

# Ethylene Glycol Futures Ethylene Glycol Options

Dalian Commodity Exchange (DCE) officially launched ethylene glycol futures contracts in 2018, followed by the introduction of ethylene glycol options in 2023. In 2025, ethylene glycol futures and options were officially made accessible to Qualified Foreign Investors (QFIs). Since their inception, these instruments have demonstrated stable performance and active market participation. Ethylene glycol futures have become a vital risk management and hedging tool for enterprises across the relevant industrial value chain.

## Supply and Demand

As of now, the global annual production capacity of ethylene glycol is approaching 50 million metric tons, with China contributing over 20 million metric tons. From a geographical perspective, global production capacity is predominantly concentrated in Asia, particularly in China and Saudi Arabia. China is among the world's leading producers of ethylene glycol, with key production hubs located in Zhejiang, Jiangsu, Liaoning, Fujian, and Guangdong provinces.

Simultaneously, China is the world's largest consumer of ethylene glycol, accounting for approximately 50% of global demand. Domestic consumption is primarily concentrated in the eastern coastal regions, notably Jiangsu, Zhejiang, Shanghai, and Fujian. In addition to domestic production, China imports substantial volumes of ethylene glycol from countries such as Saudi Arabia and Canada. The external dependency rate exceeds 40%, with Saudi Arabia representing the largest source, contributing over 40% of total imports.

## Main Applications

Ethylene glycol—also commonly referred to as glycol—is a colorless, odorless, tasteless, and sweet-tasting viscous liquid under ambient conditions. It serves as a fundamental organic chemical in the petrochemical industry. Ethylene glycol is widely utilized in the production of polyester fibers (e.g., polyethylene terephthalate or PET), polyester films, explosives, coatings, and various other chemical products. On a global scale, approximately 90% of ethylene glycol consumption is attributed to polyester-related applications. In China, more than 70% of ethylene glycol is used specifically in the manufacture of polyester fibers.

## Key Price Influence Factors

### Upstream Feedstock Dynamics

Ethylene glycol production relies on several key upstream raw materials, including crude oil, shale gas, liquefied petroleum gas (LPG), and coal—all of which are classified as energy commodities. As such, fluctuations in energy prices exert a direct and significant influence on ethylene glycol price movements. Among the various production routes, oil-based processes represent the dominant share of both capacity and output, rendering crude oil prices particularly critical in determining ethylene glycol market trends.

### Midstream Supply

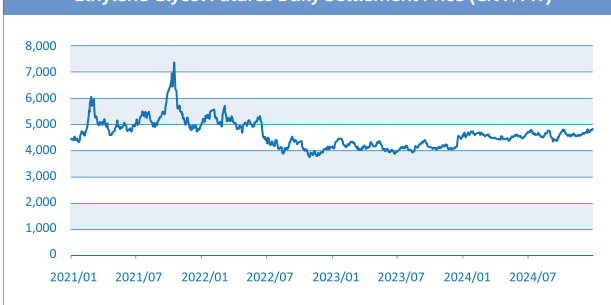
In the midstream segment, variables such as the commissioning of new production facilities, capacity expansion, and maintenance shutdowns play an important role in shaping supply-side dynamics. Given China's considerable reliance on imported ethylene glycol, import volumes and port inventory levels also significantly impact domestic pricing.

### Downstream Demand

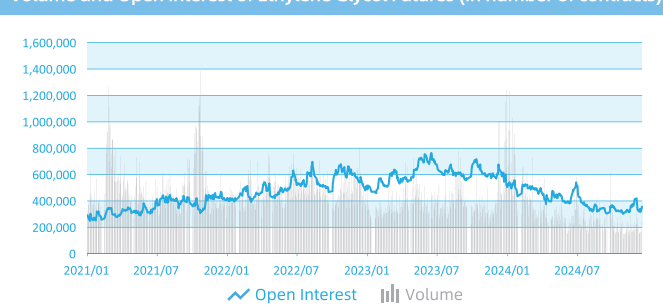
Ethylene glycol prices are closely linked to demand from downstream industries, particularly the polyester sector, which accounts for over 90% of domestic consumption. Of this, approximately 70% is used in the production of polyester fibers. The health of the polyester fiber industry is, in turn, influenced by macroeconomic factors such as domestic consumer demand and international trade performance.

## Trading Statistics

Ethylene Glycol Futures Daily Settlement Price (CNY/MT)



Volume and Open Interest of Ethylene Glycol Futures (in number of contracts)



