

Chemical Market Review: 2022

Old worries & new worries – where we are today

Kathy Hall

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Executive Director

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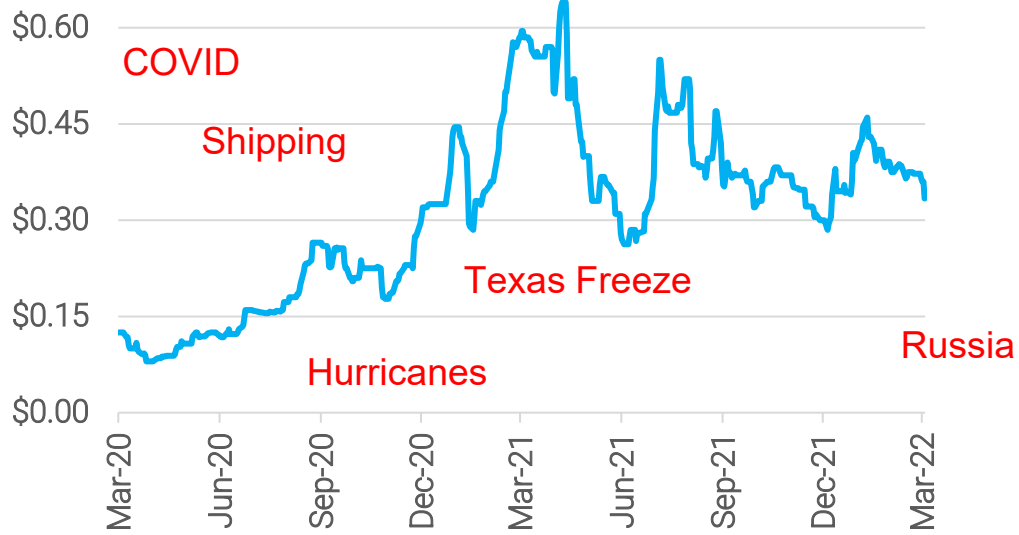
OPIS PetroChem Wire

OPIS NGLs & Feedstocks

March 2022

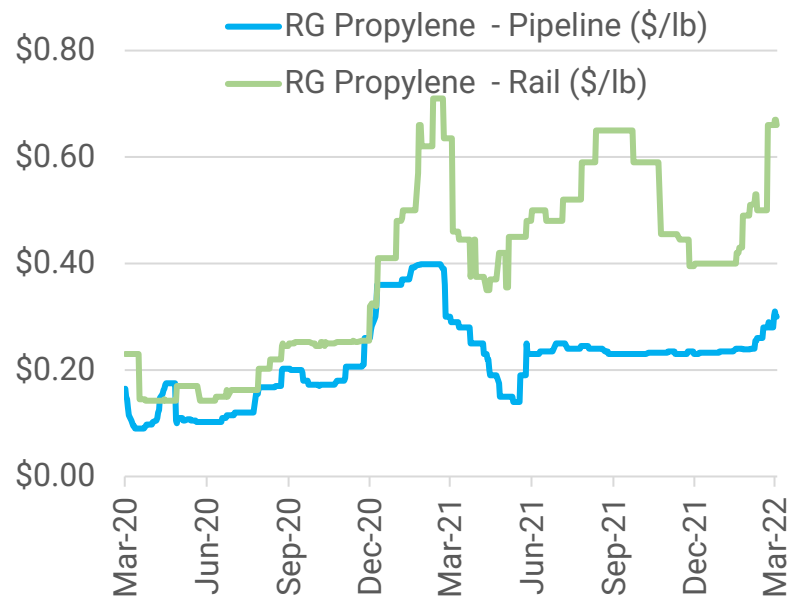
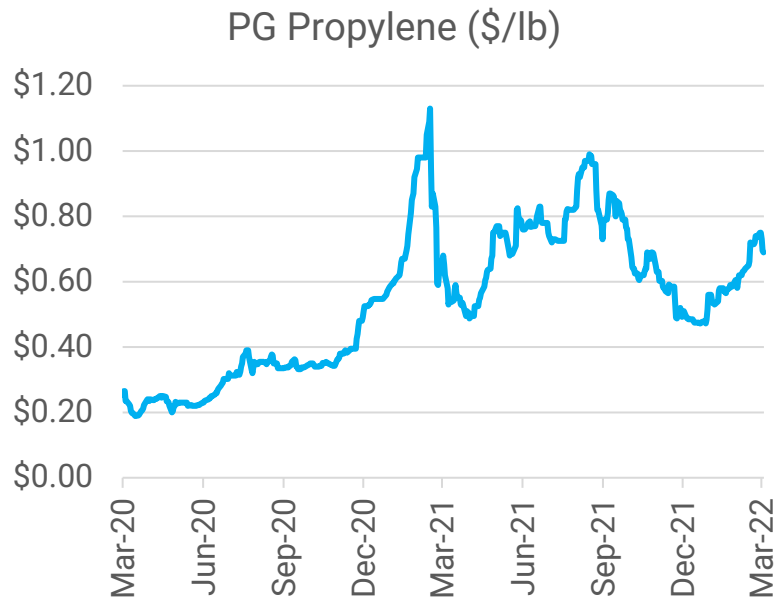
Monomers: A Return to Memory Lane

