

Argus Polyethylene Outlook

argus

About this report

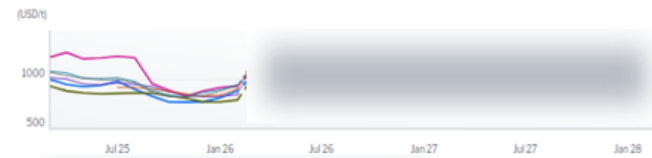
24-month rolling forecast of global polyethylene prices alongside forward-looking analysis of supply, demand and market fundamentals across key regions.

Subscribers gain a comprehensive view of the global polyethylene value chain in a single monthly report, with insight into feedstocks, production economics, trade flows and regional market dynamics. The service also includes an annual 5-year price forecast.

Each month, you receive the PDF report directly to your inbox, and the accompanying Excel data file is available to download through Argus Direct® – a live, interactive platform that provides access to market news, price assessments, analysis and data tools in one place.

This is a short sample of the 40+ slide report only.

Global LLDPE price forecasts



- Brazil CFR Spot
- South America CFR Spot

A 24-month rolling polyethylene price forecast supported by forward-looking analysis of global supply, demand and market drivers.

Holiday-driven slowdown, rising inventories

Operating rates at _____ with several units undergoing short maintenance—including Sinochem Ineos' _____ HDPE unit restart, Sinopec Maoming's _____ and _____

2025 exports lift total sales as domestic markets hold flat.

PE Market Segment

Europe trade

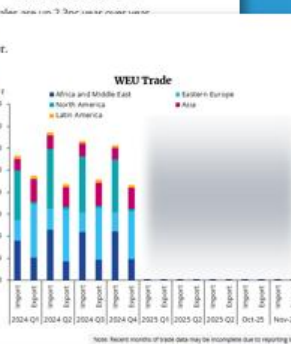
US-origin costs rise, yet imports continue to anchor European PE floor.



• Europe may see i _____ the coming quarters if
_____ its proposal to raise anti-dumping duties on US PE to
_____ a move that would effectively shut out the _____ the US
shipped to Brazil last year—around _____ its total exports. Trade flows
could begin shifting as sellers look to redirect volumes, and Europe is a likely
destination given its import needs and the potential for _____
the pending _____

for higher prices following fourth-quarter destocking, tightening arbitrage economics into Europe. Although these rising costs have narrowed workable arbitrage windows, US imports remain viable and continue to anchor the effective price floor in the European market.

2022 - 2025 Yearly sales



Notes: Recent months of trade data may be incomplete due to reporting lags.

Source: Global Trade Tracker, Argus Analytics
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World map showing major shipping routes and ports. Key ports include Houston, Shanghai, Singapore, and others. Shipping lines are color-coded: blue for major routes, red for routes with significant rate increases since February 2025. The map highlights the Pacific, Indian, and Atlantic Oceans, with various shipping lanes connecting major hubs like Houston, Shanghai, and Singapore.

None.
Freight rates listed in \$/ton
Items in red represent major price increases since February 2025

Review of bull and bear risks, highlighting the factors with potential to affect polyethylene price forecasts.

Click here to find out more and get in touch

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Polyethylene outlook – What’s changed?

Strengthening polymer fundamentals amid constrained US supply and shrinking Chinese offers.

LLDPE Price Forecast \$/ton

Feb-26 Mar-26 Apr-26 May-26 Jun-26 Jul-26

LLDPE C4 US FAS Spot

LLDPE C4 Brazil CFR Spot

LLDPE C4 South America
CFR Spot

LLDPE C4 EU CFR Spot

LLDPE C4 NEA CFR Spot

LLDPE C4 SEA CFR Spot

LLDPE C4 SA CFR Spot

- PE prices in early 2026: Firm but not surging, supported by higher cost floors and selective tightness.
- Upside risk:
- Downside risk:
- Regional divergence:
 - North America: modest firmness but limited upside.
 - Europe: stable to slightly firmer.
 - Asia: pressured by oversupply; only selective, cost-driven tightening.
- Strategic note: Export-dependent regions (like the US) face continued margin pressure unless global demand meaningfully improves or trade flows rebalance.

