

A blue-tinted background image showing laboratory equipment, including test tubes, a graduated cylinder, and a microscope. A hand is visible on the left, holding a test tube.

CHEMICALS MONTHLY UPDATE

October 2025

Chemical pricing remains soft amid global slowdown

The chemical sector experienced muted pricing during the month, in line with the drop in Brent and WTI crude prices amid geopolitical uncertainties. The weakness was primarily driven by sluggish downstream demand and muted end-user consumption. On the global front, US chemical production registered modest annual growth in August 2025, driven by steady performance in specialty chemicals and coatings, while basic chemicals, inorganics, and bulk petrochemicals remained sluggish. Export momentum remained muted, while imports grew moderately across both basic and specialty segments. China's chemical production grew modestly in September 2025, with key segments reporting healthy expansion. Cumulative output for Jan-Sept 2025 rose across most major chemicals, keeping global supply comfortable and limiting broad-based price recovery. EU27 chemical prices remained essentially flat compared to 2024, amid continued pressure from weak demand, elevated energy costs, and US tariff headwinds. The persistent uncertainty has dampened business sentiment across the region, while subdued demand growth has prevented any meaningful recovery in production volumes. Consequently, prolonged weak demand continues to weigh on overall EU27 chemical sales. On the earnings front, Indian chemical companies had a mixed performance in Q2FY26 with strong growth in specialty chemicals from leading players like SRF, Jubilant Ingrevia, and Grasim, while some companies faced operating and profit margin declines due to raw material cost pressures or product cycle effects. Looking ahead, domestic demand in India and the specialty chemical segment are poised to drive near-term growth; the chemical company should prioritize integrated specialty portfolios to navigate these headwinds.

Pricing trends witnessed mixed trends amid continued demand softness. Key chemicals, such as Isobutanol and Aniline, experienced slight price declines of 2.0% and 0.8%, respectively. On the other hand, Methanol and Ethanol prices spiked substantially, while Bromine prices declined sharply. Acetone saw a modest rise, while Ethyl Acetate slipped 0.7%, likely due to subdued downstream demand. Refrigerant gas prices decreased due to sluggish demand, while Heavy Soda Ash prices remain muted, reflecting destocking and softening demand. Soda Ash demand remained subdued in China and Southeast Asia, keeping prices range-bound. However, the DGTR imposed anti-dumping duties on imports from Turkey, Russia, the USA, and Iran, which could support Indian realizations.

The chemicals sector is expected to witness optimism driven by capex incurred and potentially better pricing in H2FY26. The Indian chemical industry is undergoing a transformative phase of accelerated growth, positioning itself as a key player in the global chemicals value chain. Driven by rising domestic consumption, robust export potential, and increasing demand from end-user industries, the sector has become a cornerstone of India's industrial landscape. Companies such as Aarti Industries, Acutaas Chemicals, GHCL, Laxmi Organics, Privi, Navin Fluorine, Neogen Chemicals, SRF, and Vinati Organics are likely to benefit from the demand for value-added chemical products.

Chemicals Monthly Price Update

Chemicals	Domestic Market Price Rs./kg				Chemical Companies
	Jul'25	Aug'25	Sep'25	Oct'25	
Acetone	61	62	59	63	Deepak Nitrite
Aniline	125	123	122	121	Nocil
Benzene	80	81	74	71	Aarti Industries
Caustic Soda	46	50	45	46	Gujarat Alkalies, DCW, Punjab Alkalies & Chemicals
Ethyl Acetate	77	76	75	74	Jubilant Ingrevia, Laxmi Organics
Fatty Alcohols	150	150	150	150	Galaxy Surfactants
Heavy Soda Ash	36	32	28	28	GHCL, Tata Chemicals
Iso Propyl Alcohol (IPA)	89	89	88	93	Deepak Nitrite
Methanol	27	30	30	35	RCF, NFL, Deepak Fertilizers, GNFC
Phenol	105	103	102	108	Deepak Nitrite Ltd.
Potassium Bromide	265	295	295	295	Archean Chemical
Vinyl Acetate Monomer (VAM)	77	81	76	75	Aarti Industries