Ethylene (\$/lb)

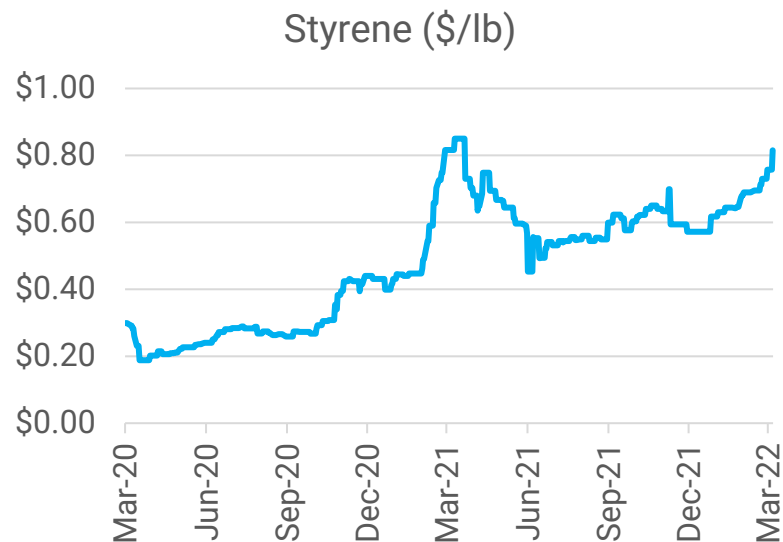
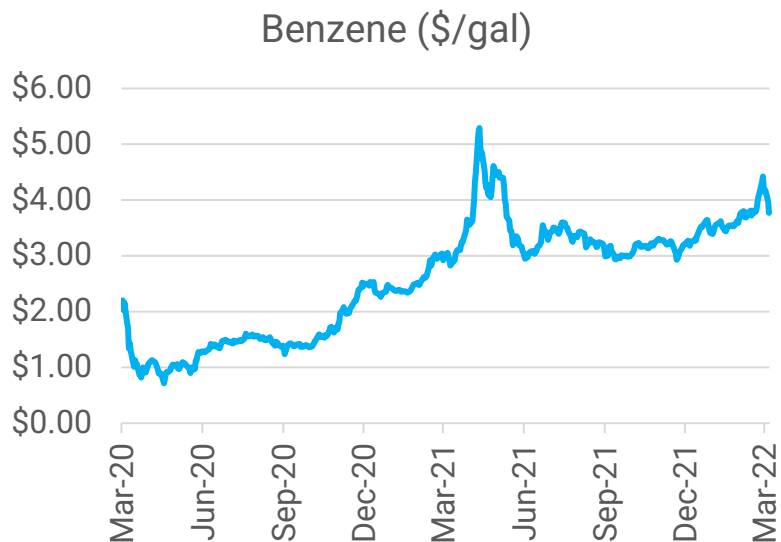


