

☆RIM PETROCHEMICALS INTELLIGENCE DAILY

★No.2943 Sep 30 2019

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--TOKYO, 18:30 JST Sep 30 2019 <Assessment Closing Time>

◎Notice

○Renewal of Rim's Website

Rim Intelligence will renew our website on Oct 7, Mon. Before the renewal, we will transfer the server of our website on Oct 6, Sun. Although we do not change the URL(<https://eng.rim-intelligence.co.jp/index/top>) of the top page, some URLs for our reports or market news pages will be changed. Therefore, in case you have bookmarked some URLs in our website, please bookmark again after the website is renewed on Oct 7.

Moreover, the URL of Rim Trading Board will be changed, but you can jump to the new page automatically when you access the current page. Please bookmark the new URL.

If you have any questions, please feel free to contact us.

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◎RECX-22 index

RECX-22 index for Monday was 95.23, down 0.39 points from last Friday

-----Introduction of Rim reports-----

Please access the URL below for a lineup of Rim reports. You can view sample reports as well as detailed explanations on the contents:

<https://eng.rim-intelligence.co.jp/first/report>

Lineup:

Bunker Oil	Crude/Condensate	Products	
LPG	Petrochemicals	Polyolefins	
LNG	South Asia Gas (Weekly)	Daily Data	Rim Data File

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◎Aromatics (\$/MT)					
○-Physical and Forward Prices					
	INDEX	H1 Oct	H2 Oct	H1 Nov	H2 Nov
○-Benzene					
FOB Korea	712/ 714	—	705/ 710	712/ 714	712/714
FOB East Japan	704/ 707	700/ 705	700/ 705	707/ 709	—
FOB West Japan	709/ 712	705/ 710	705/ 710	712/ 714	—
CFR Japan	722/ 725	718/ 723	718/ 723	725/ 727	—
China Domestic*	+5,820/5,870+				
China Domestic^	717^				
○-Styrene Monomer					
FOB Korea	+1,000/1,015+	1,005/1,020	1,005/1,020	995/1,010	—
CFR China	+1,020/1,035+	1,025/1,040	1,025/1,040	1,015/1,030	—
China Domestic*	+8,700/8,750+				
China Domestic^	1,070^				
○-Toluene					
FOB Korea	- 675/ 680-	—	675/ 680	675/ 680	675/680
○-Iso MX					
FOB Korea	694/ 695	—	694/ 695	694/ 695	694/695
CFR Taiwan	714/ 715	—	714/ 715	714/ 715	714/715
○-PX					
FOB Korea	- 775/ 776-	—	775/ 776	775/ 776	775/776
CFR N. E. Asia	- 795/ 796-	—	795/ 796	795/ 796	795/796
*Yuan/mt, ^\$/mt, calculated from China Domestic.					

*Yuan/mt, ^\$/mt, calculated from China Domestic.

◎Olefins (\$/MT)			
	CFR N. E. Asia	CFR S. E. Asia	FOB Korea
Ethylene	- 750/ 800 -	- 750/ 800 -	- 750/ 800 -
Propylene	930/ 950	850/ 870	890/ 910
Butadiene	1,200/1,250	1,200/1,250	1,150/1,200

◎China Domestic (Yuan/MT)	
	East China
Propylene	- 7,550/ 7,650 -
Propylene (Shandong)*	- 7,400/ 7,450 -
Butadiene	- 11,400/11,600 -
SBR	- 11,150/11,250 -
BR	- 12,450/12,550 -

*Shandong prices refer to ex-tank assessments in the Shandong area.

◎Polymers (\$/MT)				
	CFR China	CFR S. E. Asia	China Domestic*	USD^
LDPE (Film)	920/ 950	900/ 920	8,400/8,500	993
LLDPE (Film)	850/ 870	850/ 900	7,550/7,650	893
HDPE (Film)	870/ 920	870/ 920	8,550/8,650	1,010
HDPE (Yarn)	870/ 920	870/ 920	8,550/8,650	1,010
PP (Homo) - BOPP	1,010/1,030	1,050/1,070	—	—
PP (Homo) - Yarn/INJ	1,000/1,020	1,040/1,060	8,900/9,000	1,051
PP (Block Co) - INJ	1,020/1,040	1,060/1,080	—	—

*Yuan/MT, ^USD calculated from China Domestic.