Month-on-month
change

US Brazil South America Europe NEA SEA SA

Note: Month-on-month change shows January price vs December price. LLDPE prices: US FAS Spot, EU CFR Spot, NEA CFR Spot, SEA CFR Spot, SA CFR Spot, Brazil CFR Spot, South America CFR Spot. Ethylene prices: US Spot, EU Contract, NEA Spot, SEA Spot. Brazil, South America and South Asia ethylene are not included due to limited trade.

Top of mind issues to follow

PE prices hold firm into early-2026, though

Global

Early-2026 polyethylene prices are expected to remain

Global PE spot price strength is being driven by cost pressure, operational friction, and producer restraint, but upside momentum will remain limited without stronger ethylene support or structural capacity closures.

Americas

PE remains range-bound at higher cost floors, but fundamentals remain soft due to oversupply and weak demand, with late-2025 price declines from lower downstream consumption and ample inventories. As a result, any early-2026 price uplift is expected to be modest unless export pull increases sharply.

Europe

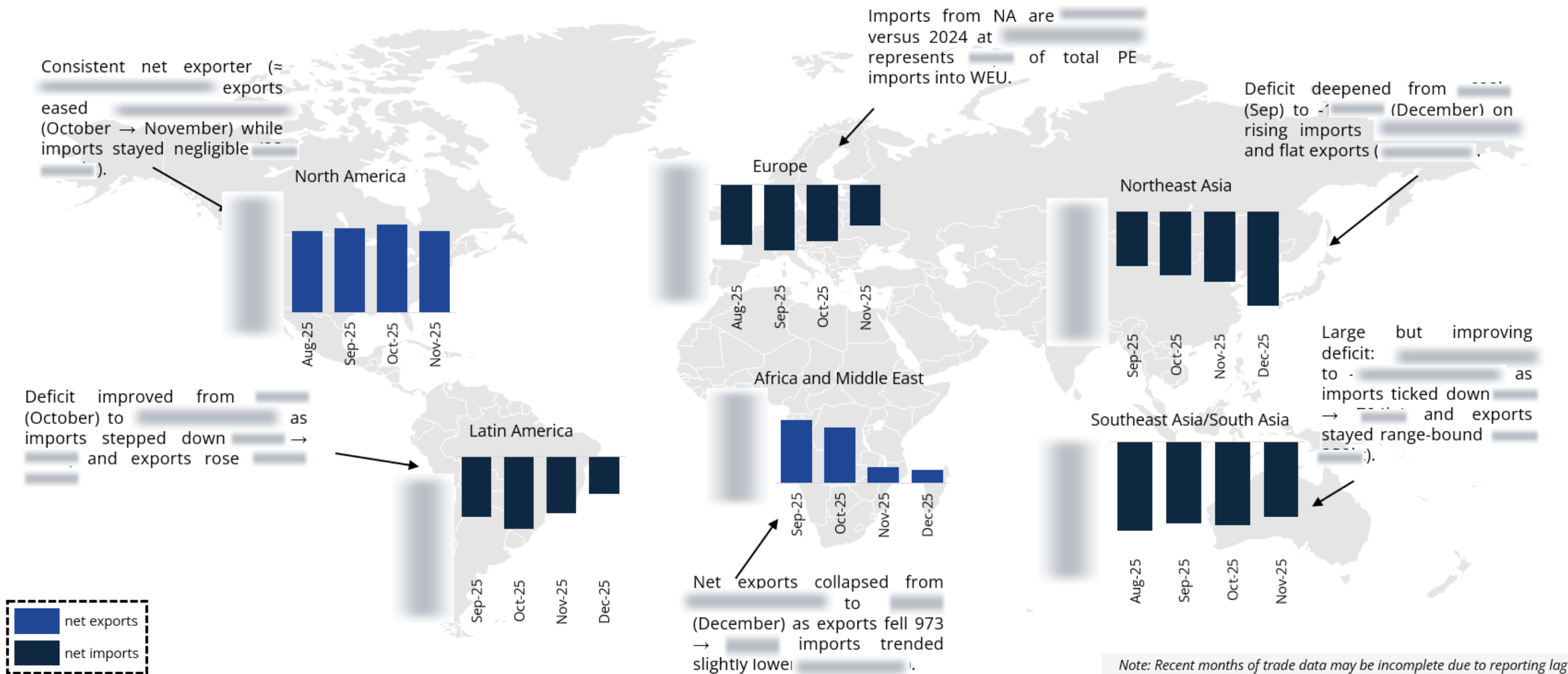
Europe is projected to hold stable-to-slightly-firmer prices, supported by balanced supply-demand, steady ethylene costs, and stable packaging/film demand, though weak macroeconomic sentiment will limit restocking and curb upside potential.