Source Indiapetrochem

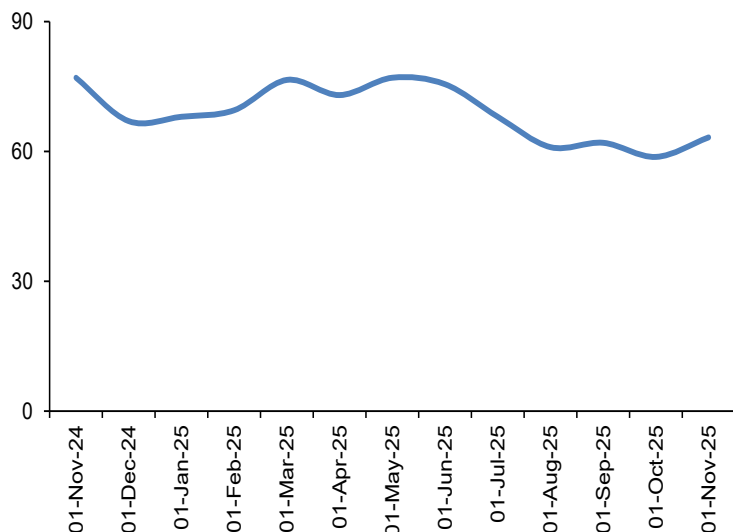
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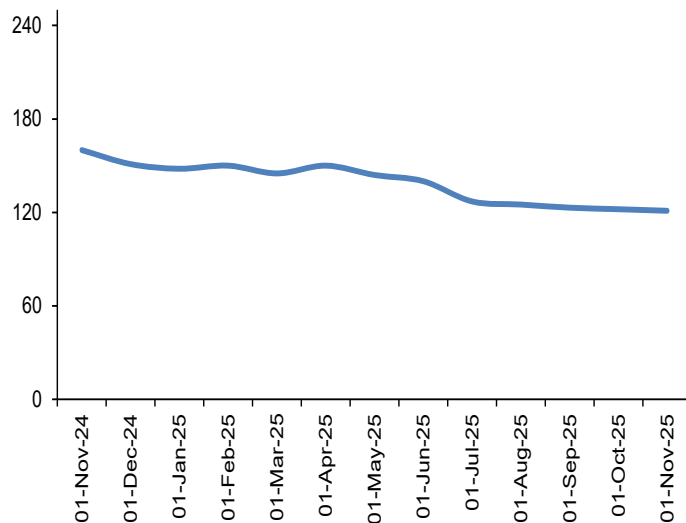
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Chemicals Monthly Update (October 2025)

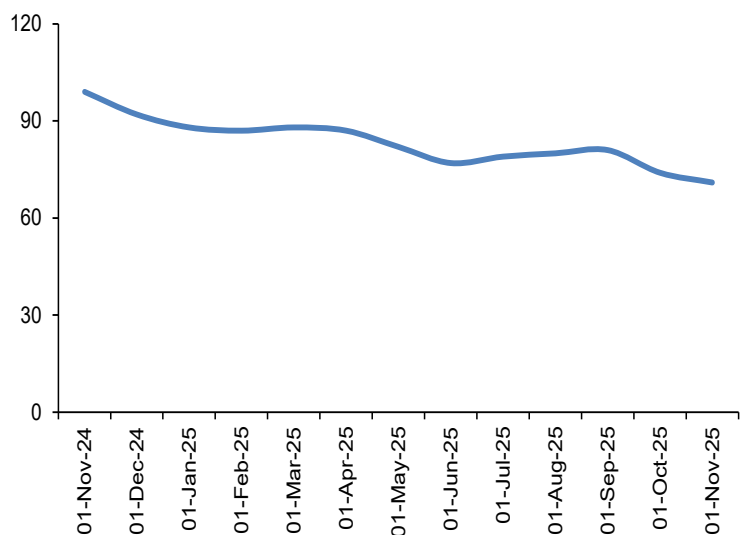
Acetone prices increased ~8% MoM (Price Rs./Kg)



