



**CARBON
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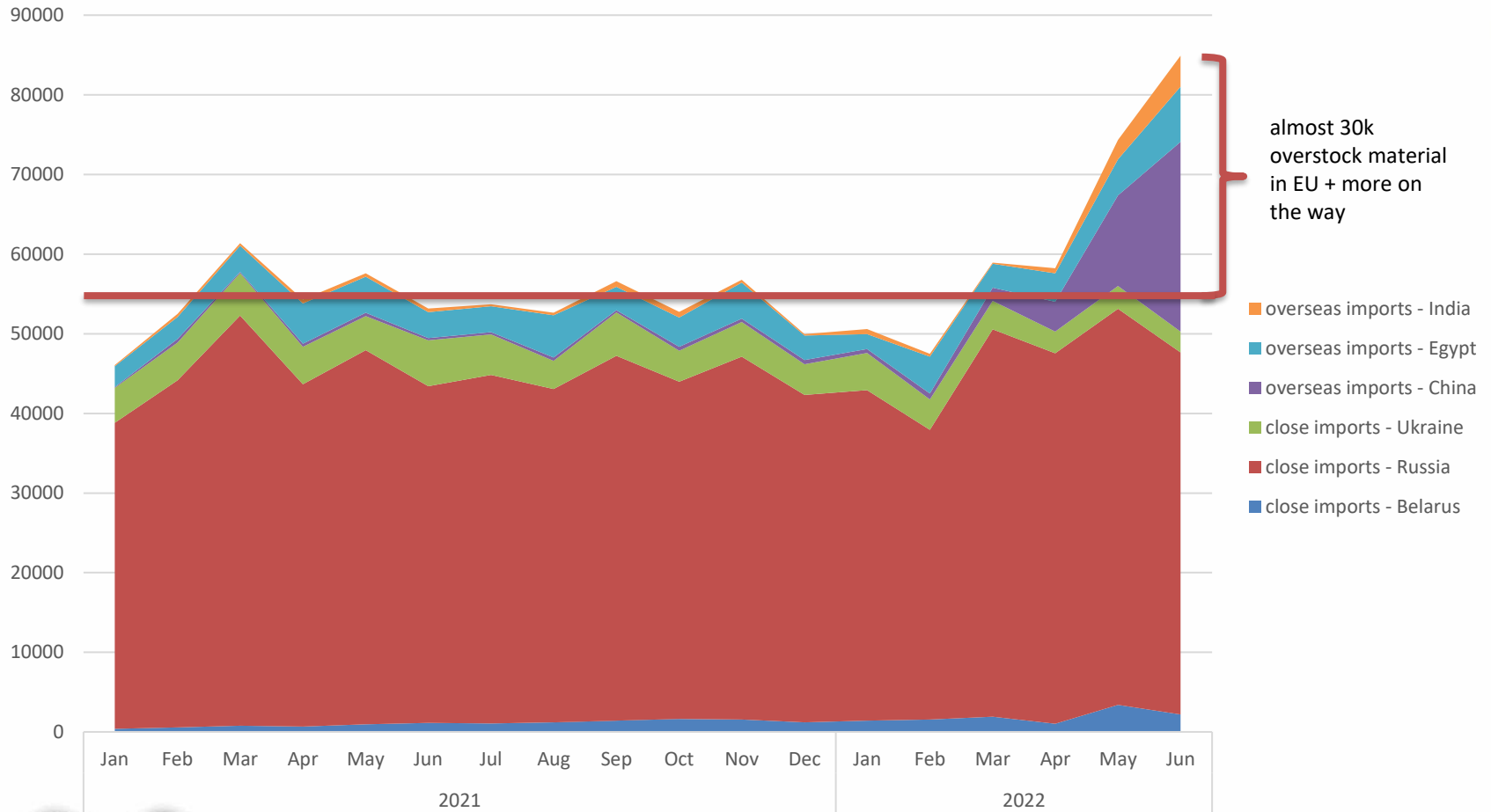
**25
years
of service**

