



RLA Market Insights – Thursday, 14 May 2026

China PP Exports Hit Record as Middle East Disruptions Drive Sourcing Shift

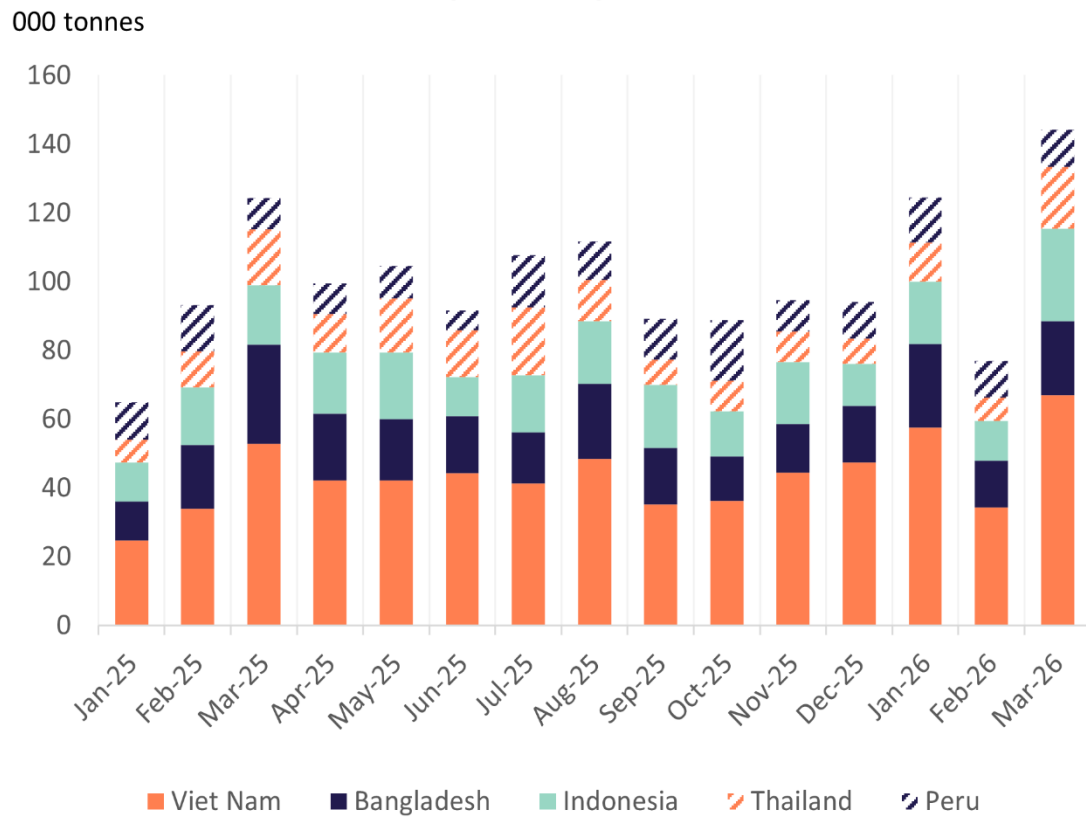
China's polypropylene (PP) exports hit a record 343,000 tonnes in March 2026, up 61% MoM, lifting first-quarter exports to 808,300 tonnes putting China in a net export position. The surge was driven by Middle East conflict-related supply disruptions and the Strait of Hormuz closure, which tightened feedstock and polymer availability across Indian Sub-Continent, Northeast Asia and ASEAN region. China's PP industry proved more resilient due to its diversified feedstock base, including crude oil, LPG, and coal-to-olefins output. As global PP prices rose faster than Chinese domestic prices, export arbitrage improved, especially for coal-to-olefins producers. Chinese cargoes flowed mainly to Indian-Sub Continent and ASEAN region, while Japan and South Korea also sought supply amid shortages. India's temporary duty exemption and Indonesia's zero import tariff may further support exports.

China's polypropylene (PP) exports to India also surged in March. China exported about 51,000 tonnes of PP to India in March, up from 18,000 tonnes in February, nearly 9% of China's total exports for 2026 so far. Indian buyers turned to China-origin PP due to delayed or cancelled Middle East cargoes, competitive offers, and surcharges on booked shipments from Middle East. Given the country's recent struggle with LPG and feedstocks amid the ongoing crisis, Indian government allocated higher share of crude oil refining to produce LPG for domestic consumption as fuel, leaving a lesser share for polyolefins production. India is therefore dependent on China and other viable suppliers for sourcing polypropylene to cater the upcoming peak summer demand.

