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# Asia Paraxylene: The tussle between gasoline blending and traditional demand

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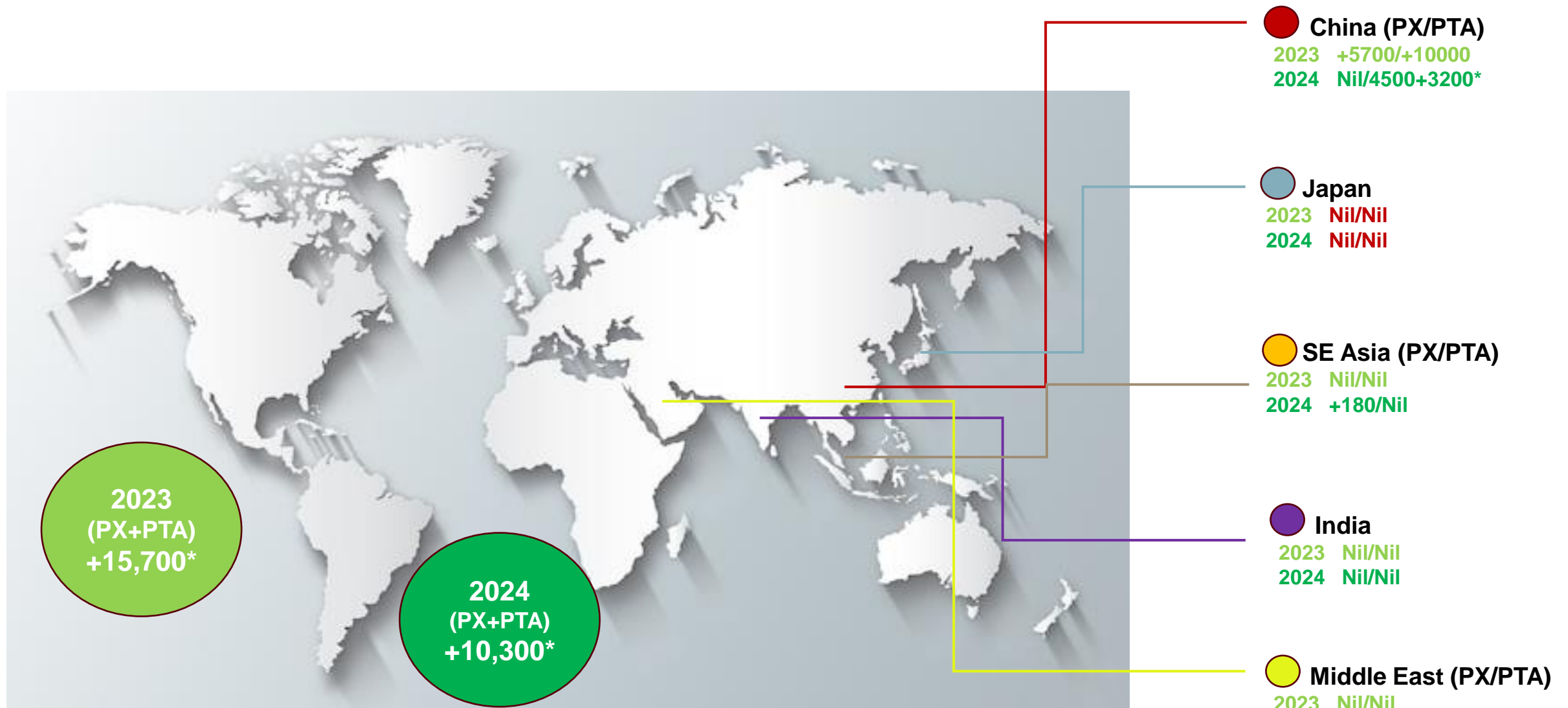
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# Capacity expansions continue in China, little elsewhere



\*Expected

## China bulks up domestic PTA capacity, PX slows down

2023	PX
CNOOC, Daxie	1.6 million mt
PetroChina, Guangdong	2.6 million mt
CNOOC, Huizhou	1.5 million mt
<b>Total</b>	<b>5.7 million mt</b>

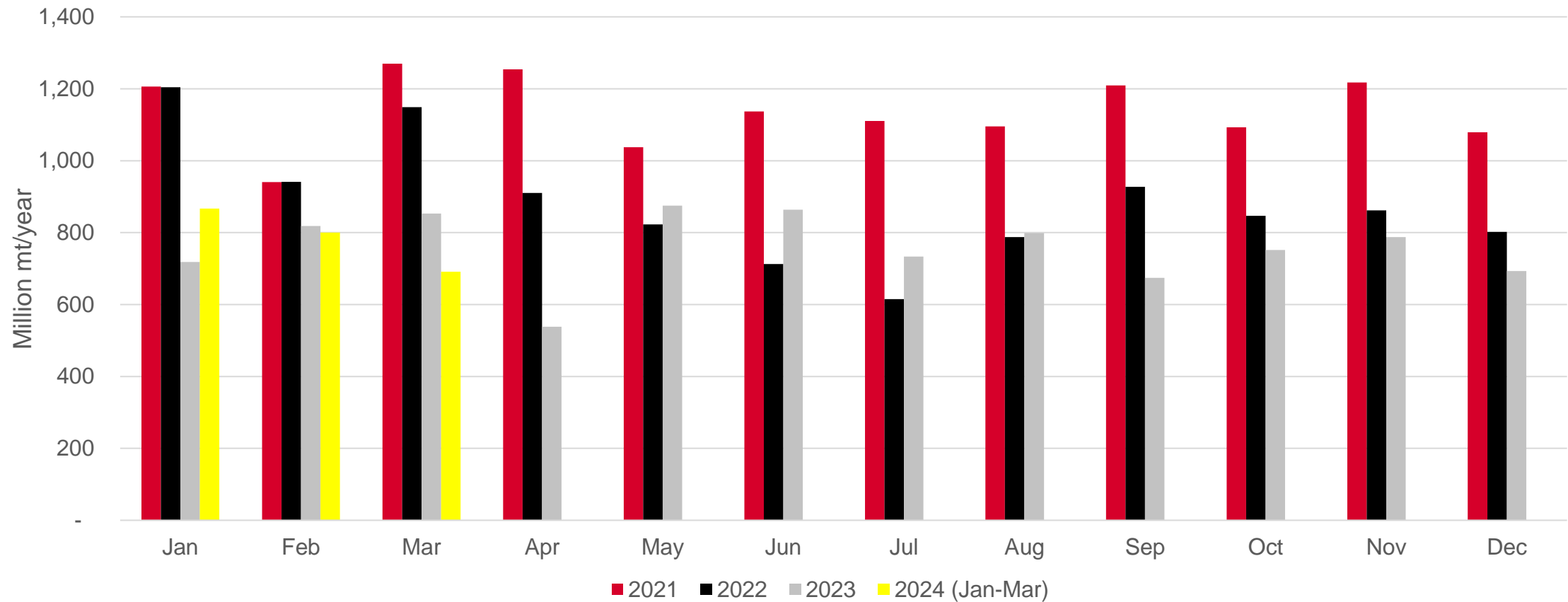
2023	PTA
Hengli, Huizhou	2.5 million mt
Tongkun, Jiaxing	2.5 million mt
Hengli, Huizhou	2.5 million mt
Yisheng, Hainan	2.5 million mt
<b>Total</b>	<b>10 million mt</b>

