



ICIS Methyl Methacrylate Asia Pacific

Chemical Prices | News | Analysis

Editor: Melanie Wee

SPOT PRICES - CARGOES OF 500 MT OR MORE

			Price Range		Four Weeks Ago	US CTS/lb
CFR SE Asia	USD/tonne	+20	1845.00-1850.00	+20	1780.00-1785.00	83.69-83.91
CFR Taiwan	USD/tonne	+20	1845.00-1850.00	+20	1780.00-1785.00	83.69-83.91
CFR South Korea	USD/tonne	+20	1845.00-1850.00	+20	1780.00-1785.00	83.69-83.91

SPOT PRICES - CARGOES OF 20 - 300 MT

			Price Range		Four Weeks Ago	US CTS/lb
CFR SE Asia	USD/tonne	+20	1850.00-1900.00	+20	1785.00-1850.00	83.91-86.18

NOTE: Please click [here](#) for full details on the criteria ICIS pricing uses in making these price assessments.

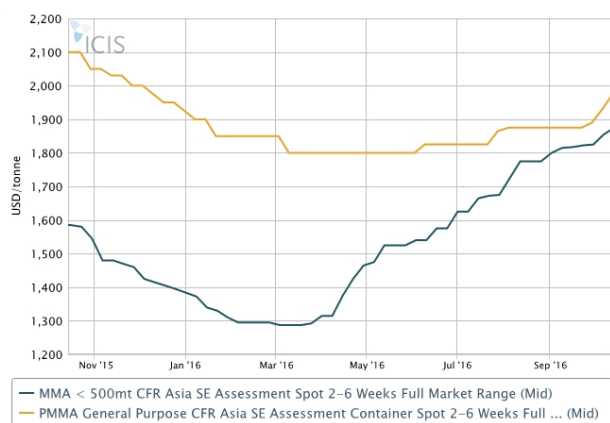
Subscriber note: ICIS is currently consulting readers about the methodology used for this report. To respond please go to:

<https://www.icis.com/compliance/documents/methyl-methacrylate-mma-methodology-consultation-2016-2/>

Overview

- Plant disruptions crimp cargo availability
- Regional supply tightness persists
- China domestic markets strengthen

Price chart: MMA Southeast Asia vs PMMA Southeast Asia



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Asia spot markets

Spot prices of methyl methacrylate (MMA) in southeast Asia strengthened in the week ended 14 October, driven by an unabated supply shortfall situation outstripping import demand.

Negotiations were ongoing for October, with some market players near sold-out positions on the back of increasing spot enquiries from southeast Asian outlets.

A drummed cargo of southeast Asia origin MMA was understood to have fetched the equivalent of the mid \$1,800s/tonne CFR southeast Asia basis for early November

delivery. Details on the deal, however, could not be verified.

On MMA cargoes of 20-300 tonnes, workable levels on the buying side were viewed by market sources at around \$1,850/tonne CFR southeast Asia. Selling indications were placed at \$1,900/tonne CFR southeast Asia and above.

There were market sources who considered a workable level for spot November business to be concluded within the \$1,850-1,900/tonne CFR southeast Asia range for cargoes of this size.

Meanwhile, the overall tight supply scenario spilled over to China, fuelling domestic MMA prices there.

Firmer import buying appetite, with suppliers citing increased spot enquiries for emulsion resins applications helped to boost market sentiment, coinciding with cargo supply constraints faced by several major regional producers.

By and large, the current market climate was characterised as one skewed towards sellers, leaving little room for negotiation on the buying side.

Escalating MMA prices have, in turn, compelled downstream (PMMA) suppliers to raise their asking levels even as overall demand was just moderate, according to regional sources.

While there was market concern on the fast diminishing spread between MMA and downstream PMMA – squeezing margins for sellers of the latter product – it was unclear whether MMA prices have truly reached their peak.

On production, Japan's Mitsubishi Gas Chemical Co (MGC) has yet to restart its MMA plant in Niigata owing to unexpected mechanical problems, according to a source familiar with its operations. The plant is expected to resume operations around 20 October. It was originally due to restart on 7 October following regular maintenance. The delayed restart of the plant comes amid persistently constrained supply availability across Asia-Pacific.

Fellow Japanese producer Asahi Kasei Corp is carrying out scheduled maintenance at its 100,000 tonne/year MMA plant in Kawasaki. The regular overhaul of the plant is expected to last about 40 days, following its shutdown since the start of October.

There were limited concrete discussions for MMA spot cargoes in 500 tonnes or more, with spot regional prices assessed in line

Methyl Methacrylate Asia Pacific

with the upward movement for smaller shipments of 20-300 tonnes.

Chinese domestic market

Subscriber note: The domestic yuan (CNY) assessments in the methyl methacrylate (Asia Pacific) report on 14 October 2016 reflect changes from 30 September. The prices were not assessed on 3-7 October due to a public holiday in China. For more details on the publishing schedule, please visit <http://www.icis.com/about/publishing-schedule/>

Chinese domestic MMA prices were up sharply following the week-long public holiday on the back of tight supply in eastern and southern areas, overshadowing downstream demand.

MMA Domestic Spot Prices (in CNY/tonne)

East China (ex-tank)	+1000	15,200-16,000	+1000
South China (DEL)	+1200	16,400-17,000	+1500

Other regional markets

In South Korean domestic markets, spot supply limitations amid scheduled plant maintenance supported prices. MMA cargoes were discussed at Korean Won 1,970-2,000/kg DEL for October, stable with the previous week.

Upstream

Crude futures prices fell 0.5-1.5% in the week ended 14 October. Crude values eased on a stronger US dollar, an unexpected large build in US crude stocks and news that OPEC production in September hit a record 33.6m bbl/day. Earlier in the week, optimism that OPEC and non-OPEC producers would reach an agreement to cut production helped push ICE Brent futures to the highest levels seen this year. However, doubts later surfaced regarding the ability of producers to implement output cuts that would be sufficient to rebalance the market.

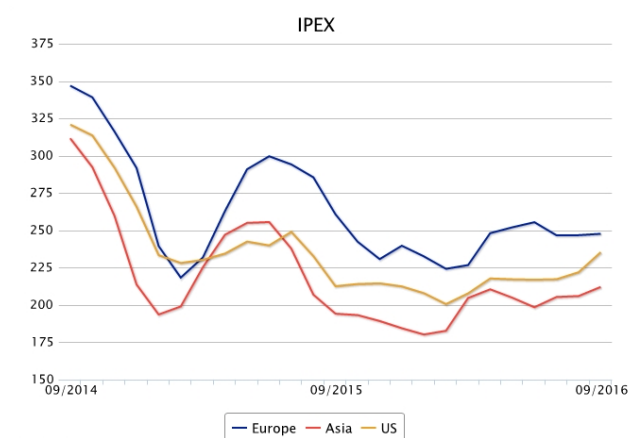
Downstream related

Spot prices of general purpose (GP) grade PMMA were firmer in southeast Asia and China for the week ended 13 October, based on prevailing market discussions.

IPEX

The ICIS Petrochemical Index (IPEX) rose in September on higher crude oil prices and market tightness.

Published at the beginning of each month, the index provides an indicator of the average change in global petrochemical prices. For more on the IPEX in September, please go to <http://bit.ly/2dxY4gz>



(\$1 = CNY6.73)

(\$1 = W1,129.81)

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