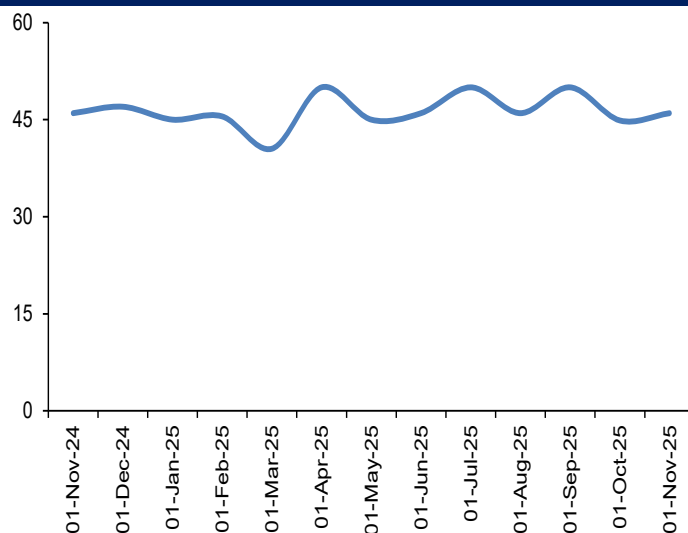
Aniline prices marginally drops MoM (Price Rs./Kg)



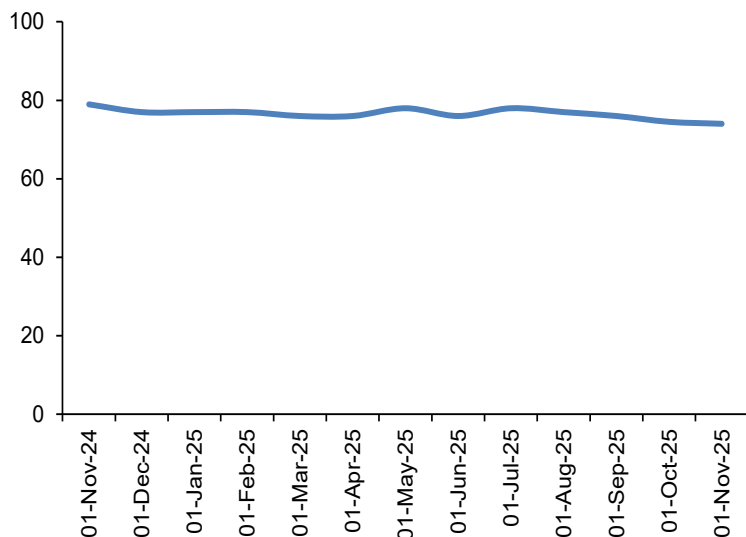
Benzene prices down ~4% MoM (Price Rs./Kg)



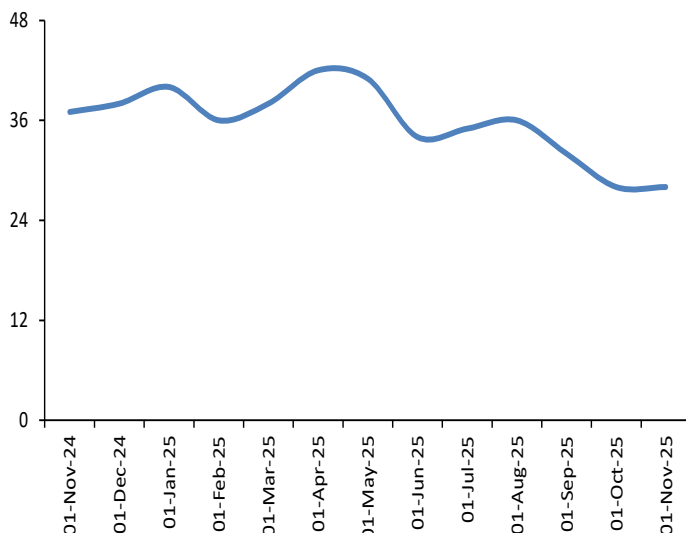
Caustic Soda prices up ~3% MoM (Price Rs./Kg)



Ethyl Acetate marginally drops MoM (Price Rs./Kg)