2024	PX
	No capacity addition

2024	PTA
FCFC, Ningbo	1.5 million mt
Sinopec, Yizheng	3 million mt
Sanfame, Jiangyin	3.2 million mt (Expected Q4)
<b>Total</b>	<b>7.7 million mt</b>

# Declining trends in Chinese PX imports

Import numbers on a decline but could reverse as more PTA capacities come online



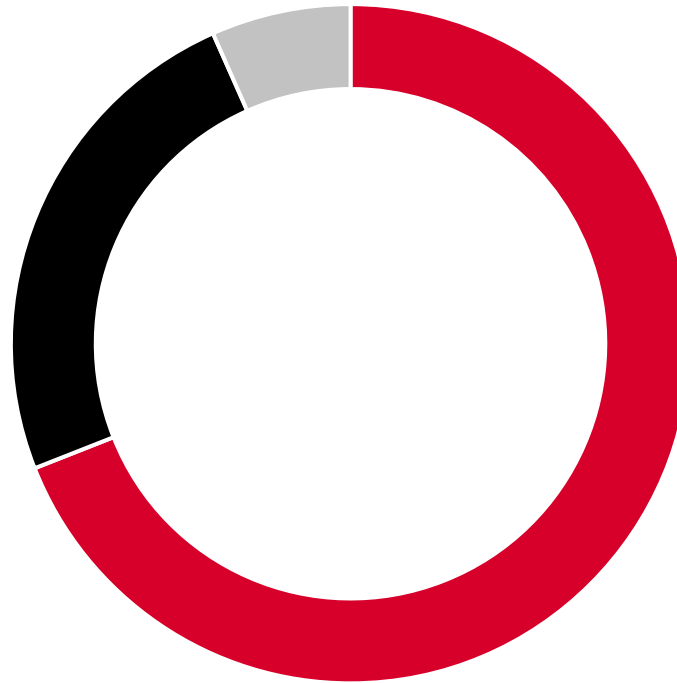
# China's PX import breakdown

North Asia remains top supplier

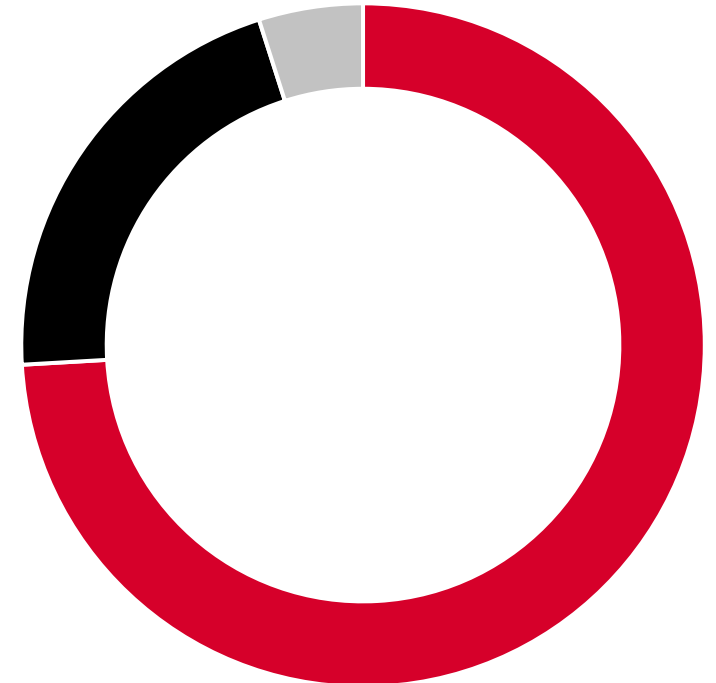
2021



2022



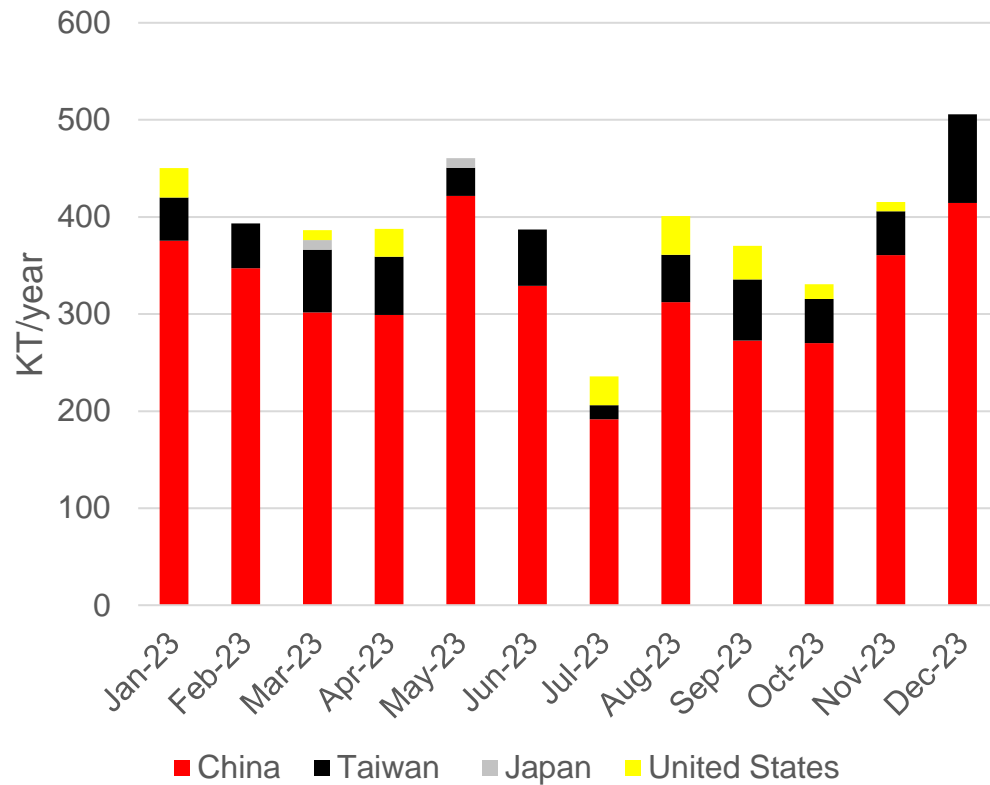
2023-2024 (till March)



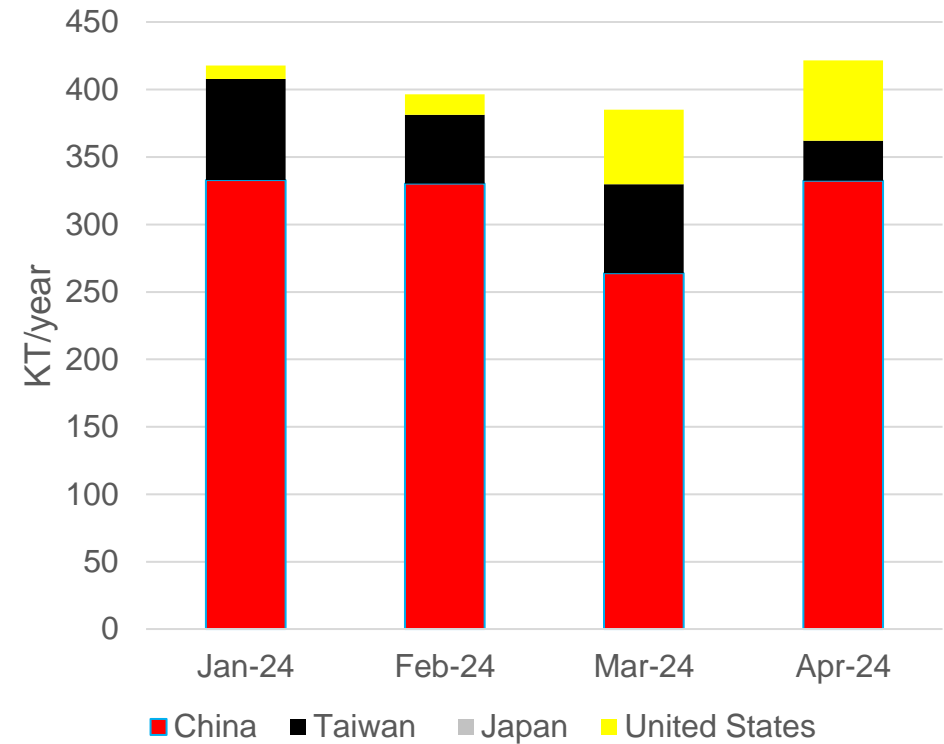
■ Korea+Japan+Taiwan ■ SE Asia ■ Others  
Million mt/year

