AGE POLYMER WEEKLY REVIEW

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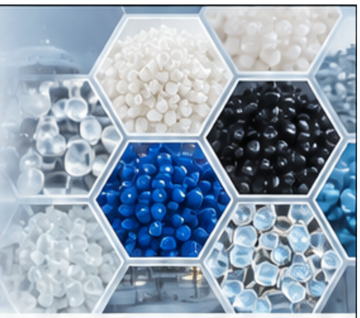

Global Polymer Market Analysis & Outlook

31 AUGUST 2026 | MONDAY

Independent Market Intelligence. Trusted by Buyers and Sellers Worldwide.

MARKET TAKEAWAY

Crude is back above $90/bbl as Middle East tensions and shipping risks support energy prices. PE and PP have cost support, but demand is still selective. PVC remains under pressure. Market direction will depend more on supply and demand balance than on oil alone.

CRUDE OIL SNAPSHOT

	30 Aug 2026 (Last Close)	23 Aug 2026 (Last Close)	Change
Brent Crude (USD/bbl)	90.8	86.7	+4.1
WTI Crude (USD/bbl)	85.6	81.6	+4.0
Dubai Crude (USD/bbl)	88.7	84.6	+4.1

Source: Platts / Investing / Other Sources

FEEDSTOCK OVERVIEW (INDICATION)

Feedstock	30 Aug 2026	23 Aug 2026	Change
Naphtha (USD/MT)	745	708	+37
Ethylene (CFR NE Asia)	900	860	+40
Propylene (CFR NE Asia)	910	870	+40
PX (CFR NE Asia)	985	940	+45

KEY DRIVER THIS WEEK

- Geopolitical tension in Middle East supporting crude and freight
- Strait of Hormuz shipping risk remains elevated
- China demand mixed; restocking selective
- High inventories in some regions limiting sharp upside
- USD stable but regional currencies under pressure

POLYMER MARKET SNAPSHOT (30 AUG 2026)

POLYMER		GLOBAL PRICE INDICATION (USD/MT)	W-O-W CHANGE	MARKET DIRECTION (WEEK AHEAD)	COMMENTS
HDPE (Film)	CFR Asia	1,080 – 1,130	+10 / +20 ↑	Sideways to Firm	Cost support from higher feedstock & freight. Demand selective; Middle East supply to watch.
LLDPE (Film)	CFR Asia	1,050 – 1,100	+10 / +20 ↑	Sideways to Firm	Tight supply in some origins. Buyers covering short term needs only.
LDPE (Film)	CFR Asia	1,150 – 1,200	+10 / +20 ↑	Sideways to Firm	Butene-1 cost higher. Supply adequate but premium remains.
PP (Homo)	CFR Asia	1,040 – 1,090	+10 / +20 ↑	Firm Bias	Propylene higher. Demand not strong enough for sustained rise.
PP (Copolymer)	CFR Asia	1,060 – 1,110	+10 / +20 ↑	Firm Bias	Automotive & appliances demand moderate.
PVC (SG-5)	CFR Asia	680 – 720	0 / -10 ↓	Sideways to Soft	Supply ample. Demand from construction weak in many regions.
PET (Bottle Grade)	CFR Asia	860 – 910	0 / +10 ↑	Sideways	PTA/MEG mixed. Packaging demand provides support.
ABS (General Grade)	CFR Asia	1,230 – 1,300	+10 / +20 ↑	Volatile / Sideways	Feedstock sensitive. Chinese demand to decide next move.

Note: Prices are indicative ranges for standard grades in mainstream areas. Actual deals may vary by grade, origin, lot size, payment terms & destination.

FREIGHT & LOGISTICS UPDATE

Route	30 Aug 2026 (USD/40'DC)	23 Aug 2026 (USD/40'DC)	Change
Middle East → China	1,250	1,090	+160
Middle East → India	1,080	950	+130
Middle East → SE Asia	970	860	+110
China → Europe	3,200	2,950	+250
China → USA (WC)	2,450	2,200	+250

MARKET SENTIMENT

BUYERS Cautious. Covering immediate requirements only. Watching crude, freight and supply.

