



argusmedia.com

Argus NGL Americas

Issue 24-83 | Tuesday 30 April 2024

OVERVIEW

- Mont Belvieu, Texas, LST propane fell in sparse trading
- Mont Belvieu, Texas, EPC butane fell with crude
- Conway, Kansas, propane, butane fell
- Edmonton, Alberta, propane fell with Conway
- US spot ethylene prices were little changed

| US Gulf coast LPG | | | |
|--------------------------------------|--------|--------|----------------------|
| | Low | High | Mean |
| Propane | | | |
| fob USGC, diff to Mont Belvieu ¢/USG | +8.500 | +9.000 | +8.750 |
| fob USGC ¢/USG | 85.328 | 85.828 | 85.5780 |
| fob USGC \$/t | 444.6 | 447.2 | 445.9 |
| del Japan (AUSJ) \$/t | 574.5 | 577.0 | |
| del ARA (AUSE) \$/t | 515.5 | 518.0 | |
| Propane AFEI™ USGC netback \$/t | | | 346.84 |
| Butane | | | |
| fob USGC ¢/USG | 96.180 | 96.680 | 96.4300 |
| fob USGC \$/t | 435.7 | 438.0 | 436.83 |
| LPG freight | | | \$/t |
| | | | Rate |
| MGC Houston-Tuxpan | | | 18.54 |
| VLGC Houston-Chiba (via Panama) | | | 130 |
| VLGC Houston-Flushing | | | 71 |
| Olefins | | | ¢/lb |
| | | | Low High Mid |
| Mont Belvieu ethylene, Apr | | | 19.250 19.750 19.500 |
| US Gulf coast PGP, Apr | | | 44.000 44.000 44.000 |
| US Gulf coast RGP, Apr | | | 12.250 12.750 12.500 |

SPOT MARKET TRADE RANGES

| Mont Belvieu | | ¢/USG | | | |
|-----------------------------|-------|---------|---------|---------|---------|
| | Month | Low | High | Mean | VWA |
| E/P mix Enterprise | Wet | 12.500 | 13.000 | 12.750 | |
| | Apr | 12.500 | 13.000 | 12.750 | 12.750 |
| | May | 12.625 | 13.125 | 12.875 | |
| Ethane Enterprise | Wet | 17.750 | 18.250 | 18.000 | |
| | Apr | 17.500 | 18.375 | 17.938 | 17.914 |
| | May | 17.875 | 18.250 | 18.063 | |
| Ethane Targa | Wet | 17.750 | 18.250 | 18.000 | |
| | Apr | 17.750 | 18.250 | 18.000 | 18.000 |
| | May | 17.875 | 18.250 | 18.063 | |
| Propane LST | Wet | 76.625 | 77.125 | 76.875 | |
| | Apr | 76.250 | 77.500 | 76.875 | 76.833 |
| | May | 76.750 | 77.250 | 77.000 | |
| Propane Enterprise | Wet | 74.875 | 75.375 | 75.125 | |
| | Apr | 74.000 | 76.250 | 75.125 | 75.289 |
| | May | 76.000 | 77.000 | 76.500 | |
| | Jun | 76.625 | 77.125 | 76.875 | |
| Propane Targa | Wet | 75.500 | 76.000 | 75.750 | |
| | Apr | 75.500 | 76.000 | 75.750 | 75.750 |
| | May | 76.750 | 77.250 | 77.000 | |
| Refinery grade butane LST | Wet | 74.500 | 75.000 | 74.750 | |
| | Apr | 73.750 | 75.250 | 74.500 | 74.500 |
| | May | 74.000 | 74.125 | 74.063 | |
| Normal butane Enterprise | Wet | 89.500 | 90.000 | 89.750 | |
| | Apr | 88.750 | 90.250 | 89.500 | 89.850 |
| | May | 89.000 | 89.125 | 89.063 | |
| Isobutane LST | Wet | 142.750 | 143.250 | 143.000 | |
| | Apr | 139.500 | 140.000 | 139.750 | 139.750 |
| | May | 118.500 | 119.000 | 118.750 | |
| Isobutane Enterprise | Wet | 142.750 | 143.250 | 143.000 | |
| | Apr | 140.000 | 145.500 | 142.750 | 142.080 |
| | May | 118.500 | 119.000 | 118.750 | |
| Natural gasoline Enterprise | Wet | 162.500 | 163.000 | 162.750 | |
| | Apr | 160.000 | 165.000 | 162.500 | 162.758 |
| | May | 159.875 | 160.500 | 160.188 | |
| Natural gasoline LST | Wet | 162.500 | 163.000 | 162.750 | |
| | Apr | 160.000 | 165.000 | 162.500 | 162.500 |
| | May | 159.875 | 160.500 | 160.188 | |
| Natural gasoline Targa | Wet | 163.250 | 163.750 | 163.500 | |
| | Apr | 163.000 | 163.500 | 163.250 | 163.250 |
| | May | 159.875 | 160.500 | 160.188 | |

*Tables include hyperlinks to those values maintained in the Argus database.

MONT BELVIEU LIGHT NGLS

Mont Belvieu, Texas, LST propane fell in sparse end-of-month trading following overnight declines in delivered prices to Asia, outstripping losses in crude. Prompt-month LST propane was valued at a weaker 39.4pc of Nymex WTI.

April LST propane opened 1.25¢/USG lower at 77.5¢/USG and fell to 76.25¢/USG in the afternoon. April/May spread priced the two months between parity and a 0.5¢/USG backwardation, and May LST propane was discussed between 76.75-77.25¢/USG in the afternoon.

EPC propane opened 2.25¢/USG lower at 75.125¢/USG and rose to 76.25¢/USG in the morning before falling to 74¢/USG in the afternoon. May EPC propane traded at 76-77¢/USG, at a 0.625-0.75¢/USG premium to the prompt month.

Hattiesburg, Mississippi, propane opened 2¢/USG lower at 76.5¢/USG and fell to a low of 74¢/USG by midday.

EPC ethane edged down, opening 0.25¢/USG higher at 18.375¢/USG and falling to 17.5¢/USG by midday, tracking losses in natural gas. May EPC ethane was discussed between 17.875-18.25¢/USG in the afternoon. A June ethane deal traded at 18.875¢/USG.

LST ethane traded at 18.375¢/USG, at parity to the EPC in a prompt-month spread. A May LST/EPC ethane spread priced the two locations at parity.

June Nymex light sweet crude futures fell by 70¢/bl, or 0.85pc, to \$81.93/bl.

MONT BELVIEU HEAVY NGLS

Mont Belvieu, Texas, EPC butane fell with crude and was valued at a weaker 45.9pc of Nymex WTI.

April EPC butane opened 1.125¢/USG lower at 90.25¢/USG and extended losses to 88.75¢/USG by midday. May butane was discussed between 89-89.125¢/USG.

No firm bids or offers emerged for April LST refinery-grade butane, and LST was assessed at a steady 15¢/USG discount to normal.

April EPC isobutane opened 0.875¢/USG lower at 140¢/USG and rose as high as 145.5¢/USG. May isobutane was assessed at a 24¢/USG discount to April based on an April/May spread that traded today. April LST isobutane was offered as low as 140¢/USG and was assessed just below that level.

April EPC natural gasoline fell alongside crude, opening 1¢/USG lower at 165¢/USG and steadily dropping to 160¢/USG

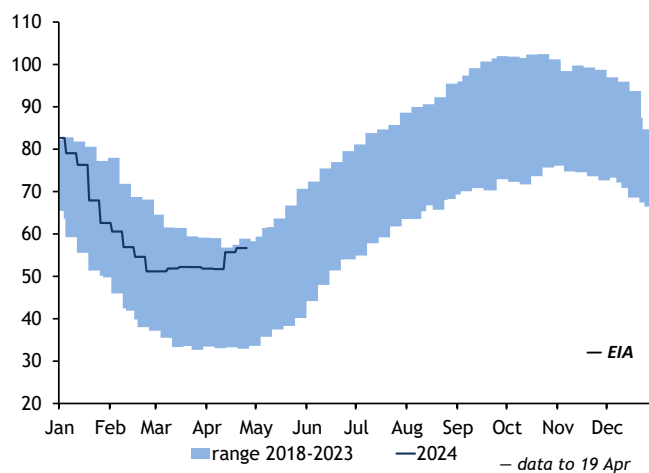
| Current month-to-date averages, Apr | | ¢/USG |
|-------------------------------------|----------|---------|
| | Mean MTD | VWA MTD |
| Mont Belvieu | | |
| E/P mix Enterprise | 13.892 | 13.892 |
| Ethane Enterprise | 19.108 | 19.108 |
| Ethane Targa | 19.131 | 19.131 |
| Isobutane LST | 128.043 | 128.043 |
| Isobutane Enterprise | 128.179 | 128.173 |
| Natural gasoline Enterprise | 163.548 | 163.595 |
| Natural gasoline LST | 163.526 | 163.526 |
| Natural gasoline Targa | 162.895 | 162.895 |
| Propane LST | 80.653 | 80.642 |
| Propane Enterprise | 79.369 | 79.439 |
| Propane Targa | 79.898 | 79.900 |
| Butane LST | 81.446 | 81.446 |
| Butane Enterprise | 95.915 | 96.041 |
| Conway | | |
| E/P mix | 13.088 | 13.088 |
| Propane | 75.835 | 76.007 |
| Butane | 90.685 | 90.703 |
| Isobutane | 134.134 | 134.139 |
| Natural gasoline | 161.136 | 161.159 |
| Rail natural gasoline | 169.136 | na |

in the morning. May natural gasoline was discussed between 159.875-160.5¢/USG in the afternoon.