◎PVC and Feedstocks (\$/MT)		
	CFR China	
PVC	860/870	
Ethylene Dichloride	250/260	
Vinylchloride Monomer	720/740	

◎Intermediates(\$/MT)		
Phenol (CFR NEA)	910/ 950	
Bisphenol-A (CFR China)	1,050/1,070	
Acrylonitrile (CFR China)	1,580/1,620	
Caprolactam (CFR NEA)	1,370/1,400	

◎PET and Feedstocks (\$/MT)			
		China Domestic^	
PTA (EX-Bonded Warehouse)	635/645	+ 5,100/5,140 +	
Monoethylene Glycol (CFR China)	+ 604/608 +	+ 5,140/5,170 +	
PET(Bottle, FOB NEA)	850/900	—	
^Yuan/MT.			

◎Weekly & Monthly Average**				
	24. Sep – 27. Sep	Sep Ave.	24. Sep – 27. Sep	Sep Ave.
O-Benzene				
FOB Korea	720/ 724	+ 703/ 708 +		
FOB E-Japan	713/ 717	+ 699/ 703 +		
FOB W-Japan	718/ 722	+ 704/ 708 +		
CFR Japan	731/ 735	+ 717/ 721 +		
China Domestic*	5,770/5,800	+ 5,746/5,782 +		
O-Styrene Monomer				
FOB Korea	1,001/1,012	+ 1,012/1,025 +		
CFR China	1,021/1,032	+ 1,032/1,045 +		
China Domestic*	8,705/8,758	+ 8,885/8,926 +		
O-Toluene				
FOB Korea	680/ 685	+ 669/ 676 +		
O-Iso MX				
FOB Korea	703/ 705	+ 701/ 703 +		
CFR Taiwan	723/ 725	+ 721/ 723 +		
O-PX				
FOB Korea	775/ 783	773/ 778 +		
CFR N. E. Asia	795/ 803	793/ 798 +		
	CFR N. E. Asia		CFR S. E. Asia	
Ethylene	808/ 843	– 851/ 877 –	800/ 820	– 819/ 843 –
Propylene	933/ 955	– 928/ 951 –	853/ 875	– 848/ 871 –
Butadiene	1,200/1,250	+ 1,242/1,290 +	1,200/1,250	+ 1,242/1,290 +
	FOB Korea			
Ethylene	808/ 843	– 851/ 877 –		
Propylene	893/ 915	– 888/ 911 –		
Butadiene	1,150/1,200	+ 1,192/1,240 +		

