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The spot resin markets saw sporadic bursts of action and prices were steady to higher, while the plastics industry converged in Orlando for the triennial NPE show. It was great to see so many of our valued trading partners and also make new relationships for the promising future. In general, processors' moods were light and uplifting, brought about by overall economic optimism, better ongoing material availability through planned expansions and ideas for a sustained period of reduced resin prices. Many on the sell side also pitched new innovative materials, market stability, and resurging exports that could tighten resin supplies and support prices.

The major energy markets were mixed amid active and volatile trading; May rolled to the front month. WTI Crude Oil saw gains of nearly \$5/bbl before giving about half back on Friday; when the dust settled, the May futures contract had added \$2.30/bbl, about 5%, to end the week at \$48.87/bbl. May Brent Crude Oil also relinquished the bulk of its gains into the weekend, but managed to hold on to just more than a dollar, settling Friday at \$56.41/bbl. May Natural Gas fell further to new contract lows, dropping a hefty \$.164/mmBtu to \$2.639/mmBtu. Spot Ethane saw little change ending the week just above \$.17/gal (\$.072/lb). Spot Propane rallied \$.04/gal to \$.54/gal (\$.153/lb).

Spot Ethylene trading was fairly subdued and continued to transact in a tight range. Three crackers returned to production while three others took their turn for maintenance, keeping roughly 10% of Gulf cracking capacity offline. The Evangeline Pipeline remains shut placing a huge premium on material in Louisiana. Ethylene for March delivery in Mont Belvieu TX, traded just a few times on either side of \$.34/lb before ceding top billing to April. The new front month did not inspire much change and prices held right around the same level. The forward curve is incredibly flat with Ethylene for delivery any month through the end of 2016 priced within a penny of prompt.

Spot Polyethylene trading was choppy with the markets excusably distracted by an excellent NPE in Orlando. PE prices on average gained a half-cent, although transactions for immediate shipment took second stage, clearing the way for relationship building and long term supply channel alignment. Industry participants also had plenty of time to talk market, notably that March contracts are holding steady, stopping their four month \$.16/lb slide. Notwithstanding the pause, processors are looking for further relief in April, citing record (recent memory) Polyethylene inventories along with low energy and feedstock costs. Suppliers countered with stronger export demand due to an open arb to China as that region reels in a series of supply restricting turnarounds. Latin American markets are seeing fewer Asian offers, so demand for US resin is also showing a sign of improvement. There are however, logistics bottlenecks that could turn troublesome. In the meantime, while domestic spot prices have firmed a couple cents, North American Polyethylene availability remains ample.