April Targa natural gasoline was offered as low as 163.5¢/USG and was assessed just below that level. April LST natural gasoline was offered at 165.5¢/USG, and LST was assessed at parity to EPC.

EIA propane stocks

mn bl



| NGL fractionation spreads | | |
|-----------------------------|---------|----------|
| | ¢/USG | \$/mmBtu |
| Gulf, Mont Belvieu | | |
| Ethane Enterprise | 9.219 | 1.178 |
| Propane Enterprise | 62.444 | 2.297 |
| Normal butane Enterprise | 75.382 | 0.606 |
| Isobutane Enterprise | 129.201 | 1.435 |
| Natural gasoline Enterprise | 147.395 | 1.982 |
| Total barrel value | | 7.498 |
| Total barrel frac spread | | 6.113 |
| Midcontinent, Conway | | |
| Ethane-propane mix | 2.687 | 0.753 |
| Propane | 60.023 | 2.225 |
| Normal butane | 71.705 | 0.581 |
| Iso-butane | 113.651 | 1.280 |
| Natural gasoline | 147.089 | 1.979 |
| Total barrel value | | 6.818 |
| Total barrel frac spread | | 5.428 |

CONWAY LIGHT NGLS

Conway, Kansas, propane extended losses alongside declines in Mont Belvieu, Texas, propane as participants expect a build in the midcontinent inventories to be reported for last week. Propane was valued at a weaker 37.3pc of WTI.

April Conway propane opened 1.25¢/USG lower at 73¢/USG and fell to 72¢/USG before rising to 73.5¢/USG.

May propane traded between 73.125¢/USG and 73.5¢/USG.

Conway E/P mix fell with ethane, trading at 11.5¢/USG, down by 0.75¢/USG from the prior session.

CONWAY HEAVY NGLS

Conway, Kansas, butane continued to decline in thin trading, pressured by declines on the US Gulf coast, and was valued at a weaker 44.2pc of WTI. Isobutane and natural gasoline extended losses.

April Conway butane opened 1.375¢/USG lower at 86.125¢/USG and edged lower to 86¢/USG.

May butane was discussed at 85¢/USG.

A location spread priced Conway butane at a 3.625¢/USG discount to the EPC cavern.

Conway isobutane opened 5.5¢/USG lower at 130¢/USG and extended losses to 125¢/USG.

SPOT MARKET TRADE RANGES

| Conway | | | | | |
|-----------------------|-------|---------|---------|---------|---------|
| | Month | Low | High | Mean | VWA |
| E/P mix | Wet | 11.250 | 11.750 | 11.500 | |
| | Apr | 11.250 | 11.750 | 11.500 | 11.500 |
| | May | 12.250 | 12.750 | 12.500 | |
| Propane | Wet | 72.500 | 73.000 | 72.750 | |
| | Apr | 72.000 | 73.500 | 72.750 | 72.808 |
| | May | 73.125 | 73.500 | 73.313 | |
| Normal butane | Wet | 85.875 | 86.375 | 86.125 | |
| | Apr | 86.000 | 86.125 | 86.063 | 86.063 |
| | May | 84.750 | 85.250 | 85.000 | |
| Isobutane | Wet | 127.250 | 127.750 | 127.500 | |
| | Apr | 125.000 | 130.000 | 127.500 | 127.500 |
| | May | 127.250 | 127.750 | 127.500 | |
| Natural gasoline | Wet | 162.250 | 162.750 | 162.500 | |
| | Apr | 159.000 | 166.000 | 162.500 | 162.500 |
| | May | 157.000 | 167.000 | 162.000 | |
| Rail natural gasoline | Apr | 170.250 | 170.750 | 170.500 | |

| Hattiesburg | | | | | |
|-------------|-------|--------|--------|--------|----------|
| | Month | Low | High | Mean | Mean MTD |
| Propane | Apr | 74.000 | 76.500 | 75.250 | 75.4773 |

| Bushton | | | | | |
|---------|-------|--------|--------|--------|----------|
| | Month | Low | High | Mean | Mean MTD |
| Propane | Apr | 73.500 | 74.000 | 73.750 | 76.8352 |

| Napoleonville | | | | | |
|------------------|-------|---------|---------|---------|----------|
| | Month | Low | High | Mean | Mean MTD |
| E/P Mix | Apr | 4.875 | 5.375 | 5.125 | 6.2670 |
| Ethane | Apr | 8.188 | 8.688 | 8.438 | 9.6082 |
| Propane | Apr | 63.625 | 64.000 | 63.813 | 68.0968 |
| Normal butane | Apr | 76.875 | 77.375 | 77.125 | 81.4888 |
| Isobutane | Apr | 125.250 | 125.750 | 125.500 | 110.9290 |
| Natural gasoline | Apr | 138.500 | 139.000 | 138.750 | 139.8468 |

Conway natural gasoline was illiquid, assessed 2¢/USG lower at 162.5¢/USG with bids and offers heard at 159¢/USG and 166¢/USG. May natural gasoline was discussed between 157¢/USG and 167¢/USG.

| NGL spot deals | | | |
|--------------------------|---------|---------|--------|
| | Timing | €/USG | bl |
| Butane Conway | Apr | 86.000 | 5,000 |
| | Apr | 86.125 | 5,000 |
| Butane Conway/Butane EPC | Apr | -3.625 | 5,000 |
| | Apr | 88.750 | 10,000 |
| Butane EPC | Apr | 89.750 | 10,000 |
| | Apr | 89.750 | 5,000 |
| | Apr | 90.250 | 10,000 |
| | Apr | 90.375 | 5,000 |
| | Apr | 90.375 | 5,000 |
| | Apr | 90.500 | 5,000 |
| | Apr/May | -0.125 | 15,000 |
| | Apr/May | 0.000 | 46,000 |
| E/P mix Conway | Apr | 11.500 | 5,000 |
| Ethane EPC | Apr | 17.500 | 20,000 |
| | Apr | 17.500 | 10,000 |
| | Apr | 17.500 | 10,000 |
| | Apr | 17.625 | 10,000 |
| | Apr | 17.625 | 10,000 |
| | Apr | 17.625 | 10,000 |
| | Apr | 17.750 | 10,000 |
| | Apr | 17.750 | 10,000 |
| | Apr | 17.750 | 10,000 |
| | Apr | 17.875 | 25,000 |
| | Apr | 17.875 | 10,000 |
| | Apr | 18.000 | 10,000 |
| | Apr | 18.125 | 10,000 |
| | Apr | 18.125 | 10,000 |
| | Apr | 18.250 | 10,000 |
| | Apr | 18.375 | 10,000 |
| | Apr | 18.375 | 10,000 |
| | Apr | 18.375 | 10,000 |
| | Apr | 18.375 | 10,000 |
| | Apr | 18.375 | 10,000 |
| | Jun | 18.875 | 50,000 |
| Ethane EPC/Ethane LST | Apr | 0.000 | 10,000 |
| | May | 0.000 | 40,000 |
| Isobutane Conway | Apr | 125.000 | 5,000 |
| Isobutane EPC | Apr | 130.000 | 5,000 |
| | Apr | 140.000 | 10,000 |
| | Apr | 140.000 | 10,000 |
| | Apr | 140.000 | 5,000 |
| | Apr | 140.500 | 10,000 |
| | Apr | 140.750 | 5,000 |
| | Apr | 141.000 | 10,000 |
| | Apr | 142.000 | 10,000 |
| | Apr | 142.000 | 10,000 |
| | Apr | 142.500 | 10,000 |
| | Apr | 143.500 | 10,000 |
| | Apr | 145.500 | 10,000 |
| | Apr | 145.500 | 10,000 |
| | Apr/May | 24.000 | 5,000 |
| Natural gasoline EPC | Apr | 160.000 | 10,000 |
| | Apr | 161.000 | 10,000 |
| | Apr | 161.500 | 10,000 |
| | Apr | 161.750 | 10,000 |
| | Apr | 162.000 | 10,000 |
| | Apr | 162.000 | 5,000 |
| | Apr | 162.000 | 5,000 |
| | Apr | 162.500 | 10,000 |
| | Apr | 162.750 | 10,000 |
| | Apr | 162.750 | 10,000 |
| | Apr | 162.750 | 5,000 |
| | Apr | 162.750 | 5,000 |
| | Apr | 163.000 | 10,000 |

