

Global Methanol - Weekly Market Report - Issue 2201

27 Jun 2025
Insight

Global Summary

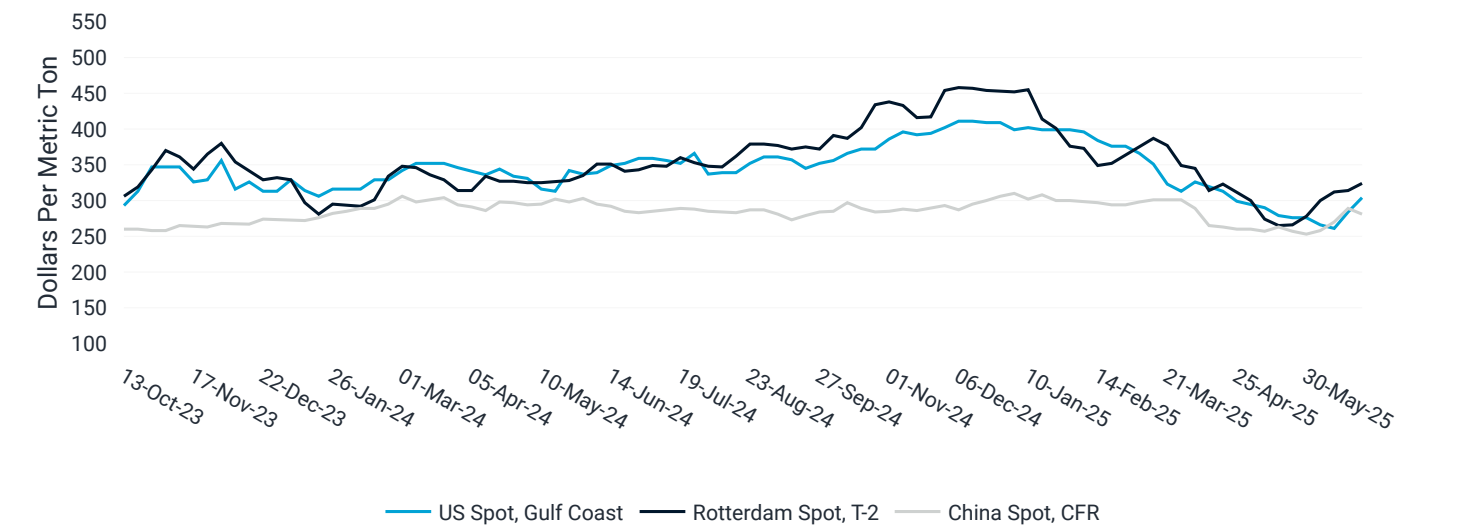
Methanol Market Prices

Locale	Pricing Terms	Current Week (06/27)	Last Week (06/20)	Current Week (06/27)	Last Week (06/20)
		\$/MT	\$/MT	Local Currency	Local Currency
US	FOB, USGC	304.2	284.3	91.5 ¢/gal	85.5 ¢/gal
W. Europe	FOB, Rotterdam, Spot T2	324.1	313.5	278.5 €/MT	272.5 €/MT
	FOB, Rotterdam, Contract T2 (Q2'25)	716.9	708.8	616 €/MT	
China	CFR, Main Ports	281.0	289.0		
Korea	CFR, Main Ports	332.5	327.5		
Taiwan	CFR, Main Ports	320.0	320.0		
SE Asia	CFR, Main Ports	345.0	335.0		
India	CFR, Posted West Coast	265	295.0		

Source: Chemical Market Analytics by OPIS

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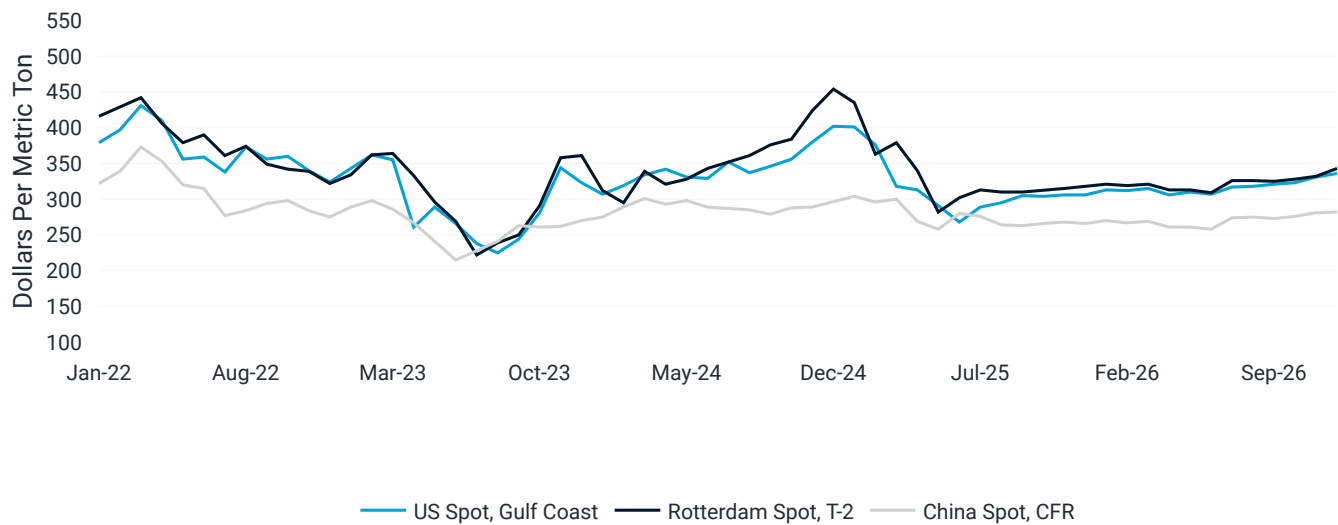
Weekly Methanol Prices: US Gulf, Rotterdam, Asia



Source: Chemical Market Analytics by OPIS

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Monthly Methanol Prices: US Gulf, Rotterdam, Asia



Source: Chemical Market Analytics by OPIS

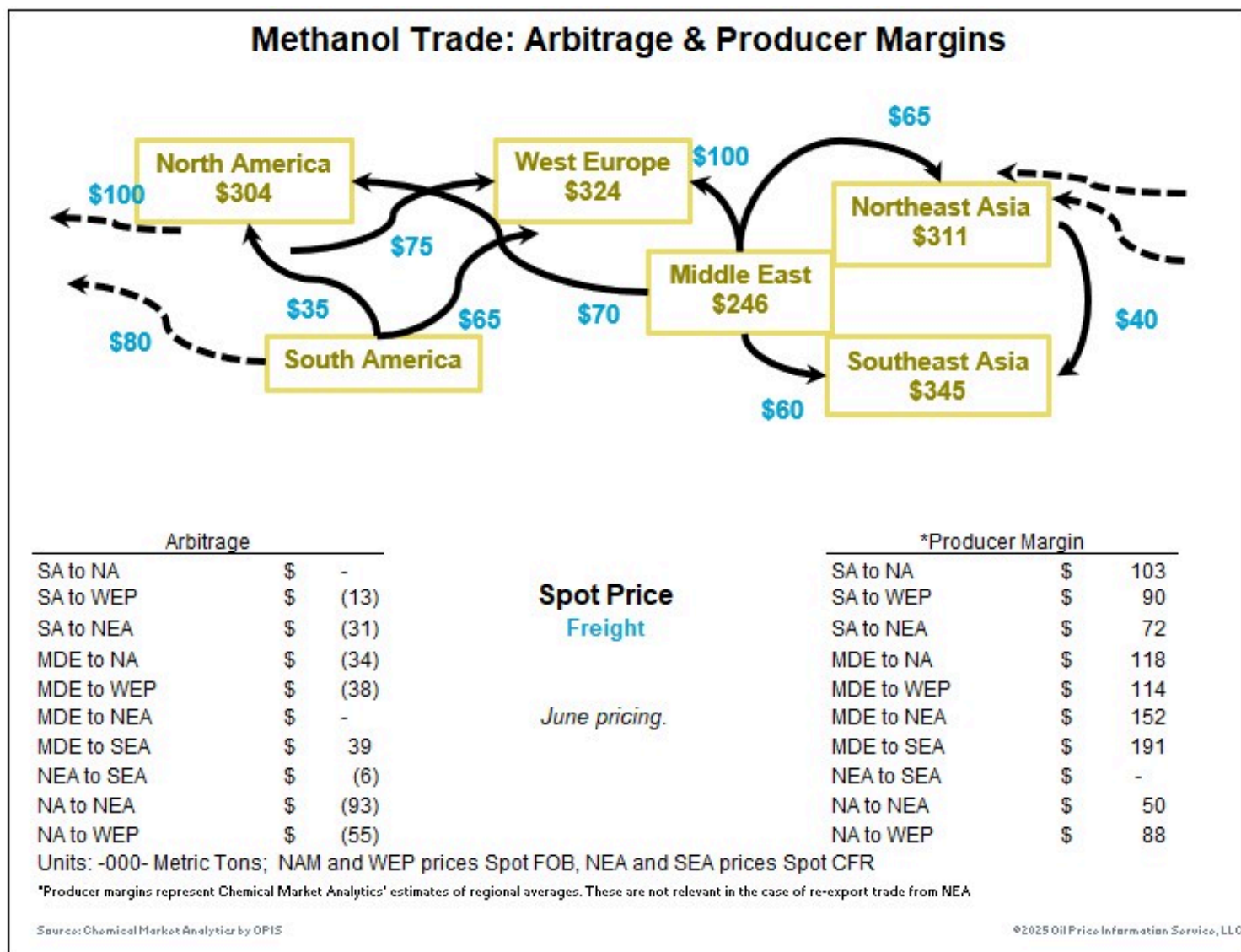
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Methanol Market Highlights