- COVID
- Shipping
- Hurricanes
- Texas Freeze
- Russia

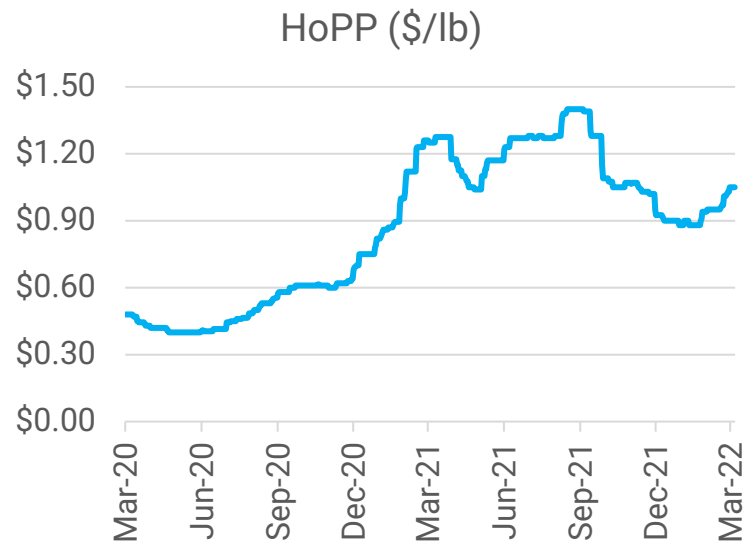
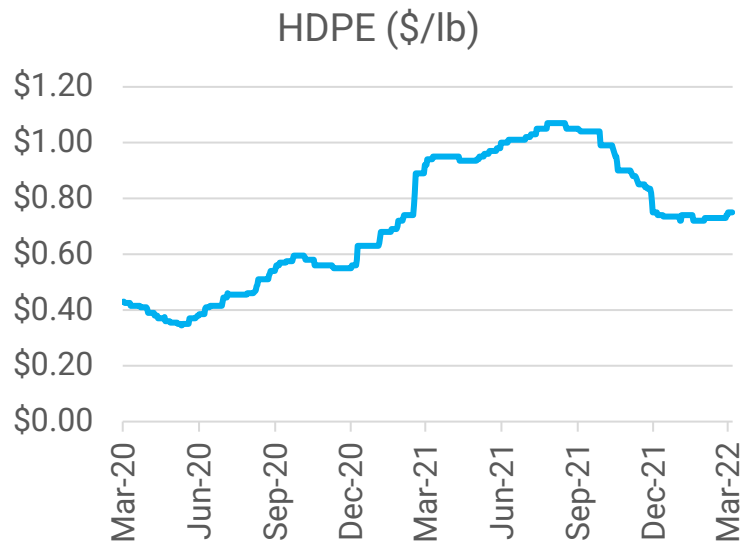
Monomers: A Return to Memory Lane



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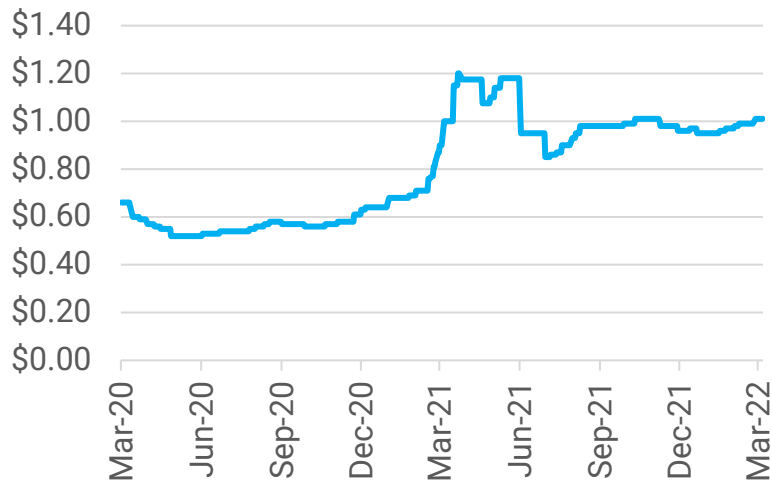