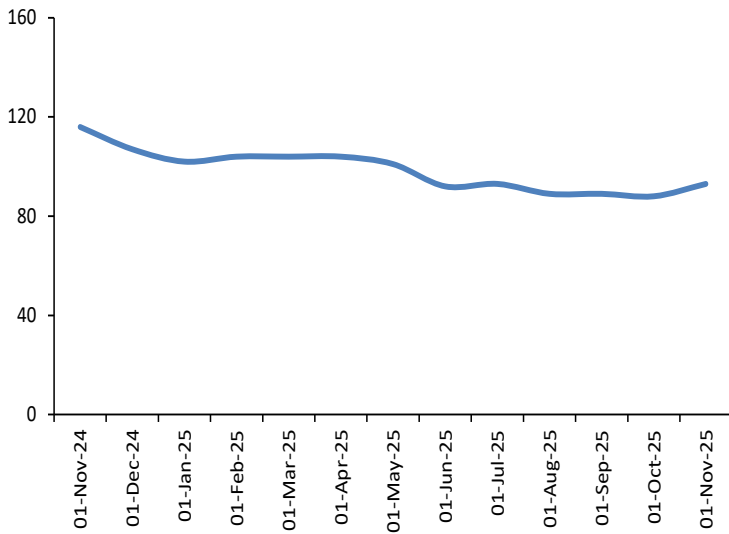
Soda Ash prices remains flat MoM (Price Rs./Kg)



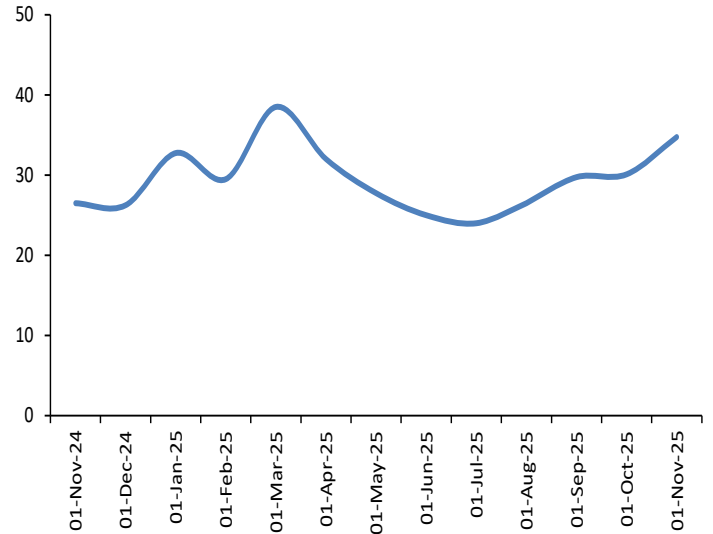
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Chemicals Monthly Update (October 2025)

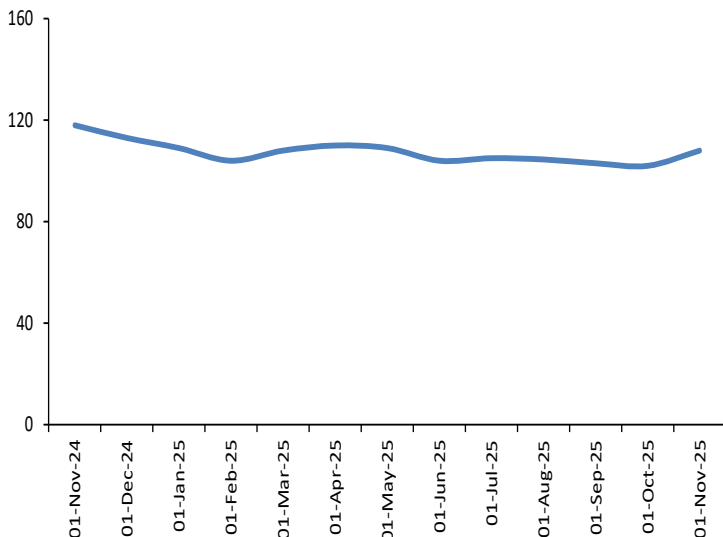
Isopropyl Alcohol increased 6% MoM (Price Rs./Kg)



