bvse market report on plastics, May 2018

0 Upcoming events

The International Conference on Recycling of Plastics is Europe's largest event on plastics recycling. The 21st International Conference on Recycling of Plastics will be held in Bad Neuenahr on 12th/13th June 2018. To register for the symposium, please go to: https://www.bvse.de/recycling/termine-recycling/2919-12-13-06-2018-21-internationaler-bvse-altkunststofftag.html#header.

The two-day industry event will provide visitors with the opportunity to discuss current issues in plastics recycling. Over the past few years, the Bad Neuenahr conference has been attended by 450 participants on average. The International Conference on Recycling of Plastics will be supplemented by an exhibitors' forum and a product exhibition. The traditional BBQ in the spa garden is a highlight of the symposium. Please come and benefit from this opportunity to socialise in a friendly atmosphere.

1 The primary plastics market

The downward trend in the ifo business climate index, see www.cesifo-group.de, has been stopped. In May the index held its own at 102.2 points. (The value attained in April has been seasonally adjusted.) At last it had dropped for five months in succession. The excellent business situation has slightly improved. However, the optimistic expectations for the future have slightly moderated. The German economy is performing well in a difficult global situation.

The current economic survey and other indicators are pointing to an 0.4 per cent economic growth in the second quarter. In the processing industry the index fell only minimally. Once again, future prospects have slightly deteriorated. Companies are adjusting their assessment of the current situation upwards. Demand and the order backlog have been rising.

1.1 Standard plastics

In April 2018, the average standard plastics price was listed at 1314 €/t and thus, 32 €/t lower than in the previous month (1343 €/t), see Table 1. LDPE and LLDPE prices fell by 20 €/t and PS by as much as 120 €/t. The average listings for April 2018 (1314 €/t) are 90 €/t lower than those for April 2017 (1404 €/t). Packaging PET was listed at an average 1260 €/t in April 2018 and thus, 50 €/t higher than in the previous month, when it was quoted at 1210 €/t. Since Easter, demand for PET has been rising considerably. Experts are expecting prices to rise further. In April standard plastics supply continued to be high. Demand was restrained in May, too, because processors are hoping for prices to fall further.

Table 1: EUWID listings for standard plastics over the past five months; prices in €/t.

Prices in €/t	April 2018	March 2018	Feb. 2018	Jan. 2018	Dec. 2017
LDPE film grade	1260- 1400	1300- 1400	1320- 1430	1300- 1410	1300- 1410
LLDPE film grade	1240- 1380	1280- 1380	1300- 1410	1280- 1390	1280- 1390
HDPE injection moulding	1260- 1310	1260- 1310	1280- 1330	1260- 1310	1260- 1310
HDPE blow moulding	1280- 1330	1280- 1330	1300- 1350	1280- 1330	1280- 1330
PS crystal clear	1540- 1600	1660- 1720	1630- 1690	1530- 1590	1520- 1580
PS high impact	1640- 1700	1760- 1820	1730- 1790	1630- 1690	1620- 1680
PP homopolymer	1350- 1400	1350- 1400	1370- 1420	1330- 1380	1320- 1380
PP copolymer	1400- 1450	1400- 1450	1420- 1470	1380- 1430	1370- 1430
PVC tube grade	880- 950	880- 950	890- 950	880- 940	880- 940
PVC film/cables	930- 990	930- 990	940- 990	930- 980	930- 980
Average Price	**1314 ± 256**	**1343 ± 266**	**1351 ± 256**	**1313 ± 229**	**1310 ± 226**

bvse market report on plastics, May 2018

1.2 Technical plastics:

In April 2018, technical plastics were listed at an average 2959 €/t and thus, 36 €/t higher than in February 2018, when they were listed at 2923 €/t, see Table 2. Thus, average prices in April 2018, which were quoted at 2959 €/t, were 302 €/t higher than those in April 2017 (2657 €/t). Thus, technical plastics prices remained at their highest level in many years. Demand for technical plastics was high in April, too.

Table 2: EUWID listings for technical plastics, which are published every two months, over the past six months; prices in €/t.