MAKROchem

**Carbon Black and feedstocks
in Russia
1h 2022**



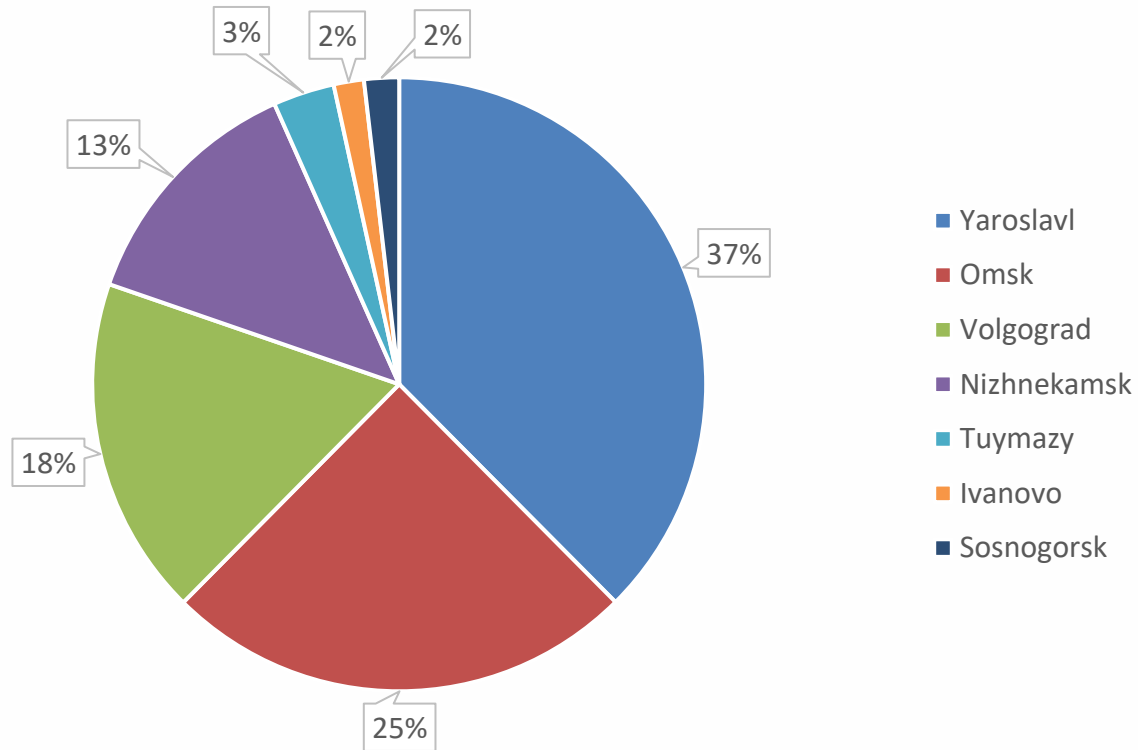
CB Imports to EU Consumers



CB Production By Russian Plants

01/22 – 06/22

Total: 527.31 KT



Russian CB Production 2020-2022

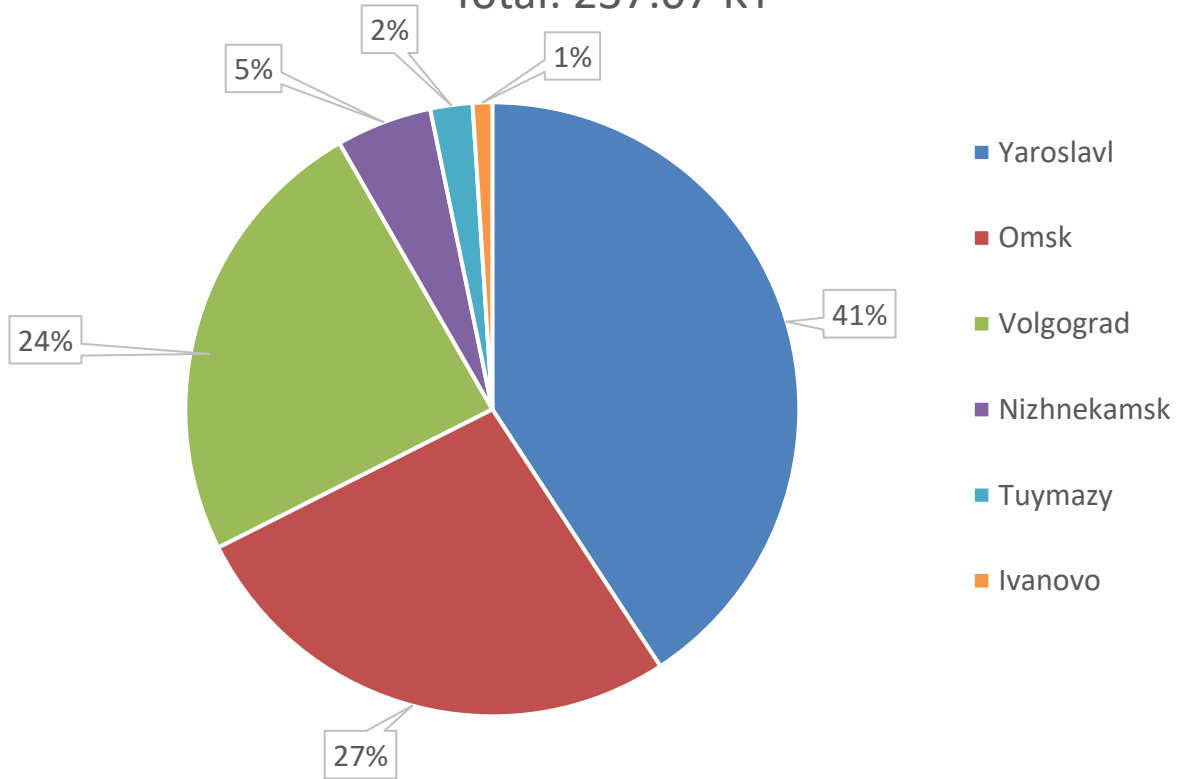
Producer	2020	2021	2022 (optimistic f)	2022 (pesimistic f)
Ivanovo Carbon Black Plant	15.784,90	18.189,20	16.690,56	12.517,92
Yaroslavl Carbon Black Plant	334.392,00	404.303,60	398.390,16	298.792,62
Severgazprom Carbon Black Plant	24.421,10	32.244,80	21.078,00	15.808,50
Volgograd Carbon Black Plant	153.774,90	195.040,20	190.321,74	142.741,31
Tuymazy Carbon Black Plant	32.038,00	36.139,00	32.311,20	24.233,40
Nizhnekamsk Carbon Black Plant	120.524,00	136.619,00	138.876,00	104.157,00
Omsk Carbon Black Plant	238.001,60	265.674,10	264.113,52	198.085,14
Total	918.936,50	1.088.209,90	1.061.781,18	796.335,89