Polymers: A Return to Memory Lane

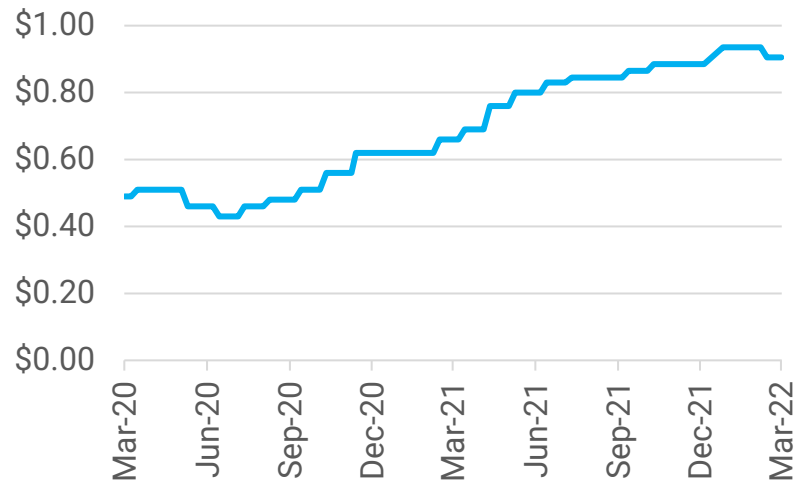


Polymers: A Return to Memory Lane

GPPS (\$/lb)

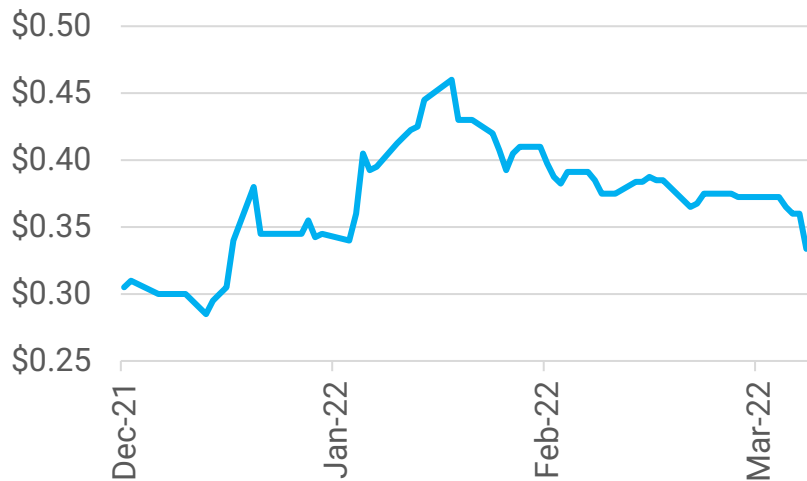


PVC (\$/lb)