| NGL spot deals | | | |
|---------------------|---------|---------|--------|
| | Timing | €/USG | bl |
| | Apr | 163.500 | 10,000 |
| | Apr | 164.000 | 10,000 |
| | Apr | 164.250 | 10,000 |
| | Apr | 164.500 | 10,000 |
| | Apr | 164.500 | 5,000 |
| | Apr | 165.000 | 10,000 |
| Propane Conway | Apr | 72.000 | 5,000 |
| | Apr | 72.000 | 5,000 |
| | Apr | 72.250 | 5,000 |
| | Apr | 72.500 | 5,000 |
| | Apr | 72.750 | 5,000 |
| | Apr | 73.000 | 10,000 |
| | Apr | 73.000 | 5,000 |
| | Apr | 73.250 | 5,000 |
| | Apr | 73.250 | 5,000 |
| | Apr | 73.500 | 5,000 |
| | May | 73.125 | 20,000 |
| | May | 73.500 | 10,000 |
| | May | 73.500 | 5,000 |
| | May | 73.500 | 2,500 |
| | wet | 73.500 | 5,000 |
| Propane EPC | Apr | 74.000 | 10,000 |
| | Apr | 74.000 | 10,000 |
| | Apr | 74.500 | 10,000 |
| | Apr | 74.750 | 10,000 |
| | Apr | 75.000 | 10,000 |
| | Apr | 75.125 | 10,000 |
| | Apr | 75.125 | 10,000 |
| | Apr | 75.250 | 10,000 |
| | Apr | 75.250 | 10,000 |
| | Apr | 75.250 | 10,000 |
| | Apr | 75.250 | 5,000 |
| | Apr | 75.750 | 10,000 |
| | Apr | 76.000 | 10,000 |
| | Apr | 76.250 | 10,000 |
| | Apr | 76.250 | 10,000 |
| | Apr | 76.500 | 5,000 |
| | Apr/May | -0.750 | 10,000 |
| | Apr/May | -0.750 | 10,000 |
| | Apr/May | -0.750 | 10,000 |
| | Apr/May | -0.750 | 10,000 |
| | Apr/May | -0.750 | 5,000 |
| | Apr/May | -0.625 | 30,000 |
| | May | 76.000 | 10,000 |
| | May | 77.000 | 10,000 |
| | May | 77.000 | 10,000 |
| | May | 77.250 | 5,000 |
| Propane Hattiesburg | Apr | 74.000 | 5,000 |
| | Apr | 74.500 | 5,000 |
| | Apr | 74.500 | 5,000 |
| | Apr | 74.750 | 5,000 |
| | Apr | 75.000 | 5,000 |
| | Apr | 76.500 | 5,000 |
| Propane LST | Apr | 76.250 | 10,000 |
| | Apr | 76.500 | 5,000 |
| | Apr | 76.750 | 10,000 |
| | Apr | 77.000 | 10,000 |
| | Apr | 77.500 | 10,000 |
| | Apr/May | 0.000 | 10,000 |
| | Apr/May | 0.500 | 5,000 |
| Propane Targa | Apr | 75.500 | 10,000 |
| | Apr | 76.000 | 10,000 |

CANADA

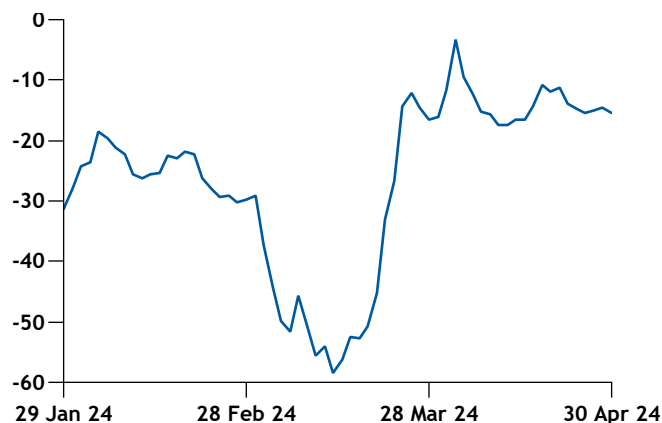
Western Canadian propane fell on Tuesday, following declines in the US midcontinent and subdued demand.

Edmonton, Alberta, in-well propane was bid at a 25¢/USG discount to Conway, Kansas, with no offers reported. Offers were notionally assessed at a 22.5¢/USG discount to Conway, in line with where it last traded.

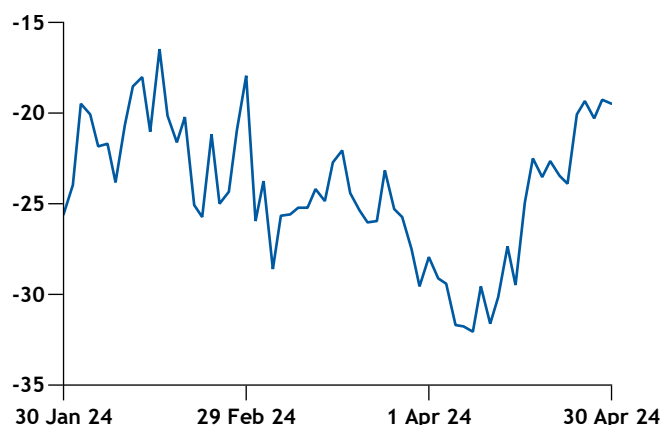
May butane at the Redwater fractionator system (RFS) traded at 36pc of the calendar month average of Nymex WTI. Butane at Plains' Fort Saskatchewan complex (PFS) was bid and offered at 38pc and 39pc of the CMA of WTI.

No fresh propane discussions emerged in eastern Canada on Tuesday, leaving Sarnia, Ontario, in-well butane assessed at a 5¢/USG discount to the EPC cavern, and in-well propane at a 5¢/USG discount to the LST cavern.

Enterprise butane vs NWE butane (fob) ¢/USG



Conway natgas vs Canadian condensate ¢/USG



CANADA

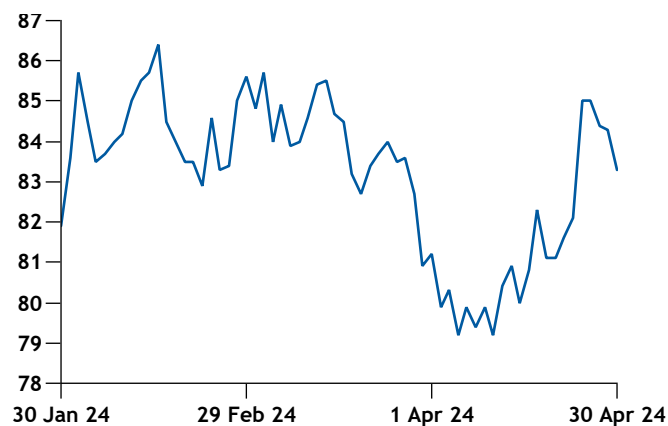
| Edmonton | | | | | ¢/USG |
|--|-------|---------|---------|---------|----------|
| Daily | Month | Low | High | Mean | Mean MTD |
| Propane | Apr | 47.750 | 48.250 | 48.000 | 51.089 |
| Diff to Conway | Apr | -25.000 | -24.500 | -24.750 | -24.679 |
| Field grade butane | Apr | 72.375 | 76.375 | 74.375 | 77.202 |
| Can. condensate \$/bl | Jun | 75.87 | 76.97 | 76.420 | |
| Diff to Nymex CMA \$/bl | Jun | -5.200 | -4.100 | -4.650 | |
| AFEI™ netback to Edmonton propane \$/t | | | | | 346.836 |

| Sarnia | | | | | ¢/USG |
|-------------|-------|---------|---------|---------|----------|
| Daily | Month | Low | High | Mean | Mean MTD |
| Propane | Apr | 71.625 | 72.125 | 71.875 | 74.631 |
| Diff to LST | Apr | -5.250 | -4.750 | -5.000 | -5.929 |
| Butane | Apr | 84.250 | 84.750 | 84.500 | 90.649 |
| Diff to LST | Apr | +9.750 | +10.250 | +10.000 | 9.801 |
| Isobutane | Apr | 144.500 | 145.000 | 144.750 | 128.399 |
| Diff to LST | Apr | +4.750 | +5.250 | +5.000 | 0.342 |

BRAZIL

| Delivered LPG Brazil | | \$/t |
|-----------------------------|----------|---------|
| | Mid | ± |
| Propane Santos | 556.3037 | -6.7240 |
| Propane-butane 90:10 Santos | 555.3971 | -6.7626 |
| Propane-butane 70:30 Santos | 553.5840 | -6.8399 |
| Propane-butane 50:50 Santos | 551.7708 | -6.9172 |
| Propane Suape | 517.8795 | -6.9887 |
| Propane-butane 90:10 Suape | 516.9729 | -7.0273 |
| Propane-butane 70:30 Suape | 515.1598 | -7.1046 |
| Propane-butane 50:50 Suape | 513.3466 | -7.1819 |

Enterprise natural gasoline % Nymex WTI %



US EXPORTS

May spot-loading cargoes continued to be discussed between an 8.5-9¢/USG premium to the Gulf coast propane, but no firm deals were reported on Tuesday.

May AFEI/LST paper traded between \$194-197/t. Freight on a Houston-Chiba basis was discussed at \$131/t.

EUROPE/ASIA

Northwest Europe

The Argus North Sea Index (ANSI) for May is \$479/t for propane – down by \$19/t from April. The May ANSI for butane is \$448.50/t – a decrease of \$50/t month-on-month.

Spot activity evaporated for large cargo propane on Tuesday with Gunvor absent from any buying after last placing a bid on Monday for a ToT23 cargo over 14-20 May at a high of 50pc \$512/t and 50pc May cif ARA -\$2/t. No deal was confirmed, but some of the market speculated that a seller was found on the sidelines as product supplies remain ample.

Asia-Pacific

Asian prices fell alongside crude losses. May Argus Far East Index (AFEI) propane swaps shed \$6/t on the day to close at \$604/t at Asian timestamp after the front-month Brent contract lost \$0.35/bl.

Ningbo Huatai had reportedly snapped up a 46,000t propane cargo and a 23,000t propane cargo for 1-10 June delivery at June AFEI +\$11/t. The Chinese cracker had earlier sought only 23,000t via a tender but offers which equated nearly \$85/t discount to June naphtha quotes likely sparked deeper buying interest.

