

## PUBLISHER

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- European Polypropylene spot prices decline amid weak demand
- US PP spot prices decline amid weak demand
- Asian PP prices mixed due to weak fundamentals and little activity
- Latin American PP WCSA prices remain stable this week
- US Propylene prices decline this week
- European Propylene prices decline this week
- Asian Propylene prices remain stable this week

### Global Polymer Prices

- The FD NWE Homopolymer injection polypropylene spot prices were down by Eur20/mt and was measured at Eur1,215/mt
- The FAS Houston co-polymer grade polypropylene was down by \$99/mt and was measured at \$1,210/mt
- The CFR FE Asia BOPP grade prices were stable on the week and were measured at \$935/mt
- The spot FD USG polymer-grade propylene was down by 2 cents/lb at 35.25 cents/lb
- The FOB Korea prices were stable and were measured at \$900/mt

POLYPROPYLENE SPOT PRICES (FEA/SEA/SA)				USD/MT
Assessment	Basis	Lower Price	Higher Price	Price Change
PP Block Copolymer	CFR South East Asia	1020	1050	00
PP Block Copolymer	CFR Far East Asia	950	980	00
PP Block Copolymer	CFR India	1040	1070	00
PP Block Copolymer	CFR Pakistan	1100	1130	00
PP Block Copolymer	CFR Sri Lanka	1120	1160	-20
PP Block Copolymer	CFR Bangladesh	1080	1110	00
PP BOPP	CFR South East Asia	1030	1060	00
PP BOPP	CFR Far East Asia	960	990	-10
PP BOPP	CFR India	1050	1080	-10
PP BOPP	CFR Pakistan	1100	1130	00
PP BOPP	CFR Sri Lanka	1140	1170	-20
PP BOPP	CFR Bangladesh	1090	1120	00
PP Film	CFR South East Asia	1010	1040	00
PP Film	CFR Far East Asia	930	960	-10
PP Film	CFR India	1030	1060	00
PP Film	CFR Pakistan	1080	1110	00
PP Film	CFR Sri Lanka	1120	1150	-20
PP Film	CFR Bangladesh	1070	1100	00
PP Injection	CFR South East Asia	1020	1050	00
PP Injection	CFR Far East Asia	950	980	-10
PP Injection	CFR India	1020	1050	00
PP Injection	CFR Pakistan	1080	1110	00
PP Injection	CFR Sri Lanka	1140	1170	-20
PP Injection	CFR Bangladesh	1070	1100	00
PP Raffia	CFR South East Asia	1020	1050	00
PP Raffia	CFR Far East Asia	950	980	-10
PP Raffia	CFR India	1020	1050	00

PP Raffia	CFR Pakistan	1080	1110	00
PP Raffia	CFR Sri Lanka	1140	1170	-20
PP Raffia	CFR Bangladesh	1070	1100	00
Note: CFR (Cost and Freight)				

POLYPROPYLENE SPOT PRICES (EUROPE & TURKEY)				USD/MT
Assessment	Basis	Lower Price	Higher Price	Price Change
PP Copolymer	FD NWE	1170	1200	-10
PP Copolymer	FCA Antwerp	1150	1180	-10
PP Copolymer	CFR Turkey	1025	1055	-20
PP Homo Injection	FD NWE	1155	1155	-10
PP Homo Injection	FCA Antwerp	1130	1160	-10
PP Homo Injection	CFR Turkey	1055	1075	-10

Note: FD (Free Delivered) NWE (North West Europe) FCA – Free Carrier (Place of Delivery) CFR (Cost and Freight) Note: FD NWE denotes FD Germany

POLYPROPYLENE SPOT PRICES (USA & LATIN AMERICA)				USD/MT
Assessment	Basis	Lower Price	Higher Price	Price Change
PP Copolymer	CFR Brazil	1170	1200	-10
PP Copolymer	CFR West Coast South America	1150	1180	-10
PP Homopolymer	CFR Brazil	1025	1055	-20
PP Homopolymer	CFR West Coast South America	1155	1155	-10
PP Homo Injection	FAS Houston	1130	1160	-10

Note: FAS – Free Alongside Ship (Port of Shipment) FOB (Free on Board) CFR (Cost and Freight)

