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Asia's Condensate Splitter Capacity Expansions and Impacts on Naphtha Balances

Stratas Advisors

Condensate splitters complement Asia's refining industry, providing much needed naphtha feedstock. Since 2012, at least eight condensate splitters have been built in the Asia-Pacific region, with the majority of projects concentrated in South Korea. Notably, South Korea's refineries have been investing in condensate splitters projects to maximize naphtha feedstock supplies for integrated aromatics units. South Korea's GS Caltex, which does not have a condensate splitter unit, blends condensate with heavier crudes to raise naphtha production. Growing interest in condensate splitters investment have been bolstered by a combination of aromatics capacity expansions and rising condensate supplies from the US amid declining naphtha exports from India, combined with the closure of JX Nippon Oil & Energy's Mizushima condensate splitter in 2017.

Taiwan's CPC has completed a 50,000 Mbpd condensate processing unit at its Dalin refinery. The Philippines' Petron is constructing a 100,000 Mbpd condensate processing unit at its Bataam refinery to boost naphtha production for its new aromatics plant. In China, Fuhaichuang (formerly Dragon Aromatics) is planning to restart a 90,000 Mbpd condensate processing unit in Fujian after it was closed due to a paraxylene plant explosion in 2015. However, condensate processing capacity expansions in Asia appear to be having limited impact on naphtha supplies since demand growth continues to outpace incremental supply. Increases in olefins and aromatics capacity additions and the loss of condensate supplies from Iran and Qatar, where new condensate splitters were recently commissioned, are also leading to increased naphtha imports into Asia. The Asia-Pacific region is set to remain a net importer of naphtha over the long term against the backdrop of petrochemical capacity expansions.

Asia Pacific's Existing and Forthcoming Condensate Processing Projects

Unit: MBPD

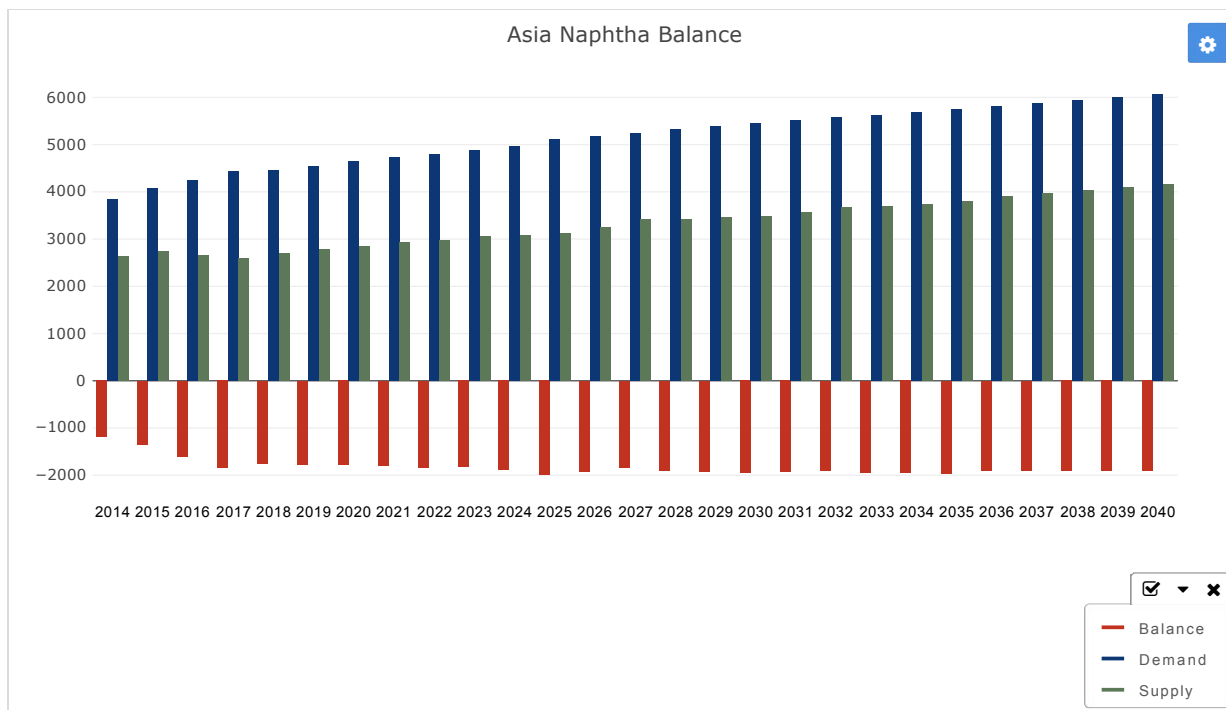
Country	Location	Company	Capacity (Mbpd)	Started	Status	Plant Ttype
Bangladesh	Chittagong	Super Refinery	3	1,997	Operating	Standalone
Bangladesh	Mongla Industrial Area, Khulna	Petromax Refinery	3	2,013	Operating	Standalone
China	Nanhai, Daya Bay, Huizhou	Shell-CNOOC	70	2,006	Operating	Integrated with Aromatics Plant
China	Fujian	Fuhaichuang (Formerly Dragon Aromatics)	90	2,014	Operating	Integrated with Aromatics Plant
China	Tianjin	Sinopec	50	n.a	Operating	Integrated with Aromatics & Ethylene Plant
China	Shanghai	Sinopec	65	n.a	Operating	Integrated with Ethylene Plant
China	Dagang	China National Petroleum Corp (CNPC)	10	n.a	Operating	Standalone
India	Hazira	ONGC	15	1,997	Operating	Standalone
Indonesia	Tuban	TPPI	100	2,006	Operating	Integrated with Aromatics Plant
Japan	Kashima Refinery	Kashima Aromatics Co., Ltd. (Japan Energy)	64	2,008	Operating	Integrated with Aromatics Plant
Japan	Mizushima Refinery	JX Nippon Oil & Energy	35	2,017	Closed	Integrated with Aromatics Plant
Malaysia	Kertih, Terengganu	Petronas	74	2,000	Operating	Integrated with refinery

Pakistan	Dera	Dhodak Refinery Ltd.	3	2,010	Operating	Standalone
Singapore	Bukom	Shell PCS	70	2,004	Operating	Integrated with Aromatics Plant
Singapore	Jurong	ExxonMobil	110	2,014	Operating	Integrated with Aromatics Plant
South Korea	Onsan Refinery	S-Oil	89	2,011	Operating	Integrated with Aromatics Plant
South Korea	Daesan	Hyundai Oilbank	130	2,016	Operating	Integrated with Aromatics Plant
South Korea	Daesan	Hanwha Total	180	2,014	Operating	Integrated with Aromatics Plant
South Korea	Incheon	SK Incheon Petrochem (SK Innovation)	140	2,014	Operating	Integrated with Aromatics Plant
South Korea	Daesan	Samsung Total	140	2,014	Operating	Integrated with Aromatics Plant
Taiwan	Tain	CPC	70	1,996	Operating	Integrated with refinery
Taiwan	Tain	CPC	50	2,018	Operating	Integrated with refinery
Thailand	Map Ta Phut - Aromatics Complex I	PTTGC (Formerly PTTAR's ATC)	65	1,999	Operating	Integrated with Aromatics Plant
Thailand	Map Ta Phut - Aromatics Complex II	PTTGC (Formerly PTTAR's ATC)	70	2,009	Operating	Integrated with Aromatics Plant

Source: Stratas Advisors

Asia Pacific Naphtha Supply and Demand (2014-2040)

Unit: MBPD



Source: Stratas Advisors