ASIA SOURCE
Information that impacts you!

EDITION 180
July 24, 2026

Ocean Freight Rates Spike Again on Renewed War-Risk Surcharges

Container rates have turned sharply higher since fighting resumed on July 7. Iran's navy announced a fresh closure of the Strait of Hormuz on July 12, and carriers have layered on new war-risk and emergency surcharges, on top of base rates averaging $4,639 per container on some lanes in July.
CCFGroup describes a "bullish-bearish interplay" for H2 2026: fading US front-loading and a European summer lull are pulling rates down, while the Hormuz standoff, a fragile Red Sea and Panama Canal draft limits push them up. Their view: Hormuz remains the single biggest swing factor for freight costs into year-end.

Source: ***CCFGroup***

India-US Trade Deal Still Stuck at 'Last 1%' as July 24 Deadline Arrives

The temporary US tariff arrangement — a 10% baseline levy alongside an already-reduced 18% reciprocal rate on Indian goods — expires today, July 24, and the first-phase India-US Bilateral Trade Agreement remains, by most accounts, at the "last 1%" of its legal text. No signed pact has been published.
India's posture has stayed consistent: hold out for durable market access rather than rush the clock, even as both sides pursue a "Mission 500" target of $500bn in two-way trade by 2030. Plastics, rubber and organic chemicals sit inside the tariff lines under negotiation — worth tracking into next edition.

Source: ***Blitz India Media***

Tatva Chintan Announces ₹200 Crore Greenfield Expansion to Boost Specialty Chemicals Capacity

Tatva Chintan Pharma Chem has approved an investment of ₹200 crore to establish a new greenfield manufacturing facility at its Dahej-III site in Gujarat. The project will add 344 KL of reactor capacity to meet the growing global demand for specialty chemicals across industries such as pharmaceuticals, agrochemicals, personal care, and electronics. The expansion will be funded through a mix of internal accruals and debt, reinforcing the company's long-term growth strategy and manufacturing capabilities.

Source: ***Chemical Weekly***

Swiss Startup DePoly Opens Industrial PET

Middle East Tensions Spark Caution in

Depolymerization Plant, Backed by BASF

EPFL spin-off DePoly inaugurated its first industrial Showcase Plant in Monthey, Switzerland on July 6–7, with investors including BASF and Beiersdorf in attendance. The process breaks PET waste into virgin-quality monomers in under an hour, without high heat or pressure.

At roughly 500 tonnes of annual feedstock capacity, it's a demonstration step rather than commercial scale — but a useful marker of how fast chemical PET recycling is moving from lab to plant, with a 50,000-tonne/year commercial facility reportedly next on the roadmap.

Source:* *Chemical Industry Digest

Europe's PE & PP Markets

Escalating conflict in the Middle East has shifted sentiment in the European polyethylene (PE) and polypropylene (PP) markets, with buyers becoming increasingly cautious over potential supply disruptions and rising feedstock costs. Market participants are closely monitoring crude oil and naphtha price movements, leading many buyers to delay purchases while awaiting greater clarity. Although polymer supply remains stable for now, geopolitical uncertainty is expected to keep pricing and demand volatile in the coming weeks.

Source:* *ICIS

China's Petrochemical Expansion Forces Japan & South Korea to Slash Ethylene Capacity

Japan and South Korea are accelerating ethylene production cutbacks as China's rapid petrochemical capacity expansion intensifies competition across Asia. South Korea has announced further restructuring, including the closure of 2.5 million tonnes/year of ethylene capacity, while Japan continues consolidating production through plant shutdowns and joint ventures. The moves are aimed at improving competitiveness, reducing oversupply, and adapting to changing market dynamics as China emerges as the region's dominant petrochemical producer.

Source:* *C&EN

CONTACT US :

Arjun Srivastava
arjunsrivastava@apacss.com