## POLYPROPYLENE SPOT PRICES (MIDDLE EAST)

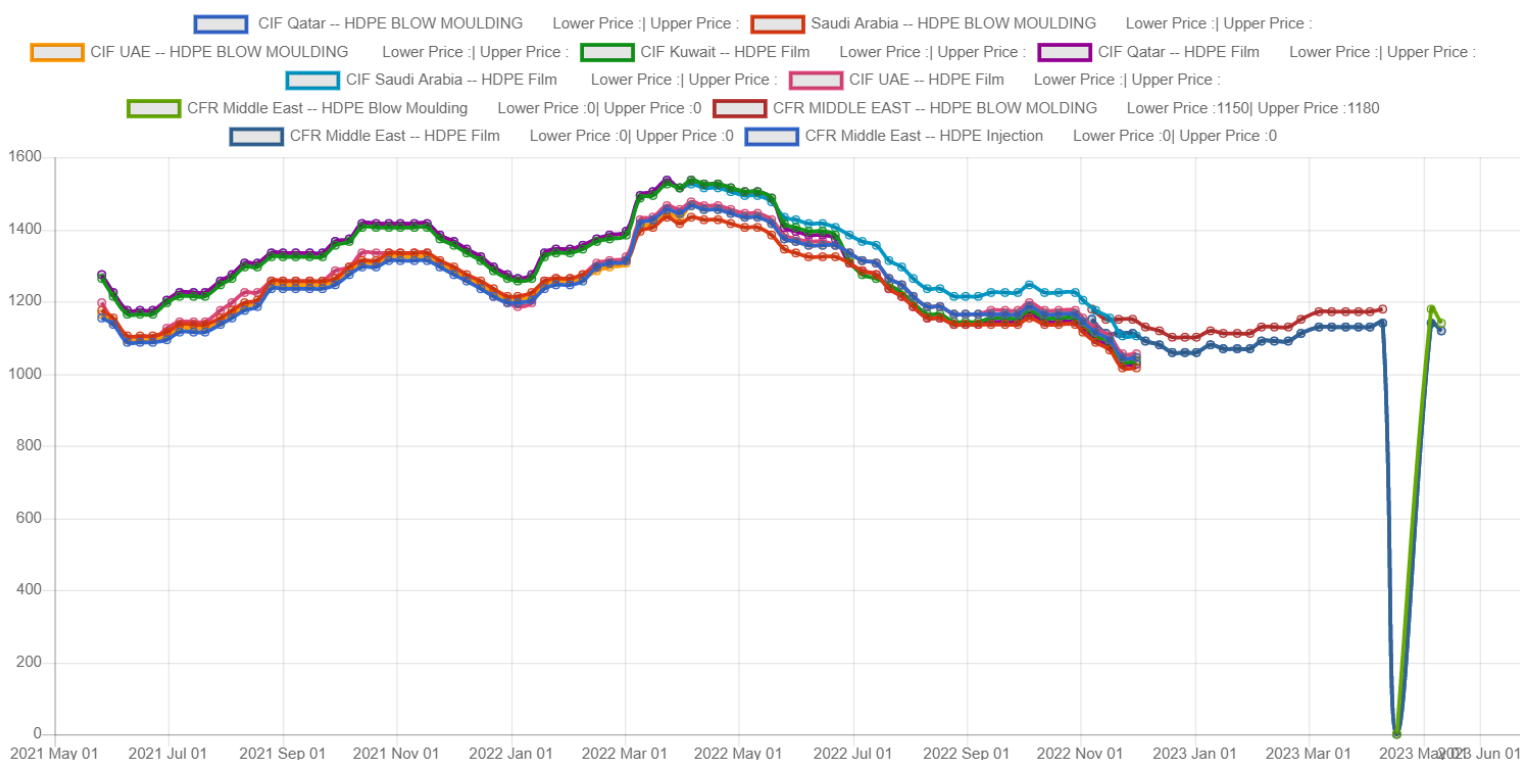
USD/MT

Assessment	Basis	Lower Price	Higher Price	Price Change
PP BOPP	CFR Middle East	1110	1140	00
PP Copolymer	CFR Middle East	1090	1120	00
PP Film	CFR Middle East	1090	1120	00
PP Injection	CFR Middle East	1090	1120	00
PP Injection	FOB Middle East	1090	1120	00
PP Raffia	CFR Middle East	1090	1120	00
PP Raffia	FOB Middle East	1090	1120	00

Note: FOB Middle East prices are from Al-Jubail (Saudi Arabia) to Shanghai (China) for a standard 20-foot container. Note: AED Price Calculation - USD x 3.67 (For example: USD 1500 x 3.67 = AED 5,505)

## POLYPROPYLENE (MIDDLE EAST) PRICE ANALYTICS: THIS MONTH

Note: FOB (Free on Board); CFR (Cost and Freight).