	China Domestic*			
Propylene	7,688/ 7,788	+ 7,594/ 7,706 +		
Propylene (Shandong)	7,788/ 7,838	+ 7,692/ 7,772 +		
Butadiene	12,600/12,800	+ 11,517/11,656 +		
SBR	11,450/11,550	+ 10,889/10,994 +		
BR	12,750/12,850	+ 11,772/11,872 +		
	CFR China		CFR S. E. Asia	
	24. Sep – 27. Sep	Sep Ave.	24. Sep – 27. Sep	Sep Ave.
LDPE (Film)	920/ 950	– 892/ 935 –	900/ 920	– 906/ 933 –
LLDPE (Film)	850/ 870	– 810/ 838 –	850/ 900	– 848/ 878 –
HDPE (Film)	870/ 920	– 867/ 917 –	870/ 920	– 879/ 929 –
HDPE (Yarn)	870/ 920	– 867/ 917 –	870/ 920	– 879/ 929 –
PP (Homo) – BOPP	1,000/1,020	– 993/1,013 –	1,035/1,050	– 1,025/1,039 –
PP (Homo) – Yarn/INJ	990/1,010	– 983/1,003 –	1,025/1,040	– 1,015/1,029 –
PP (Block Co) – INJ	1,010/1,030	– 1,003/1,023 –	1,045/1,060	– 1,035/1,049 –
	China Domestic*			
LDPE (Film)	8,400/8,500	– 8,231/8,419 –		
LLDPE (Film)	7,550/7,650	– 7,325/7,400 –		
HDPE (Film)	8,550/8,650	– 8,392/8,492 –		
HDPE (Yarn)	8,550/8,650	– 8,397/8,497 –		
PP (Homo) – Yarn/INJ	8,900/9,000	+ 8,728/8,803 +		
	CFR China		China Domestic*	
PVC	860/ 870	+ 872/ 882 +		
Ethylene Dichloride	250/ 260	– 253/ 275 –		
Vinylchloride Monomer	720/ 740	+ 720/ 740 +		
	China Domestic*			
Phenol	910/ 950	+ 910/ 950		
Bisphenol-A	1,050/1,070	– 1,050/1,070 –		
Acrylonitrile	1,580/1,620	+ 1,580/1,620 +		
Caprolactam	1,370/1,400	– 1,385/1,413 –		
	China Domestic*			
PTA	635/ 645	– 648/ 662 –	5,055/5,083	– 5,135/5,166 –
Monoethylene Glycol	604/ 608	+ 578/ 582 +	5,143/5,170	+ 4,939/4,988 +
PET (Bottle, FOB NEA)	850/ 900	– 861/ 911 –		

◎Contract Prices**

	Jul	Aug	Sep
Bz ACP (CFR NEA, \$/mt)	635	670	680
Yen/mt conversion	73,700	78,100	77,800
Bz USCP (FOB USGC, cts/gal)	267	254	255
\$/mt conversion	798	759	762
PX ACP (CFR NEA, \$mt)	–	–	780

Bz ACP is released by JX. Bz USCP and PX ACP are agreed prices between makers and end-users.

◎Feedstocks**

	Index		
Naphtha CFR Japan(\$/mt)	- 504.75/512.25 -		
Yen/mt conversion	38,140 -		
Naphtha CFR Japan prices are from Products reports			
	Jan-Mar 19	Apr-Jun 19	Jul-Sep (Implied)
Naphtha Domestic CP(Yen/kl)	41,200	45,400	40,200



Calculated from statistics from Ministry of Finance of Japan.

Forecasts calculated based on Naphtha CFR Japan prices.

	Propane	Butane
RIM Asia Index (\$/MT)	441.00 -	466.00 -
China PDH Margin (\$/mt)	221 +	

RIM Asia Index are from LPG report.
 PDH Margin calculated based on CFR China propane and CFR NEA propylene prices.

◎Reference Prices (\$/MT)**

	Nov	Dec	Jan
Japan Mogas-Tocom(Yen/kl)	54,270 -	52,700 -	51,290 -
Yen/mt conversion	75,375 -	73,194 -	71,236 -

Japan Mogas-Tocom prices are settlement prices for each month from TOCOM.

	East	West
Japan Mogas-RIM(Yen/kl)	59,800/60,400 -	59,800/60,400 -
Yen/mt conversion	83,472 -	83,472 -

Japan Mogas-RIM prices are from Japan Products report.

	WTI (Oct)	Brent (Oct)	Paper Dubai (Sep)
Tokyo Spot Crude(\$/bbl) / Sep30 16:00	55.90 -	61.76 -	61.32 -
\$/mt conversion	426 -	467 -	444 -

Tokyo Spot Crude WTI, Brent and Paper Dubai prices are from Crude/Condensate report.

	Nymex WTI (Nov)	ICE Brent (Nov)
Crude Futures Settlement(\$/bbl)/ Sep27	55.91 -	61.91 -
\$/mt conversion	426 -	468 -

Crude Futures settlement prices are settlement prices from Nymex and ICE.