Asia-Pacific

Asia faces ongoing price pressure due to

Regional net PE trade

Asia's deficits deepen, Europe/LATAM deficits narrow.



PE plant events

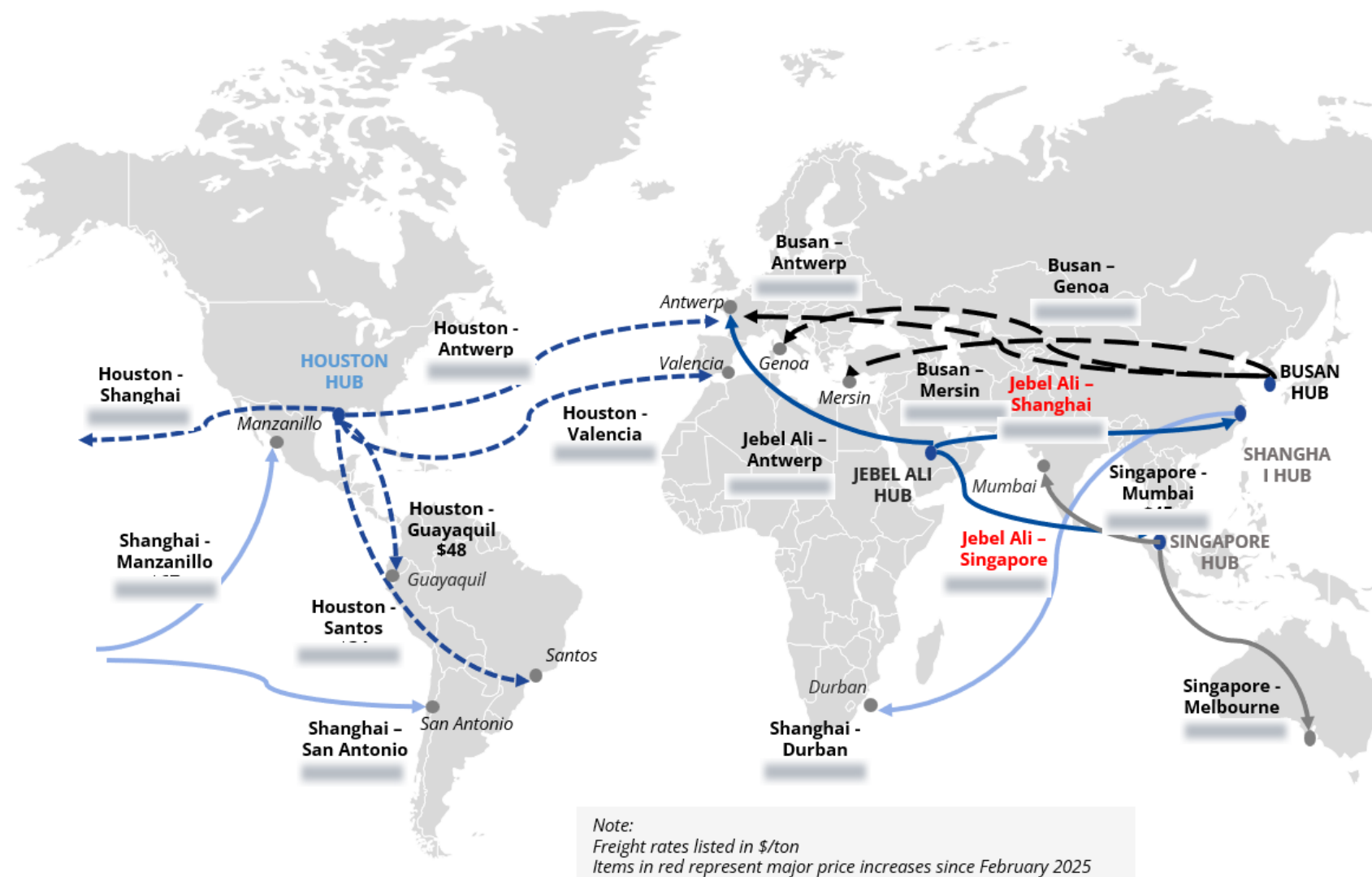
Strategic capacity shifts reshape global PE supply as major projects delay and new export alliances form.