CB Export By Russian Plants

01/22 – 06/22

Total: 237.07 KT



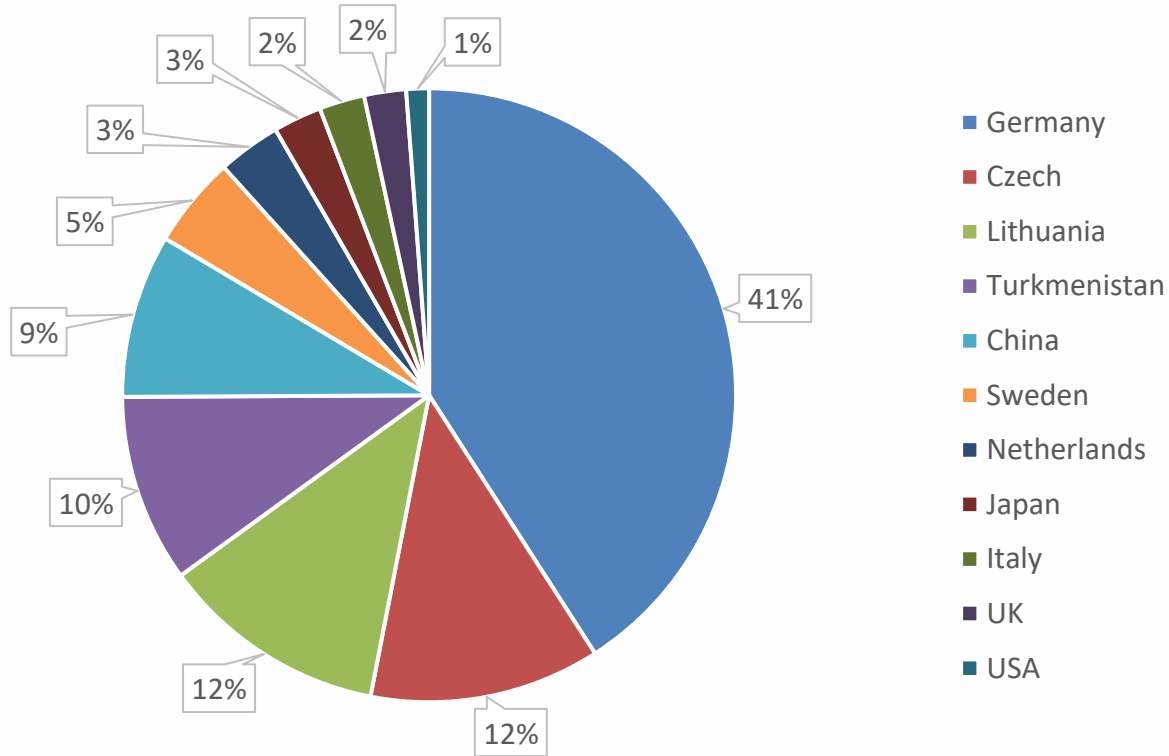
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CB Import To Russia