## European Polypropylene spot prices decline amid weak demand

In the week leading up to May 3, European polypropylene markets remained bearish due to a lack of demand in the derivatives market. The market's mood remained pessimistic, unchanging from May 1's settlement of the essential feedstock propylene's May contract price.

On May 2 the European propylene industry's settled contract price for May was fixed at Eur1,130/mt on May 1, down from Eur15/mt in April. The average price stability for the important feedstock naphtha throughout April played a significant role in determining the settlement's direction. The average European naphtha spot price was \$676.33/mt CIF NWE in April, hardly up from \$674.79/mt in March.

The settlement had relatively little impact on the European polypropylene market, as it was noted that poor market demand would outweigh any possible pricing relief from the downward settlement.

Market participants noticed an improvement in fundamentals year over year despite the challenging circumstances. A trader observed that the market was no longer experiencing the volatility that was prevalent in Q2 2022 as a result of Russia's invasion of Ukraine.

The FD NWE Homopolymer injection polypropylene spot prices were down by Eur20/mt and was measured at Eur1,215/mt during the week of May 3.

The FD Germany homopolymer freely negotiated gross contract prices were stable and were measured at Eur1,535/mt during the week of May 3.

The FD NWE Copolymer PP spot prices were down by Eur30/mt and were measured at Eur1,255/mt during the week.

FD Germany copolymer PP freely negotiated gross contract prices stable at Eur1,605/mt during the week of May 3.

## US PP spot prices decline amid weak demand

Spot export prices for polypropylene grades decreased \$99–100/mt during the week of May 3 as market participants reported that demand remained weak.

On May 2, a rail car indication was heard at 45 cents/lb with limited supply, and on May 3, a rail car indication was heard at 46-54 cents/lb. Homopolymer grade was rated at the lowest end of the

May 3 range, despite persistent claims of low export demand. The evaluated level decreased by \$56/mt on a daily basis and by \$100/mt weekly.

Market participants are being cautious while initiating positions on PP because of the poor demand and purchasing activity. Based on market input showing that monthly contracts for April settled lower in early May, domestic contract PP levels be 11 cents/lb lower on a weekly basis.

The FAS Houston spot homopolymer injection grade polypropylene export prices were down by \$100/mt and were measured at \$1,140/mt during the week of May 3.

The FAS Houston co-polymer grade polypropylene was down by \$99/mt and was measured at \$1,210/mt during the week of May 3.

The Domestic homopolymer injection grade polypropylene prices were down by 11 cents/lb and were measured at 68.5 cents/lb and homopolymer fibre prices were stable and were expected to be at 70.5 cents/lb delivered.

## **Asian PP prices mixed due to weak fundamentals and little activity**

PP Raffia CFR Southeast Asia prices increased by \$10/mt on the week to close at \$1,020/mt while PP Raffia CFR South Asia prices decreased by \$10/mt to close at \$1,050/mt for the week ending May 3. While the Chinese and Japanese players were absent, the Chinese market had sporadic activity. As demand decreased before the holidays, domestic prices dropped late last week to about Yuan 7,500/mt, while export prospects remained dim due to a stagnant global macroeconomic environment.

Turnarounds and the winding down of operations before the holidays caused the nation's average plant operation rates to drop to about 70% at the end of last week. Participants anticipate that run rates for the nation's propane dehydrogenation facilities will rise in the coming months, therefore operation rates will be closely watched.

As netbacks to other Asian areas dried up, several South Korean suppliers were reportedly discussing arbitrages between South Korea and Europe. Local exporters hoped to profit from the nation's duty-free status for shipments going to the EU. The South Korean polymer market has been constrained by a struggling industrial sector. According to South Korea's commerce ministry, the country's exports dropped 14.2% year over year to \$49.62 billion in April.

Prices in Southeast Asia were only partially supported by a lack of cheaply priced cargoes from China and the Middle East since key importer Vietnam's market sources were mostly on vacation. Producers anticipate a boost in restocking activity in Malaysia and Indonesia during the next week.

In India, the demand in the nation has been steady to weak, with consumers favouring domestic suppliers due to favourable rates. Consumers don't want to purchase imports when there is a plentiful and reasonably priced native supply. The rangebound scenario is being caused by overseas sellers who are refusing to lower their prices at the same time.

