

ADI's news on global chemical industry including key projects, deals, and policies



FEATURED INSIGHT

Will CBAM reset chemical economics?

The EU's CBAM certificate price sets a carbon cost on imports, putting immediate cost pressure on steel, cement, and chemicals while driving shifts toward low-carbon supply chains and emissions transparency. [Read more >>](#)

SPECIALTY POLYMERS

Cooling fluids bottleneck data centers

Rising AI and HPC rack densities are pushing immersion cooling into focus as fluid choices shape reliability, maintenance, warranties, and long-term costs for data centers. [Learn more >>](#)

Plant announcements

- **Borouge** signed a 50:50 joint venture agreement with **Wanrong New Materials**, a subsidiary of **Wanhua Chemical Group**, to develop a 1.6 million tons per annum (tpa) steam cracker and polyethylene complex in Fujian, China. The greenfield project will expand Borouge's manufacturing footprint in China while utilizing **Borealis'** Borstar polymerization technology to produce polymers targeting China's infrastructure, energy, and electric vehicle markets.

💡 Middle Eastern petrochemical producers are accelerating localized manufacturing partnerships in China to reduce export exposure, strengthen market access, and advance downstream integration strategies.

- **Deepak Chem Tech**, a subsidiary of **Deepak Nitrite**, entered into a long-term agreement with **Praxair India** to establish a dedicated on-site hydrogen and carbon monoxide (HyCO) plant for its upcoming polycarbonate manufacturing complex in Dahej, Gujarat, with commissioning targeted for 2028. The facility will supply critical feedstocks for the complex while enabling the company to focus capital and operational resources on its core downstream polycarbonate operations.

💡 Chemical producers are outsourcing critical utility infrastructure to specialized partners to improve capital efficiency and secure reliable feedstock supply for high-value downstream chemicals.

- **Epigral** announced plans to expand its chlorinated polyvinyl chloride (CPVC) resin capacity by 75,000 tpa and its epichlorohydrin capacity by 50,000 tpa, with both projects expected to be commissioned in H1 2027. The expansions target growing chemical demand in India while reinforcing Epigral's position as the operator of the world's largest CPVC plant and India's largest epichlorohydrin facility by capacity.

💡 Indian chemical players are accelerating downstream integration into higher-margin specialty and derivative chemicals to capture domestic demand growth.

RECENT ADI PROJECTS

- Performed technical and commercial due diligence for an **integrated energy and chemicals park**, evaluating asset configurations.
- Prioritized molecules across 40+ petrochemical value chains to guide an **EPC firm's** downstream expansion.
- Tracked catalyst innovations and refinery trends to mitigate strategic risks for a **specialty chemical provider**.
- Benchmarked high-pressure PE costs and reactor technologies for a **European producer's specialty applications**.
- Analyzed HDPE and metallocene demand, benchmarking catalyst performance against global recycling mandates for a **diversified chemical producer**.
- Modeled global PP demand and trade flows, evaluating operational risks and long-term margins for **integrated producers**.

Explore ADI's [capabilities](#) and [services](#) >>

Mergers and acquisitions

- **Ecovyst** signed a definitive agreement to acquire **INEOS Calabrian** (INEOS' sulfur dioxide and sulfur derivatives business) for \$190 million, with the transaction expected to close by the end of June 2026. INEOS Calabrian operates production sites in Texas, U.S., and Ontario, Canada, producing ultra-pure sulfur dioxide and related derivatives. The acquisition expands Ecovyst's position in the sulfur derivatives market and strengthens its downstream specialty chemical portfolio.

💡 Specialty chemical producers are pursuing targeted acquisitions to strengthen vertically integrated positions in niche, high-purity chemical markets while larger players continue rationalizing non-core assets.

- **Ascent Industries** completed the acquisition of substantially all assets of **Midwest Graphic Sales and Sigma Coatings**, specialty chemical formulators serving packaging applications across the food, pharmaceutical, and personal care sectors. The acquisition expands Ascent's formulation capabilities in the [coating, adhesives, sealants, and elastomers \(CASE\) sector](#).

💡 Specialty chemical producers continue to drive consolidation in the CASE sector to expand capabilities and portfolios targeting resilient, high-margin end markets.

- **PTT Global Chemical (PTTGC) and SCG Chemicals (SCC)** signed a non-binding memorandum of understanding to explore the formation of a joint venture combining their olefins and polyolefins businesses in Thailand, with a final investment decision expected by Q3 2026. The proposed combination aims to create a top 10 global olefins player while improving operational synergies and competitiveness amid prolonged margin pressure and structural oversupply in Asia.

💡 **Asian petrochemical producers are accelerating consolidation strategies to combat structural oversupply, weak margins, and intensifying competition from advantaged U.S. and Middle Eastern producers.**

MARKET RESEARCH

Trusted studies on chemicals and plastics

- [Polypropylene](#)
- [Polyethylene](#)
- [Bio-based chemicals](#)
- [Linear alpha olefins](#)
- [TPOs & TPVs](#)
- [SBS & SEBS](#)
- [HDPE & MDPE](#)
- [Ethylene](#)
- [LDPE](#)
- [Polyacetals](#)
- [Tie layer resins](#)
- [MMA & PMMA](#)
- [ABS](#)
- [EPR & EPDM](#)
- [Acid copolymers](#)
- [Vinyl acetate](#)
- [POEs & POPs](#)

[Browse our library of industry-leading studies >>](#)

Plant closures

- **Celanese** announced the closure of its nylon 6,6 polymerization unit in Sakra, Singapore, alongside the optimization of its North American nylon 6,6 polymer assets as part of a broader restructuring initiative expected to deliver ~\$30 million in annualized savings. The move reflects continued margin pressure and global overcapacity across the nylon value chain, with Celanese consolidating production into more cost-advantaged regional assets while maintaining its specialty compounding capabilities.