# Majority South Korean PX sailing to China

## 2023 export data

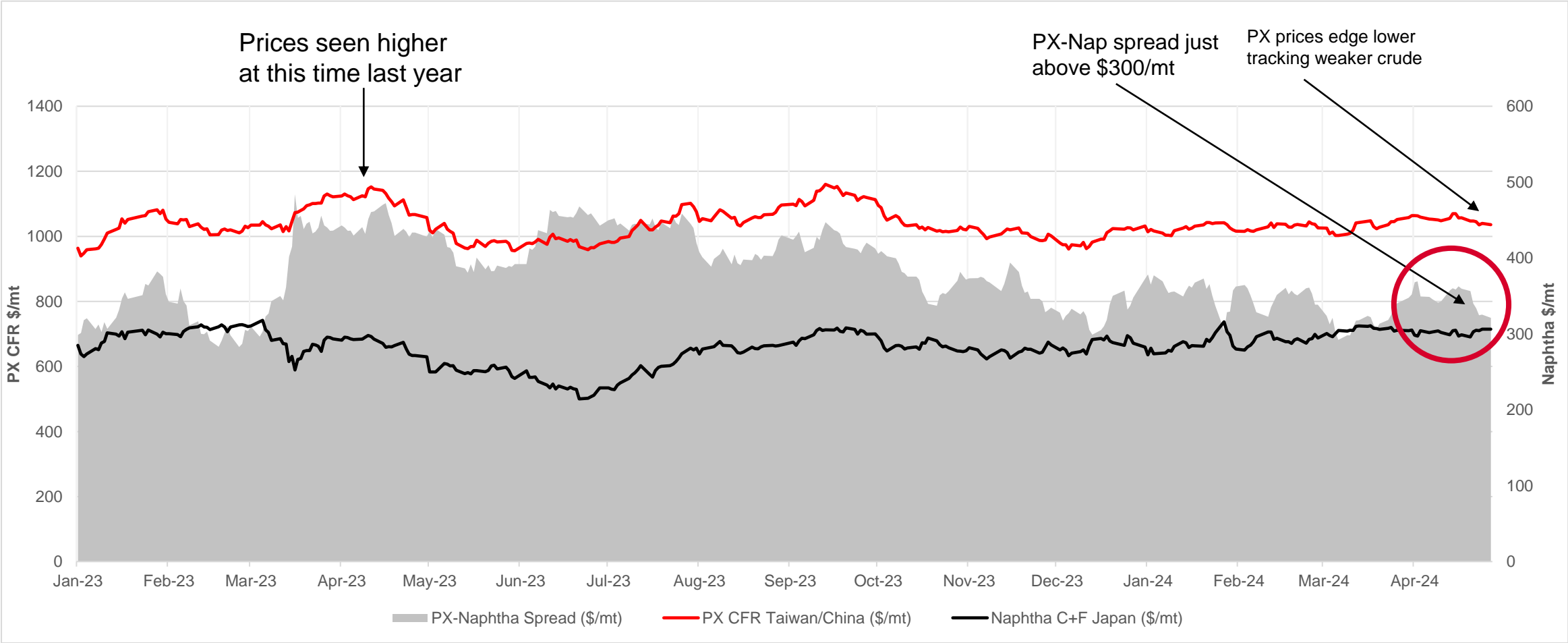


## 2024 export data



# PX prices slip as blending demand fails to hit top gear

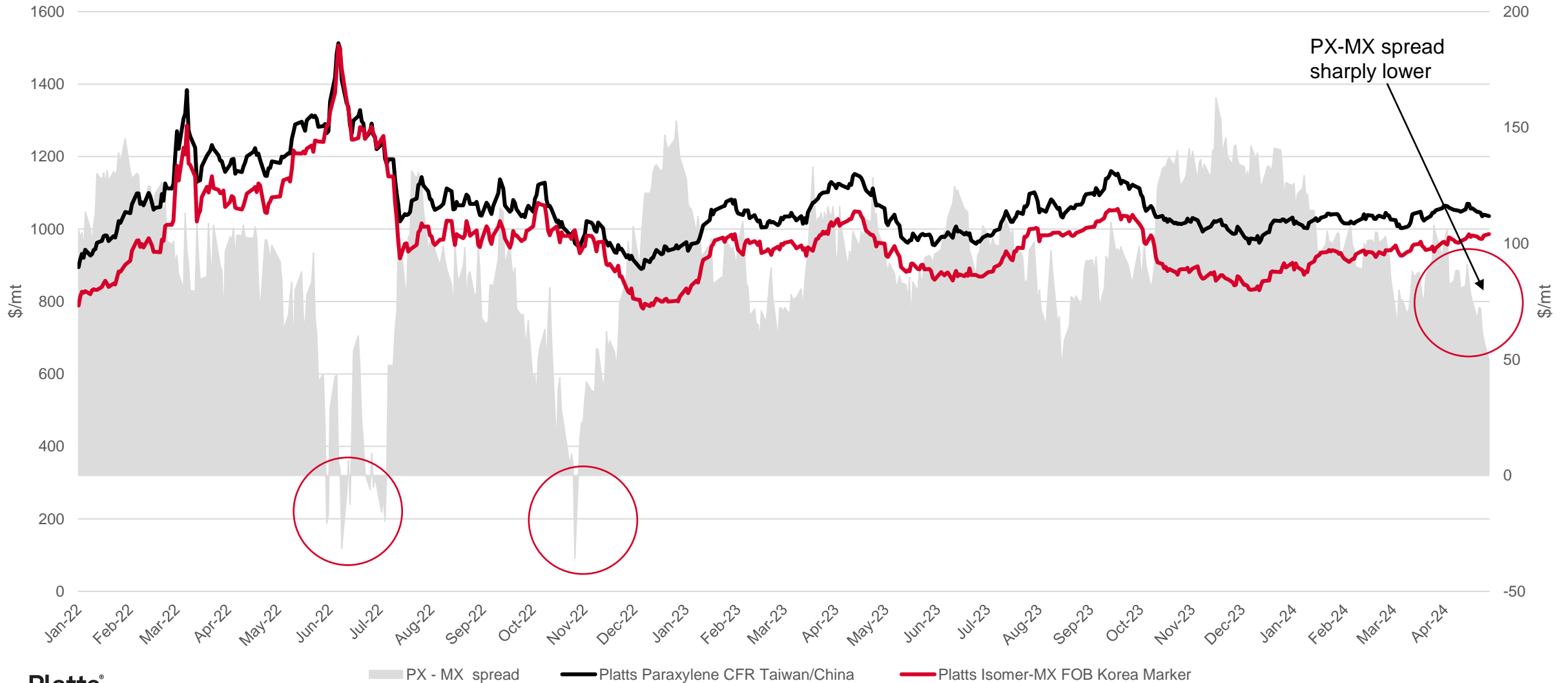
PX-Naphtha spread holds just above \$300/mt