SELLERS Cost pressure supports offers. But high inventories in some regions limit aggressive increases.

WEEK AHEAD OUTLOOK (OVERVIEW)

- PE: Sideways to firm. Supply and freight will be key.
- PP: Firm bias but demand response critical.
- PVC: Weak to sideways in most markets.
- PET: Balanced with feedstock-led moves.
- ABS: Volatile; watch feedstocks and China demand.

REGIONAL MARKET OUTLOOK

CHINA & ASIA
China domestic market mixed. PE & PP saw selective strength in late August, while PVC remained weak. Traders are watching September restocking and government policies.

MIDDLE EAST
Key supplier for global markets. Strait of Hormuz risk and higher freight are the main concerns. Export availability to Asia to be closely monitored.

EUROPE
Demand remains soft in many sectors. Local production margins under pressure. Imports remain competitive in PE and PP.

AMERICAS
US ethane advantage supports exports. Latin America demand moderate; currency volatility impacting buying patterns.

AFRICA
Import demand steady in select countries. Freight from Middle East and Asia higher than last week.

AUSTRALIA / OCEANIA
Market stable. Demand seasonal. Asian supply remains main source for PE, PP & PVC.

PAKISTAN MARKET WATCH

PE & PP: Import dependent. Prices follow international market, freight and PKR/USD movement.

PVC: Local production exists; international moves have less direct impact.

Demand: Overall demand slow but steady in key sectors (packaging, agriculture, pipes, wires & cables).

INDICATION (CFR PAKISTAN)	30 Aug 2026 (USD/MT)	W-O-W CHANGE	TREND
HDPE Film	1,110 – 1,170	+10 / +20	↗
PP Raffia	1,060 – 1,120	+10 / +20	↗
PVC SG-5	700 – 740	0 / -10	↘

Note: Indicative ranges for planning only.

KEY RISKS TO WATCH

- Further escalation in Middle East
- Strait of Hormuz disruption
- Sharp increase in freight & insurance
- Weak Chinese/Gobal demand
- Inventory build-up in key markets
- Currency volatility
- Policy changes & trade measures

BUYING / SELLING STRATEGY

BUYERS Cover genuine short-term needs. Avoid overbuying. Focus on best value and reliable supply.

SELLERS Stay flexible. Use market volatility to manage inventory and margins smartly.

WEEK AHEAD SCENARIOS

BASE CASE (60%)
Crude remains around current levels. Freight stays elevated but stable. Demand improves slightly.
Expectation: PE/PP sideways to firm, PVC weak to sideways.

BULL CASE (25%)
Middle East tension worsens. Shipping/freight further rises. Supply tightens in key grades.
Expectation: PE/PP stronger, PET/ABS firmer, PVC may stabilize.

BEAR CASE (15%)
Geopolitical tension eases. Crude & freight decline. China & global demand weak.
Expectation: All polymers under pressure, PVC softer.

ABOUT AGE

Al Ghazali Enterprises (AGE) is a leading international trading company, active in petrochemicals, polymers and industrial raw materials since 1983. We connect global markets with reliability and trust.

OUR SERVICES

- Global Polymer Trading
- Import / Export Solutions
- Market Intelligence & Advisory
- Supply Chain Management

DISCLAIMER

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Independent Global Polymer Market Analysis & Outlook | 31 August 2026

EXECUTIVE MARKET VIEW

Crude strength is supporting replacement costs, but it is not creating a uniform polymer rally. PE and PP have the clearest cost and logistics support; PVC remains constrained by competitive supply and uneven construction demand; PET is balanced by packaging demand versus Asian capacity; ABS remains feedstock-sensitive.

The main upside risk is the Middle East. Any deterioration in Gulf shipping can affect freight, insurance, export availability and delivery reliability. AGE's base case is selective firmness rather than a broad-based bull market.

1. CRUDE OIL & FEEDSTOCKS

Indicator	30 Aug	23 Aug	Change
Brent crude US$/bbl	90.8	86.7	+4.1
WTI crude US$/bbl	85.6	81.6	+4.0
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The upstream chain is providing a firmer cost floor, but pass-through remains the key test. Converters will resist increases that are not supported by downstream orders.