The CFR FE Asian raffia/injection grade Polypropylene prices were stable and measured at \$925/mt on the week of May 3.

The China domestic raffia grade PP prices were stable and measured at Yuan 7,505/mt on the week of May 3.

The CFR FE Asia IPP film grade prices were stable on the week and were measured at \$935/mt during the week of May 3.

The CFR FE Asia BOPP grade prices were stable on the week and were measured at \$935/mt during the week of May 3.

The CFR FE Asia block copol grade prices were stable on the week and were measured at \$955/mt during the week.

CFR S Asia Raffia/Injection grade PP prices were down by \$10/mt and were measured at \$1,050/mt during the week.

## **Latin American PP WCSA prices remain stable this week**

On May 3, prices for polypropylene in Latin America were judged stable on the West Coast of South America, higher in the Brazil, and unchanged across Mercosur. The Middle East, China, and Southeast Asia made up the majority of the reported bids.

CFR WCSA: Spot homopolymer-grade polypropylene prices were flat on May 3 on the week at \$1,140/mt.

CFR Brazil: Spot PP homopolymer pricing was assessed at \$1,125/mt May 3, up \$5/mt from April 26.

## PROPYLENE SPOT PRICES (FEA/SEA/SA)

USD/MT

Assessment	Basis	Lower Price	Higher Price	Price Change
Propylene	CFR South East Asia	865	895	00
Propylene	CFR India	915	945	00
Propylene	FOB Korea	895	925	00
Propylene	CFR Taiwan	860	890	00
Propylene	CFR China	860	890	00

Note: FOB (Free on Board) CFR (Cost and Freight).

## PROPYLENE SPOT PRICES (EUROPE)

USD/MT

Assessment	Basis	Lower Price	Higher Price	Price Change
Propylene	FD NWE	895	925	00
Propylene	CIF NWE	815	845	00

Note: FD (Free Delivered) NWE (North West Europe) CIF (Cost, Insurance, and Freight)

## PROPYLENE SPOT PRICES (USA)

USD/MT

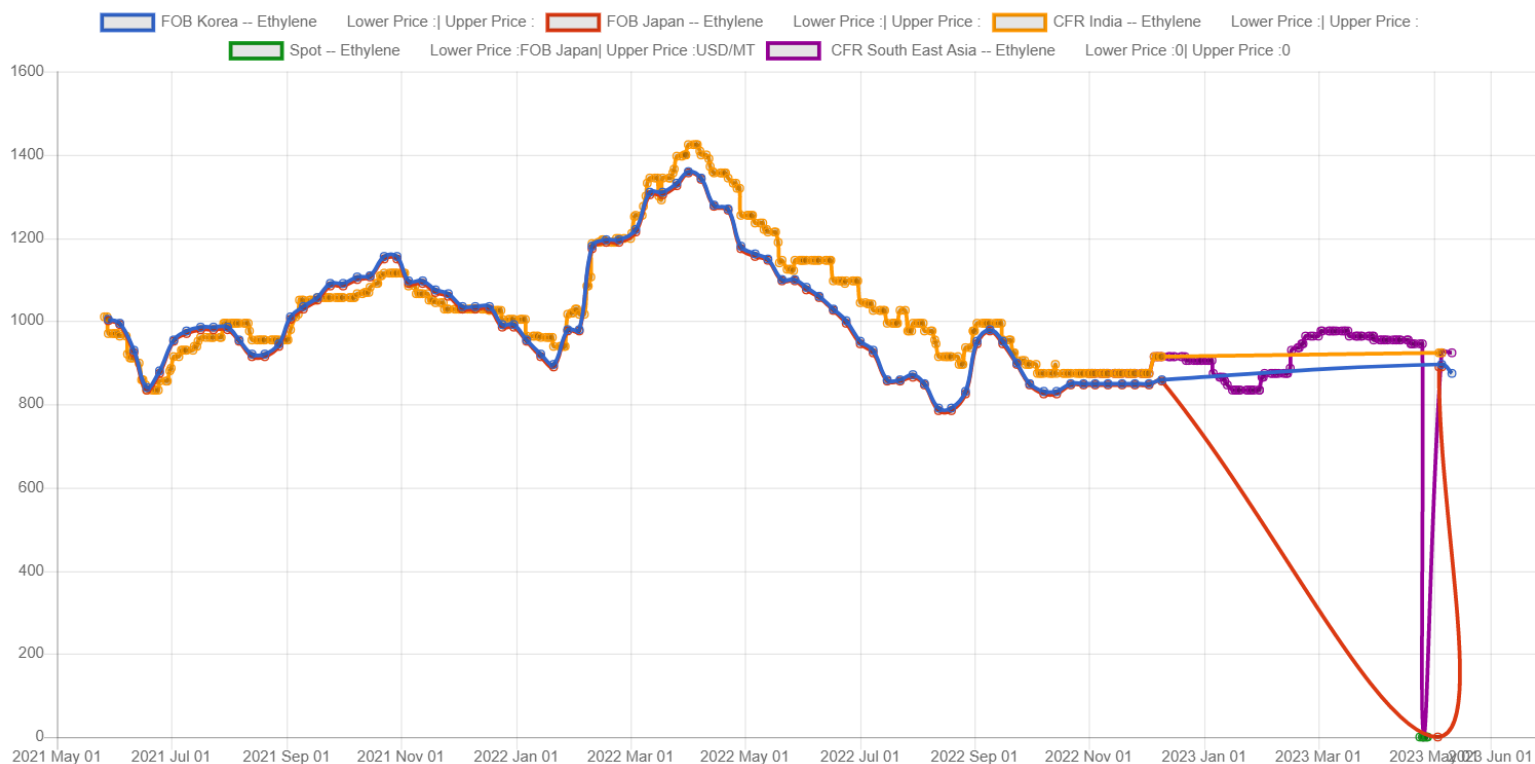
Assessment	Basis	Lower Price	Higher Price	Price Change
Propylene Polymer Grade	FD US Gulf	15	17	00
Propylene Refinery Grade	FD US Gulf	15	17	00