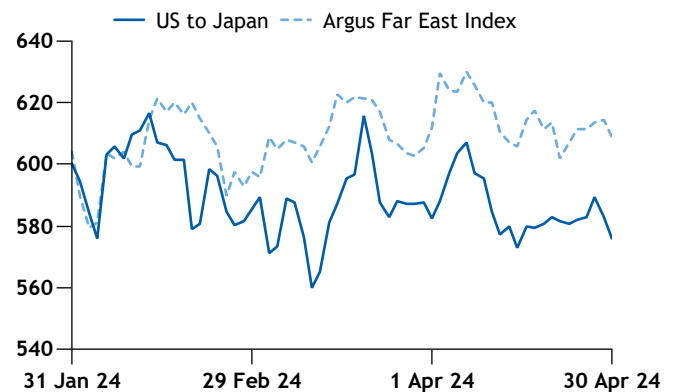
| WTI comparisons: Percentage of crude | | | |
|--------------------------------------|----------------|----------|--------------------------------|
| | Mont Belvieu % | Conway % | Mont Belvieu / Conway spread % |
| Propane | 38.5 | 37.3 | +1.2 |
| Propane LST | 39.4 | | +2.1 |
| Normal butane | 45.9 | 44.1 | +1.8 |
| Isobutane | 73.2 | 65.4 | +7.8 |
| Isobutane LST | 71.6 | | +6.2 |
| Natural gasoline | 83.3 | 83.3 | 0.0 |

Mont Belvieu grades are Enterprise except where noted

| Ice daily weighted averages | | ¢/USG |
|-----------------------------|--------|----------|
| | Timing | Averages |
| Mont Belvieu ethane | Apr | 17.920 |
| Mont Belvieu propane | Apr | 76.930 |
| Conway propane | Apr | 72.830 |

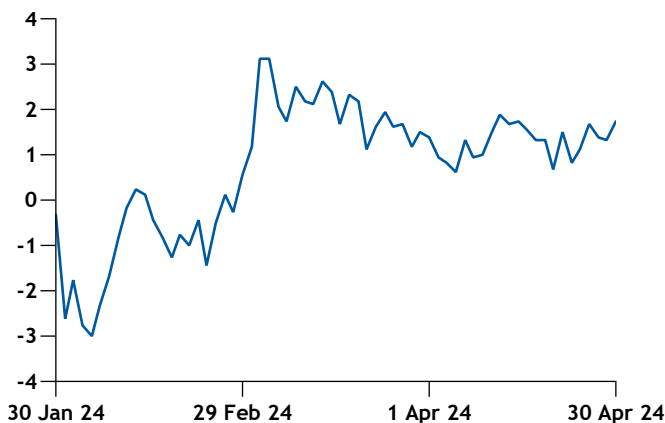
US propane delivered Asia vs FEI

USD/t



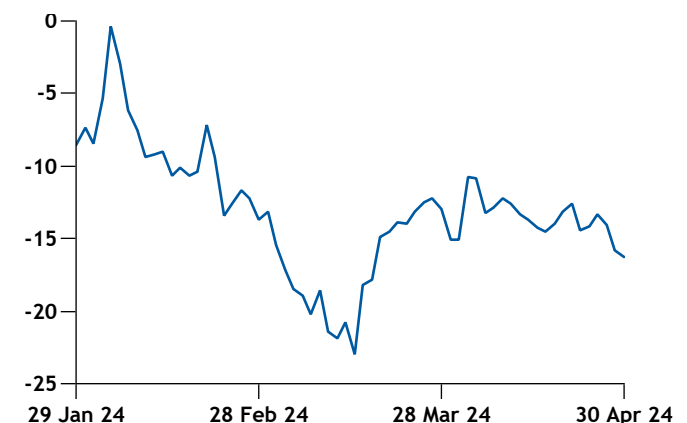
LST propane vs Enterprise propane

¢/USG



LST propane vs NWE propane

¢/USG



OLEFINS SPOT MARKETS

Ethylene

US spot ethylene prices were little changed. May EPC ethylene traded two times at 19.625¢/lb, raising the daily assessment for the month by 0.25¢/lb. One of the deals was marked for dated delivery. An April/May EPC ethylene spread traded one time at 0.125¢/lb contango. April EPC ethylene was offered as low as 19.75¢/lb, but no trades were heard. Argus assessed April in line with the traded spread at 19.5¢/lb, 0.125¢/lb above the prior day.

Choctaw, Louisiana, ethylene discussions were not heard. Assessments for April and May Choctaw remain unchanged at 20.5¢/lb.

Propylene

April PGP traded one time at 44¢/lb, raising the daily assessment by 1¢/lb. May PGP was bid and offered between 43¢/lb and 45¢/lb for a midpoint assessment of 44¢/lb, also 1¢/lb above the prior day. June paper PGP traded one time at 44.25¢/lb.

US spot pipeline RGP discussions were not heard. Assessments for April and May RGP remain unchanged at 12.5¢/lb, in line with the last recorded trade. US spot railed RGP for May delivery traded one time at 39¢/lb.

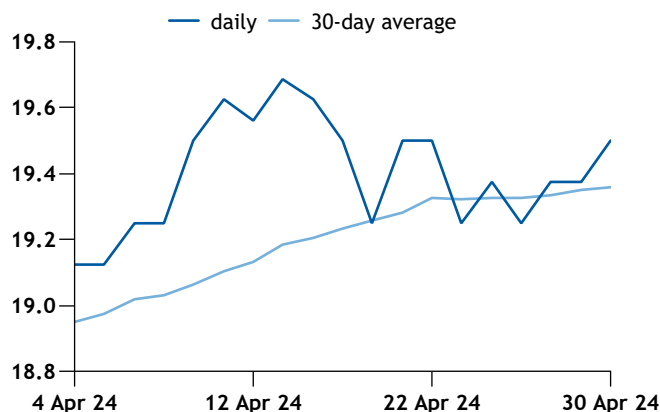
| US ethylene prices | | | | ¢/lb |
|-------------------------------------|--------|--------|--------|---------|
| | Timing | Low | High | Mid |
| Mont Belvieu EPC ethylene | Apr | 19.250 | 19.750 | 19.500 |
| | May | 19.625 | 19.625 | 19.625 |
| Choctaw ethylene | Apr | 20.250 | 20.750 | 20.500 |
| | May | 20.250 | 20.750 | 20.500 |
| Mont Belvieu EPC VWA | Apr | | | 19.500 |
| Mont Belvieu EPC MTD volume mn lb | Apr | | | 154.000 |
| Mont Belvieu EPC MTD average | Apr | | | 19.275 |
| Mont Belvieu EPC 30-day rolling avg | | | | 19.358 |
| Mont Belvieu EPC 45-day rolling avg | | | | 19.264 |

| US propylene prices | | | | ¢/lb |
|--------------------------------|--------|--------|--------|---------|
| | Timing | Low | High | Mid |
| US Gulf coast PGP | Apr | 44.000 | 44.000 | 44.000 |
| | May | 43.000 | 45.000 | 44.000 |
| US Gulf coast RGP | Apr | 12.250 | 12.750 | 12.500 |
| | May | 12.250 | 12.750 | 12.500 |
| US Gulf coast PGP VWA | Apr | | | 44.000 |
| US Gulf coast PGP volume mn lb | Apr | | | 122.000 |
| RGP alkylation value | | 70.600 | 70.900 | 70.750 |

| Volume-weighted averages | | ¢/lb |
|--------------------------|--|--------|
| | | Mid |
| Ethylene | | |
| VWA | | 19.500 |
| VWA 30-day | | 19.275 |
| VWA 45-day | | 19.228 |
| VWA MTD | | 19.275 |
| Propylene | | |
| VWA | | 44.000 |
| VWA 30-day | | 42.219 |
| VWA 45-day | | 44.321 |

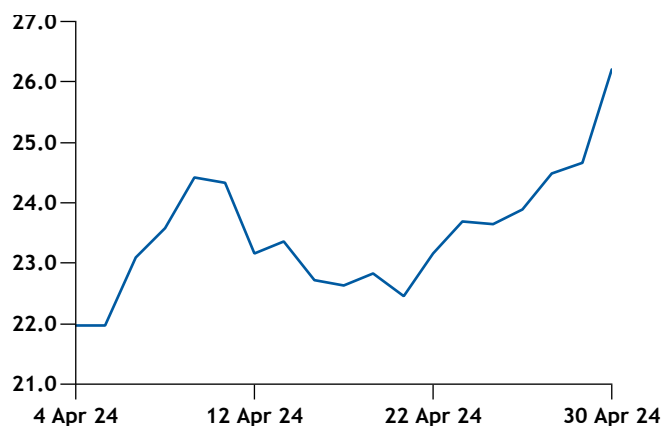
Mont Belvieu spot ethylene prices

¢/lb



Propane-propylene spread

¢/lb

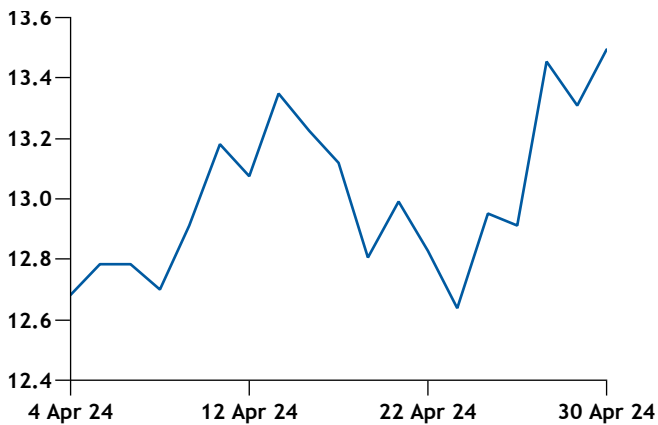


OLEFINS SPOT MARKETS

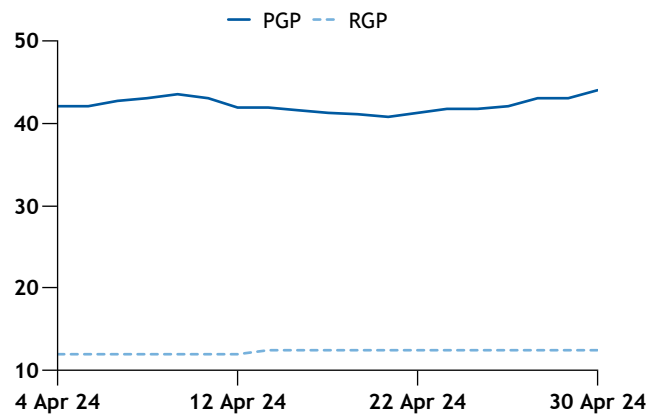
| Global swaps | | | \$/t |
|------------------|---------|---------|------|
| US | Ethane | Propane | |
| Apr | 133.56 | 392.38 | |
| May | 134.49 | 399.56 | |
| Jun | 140.17 | 401.52 | |
| Northwest Europe | Propane | Naphtha | |
| May | 507.50 | 688.50 | |
| Jun | 505.00 | 674.00 | |
| Jul | 506.00 | 664.25 | |
| Asia-Pacific | Propane | Naphtha | |
| May | 598.75 | 674.10 | |
| Jun | 593.75 | 661.50 | |
| Jul | 592.25 | 650.25 | |