Plant	Location	Grade	Capacity '000t/yr	Start-up
Irkutsk Polymer Plant	Russia	LLDPE/HDPE		
BASF Zhanjiang	China	LLDPE-HDPE		
Huajin Aramco Petrochemical	China	HDPE		
Huajin Aramco Petrochemical	China	HDPE		
Huajin Aramco Petrochemical	China	LLDPE-HDPE		
Zhejiang Petrochemical	China	LDPE		
China Coal Shaanxi Yulin Energy & Chemical	China	HDPE		
PetroChina Tarim Oilfield	China	LLDPE-HDPE		
PetroChina Tarim Oilfield	China	LLDPE-HDPE		
Sabic Fujian Petrochemical	China	HDPE		
Sabic Fujian Petrochemical	China	LLDPE-HDPE		
Ningxia Baofeng Energy	China	LLDPE-HDPE		
PetroChina Lanhai New Material	China	LLDPE-HDPE		

Dow will ... to better align with an expected market recovery. Phase 1 will now start Phase 1 includes the initial startup of a net-zero emissions ethane cracker in Fort Saskatchewan, Alberta, with ... of capacity that will increase to ... with the completion of phase 2 in late 20 ... later than initially planned.

S-Oil Corp., Korea's third-largest oil refiner by sales, signed a ... agreement with Saudi Basic Industries Corp. (SABIC) to cooperate on exports of polyethylene(PE) products. Under the ... l, which runs through December 2030, SABIC will handle the global marketing of PE products produced by S-Oil.

Spot container freight rates \$/t



The January 2026 winter freeze caused major disruptions across US freight operations, with Texas port closures—including Houston—leading to delays, while icing severely constrained trucking and rail capacity and pushed operating costs higher. Carriers imposed weather-related surcharges, contributing to truckload spot rates rising pc year-on-year, and widespread shutdowns of oil, gas, and industrial facilities along the Gulf coast further slowed cargo movement. Equipment shortages intensified pre-existing logistical strain, and together these factors are expected to keep container-freight spot rates elevated and volatile through Q1 2026.

Container carriers are attempting a fresh \$ rate hike on the Asia-to-Latin America trade beginning March 1, but the effort faces strong structural resistance as spot rates have already collapsed 82pc since mid-2025 and now sit at \$1 on Shanghai-Santos. Over the past year, lines added roughly TEUs of new capacity chasing last summer's peak rates, and capacity continues to rise: sailings to the east coast of South America are set to reach EUs in March, up month-over-month and the highest in more than three years. This sustained oversupply provides a hard ceiling on any rate recovery, making it unlikely that carriers can maintain the full rate increase for more than a brief period.

Polyethylene: All grades

Regional shifts reshaping global polyethylene competitiveness.

		Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
US	LLDPE butene fas spot Houston bagged \$/t						
US	HDPE blow molding fas Houston bagged \$/t						
US	HDPE IM fas spot Houston bagged \$/t						
US	HDPE film fas spot Houston bagged \$/t						
US	LDPE liner fas spot Houston bagged \$/t						
LATAM	Brazil LDPE liner film \$/t						
LATAM	South America LDPE liner film \$/t						
LATAM	Brazil LLDPE \$/t						
LATAM	South America LLDPE \$/t						
LATAM	Brazil HDPE HMW \$/t						
LATAM	South America HDPE HMW \$/t						
LATAM	Brazil HDPE IM \$/t						
LATAM	South America HDPE IM \$/t						
LATAM	Brazil HDPE BM \$/t						
LATAM	South America HDPE BM \$/t						
Europe	LLDPE EU spot cfr \$/t						
Europe	LLDPE contract €/t						
Europe	HDPE blow molding contract €/t						
Europe	LDPE contract €/t						

US - 2026 is defined by rising inventories and firm buyer resistance, even as select grades like HDPE injection and HMW film remain tight. February demand improved, yet export demand stays weak. This signal potential market loosening by March. Prices are forecast to rise across all grades but logistics delays into Mexico and Brazil's proposed anti-dumping duty hike could offset some of US exports and increase pressure on margins and trade flows.