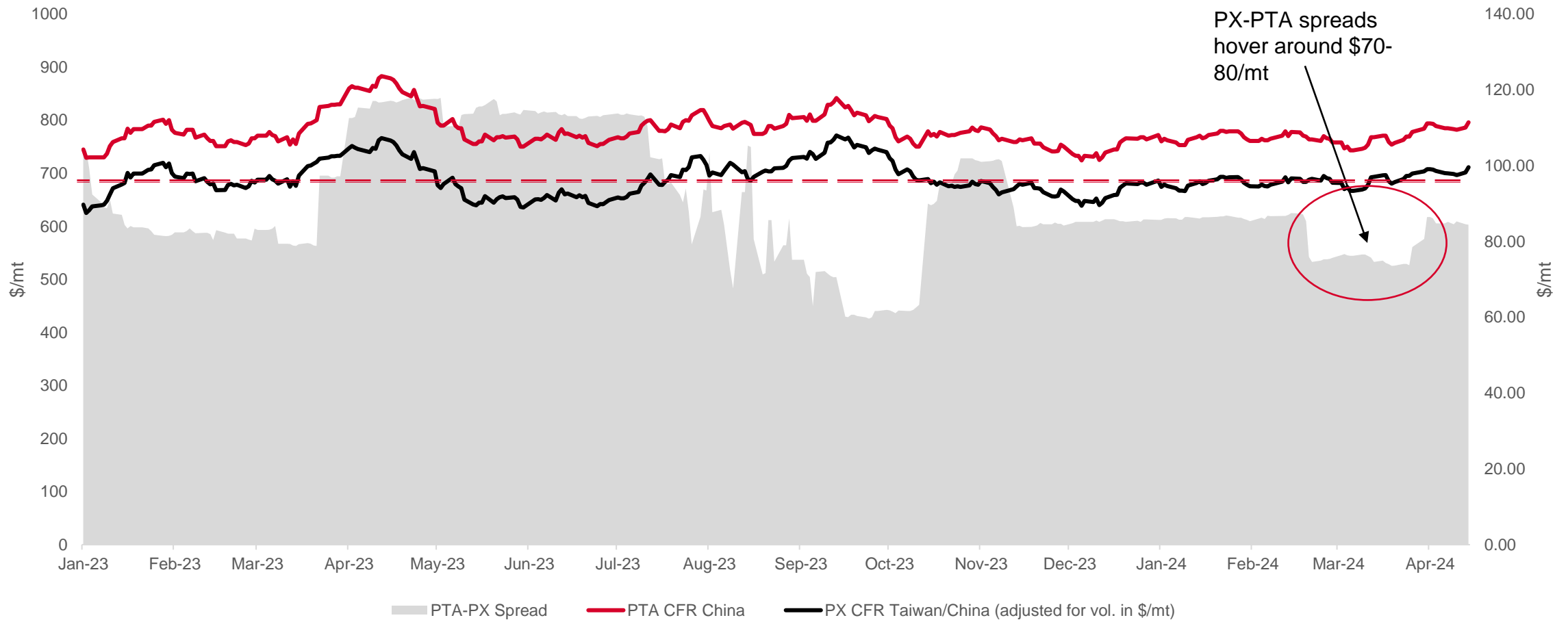


# PX-MX spreads drop below \$100/mt

MX supplies tighten amid flows to the west



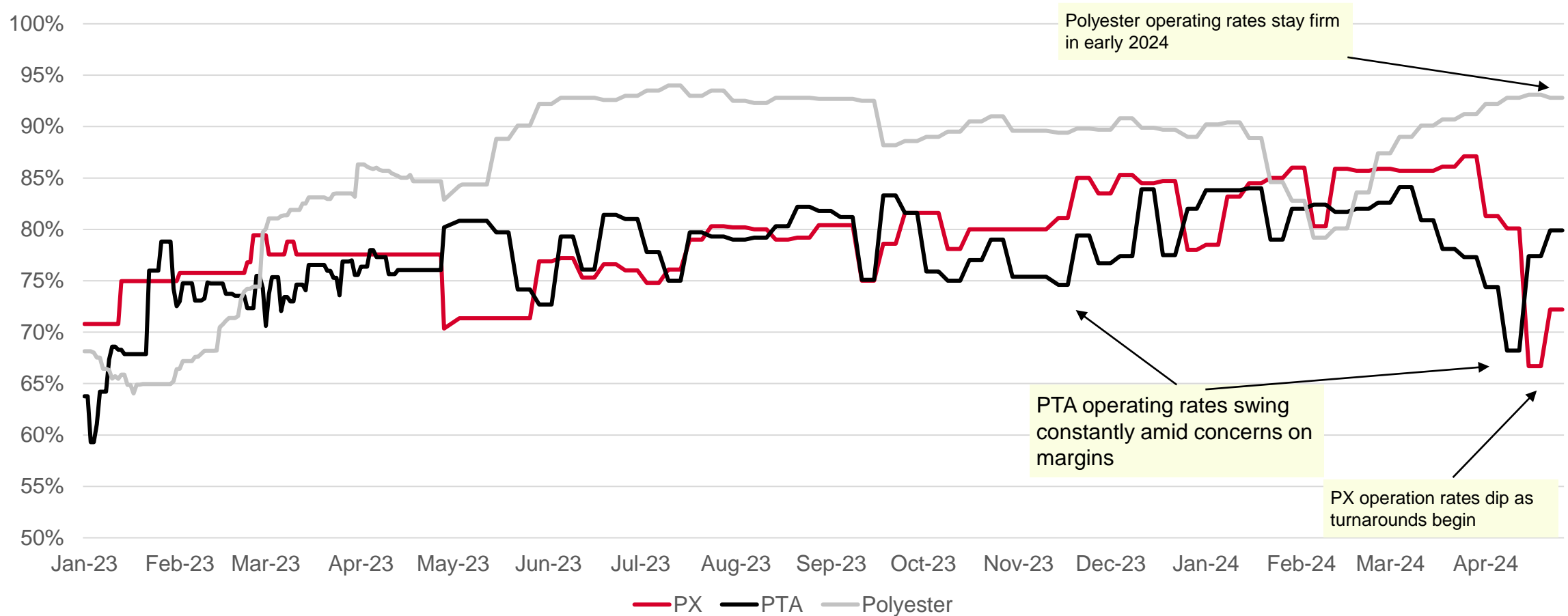
# PTA-PX spreads remain weak, little hope for recovery ahead