| Olefins spot trades, week to date | | | |
|-----------------------------------|-----------------------------|------------|----------|
| Date | Product | Price €/lb | Delivery |
| 30 Apr | Ethylene Mont Belvieu EPC | 19.625 | May |
| 30 Apr | Ethylene Mont Belvieu EPC | 19.625 | May |
| 30 Apr | Ethylene Mont Belvieu EPC | -0.125 | Apr/May |
| 30 Apr | PGP Gulf Coast | 44.000 | Apr |
| 30 Apr | RGP Gulf Coast - rail, rail | 39.000 | May |
| 29 Apr | Ethylene Mont Belvieu EPC | +0.000 | Apr/May |
| 29 Apr | PGP Gulf Coast | +0.000 | Apr/May |

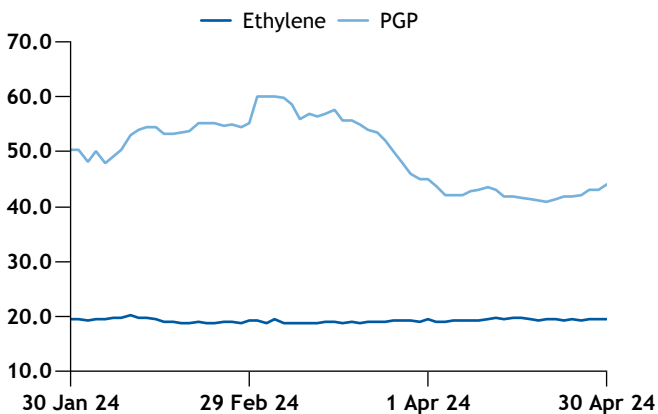
Ethylene-ethane spread €/lb



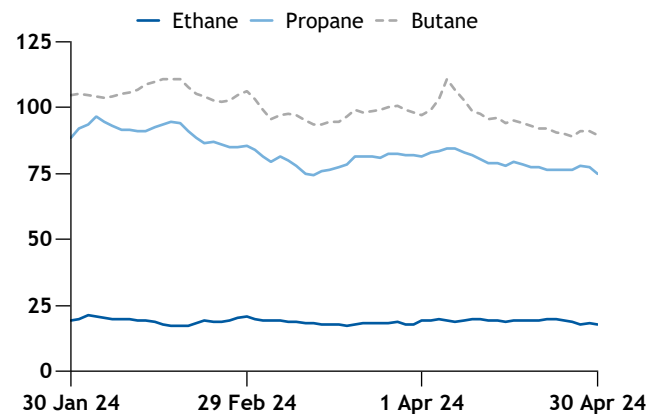
US Gulf coast spot propylene prices €/lb



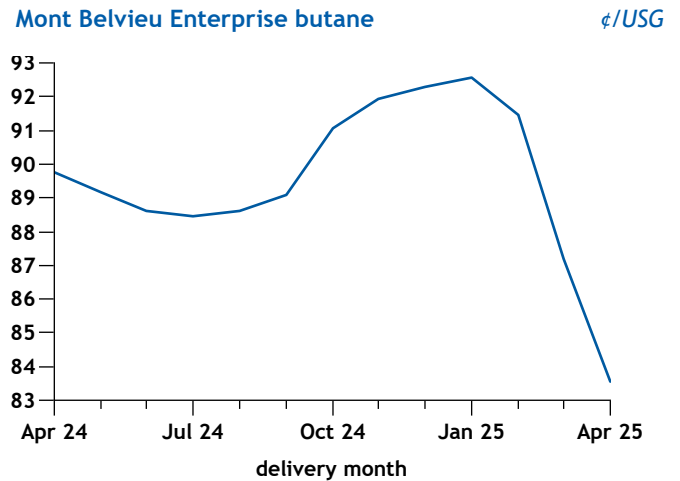
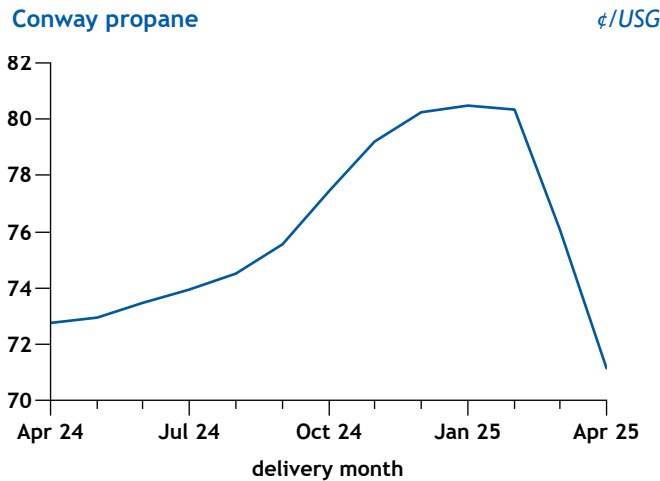
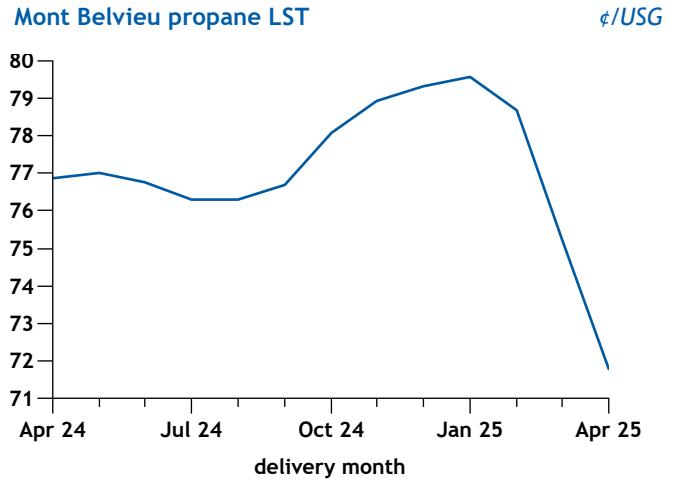
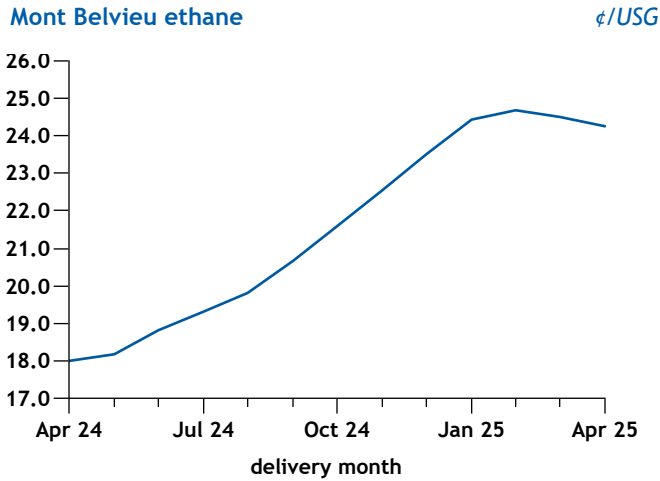
Mont Belvieu ethylene vs PGP €/lb



NGL prices €/USG



FORWARD CURVES



– Argus NGL Americas Forward Curves

Argus Assessment Rationale Database

For prices used in financial benchmarks, Argus publishes daily explanations of the assessment rationale with supporting data. This information is available to permissioned subscribers and other stakeholders.

Subscribers to this report via Argus Direct or MyArgus may access the database [here](#).

Other subscribers may request access [here](#) or contact us by email at sales@argusmedia.com.

Argus direct

Web | Mobile | Alerts

Argus Direct provides immediate access to market moving news, intelligent analysis and robust price assessments, wherever.

www.argusmedia.com/direct



RELATED MARKETS

Crude

US benchmark WTI crude futures moved lower today ahead of Wednesday's US Federal Reserve interest rate decision and as the country appears committed to keeping Russian oil flowing to global markets.

June Nymex WTI fell by 70¢/bl to \$81.93/bl while June Ice Brent fell by 54¢/bl to \$87.86/bl. The June Brent-June WTI spread widened to \$5.93/bl.

WTI at the Magellan East Houston terminal in Texas was shown on the Argus Crude Market Ticker (ACMT) at a prompt \$2.05-\$2.15/bl bid-ask spread above the Cushing benchmark to-day at Nymex settlement, below yesterday's \$2.16/bl volume-weighted average.

Investors and traders are keeping a close eye on Wednesday's monetary policy decision from the Federal Reserve, which is expected to hold its target rate unchanged at a 23-year high and express caution about beginning to cut rates as inflation pressures have reemerged at a time when the economy continues to outperform expectations.

Gasoline

The price of gasoline along the US Gulf coast sharply declined on Tuesday on the back of softening June RBOB Nymex futures.

The continued downswing of the June Nymex basis pressed outright cash prices lower by as much as 4.22¢/USG on the day.

