	Qinghai Salt Lake Haina	PVC	China	Carbide-based	200	Maintenance	28 Mar till now	
	Shandong Dongyue	PVC	China	Carbide-based	120	Maintenance	25 Mar till now	
	Gansu Jinchuan New Matrial	PVC	China	Carbide-based	200	Maintenance	13 Jul till now	
	Wuhai Chemical	PVC	China	Carbide-based	400	Maintenance	4 Nov till now	
	Sinopec Qilu	PVC	China	Ethylene-based	360	Fire at cracker	23 Dec till now	
	Taizhou Liancheng	PVC	China	Ethylene-based	600	Reduced rates	60pc of full capacity from 23 Jan	
UPDATE	Suzhou Huasu	PVC	China	Ethylene-based	130	Maintenance	8 Feb - mid Feb	
NEW	Inner Mongolia Yihua	PVC	China	Carbide-based	350	Maintenance	29 Jan - early Feb	
NEW	Guangdong Tosoh	PVC	China	Ethylene-based	220	Maintenance	Mar for 20days	
	Taiwan Formosa	EDC	Taiwan	Ethylene-based	360	Maintenance	Mid Jan - end Jan, two weeks	
	Taiwan Formosa	VCM	Taiwan	Ethylene-based	344	Maintenance	Mid Feb, 27 days	
	Taiwan Formosa	PVC	Taiwan	Bulk (mass)	120	Maintenance	Mid Feb, 10-14 days	
	Thai Plastic and Chemicals	PVC	Thailand	Suspension	530	Maintenance	Nov. Ext. due to tech issues	
	Thai Plastic and Chemicals	PVC	Thailand	Emulsion	37	Maintenance	Nov. Ext. due to tech issues	
	Engro Asahi	PVC	Pakistan	Suspension	295	Maintenance	End Jan, 20-25 days	
NEW	Reliance	VCM	India	Ethylene-based	350	Tech issues	31 Jan, 7 days	
NEW	Reliance	PVC	India	Suspension	350	Tech issues	31 Jan, 7 days	

Global polymer freight rates					\$/t
Origin	Destination	Argus Low	Argus High	±	Source
Americas					
Houston	Shanghai	20	38	▲	Freightos Derived
Houston	Mersin	53	59	-	Freightos Derived
Houston	Genoa	27	41	▲	Freightos Derived
Houston	Valencia	30	45	▲	Freightos Derived
Houston	Antwerp	24	34	-	Freightos Derived
Houston	Santos	42	54	-	Freightos Derived
Houston	Buenos Aires	43	60	▼	Freightos Derived
Houston	Buenaventura	65	69	▼	Freightos Derived
Houston	Callao	59	65	▼	Freightos Derived
Houston	Guayaquil	42	75	▼	Freightos Derived
Houston	Valparaiso	69	80	-	Freightos Derived
Santos	Rotterdam	35	45	-	Freightos Derived
Middle East and North Africa					
Jubail	China	10	15	▲	Argus
Jubail	Indonesia	26	31	▲	Argus
Jubail	Karachi	26	31	▲	Argus
Jubail	Mumbai	20	25	▲	Argus
Jubail	Turkey	196	201	▲	Argus
Jebel Ali	Shanghai	10	13	-	Freightos Derived
Jebel Ali	Singapore	12	13	-	Freightos Derived
Jebel Ali	Melbourne	75	95	-	Freightos Derived
Jebel Ali	Tauranga	85	105	-	Freightos Derived
Jebel Ali	Antwerp	118	141	▲	Freightos Derived
Jebel Ali	Buenaventura	162	162	▲	Freightos Derived
Jebel Ali	Callao	159	159	▲	Freightos Derived
Port Said	Mersin	30	50	-	Freightos Derived
Port Said	La Spezia	30	50	-	Freightos Derived
Port Said	Antwerp	30	50	-	Freightos Derived
Southeast Asia					
Singapore	Karachi	45	50	-	Freightos Derived
Singapore	Mumbai Nhava Sheva	45	46	▲	Freightos Derived
Singapore	Colombo	40	45	-	Freightos Derived
Singapore	Melbourne	63	71	▼	Freightos Derived
Singapore	Tauranga	81	81	-	Freightos Derived
Vung Tau	Antwerp	200	280	▲	Freightos Derived
Vung Tau	Genoa	211	248	▼	Freightos Derived

Global polymer freight rates					\$/t
Origin	Destination	Argus Low	Argus High	±	Source
Northeast Asia					
Busan	Mersin	254	286	▼	Freightos Derived
Busan	Koper	129	248	▼	Freightos Derived
Busan	Genoa	211	251	▼	Freightos Derived
Busan	Valencia	226	266	▼	Freightos Derived
Busan	Antwerp	184	219	▲	Freightos Derived
Busan	Durban	100	125	-	Freightos Derived
Busan	Santos	126	129	▼	Freightos Derived
Busan	Buenaventura	88	117	-	Freightos Derived
Busan	Callao	99	120	-	Freightos Derived
Busan	Melbourne	101	118	-	Freightos Derived
Busan	Tauranga	78	83	▼	Freightos Derived
Shanghai	Nagoya	13	13	-	Freightos Derived
Shanghai	Laem Chabang	21	60	▲	Freightos Derived
Shanghai	Port Klang	20	26	-	Freightos Derived
Shanghai	Karachi	54	54	▼	Freightos Derived
Shanghai	Mumbai Nhava Sheva	49	70	-	Freightos Derived
Shanghai	Chennai	45	51	▼	Freightos Derived
Shanghai	Colombo	42	42	▼	Freightos Derived
Shanghai	Chittagong	81	111	-	Freightos Derived
Shanghai	Mersin	270	319	▲	Freightos Derived
Shanghai	Koper	246	290	▲	Freightos Derived
Shanghai	Genoa	218	255	▼	Freightos Derived
Shanghai	Valencia	210	255	▼	Freightos Derived
Shanghai	Antwerp	187	224	▼	Freightos Derived
Shanghai	Rotterdam	182	223	-	Freightos Derived
Shanghai	Durban	111	130	▲	Freightos Derived
Shanghai	Santos	118	121	▼	Freightos Derived
Shanghai	Los Angeles	174	185	▲	Freightos Derived
Shanghai	Manzanillo	85	96	▼	Freightos Derived
Shanghai	Buenaventura	88	100	▼	Freightos Derived
Shanghai	Callao	91	108	▼	Freightos Derived
Shanghai	San Antonio, Chile	93	100	▼	Freightos Derived

FREIGHTOS  Argus freight rates are as of the day of publication. Rates derived from Freightos data are of the previous day. Selected polymer spot freight rates are calculated by Argus methodology, based on underlying data from the online freight marketplace, Freightos. Visit www.freightos.com for complete lists of \$/FEU rates in the wider spot container market.

POLYVINYL CHLORIDE ROUTES BY EXPORTING PORT



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