		Supply	Demand	Prices
Global	Asian spot prices were \$272–290 per metric ton (mt). US spot prices for June were at a notional average \$304 per mt. The European spot price for July delivery was €278.5 or \$324 per mt.	↔	↘	↗
Asia	The Asian cost-and-freight (CFR) price range widened from last week's level with a higher price in Southeast Asia, but a low price in mainland China.	↔	↘	↗
Europe	Supply remains high, but spot demand has returned to sluggish levels following the ceasefire in the Middle East.	↔	↔	↗
Americas	Regional supply is still ample amid outages in the US and Chile, although flat demand has helped to reduce any significant impact. Meanwhile, July spot offers have increased significantly versus last week's levels, with the market reflecting a new upward pressure on prices.	↔	↔	↑
Indian Sub. & M. East	Indian domestic prices were 24.5–26 rupees per kilogram. Notional CFR WC India import prices were \$260–270 per mt.	↔	↔	↓

Source: Chemical Market Analytics by OPIS

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The "Methanol Trade: Arbitrage & Producer Margins" graphic represents the traditional interactions of the major regions and the economic forces encouraging trade flow, with South America and the Middle East being the traditional "swing producer" regions. Estimated average spot freight values, as well as weekly spot methanol prices, are used to determine potential producer margins and arbitrage differentials. The Middle East received the highest margin by exporting methanol to Southeast Asia at \$191 per metric ton (mt) followed by Northeast Asia at \$152 per mt. For North America to West Europe and North America to Northeast Asia, those margins are calculated at \$88 and \$55, respectively. Based on these estimates, there is one open arbitrage window: from the Middle East to Southeast Asia at \$39 per mt.

It is important to remember that cash costs used in the margin calculations are average production costs for the region and do not include certain elements of a producer's cost, including other fixed costs, depreciation, and return on capital investment.

When reading the arbitrage values, please note that additional costs, such as throughput charges and duties where appropriate, are not shown on the map. However, these additional charges are reflected in the full arbitrage value in the table below the graphic.

Asia/Pacific

Overview

Mainland China's domestic methanol market was volatile with impact from geopolitical issues and the hedging activity in the coastal area. Import supply from Iran was expected to recover from the bottom level. Demand into methanol to olefins (MTO) declined mainly due to a turnaround at a unit in inland China. Acetic acid production was at a peak level in mainland China, but supply in Asia outside mainland China was tight with one plant in Japan having an ongoing scheduled turnaround and another in Singapore running at reduced rates due to a CO supply issue. The methanol spot market in the rest of Asia region continued to follow last week's upward trend, but spot buying interest from end-users remained at a low level. Methanol supply in Southeast Asia is not yet back to a normal level.

Operations

Petronas shut down its **No. 2 unit** (1.75 million metric tons (mt) per year) on 28 April for a turnaround scheduled to last nearly two months. According to market information, the unit was restarting by the time of report writing. **Sarawak Petchem** (1.75 million metric tons (mt) per year) experienced unstable operation and was shut down during the weekend due to a technical issue. The unit was running at a reduced rate this week. **KMI** (710,000 mt per year) in Indonesia stopped on 15 June, as planned, for a two-week turnaround.

According to Chemical Market Analytics' estimates, mainland China's average methanol industry operating rate was stable at 59% of nameplate capacity or 79% of effective capacity and current operating rates are healthy. The two carbon-dioxide-to-methanol units were running to plan. A new methanol unit, **Xinjiang Zhongtai** (1,000 kta, coal based), began test production in mid-April and was recently commercialized.

Mainland China Methanol Production Status By Region

	Weekly	Est. Production	Percent
Region	Capacity* (Kt)	W/E 06/27 (Kt)	Utilization
North	457	255	56%
Northeast	55	21	38%
Northwest	341	173	51%
Central	115	69	60%
East	304	215	71%
Southwest	118	67	57%
South	70	60	86%
Mainland China Total	1,460	859	59%
Mainland China Effective Operating Rate			79%

Source: Chemical Market Analytics by OPIS

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Mainland China Major Methanol Production Status By Feedstock

	Weekly	Est. Production	Percent
Feedstock	Capacity* (Kt)	W/E 06/27 (Kt)	Utilization
Coking Gas	202	97	48%
Coal	1,066	682	64%
Natural Gas	194	81	42%
Mainland China Total	1,471	859	59%
Mainland China Effective Operating Rate			79%

Source: Chemical Market Analytics by OPIS

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Mainland China Methanol Units

Company and Location	Capacity and process	Notes
Shaanxi Yanchang Oil Kaiyue Coal Energy	600 kta, coal based	The unit is due to be offline from 1 to 30 June for a turnaround.
Tianjin Bohua Yongli	500 kta, coal based	The unit stopped on 14 June for a short turnaround.
Zhongyuan Dahua (PC)	500 kta, coal based	The unit stopped on 24 June for a turnaround. The company's methanol to olefin (MTO) unit stopped on 27 June.
Yunnan Yuntianhua	260 kta, natural gas based	The unit was offline for a week because of a technical issue; it restarted this week.
Shanxi Xiaoyi Pengfei	300 kta, coal based	The unit stopped in early June because of technical issues. The unplanned maintenance is likely to last around three weeks.
Qinghai Zhonghao	600 kta, natural gas based	The unit went offline in late October because of natural gas restrictions.

Source: Chemical Market Analytics by OPIS

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Current Market

Mainland China

Mainland China's domestic methanol prices were very volatile this week. Domestic prices came off early in the week but rebounded to a peak level again on Thursday with intensive hedging activity on the East coast. The domestic weekly average price was higher than last week's level in East China, but slightly lower than last week's level in South China. For import material, the level of market activity was quite low; the CFR price declined. Last week, most of Iran's methanol plants were shut down due to geopolitical tensions and interruptions to natural gas supply. This has caused great uncertainty for MTO producers' operations in the near term and drove the price increase last week. Iran is mainland China's main source of methanol imports and most Iranian cargo is consumed by MTO producers in mainland China's coastal area. With the situation easing this week, some Iranian methanol facilities have started to resume operations, and Iranian production capacity is expected to recover slowly but steadily. Given the currently low inventory levels, however, there may be a direct impact on the pace of July shipments. As a result, domestic methanol imports in July are likely to decline. The geopolitical issues will continue to impact the petrochemical industry in the near term. We will continue to monitor the restart progress of the Iranian methanol units.

In May 2025, mainland China imported almost 1.3 million metric tons of methanol, an increase of 64% from the previous month. The increase was driven by an increase in Iranian cargo. Mainland China exported 15 thousand metric tons of methanol in May; over 90% of the volume was to Taiwan, China.

Fundamentals in mainland China's **thermal coal** market improved further as heat waves spread to many provinces, boosting demand for air conditioning. At the same time, ongoing mine inspections threaten to squeeze the coal supply. In the past week or so, large numbers of mines have raised pithead prices, as end users in several non-power sectors and a few traders have increased purchasing in anticipation of further price hikes over the next couple of weeks. However, according to participants, an absence of strong demand and deals could keep momentum in check. Users have been increasingly reluctant to accept the price increases, forcing some mines to lower their prices again. Meanwhile, several sources warned that the latest stocking campaign could be nearing an end. Shenhua and Weiqiao Power, major players in northern China, have so far kept their purchasing prices in mining regions unchanged, suggesting a conservative view of potential price trends.

Methanol production was stable at last week’s level. Producers’ inventories were at a medium level in general. More detailed production information is provided in the **Operations** section. Public inventory in the coastal area generally increased.