Europe - Market enters 2026 stable to slightly firmer, supported by tight LDPE and higher replacement costs, but overall demand remains weak as converters keep inventories low and restocking stays limited. Spot and contract prices are expected to remain flat before a slight rise, while US import costs narrow arbitrage but still anchor Europe's price floor. Europe's upside remains modest and margins constrained.

LATAM - Market is firming on tighter supply, rising freight costs, and reduced Chinese availability, with Brazil and west coast South America showing stronger demand, while Central America sees increased activity from Korean suppliers. The region faces a major structural shift as Chinese suppliers expand into the region.

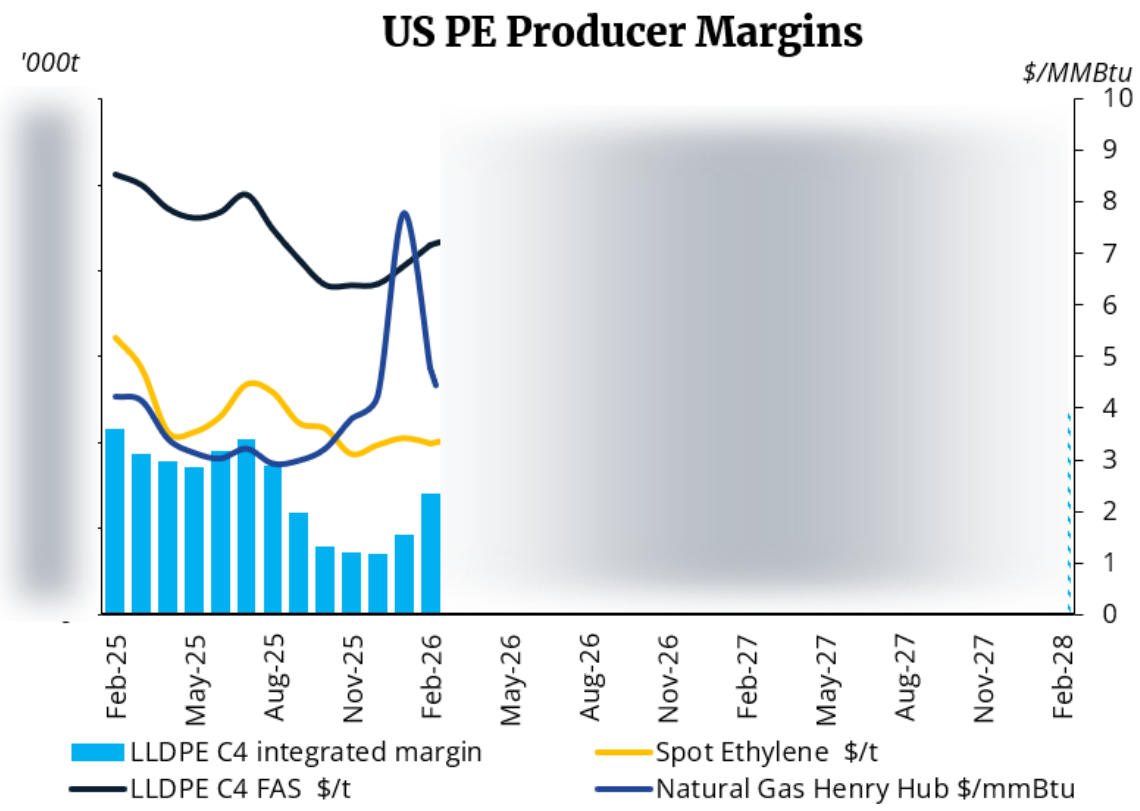
US exports and redirect volumes toward Middle Eastern and Asian suppliers, supporting local prices but adding uncertainty to trade flows.

North America outlook

High operating rates, rising inventories, and buyer pushback shape early-2026 PE dynamics.