01/22 – 06/22

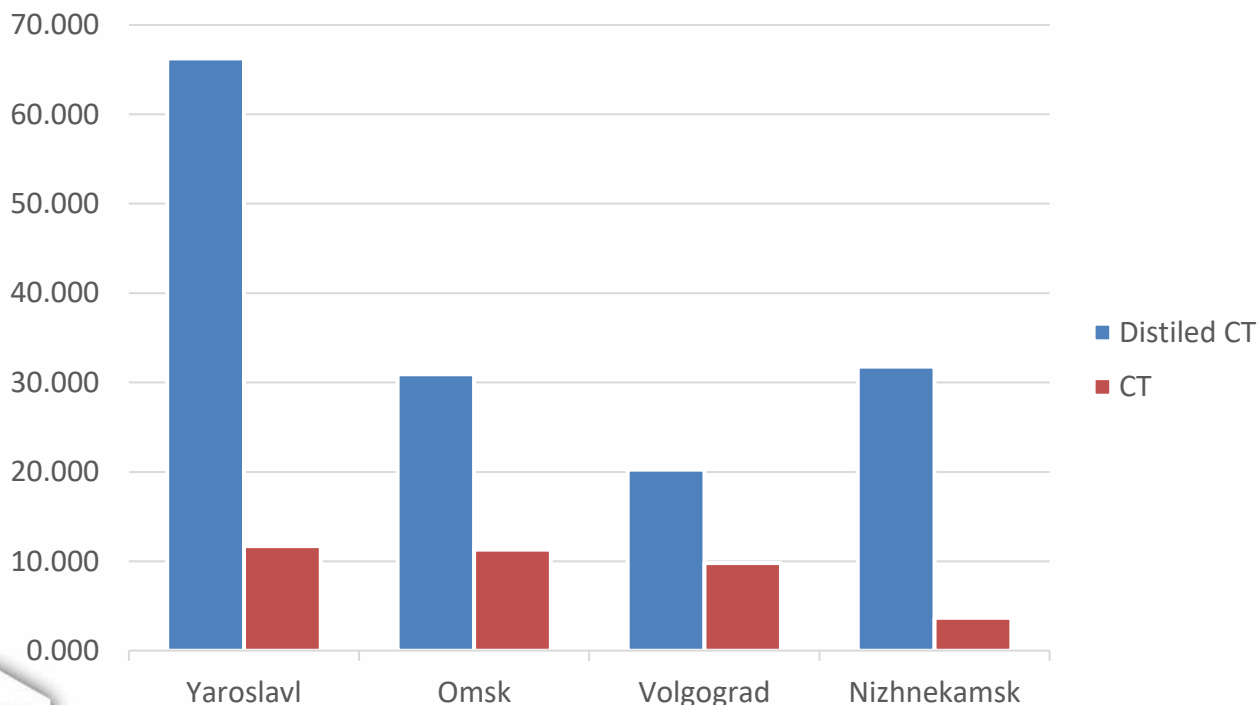
Total: 0.8182 KT



CT Feedstock Consumption By Russian CB Producers

01/22 – 06/22

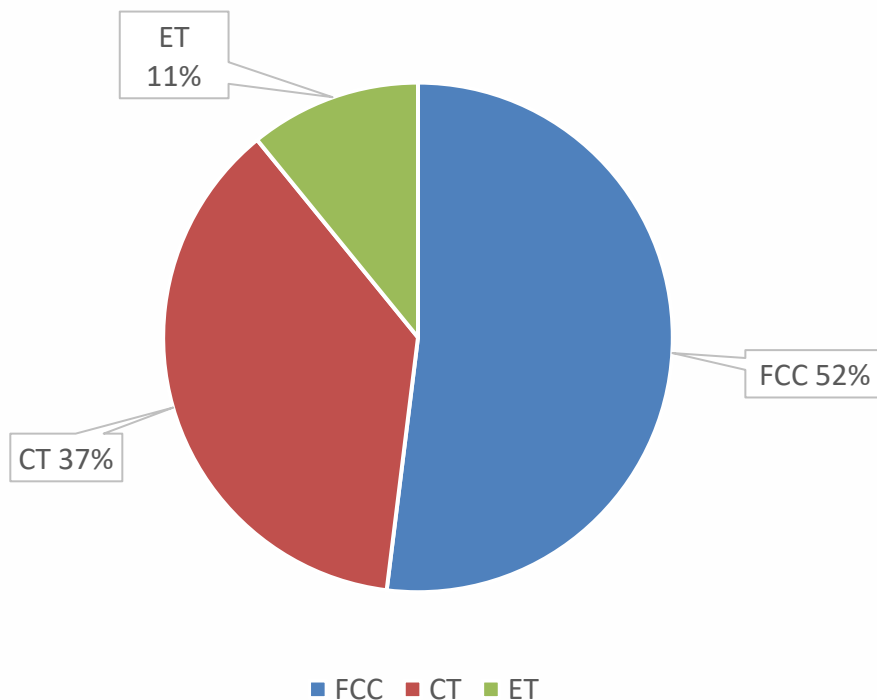
Total: Distiled CT 166.580 KT, CT 51.611 KT