Mainland China Market Prices - Average

	Current Week	W/E 06/20	W/E 06/13	W/E 06/06
Methanol - ¥/MT				
South China	2530	2540	2360	2285
East China	2720	2660	2418	2280
Imports (\$/MT)	281	289	270	258
Derivatives - ¥/MT				
Formaldehyde	1010	1000	985	1010
DME	3675	3700	3650	3650
Acetyls- ¥/MT				
Acetic Acid	2525	2485	2400	2500
Acetic Acid (\$/MT)	318	315	303	308
VAM (\$/MT)	690	690	690	690

Source: Chemical Market Analytics by OPIS

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Despite the drastic rise and fall in energy and feedstock costs, the bullish trend in the Chinese mainland **ethylene** market continued this week. Steady demand and tight regional supply have supported the overall sentiment in the past week. The demand for ethylene in mainland China improved slightly this week due to an increased operating rate and restocking activities in some derivative sectors as the turnaround season came to an end. **Propylene** prices increased in both Shandong province and East China this week; polypropylene (PP) market prices were relatively stable, so the PP-to-propylene spread shrank again. Demand was relatively stable this week. Output from the acrylic acid sector was unchanged, while that from the oxo-alcohols sector increased marginally as a producer in East China ramped up to full rate.

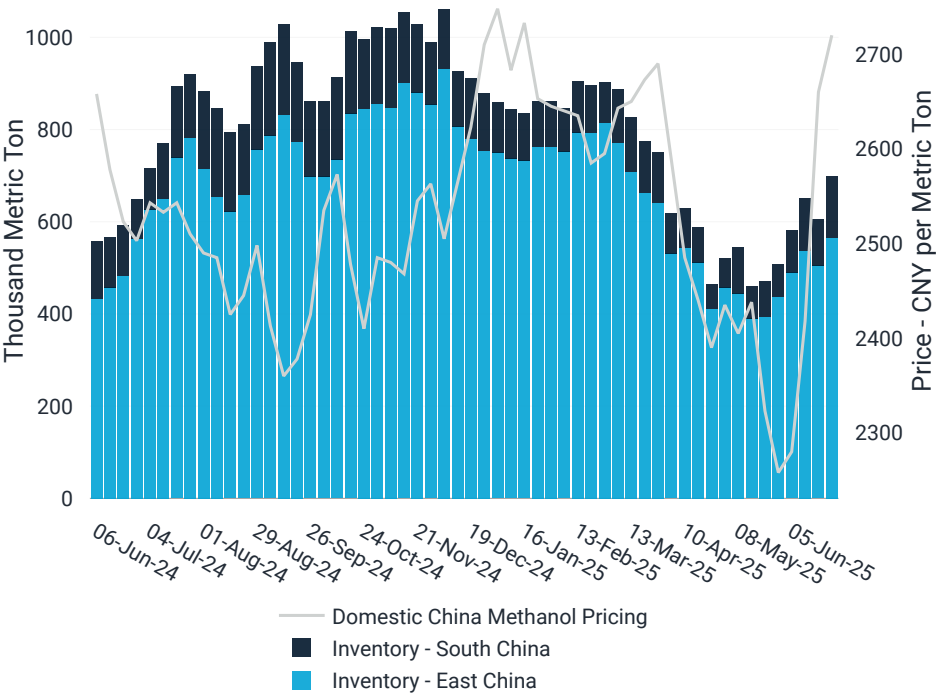
The overall methanol-to-olefins (MTO) nameplate operating rate declined significantly to 65% this week. According to market information, major MT0 producers in coastal areas may maintain a middle to high operating rate until sometime in July, after which production levels will depend on the Iranian supply situation and whether there is additional supply from inland China. **Zhongmei Mengda** (1,800 kt maximum annual methanol consumption) stopped on 19 June for a six-week turnaround. **Zhongyuan PC** (900 kt maximum annual methanol consumption) stopped on 27 June for a turnaround; the likely duration of the outage is not yet known. **Changzhou Fund Energy** (1,115 kt maximum annual methanol consumption) stopped on 1 November 2023. **Jilin Connell** (900 kt maximum annual methanol consumption) has been idle since October 2020. The overall average operating rate in 2024 was around 77%. In 2025, it was 75% in January, 65% in February, and 78% in March, resulting in a Q1 2025 average operating rate of 73%. In Q2, it was 76% in April, 72% in May and 77% in June. The July rate is forecast to be around 66%.

Methanol demand into other applications was stable at a normal level. Rising raw material costs significantly squeezed methanol derivatives’ margins, however, with many downstream producers operating at a loss. Formaldehyde market sentiment remained bearish as the rainy season began in the south of mainland China, impacting formaldehyde downstream demand. Formaldehyde prices increased from last week; the production output declined moderately. Demand into dimethyl ether (DME) was stable at last week’s level.

The methyl tert-butyl ether (MTBE) market price rose, and production was steady. Market sentiment was boosted by crude oil prices this week, in line with major producers’ lean inventories. Major producers raised their selling prices.

Methyl methacrylate (MMA) market sentiment softened amid weak demand. Last week, MMA prices were boosted by a hike in crude oil prices. But transactions were limited this week at this higher price level. Overall demand was weak.

Mainland China Methanol: Coastal Inventory Level vs. Market Pricing



Source: Chemical Market Analytics by OPIS

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Acetic acid

Acetic acid spot prices rose continually in mainland China, supported by strong demand growth and low market inventory. The mainland China virgin acetic acid industry weekly operating rate was estimated at 94% of total nameplate capacity with almost all plants running well. Two new acetic acid plants are due to begin operations soon. Demand in mainland China was strong with most derivatives plants running normally and decreased in Asia outside mainland China as one VAM plant in Taiwan shut down.

Operating Rate of Key Methanol Derivatives

Product	Current Week	Previous Week	Trend
	27-Jun-25	20-Jun-25	
Formaldehyde	28%	30%	↘
Acetic Acid	94%	87%	↑
DME	8%	8%	↔
MTBE	63%	63%	↔
MTO	65%	79%	↓

Source: Chemical Market Analytics by OPIS

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Taiwan, China

The methanol market in Taiwan, China, was steady; market activity was low. Overall methanol demand was flat. Two acetic acid units were running at medium to fairly high rates. Formaldehyde production was stable, operating at around 70% of capacity, with overall market sentiment changing little and downstream demand holding firm. The formaldehyde downstream market was not significantly affected by the rainy season. Methanol consumption in the 1,4-butanediol (BDO) sector was flat. MTBE production was also steady at similar operating rates of approximately 60–70% and the overall operating rate was slightly higher than in the first quarter. Domestic demand for MTBE was stable and export levels held steady. Both MMA units were running at reduced rates.

Korea

The South Korean methanol market continued to be influenced by the mainland China market sentiment; major market players were waiting to see the movement in the mainland China market. The notional methanol spot price on a US dollar basis remained at last week’s level. Spot buying interest was not noted in this week’s market as major market players were waiting to see the price trend. Current methanol prices have made production uneconomic for major methanol downstream producers. The notional cost-and-freight (CFR) price continued to increase, driven by mainland China’s market. Major market players, including end users and traders, were under pressure from high methanol inventories. According to information from market participants, the domestic methanol price in South Korea was around 410 Korean Republic won per kilogram, which is equivalent to around \$300 per mt on a CFR basis. Large end-users’ methanol inventory was at a high level and started to add pressure on some end-users. The country’s only acetic acid plant was running at a slightly reduced rate amid bearish downstream demand. Methanol demand from the MTBE sector was stable, with MTBE plants operating at around 70% of capacity. Larger MTBE producers maintained high output rates, while smaller producers operated at medium levels. Polyacetal (POM) units were still running at reduced rates amid bearish buying sentiment. POM producers were adequately supplied through contractual agreements.

Southeast Asia

Regional supply remained low, with a decrease in the average operating rate. Buying interest from end users was noted at small ports and spot discussions in the main ports were still driven by traders and suppliers. There was some selling interest for July arrivals; selling indications were driven by the impact of last week’s price movement in mainland China and increased to above \$345 per mt. End users were well supplied by term contracts. Methanol consumption was steady in the biodiesel sector with a middle to high operating rate.

The acetic acid sector’s average operating rate decreased. According to market information, the acetic acid unit in Singapore was constrained by a carbon monoxide supply issue. Formaldehyde producers in Vietnam remain alert to the changes in US import tariffs as over 80% of formaldehyde end products are exported to North America and Europe. Formaldehyde production declined slightly from the first quarter as producers were concerned about the potential impact of US tariffs. Their customers, who are furniture and man-made-board producers, have also reduced their operating rates slightly since May. The average MTBE operating rate was medium to high. It is understood that some MTBE producers were running with negative margins. Apart from the idled capacity in Singapore and Thailand, MMA capacity in Southeast Asia was operating at medium-to-high rates and running at around breakeven.

Prices

Price Outlook

Chemical Market Analytics expects the spot price in mainland China to be on a downward trend in the near term. Movement in the methanol market may be caused by external factors such as the new US tariffs and geopolitical tensions rather than by industry fundamentals. Short-term prices are expected to be volatile given the tense and fast-changing geopolitical situation.