SUPPLY	January ACC data showed stronger-than-expected operating rates, with PE production rising [redacted] and daily output increasing to [redacted]. Production again exceeded sales, adding [redacted] to inventories across all PE grades. Despite several HDPE and LLDPE disruptions, material remained available for buyers willing to pay higher spot prices. With February production expected to remain strong, the market is projected to loosen by March as operating issues ease and supply normalizes.
DEMAND	January sales fell 7.8pc from December, with both domestic and export volumes lower and sales-per-day [redacted]. February demand has improved as the market recovers from heavy year-end buying, though some large buyers with price protection are slowing purchases while others must return to the market. Export demand remains weak as traders await confirmation that higher US prices will stick, and HDPE injection and HMW film remain very tight with minimal offers available.
PRICE	After a [redacted], producers are pushing for another [redacted] hike in February, but buyers are pushing back. While winter-storm outages and maintenance tightened some supply, domestic buyers report they can still secure material. Producers are also trying to raise spot prices by [redacted] \$/ton, though resistance is strong and export demand remains slow as traders wait to see if global buyers will accept higher US prices. Market discussions have widened, and HDPE injection and HMW film remain particularly tight, with traders reporting little to no available offers.
SENSITIVITY	US ethylene inventories climbed to a record [redacted] ktons in Q4 2025, underscoring ongoing oversupply. Overall, while February production and demand trends point to near-term stabilization, elevated inventories, slow exports, and buyer resistance to additional price increases suggest that the PE market may loosen further heading into March.

Price Forecast	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
US FAS LLDPE C4 Spot \$/t	[redacted]					
US FAS LLDPE C4 Spot ¢/lb.	[redacted]					