	Yen/\$, TTM	Yuan/\$
Exchange rate	107.92 +	7.0729 -

◎Spread/Aromatics (\$/MT)**

	BZ	TL	MX	SM	PX	Nap
Benzene	—	36 +	19	-295 -	-63 +	205 +
Toluene	-36 -	—	-17 -	-330 -	-98 -	169
ISO MX	-19	17 +	—	-313 -	-81 +	186 +
SM	295 +	330 +	313 +	—	232 +	499 +
P-Xylene	63 -	98 +	81 -	-232 -	—	267 +
Naphtha	-205 -	-169	-186 -	-499 -	-267 -	—

Calculated from the price difference between each product and its feedstock.

◎Spread/Olefins (\$/MT)**

	Ethylene	Propylene	Butadiene	Naphtha
Ethylene	—	-165 -	-450 -	267 -
Propylene	165 +	—	-285	432 +
Butadiene	450 +	285	—	717 +
Naphtha	-267 +	-432 -	-717 -	—

Calculated from the price difference between each product and CFR Japan Naphtha.

◎Spread/Polyolefins & Intermediate VS Feedstocks (\$/MT)**

LDPE (Film)	145 +	PP/Homo (BOPP)	80	SM	205 +	EDC	30 +
LLDPE (Film)	124 +	PP/Homo (Yarn/INJ)	70	Phenol	-199	VCM	317
HDPE (Film)	89 +	PP/Block Co (INJ)	43	PTA	107 +	PVC	128



	MEG	141 +	
Calculated from the price difference between each product and its feedstock.			

©Spread/Aromatics vs Naphtha & WTI & Gasoline**				
	Naphtha	Nymex WTI	Mogas-Tocom	JPN Mogas-RIM
BZ FOB Korea (\$/MT)	205 +	287 +	15 +	-60 +
Yen/mt	22,070 +	30,951 +	1,572 +	-6,525 +
TL FOB Korea (\$/MT)	169	251 -	-21 -	-96 -
Yen/mt	18,238 +	27,120 -	-2,259 -	-10,356 -
MX FOB Korea (\$/MT)	186 +	268 +	-4 +	-79 +
Yen/mt	20,073 +	28,955 +	-425 +	-8,522 +
Calculated from the price difference between each product and CFR Japan Naphtha, Nymex WTI, Mogas-tocom and Japan Mogas-RIM.				

**These are reference prices and not price assessments.

©TRANSACTIONS

Benzene		
Nov	FOB KOREA	713

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○Benzene

Benzene prices on an FOB Korea basis on Monday held steady at \$705-710/mt for second-half October loading and \$712-714/mt for November loading. Sources said that activity was muted as holidays were about to start in China, a major end-user. For

November loading, a deal was done at \$713/mt. On a CFR China basis for November delivery, offers were heard at \$725/mt but buyers were not seen.

China domestic benzene prices rose Yuan 120/mt from last Friday to Yuan 5,820-5,870/mt.

○Styrene Monomer

Styrene monomer (SM) prices on an FOB Korea basis for October and first-half November loading climbed \$10/mt to \$1,005-1,020/mt and \$995-1,010/mt respectively. On a CFR China basis, prices for October and first-half November delivery increased \$10/mt to \$1,025-1,040/mt and \$1,015-1,030/mt respectively. China domestic prices rose Yuan 100/mt to Yuan 8,700-8,750/mt, boosted

by buying from players covering short-positions. Spot cargoes were discussed at Yuan 8,700-8,750/mt. The CFR China market was lifted by strength in the China domestic market. For November delivery, offers were heard at \$1,030/mt. Apart from this, talks were thin. In paper trade, offers for October delivery were reported at \$1,030/mt.

○Toluene

Toluene prices on an FOB Korea basis for second-half October and November loading on Monday decreased \$5/mt from last Friday to

\$675-680/mt as buying interest from China weakened. For second-half October loading, bids and offers were in the range of \$675-680/mt.

OMixed Xylene

Isomer grade mixed xylene (MX) prices for second-half October and November on Monday were stable at \$694-695/mt on an FOB Korea basis

and \$714-715/mt on a CFR Taiwan basis. Bids and offers were not heard.