After rising in March, the Asian methanol price decreased in April and May as supply recovered, and demand was bearish in general. Although the total methanol export volume from Asian countries to the United States is very limited, the region does export high volumes of downstream products to the United States. There may be more volatility in the market during the third quarter after the 90-day tariff pause ends. The arbitrage window between the domestic mainland market and the coastal market opened again in June because of the new shipping policy. The ongoing geopolitical conflict in the Middle East continues to escalate, bringing significant uncertainty. Expected supply disruption and rising transportation costs are likely to provide continued support for price increases across the petrochemicals industry. Almost all Iranian methanol production stopped in the middle of June and prices were driven by the potential supply cut to MTO producers in mainland China’s coastal area. June prices are projected to increase significantly from their May level. Monthly prices for the third quarter in mainland China are now estimated to be higher than in April and May but may drop from June’s level.

Mainland China

Chemical Market Analytics posts notional weekly import prices at \$272–290 per mt, CFR. The closing price of MA 2509 methanol futures for the day’s trading sessions on mainland China’s Zhengzhou Commodity Exchange was RMB2,393 per mt on 27 June. This is down by 5.4% from the closing price of RMB2,529 per mt on 20 June.

Chemical Market Analytics posts mainland China’s domestic prices at RMB2,620–2,820 per mt in the east coastal area, up by RMB60 per mt from last week. Prices in the south of mainland China were reported to be RMB2,440–2,620 per mt, down by RMB10 per mt from last week.

Taiwan, China

Notional CFR Taiwan, China, prices were posted at \$315–325 per mt.

Korea

Chemical Market Analytics posts South Korean weekly prices at \$325–340 per mt, CFR.

Southeast Asia

Chemical Market Analytics posts Southeast Asian methanol prices at \$340–350 per mt, CFR.

Other Features

Pacific Basin and Towngas Sign MOU for Green Methanol Supply

Hong Kong-based dry bulk shipping company Pacific Basin Shipping Limited has entered into a memorandum of understanding (MoU) with the Hong Kong and China Gas Company Limited (under Towngas) to strengthen its access to green methanol as a marine fuel.

The MoU outlines a cooperative framework under which the two companies will work toward establishing a formal supply agreement. Under this agreement, Towngas will provide Pacific Basin with green methanol that is certified according to ISCC EU, ISCC PLUS, or other internationally recognized standards aligned with global and regional maritime decarbonization requirements.

Pacific Basin highlighted that green methanol is expected to play an increasingly vital role in its fuel strategy as it expands its fleet of dual-fuel, low-emission vessels and intensifies efforts to reduce its carbon footprint.

Notably, in early 2025, Towngas partnered with Singapore-based Global Energy Trading to advance the supply and distribution of green methanol for marine use. This followed a 2024 collaboration with bunker supplier Chimbusco Pan Nation Petro-Chemical (CPN), aimed at developing both domestic and international green methanol marine fuel markets and promoting Hong Kong as a hub for green marine fuels.

[Source: Offshore Energy]

Americas

Overview

As the second quarter of 2025 comes to an end, supply and demand conditions are unchanged. There were rumors that a plant in Geismar was down for several days again this week, but this has yet to be confirmed. Nonetheless, overall supply is still assessed to be ample with continued flat demand. Forward-loading price offers have increased significantly this week, past the 90 cents per gallon (cpg; \$299 per metric ton [mt]) mark.

Operations

Americas Methanol Production Status By Region

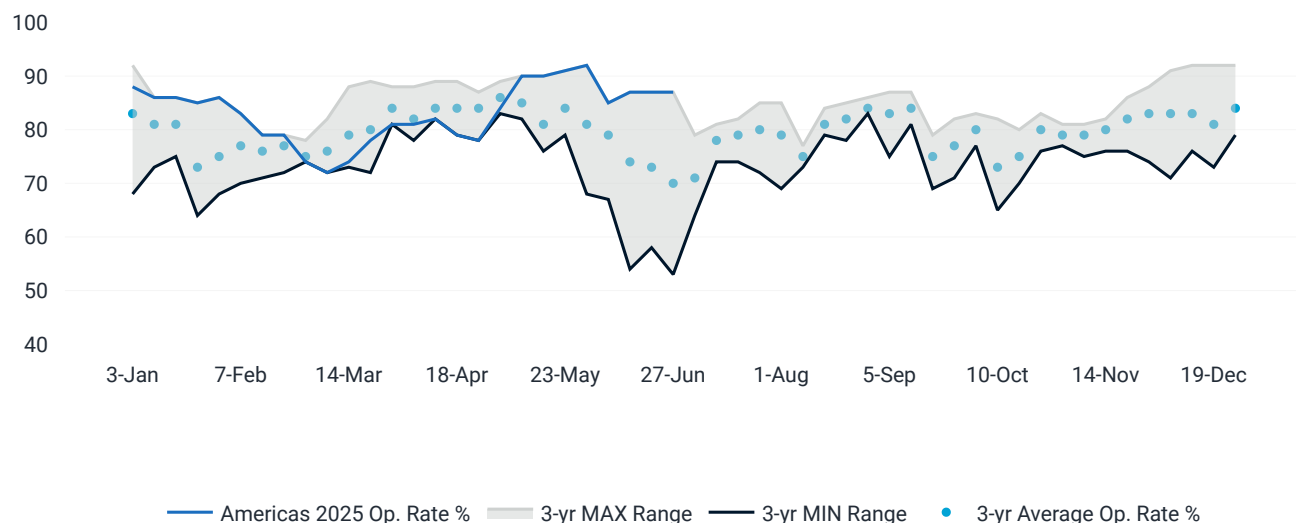
	Weekly	Est. Production	Percent
Region	Capacity* (Kt)	W/E 06/27 (Kt)	Utilization
North America	248	227	91%
Trinidad	105	99	94%
Venezuela	48	39	82%
Chile	33	17	51%
Other South America	9	6	72%
Total	443	388	88%

Source: Chemical Market Analytics by OPIS

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Average operating rates in the Americas last week were slightly higher than previously estimated, yet still hovering in the high-80s%. Americas’ methanol production was estimated to remain strong despite ongoing reduced rates in Chile and what appeared to be persistent operational difficulties at a site in the United States. This, along with generally stable production in the rest of the Americas, leaves this week’s estimated overall operating rate for the region remaining around 88%.

Americas Methanol Operating Rate Timeline



Source: Chemical Market Analytics by OPIS

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North American operating rates were estimated to have remained robust for the second consecutive week at approximately 88% despite reports of reduced output at a plant in the US. It appears that Methanex's Geismar complex continues to face operational issues, with rumors that one of the sites was offline for several days this week. At the time of this publication, the plant was understood to have restarted. It is still unclear which of the units was being affected or the cause of the interruption.

The following latest excerpt from our **Energy Macro Service**, a collaboration between Chemical Market Analytics and Rystad Energy, analyzes crude, natural gas, and gasoline markets. At the time of writing, Henry Hub front-month futures are quoted at \$3.309 per MMBtu, 17% lower than the 18 June settlement, after the Iran-Israel ceasefire this week which has lowered the risk of a closure of the Strait of Hormuz. For gas and liquefied natural gas (LNG) buyers, the key concern is whether vessels from Qatar or the UAE, who together exported 83 Mt of LNG last year, can continue safe passage. Currently, flows remain steady, with around 9.8 LNG vessels transiting daily on a 30-day average, slightly above the 8.7 per day seen in June 2024. Gas demand for cooling purposes remains elevated, with above average temperatures across the US expected through the first week of July. US feedgas demand rose to 13.91 billion cubic feet per day (Bcfd) as of 23 June, up from 13.35 Bcfd on 17 June, driven by the return of feedgas flows to Sabine Pass LNG following maintenance that began in late May. Meanwhile, Canada's 14 million metric tons per year LNG Canada facility produced its first LNG this week, with the Gaslog Glasgow vessel positioned nearby to load the inaugural cargo in the coming days.

Finally, looking toward the **Caribbean and South America**, supply conditions were stable with no major changes in operations noticed this week. In the previous week, production in Trinidad was higher than originally reported, with operating rates past the 90% mark. This week, Trinidad rates remained strong with rates close to 95%. Meanwhile, in Venezuela, operating rates remained steady in the low 80s%. Argentine and Chilean production was also stable, with Chilean capacity reduced to a single Methanex plant operation during the region's winter season with the C4 unit remaining offline due to reduced natural gas supply from Argentina.

Current Market

At the end of the quarter, regional supply conditions were unchanged. Speculations of operational issues in Methanex's Geismar, Louisiana complex indicate that methanol production at a unit has been affected again this week. Nevertheless, despite this and the seasonal reduction in production in Chile during winter months, overall methanol supply in the region remained on the long side. This is reflected by the offers seen this week with buyers remaining on the sidelines for spot cargo purchases as the market sentiment in the region remains bearish, especially for traditional chemical applications.

