PetroChemWire

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WEEKLY RECYCLED PLASTICS REPORT

Kathy Hall – Editor-in-Chief
Xavier Cronin – Recycled Resins Editor
David Barry – Prime Resins Editor

REPRO (pellet) FOB USEC $/lb

Resin/Grade	Price	Mean Change
HDPE HMW Drums	0.440-0.480	0.000
HDPE PC Frac-melt Homopolymer (dairy)	0.640-0.680	0.000
HDPE PC Frac-melt Copolymer MC	0.400-0.430	0.000
HDPE PI Frac-melt Copolymer Black	0.420-0.430	0.000
HDPE PI Frac-melt Copolymer MC	0.420-0.430	0.000
HDPE Injection-crate MC	0.420-0.440	0.000
LDPE Film MC	0.380-0.400	0.000
LLDPE Film MC	0.390-0.410	0.000
HoPP - Injection Black	0.410-0.430	0.000
HoPP - Injection MC	0.410-0.430	0.000
CoPP - Injection Black	0.450-0.520	0.000
GPPS Clear	0.560-0.580	0.000
GPPS - White	0.560-0.580	0.000
GPPS Black	0.390-0.400	0.000
HIPS - White	0.590-0.600	0.000
HIPS - Black	0.560-0.570	0.000
PET FDA-Sanctioned Clear	0.580-0.590	**0.005**
PET Green	0.290-0.320	0.000
Nylon 66 Post-Industrial - Black	0.700-0.700	0.000
Nylon 6 Post-Industrial - Black	0.600-0.630	0.000
ABS General Purpose Black, del MW	0.500-0.550	0.000

REPRO (pellet) FOB LA/Long Beach $/lb

HDPE Repro, PC Gray & Natural, 50/50	0.490-0.500	0.000
HDPE Repro, PC Natural	0.540-0.550	0.000

Prices are in $/lb, for minimum truckload quantities originating from the US East Coast. Prices reflect confirmed deals, bids and offers to the market at large. PC designates post-consumer resin; PI, post-industrial. DEL designates delivered.

REGRIND (flake) FOB USEC $/lb

Resin/Grade	Price	Mean Change
HDPE HMW Drums	0.240-0.350	0.000
HDPE PC Frac-melt Homopolymer (dairy)	0.480-0.500	0.000
HDPE PI Frac-melt Copolymer Black	0.310-0.330	0.000
HDPE PI Frac-melt Copolymer MC	0.310-0.330	0.000
HDPE Inj Crate - Black	0.320-0.330	0.000
HDPE Injection-crate MC	0.320-0.330	0.000
LDPE Injection Natural	0.350-0.400	0.000
LDPE Injection MC	0.360-0.390	0.000
HoPP - Injection Black	0.300-0.330	0.000
HoPP - Injection MC	0.300-0.330	0.000
CoPP - Injection Black	0.300-0.330	0.000
GPPS - Clear	0.140-0.160	0.000
GPPS - White	0.150-0.190	0.000
GPPS MC	0.110-0.140	0.000
HIPS White	0.290-0.350	0.000
HIPS MC	0.260-0.340	0.000
PET Clear High-grade Bottles Curbside	0.390-0.410	0.000
PET Food-grade Sheet	0.430-0.450	0.000
PET Sheet /Filament Fiber - Clear	0.370-0.390	0.000
PET Sheet /Filament Fiber - Green	0.300-0.340	0.000
PET Staple Fiber - Clear	0.370-0.390	0.000
PET Staple Fiber - Green	0.285-0.300	0.000
Nylon 66 Post-Industrial Unfilled - Black	0.570-0.590	0.000
Nylon 66 Post-Industrial Unfilled - MC	0.570-0.590	0.000
Nylon 6 Post-Industrial Unfilled - Black	0.380-0.400	0.000
Nylon 6 Post-Industrial Unfilled - MC	0.380-0.400	0.000
PVC PI MC, Del FL/Carolinas	0.220-0.230	**-0.010**
ABS General Purpose MC, del MW	0.460-0.480	0.000