OParaxylene

Paraxylene (PX) prices for second-half October and November on Monday fell \$3/mt from last Friday to \$795-796/mt on a CFR Northeast Asia basis and \$775-776/mt on an FOB Korea basis since benchmark feedstock crude prices softened. On a CFR Northeast Asia basis for November delivery,

bids and offers were heard at \$795/mt and \$796/mt respectively. For December delivery, offers were heard at \$794/mt. Discussions for Asian contract prices for October reportedly did not reach an agreement.

©OLEFINS

OEthylene

In ethylene markets in Asia on Monday, CFR Northeast Asia and FOB Korea prices decreased \$25/mt from last Friday to \$750-800/mt. CFR Southeast Asia prices fell \$35/mt to \$750-800/mt. The market was pushed down by slack supply/demand.

On a CFR Northeast Asia basis, deals were done at \$755/mt by last Friday and at \$750/mt at the beginning of this week. On the other hand, for November delivery, deals were concluded at \$800-810/mt. Considering deal prices for October and November, market sources pointed out that discussions for ethylene could be conducted in the range of \$750-800/mt. In Northeast Asia, supply was increasing since new and expanded ethylene facilities started operations in China and Korea. In the meantime, the number of days that end-users could unload cargoes was limited in October due to National Day holidays in China. Under this situation, supply/demand was perceived to be slack. Petrochemical makers were still selling October loading cargoes and they were forced to sell at prices that end-users wanted to buy at. On the other hand, perceptions of slack supply/demand

were seen to ease for November cargoes. Therefore, deals for November were done at prices higher than October. Since end-users bought October delivery cargoes, their inventories at the end of October were expected to be high. Because of this, sources showed concerns that supply/demand might be slack for November cargoes as well.

On a CFR Southeast Asia basis, fresh bids and offers were not heard. An end-user pointed out that CFR Southeast Asia prices were equivalent to or lower than CFR Northeast Asia prices since supply/demand was also perceived to be slack in Southeast Asia. On an FOB Southeast Asia basis, available cargoes were seen from Malaysia for 4,000mt loading on Oct 3-5 and 3,500-4,000mt loading on Oct 2-4. Among these, the cargo of 4,000mt would be reportedly shipped from Pengerang Refining and Petrochemical (PRefChem). Views were heard that this cargo was already resold to China. Sources pointed out that ethylene might be in surplus as PRefChem was only in the midst of starting up its derivative facilities and Petronas was conducting maintenance at its derivative facilities.

OPropylene

In propylene markets in Asia on Monday, CFR Northeast Asia stayed intact at \$930-950/mt. CFR Southeast Asia and FOB Korea prices were stable at \$850-870/mt and \$890-910/mt respectively.

In Northeast Asia, with the week just beginning, few bids and offers were heard and a wait-and-see mood was strong. A deal was reportedly done into China at \$960/mt but details were unknown. Apart

from this, players were not actively trading ahead of the National Day holidays and prices remained at the same level as last Friday.

In the China domestic market, East China prices slid Yuan 100/mt from last Friday to Yuan 7,550-7,650/mt while Shandong prices dropped Yuan 350/mt to Yuan 7,400-7,450/mt, weighed down by receding demand.

On an FOB Korea basis, firm discussions were not heard as availability was limited owing to maintenance.

In Southeast Asia, ethylene from Pengerang Refining and Petrochemical (PRefChem) in Malaysia was available as was mentioned in the ethylene section. Some sources reckoned that propylene might be available in the near future.

○Butadiene

In butadiene markets in Asia on Monday, CFR Northeast Asia and CFR Southeast Asia prices held steady at \$1,200-1,250/mt. FOB Korea prices stayed intact at \$1,150-1,200/mt.

In Northeast Asia, players showed no hurry to engage in trade ahead of the National Day holidays in China and activity was subdued. Regarding European cargoes, one trader planned to discuss after the National Day holidays. Last week offers for European cargoes had been heard at \$1,200/mt.

In the China domestic market, East China prices plunged Yuan 1,200/mt from last Friday to Yuan

11,400-11,600/mt. As availability from the Northeast increased, perceptions of supply tightness eased. In addition, buying for stock building ahead of the National Day holidays was completed and demand receded. The synthetic rubber market fell in view of sluggish demand. Styrene butadiene rubber (SBR) prices slid Yuan 300/mt to Yuan 11,150-11,250/mt while butadiene rubber (BR) prices were down Yuan 300/mt to Yuan 12,450-12,550/mt.