Market demand was unchanged. Consumption of traditional methanol derivatives has been hampered by the lack of a seasonal boost from the construction sector. The formaldehyde market remains weak but stable. The same could be said for the acetic value chain, which is experiencing lackluster demand as the paints and coatings season is not materializing as expected this year. In contrast, US purified terephthalic acid (PTA), a precursor of polyethylene terephthalate (PET), is experiencing strong seasonal demand primarily driven by the boost from the beverage sector during summer months.

Prices

It was a quiet week for the US spot market, with prices higher than the previous week. Last week ended with some additional July-loading deals reported after the publication of our weekly report, for a total of 13.75 kt of July-loading product reported to have traded at a spot-weighted average of 87 cpg (\$289 per mt) in the week. With no June-loading trading reports in the last week of this month, Chemical Market Analytics is posting this week's spot market price at a notional 89-94 cpg (\$296-313 per mt), which is based on the offers seen for July. The June spot-weighted average is still currently 80.5 cpg (\$268 per mt) and will be finalized as usual on the last business day of the month, which is Monday 30 June. Meanwhile, the July spot-weighted average (not finalized) is currently calculated at 87 cpg (\$289 per mt).

As regards to reference prices for July 2025, all suppliers have now posted their prices. Accordingly, our contract net transaction price for July 2025 is posted at 239 cpg (a nominal \$795 per mt), which is an increase of 2.7 cpg (\$9 per mt) from the previous month. Please note that we use a conversion factor of 3.325 between cents per gallon and US dollars per metric ton.

Outlook

As regards our North America short-term price forecast, we have made some upward, albeit only slight, adjustments based on this week's price offers. At the same time, we have also increased contract prices based on the recently announced supplier price postings for July. That said, the current adjustment for 2025 could be considered aggressive as we are also considering tightening supply due to a potential trade flow shift stemming from the Israel-Iran conflict, expected US-imposed tariffs (once the 90-day pause ends on 8 July), and the Atlantic hurricane season that has now started. At the same time, we have considered that demand will not improve significantly for the rest of the year. Consequently, the expectation for the remainder of 2025 is for higher prices than previously forecast, due to the premium reflecting the risk of potential supply disruptions.

Other Features

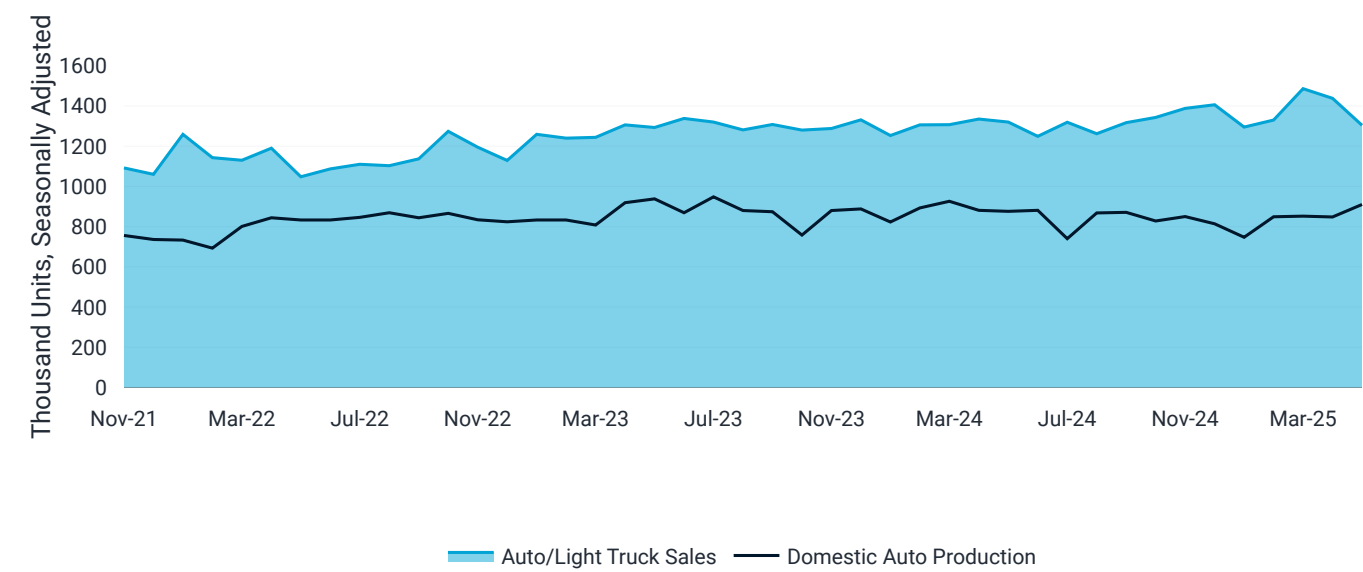
Automotive

Methanol derivatives' automotive industry demand is captured through its use as a solvent, such as acetic acid. Vehicle production and sales are shown in the 'US Automobile Production and Sales' chart, with preliminary data now available for May 2025. Automotive and light-truck production recovered, increasing approximately 7% in May compared with the previous month. Total automotive sales dropped in May 2025 for the second consecutive month, decreasing by almost 9% because of declines in sales of both domestic and foreign-made vehicles. When compared to May 2024, total automotive sales dropped slightly by more than 1%. In comparison to April 2025, sales in May decreased by approximately 8% for domestic vehicles and, more dramatically, by 15% for foreign-made vehicles.

Japan and South Korea, both of which are among the largest exporters of cars to the United States, now face headwinds due to the imposition of 25% tariffs on imported automobiles and car parts into the United States. On 26 June, Japan's chief trade negotiator, Ryosei Akazawa, stated that Japan cannot accept the US's 25% tariffs on imported cars, arguing that Japanese automakers significantly contribute to the US economy by producing 3.3 million vehicles annually within the US (far exceeding their 1.37 million vehicle exports to America). At the same time, Mr. Akazawa also stated that Japanese car manufacturers have invested over \$60 billion and created 2.3 million local jobs in the United States.

On 20 May, Mexico's Economy Minister Marcelo Ebrard indicated that cars assembled in Mexico and exported to the US will face an average tariff of 15%, not 25%, due to additional discounts for products compliant with the United States-Mexico-Canada Agreement's (USMCA) regional content rules. As tariffs have the potential to increase automobile prices, automakers like General Motors (GM) have announced investments to shift production to the US. GM plans a \$4 billion investment to relocate some production from Mexico to the US by 2027. Mexico is the largest exporter of cars to the United States.

