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Commodity resin trading slowed dramatically; after several super active weeks, it seems that most market participants took off early for the Thanksgiving holiday break. Most Polyethylene grades edged a little lower on price; Polypropylene was steady to a tad weaker as well. A few resellers had Polyethylene railcars, both generic prime and offgrade, that still required disposition into month-end; decent discounts were offered to attract buyers. Polypropylene railcar offerings were minimal and aside from resellers looking to shed uncommitted warehoused stocks, spot availability was thin. Incremental PE exports were crimped by weak international markets, creating a disconnect to Houston prices which had bounced from the early October lows.

The energy markets saw relatively little change amid reduced volatility. WTI Crude Oil was higher before the holiday break and gave back the gains on Friday; the Jan futures contract ended the week at \$41.71/bbl, down just \$.19/bbl. Jan Brent Oil futures also had a large down day on Friday, but still held on to a \$.20/bbl weekly gain and headed into the weekend at \$44.94/bbl. Natural Gas futures fell into the red on Friday, dropping a net \$.079/mmBtu to \$2.212/mmBtu. Spot Ethane was flat at \$.1775/gal (\$.075/lb); Propane prices popped a penny to \$.425/gal (\$.12/lb).

The spot Ethylene market saw just moderate activity the first part of the week and then fell silent from Turkey-Day on. A couple crackers had minor operational issues, but otherwise, most gulf units have been running near capacity. Ethylene for November delivery transacted several times at steady money, \$.215/lb, December Ethylene commanded a fractional premium as do future months. The 2016 forward curve peaks in March near \$.26/lb before tailing off \$.015/lb by the end of the year.

After a very active month of trading, the November Polyethylene market ended quietly. Sellers were more prevalent early in the week as there were railcars that needed to find homes before month-end. Purchasing activity slowed this past week, buyers seemed to sense that come December, producers will find little success at their third attempt to implement the \$.05/lb price increase. Some film grades have become difficult to source, including LDPE Fractional melt and LLDPE Octene and Metallocene, surplus material has been soaked up by the Latin American region, reeling from local outages. While buyers from India and Asia have been testing the market for price, that easy arbitrage is closed at this time.

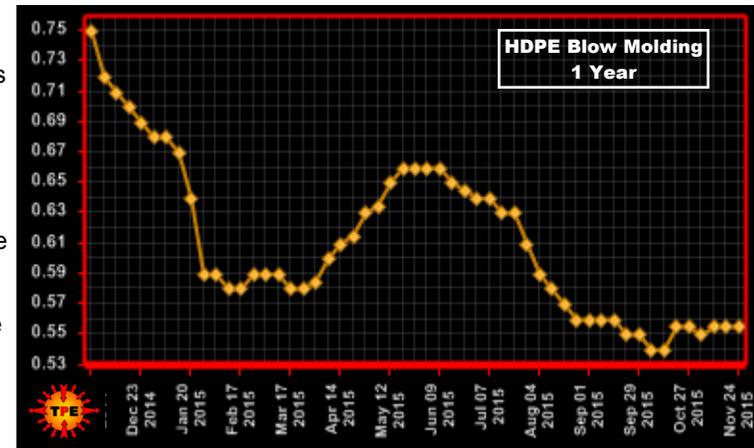
The spot Propylene market was very quiet with just a few transactions seen. PGP for November delivery changed hands a tad higher to \$.29375/lb; Dec PGP was priced at a small premium, but still below the \$.30/lb level. Nov PGP contracts were up a cent to \$.315/lb and based on spot values, a similar small increase could be seen. The forward PGP curve has flattened, the March 2016 peak is just above \$.30/lb and the market is currently forecasted to retrace to \$.29/lb by the end of the year. RGP was steady again, remaining at \$.185/lb.

The Polypropylene market also experienced minimal activity during this past holiday shortened week; there were just a few end of the month railcar offers with occasional buying interest. While production levels continue to improve, and offgrade availability is better, overall Polypropylene supplies are still falling short of healthy domestic demand. This supply/demand imbalance has enabled producers to expand margins considerably during 2015; resin prices fell less than the drop in monomer during the first 3 quarters and outright price increases have been implemented the past 2 months. Producers are eyeing another bump up in December.

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 — November 27th, 2015

Total Offers 14,197,660 lbs		Spot		Contract	
Resin	Total lbs	Low	High	Bid	Offer
LLDPE - Film	2,927,392	\$ 0.545	\$ 0.610	\$ 0.525	\$ 0.565
HDPE - Blow Mold	2,376,392	\$ 0.515	\$ 0.570	\$ 0.515	\$ 0.555
LDPE - Film	2,139,104	\$ 0.560	\$ 0.620	\$ 0.545	\$ 0.585
HDPE - Inj	1,892,760	\$ 0.505	\$ 0.580	\$ 0.515	\$ 0.555
HMVPE - Film	1,652,276	\$ 0.505	\$ 0.580	\$ 0.525	\$ 0.565
LDPE - Inj	950,000	\$ 0.570	\$ 0.660	\$ 0.580	\$ 0.620
PP Homo	808,368	\$ 0.545	\$ 0.650	\$ 0.590	\$ 0.630
LLDPE - Inj	746,368	\$ 0.580	\$ 0.610	\$ 0.560	\$ 0.600
PP Copo - Inj	705,000	\$ 0.500	\$ 0.690	\$ 0.610	\$ 0.650



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