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REPRO/REGRIND NEWS IN BRIEF

Clean HDPE HMW regrind was done this week at 33-36 cpp FOB location in New Jersey, steady on early Jul. Demand was strong and supply from this location was sold out through Aug. Supply of post-industrial HDPE HMW drums and intermediate bulk containers (IBCs) used as feedstock was plentiful in Mid-Atlantic locations. Dirty HDPE HMW regrind was also flat with business at 23-25 cpp FOB Southeast. HDPE HMW repro was done at 44-48 cpp FOB Southeast. Natural HDPE non-food grade post-consumer resin (PCR) was done at week's end at 64-68 cpp with food grade FDA of the same done at 70-78 cpp, both FOB Southeast. Natural HDPE PCR in Southern CA was done at 55 cpp FOB LA/Long Beach. The lower price in CA was due to lower costs for HDPE curbside natural compared to markets east of the Rockies. HDPE post-industrial frac melt mixed colors regrind was offered at 33 cpp FOB central Midwest with buying interest seen. No black HDPE frac-melt regrind business was seen; most regrind of this sort is sold as MC and taken to black during pelletizing or used directly as feedstock for end use products. No HDPE injection crate black regrind business has been seen this month. HDPE injection crate MC regrind was last heard at 32-33 FOB Southeast and Midwest. Offgrade HDPE BM HIC was around 52 cpp railcar DEL, up slightly from last week.

Post-industrial LDPE injection mixed colors regrind was offered for a second consecutive week at 39 cpp FOB central Midwest. No natural LDPE injection regrind business has been seen this year in this market. LDPE film mixed colors repro was steady at 38-40 cpp and LLDPE film of the same at 39-41 cpp, FOB east of the Rockies. Prime LDPE film (with adds) was trading this week at 50 cpp railcar FOB Houston with fresh offers seen at 51 cpp.

Extrusion-grade mixed colors PP regrind sourced from WI, OH, TN, VA and NY State was bid at 21.5 cpp DEL upper Midwest. Low melt extrusion HoPP regrind was done at 15 cpp DEL upper Midwest. PP/PE bottle cap regrind, typically 55% PP/45% PE content, was offered at 18 cpp DEL Northeast. FDA CoPP injection PCR was flat at the mid-60s cpp level, DEL locations in the US and Canada, including border spots for export to Mexico. Offgrade impact CoPP was quoted around 57 cpp railcar DEL.

Post-industrial white PVC regrind from window profiles was offered this week at 36 cpp DEL Southeast. Post-consumer mixed colors PVC pipe regrind was offered at 23 cpp DEL Carolinas and GA, down 1 cpp.

HIPS white regrind was bid at 31 cpp and mixed colors of the same at 28 cpp DEL upper Midwest. GPPS MC regrind was done at 13 cpp and clear of the same at 16 cpp, also DEL upper Midwest, and steady on last week.

Imported general purpose ABS was discussed at $1/lb, DDP US ports, and steady on Jun. GP black ABS repro was at 50-55 cpp and GP mixed colors ABS regrind at 46-48 cpp, DEL Midwest.

Prime Grade Resins: Jul HDPE BM HIC was up 1 cpp at week's end at 43 cpp railcar FOB Houston. Generic prime HIPS was at 82-86 cpp railcar DEL. Generic prime HoPP IM was at 54-57 cpp railcar DEL. Bottle grade prime PET was at $0.55-$0.56 cpp, DEL railcar Chicago. Typical railcar volume is 190 million lbs.

Upstream Monomers: US Gulf spot ethylene traded at 17-20 cpp; it ended the week at 18.5 cpp. Polymer-grade propylene traded at 36-37 cpp, ending the week at 36 cpp.