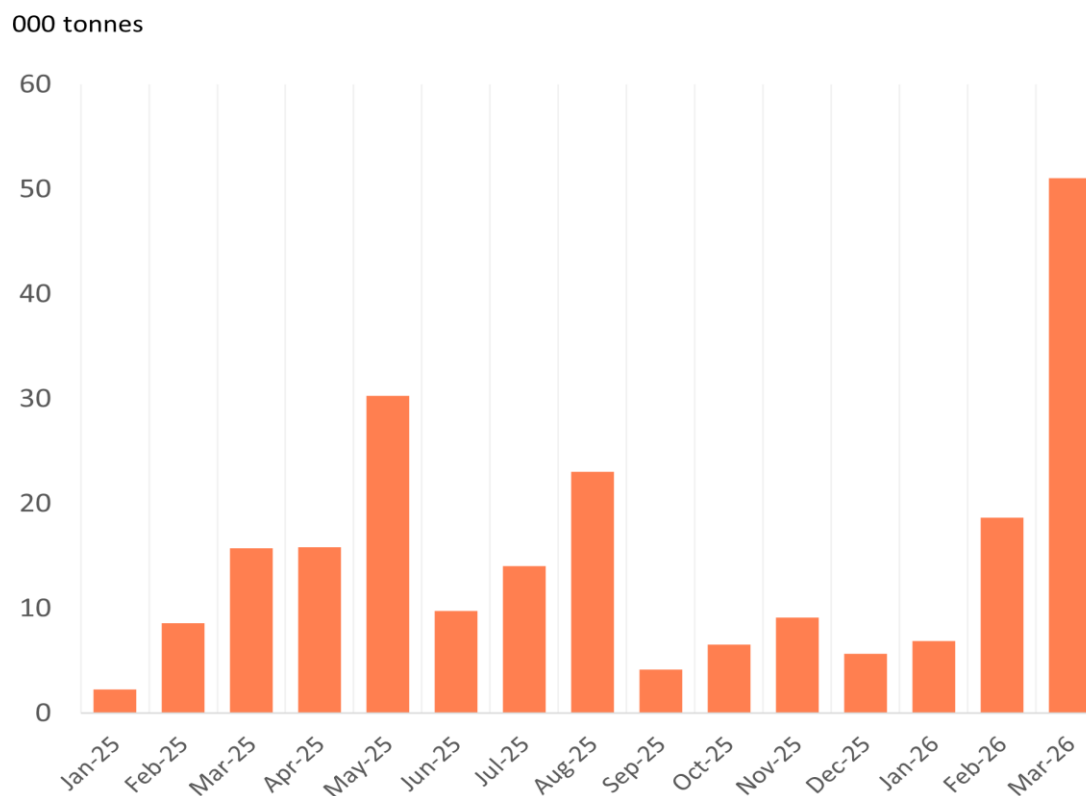
See Next Page for Graphs.



China PP Exports - Top 5 Destinations



China PP Exports to India





SHORT TERM OUTLOOK – OIL TANKER MARKET

A monthly report covering the next four months including trends in oil supply, demand and trade, tanker demand and supply, spot, and time charter rates for MRs up to VLCCs, comparisons with FFAs plus the latest news on developments impacting the oil and tanker sectors.

MEDIUM TERM OUTLOOK – OIL TANKER MARKET

Concise analyses of topical issues, consistent market data series and views on future trends in tanker charter rates. The report covers Oil Prices; Economic Developments; Oil Demand and Supply; Trade; Tanker Demand, Supply and Rates. Sent to clients around January, April, July and October each year

SHORT TERM OUTLOOK – VLGC MARKET

A monthly report looking four months ahead at likely trends in the VLGC Spot Market with the latest on key LPG carrier trades, benchmark LPG prices, arbitrage developments, a comparison with FFAs and recent news

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A quarterly series of regular reviews, analyses and forecasts of the LPG Carrier Market. The report covers Economic Developments; LPG production, consumption and pricing; LPG, chemical gases and ammonia trade, LPG Carrier Demand, Supply and Rates for Fully Ref, Semi-Ref and Pressurised Ships. Reports are sent to clients around January, April, July and October each year.

CHEMICAL CARRIER WORLD SERVICE

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