On an FOB Korea and CFR Southeast Asia basis, no bids and offers were heard and talks were thin.

◎POLYMERS

The CFR China polyolefin market stayed intact on Monday. With China on National Day holidays from Oct 1, fresh talks were not heard.

On a CFR Southeast Asia basis, prices were stable.

As China, a major demand country in Asia, would be on holiday, end-users in Southeast Asia also retreated to the sidelines.

◎PVC and RAW MATERIALS

Polyvinyl chloride (PVC) prices on a CFR China basis posted no change at \$860-870/mt on Monday. Talks on October cargoes were finished. With China on National Day holidays from Oct 1, fresh discussions were not heard.

For delivery to India, talks were thin. Some sources reckoned that demand for November cargoes might increase from October since the

monsoon season would end in October and the effect of a drop in demand during the Diwali festival at the end of October would wane. But with the yuan falling, some players pointed out that more Chinese cargoes might flow into India, making it difficult for sellers from other countries to raise their price when selling to India.

◎PET and RAW MATERIALS

○Purified Terephthalic Acid / Monoethylene Glycol

Purified terephthalic acid (PTA) prices for cargoes ex-bonded warehouses in China stayed intact at \$635-645/mt. China domestic prices increased Yuan 70/mt from last Friday to Yuan 5,100-5,140/mt,

boosted by strong buying interest arising from low inventories of derivative polyester fibers. Spot cargoes were discussed at Yuan 5,100-5,140/mt.

Ethylene glycol (EG) prices on a CFR China basis

gained \$9/mt to \$604-608/mt, boosted by falling EG stocks along the east coast of China. Talks were heard at \$604-608/mt. China domestic prices

climbed Yuan 30/mt to Yuan 5,140-5,170/mt along with rising EG futures. Spot cargoes were discussed at Yuan 5,140-5,170/mt.

◎OTHERS

○Naphtha

Open-spec naphtha prices in Asia were in the range of \$504.75-512.25/mt, up \$5.00/mt from a day earlier on firm Brent crude futures.

In Brent crude oil futures trades on the Intercontinental Exchange (ICE) early in the evening in Asia, the Nov contract fell by 95cts/bbl to \$61.47/bbl. Open-spec naphtha prices for H1 Nov arrival were at \$518.75-519.25/mt, H2 Nov arrival at \$511.75-512.25/mt, and H1 Dec arrival at \$504.75-505.25/mt.

On a timing spread, a H1 Nov/H1 Dec spread was in backwardation of \$14.00/mt, staying intact from a day earlier. A Nov Brent/H1 Nov naphtha spread was at \$58/mt in favor of naphtha, spreading by \$2/mt from a day earlier.

Early in the evening in Asia, Oct NWE naphtha prices were \$480.25-482.25/mt, down \$5.00/mt from a day earlier. Prices for Nov and Dec were at \$470.00-472.00/mt and \$460.50-462.50/mt. A H1 Nov Asia/Oct NWE spread was at \$38/mt in favor of Asia, showing no change from a day earlier.

○Japan Domestic Naphtha Price

The Japan domestic price for naphtha for the quarter to September was forecast at Yen 40,200/kl, unchanged from the previous forecast. The price for the quarter to December was Yen 42,000/kl, down Yen 1,200/kl from the previous forecast since the Yen appreciated against the dollar in the foreign exchange market and CFR Japan spot naphtha prices decreased.

