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## Market Update — March 16th, 2018

Resin for Sale 14,395,056 lbs		Spot Range		TPE Index	
Resin	Total lbs	Low	High	Bid	Offer
LLDPE - Film	4,494,188	\$ 0.595	\$ 0.680	\$ 0.575	\$ 0.615
HDPE - Inj	2,048,644	\$ 0.580	\$ 0.670	\$ 0.570	\$ 0.610
HDPE - Blow	2,006,828	\$ 0.660	\$ 0.710	\$ 0.630	\$ 0.670
PP Homo - Inj	1,807,772	\$ 0.620	\$ 0.690	\$ 0.600	\$ 0.640
LDPE - Film	1,600,944	\$ 0.630	\$ 0.720	\$ 0.660	\$ 0.700
PP Copo - Inj	923,920	\$ 0.630	\$ 0.740	\$ 0.640	\$ 0.680
HMVPE - Film	661,380	\$ 0.685	\$ 0.730	\$ 0.660	\$ 0.700
LLDPE - Inj	498,644	\$ 0.675	\$ 0.770	\$ 0.680	\$ 0.720
LDPE - Inj	352,736	\$ 0.650	\$ 0.720	\$ 0.640	\$ 0.680

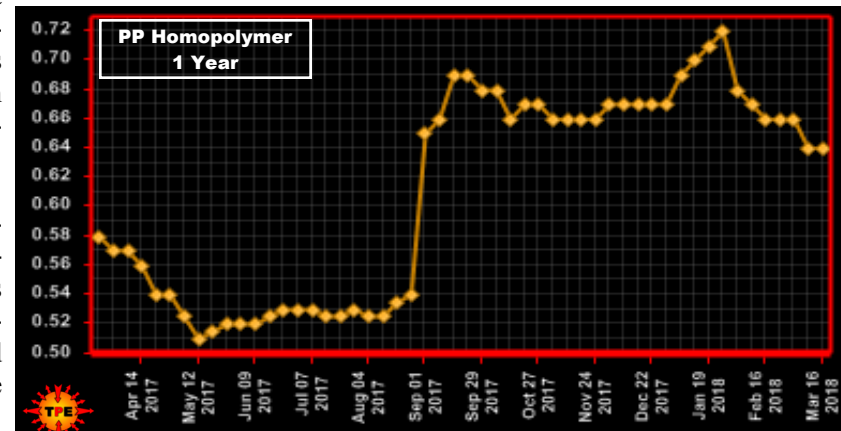
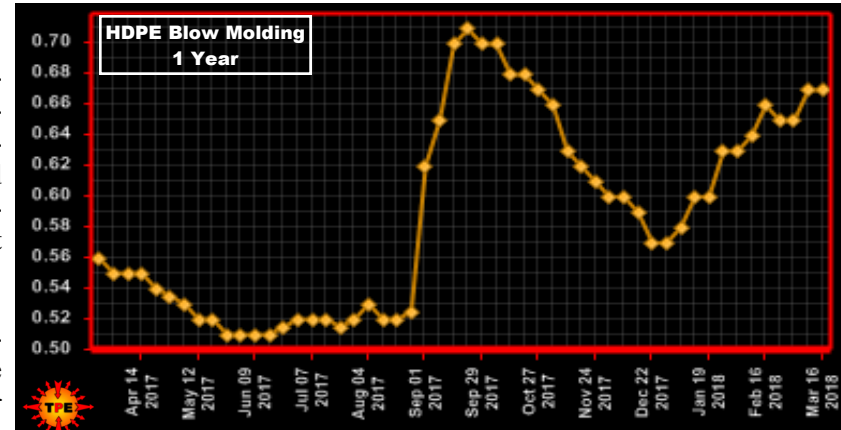
The spot PE and PP markets were extremely active last week, keeping a steady pace that lasted through the close of business on Friday and even a little past. Our trading desk was busy filling orders from both processors and traders purchasing resin in larger slugs rather than just one or two truckloads to get them by. Interestingly enough, prices for both PE and PP held steady with the exception of LLDPE Butene which eased. There is a still a \$.03/lb PE price increase on the table for March which has generated mixed reactions from market participants. Contract PP is poised to decrease along with PGP, however April will be interesting as there are increases of \$.03-.05/lb nominated above the change in monomer.

The major energy markets were mixed this past week. WTI Crude futures rolled to May and ended the week slightly positive with a \$0.49/bbl gain, finishing the week at \$62.41/bbl. Brent Oil futures saw a slightly bigger rise of \$0.72/bbl and ended the week at \$66.21/bbl. April Natural Gas futures on the other hand started the week strong but ended in the red, shedding \$0.044/mmBtu to settle at \$2.688/mmBtu.

Ethane prices saw a slight gain this past week ending at \$0.245/gal (\$0.103/lb). Propane also saw a nice gain to finish at \$0.79/gal (\$0.223/lb), up about \$0.03/gal. Ethylene continues to see heavy pressure and it seems evident the new Gulf cracker capacity is having a big effect. Pricing is now sub \$0.20/lb, finishing the week around \$0.185/lb, down about \$0.03/lb. Spot PGP volatility continues to decrease as the market stabilizes; however, prices continue to see some slight downward pressure, prompt levels finished below \$0.45/lb., down about a cent.

Polyethylene trading was robust, completed volumes were high and there was relatively little price movement. The lofty levels seemed to once again push away those who had the ability to hold off on larger purchases. With the exception of LDPE for film and LLDPE for injection, which continue to remain snug, most PE grades took a breather from the steady climb we have witnessed over the last three weeks and remained flat. Though HDPE blow molding supply has become more available, prices have yet to retreat as outstanding orders are still being filled. LLDPE for film fell from its peak this past week, losing a penny. In the coming week, Polyethylene market participants will rustle with the pending \$0.03/lb increase in price for March contracts.

Polypropylene trading was very active this past week with both buyers and sellers apparently eager to transact. Transactions took place mainly between resellers purchasing offgrade with some prime transactions completed to processors as well. Exports outside of the Latin American region has been challenged due to stiff price competition that has arisen recently. March PP contracts are set to decrease somewhere around \$0.04-0.06/lb along with PGP contracts. There is a margin enhancing price increase nominated for April PP.



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