Source: S&P Global Commodity Insights Data

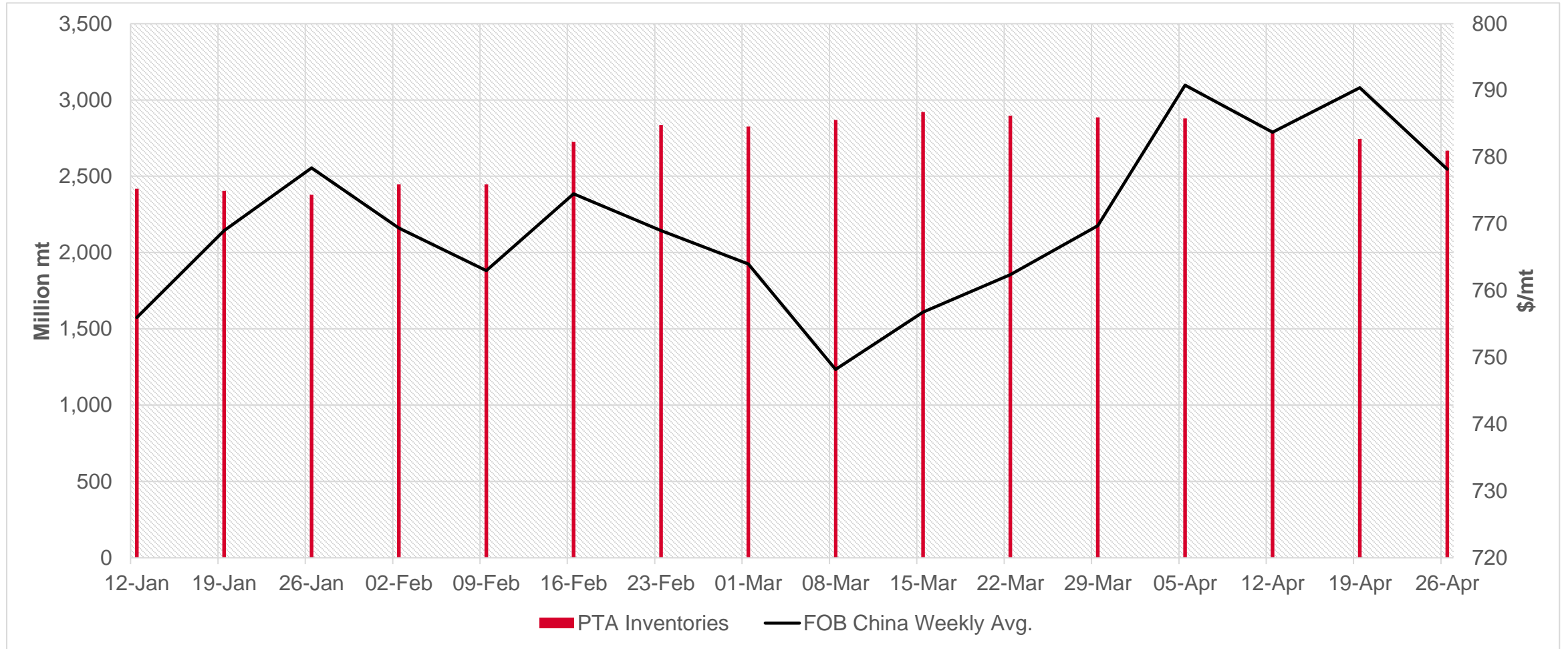
# Polyester plant operating rates stay firm despite weak economy