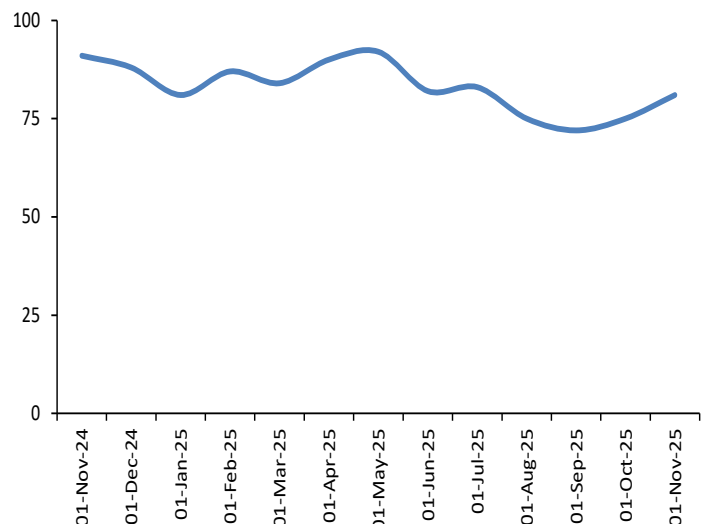
Methanol prices surge ~15% MoM (Price Rs./Kg)



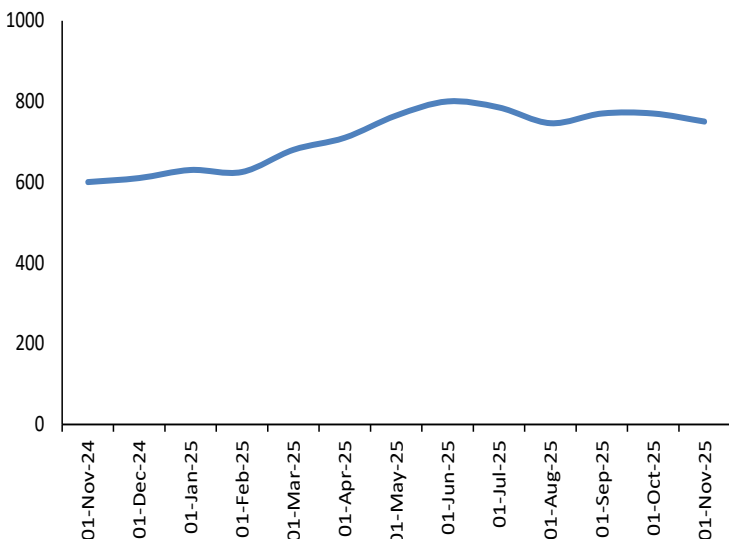
Phenol prices increased ~6% MoM (Price Rs./Kg)



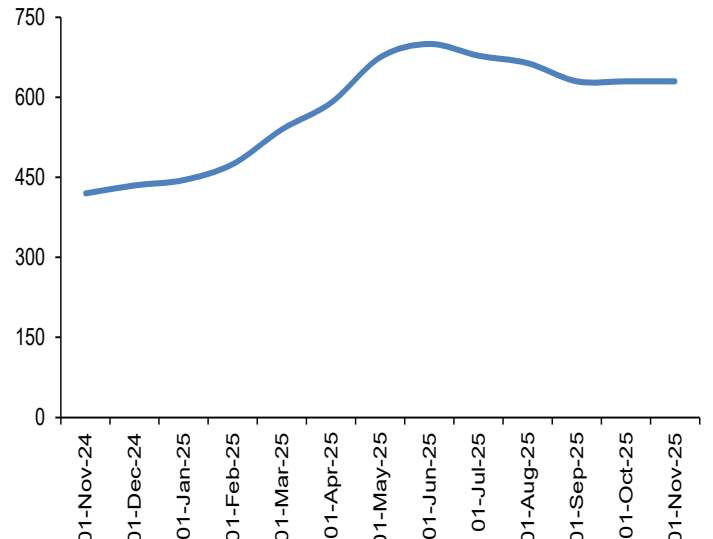
Ethanol prices up ~8% MoM (Price Rs./Kg)