SCRAP FOB US East Coast $/lb

Resin/Grade	Price	Mean Change
HDPE Bottles Natural Bales From Curbside	0.280-0.290	-0.020
HDPE Bottles MC Bales From Curbside	0.160-0.170	0.010
LDPE Film Grade A Bales, Clear (NY/NJ)	0.170-0.180	-0.048
LDPE Film Grade A Bales, Clear (Del. MW)	0.200-0.210	-0.050
LDPE Film Grade C Bales Clear FOB S. US	0.020-0.030	0.000
LDPE Film Grade A PI Bales (Del. MW)	0.270-0.290	-0.030
PET Bottles MC Bales Curbside	0.140-0.150	-0.010
PET Grade A Bales (FOB LB, SoCal)	0.190-0.195	0.000
PET Strapping, Bales, Green	0.010-0.020	0.000
Nylon 66 Fiber, Bales, Natural	0.600-0.650	0.000
Nylon 6 Fiber, Bales, Natural	0.380-0.430	0.000

SCRAP NEWS IN BRIEF

Post-commercial Grade A LDPE film scrap in bales and rolls were done this week at 18 cpp FOB New York/New Jersey ports, down 5 cpp from Jun. The main reason for the price drop was an increase in inspections of scrap cargoes, including plastics and metals, bound for China and Hong Kong, a market source said. This has forced suppliers to lower prices in an effort to sell this scrap to other countries or end users in the US. China and Hong Kong are the top two destinations of US plastic scrap exports.

US exports of PVC scrap totaled 82,360 mt in Jan-May 2017, down 20,305 mt or 19.8% from Jan-May 2016, the latest US Commerce Department data show. Exports to the top two destinations, China and Hong Kong, collectively fell 24%. Exports to China totaled 38,110 mt in Jan-May 2017, down 13,006 mt or 25%, and to Hong Kong they were 22,334 mt, down 6,512 mt or 23% from Jan-May 2016. Exports in the first five months of 2017 went to 25 countries and varied in quantity from a few kg to thousands of metric tons. Exports to Yemen, for instance, totaled 7 mt in Jan-May 2016 and none in the 2017 period. US exports of PS scrap totaled 21,584 mt valued at $10.9 million in Jan-May 2017, up 7,598 mt or 54% from Jan-May 2016. Exports to China, the top destination, totaled 9,500 mt in the first five months of 2017, up 5,002 mt or 111% from the year-ago period. The number two destination was Hong Kong at 4,296 mt in Jan-May 2017, up fractionally, followed by Colombia at 1,485 mt, up from none in the 2016 period. Full year 2016 US PS scrap exports totaled 35,287 mt valued at $19.4 million. US PS scrap imports in Jan-May 2017 totaled 2,451 mt, down 1,235 mt or 34% from the year-ago period.

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Confirmed Transactions

Deals are for minimum truckload orders for July delivery unless otherwise noted.

Repro/Regrind/PCR

Extrusion PP mixed colors regrind, 21.5 cpp delivered upper Midwest.

PP bottle cap regrind, 55/45 PP/PE, 18 cpp delivered Northeast.

HDPE natural PCR, non-food-grade, 65 cpp FOB Southeast.

HDPE natural FDA PCR, 76 cpp, FOB Southeast.

HDPE HMW repro, 44 cpp FOB Southeast.

Clean HDPE HMW regrind, 36 cpp FOB New Jersey.

rPET flake, imported clear fiber grade, 39 cpp delivered Southeast.

rPET flake, imported green fiber grade, 31 cpp delivered Southeast.

rPET flake, imported clear packaging grade, 41 cpp delivered Midwest.

SCRAP

Post-commercial Grade A LDPE film bales, 18 cpp FOB New York/New Jersey port.

HDPE mixed colors curbside bales, 14 cpp FOB Southeast.

HDPE natural curbside bales, 29 cpp FOB US South.

HIPS white sheet, 21 cpp delivered upper Midwest.

Clear PET klunkers, 20 cpp delivered Southeast.

Nylon 66 floor sweeps, 58 cpp ex-works US South.

Dirty HIPS flower pots, 12 cpp delivered upper Midwest.