Prices in €/t	April 2018	February 2018	December 2017	October 2017
PMMA crystal clear	3450 – 3650	3450 – 3650	3400 – 3600	3400 – 3600
ABS natural	1950 – 2000	1950 – 2000	1800 – 1850	1750 – 1850
ABS white/black	2050 – 2100	2050 – 2100	1900 – 1950	1850 – 1900
ABS mixed colours	2650 – 2800	2650 – 2800	2500 – 2650	2450 – 2650
PC crystal clear	3650 – 3850	3650 – 3850	3500 – 3650	3400 – 3600
PC GF reinforced	3850 – 4050	3850 – 4050	3700 – 3850	3600 – 3800
POM natural	2100 – 2200	2000 – 2100	1900 – 2000	1900 – 2000
PA 6 natural/black	2500 – 2700	2500 – 2700	2400 – 2650	2290 – 2540
PA 6 GF reinforced	2600 – 2650	2600 – 2650	2500 – 2600	2390 – 2490
PA 66 natural	3450 – 3650	3300 – 3500	3100 – 3300	2950 – 3150
PA 66 GF reinforced	3500 – 3700	3350 – 3550	3150 – 3350	3000 – 3250
Average Price	**2959**	**2923**	**2786**	**2719**

2 The secondary plastics market according to the Plasticker Price Index

The plasticker internet platform, cf. http://plasticker.de, publishes quotes on an hourly basis. The present market report indicates the final monthly prices. It is only possible to represent the preliminary prices for May 2018. These listings thus merely reflect an interim situation that will not become definitive until the beginning of June 2018, cf. Tables 3 and 4.

2.1 Standard plastics:

The current April prices (541 €/t) are listed only 4 €/t higher than those for the previous month, when they were quoted at 547 €/t, see Table 3, which indicates price stability. A comparison of the average prices for April 2018 (541 €/t) with those for the preceding year (544 €/t) shows the current price to have remained almost unchanged. In April 2018, however, there were also marked changes in each listing. The following prices exceed ± 40 €/t: HDPE regranulates -00 €/t, LDPE regrind -80 €/t, PP bale goods +50 €/t and PP regranulates +100 €/t. According to the April price index, demand for plastics was relatively restrained compared to the previous month. From December 2017, there were considerable price leaps in PP regranulate prices, which continued until April 2018. LDPE regranulates have shown a considerable downward trend since February 2018.

A preview of the May listings shows the average price to be 10 €/t higher at 551 €/t. The prices of each commodity changed more slightly than in the previous month. The May price index, as per 17 May 2018, shows demand for plastics to be restrained until now.

bvse market report on plastics, May 2018

Table 3: Listings for standard plastics in plasticker; prices in €/t.

	May 18[6]	April 18	March 18	Feb. 18	Jan. 18	April 17
HDPE regrind[1]	570	590	590	530	540	590
HDPE regranulates[5]	830	840	930	850	750	950
LDPE bale goods[2]	280	270	240	230	240	270
LDPE regrind[1]	550	580	660	610*	550	480*
LDPE regranulates[5]	750	760	780	830	790	840
PP bale goods[3]	220	250	200	190*	220	240
PP regrind[1]	550	530	550	570	570	520
PP regranulates[5]	890	900	800	960	880	780
PS regrind[4]	570	540	580	620	600	610
PS regranulates[5]	960	990	960	1020	900	860
PVC_P regrind[1]	430	300*	270	270	280	460
PVC_U regrind[1]	520*	490*	470*	490*	450*	470
PET bale goods	220*	200	170	150	110	190
PET regrind coloured	370	330	320	330	340	360
Average Price	**(551)**	**541**	**537**	**546**	**516**	**544**

*: Supply figure too low to attain statistical significance; [1]: equivalent to the grade 'post-industrial, mixed colours'; [2]: equivalent to K49; [3]: equivalent to K59; [4]: equivalent to 'standard, mixed colours'; [5]: equivalent to the grade 'regranulates, black'; [6]: preview that may be amended by additional quotes

2.2 Technical plastics:

In April 2018, the average technical plastics price in plasticker, which was listed at 1229 €/t, was 44 €/t higher than in the previous month, when it was quoted at 1185 €/t see Table 4. A comparison of the average price for April (1229 €/t) with that for the previous year (1278 €/t) shows the current price to be 49 €/t lower. The April price index shows demand for plastics to be satisfactory. In April 2018, the following prices changed markedly, i.e. by more than ± 70 €/t: ABS regranulates +160 €/t, PC regranulates -120 €/t, PA 6.6 regranulates -110 €/t and POM regranulates +360 €/t.

