

## ETHOXYLATES

Ethoxylates in general are primary non-ionic surfactants. They are the second-largest downstream sector of ethylene oxide (EO) after ethylene glycols.

Alcohol ethoxylates (AE), a key type of ethoxylates, is the second-largest commodity surfactant by market volume after linear alkylbenzene sulfonate (LAS) and the largest non-ionic surfactant. It is also the largest downstream sector of fatty alcohols.

AE can be broadly classified into natural (oleochemical-based) and synthetic (petrochemical-based) grades. The synthetic AE market is limited in Asia, however, because of a lack of capacity in the region, unlike in Europe and the US. Natural-grade AE, also known as fatty AE (FAE), dominates in Asia because of the ample availability of feedstock fatty alcohols.

Ethoxylates are consumed in the home and personal-care, agrochemicals, textile, lubricant and paper industries. AE can be used directly as surfactants or as a feedstock for SLES production, the main workhorse of natural surfactants.

ICIS quotes ethoxylates prices in **Asia**.

### **Frequency:**

The Alcohol Ethoxylates report is published weekly on Wednesdays in Asia.

*Alcohol Ethoxylates (Asia Pacific)*

### **Price quotes/price assessments:**

#### **FAE with EO moles 2 (FAE-2) weekly spot price (bulk)**

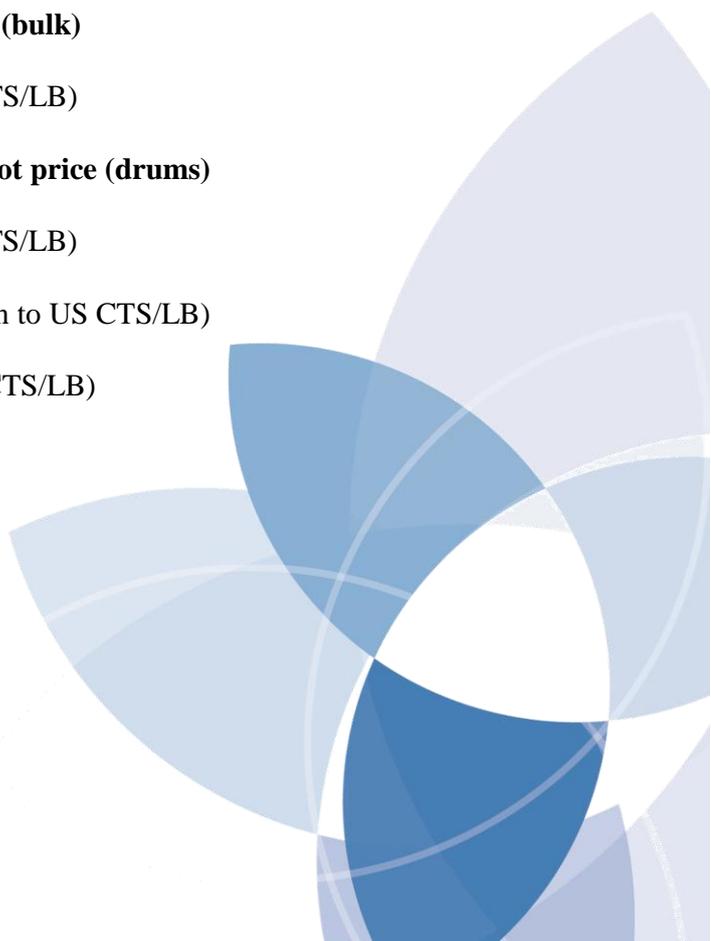
CIF CHINA (USD/TONNE & conversion to US CTS/LB)

#### **FAE with EO moles 7 and 9 (FAE-7,9) weekly spot price (drums)**

CIF CHINA (USD/TONNE & conversion to US CTS/LB)

EAST CHINA EXWH (CNY/TONNE & conversion to US CTS/LB)

CIF SE ASIA (USD/TONNE & conversion to US CTS/LB)



**Assessment window:**

Price assessments are based on information supplied by market participants throughout the week, up to the close of business on Wednesdays at 17:00 hours Singapore time.

**Specifications:**

ICIS quotes FAE-2 and FAE-7,9 grades typically at a minimum of 99% purity.

**Timing:**

Cargoes loading or delivered two-to-four weeks forward from the date of publication except for domestic business in China, which is for immediate delivery of up to three days.

**Terms:**

Payment terms for spot cargoes in Asia are on a letter of credit (L/C) 30-90 days. Domestic spot business in China is based on cash on delivery or cashier's order; deals concluded on 30-90 day credit will be converted to cash equivalent prices before they are factored into the assessment.

**Standard cargo size:**

In Asia-Pacific, the standard volume for FAE-2 will be 500-1,000 tonne bulk cargoes.

For FAE-7,9, price quotes are for drummed cargoes. One drum is equivalent to 190-200 kg. A container can usually hold up to 80 drums. The standard cargoes usually range between 15-500 tonnes.

In the China domestic market, the standard transaction in east China is 2-20 tonnes EXWH (ex-warehouse).

**Assessment basis:**

Spot price assessments are based on information gathered throughout the week (Wednesday to Wednesday) from market players comprising producers, end-users and traders. The process of evaluation takes into consideration confirmed and reported deals; bids and offers; and buying and selling indications. Other deals heard would be mentioned in the text if they are seen to be having an impact on the market. In the absence of trades, the published price range may be adjusted on a notional basis to accurately reflect the levels at which trading activity could take place. Factors such as deep-sea cargo movements; supply/demand balance; plant operating rates; feedstock and derivative markets; and general market sentiment are also taken into account.



In Asia, AE is largely a spot-activity based market, with a broad range of pricing that is similar to fatty alcohols. The AE market also consists of toll manufacturing arrangements; major AE users will procure fatty alcohols and ship to ethoxylate makers to toll manufacture AE. Such tolling markets are prevalent for AE products of lower EO moles, as these grades are intermediates for SLES production. Without the presence of firm discussions and buying/selling ideas for AE of lower EO moles, correlations between 1) prices of feedstock fatty alcohols and ethylene oxide and 2) AE products with higher EO moles will be considered.

In the Chinese domestic market, the price assessments refer to drummed cargoes traded between producers/distributors/first-tier traders and their customers. Chinese domestic prices include a 17% of value added tax (VAT).

The report offers market commentary and analysis that includes details of traced ethoxylates spot transactions, supply/demand issues, export/import data and news, spot prices, contract price negotiations, general market sentiment for price direction, feedstock markets, substitute products' markets, production news and the market outlook.

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