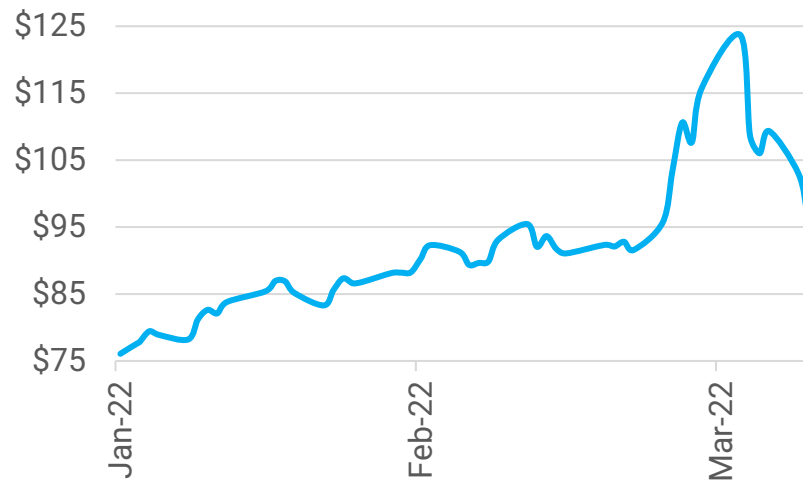


Monomers: 2022 So Far

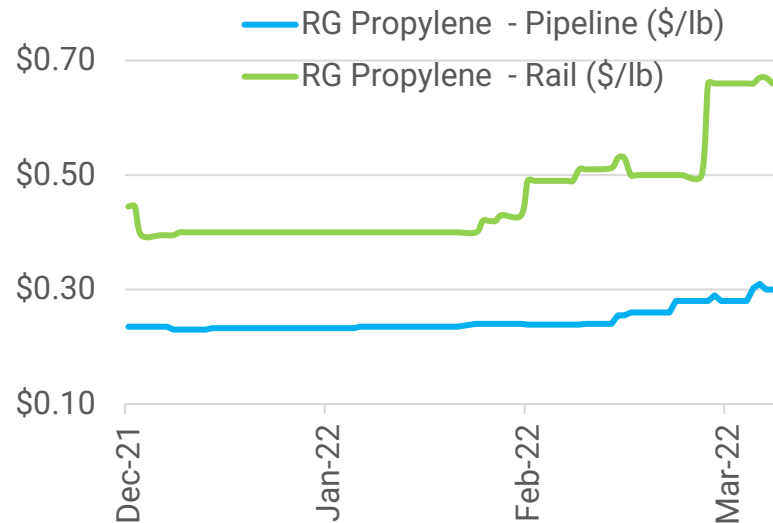
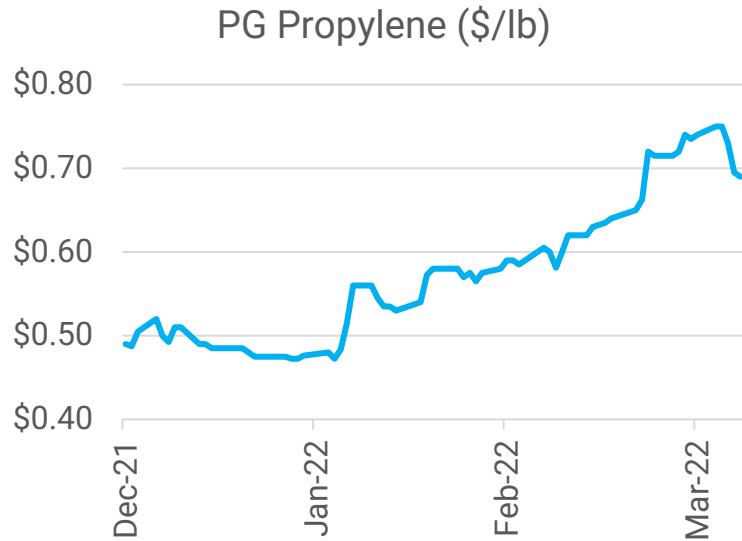
Ethylene (\$/lb)



WTI (\$/bbl)