Yaroslavl Carbon Black Plant feedstock sourcing structure

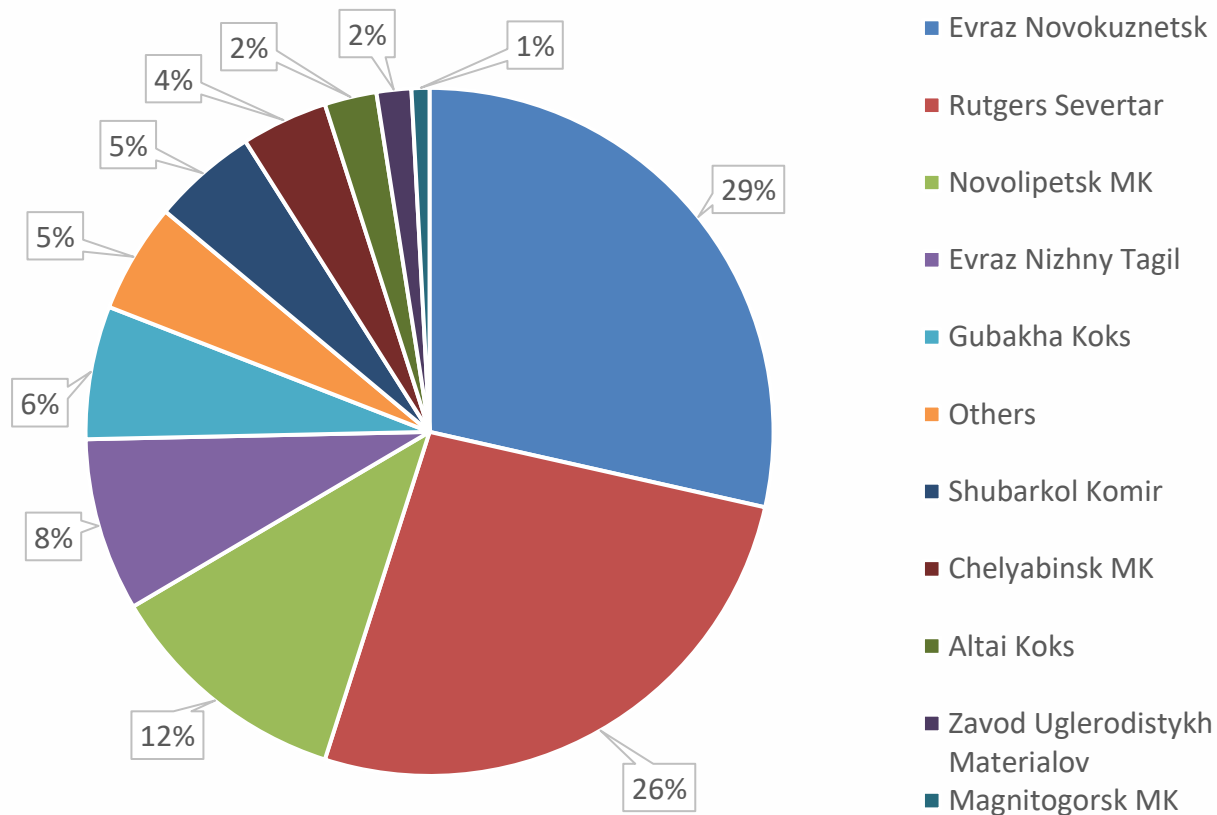
01/22 – 06/22

Total: 209.819KT



Yaroslavl Carbon Black Plant CT based

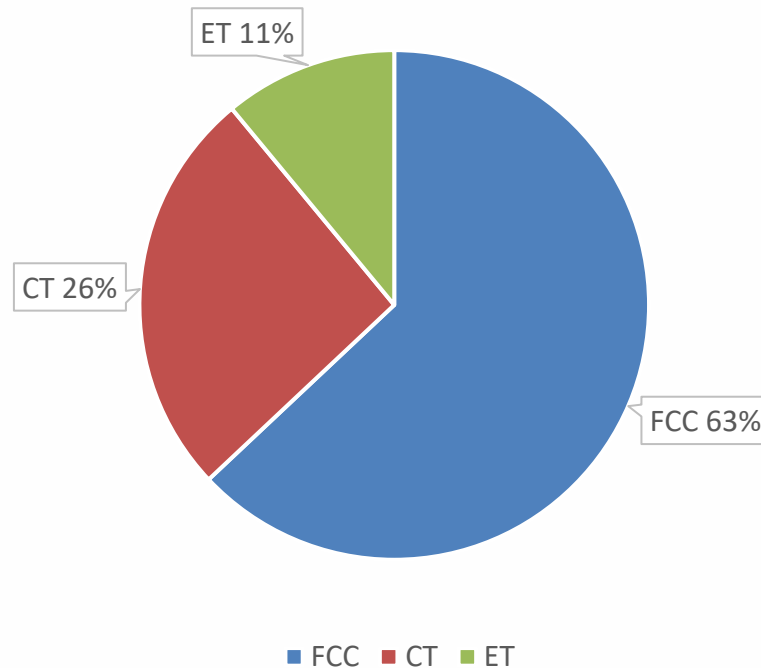
01/22 – 06/22



Omsk and Volgograd feedstock sourcing structure

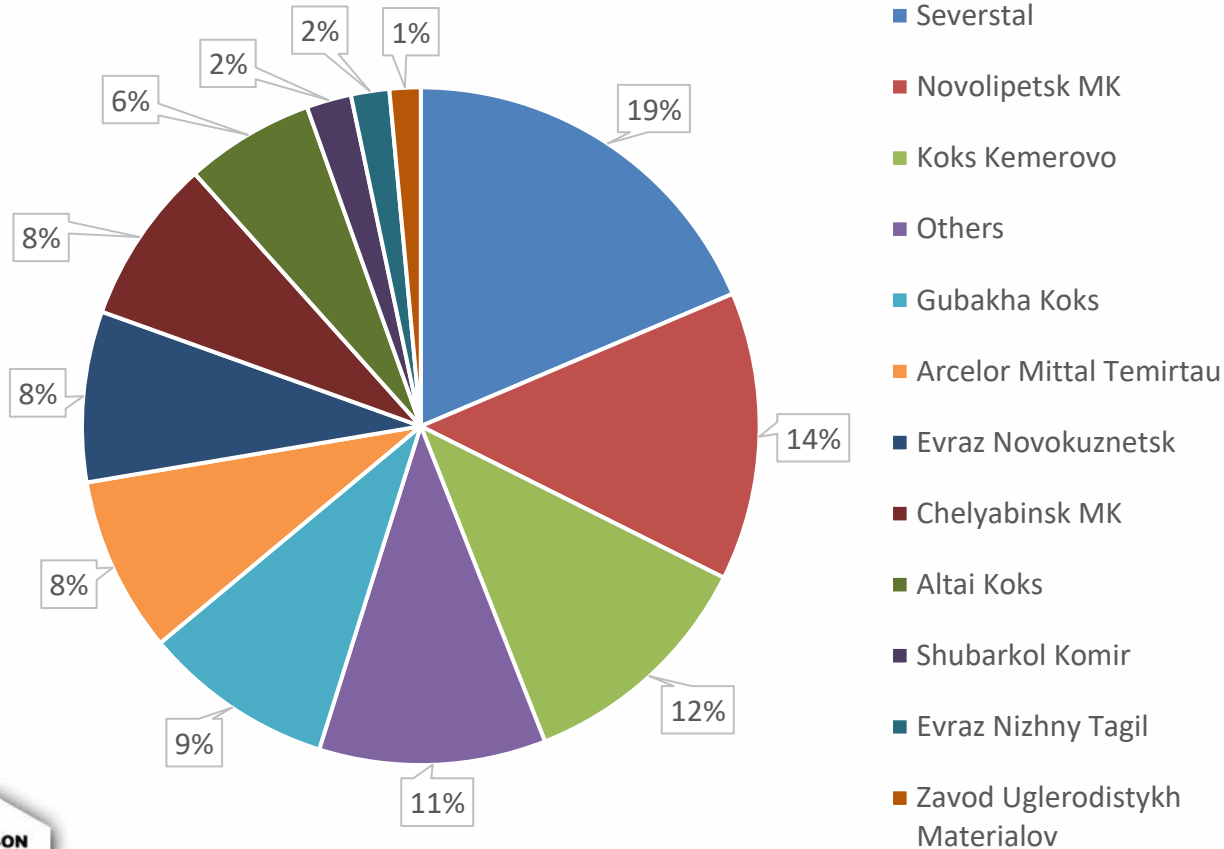
01/22 – 06/22

Total: 277.832 KT



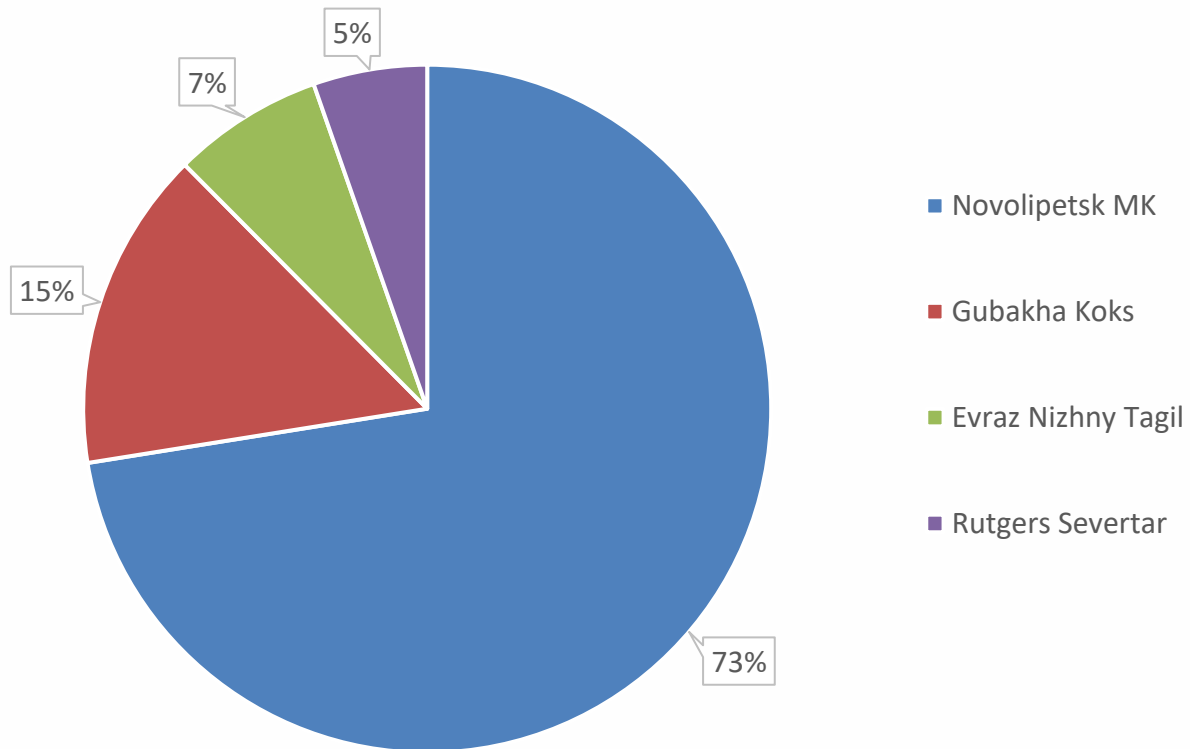
Omsk and Volgograd CT based

01/22 – 06/22



Mogilev Carbon Black Plant CT based

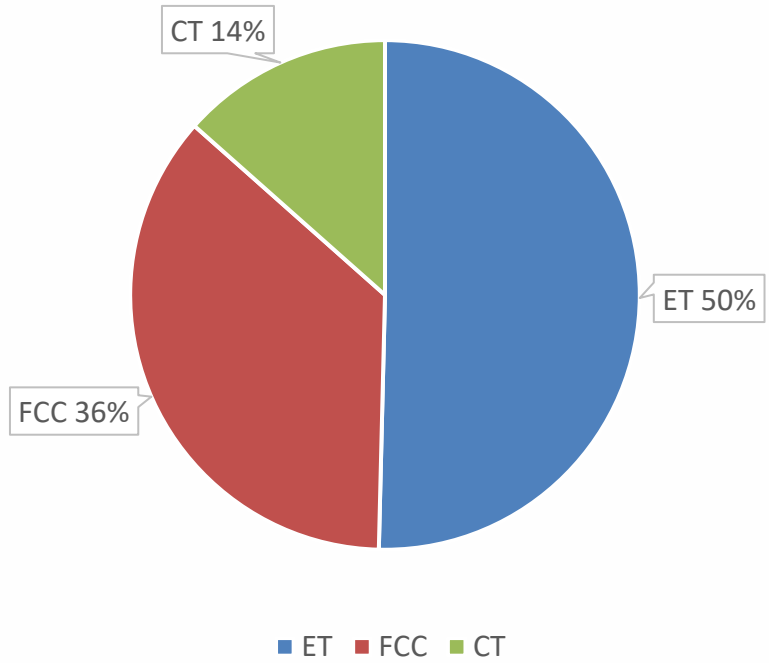
01/22 – 06/22



IVANOVO Carbon Black Plant feedstock sourcing structure

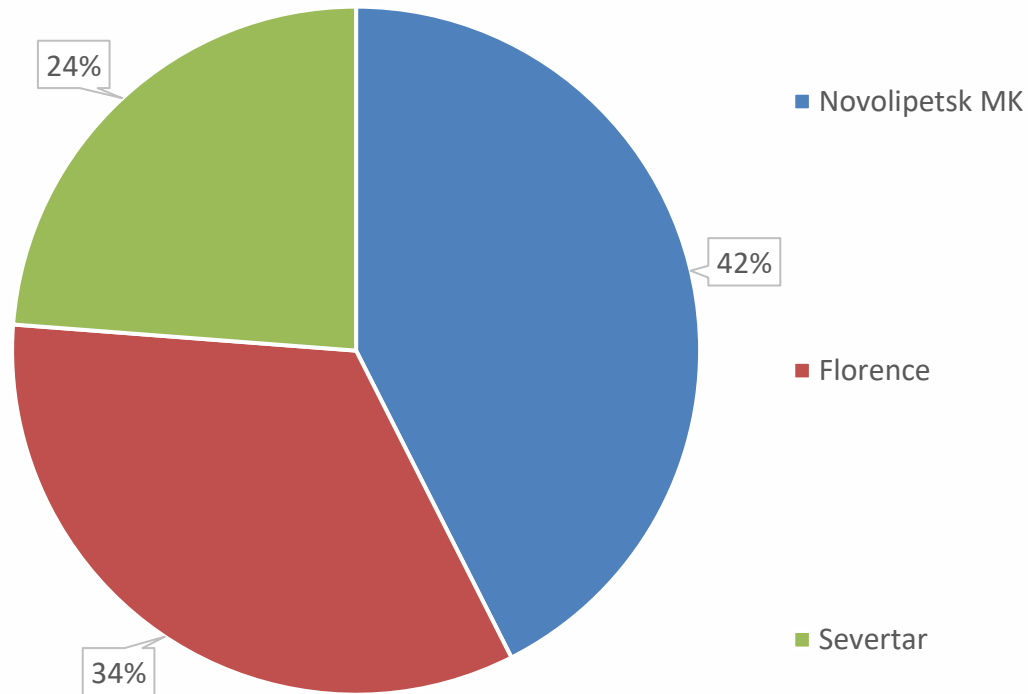
01/22 – 06/22

Total: 5.654 KT



IVANOVO Carbon Black Plant CT based

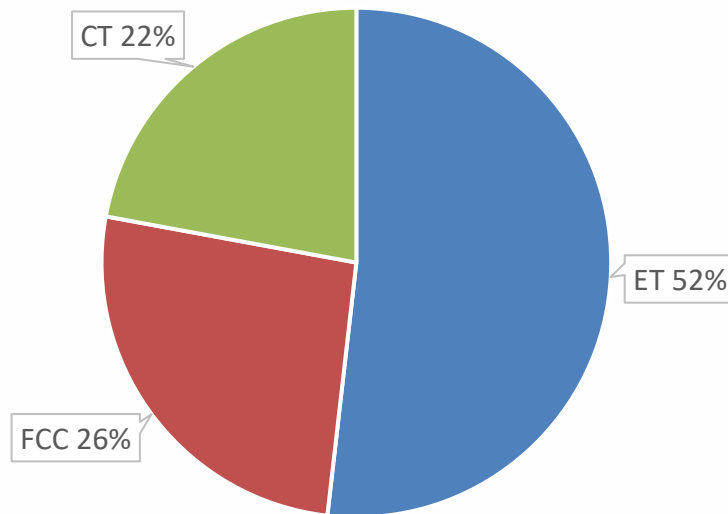
01/22 – 06/22