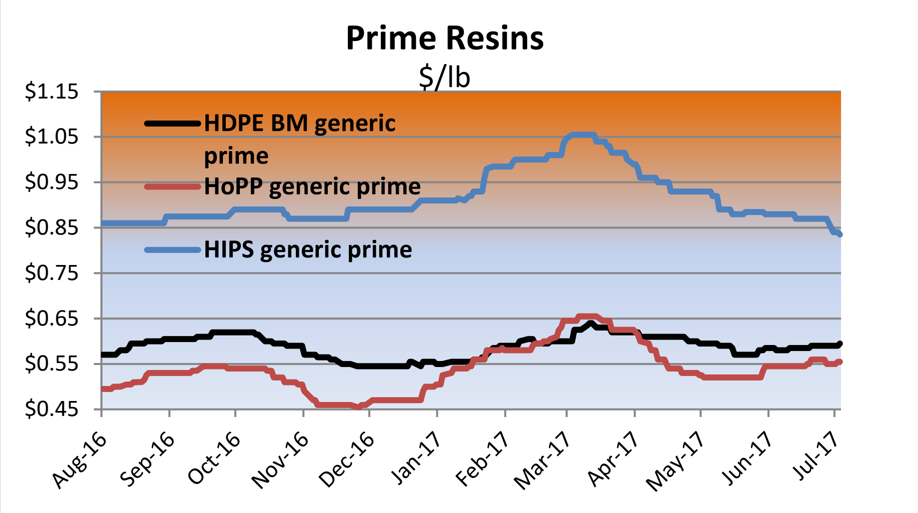
Dirty PP plant trays, 8 cpp delivered upper Midwest.

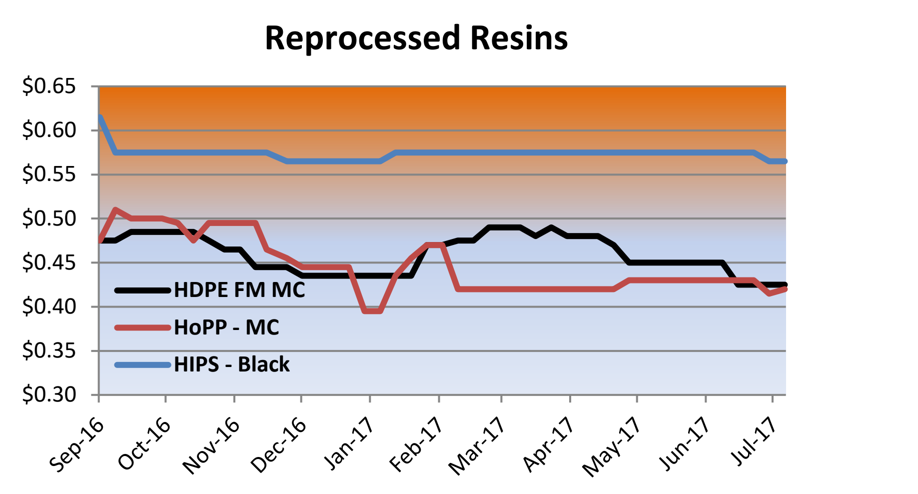
Dirty HDPE shrubbery pots, delivered upper Midwest.

Prime

Bottle-grade PET, 56 cpp railcar delivered Chicago.

US import PET, 78 ml/gram or higher, 53.5 cpp DDP US port.





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Spot Prime PET

Resin/Grade	US $/lb
Bottle grade, delivered Midwest Rail	0.55-0.56

News in Brief

US import PET at 53-54 cpp
Imported PET with an IV of 78 ml/gram or higher was flat this week at 53-54 cpp DDP US ports with inland freight of 2-7 cpp.