PTA supply growth a concern amid weak demand cues

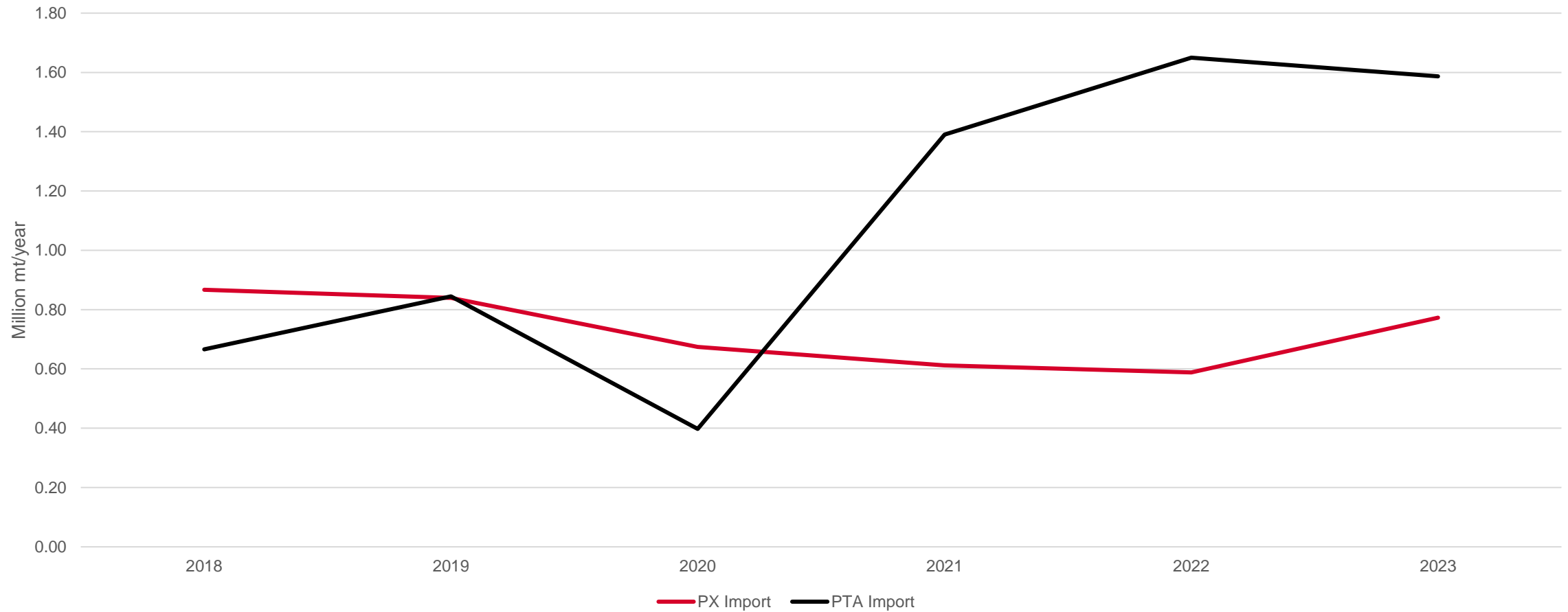


Source: S&P Global Commodity Insights Data

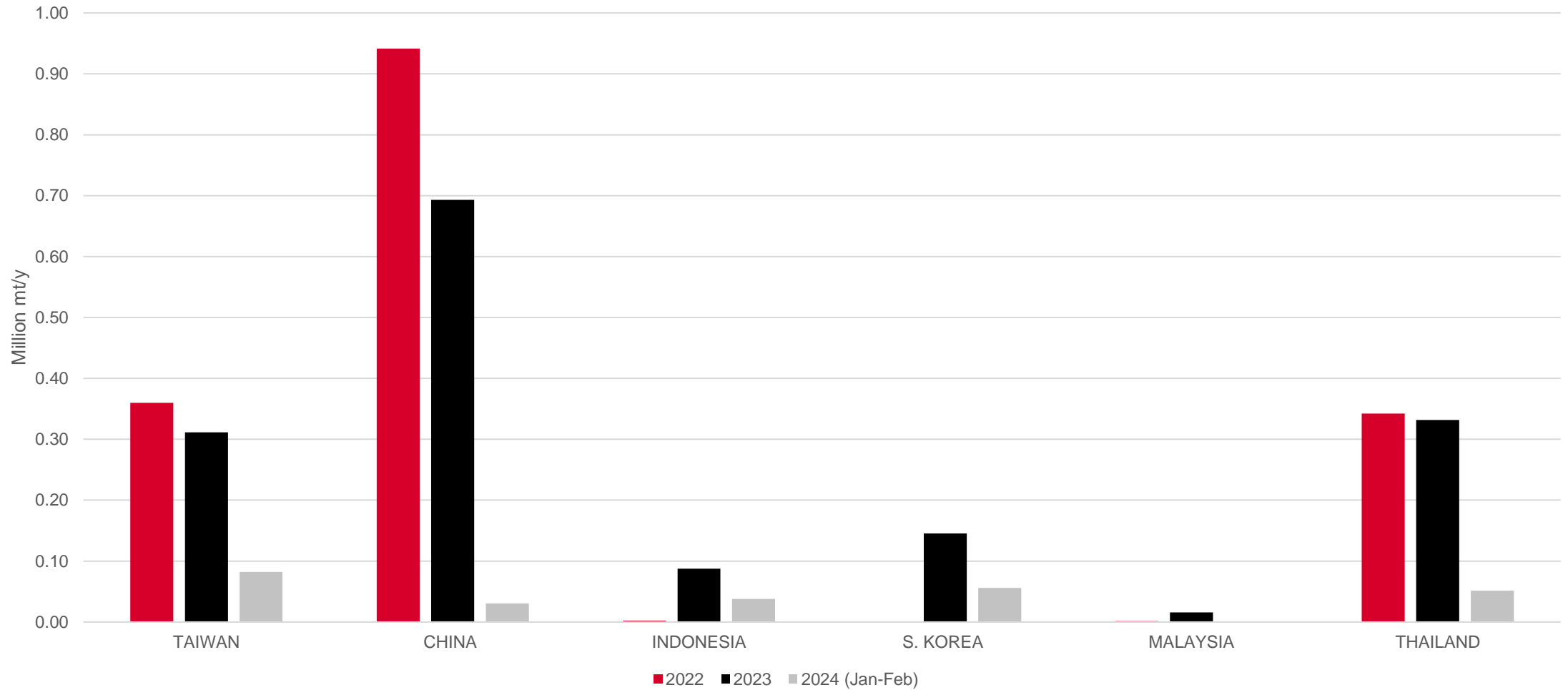
# China's weekly PTA inventories and PTA prices