Cash prices for conventional 87 finished gasoline (M2) felt the least pressure from waning Nymex futures on a trade done at June Nymex -14.25¢/USG, which lifted the differential midpoint by 0.25¢/USG day-over-day. Despite the daily loss, cash prices were 4.63¢/USG higher compared to week-ago levels.

Chicago gasoline cash differentials were up on the day. The snap increase may have been a result of a slew of refinery outages, according to a participant in the market.

Announcement

All data change announcements can be viewed online at www.argusmedia.com/announcements. Alternatively, to be added to the email distribution list for all announcements, please email: datahelp@argusmedia.com.

| Petrochemical feedstock comparisons | | |
|-------------------------------------|--------|--------|
| | ¢/USG | \$/t |
| E/P mix | 12.75 | 89.27 |
| Purity ethane | 17.94 | 132.40 |
| Propane Enterprise | 75.13 | 392.40 |
| Butane Enterprise | 89.50 | 404.30 |
| Isobutane Enterprise | 142.75 | 644.85 |
| Natural gasoline Enterprise | 162.50 | 682.50 |
| Paraffinic naphtha 80 min | 163.88 | 652.23 |
| Reformer naphtha 40 N+A | 198.62 | 720.57 |
| Diesel 10ppm Colonial | 245.71 | 740.84 |
| Heating oil Colonial | 177.26 | 547.69 |

| Ethylene cash margins | | ¢/lb |
|--------------------------|--|---------|
| | | Margins |
| Purity ethane | | 11.480 |
| Propane Enterprise | | 2.000 |
| Normal butane Enterprise | | 5.040 |
| Light naphtha | | -16.590 |
| Heating oil Colonial | | -24.980 |

| Ethylene forward curves | | ¢/lb |
|-------------------------|--|--------|
| Period | | Price |
| Apr | | 19.500 |
| May | | 19.625 |
| Jun | | 19.750 |
| 3Q24 | | 19.875 |
| 4Q24 | | 20.000 |
| 1Q25 | | 20.250 |

Chicago's Buckeye Complex CBOB was bid and offered between 25¢/USG and 22¢/USG below the June RBOB Nymex, lifting cash differentials by 3.25¢/USG from the previous session. Buckeye Complex CBOB prices fell by 0.72¢/USG to \$2.45/USG. The arbitrage for shipping CBOB to Chicago from the US Gulf coast was closed with Buckeye Complex CBOB's premium 4.02¢/USG below shipping costs.

Naphtha

Differentials for heavy and full-range N+A naphtha rose Tuesday, largely due to a weaker Gulf coast gasoline complex.

The June Nymex RBOB was down 3.97¢/USG on settlement and outright cash prices for the Gulf coast waterborne conventional 9 RVP gasoline were down 3.72¢/USG on assessment Tuesday.

News emerged that a mid-range (MR) cargo volume of heavy virgin naphtha (HVN) changed hands at June Nymex

RBOB -74.25¢/USG, fob Gulf coast. This was reportedly transacted on Monday, without direct confirmation from the parties involved.

A barge of Calcasieu-quality N+A naphtha that was offered down to June Nymex RBOB -75¢/USG on Monday was re-offered higher at June Nymex RBOB -70¢/USG, on a delivered Gulf coast basis on Tuesday.

Buying interest for a Calcasieu barge was last-mentioned at June Nymex RBOB -78¢/USG, but there were no refreshed bids reported on Tuesday.

Specific discussions for HVN remained elusive. Early on, HVN values were generally mentioned in the June Nymex RBOB -70¢/USG by -68¢/USG range.

A barge of unspecified quality HVN was subsequently heard talked between June Nymex RBOB -75¢/USG by -70¢/USG, fob Beaumont. No business was confirmed to this end.

Cheaper freight rates have paved the way for export opportunities out of the Gulf coast, with an estimated 1.5mn bls heard loaded last week.

With these barrels moving offshore, barge availabilities of N+A naphtha have tightened up, giving differentials room to move higher.

Full-range N+A naphtha discussions were scarce, leaving differentials pegged at 5-6¢/USG discounts to the heavy grade.

Light virgin naphtha (LVN) activity was thin on the last day of the month, particularly with a significant backwardation observed in the natural gasoline (C5) pricing basis over the past week.

On Tuesday, April C5 was noted just 1¢/USG above the May C5 value. Argus LVN assessments remained pegged to the April C5 on Tuesday.

High sulphur Targa was offered at May C5 +3.5¢/USG on Tuesday, with buying interest heard around May C5 +1.25¢/USG, without a verified deal.

Explorer injects for May were talked between May C5 +2.5¢/USG by +3.5¢/USG, also without conclusion.

Light sweet naphtha was offered at May C5 +8¢/USG, but there were no bids reported.

Natural gas

US natural gas futures retreated from a near three-month-high, dropping below \$2/mmBtu, on high gas inventories and forecasts for mild weather.

Spot prices at the Henry Hub rose today by 12¢/mmBtu to

\$1.675/mmBtu, while gas prices at Transco zone 6 in New York rose by 4¢/mmBtu to \$1.45/mmBtu.

Prompt-month prices rose in the prior session, gaining 5.6pc and settling above \$2/mmBtu for the first time since early February, following the expiration of the May contract. The summer cooling season begins in June. Demand for gas-fired power rises in the summer as the need to cool homes and businesses increase. Electric utilities this summer will likely rely heavily on gas-fired power plants to meet demand because of sharp year-over-year declines in prices.

Forecasters were predicting above-normal temperatures across a wide swath of the US in the coming weeks. That mild weather should erase some overnight heating demand. But hotter weather, especially across the southern US, could stoke more power demand if it persists into late May.

The weather outlook today showed a decline in expected heating demand and an increase in cooling needs in the coming weeks, according to the private forecaster Commodity Weather Group. Above-normal temperatures were expected through 9 May across the southern, central and eastern US. Temperatures will then drop to near-seasonal norms across most of the US through 14 May but remain above normal in portions of the south, the forecaster said.

Mild weather in the coming weeks could lead to larger injections into gas storage. US gas stockpiles in the three weeks ended on 19 April increased by 166 Bcf (4.7bn m³), or 15pc larger than the five-year-average build for that period because of mostly mild weather.

Cooler-than-normal weather last week, though, could lead to a smaller-than-average increase in gas stockpiles when the US Energy Information Administration (EIA) releases fresh inventory data later this week.

US gas inventories were heading into May flush with supply thanks to gains in natural gas production and a mild 2023-24 winter.

US gas inventories as of 19 April were 2.425 Tcf – 37pc higher than the five-year average and 22pc higher than a year earlier, according to the EIA. The agency has said that it expects injections to lag average levels this year as producers pare output because of lower prices. But the EIA still expects inventories to reach a record high above 4.1 Tcf ahead of next winter.

High inventories can keep a lid on gas prices by easing concerns about spikes in demand or supply shortfalls.

INDUSTRY NEWS

US Feb butane stocks hit 2-year low: EIA

US butane stocks in February dropped to a two-year low on seasonal demand for gasoline blending, according to the Energy Information Administration (EIA).

Normal butane stocks fell to 24.2mn bl in February, down from 26.8mn bl a year earlier, reaching the lowest level seen since February 2022.

US butane production from gas processing rose in February to 632,000 b/d, up by 18.6pc from a year earlier. US butane exports rose by 7pc to 486,000 b/d from a year earlier, led by shipments to Morocco, which rose by 62pc on the year to 81,000 b/d.

Propane stocks stood at 49.9mn bl in February, down by 17.7pc from a year earlier and reaching the lowest level since May 2022. Of the stocks reported, 50.9pc were fractionated and ready for sale, according to the EIA.

US propane production from gas processing rose to 2.09mn b/d, up by 11.8pc from a year earlier. US propane exports climbed to 1.85mn b/d in February, rising by 18.9pc from February 2023. Exports were led by shipments to Japan, which stood at 513,000 b/d in February, an increase of 1.6pc from year-earlier levels. China received 227,000 b/d of US propane exports, up by 70.7pc from a year prior.

US ethane inventories stood at 53.5mn bl in February, up by 2.6pc from year-earlier levels.

US ethane production from gas processing rose on the year by 8pc to 2.69mn b/d. Ethane exports rose in February by 4.9pc to 497,000 b/d. Exports of the light feedstock were led by shipments to China, which received 199,000 b/d, down by 8.3pc from February 2023.

Natural gasoline inventories stood at 23.4mn bl in February, up from 22.2mn bl in February of 2023.

By Abby Downing-Beaver

Enterprise ethane line volumes at record 1Q

Enterprise Products' pipeline ethane volumes rose to a record high in the first quarter as low natural gas prices boosted recovery rates for the lighter feedstock.

Gross operating margin in the company's NGL segment climbed in the first quarter by \$20mn as ethane transportation volumes on Enterprise's ATEX and Aegis ethane pipelines rose by 43,000 b/d, the company reported on Tuesday.

"We're seeing record pipeline volumes," Enterprise senior vice president of pipelines and terminals Tug Hanley said in an earnings call.

Natural gas prices at the Waha hub fell as low as -\$1.24/mmBtu during the first quarter, the lowest level since January 2023. The drop in gas prices at the hub brought ethane's premium relative to its fuel value to a four-month high of 25.61¢/USG on 18 March, incentivizing natural gas producers to recover more ethane from the gas stream.

Ethane margins to natural gas have risen to over 22¢/USG, which leads to "higher ethane recoveries across the system," Hanley said.

In April, Waha prices fell even further, touching a 15-month low of -\$3.55/mmBtu on 15 April and widening ethane's premium to its fuel value to a 15-month high of 42.34¢/USG on the same day.

Enterprise's total natural gas liquid (NGL) pipeline transportation volumes rose in the first quarter to 4.16mn, up by 4.5pc from 3.98mn b/d a year earlier.