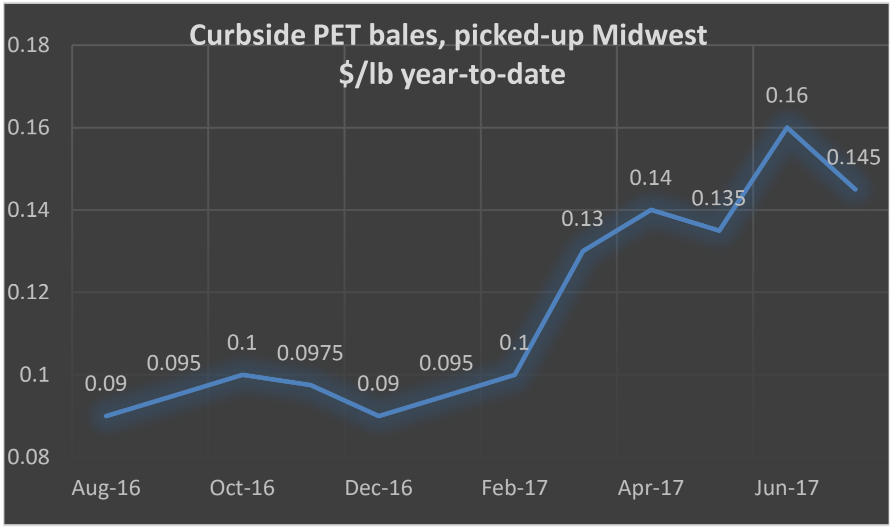
PET fiber scrap at 5 cpp
Overcooked fiber-grade PET scrap was discussed this week at 5 cpp delivered US ports. Buying interest for this scrap, typically brownish in color and unwashed, has been seen from exporters for delivery to China. Clear post-industrial PET klunkers from bottle plants was offered at 25 cpp delivered Southeast. PET clear flake from bottle plant preforms was offered at 45 cpp delivered Southeast.

PET producers cite higher feedstock costs
PET producers are reportedly raising prices due to higher costs for feedstock isophthalic acid. An IPA surcharge of 1-1.5 cpp has been tacked on to invoices for Jul deliveries, market sources agreed this week.

Imported packaging rPET flake at 43 cpp
Imported clear packaging grade rPET flake was offered at 43 cpp delivered Southeast and Midwest. US FDA clear packaging grade rPET was 3-5 cpp higher than its non-FDA brethren. Imported green fiber grade rPET flake was offered at 34 cpp delivered Southeast.

US PET scrap exports surge to China, Vietnam, and Malaysia
US PET scrap exports totaled 124,470 mt valued at $42.3 million through May, up 36,758 mt or 42% from Jan-May 2016, the latest US Commerce Department data show. The increase was largely due to a surge in exports to Southeast Asia. Exports to China, the top destination, were 60,592 mt in Jan-May 2017, up 19,137 mt or 46% from the 2016 period. Exports to Hong Kong totaled 41,143 mt in Jan-May 2017, up 6,113 mt or 17%. China and Hong Kong together accounted for 81.7% of these exports in the first five months of 2017. Exports through May of this year went to 43 countries and varied in quantity from a few kilograms to thousands of metric tons. On the low side, exports to Israel totaled 88 mt in Jan-May 2017, up from 251 kg in Jan-May 2016. Meanwhile, US exports of PET with an IV of 78 ml/gram or higher totaled 23,828 mt through May valued at $40.6 million and went to 43 countries. This compares with 78+ PET imports in Jan-May of 294,479 mt valued at $317.1 million, or eight times the volume of exports. The top designation of PET 78+ exports was Mexico at 12,285 mt or 51.6% of the Jan-May 2017 total. Next was Canada at 3,726 mt, followed by China at 2,083 mt and the Netherlands at 1,704 mt.

***PROJECT JUMBO* UPDATE:** The world's largest PET plant under construction in Corpus Christi, TX will be operating in 4Q 2017, the spokesman for the plant's owner/operator, M&G Chemicals, said this week. The original startup target was end-2016. *Project Jumbo* is designed to produce 1.1 million mt/year of PET and 1.3 million mt/year of PTA; all of *Jumbo's* PET will be sold for distribution in the US.



Curbside PET bale prices fell about 1 cpp this week in markets east of the Rockies as supply outpaced demand in most metro areas. Business for bales with a PET yield (ratio) of 60-70% were at 14-15 cpp picked up locations in most geographic areas. Outliers included locations in the Upper Midwest where business was seen 1 cpp higher. The next major PET bale bid offering is due at the end of Jul with the Solid Waste Authority of Palm Beach County, FL expected to offer 10-12 truckloads of clear and green PET bottles and containers from curbside collection for Aug del. The SWA sold 10 truckloads of curbside PET bales for Jul delivery to OHRA Inc. at 16.02 cpp FOB SWA facility.