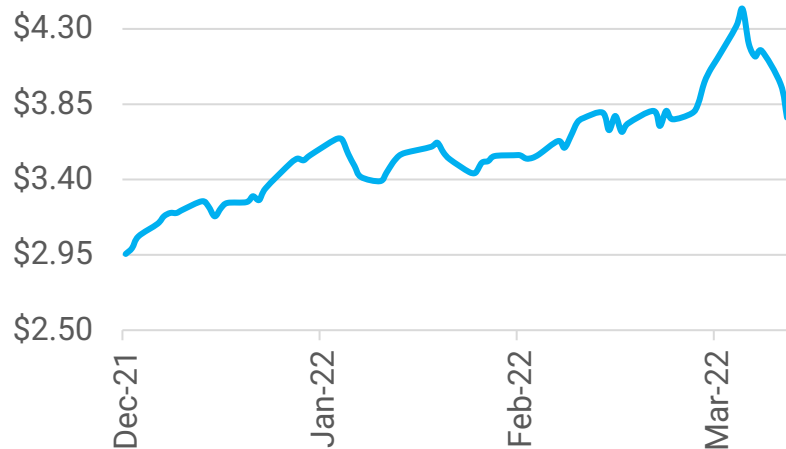


Monomers: 2022 So Far

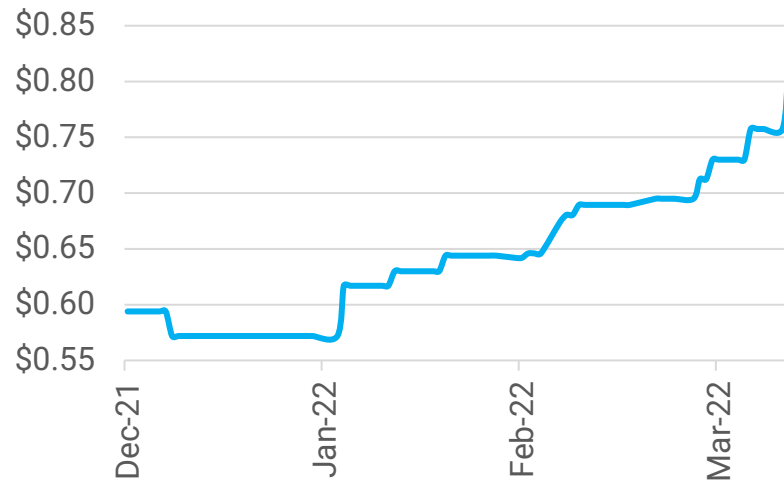


Monomers: 2022 So Far

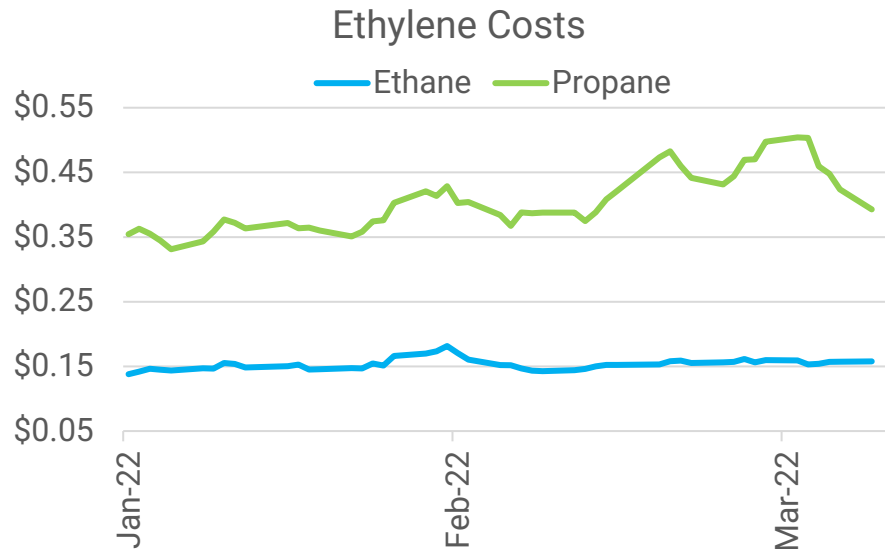
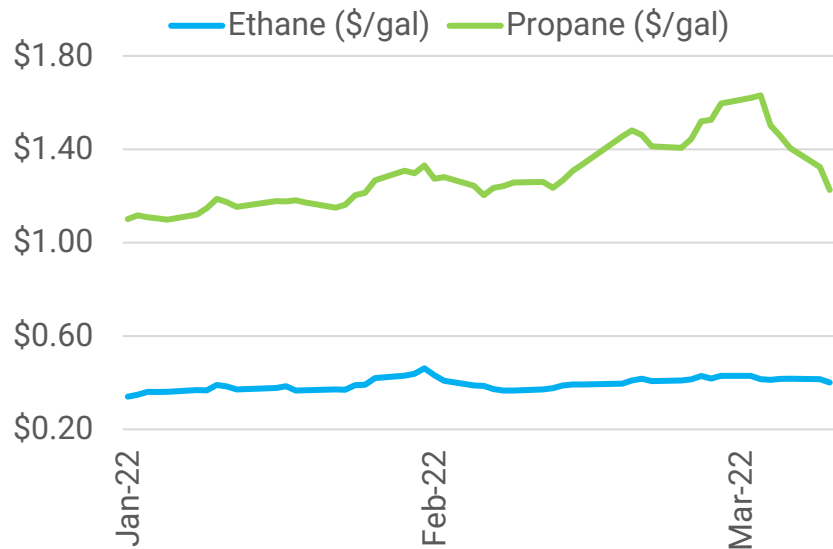
Benzene (\$/gal)



