

# Chlor alkalies

## Summary

Domestic demand for caustic soda is expected to remain strong. This will translate into the demand-supply mismatch widening going forward, resulting in higher inter-regional trade. However, given that domestic delivered prices track landed cost, weak outlook on the global caustic soda demand-supply balance is expected to put pressure on ECU realisations going forward.

Meanwhile, soda ash demand is likely to edge lower on the back of the domestic slowdown in end user industries. Also, the threat of cheaper imports continues to loom over the sector, resulting in domestic soda ash delivered prices softening going forward.

## Annual Review May 2009



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