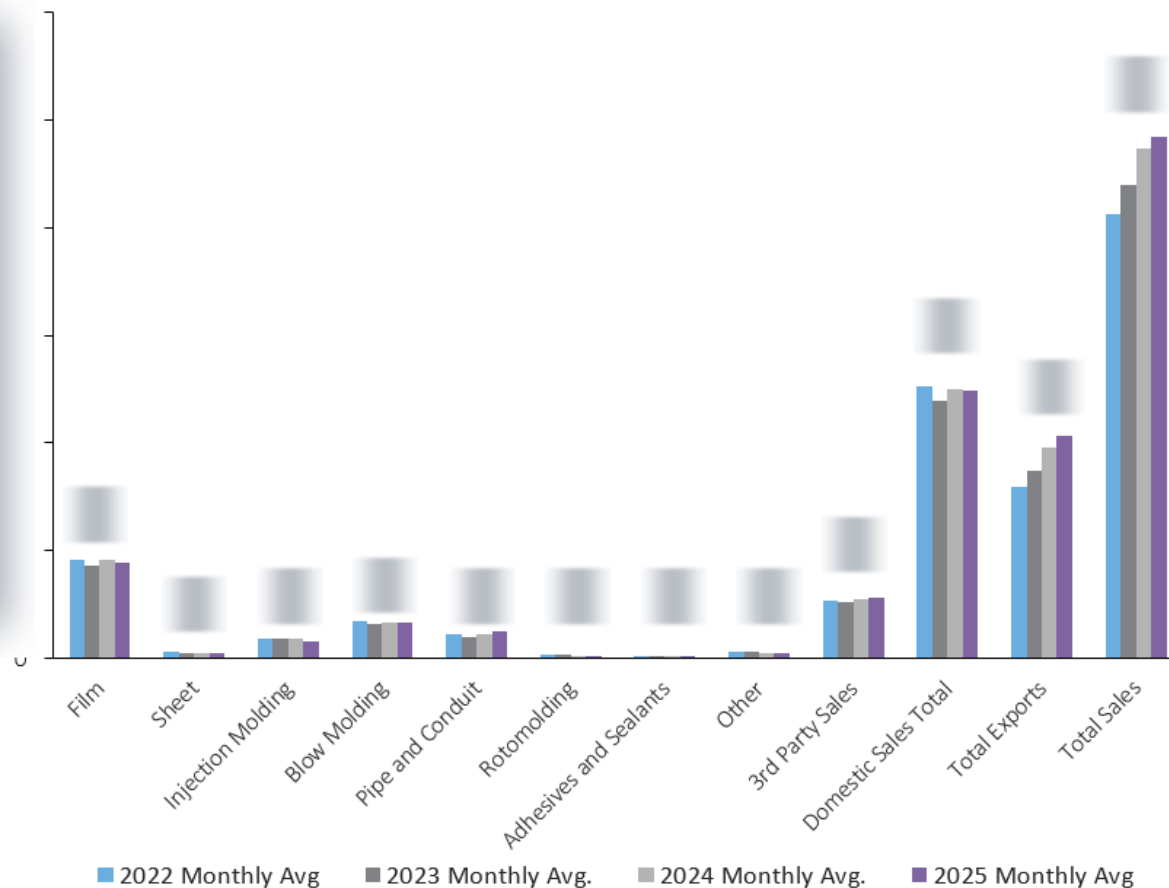


North America domestic sales remain stagnant in 2025.

2025 exports lift total sales as domestic markets hold flat.

PE Market Segment

'000 tons



2022 - 2025 Yearly sales

- Total PE sales are up 0.5pc year over year
- Exports 0.5pc offsetting a slight domestic dip (-0.5pc).
- Pipe and conduit 0.5pc
- Adhesives and sealants 0.5pc
- Injection molding 0.5pc
- Rotomolding 0.5pc
- Film 0.5pc
- Blow molding is essentially flat.

US PE demand is stable but increasingly export-reliant, with modest overall growth driven by strong pipe and sealant applications while weakness in molding, rotomolding, and film limits broader momentum.