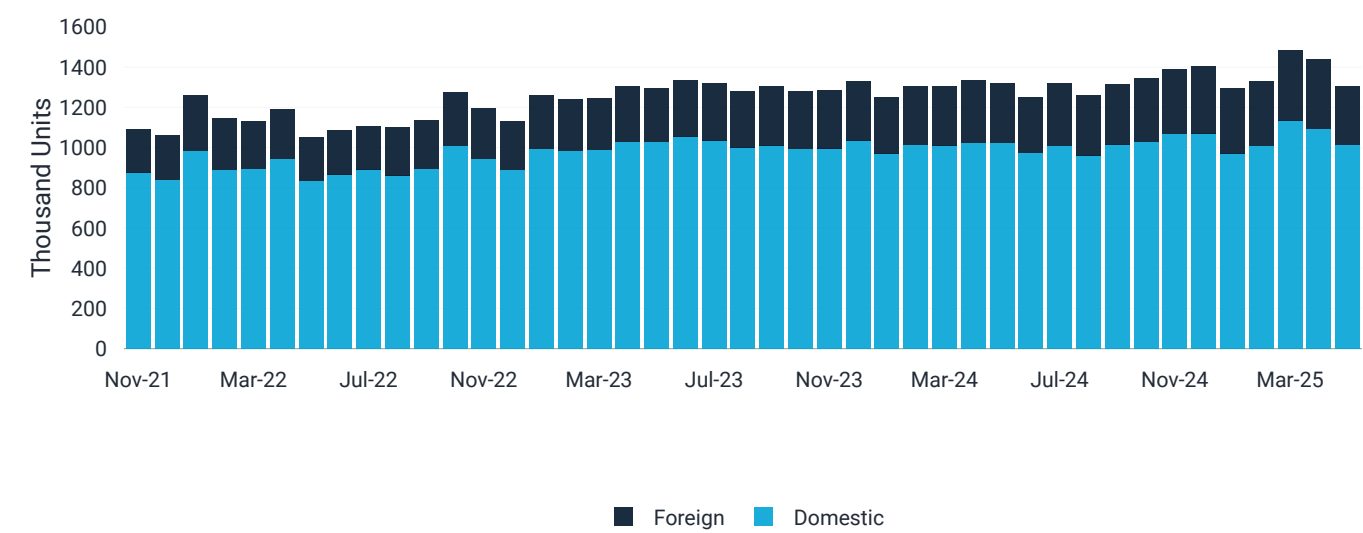
US Automobile Production & Sales



Source: Chemical Market Analytics by OPIS

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US Auto & Light Truck Sales

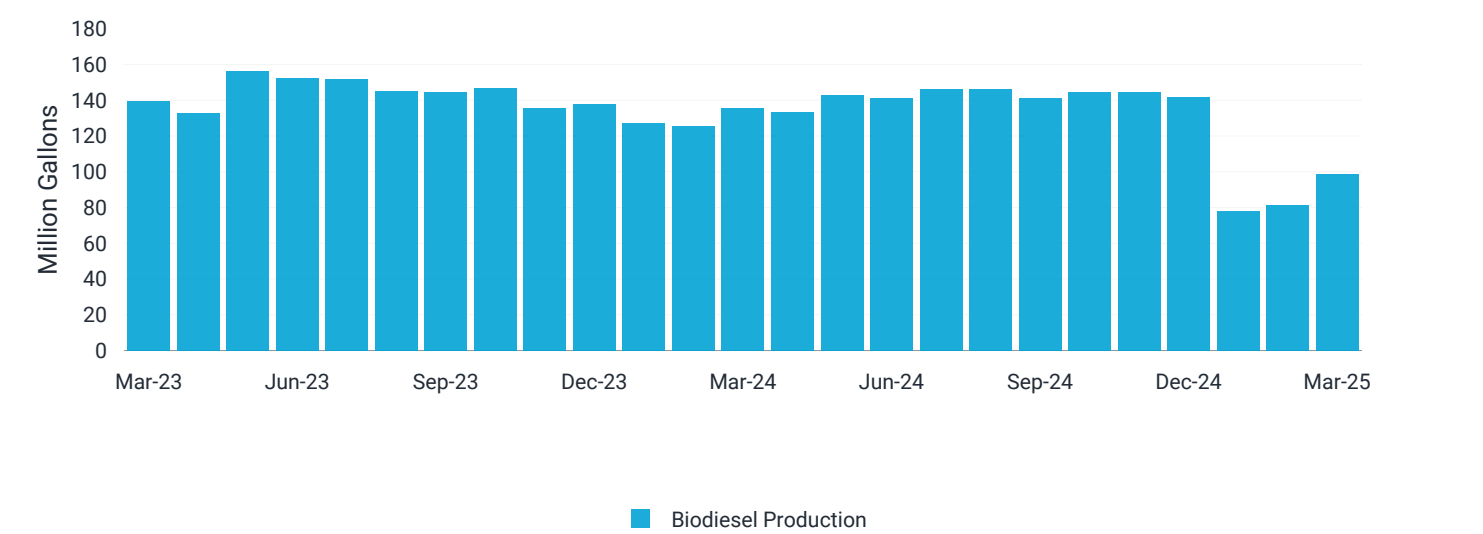


Biodiesel

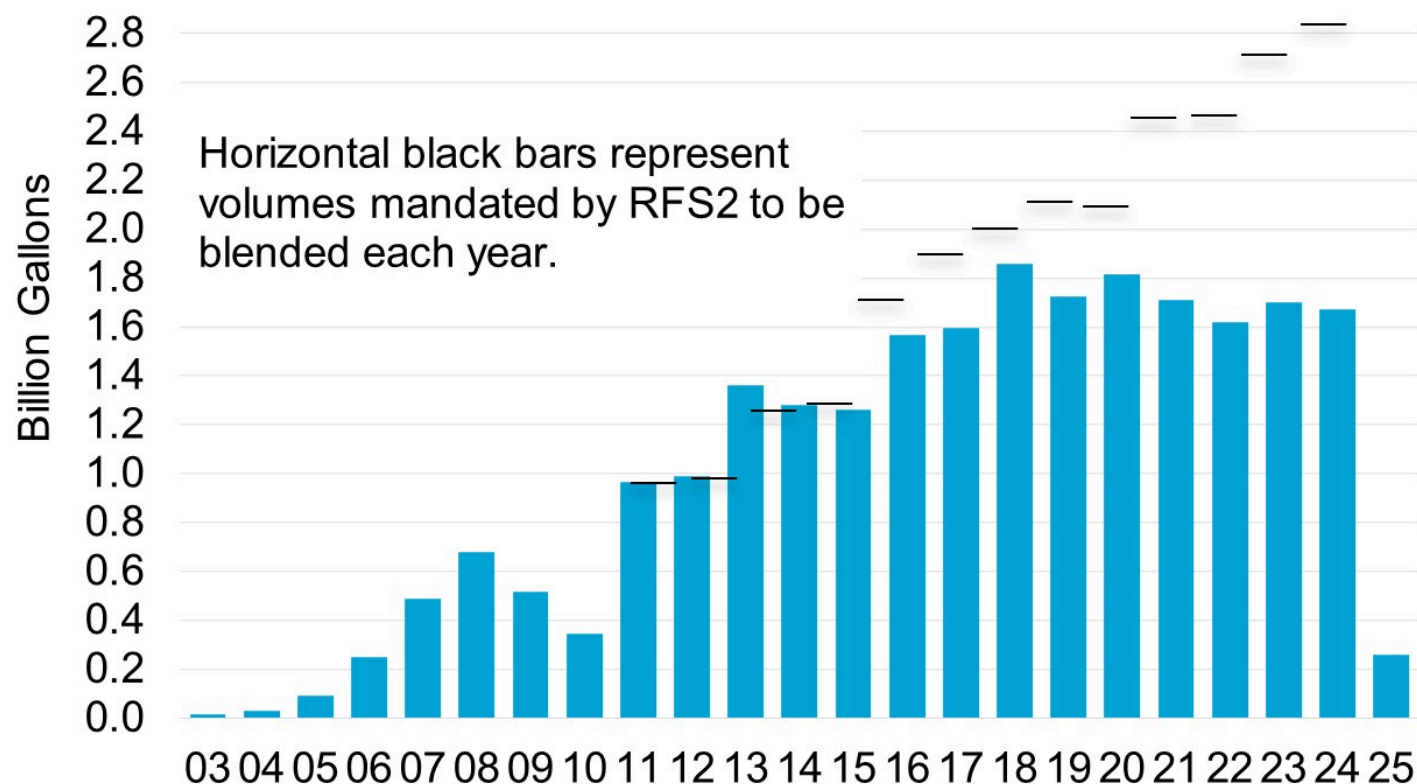
The US Energy Information Administration's (EIA) March 2025 data for biodiesel markets in the Americas are now available and are shown in the 'United States Monthly Biodiesel Production' chart. US production in March grew for the second consecutive month, increasing by 22%, reaching almost 98 million gallons. However, this represents a 27% decline in production from March 2024 numbers, and a 33% first quarter decline when compared to the same timeframe in 2024. In comparison to the last quarter of 2024, US biodiesel production saw a sharp decline in the first quarter of 2025, primarily due to uncertainty surrounding federal biofuel tax credits and poor margins. As indicated by the EIA, biodiesel is expected to increase output as the year progresses. Nevertheless, production is still forecast to remain below 2024 levels.

According to the Brazilian National Agency for Petroleum, Natural Gas and Biofuels, Brazil's biodiesel production in March 2025 increased by approximately 17%, a strong year-to-date production growth of more than 11%. Brazil's biodiesel market is set for significant expansion following the Fuel of the Future bill approved by Congress in September 2024, which mandates increasing biodiesel content from the current 14% to 20% by 2030, rising by one percentage point annually. Effective 1 August, Brazil will raise its mandatory biodiesel blend from 14% to 15%, as announced by the government on 25 June. As stated by the Brazilian Association of Vegetable Oil Industries (ABIOVE), this is expected to drive over 52.5 billion Brazilian Real (BRL) in investments, enabling 15 billion liters of biofuel production. This will more than double domestic biodiesel production. The key challenge remains ensuring sufficient soybean supply or securing alternative feedstocks for this growth.

