



**CELEBRATING  
44 YEARS!**

**February**

**MARKET PRICES**

(in US Dollars Per Pound)

**UNITED STATES**

Polyethylene	↑	
Polypropylene	↑	
Polystyrene GP	↑	
Ethylene	\$ 0.51	s
Propylene PGP	\$ 1.25	s
Styrene	\$ 0.708	s
Benzene (\$/gl.)	\$ 2.43	s

**EUROPE**

Linear Low	\$ 0.832	s
Polypropylene	\$ 0.789	s
Polystyrene	\$ 0.876	s
Ethylene	\$ 0.549	s
Propylene	\$ 0.595	s
Styrene	\$ 0.767	s
Benzene (\$/gl.)	\$ 2.83	s

**ASIA**

Linear Low	\$ 0.531	s
Polypropylene	\$ 0.644	s
Polystyrene GP	\$ 0.635	s
Ethylene	\$ 0.463	s
Propylene	\$ 0.506	s
Styrene	\$ 0.611	s
Benzene (\$/gl.)	\$ 2.35	s

LEGEND : S = SPOT  
↔ = STABLE

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**Market News**

Producers with plants in the Gulf Coast are now assessing the damage to their facilities and their access to utilities, supplies and feedstocks from their external suppliers. Inventory that was produced before February 15<sup>th</sup> is beginning to be allocated and could start shipping this week. There are no firm startup dates for any plants that were down. Concern is mounting that some plants that are able to soon resume production might have to shut down again if they can't receive consistent supply of necessary materials. This week will be critical for processors, especially larger ones, as they are running out of resin and will have to shut down plants and/or idle certain lines.

US & CANADA -

**Polyethylene:** Polyethylene supply remains severely constrained as most of the Gulf Coast production remains offline or in the beginning of start-up mode. There has been very little resistance to the February \$0.07 increase and the nominated March \$0.07 increase looks stronger as each day goes by, with continued production issues. Force Majeures and Sales Allocations continue, and whatever resin is available is quickly bought up as processors are doing their utmost to keep their plants running.

Ethylene reported trades this week at \$.51/lb. Ethane traded at \$.023/gal.

**Polypropylene:** PGP settled up \$0.28 cpp for February to \$0.885 cpp. Forecasts for March reflect a slight increase. A specific nomination has not been made but conversations are reflecting 3-10 cpp increase for March. Projections for April going forward depend largely upon start-up and availability of derivatives required to produce PGP. The feedstock market is projected to drop sometime in the second quarter but timing is still very unclear. Polypropylene spot wide spec pricing has increased dramatically due to supply/demand dynamics with basically no new production of resin available. Start ups at polypropylene plants will rely on PGP supply, so it is a bit of a domino effect. Enterprise was projected to restart after their turnaround, ~3/15, but sentiment is that this will be pushed back. The polypropylene market will remain very tight on supply and pricing will remain high, at unprecedented levels.

PGP was traded this week at \$1.25/lb, ~\$.27/lb higher than 2 weeks ago.

**Polystyrene:** The three main Polystyrene producers have announced +\$0.09 - \$0.11/lb for March 2021 prime polystyrene. This is the fifth consecutive monthly price increase, cumulatively totaling about \$0.25/lb since November 2020. In addition, Styrolution declared Force Majeure in polystyrene. Styrolution and Lyondell both declared Force Majeure in styrene monomer and there are unrelated global styrene supply issues as well. There are Force Majeure's in ethylene and other petrochemicals in the Gulf causing prices to spike for polystyrene feedstocks as well as the polymer. Global polystyrene production, availability, and pricing is expected to be impacted by all of the above as the industry enters into what is typically a busy season.

**PET:** PET market is still tight and consistency in raw material supplies is uncertain at this time. Demand remains strong.

Styrene monomer pricing was up \$.118/lb from the previous week to \$0.708/lb FOB GC.

Benzene January contract pricing is up \$.39/gal. at \$2.43/gal. FOB GC.

Natural gas stocks were down 338 Bcf as of February 19th, to 1,943 Bcf, -13.3% higher than last year at this time and -7.7% above the 5-year average of 2,104 Bcf.

Total US rig count per Baker Hughes was up 5 to 402 for week ending February 26th. With natural gas up 1 to 92 and up 4 for oil to 309. A year ago at this time total natural gas rig count stood at 110 rigs, and total oil rig count stood at 678 total rigs.

US oil production for the week of February 12th was down 2.6MM bbl/day at 12.2 million bbl/day. US oil stockpiles (excluding those in the Strategic Petroleum Reserve) for the week of February 19th increased by 1.3 million barrels from the previous week. At 463.0 million barrels, U.S. crude oil inventories are at the 5-year average for this time of year. Total distillate fuel inventories decreased by 5.0 million barrels last week and are about 3% above the five year average for this time of year.

Natural gas was down \$0.31/MMBtu for the week to \$2.76/MMBtu.

WTI (West Texas Intermediate) was up \$02.66/bbl. for the week with a Friday close of \$61.69/bbl.

Brent Crude was up \$3.41/bbl. for the week, closing Friday at \$66.13/bbl.

The WTI/Brent spread was up \$0.75 from the previous week at \$4.44.

Total North American rail volumes were down 17% year over year in week 7, resulting in year to date volumes that are up 0.4%.

Europe

Europe HDPE: Spot prices rise on short covering following US constraints

Spot LL prices were up \$.089/lb to \$0.832/lb. FD NWE, while LDPE prices were up \$.072/lb to \$0.876/lb. FD NWE.

Spot ethylene pricing was up \$.010/lb to \$0.549/lb. FD NWE.

Naphtha was up \$04/mt to \$555/mt CIF NWE.

PP homopolymer prices were up \$0.012/lb to \$0.789/lb. FD NWE.

Propylene spot pricing was up \$.036/lb to \$0.595/lb. FD NWE.

GPPS spot pricing was up \$.105/lb to \$0.876/lb. FD NWE.

Styrene monomer spot pricing was up \$.049/lb. to \$0.767/lb. FOB ARA.

The regions spot benzene price was flat at \$2.83/gal CIF ARA.

Asia

Asian HDPE: Spikes on snug supply, rising crude prices

Spot LLDPE prices were up \$.052/lb to \$0.531/lb. CFR China and LD prices were up \$.066/lb to \$0.701/lb. CFR China.

Ethylene spot pricing was up \$.089/lb to \$0.463/lb FOB Korea and was up \$.088/lb in China to \$0.476/lb. CFR NEA.

Naphtha settled up \$26/mt at \$585/mt CFR Japan.

PP homopolymer injection molding grades were up \$.095/lb to \$0.644/lb. CFR SEA.

Propylene spot prices were up \$.059/lb \$.506/lb FOB Korea while China pricing was up \$.068/lb to \$0.524/lb. CFR China.

GPPS spot prices were up \$.073/lb to \$0.635/lb CFR FE Asia.

Styrene spot prices were up \$.063/lb to \$0.611/lb. FOB Korea while China prices were up \$.063/lb. to \$0.620/lb. CFR China.

The regions spot benzene price was flat at \$2.35/gal CFR China.