Note: FD (Free Delivered)



## PROPYLENE PRICE ANALYTICS: THIS MONTH

Note: FOB (Free on Board); CFR (Cost and Freight).



### US Propylene prices decline this week

On May 3, spot polymer-grade propylene on the US Gulf Coast declined due to weaker upstream. Due to reduced offers, May spot polymer-grade propylene at 35.25 cents/lb FD USG, down 2 cents on the day. From 65.75 cents per gallon on May 2 to 3.75 cents, propane's price at Enterprise.

The spot May polymer-grade propylene was down by 2 cents/lb at 35.25 cents/lb FD USG.

Forward-month June PGP was assessed was down by 2 cents/lb at 35.25 cents/lb FD USG.

Prompt spot refinery-grade propylene was stable and assessed at 23.75 cents/lb FD USG.

### European Propylene prices decline this week

In the week leading up to April 28, negative fundamentals on the European propylene market persisted, led by lacklustre demand for derivatives. Initial discussions for the May industry negotiated monthly contract price, which started towards the end of the week, and focused mostly on the calm market.

Due to public holidays across Europe, negotiations between market players may likely take longer to conclude than anticipated. Throughout the week, despite inflationary pressure and oversupply, the modest purchasing appetite that has characterised propylene-based markets throughout 2023 showed no signs of abating.

As a result, spot activity was minimal, with purchasers concentrating on contractual intake and living off the grid.

The Free-delivered NWE propylene polymer grade spot prices down by Eur45/mt and were assessed at Eur880/mt during the week.

## Asian Propylene prices remain stable this week

Due to Chinese purchasers' Labour Day vacation and delayed return on May 4, the propylene market was unchanged on May 3. The ICE Brent July oil futures contract was trading at \$74.05/b at 4:30 p.m. Singapore time, down \$4.97/b from the previous Asian close.

In regards to plants, China's Shandong Haijiang Chemical intends to maintain its April plan to operate its 130,000 mt/year acrylonitrile facility in Zibo in Shandong province at 100% of capacity in May. Due to a supply surplus and weak downstream demand in 2022, several ACN producers in Northeast Asia lowered run rates or shut down facilities.

The market for acrylonitrile-butadiene-styrene saw some support in October from rising downstream demand and an alleviating supply surplus brought on by the lengthy production restrictions, but prices dropped back after units resumed or raised run rates.

Due to weak downstream demand and newly emerging capacity in China, ACN prices softened a bit in March and April. However, this week, planned turnarounds by four large production companies in Northeast Asia helped to stabilise the ailing ACN market.

The CFR China propylene prices were stable and were assessed at \$920/mt during the week.

The FOB Korea prices were stable and were measured at \$900/mt.

The East Domestic prices stable and assessed at Yuan 6,980/mt during the week.

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