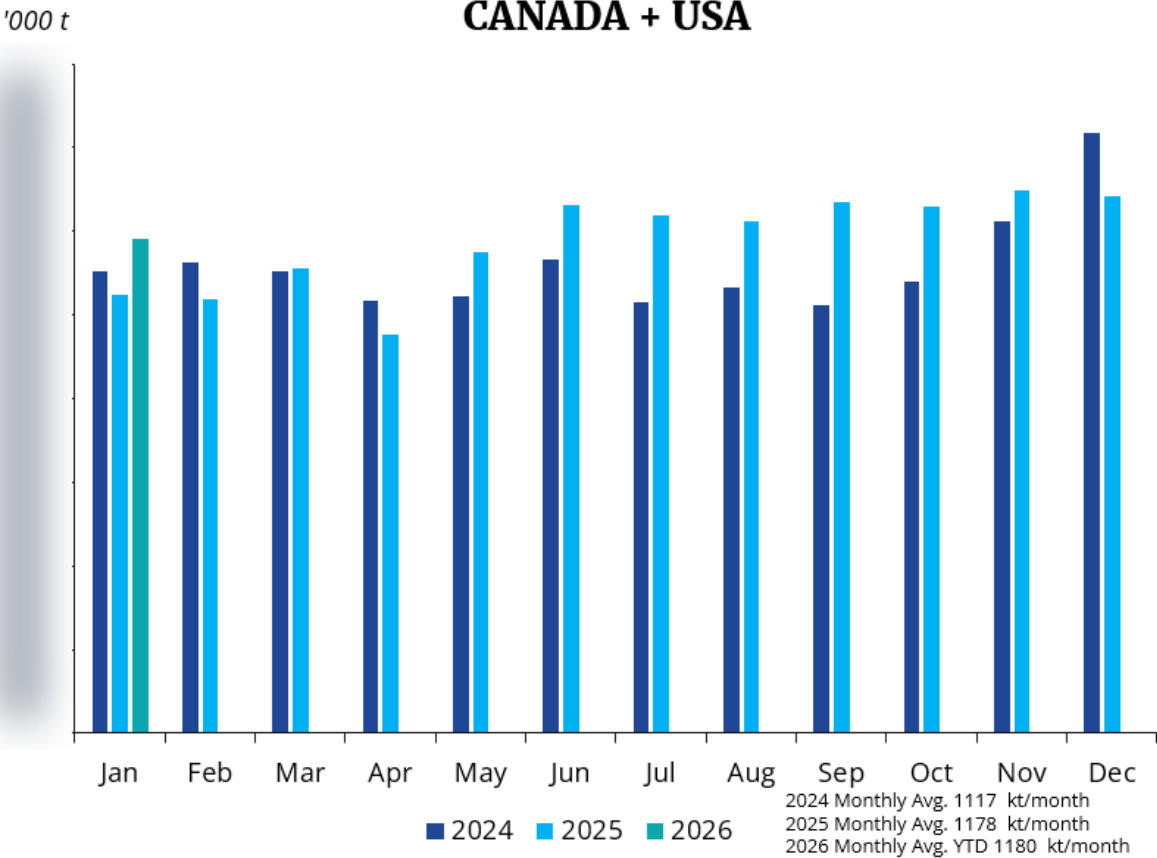
North America trade

Market pressures intensify as supply tightness and trade barriers reshape PE flows.

North America Inter Regional Trade Forecast						
	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
Exports ('000t)						
Δ						
Imports ('000t)						
Δ						
Net Trade						

- North American polyethylene export demand remains weak, as traders hesitate to commit while waiting to see whether global buyers will accept higher US price levels. Supply tightness is most acute in _____ and _____, where traders report very limited or no spot offers. Domestic demand is steady but cautious, with buyers largely purchasing only as needed.
- In Mexico, Braskem Idesa continues running at reduced operating rates due to feedstock constraints, resulting in higher-than-import price offers, including HDPE HMW film at \$ _____. Logistics into Mexico remain strained, with the usual delays on US-origin material compounded by a packaging-line issue that is expected to add roughly 15 days of additional delay for some shipments.
- Brazil's proposed increase in anti-dumping duties—from _____—would _____ Most Brazilian buyers have already stopped discussing US material, and imports are expected to shift to Middle Eastern and Asian suppliers, prompting a broader rerouting of global PE trade.

Monthly PE Exports
CANADA + USA



Note: Recent months of trade data may be incomplete due to reporting lag

Meet our team



Terry Glass
Vice President Polymers

Terry is responsible for the expansion of Polymer Report services in strategic regions. He has over 40 years' experience relating to the plastics industry, working with converters, brand owners, and resin producers. Before joining Argus, Terry worked at Dow Chemical, Braskem, and Sasol. He holds a Chemistry degree from the University of Houston and 26 patents across a variety of market applications.



Sarah Rae
Vice-President Olefins and Derivatives

Sarah Rae is Argus' propylene consultant focusing primarily on Europe and the Middle East. For 17 years prior to joining Argus, Sarah held senior strategic purchasing management positions at Ineos, Tessenderlo Chemie and Rhodia, responsible for a wide range of materials including olefins, fertilizers and commodity raw materials. Before this, Sarah held various management and project roles covering most aspects of the chemical business, including business management, sales, planning and logistics. She graduated with a degree in geology from Leicester University.



Craig Barry
Lead Consultant Ethylene and Derivatives

Craig leads the global ethylene team focused on integrated global forecasts. He has over 30 years experience in the olefins industry including with Dow Chemical and ExxonMobil. Throughout his career Craig has worked across the world with major olefins and derivative producers. His experience also includes olefins feedstocks and refinery integration with the petrochemical industry. He holds a chemical engineering degree from The Ohio State University and an MBA from Rice University.



Utkarsh Mishra
Lead Olefins Consultant - Asia

Utkarsh is working as lead consultant for Olefins-Asia focusing on olefins & polymers based out in Argus Mumbai Office. He is a chemical engineer with around 14 years of enriching & diverse experience in Market Analytics, Business development, Operations, Technology, Process Design & Technical Services across Refinery & Petrochemicals value chain during his previous roles at Reliance Industries Limited & Honeywell UOP.



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Josie is an analyst in Shanghai focused on olefins and polyolefins markets. Her experience includes working at Pacific Gas as a market analyst in the strategic department, focusing on LPG, ethane, shipping and financial markets. Josie is a chartered financial analyst and holds a bachelor's degree in economics, and a master's in finance and investment from the University of Bristol.



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Elizabeth is an analyst in the Shanghai office focusing on the polymer market. Her experience includes working at Ernst & Young as a business consultant, focusing on commercial bank markets. Elizabeth holds a BA in business economics, and a master's in quantitative economics from the University of California - Los Angeles.

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