Styrene (\$/lb)



Feedstocks: 2022 So Far



Monday, March 14, 2022 4:41:08 PM

US Ethane, Ethylene Exports to Prosper as Naphtha Economics Crash

U.S. exporters of low-cost ethane and ethylene are in a unique position to thrive -- at least in the near term -- as spiking crude oil prices cut into economics for naphtha as a global petrochemical feedstock, according to shipowner Navigator Holdings Ltd.

Navigator's chief commercial officer, Oeyvind Lindeman, speaking on Navigator's fourth-quarter and full-year 2021 earnings call last week, said that, among feed-flexible petrochemical producers, naphtha is at a distinct disadvantage to North American NGLs -- especially ethane.

The Morgan's Point facility has been in operation since September 2016 and was joined in early 2021 by an Energy Transfer-operated terminal in Nederland, Texas. OPIS has previously estimated combined Gulf Coast ethane exports at around 250,000 b/d. The U.S. has also exported ethane out of the East Coast-based Marcus Hook complex since 2014.

Morgan's Point made waves again in January 2020, when it exported its inaugural cargo of ethylene. Since then, monthly ethylene exports have ramped up and topped out at 106,000 tons in December 2021, according to Navigator.

Thursday, March 10, 2022 11:39:07 AM

US polyethylene exports hitting wall of logistics

Demand for US polyethylene (PE) exports has increased amid the recent runup in crude oil and petrochemical feedstock prices, but logistical bottlenecks have shown no signs of easing, resin traders said this week.

The logjam at US ports could have significant implications for PE industry operating rates in the near- to mid-term.

"We have open arbs, we could export three times what we are doing now if I had the equipment I need," one exporter lamented.

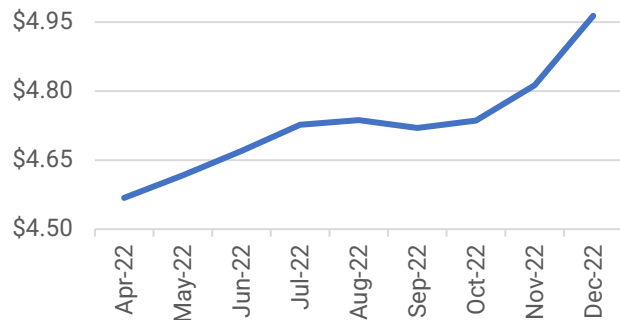
Producers are believed to be running short of empty railcars to hold inventory, as evidenced by heightened pressure on domestic processors and traders to return empty railcars. Some suppliers may be forced to throttle back the reactors that convert ethylene into PE, if they have not already.

