AGE GLOBAL POLYMER MARKET REPORT

09 OCTOBER 2026
Global Market Intelligence, Regional Analysis & 7-Day Outlook

CHINA	MIDDLE EAST	EUROPE	USA
Bullish / volatile	Firm / bullish	Stable to higher	Stable / mildly firm
TÜRKIYE	**INDIA**	**PAKISTAN**	**GLOBAL FEEDSTOCKS**
Firm	Stable to firm	Soft, rebound risk	Elevated / volatile

Central thesis: Global polymer replacement costs are firming as China reopens strongly and Middle East energy, feedstock and logistics risks remain elevated. Pakistan remains locally soft, creating a widening gap between local spot prices and fresh replacement economics.

1. Executive Summary

China: The post-Golden-Week reopening delivered the strongest bullish surprise of the week. PP and LLDPE futures jumped sharply on 8 October, while auction clearance improved dramatically. This confirms a powerful sentiment reset, although the durability of the move still depends on downstream buying after the first post-holiday sessions.

Middle East: Saudi/GCC polymer markets remain supported by higher crude, firmer LPG benchmarks, supply restrictions and shipping risk. The market is cost- and supply-led rather than demand-led, which means increases can still face resistance from converters.

Europe: Sellers continue attempting October increases because of higher energy costs, reduced import competition and production constraints. Downstream demand is still the limiting factor.

Türkiye: PP and PE remain firm on restricted import availability and long delivery times. PVC is comparatively more demand-sensitive due to weak liquidity and slower construction-related consumption.

India: October producer increases have largely held. India therefore remains structurally firmer than Pakistan, where local wholesale prices have continued to fall.

Pakistan: Karachi prices show a pronounced local correction, particularly in LDPE. The core market risk is that local stock prices are now diverging from international South Asia replacement values.

USA: The US remains relatively balanced because of its ethane-based polyethylene cost advantage, though export economics, Gulf Coast weather and global logistics remain important.

AGE MARKET BIAS: Global market = firm / volatile. China = bullish but demand confirmation needed. Middle East = firm. Pakistan = soft locally, but rebound risk is increasing.

What matters most this week

The strongest mistake would be to call the market simply bullish because crude and China futures are rising. The evidence is more nuanced: supply and replacement costs are bullish, but downstream demand is still inconsistent. The next 3-5 trading sessions in China will determine whether the current move becomes a broader demand-led cycle or remains a sentiment and restocking spike.

2. China Market Analysis

China is the global swing market for this issue. The pre-holiday position was cautious: converters had relatively lean raw-material inventories, but they were not confident enough in finished-goods demand to build large speculative positions. Golden Week therefore created the possibility of either a restocking rally or a producer-inventory overhang.

The first major post-holiday signal was decisively bullish. Dalian PP futures moved to around CNY 9,242/MT on 8 October, up roughly CNY 669 on the day, while LLDPE reached around CNY 8,697/MT, up about CNY 508. PVC moved only slightly higher around CNY 4,915/MT, highlighting the contrast between strong polyolefin sentiment and a more subdued PVC demand structure.

Auction activity also strengthened sharply, with Shenhua polyolefin auction clearance reported near 99.5%. That suggests buyers who entered the holiday understocked moved quickly once futures strengthened.

Product	8 Oct Reference	Daily Move	AGE Interpretation
PP futures	CNY 9,242/MT	+669	Strong sentiment / restocking impulse
LLDPE futures	CNY 8,697/MT	+508	Strong PE momentum
PVC futures	CNY 4,915/MT	+9	Much weaker response; demand still cautious

China risk test

The key question is not whether futures rose; it is whether converters continue purchasing after the first 2-3 post-holiday sessions. If buying continues, producer inventories will tighten and Asian offers can reprice higher. If purchasing fades, the rally may prove temporary and sellers could face renewed inventory pressure.

China 7-day bias: PP bullish/volatile; PE bullish initially with demand confirmation required; PVC neutral to mildly firm.

3. Middle East / Saudi Arabia Analysis

The Middle East remains the principal source of replacement-cost risk for South Asia. The region is one of the world's largest PE export hubs, so changes in Saudi/GCC production, feedstocks or shipping conditions transmit quickly into Asian import economics.

October Saudi LPG benchmarks remain a major cost signal. Propane was set around USD 680/MT, up USD 55/MT, while butane moved to around USD 730/MT, up USD 70/MT. Firmer LPG increases the cost burden for petrochemical chains linked to olefin production.

Crude oil also moved back above USD 100/bbl in early October, with Brent trading above USD 104/bbl intraday on 8 October. The polymer impact is indirect but important: higher crude supports naphtha and energy costs, while regional shipping risk increases freight, insurance and working-capital exposure.

Driver	Direction	Polymer Effect
Saudi propane	USD 680/MT	Supports feedstock cost
Saudi butane	USD 730/MT	Supports cracker / LPG economics
Brent crude	> USD 100/bbl	Raises energy and naphtha pressure
Regional shipping risk	Elevated	Raises landed cost / delivery uncertainty

The Middle East rally remains more supply- and cost-driven than demand-driven. That distinction matters: producers may defend higher offers, but converters can still resist if finished-product margins remain poor. The practical implication for Pakistan is that fresh replacement cargoes can become more expensive even while local warehouse stocks trade lower.

Middle East 7-day bias: PE firm/bullish; PP firm/volatile; demand cautious; logistics remain the major risk.