TUYMAZY Carbon Black Plant feedstock sourcing structure

01/22 – 06/22

Total: 14.093 KT

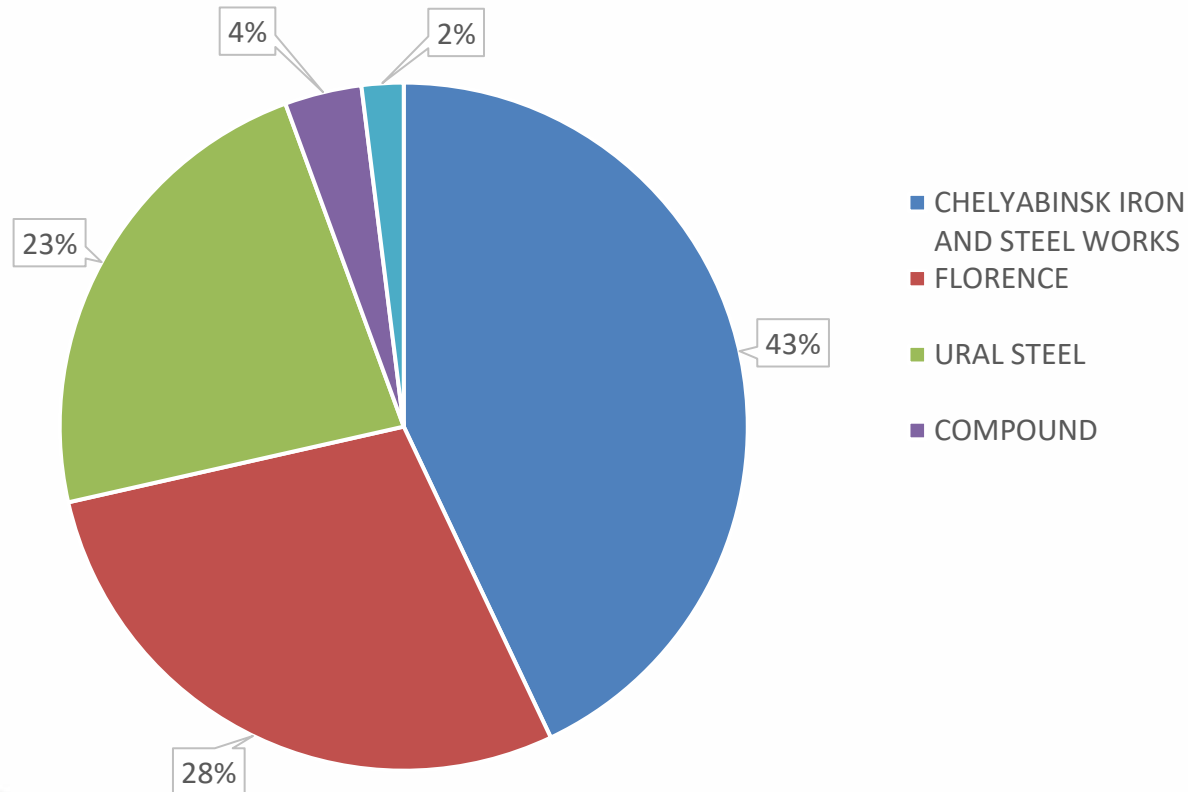


■ ET ■ FCC ■ CT



TUYMAZY Carbon Black Plant CT based

01/22 – 06/22



Russian feedstock producers and feedstock products under sanctions

- MMK - US sanctions
- PAO Severstal – US sanctions
- Evraz ZSMK - UK sanctions
- Evraz NTMK - UK sanctions
- Coal tar - The fifth package of sanctions introduced by Council Regulation (EU) 2022/576 of April 8, 2022; The seventh package of sanctions introduced by Council Regulation (EU) 2022/1269 of July 21, 2022 in which previous annexes were updated - including Annex XXXIII on rubber and tar.
- Personal sanctions on selected owners of producing companies



After Feb 24th

- Impact on Ukrainian CB production