In addition to trucking from the warehouse to the port, vessel space is tight, especially going from the US Gulf coast to Latin America. Peru, as one example, has no available bookings until late April or early May, and freight costs have soared to almost \$3000 per 40-foot container.

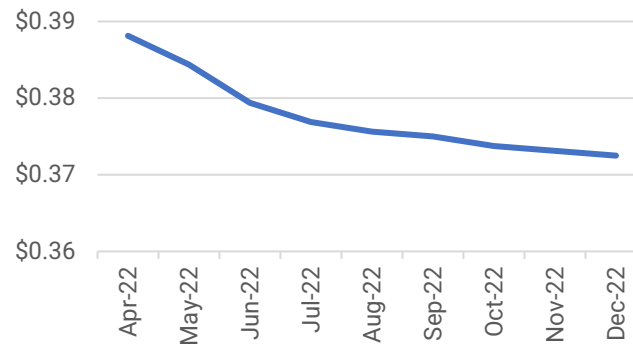
Europe, Mideast and Africa-bound vessel space is also a little tight, but better than Latin America, according to traders. Vessel space to Asia is open.

What's Ahead?

Nat Gas Futures (\$/MMBtu)



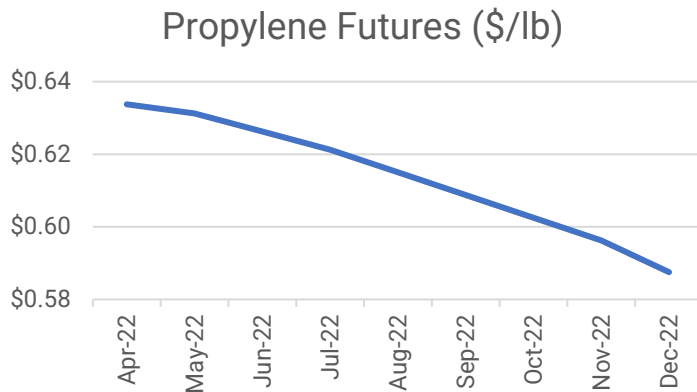
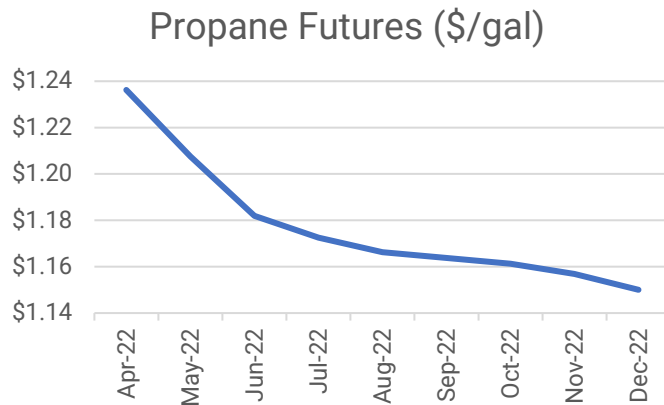
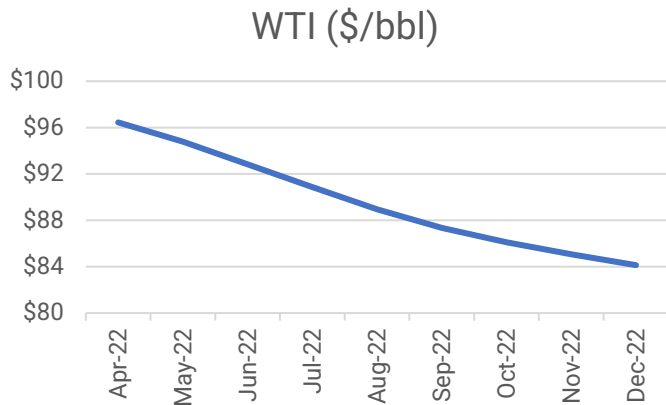
Ethane Futures (\$/gal)



Ethylene Futures (\$/lb)



What's Ahead?



Thank you!

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