US Monthly Biodiesel Production



US Annual Biodiesel Production

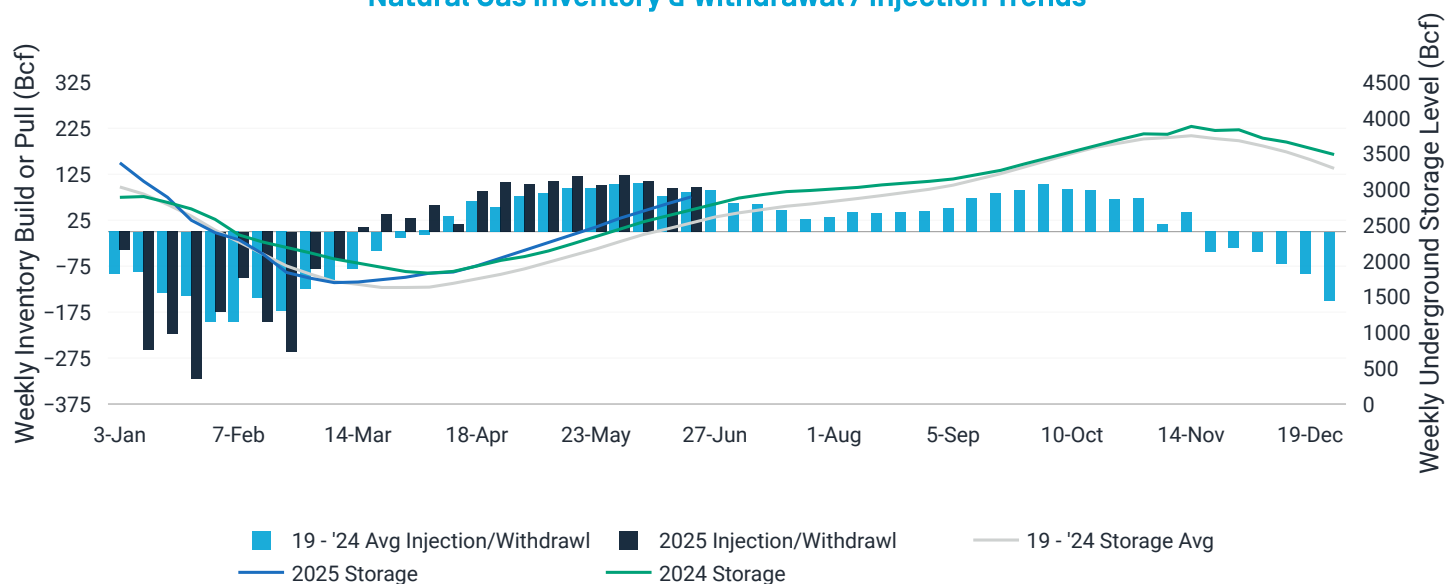


Source: Chemical Market Analytics by OPIS

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Energy

Natural Gas Inventory & Withdrawal / Injection Trends



Source: Chemical Market Analytics by OPIS

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For the week ending June 20, the EIA reported an increase in natural gas underground inventories of 96 Bcf. Last year's storage activity for this same week saw a build of 57 Bcf, while the historic five-year average for this same week was a build of 78 Bcf. Current inventory now stands at 2898 Bcf, 204 Bcf below last year's level and 139 Bcf above the five-year average. See graphic "Natural Gas Storage Trends."

Europe/Russia/Middle East/India

Overview

EMEA

Market activity remained subdued this week, with overall conditions quiet and soft. Demand for methyl tert-butyl ether (MTBE) and biodiesel stayed low, while consumption of chemicals like formaldehyde, acetic acid, and methyl methacrylate (MMA) also remained weak.

Meanwhile, water levels on the Rhine River have continuously decreased and are low enough to keep transportation costs elevated and continue disrupting production in Germany.

Supply remained ample, bolstered by consistent methanol imports from Trinidad and the United States. While these volumes have continued to shape regional availability, their influence has slightly increased in recent days as spot demand has started to soften.

Industrial-scale methanol production in the European Union remains robust, with operations at Mider-Helm (Total) and Equinor providing continued support.

In May, Russia exported 154 kt of methanol.

On 13 June 2025, Israel launched a major airstrike on Iran, targeting nuclear and missile facilities and reportedly killing several high-ranking officials. This escalation significantly impacted crude oil prices and Iran's methanol sector. A ceasefire between Israel and Iran came into effect on 24 June 2025, brokered by the U.S. and Qatar, and remains in place.

Recent reports suggest that most Iranian methanol production units are still offline, though restarts are expected to begin as early as next week. The Kaveh methanol plant is reportedly already operational. This positive development has begun to exert downward pressure on prices in key methanol markets.

Chemical Market Analytics is closely monitoring market developments, and we will continue to keep our clients informed as the situation evolves.

This week, the British Industrial Competitiveness Scheme was unveiled, offering subsidies to chemical companies aimed at lowering electricity network charges.

The Q3 2025 negotiated West European Contract Price (WECF) was settled during the week at €498 per metric ton (mt), a decrease of €118 per mt from the previous quarter and €32 per mt lower than the Q3 2025 European Contract Price announced by Methanex.

The European methanol spot price for July delivery is reported at €278.5 per metric ton (mt), FOB Rotterdam T2.

Logistical disruptions persisted this week, driven by continued instability in the Red Sea and the ongoing rerouting of vessels via the Cape of Good Hope, further compounded by the Israel-Iran conflict.

Meanwhile, average global shipping rates declined, primarily due to falling transportation costs on routes from mainland China to the United States. However, transport costs from mainland China to the European Union have risen slightly, reflecting tightening capacity and shifting trade flows.

India

Indian cost-and-freight (CFR) import prices decreased significantly this week with the de-escalation between Israel and Iran resulting in lower oil prices and the discontinuation of risk surcharges for methanol deliveries. CFR India prices were considered notional ranging at \$260–270 per mt. Spot prices for domestic trade settled much lower at 24.5–26 rupees per kilogram.

Operations

The Rhine water level at Kaub dropped to 1.2 m on Friday 27 June and is expected to continue decreasing in the coming days.

The Gatun Lake water level increased to 86.3 ft on 27 June.

Stock levels at the main coastal terminal in Northwest Europe were reported to be at 80% this week and are expected to decrease in the coming days.

Drewry's World Container Index declined by 9% this week, reaching \$2,983 per 40 ft container. Freight costs from mainland China to the European Union have seen a slight increase, however.

Current Market

EMEA

Methanol demand in Europe is diverging noticeably from typical seasonal trends, with second-quarter consumption falling short of expectations. While demand for fuels and chemicals is broadly stable, overall market activity continues to be subdued.

Methyl tert-butyl ether (MTBE) production has been low, partly due to planned maintenance at Oxeno's facility in Germany. Biodiesel demand also remains weak. Demand across the broader chemicals sector is steady but uninspired.

The acetic acid market is currently well supplied. INEOS's larger A4 unit remains offline with no confirmed restart date, while the A5 unit is reportedly operating at reduced rates. Meanwhile, methyl methacrylate (MMA) producers face pressure from low-cost imports from mainland China, although silicone production has remained stable.

European MMA Market – June Snapshot;

European MMA demand remained weak in June, mirroring poor conditions in the acrylate ester sector. Business confidence has declined amid U.S. tariff uncertainty, prompting H2 downgrades and cautious buying behavior. Spot demand was soft, with prices falling and buyers prioritizing contract volumes. Trade tensions between the U.S. and EU continue to create uncertainty, with fears of a 20% U.S. tariff reimposition after the current 10% extension expires in July.

Production updates include Röhm's LiMA plant in the U.S. ramping up to 70% capacity, expected to reduce German MMA exports to the U.S. (24 kt in 2024; 8,5 kt YTD 2025). The Westwego ACH plant is closing, and a new sulfuric acid regeneration unit at Worms will expand Röhm's EU capacity later this year.

The SAMAC MMA plant in Saudi Arabia continues running above 90% capacity despite Middle East tensions. Insurance rates for shipping in the Gulf have risen, but MMA exports from Jubail are unaffected.

Meanwhile, limited MMA from China is reaching the U.S., and potential EU retaliatory tariffs could impact 35 kta of U.S. MMA/MAA imports. Logistics issues persist in the Red Sea and some high-inhibitor MMA remains stranded in Antwerp.

This week, the British Industrial Competitiveness Scheme was announced, extending subsidies that will reduce electricity network charges by up to 90% for sectors including chemicals, steel, ceramics, automotive, aerospace, and digital industries. The support - estimated to save around £35-40/MWh between 2026 and 2030 - is expected to help sustain the UK chemical industry and slow the closure of domestic production units.

Methanol production in the European Union this week was driven by Equinor's 900 kta methanol unit at Tjeldbergodden, Norway, and Mider-Helm's 800 kta methanol unit in Leuna, Germany.

Major methanol production units in Iran are reportedly still offline but are expected to begin restarting next week, following the Israel-Iran ceasefire. Natural gas supply limitations from the South Pars field remain in place, though they appear to be less severe than initially expected after the Israeli attacks.

Russian Methanol Exports May 2025

Destination Country	kT	% of Total
Belarus	6.7	4.4
Brazil	39.4	25.5
Mainland China	84.7	54.8
Kazakhstan	2.9	1.9
Kyrgyzshtan	0.0	0.0
Turkey	20.7	13.6
Total	154.4	100

Source: Chemical Market Analytics by OPIS © 2025 Oil Price Information Service, LLC.