 - Three feedstock supplying plants destroyed:
 - Azovstal Iron and Steel Works
 - Ilyich Iron and Steel Works
 - Avdiivka Coke Plant
 - Only domestic feedstock supply left, with prices of AM Poland quite disturbing
- Impact on Russian CB production – none throughout the 1st half of 2022



Ukrainian CB production

Year	Production, mt	Exports, mt
2019	87941	76740
2020	84317	72556
2021	95826	81704
2022 1 st half	22276	24567
2022 optimistic forecast	54552	49134
2022 pessimistic forecast	44234	40992



2h2022 and 2023 perspective

- State of the EU market – saturated with large stock of Chinese/Indian CB as safety stock
- European CB demand still strong although slowdown visible
- High expectation of sanctions on Russian CB
- High pressure of American prices on Indian exporters (due to shortage in the US and duties on Russian and Chinese material)



Sanctions on Russian CB - scenarios

- If Russian CB falls under sanctions
 - Grace period until 2h2023?
 - Is China / India able to supply 50kt per month continuously?
 - This is also a logistic challenge:
 - Who will handle 2500 containers monthly
 - Who will store 2 months of safety stock (100kt)
 - Who will pay for this additional logistic cost



Sanctions on CB will impact other markets

- What happens with Russian CB capacity?
 - Export to China/India/SE Asia is possible but there are no logistic solutions yet
- What happens to CB feedstocks balance in Russia?
- What happens to pitch market?





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Thank you!

