

S Korea's SKGC likely to keep SM unit idle amid volatile margins

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South Korea's SK Global Chemicals (SKGC) will likely keep its 350,000 tonne/year styrene monomer (SM) unit idle in November and December, said a company source at the sidelines of the 13th SM Market Forum in Chengdu, China.

The unit, located in Ulsan, has been shut since August amid weak margins for SM.

"Margins will remain uneven in the near term given the volatility in SM prices and upstream benzene and ethylene values", the source said.

The company has intention to lift the capacity of the plant to 500,000 tonnes/year in order to improve cost dynamics but no concrete plans have been formulated yet.

Other SM producers in South Korea include LG Chem, Samsung Total Petrochemical and YNCC.

SOURCE Icis News