Refrigerant R22 prices increased MoM (Price Rs./Kg)



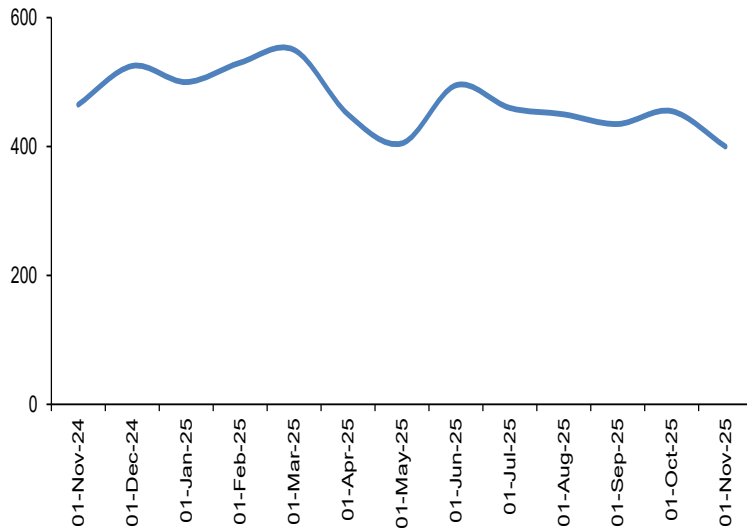
Refrigerant R134a remains flat MoM (Price Rs./Kg)



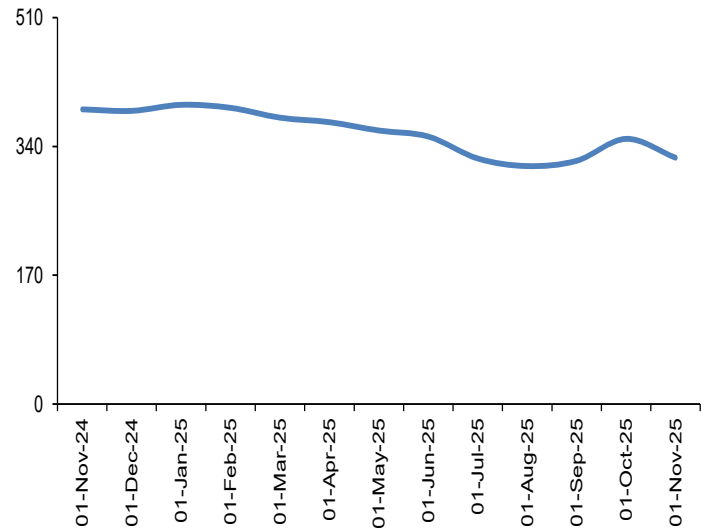
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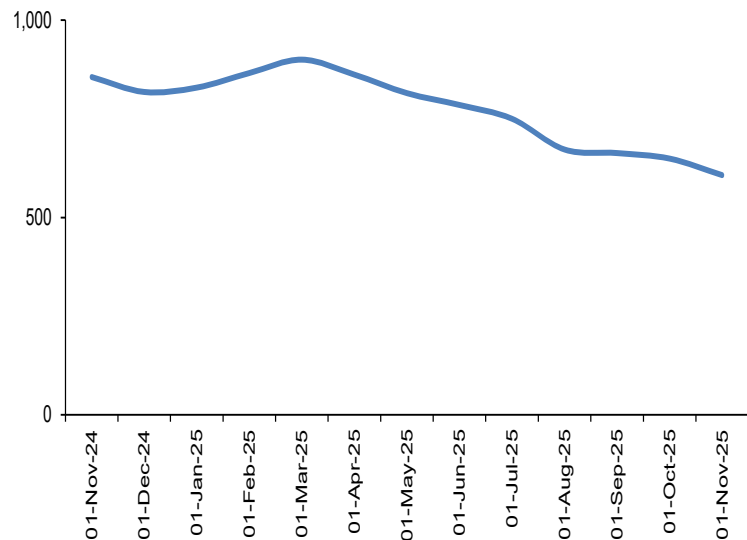
China Caustic Soda (USD/MT)