Methanol production in Egypt has reportedly been offline since last week, while Libyan production is assumed to have restarted.

The European spot methanol price for July delivery increased by €6 to €278.5 per mt, FOB Rotterdam T2.

India

The Indian market eased again this week after sentiment was under significant pressure last week. With the de-escalation between Israel and Iran prices dropped very quickly to previous levels. Indian inventory levels were considered generally healthy with sufficient availability in most regional ports. Consumption in most main downstream segments continued to be subdued with the monsoon season in full swing. The Gujarat Narmada Valley Fertilizers & Chemicals Ltd (GNFC) plant, with a capacity of 296 kta and production based on natural gas, is reportedly offline.

Prices

EMEA

Market activity was lower than expected this week, likely influenced by the ceasefire in the Middle East and WECP negotiations. The week began with high expectations but ended with a significant decline in prices.

On Monday, there were two trades of 1 kt for July delivery at €292 per mt and a trade of 1 kt for July delivery at €295 per mt, FOB Rotterdam T2.

On Tuesday, there was a trade of 1 kt for July delivery at €285 per mt, FOB Rotterdam T2.

On Thursday, there were two trades of 1 kt for July delivery at €262 per mt and €264 per mt, FOB Rotterdam T2.

Therefore, Chemical Market Analytics is posting this week's European spot methanol price for July delivery at €262-295 and an average of **€278.5 per mt**, FOB Rotterdam T2.

European Natural Gas

On 27 June, TTF front-month futures decreased 18% week-on-week to settle at \$11.3 per MMBtu (€33.2 per MWh). Norwegian pipeline gas supply remains robust, reaching 299 million cubic meters per day (MMcm/d) on 24 June, up from 270 MMcm/d on 16 June. Steady inflows from both LNG and pipeline deliveries have brought European underground storage to 56% capacity, with 63.98 billion cubic meters (Bcm) in storage as of 22 June. While this is below the 75.1% or 88.12 Bcm recorded a year ago, the EU is still on track to reach 84% storage capacity by winter, provided LNG imports stay above 400 MMcm/d. Gas demand for cooling purposes is elevated, with a heatwave spreading across Northwest Europe, with warmer-than-normal temperatures expected until the first week of July.

Looking ahead to Q4 2025, the forward price for TTF futures is €35.7 per MWh (\$12.2 per MMBtu). At this price, the production of methanol from European merchant natural gas remains economically unfeasible when compared with our methanol price forecast

Note: A difference of \$1 per MMBtu in the natural gas price results in an increase/decrease of approximately \$35 per mt in the methanol variable cost.

Outlook

We continue to maintain a cautious outlook for European methanol demand, which is weak but relatively stable. With limited domestic production, the region remains heavily dependent on deep-sea imports, leaving the spot market more exposed to disruptions and unexpected volumes from key exporting countries.

Throughout the second quarter, a supply surplus continued to weigh on the market, driving spot prices well below net contract levels. This was largely due to abundant supply, high inventory levels at major terminals, and persistently weak demand - particularly in Germany and Spain. A recent uptick in spot demand has helped narrow the price gap, though the overall market remains soft.

Second-quarter demand has been exceptionally low, influenced in part by widespread expectations of a sharp decline in the third-quarter West European Contract Price (WECF). The Q3 WECF fell by €118/mt, but this still does not appear sufficient to support a meaningful recovery in EU production.

Although the recent escalation of the Israel–Iran conflict has ended, global supply is expected to recover quickly.

While a modest rebound in European demand - particularly in fuel applications during the summer holiday season - is anticipated, a significant shift in which demand substantially outpaces supply remains unlikely.

Meanwhile, TTF natural gas prices remain elevated, continuing to render methanol production from merchant gas economically unfeasible.

India

Notional Indian methanol prices for CFR imports settled much lower at \$260–270 per mt. Domestic prices decreased significantly to a narrower range this week at 24.5–26 rupees per kilogram.

Other Features

Shipping News

Repsol has announced that it will be ready to supply bio-methanol by barge in Barcelona starting in Q1 2026. The company plans to begin deliveries using two newly deployed chemical barges, each with a capacity of 8,000 cubic meters, which will operate in Spanish waters.

Motorship reports that Swiss **WinGD** will supply over 30 methanol-capable engines to a major Taiwanese container operator, including X92 engines for twelve 16,000 TEU ships and X82 variants for twenty 8,700 TEU vessels.

Bunkerspot reports that **COSCO Shipping** has taken delivery of the 16,000 TEU COSCO Shipping Yangpu, its first methanol-ready containership. The vessel is the first in a series of methanol dual-fuel ships built by **COSCO Shipping Heavy Industry Yangzhou**.

Stena Line has announced that the Stena Futura, the first of its new hybrid and methanol-fuelled ferries destined for the Irish Sea, has completed its sea trials in China.

Bunkerspot reports that Dutch marine contractor **Van Oord** has christened Boreas, a new offshore wind installation vessel - the first of its kind to feature dual-fuel methanol engines.

Current Product Pricing

Global Methanol Prices

Region	\$/MT	Cents per Gallon	Direction
United States	\$/MT	Cents per Gallon	Direction
Monthly Price, USGC Distribution FOB*	\$778 - \$795	234.0 - 239.0	
T/T-T/C FOB N/E Coast Terminals*	\$791 - \$808	238.0 - 243.0	
T/T-T/C Non-discounted, Price FOB USGC*	\$778 - \$795	234.0 - 239.0	
Posted Barge Non-discounted, Price FOB USGC*	\$778 - \$795	234.0 - 239.0	
Spot Barge, FOB USG¹	\$296 - \$313	89.0 - 94.0	↑
Spot FOB USG in Barges, Weighted Avg., June (not finalized)¹	\$268	80.48	↔
Contract Net Transaction Price, FOB USG in Barges**¹	\$786	236.30	↔
West Europe	\$/MT or €/MT	Cents per Gallon	Direction
Contract Basis FOB Rotterdam, T-2 (Q2'25)	€616.0	215.6	
Spot FOB Rotterdam, T-2	€262.0 - €295.0	91.7 - 103.3	↓ / ↑
Spot C & F Rotterdam, T-1 (Notional; Duty = 0%)	\$297 - \$335	89.3 - 100.8	↓ / ↑
Asia/Pacific	\$/MT or ¥/MT	Cents per Gallon	Direction
Korea, CFR	\$325 - \$340	97.7 - 102.3	↑
Taiwan, CFR	\$315 - \$325	94.7 - 97.7	↔
China, CFR Main Ports	\$272 - \$290	81.8 - 87.2	↓
Southeast Asia, CFR Main Ports	\$340 - \$350	102.3 - 105.3	↑
Domestic East China	¥2,620 - ¥2,820	109.8 - 118.2	↑
Posted West Coast India, CFR	\$260 - \$270	78.2 - 81.2	↓
Reference Pricing (Month of May)			
United States - FOB USG	\$/MT	Cents per Gallon	
Spot Barge, Average of Weekly Postings¹	\$280 - \$287	84.2 - 86.2	
Spot Barge, Monthly Weighted Average**¹	\$291	87.4	

Region	\$/MT	Cents per Gallon	Direction
Contract Net Transaction Price ¹	\$827	248.6	
West Europe	\$/MT or €/MT	Cents per Gallon	
Contract Basis FOB Rotterdam, T-2 (Q2'25)	€616	209.2	
Spot FOB Rotterdam, T-2	€239 - €250	81.3 - 84.9	
Spot CFR Rotterdam, T-1	\$263 - \$275	79.0 - 82.6	
Asia/Pacific	\$/MT	Cents per Gallon	
Korea, CFR Main Ports, Spot	\$323 - \$335	97.1 - 100.8	
Taiwan, CFR Main Ports, Spot	\$320 - \$329	96.2 - 98.9	
China, CFR Main Ports, Spot	\$252 - \$264	75.7 - 79.5	
Southeast Asia, CFR Main Ports, Spot	\$330 - \$341	99.2 - 102.6	
Current One USD Equivalents			
Canada - 1.371			
Euro - 0.859			
Pound Sterling - 0.734			
Japan Yen - 145.183			
China Yuan - 7.174			
Highlighted prices reflect notional price postings			
¹ Prices in \$/MT are reported on a nominal basis after conversion from Cents per Gallon.			
* Denotes June pricing unless otherwise indicated.			
** Weighted average calculations include transactions completed in the previous month for current month loading.			
Current and forecast prices presented herein are strictly the opinion of Chemical Market Analytics and are based on information within the public sector and on assessments by the Chemical Market Analytics staff. Chemical Market Analytics MAKES NO GUARANTEE OR WARRANTY, AND ASSUMES NO LIABILITY AS TO THEIR USE.			
Since July 2014, duty on methanol imports to the EU moved from 2% to 0%			

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