JAPAN DOMESTIC NAPHTHA PRICE DELIVERED BASIS				
	Estimated Import Price (JPY)	Year-on-Year Ethylene Price Change (JPY)	Duty-Paid Import Price (USD)	Yen Rate Estimation
Jul-Sep	40,200	-26.6	512.46	107.37
Oct-Dec	40,800	-26.8	518.24	107.82
	Duty-Paid Import Price (USD)	Yen Rate Estimation	Estimated Import Price (JPY)	Change on Week
Jul	524.14	108.00	39,214	0
Aug	514.71	107.20	38,265	-190
Sep	498.51	106.91	36,987	0
Jul-Sep	512.46	107.37	38,155	-63
Domestic price			40,200	0
Oct	499.89	107.79	37,394	-447
Nov	526.34	107.84	39,392	-1,400
Dec	528.50	107.84	39,553	-1,693
Oct-Dec	518.24	107.82	38,780	-1,180
Domestic price			40,800	-1,200
Unit of Measurement: kiloliter (kl) Domestic Price = Japanese Yen (JPY/kl) Change of ethylene price on year = JPY/kilogram (kg)				
Duty-paid import price = USD/mt, Yen rate estimation = JPY to USD				

Note:

- the Japan Ministry of Finance (MOF) publishes monthly average domestic naphtha delivered prices for the previous month at end of the current month.
- in its determination of the monthly domestic naphtha delivered price, MOF adds a JPY 2,000/kl surcharge to account for delivery costs to the monthly average.
- when available, the Rim Intelligence domestic naphtha delivered price for a quarter takes the average of the MOF monthly average and a running average of Rim Intelligence daily CFR Japan naphtha assessments plus the MOF JPY 2,000/kl surcharge.
- when not available, the Rim domestic naphtha delivered price for a quarter is the running average of Rim Intelligence daily CFR Japan naphtha assessments plus the MOF JPY 2,000/kl surcharge.

Liquefied Petroleum Gas

The CFR Far East market declined on Monday, weighed down by perceptions of plentiful spot supply.

CFR Japan

Propane and butane prices for second-half October delivery retreated by \$7/mt from last Friday to \$406-408/mt and \$441-443/mt respectively. Relative to the October CP, propane and butane prices fell by \$7/mt to a discount of \$12-14/mt and a premium of \$6-8/mt respectively.

Propane and butane prices for November delivery weakened by \$7/mt from last Friday to \$407-409/mt and \$442-444/mt respectively. Relative to the November CP, propane and butane declined by \$5/mt to a discount of \$1 through a premium of 1/mt and a premium of \$19-21/mt respectively.

OUS Summary

WTI crude futures on the NYMEX declined for the four consecutive days last Friday. The front-month November contract fell to \$55.91 per barrel (bbl), down 50cts from the previous day. The contract was \$2.18 lower than one week ago.

US Trump administration reportedly considered limiting investment in China last Friday. Following the report, there were growing concerns over the global economic slowdown and a fall in energy demand caused by escalating US-China tensions, triggering selling in the crude oil market. US equity prices fell, which also weighed on risk assets like crude oil market.

In addition, Saudi Arabia reportedly agreed on a partial cease-fire in Yemen. The report eased tensions in the Middle East and worries over supply shortages from the region, which was also regarded as a bearish factor.

North Sea Brent crude futures on the ICE retreated. The November contract fell by 83cts from last Friday to \$61.91/bbl. The contract was \$2.37 lower than one week ago.

The November natural gas contract on NYMEX closed at \$2.404 per million British thermal units (mmBtu) on Friday, down 3.9cts from the previous day, amid selling tied to a decrease in heating gas demand as the daily lowest temperature was above seasonal norms in the US Northeast and Midwest, prime gas consuming areas. In Chicago, weather reports forecast that the lowest temperature would be 20 degrees Celsius, which is about 10 degrees above the seasonal norms.

The November WTI contract was at \$55.69/bbl as of 17:00 Tokyo time on Monday, down 22cts/bbl from the closing price on last Friday.

In the US benzene market on a Delivered Duty Paid (DDP) basis on last Friday, a deal for October was concluded at 255cts/gal. For November, bids were concluded at 254cts/gal and 255cts/gal. For December, bids and offers were heard at 250.5cts/gal and 255cts/gal respectively. In Europe on a CIF Amsterdam,



Rotterdam, Antwerp (ARA) basis on the same day, bids and offers were in the range of \$725-735/mt for October and \$715-725/mt for November.

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○Japan August chemical industry statistics: METI

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