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The spot resin markets were pleasantly active the first full week of March; deals were somewhat challenging to complete, but our trading desk really hustled for our clients and finalized an above average number of transactions. Prices for both Polyethylene and Polypropylene were flat across the board, though the flow of fresh offers was a bit lighter, and some grades were seemingly scarce for immediate shipment. Sales were equally spread between PE and PP and total railcar volumes outstripped our truckload orders. While export business continued to thrive, domestic business was front and center. Polyethylene producers are again pursuing their \$.06/lb price increase with a split implementation, which averages \$.03/lb this month – it still remains unlikely. Polypropylene contracts will follow Propylene monomer lower in March, a decrease around \$.03/lb should be forthcoming.

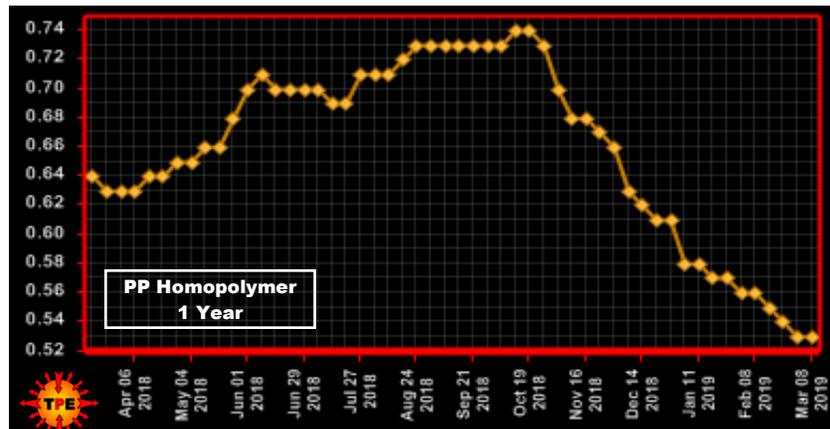
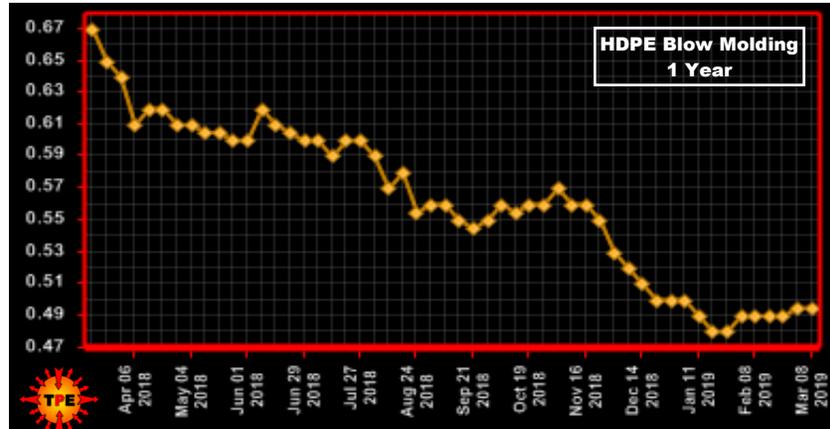
The major energy markets saw relatively little price change amid reduced volatility. April WTI Crude Oil futures recovered about \$1.50/bbl from its Friday low to settle at \$56.07/bbl, eeking out a small weekly gain of \$.27/bbl. Brent Oil saw a tad more upside, the May futures contract added \$.67/bbl to \$65.74/bbl. Nat Gas futures traded in just a 3% range, the April contract gained less than a cent to end the week at \$2.865/mmBtu. Ethane also saw a fractional gain, it was up a quarter-cent to \$.29/gal (\$.123/lb). Propane recovered a bit from recent losses, regaining \$.014/gal to \$.684/gal (\$.194/lb).

Monomer trading picked up a tad; market interest and volume were slightly more encouraging than in recent weeks. Ethylene prices, both prompt and forward, felt slight pressure throughout the week. Ethylene for March delivery sustained a fractional loss and ended the week just above \$.15/lb. Ethylene in Choctaw, LA still demands a slight premium over material in Texas, but it has shrunk to about a half-cent. PGP continued to edge lower, peeling back another 1% to \$.32125/lb for prompt delivery. Traders again found little interest in nearby PGP and instead focused on future months, where good volumes changed hands. The continued weakness in spot PGP points towards a moderate decrease of around \$.03/lb for March contracts; however, the forward curve is in a slight contango. Prices are currently set to rise each month beginning in April, but just by a total of \$.035/lb by the end of the year and priced to \$.39/lb by June of 2020.

Spot Polyethylene trading felt a bit slower; while deal flow was indeed reduced, completed volumes still managed about average. Transactions were done in each of our commodity grades, except for HMW for film – perhaps these city bag bans are really starting to affect demand. Prices were flat across the board and overall sentiment can be classified as neutral. There is a tinge of firmness in the short-term, as trader inventories have thinned out with concern that another wave of resin from new production could weigh on the market. In the meantime, asking prices for immediate shipment remain a little higher with some grades elusive in large volume. Producers are again technically pushing for a price increase, which averages around \$.03/lb for March and in total \$.06/lb over the next two months. Implementation appears unlikely in March as spot material remains offered at nice discounts to general contract levels. Export activity was a little quieter, but is still very healthy overall and an important component of total demand current and ongoing.

Market Update — March 8th, 2019

Resin for Sale 13,503,006 lbs		Spot Range		TPE Index	
Resin	Total lbs	Low	High	Bid	Offer
PP Copo - Inj	2,797,920	\$ 0.460	\$ 0.640	\$ 0.510	\$ 0.550
PP Homo - Inj	2,572,380	\$ 0.510	\$ 0.620	\$ 0.490	\$ 0.530
LLDPE - Film	2,272,760	\$ 0.450	\$ 0.540	\$ 0.445	\$ 0.485
HDPE - Blow	1,746,886	\$ 0.435	\$ 0.510	\$ 0.455	\$ 0.495
LDPE - Film	1,039,288	\$ 0.480	\$ 0.540	\$ 0.455	\$ 0.495
HDPE - Inj	997,288	\$ 0.450	\$ 0.520	\$ 0.455	\$ 0.495
HMWPE - Film	763,196	\$ 0.480	\$ 0.550	\$ 0.455	\$ 0.495
LLDPE - Inj	714,920	\$ 0.500	\$ 0.565	\$ 0.475	\$ 0.515
LDPE - Inj	598,368	\$ 0.450	\$ 0.540	\$ 0.475	\$ 0.515



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