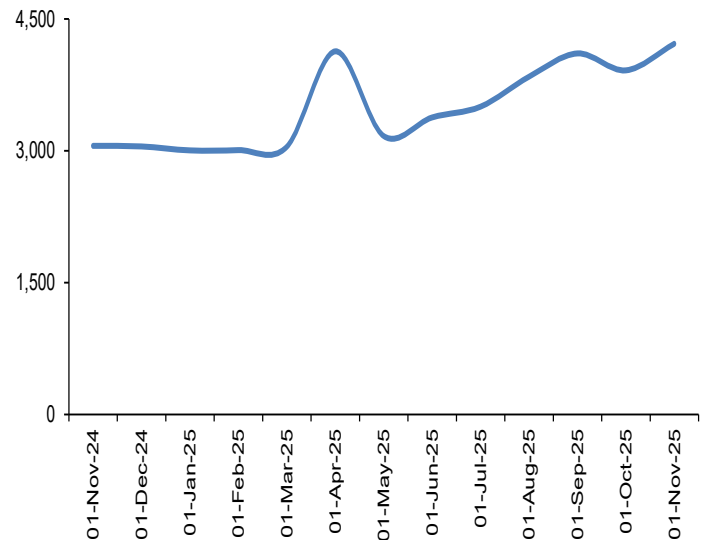
China Acetic Acid (USD/MT)



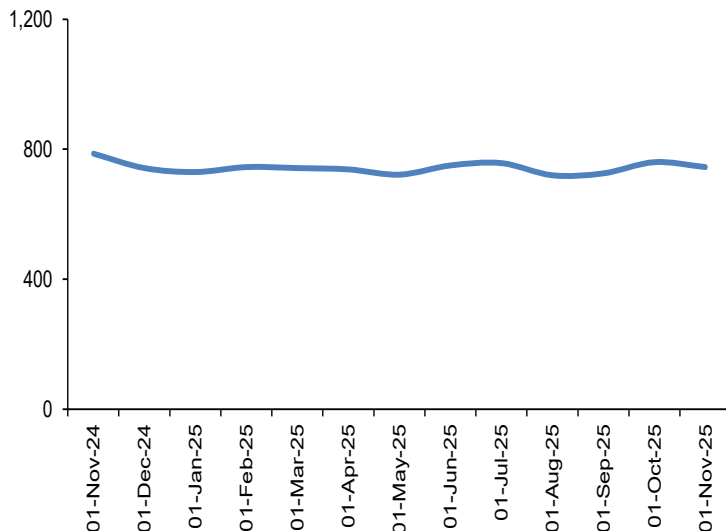
China Acetone (USD/MT)



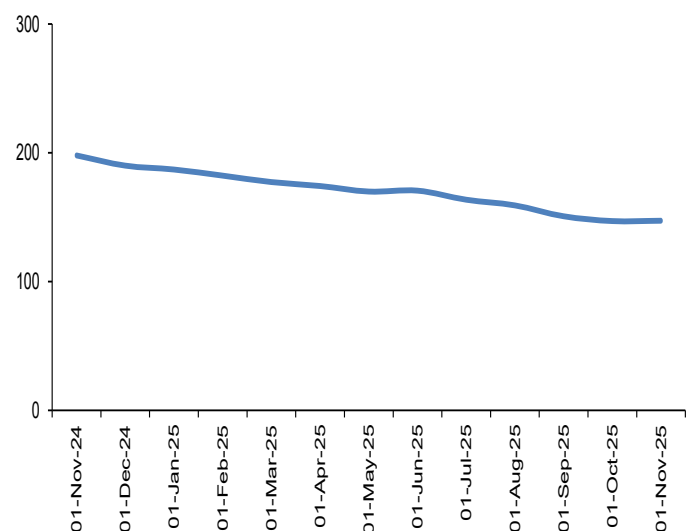
China Bromine (USD/MT)



China Ethyl Acetate (USD/MT)



China Soda Ash FOB (USD/MT)



Source : Bloomberg

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