NGL fractionation volumes stood at 1.56mn b/d in the first quarter, up by 14pc from 1.37mn b/d a year earlier but down from 1.6mn b/d in the fourth quarter.

NGL production slowed from the fourth quarter following extreme winter weather in January, which led to freeze-offs at natural gas processing plants in the Permian basin. The company's facilities in the Midland basin were affected by the freeze for about 10 days, according to executive vice president Brent Secrest.

Production has since been restored and continues to grow, bolstered by the addition of the 300mn cf/d Mentone 3 and Leonidas natural gas processing plants, which came online in early April.

Lower freight prices in the first quarter improved pricing for spot cargoes, causing NGL exports to rise by 8.6pc to 895,000 b/d from year-earlier levels. Domestic propane will continue to be constrained until new export capacity projects from Enterprise and Energy Transfer come online starting in 2025, Secrest noted. In the interim, rising propane production may increase the value of propane storage until terminal tightness can be resolved.

Enterprise reported a first-quarter profit of \$1.48bn, up from \$1.42bn a year earlier.

By Abby Downing-Beaver

Ineos Chocolate Bayou cracker loses power

Ineos' 930,000 metric tonne/yr mixed-feed Olefins No 2 cracker in Chocolate Bayou, Texas, flared following a loss of power caused by "a rain shower event" on 29 April.

Flaring from the event began at 2am ET and lasted approximately nine hours, according to a company filing with the

Texas Commission on Environmental Quality. Adjustments were made to stabilize the unit.

Ineos did not immediately respond to requests for additional comment.

US spot EPC ethylene for April delivery was bid and offered between 19¢/lb and 20¢/lb this morning, but no deals were heard.

By Chris Charleston

Enterprise PDH-2 maintenance to start in June

Enterprise Products Partners' 750,000 t/yr propane dehydrogenation (PDH-2) unit in Mont Belvieu, Texas, will begin maintenance in June, the company said in its earnings call today.

The unit has been limited to 80pc production due to a high pressure drop in the fourth reactor. The unit, first announced in 2019, was fully operational on 1 August 2023.

At the time Enterprise said the unit was running at a 65-70pc utilization rate with all of its expected nameplate production under contract.

The repair of the PDH units will allow Enterprise to run at higher rates, and benefit from greater overall profit margins, vice president of petrochemicals Chris D'Anna said.

"We had some operational issues on both our PDH and our splitters," D'Anna said. "Looking forward, we see the contribution from our PDH plants (helping) our overall margin."

The company added that PDH-1 is undergoing a planned turnaround and is expected to return to operation in May.

By Chris Charleston

US propane stocks to rise by 1.4mn bl: Survey

Market participants expect US propane inventories to rise by an average 1.4mn bl when the Energy Information Administration (EIA) reports weekly data on Wednesday.

An Argus survey of nine market participants expect anywhere from a 500,000 bl draw to a 3mn bl build in US propane stocks for the week ended 26 April.

The EIA reported a 1mn bl build in propane inventories for the week ended 19 April, leaving stocks at 56.7mn bl, down by 3.8pc from year-earlier levels.

By Yulia Golub

New US rule may let shippers swap railroads

US rail regulators today issued a final rule designed to help customers switch railroads in cases of poor rail service, but it is already drawing mixed reviews.

Reciprocal switching, which allows freight shippers or

receivers captive to a single railroad to access to an alternate carrier, has been allowed under US Surface Transportation Board (STB) rules. But shippers had not used existing STB rules to petition for reciprocal switching in 35 years, prompting regulators to revise rules to encourage shippers to pursue switching while helping resolve service problems.

"The rule adopted today has broken new ground in the effort to provide competitive options in an extraordinarily consolidated rail industry," said outgoing STB chairman Martin Oberman.

The five-person board **unanimously approved a rule** that would allow the board to order a reciprocal switching agreement if a facility's rail service falls below specified levels. Orders would be for 3-5 years.

"Given the repeated episodes of severe service deterioration in recent years, and the continuing impediments to robust and consistent rail service despite the recent improvements accomplished by Class I carriers, the board has chosen to focus on making reciprocal switching available to shippers who have suffered service problems over an extended period of time," Oberman said today.

STB commissioner Robert Primus voted to approve the rule, but also said it did not go far enough.

The rule adopted today is "unlikely to accomplish what the board set out to do" since it does not cover freight moving under contract, he said.

"I am voting for the final rule because something is better than nothing," Primus said. But he said the rule also does nothing to address competition in the rail industry.

The Association of American Railroads (AAR) is reviewing the 154-page final rule, but carriers have been historically opposed to reciprocal switching proposals.

"Railroads have been clear about the risks of expanded switching and the resulting slippery slope toward unjustified market intervention," AAR said.

But the trade group was pleased that STB rejected "previous proposals that amounted to open access," which is a broad term for proposals that call for railroads to allow other carriers to operate over their tracks.

The American Short Line and Regional Railroad Association declined to comment but has indicated it does not expect the rule to have an appreciable impact on shortline traffic, service or operations.

Today's rule has drawn mixed reactions from some shipper groups.

The National Industrial Transportation League (NITL), which

filed its own reciprocal switching proposal in 2011, said it was encouraged by the collection of service metrics required under the rule.

But “it is disheartened by its narrow scope as it does not appear to apply to the vast majority of freight rail traffic that moves under contracts or is subject to commodity exemptions,” said NITL executive director Nancy O’Liddy, noting it was a departure from the group’s original petition which sought switching as a way to facilitate railroad economic competitiveness.

The Chlorine Institute said, in its initial analysis, that it does not “see significant benefit for our shipper members since it excludes contract traffic which covers the vast majority of chlorine and other relevant chemical shipments.”

By Abby Caplan

PRefChem delays naphtha cracker restart

Malaysian petrochemical producer PRefChem decided to delay the restart of its naphtha cracker in Pengerang to end of May, because of margin issues.

The cracker was supposed to restart by the end of April, following a [one-month scheduled maintenance](#) since the end of March. Maintenance works were already completed, but the producer is delaying the restart because of thin cracker production margins, according to sources close to the company.

PRefChem’s cracker can produce up to 1.29mn t/yr of ethylene and 630,000 t/yr of propylene. The cracker is also integrated with a 180,000 t/yr butadiene extraction unit, which is also currently off line. Its 300,000 b/d refinery is still running, so feedstock naphtha production from the refinery will be exported during the cracker’s shutdown.

Negative production margins have been pressuring producers across Asia-Pacific since second-half 2021. Cracker margins remained in the negative territory at -\$167/t as of 24 April, according to Argus’ latest calculation.

PRefChem’s downstream polymer units – including a 350,000 t/yr linear low-density polyethylene (LLDPE) unit, a 400,000 t/yr high-density polyethylene (HDPE) unit and two 450,000 t/yr polypropylene (PP) units – were also shut since late March for around one month for maintenance.

Its 400,000 t/yr HDPE unit and No.2 PP unit are expected to remain shut until mid-May and late May respectively, possibly because of feedstock shortages. Its 350,000 t/yr LLDPE unit was expected to restart on 30 April, but has remained shut and its start-up timeline is unclear.

PRefChem’s No.1 PP unit – which uses LyondellBasell’s Spheripol technology – has restarted since mid-April and is

operating at around 70pc, producing the raffia and injection grades alternatively.

Argus assessed southeast Asian duty-free LLDPE prices at \$1,090-1,110/t cfr southeast Asia on 26 April, up by \$20/t from a month earlier. Southeast Asian PP raffia prices were assessed at \$1,040-1,060/t cfr southeast Asia during the same assessment week, down by \$10/t on the month, mainly because of persistently weak buying interest and weakening downstream consumption.

By Yee Ying Ang and Toong Shien Lee

Japan’s March LPG stocks fall with supply

Japan’s LPG inventories extended a month-on-month fall in March, on the back of lower supplies from domestic refineries, surpassing the impact of higher imports and weaker demand.

LPG stocks dropped by 7.5pc on the month to 1.3mn t in March, according to preliminary data from the Japan LPG Association. Propane inventories declined by 5pc to 864,000t, while butane stocks dropped by 12pc to 467,000t respectively.

LPG production in the April 2023-March 2024 fiscal year dropped by 16pc on the year to 1.3mn t, with propane output down by 8.9pc to 832,000t and butane output falling by 25pc to 493,000t respectively. Imports also fell by 4.8pc to 10.4mn t, given propane purchases dropping by 7.2pc to 8.5mn t, although butane imports rose by 7.8pc to 1.9mn t.

LPG consumption weakened by 3.2pc from a year earlier to 11.9mn t in 2023-24, Propane use fell by 3.6pc to 9.4mn t, while butane demand declined by 1.4pc to 2.4mn t.

By Nanami Oki

Negotiations for May paraxylene ACP fail

Negotiations for the benchmark May paraxylene (PX) Asia Contract Price (ACP) have failed to reach a settlement.

Japanese producer Eneos made an initial offer at \$1,145/t cfr, before subsequently reducing it to \$1,040/t cfr. Exxon-Mobil placed an offer at \$1,150/t before lowering it to \$1,040-1,050/t. Both revised offers could not be directly confirmed with the firms.

Idemitsu Kosan did not make any offers until the end of the validity period.

Taiwanese buyers’ bids for the May PX ACP were at \$950/t and \$980/t cfr until the end of validity. There were no bids from other ACP-linked buyers.

There are six ACP-linked buyers – China’s Yisheng, Sheng-hong and Xinfengming, Ineos, as well as Taiwan’s Capco and OPTC.

By Alicia Goh

Azoty seeks PDH, PP plant partnerships

Polish chemical conglomerate Grupa Azoty is seeking partnerships to jointly run its integrated 437,000 t/yr propane dehydrogenation (PDH) and 429,000 t/yr polypropylene (PP) complex in Police, northwest Poland, while the plant's commercial start has been pushed to the third quarter of 2024.