2. POLYMER MARKET SNAPSHOT

Polymer	CFR Asia US$/MT	W-o-W	Direction	Commercial view
HDPE Film	1,080-1,130	+10/+20	Sideways-Firm	Cost support; selective buying
LLDPE Film	1,050-1,100	+10/+20	Sideways-Firm	Short-covering possible
LDPE Film	1,150-1,200	+10/+20	Sideways-Firm	Feedstock support
PP Homo	1,040-1,090	+10/+20	Firm bias	Demand is the test
PP Copolymer	1,060-1,110	+10/+20	Firm bias	Moderate downstream demand
PVC SG-5	680-720	0/-10	Sideways-Soft	Supply ample
PET Bottle	860-910	0/+10	Sideways	Packaging support
ABS General	1,230-1,300	+10/+20	Volatile	China demand decisive

PE & PP

PE carries a sideways-to-firm bias driven more by replacement cost, freight and Middle East supply risk than by a demand boom. PP has a firmer cost argument as propylene strengthens, but sustained upside still requires real converter restocking.

PVC

PVC remains the weakest major resin in the current complex. Competitive supply and uneven construction demand reduce sellers' ability to pass through energy inflation. Pakistan requires separate interpretation because domestic PVC production changes the import-price transmission mechanism.

PET & ABS

PET remains balanced as packaging demand provides a floor while Asian capacity limits aggressive upside. ABS is more volatile because its feedstocks can diverge; Chinese electronics, appliance and automotive demand remains the key test.

Indicative planning ranges only; actual deals vary by grade, origin, volume, payment terms, freight and destination.

3. REGIONAL MARKET OUTLOOK

China & Asia

September restocking is the key demand test. PE/PP can receive cost support while PVC remains more exposed to weak demand and competitive supply.

Middle East

The largest upside-risk region. Watch Hormuz transit, marine insurance, freight, plant operations and export cargo availability.

Europe

High local production economics face uneven demand and import competition. A sustained recovery needs stronger consumption.

Americas

The U.S. ethane-based PE advantage remains important and can provide balancing export supply where freight economics permit.

Africa

Demand is steady but price-sensitive; freight from the Middle East and Asia is a major landed-cost variable.

Australia / Oceania

Conditions are comparatively stable and seasonal; Asian supply remains the principal reference.

4. PAKISTAN MARKET WATCH

PE & PP: Pakistan remains import-dependent, so international resin direction, freight and USD/PKR movement are the principal landed-cost drivers. Gulf-origin availability deserves close attention.

PVC: Domestic production materially changes the market structure. International PVC prices remain relevant but do not transfer one-for-one into Pakistan as they do for imported PE or PP.

Demand: Purchasing remains cautious. Packaging, agriculture, pipes, wires/cables and selected industrial applications provide underlying consumption, but buyers are likely to resist speculative increases.

5. WEEK-AHEAD SCENARIOS

BASE CASE - 60%	BULL CASE - 25%	BEAR CASE - 15%
Crude holds near current levels; freight stays elevated but manageable. **Expected:** PE/PP sideways-to-firm; PET/ABS mixed; PVC weak-to-sideways.	Middle East tension worsens; freight/insurance rise; selected grades tighten. **Expected:** PE/PP strengthen first; PET/ABS may firm.	Geopolitical risk eases; crude/freight retreat; demand stays weak. **Expected:** broad price pressure; PVC most vulnerable.

6. BUYING & SELLING STRATEGY

Buyers: Cover genuine short-term requirements, especially where supply depends on Middle Eastern origins. Avoid panic buying and excessive inventory solely because crude is higher. Compare landed replacement cost by origin.

Sellers: Higher feedstock and freight costs support margin defense, but flexibility remains important. Excessive increases can lose volume where inventories are comfortable or converter orders are weak.

AGE FINAL VIEW

September opens with stronger upstream costs and a higher logistics-risk premium, but downstream demand is not yet strong enough to confirm a broad bull cycle. PE and PP carry the clearest upside exposure; PVC remains structurally weaker; PET is balanced; ABS is volatile. Watch Gulf logistics, feedstock pass-through, Chinese restocking and real converter demand.

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