4. Europe, Türkiye, India & USA

Region	Current Bias	Primary Support	Primary Constraint
Europe	Stable to higher	Energy, lower imports, production constraints	Weak downstream demand
Türkiye	Firm	Scarce imports, long lead times, limited nearby stock	Liquidity / demand
India	Stable to firm	October producer increases, price discipline	Selective buying
USA	Stable / mildly firm	Ethane feedstock advantage, export economics	Large capacity / global demand

Europe

European sellers continue pushing for October increases, supported by higher energy costs, reduced import competition and production constraints. The limiting factor remains downstream consumption: sellers have stronger cost arguments, but buyers remain resistant where finished-goods demand is weak. The result is likely to be selective rather than uniform price gains.

Türkiye

Türkiye remains one of the firmer regional markets. PP and PE are supported by scarce import offers, long delivery times and declining nearby stock. PVC is less convincing because liquidity and construction-related demand remain weak. This makes Türkiye predominantly a supply-led market rather than a demand-led one.

India

India entered October with producer-led increases across multiple PE and PP grades. Broad PP increases of around INR 1,000/MT were implemented, with larger adjustments on selected grades. PE revisions were also positive across several LDPE, LLDPE and HDPE sectors. By 8 October, most prices were rolled over rather than reversed, reinforcing the view that producer discipline remains intact.

United States

The US market needs to be separated from naphtha-heavy regions because polyethylene production benefits from ethane-based feedstock economics. That structural advantage supports competitiveness, especially in exports. However, Gulf Coast weather, logistics, global freight and export arbitrage can still transmit volatility into domestic and export resin pricing.

5. Pakistan Market Analysis

Pakistan is the clearest divergence market in this week's report. Local Karachi prices have continued to soften even as South Asia replacement costs and Middle Eastern feedstock pressures move higher. The sharpest correction remains concentrated in LDPE.

Grade	22 Sep Rs/kg	02 Oct Rs/kg	Change
Lotrene 374 LDPE	425	380	-45
FE3000 LDPE	365	335	-30
FE8000 LDPE	360	330	-30
Borouge FT5230 LDPE	345	315	-30
Sabic 118WJ LLDPE	279	262	-17
Lotrene Q1018H LLDPE	277	260	-17
Lotrene TR144 HDPE	265	250	-15
Sabic 952 HDPE	228	216	-12
Borouge 168 PP	278	262	-16
Chinese PP Injection	270	250	-20

South Asia replacement references

Product	Indicative CFR South Asia
LDPE Film	~ USD 1,540/MT
LLDPE Film	~ USD 1,340/MT
HDPE Film	~ USD 1,340/MT
HDPE Blow Moulding	~ USD 1,320/MT
HDPE Injection	~ USD 1,320/MT
PP Raffia	~ USD 1,380/MT
PP Film	~ USD 1,405/MT

This creates the central Pakistan market question: can local stock prices continue falling while new replacement cargoes remain expensive? The gap can persist temporarily because local traders may need cash and converters may delay purchases, but it normally cannot widen indefinitely. Either international replacement costs retreat, or local prices eventually stabilize and move closer to import parity.

Pakistan strategy: staged procurement is preferable to panic buying. Buyers should cover near-term production requirements and add inventory only when local prices stop falling or replacement-cost pressure strengthens further.

6. AGE 7-Day Outlook - 09 to 15 October 2026

Market	Direction	Confidence	Key Trigger
China PP	Bullish / volatile	High	Post-holiday buying continuation
China PE	Bullish / volatile	High	Converter restocking depth
China PVC	Neutral / slight up	Medium	Property / construction demand
Saudi / GCC	Firm / upward	High	Feedstock + logistics
Türkiye	Firm	High	Import availability
Europe	Stable to higher	Medium	Pass-through success
India	Stable to firm	Medium-High	Producer discipline
Pakistan	Soft initially / rebound risk	Medium	Local inventory vs replacement cost
USA	Stable / mildly firm	Medium	Exports + Gulf logistics

Bullish factors

• China post-holiday futures rally and strong auction clearance.

• Brent above USD 100/bbl and elevated Middle East risk premium.

• Higher Saudi LPG benchmarks and firmer feedstock economics.

• Tight import availability in Türkiye and selected European markets.

• India producer discipline and limited reversal of October increases.

• Higher replacement-cost risk for Pakistan importers.

Bearish factors

• Weak downstream margins and finished-goods demand.

• Potential fade in China buying after the first reopening sessions.

• Buyer resistance to aggressive producer increases.

• Excess local inventory and liquidity pressure in Pakistan.

• Weak industrial demand in Europe.

• Large US capacity limiting extreme upside.

7. AGE Commercial View

The market should be treated as a divergence trade, not as a single global direction. China and the Middle East are currently the strongest upside influences, while Pakistan remains the clearest local weakness. Europe and the US sit between those extremes, with Europe more exposed to energy and import constraints and the US more protected by feedstock economics.

For buyers, the best approach is to compare executable local stock prices against true landed replacement cost, including freight, FX, finance and taxes. For sellers, the critical signal is whether converters extend purchase horizons beyond immediate needs. Without that behaviour, higher feedstock costs may establish a floor but not necessarily a sustained rally.

Bottom Line

Global: firm / volatile
China: bullish but demand confirmation required
Middle East: firm / bullish on supply and cost
Europe: stable to higher attempts
Türkiye: firm
India: stable to firm
Pakistan: locally soft, rebound risk increasing
USA: stable to mildly firm

Source & Methodology Note

This report combines user-supplied Pakistan and South Asia market references with cross-checked public market reporting available through 8 October 2026. International benchmarks and qualitative regional assessments were checked against recognized polymer-market and energy-market sources. Where a supplied image contained inconsistent or future-dated figures, those figures were excluded from the final report. Key public references reviewed for this issue include CommoPlast market updates, ChemOrbis regional polymer reporting, Plastemart India price-movement notices, ICIS market commentary and Reuters energy/shipping reporting.

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