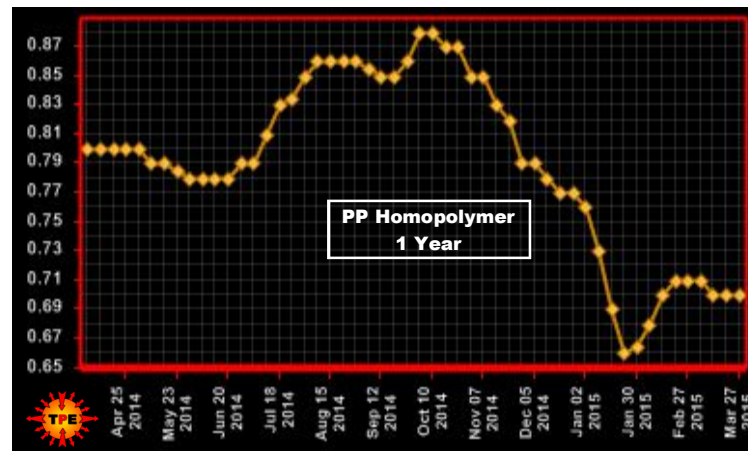
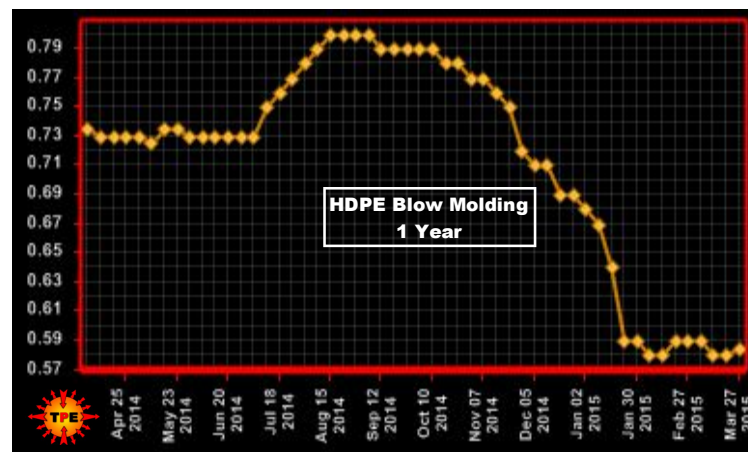
The Propylene market saw limited activity, there were few transactions seen and prices were pressured. Suppliers were looking to unload spot PGP in the area of \$.445/lb; buyers were hard to find as several PP resin reactors remain running at reduced rates, restricting demand for monomer. Earlier in the month, March PGP contracts settled down \$.015/lb to \$.49/lb – April is also looking lower and initial nominations surfaced down another cent to \$.48/lb. The forward curve indicates further softness as prices are currently set to slide to \$.43/lb by December, before recovering back into the \$.50s/lb during 2016. RGP was indicated in \$.35-.38/lb.

The spot Polypropylene market continued to be challenged by limited supply and relatively high prices. Four producers have Force Majeure conditions, restricting PP production; since resin producers cannot process all available PGP monomer costs have been sliding. Many resin contracts are still somewhat tied to monomer, so consequently, a very wide range of prices are seen in the PP market. Those processors well supplied by contracts scoff at the high spot prices floated by resellers, while processors that are short of material have little choice but to pay up. PGP contracts are poised to slip again in April, but resin producers will look to hold PP prices steady or even prop them a couple pennies higher, utilizing the tight supply/demand dynamics to increase margins a little bit more. Pinnacle Polymers is currently bringing their production back to more normal levels, some so spot relief might ensue.

Disclaimer: The information and data in this report is gathered from exchange observations as well as interactions with producers, distributors, brokers and processors. These are considered reliable. The accuracy and completeness of this information is not guaranteed. Any decision to purchase or sell as a result of the opinions expressed in this report will be the full responsibility of the person authorizing such a transaction. Our market updates are compiled with integrity and we hope that you find them of value. Chart values reflect our asking prices of generic prime railcars delivered in USA.

Market Update — March 27th 2015

Total Offers 17,165,000 lbs		Spot		Contract	
Resin	Total lbs	Low	High	Bid	Offer
HDPE - Inj	2,944,576	\$ 0.540	\$ 0.640	\$ 0.570	\$ 0.610
LLDPE - Film	2,859,588	\$ 0.565	\$ 0.640	\$ 0.560	\$ 0.600
HDPE - Blow Mold	2,160,508	\$ 0.555	\$ 0.630	\$ 0.540	\$ 0.580
LDPE - Film	2,137,288	\$ 0.585	\$ 0.680	\$ 0.580	\$ 0.620
PP Homo - Inj	2,069,128	\$ 0.670	\$ 0.760	\$ 0.660	\$ 0.700
HMWPE - Film	1,719,588	\$ 0.565	\$ 0.635	\$ 0.580	\$ 0.620
LLDPE - Inj	1,540,024	\$ 0.560	\$ 0.650	\$ 0.590	\$ 0.630
PP Copo - Inj	1,028,828	\$ 0.700	\$ 0.790	\$ 0.680	\$ 0.720
LDPE- Inj	705,472	\$ 0.575	\$ 0.635	\$ 0.610	\$ 0.650



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