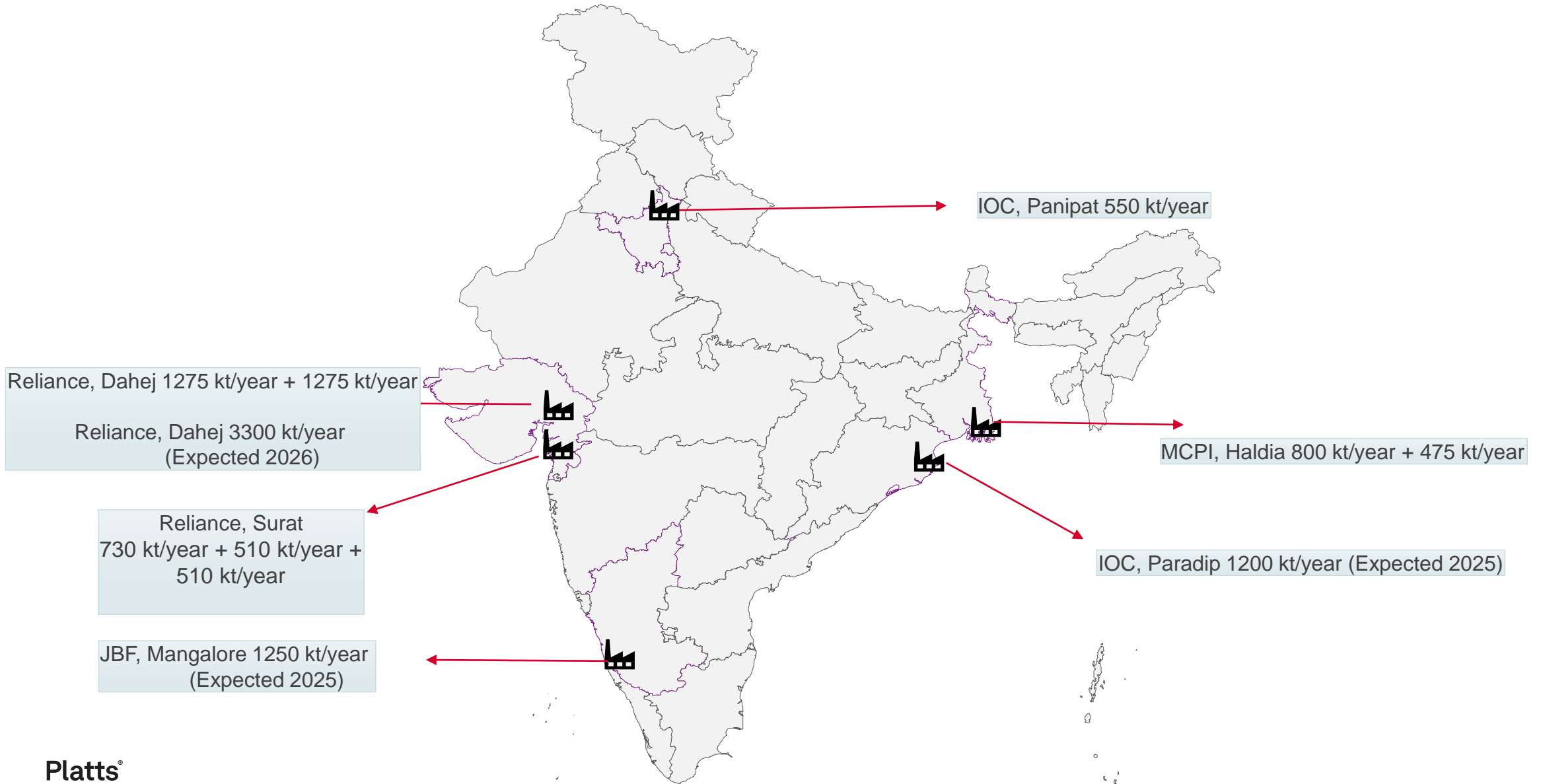
# India's PX and PTA import trends



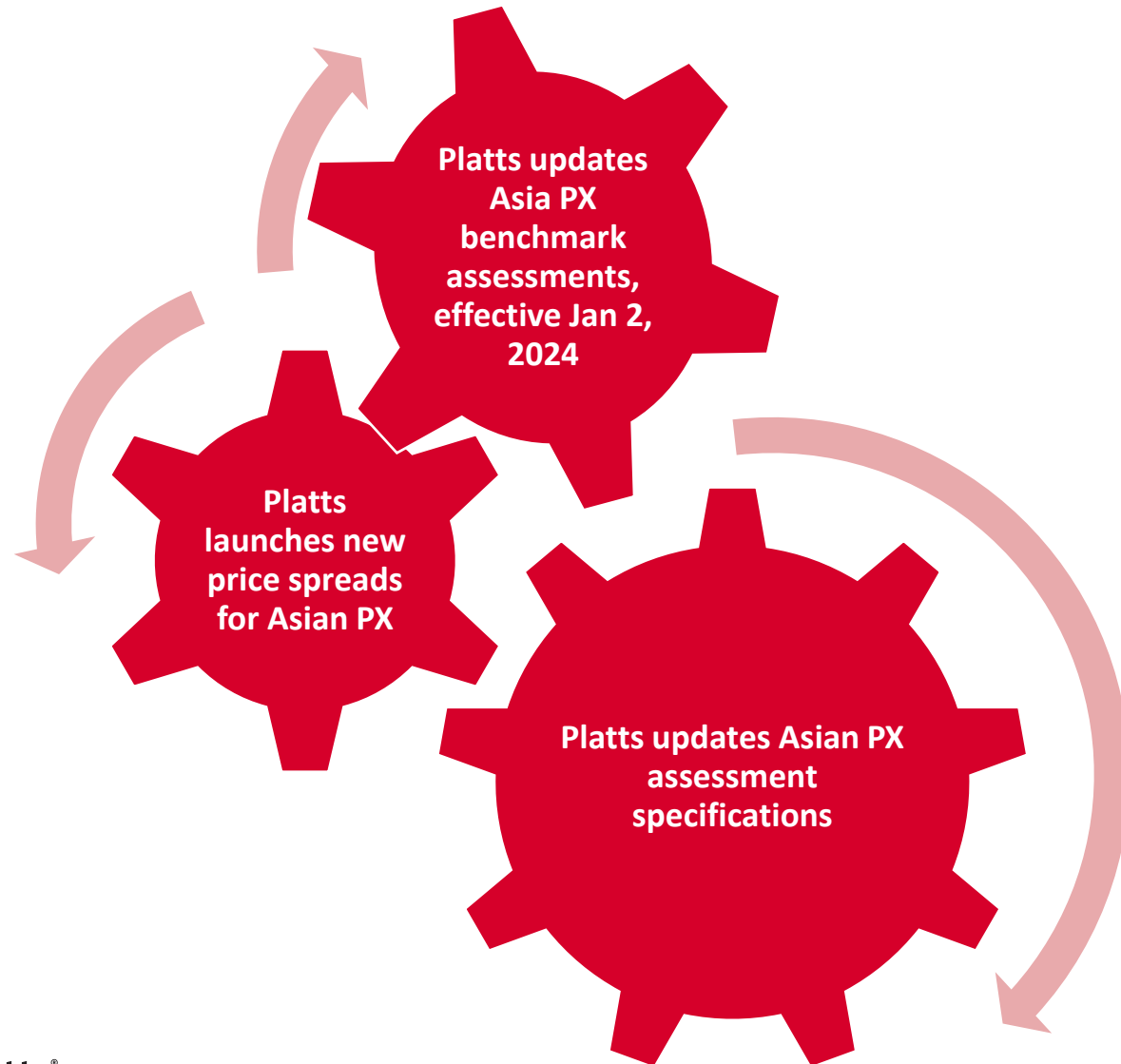
# India looks past China for PTA procurement



# India's PTA capacity to rise; export potential could increase



# PX methodology developments in 2024





# The road ahead for 2024

Blending demand fails to boost PX spot prices.

Spot volumes remain high, pressure on prices.

Downstream demand stable but no incremental demand visible.

PTA capacities in China grow in first half but no major increases in second half.

PX producer margins stable but no sharp rises this year.



# THANK YOU!

# Q & A

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