💡 **Margin pressures and global overcapacity across the chemical sector continue to drive manufacturing footprint rationalization and asset consolidation among chemical producers.**

- **Henkel** announced plans to close its Oak Creek, Wisconsin facility in the U.S., with operations scheduled to cease in September 2026 and full site closure expected by February 2027. The closure is part of Henkel's broader manufacturing network optimization strategy as the company shifts focus toward higher-value specialty products and operational efficiency.

💡 **Specialty chemical and materials producers are increasingly consolidating legacy manufacturing assets to streamline operations and prioritize higher-margin specialty portfolios amid rising global competitive pressures.**

WHAT'S NEW IN ADI PLUS

- Implications of [UAE's exit from OPEC](#)
- Jet fuel dislocation from the [Iran conflict and implications for SAF](#)
- [Helium supply and the Middle East](#)
- Impact of the [Iran war on the global chemicals industry](#)
- Iran conflict [implications on oil prices and stakeholders](#)
- The [downstream fallout of the Iran conflict](#)
- Why the [Iran conflict matters more for LNG](#) than oil
- The [Iran conflict and oil markets](#)
- [Qatar LNG outages will reshape gas markets for years](#)
- Stranded [gas powers off-grid data centers](#)
- ADI's [U.S. refinery](#) database
- ADI's [global LNG capacity](#) database
- ADI's long-term [diesel demand](#) forecast
- ADI's long-term [global HVO/RD capacity](#) database
- ADI's [U.S. LNG export terminals](#) database

[Explore ADI Plus >>](#)

Technology development

- **Trillium Renewable Chemicals** secured \$13 million in funding to develop the world's first demonstration plant for bio-based acrylonitrile. The facility will utilize renewable feedstocks to produce acrylonitrile with a lower carbon footprint for applications in carbon fiber, acrylonitrile butadiene styrene (ABS) plastics, and nitrile rubber.

💡 **Development of bio-based routes for petrochemicals is accelerating as downstream industries seek low carbon drop-in materials for advanced polymers and composite applications.**

- **PureCycle** and **Plastic Ingenuity** partnered to develop sustainable coffee lids using recycled polypropylene produced through PureCycle's purification technology. The collaboration targets foodservice packaging applications while supporting growing demand for high-quality recycled plastics that can meet performance and regulatory requirements for consumer packaging.

💡 **Foodservice and consumer packaging companies are increasingly adopting advanced recycled polymers to meet sustainability targets and rising regulatory pressure on single-use plastics.**

Regulatory and macro updates

- The **European Commission** released the first official Carbon Border Adjustment Mechanism (CBAM) certificate price for Q1 2026 at €75.36 per ton of carbon dioxide equivalent (~\$88/t CO₂e), establishing the first quantified carbon cost benchmark for imports into the European Union. The chemicals sector will face the most immediate cost pressure, particularly for products such as ammonia and hydrogen. The CBAM certificate price is also expected to accelerate demand for verified supplier-level emissions data and lower-carbon production pathways.

💡 **CBAM is expected to reshape global chemical trade toward lower-carbon products while pushing chemical producers to strengthen emissions transparency and accelerate decarbonization efforts.**

- **Dow** and other U.S. Gulf Coast petrochemical producers are gaining significant pricing power following the closure of the Strait of Hormuz, which disrupted ~20% of global ethylene capacity and ~40% of naphtha supply to Asia. Polyethylene prices have risen sharply amid the supply disruption, with Dow implementing a 30-cent price increase in April and an additional 20-cent increase expected in May.

💡 **Geopolitical disruptions are widening the global petrochemical cost curve, strengthening the competitive advantage of U.S. ethane-based producers over naphtha-reliant assets in Asia and Europe.**



[AI & circular innovation in chemicals >>](#)



[Chemical & plastics circularity >>](#)



[Specialty chemicals market insights >>](#)

BEYOND THE INBOX

Fuel for thought

On LinkedIn, we explored critical themes shaping the chemical industry including [geopolitical disruptions and the global chemicals industry](#), [Europe's sustainability strategy](#), and [chemical prices at five-year lows amid prolonged downturn](#). [Subscribe to our weekly newsletter to join the conversation >>](#)

ABOUT ADI

ADI Analytics is a Houston-based consulting firm specializing in **oil & gas, energy, and chemicals**. Since **2009**, we've delivered over **1,000 bespoke engagements** for more than **450 clients**, including operators, investors, and start-ups.

With the acquisition of Chemical Market Resources (CMR), **ADI's chemicals practice** is now backed by a rich, 30-year legacy. Our deep expertise in commodity and specialty chemicals, petrochemicals, polymers, plastics, and engineered materials has shaped our rich experience in serving clients through **600+ projects** and a library of **55+ industry-leading multi-client studies**.

We also offer **ADI Plus**, our proprietary research and data portal, and host the **ADI Forum**, an executive conference featuring thought leadership in chemicals and materials, alongside oil & gas and energy.

www.adi-analytics.com



Copyright © 2009-2026 ADI Analytics LLC.

440 Cobia Dr, Ste 1704, Houston, TX 77494 * +1 281-506-8234

[View in browser](#), [update your preferences](#), or [unsubscribe](#).