The company is interested in finding a partner that would help it run the plant more efficiently, said Azoty's president Adam Leszkiewicz, who took the position in March.

"(PDH/PP) is a new area in our business and we seek partners to jointly run the project and make it more efficient," said Leszkiewicz on 30 April. "We see that those projects globally are rather done in partnership and rarely independently," he said.

Azoty will consider various partnerships including co-operating on the supply of propane, running the plant and selling polypropylene, as well as collaborating on just sales, Leszkiewicz said. Azoty would consider both commercial partnerships and "deeper co-operation," suggesting it is open to sell a stake in the project to a partner.

But Azoty's immediate priority is to complete delayed construction of the plant and start commercial operations, which is currently expected in the third quarter of 2024. The plant currently already operates at a relatively high utilisation rate of more than 60pc, or 800 t/d, but production is still being carried out on a test basis under the supervision of the general contractor, which is yet to complete the project.

Azoty has already imported eight propane and two ethylene cargoes as feedstock for the plant operations. The company has also already sold 70,000t of polypropylene from the plant, it said.

Azoty plans to run a "plant integrity test" in late May and early June with its contractor, which will be the last step before the start of commercial production.

The high cost of the PDH/PP plant development has placed a significant financial burden on the Polish company. Azoty this month again had to renegotiate financing terms for the project, and is still negotiating with banks for long-term financing solutions.

European ethylene MCP for May settled lower

The May European ethylene monthly contract price (MCP) settled at €1,250/t (\$1,336.43/t) today, a €10/t decline from April's MCP driven by lower feedstock costs.

The ethylene market is well supplied, because PE demand has eased back in April as the impact of the Red Sea issues and lower stock in European market has waned.

Demand nominations for May are in line with cautious market views, and higher than expected at the start of the year. Demand should be supported by the restart of some derivative capacity from planned and unplanned shutdowns but producers are very wary and rates are likely to be trimmed. Spot prices for naphtha, the main feedstock for European crackers, averaged €643/t in April so far, €10/t lower than in March, but have moved higher in recent days.

The MCP negotiation ended more quickly than in recent months, but for producers it will do little for margins, while consumers may find it difficult to limit price decreases to €10/t for ethylene derivatives.

The European MCP for ethylene is a reference price used by the industry as a benchmark for long-term contract pricing. Net prices paid vary based on individually negotiated pricing structures, including discounts to the MCPs.

Feedstocks lead May Euro propylene MCP drop

The May European propylene monthly contract price (MCP) settled at €1,135/t (\$1,215/t) today, a €10/t decline from April's MCP driven by lower feedstock costs.

The market balance in propylene has eased heading into May, following a tighter period since the start of the year. Operating rates across the value chain remain higher than was expected at the start of the year, but are still low and downstream consumers are cautious about the outlook and controlling inventories. Propylene imports will also supplement domestic production in May.

The more-or-less balanced outlook heading into May left feedstock costs as the focus point for the MCP negotiations. Spot prices for naphtha, the main feedstock for European crackers, averaged €643/t in April so far, €10/t lower than in March, but have moved higher in recent days.

The European MCP for propylene is a reference price used by the industry as a benchmark for long-term contract pricing. Net prices paid vary based on individually negotiated pricing structures, including discounts to the MCPs.

By Alex Sands

Latest UN plastic treaty talks close

The fourth session of the UN's Intergovernmental Negotiating Committee to develop an international, legally binding instrument to tackle plastic pollution ended on 29 April. But from the updated drafts released at the end of the negotiating session in Ottawa, Canada, it remains unclear what shape the final text will take.

The treaty under discussion covers areas including waste

management, product design, measurement and reporting of progress, and financing. There are plans for further inter-sessional negotiations on an updated draft text ahead of the fifth session in Busan, South Korea in November.

“Much work remains to be done to narrow the gaps in understanding, as well as bridge the divides on the scope and objective of the future treaty,” the International Institute for Sustainable Development (IISD) said. “This was evident as meetings to discuss the technical elements of the text diverged on almost all points of discussion, from problematic and avoidable plastics to product design, composition and performance.”

European plastic industry association PlasticsEurope acknowledged progress during the discussions but said that “the clock is now ticking loudly” and called on “all stakeholders” to redouble their efforts to reach an agreement. It also called for observers to be present at inter-sessional negotiations “to maintain the transparency and technical integrity of the draft agreement”.

There is “growing recognition” of Extended Producer Responsibility (EPR) schemes – where producers and sellers of plastic products contribute to the cost of managing the resulting waste – as a tool for managing end-of-life plastics, PlasticsEurope added.

But the association expressed concern at a lack of progress towards supporting the circular economy by creating more demand for plastic waste and secondary raw materials. “The focus must now shift to policy measures that will increase the value of plastic waste as a circular feedstock by increasing demand for circular plastic raw materials, including the introduction of mandatory recycled content targets for sectors that use plastics at the national level,” it said.

Mandatory recycled content requirements are one of the topics under discussion, although the updated draft released on 29 April appears less firm on this topic than the draft released following the negotiating committee’s third session. The option for unilateral recycled content targets does not appear in the updated draft, and options to encourage national plans for recycled content requirements now include references for consideration to the targets applying “where economically viable” and “where affordable, accessible and available”. These were not in the previous draft.

“We came to Ottawa to advance the text and with the hope that members would agree on the inter-sessional work required to make even greater progress... We leave Ottawa having achieved both goals and a clear path to landing an ambitious deal in Busan ahead of us,” said Inger Andersen, executive director of the UN Environment Programme.

By Will Collins

Access on-the-go: Argus Publications app.
Closer to our clients. Closer to the market.

A new option is now available for you to access Argus publications, no matter where your work takes you.

- Optimized for reading on Android or iPhone
- Charts and tables optimized for mobile access
- Jump quickly to sections of interest

Download the app now

illuminating the markets

WEBINAR

Global LPG Markets – Pricing trends, supply, demand and the impact of the Ukraine conflict

Click here to watch the webinar on-demand now

Join Argus’ global team of LPG experts as they explore the the latest developments in LPG fundamentals and prices in key markets, and the impact of the Ukraine conflict on LPG.

ANNOUNCEMENTS

Argus expanding usage of spreads in methodology

Argus proposes to upload all individual legs on spread transactions, in addition to the spreads themselves, as part of its regular price assessments for Mont Belvieu, Texas, and Conway, Kansas, in keeping with industry practice.

The legs on these spreads will be incorporated into both the traded ranges and volume-weighted averages for the daily assessments.

Argus will accept comments on this change up to 3 May 2024. To discuss comments on this proposal, please contact Amy Strahan at amy.strahan@argusmedia.com or 713-360-7537. Formal comments should be marked as such and may be submitted via e-mail to lpg@argusmedia.com and received by 3 May 2024. Please note, formal comments will be published after the consultation period unless confidentiality is specifically requested.

Argus International LPG Forward Curves



The Argus International LPG Forward Curves service is a powerful, independent market valuation tool used to support investment and trading decisions in LPG markets across Europe, Americas and Asia.

Key features

- Daily assessments providing a rolling 36-month view of monthly forward prices
- Time-stamped using the appropriate market's daily settlement time — Singapore, London and New York
- Independent and transparent market-appropriate methodology
- Delivery options — your choice of data feeds, our third-party partners, FTP, API, Argus Direct, Excel Add-in or email

For more information:
www.argusmedia.com/forward-curves



Argus NGL Americas is published by Argus Media group

Registered office

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

ISSN: 1537-2200

Copyright notice

Copyright © 2024 Argus Media group.
 All rights reserved.

All intellectual property rights in this publication and the information published herein are the exclusive property of Argus, and/or its licensors (including exchanges) and may only be used under licence from Argus. Without limiting the foregoing, by accessing this publication you agree that you will not copy or reproduce or use any part of its contents (including, but not limited to, single prices or any other individual items of data) in any form or for any purpose whatsoever except under valid licence from Argus. Further, your access to and use of data from exchanges may be subject to additional fees and/or execution of a separate agreement, whether directly with the exchanges or via Argus.

Trademark notice

ARGUS, ARGUS MEDIA, the ARGUS logo, INTEGER, ARGUS NGL Americas, other ARGUS publication titles and ARGUS index names are trademarks of Argus Media Limited.
 Visit www.argusmedia.com/trademarks for more information.

Disclaimer

The data and other information published herein (the "Data") are provided on an "as is" basis. Argus and its licensors (including exchanges) make no warranties, express or implied, as to the accuracy, adequacy, timeliness, or completeness of the Data or fitness for any particular purpose. Argus and its licensors (including exchanges) shall not be liable for any loss, claims or damage arising from any party's reliance on the Data and disclaim any and all liability related to or arising out of use of the Data to the full extent permissible by law.

All personal contact information is held and used in accordance with Argus Media's Privacy Policy
<https://www.argusmedia.com/en/privacy-policy>

Publisher
 Adrian Binks

Chief operating officer
 Matthew Burkley

Global compliance officer
 Vladas Stankevicius

Chief commercial officer
 Jo Loudiadis

President, Oil
 Euan Craik

SVP, North America
 Matthew Oatway

Global head of editorial
 Neil Fleming

Editor in chief
 Jim Washer

Managing editor
 Jim Kennett

Editor
 Amy Strahan
 Tel: +1 713 360 7537
houstonlpg@argusmedia.com

Customer support and sales:

support@argusmedia.com
sales@argusmedia.com

London, Tel: +44 20 7780 4200

Houston, Tel: +1 713 968 0000

Singapore, Tel: +65 6496 9966



LPG/NGL

illuminating the markets®