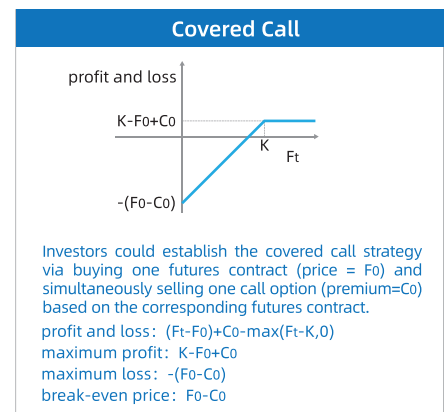
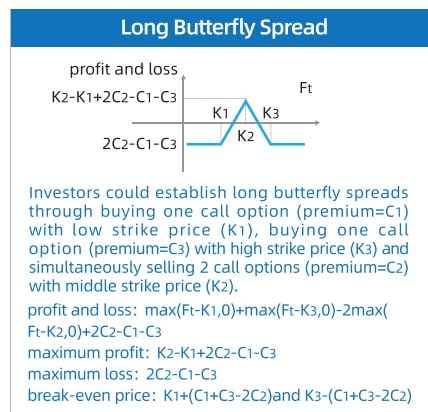
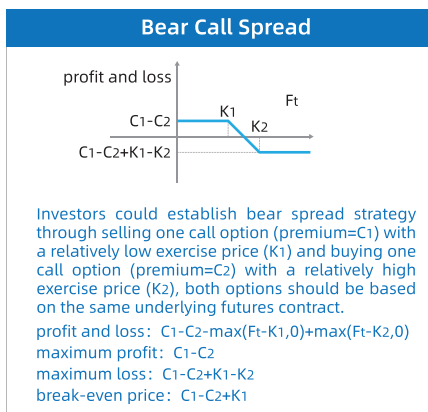
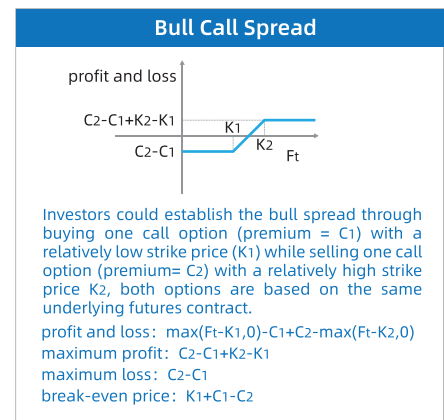
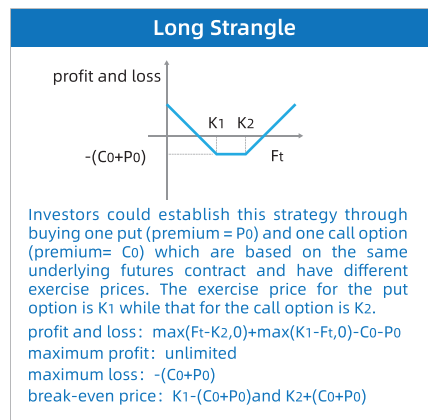
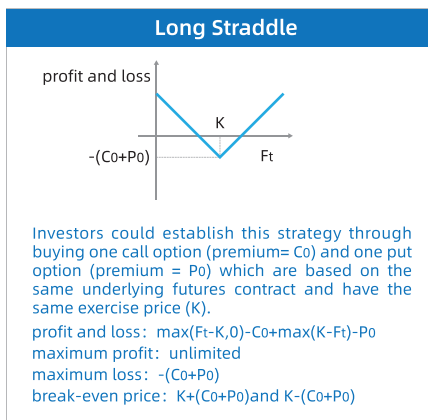
## Contract Specifications

Ethylene Glycol Futures	
Product	Ethylene Glycol (EG)
Trading Unit	10 MT/ Lot
Price Quote Unit	CNY/MT
Minimum Tick Size	1 CNY/MT
Daily Price Limit Range	4% of last settlement price
Contract Months	Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec
Trading Hours	9:00 - 11:30 a.m., 1:30 - 3:00 p.m., Beijing Time, and other trading hours announced by DCE
Last Trading Day	The last but three trading day of the contract month
Last Delivery Day	The 3rd trading day after the last trading day
Deliverable Grades	Ethylene Glycol Delivery Quality Standard of DCE (F/DCE EG001-2018)
Delivery Point	The delivery warehouses designated by DCE
Minimum Trading Margin	5% of the contract value
Delivery Form	Physical delivery
Ticker Symbol	EG

Ethylene Glycol Options	
Underlying Instrument	Ethylene glycol futures contract
Contract Type	Call option, put option
Trading Unit	One lot (10 MT) of ethylene glycol futures contract
Price Quote Unit	CNY / MT
Minimum Tick Size	0.5 CNY/MT
Daily Price Limit Range	The same as the daily price limit range of underlying futures contract
Contract Months	January, February, March, April, May, June, July, August, September, October, November, and December
Trading Hours	9:00 - 11:30 a.m., 1:30 - 3:00 p.m., Beijing Time, and other trading hours as announced by DCE
Last Trading Day	The 12th trading day of the month immediately preceding the delivery month of the underlying futures contract, DCE may adjust the last trading day according to national holidays
Expiration Date	The same as the last trading day
Exercise Price	The exercise price shall be in the range of the settlement price of underlying futures on the immediately previous trading day $\pm$ (1.5 $\times$ daily price limit range of the same day). The option contracts corresponding to the immediate six calendar months: If exercise price $\leq$ 2,500 CNY/MT, exercise price interval = 25 CNY/MT; If 2,500 CNY/MT < exercise price $\leq$ 5,000 CNY/MT, exercise price interval = 50 CNY/MT; If exercise price > 5,000 CNY/MT, exercise price interval = 100 CNY/MT. The option contracts corresponding to the seventh and subsequent calendar months: If exercise price $\leq$ 2,500 CNY/MT, exercise price interval = 50 CNY/MT; If 2,500 CNY/MT < exercise price $\leq$ 5,000 CNY/MT, exercise price interval = 100 CNY/MT; If exercise price > 5,000 CNY/MT, exercise price interval = 200 CNY/MT.
Exercise Style	American style. The options buyer can apply to exercise the options in the trading hours of any trading day prior to the expiration date, and before 3:30 p.m. on the expiration date.
Contract Symbol	Call option: EG - Contract Month - C - Exercise Price Put option: EG - Contract Month - P - Exercise Price

## Establishing Flexible Trading Strategies Through Futures and Options

Investors could establish flexible trading strategies through combining various futures and options contracts, which would better help with price risk mitigation. Meanwhile, DCE portfolio margin system already supported multiple trading strategies including straddles, strangles, spreads, etc.



For more information, please visit our official website [www.dce.com.cn](http://www.dce.com.cn)

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