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**EDITION 179**
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## Oil Jumps as US-Iran Conflict Rekindles Fears Over Strait of Hormuz

Global oil prices surged by nearly 4–5% after fresh military strikes between the United States and Iran heightened concerns over the security of the Strait of Hormuz, a key route that carries around one-fifth of the world's oil supply. The renewed conflict has raised fears of supply disruptions, pushing Brent crude close to $80 per barrel. Analysts warn that if tensions escalate further or shipping through the strait is significantly disrupted, crude prices could climb even higher, increasing pressure on global inflation and fuel costs.

***Source:* *Al Jazeera***

## Ocean Freight Rates Jump Again as Carriers Push Through July Surcharges

Even as bunker fuel costs ease, container rates are climbing into the early peak season. The Shanghai Containerized Freight Index jumped 9.5% in a single week in mid-June, and July 1 saw a fresh round of surcharges: CMA CGM added a $1,400/TEU peak season surcharge from the Far East, while COSCO's general rate increase to the US and Canada runs as high as $3,798 per container.
Shippers are now paying $7,000–$13,000 per FEU on some routes, roughly double June levels. Analysts expect a turning point only once peak-season bookings taper in late July or August.

***Source:* *YQN Logistics – Rate Forecast* | *YQN Logistics – Rate Surge***

## India, US Race to Beat July 24 Tariff Deadline on Interim Trade Pact

Commerce Minister Piyush Goyal and USTR Jamieson Greer reported "substantial progress" after two days of talks toward an interim India-US trade agreement, but key issues remain unresolved ahead of the July 24 expiry of a temporary 10% US tariff on all countries.

Under the framework agreed earlier this year, the US reciprocal tariff on Indian goods — including plastics, rubber and organic chemicals — would fall from 25% to 18%. Both sides are pushing to lock this in before normal MFN rates would otherwise snap back into place.

***Source:* *Business Standard***

## BASF Closes €7.7 Billion Coatings Carve-Out to Carlyle

## BASF Opens New Aroma Plants and World's First 3D-Printed Catalyst Facility

BASF has completed the sale of a 60% stake in its coatings business to private equity firm Carlyle for €7.7 billion, closing on June 30 after first being announced in October 2025.
The carve-out is one of the largest in a wave of portfolio rationalisation moves across the chemical industry, as producers refocus capital on higher-margin, less capital-intensive segments.

***Source: CHEManager***

BASF has commissioned new world-scale production lines for menthol, linalool and citral in Ludwigshafen and Zhanjiang, reinforcing its Aroma Ingredients supply capability.
In Ludwigshafen, the company also started up what it describes as the world's first plant for 3D-printed catalysts, using X3D technology to improve reactor throughput and cut energy use.

***Source: Chemical Industry Digest***

## Chemical Industry's Downturn Deepens: Global Top Producers Shutter Plants, Sell Assets

The petrochemical slump that has weighed on Asia for years intensified this fortnight, with C&EN's Global Top 50 ranking noting the sector faces "a profound structural reset," not a cyclical dip.
Indorama is closing a Thailand polyester unit; South Korea's Lotte Chemical continues merging its basic-chemicals business with HD Hyundai amid years of losses; and multiple firms across Japan and Korea are consolidating ageing ethylene crackers.
The Strait of Hormuz disruption earlier this year compounded the pain, cutting off 70–80% of the naphtha and methanol feedstock Asian crackers rely on from the Middle East, temporarily giving US shale-based producers a competitive edge.

***Source: C&EN Global Top 50 (2026)***

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