The preview of the May listings, as per 17 May 2018, shows that plastics prices have remained more or less unchanged at 1263 €/t. The May price index shows demand for plastics to be restrained.

Table 4: Listings for technical plastics in plasticker; prices in €/t.

	May[6] 18	April 18	March 18	Feb. 18	Jan. 18	Dec. 17
ABS regrind	710	680	650	650	650	620
ABS regranulates[5]	1520	1400	1240	1350	1360	1380
PC regrind	830	800	870	830	900	950
PC regranulates[5]	2040	2060	2130	2060	2120	2010
PBT regrind	500	480	440	430	460	480
PBT regranulates	1670	1590	1530	1600	1670	1560
PA 6 regrind	890	820	780	810	820	820
PA 6 regranulates[5]	1820	1790	1750	1790	1740	1510
PA 6.6 regrind	940	900	820	840	850	840
PA 6.6 regranulates[5]	1860	1810	1920	1860	1700	1640
POM regrind	680	620	650	700	670	690
POM regranulates[5]	1700	1800	1440	1430	1380	1470
Average Price	**(1263)**	**1229**	**1185**	**1196**	**1193**	**1164**

[5]: equivalent to the quality grade 'regranulates, black; [6]: preview that may be amended by additional quotes.

bvse market report on plastics, May 2018

3 Evaluation of the secondary plastics markets

A comparison of the information provided by EUWID and plasticker for April 2018 shows that the film grade prices listed in the EUWID Price Watch have risen by an average 5 €/t to 20 €/t, while PVC has risen by an average 21 €/t. In plasticker, too, average standard plastics prices were listed higher than in the preceding month, albeit by only 4 €/t. According to plasticker, demand for plastics was restrained, while it was quite considerable according to EUWID.

3.1 Waste plastics:

In Germany, a sufficient supply of used plastics is available at sufficient quality. Plastics recyclers are only accepting high-quality film grade. Plastics recyclers buying used film accept these lower-quality materials only when they are paid an additional sum for processing them.

For thin PE film (< 70 µm) in particular, sellers charge (an additional amount of) 20 €/t. However, the prices listed by EUWID for April show that film grade is slightly gaining in value. In April, post-user PE bale goods were thus quoted 5 €/t to 20 €/t higher than in the previous month. PP film grade was quoted an average 15 €/t higher. The listings for post-industrial PVC have risen by an average 21 €/t.

3.2 Recyclates:

High-quality recyclates, which supplement virgin materials, are selling well. Mixed plastics recycling is booming, too. Plastics recyclers are only accepting used plastics of the very best quality. The prices listed in the price indices only apply so long as a sufficient quantity is available at a sufficient quality.

The ban on waste plastic imports to China is still having an impact. An increasing quantity of secondary plastics are reaching China as products, i.e. as regranulates in particular. Above and beyond this, it is possible to ship used plastics to Vietnam, Thailand, Indonesia, Malaysia, India and Taiwan. However, the import modalities can change very rapidly.

The PET markets can only be assessed as being very varied. Demand for PET bottles is still high. The ban on exports of used plastics to China has had a very slight positive impact on the amount of PET bottles available on the domestic market. The supply is expected to rise as a result of the warm spring weather and with a view to the 2018 Football World Cup. Recyclers assess the purchase prices listed as too high. The April listings for used PET beverage bottles show prices to be rising slightly: PET transparent (95/5 to 100) is listed 2.50 €/t higher. Mixed PET (70/30 to 90/10) and coloured PET (< 70/30) have held their own. PET recycling is benefiting from the considerable demand for primary materials. In April, primary material prices rose by an average 50 €/t. Demand for regrind and regranulates continues to be high.

4 Explanatory information on the price listings

For a detailed analysis including information on price indices for virgin materials, used plastics and precursors, please go to EUWID Recycling und Entsorgung (Recycling and Waste Management), cf. www.euwid.de, or EUWID Plastics, www.euwid-kunststoff.de. EUWID: no guarantee for any of the prices. All EUWID prices are quoted ex works. As a rule, the prices quoted refer to quantities in excess of 20 tonnes.

The monthly quotes for **secondary plastics**, which are updated on an hourly basis, can be calculated using the price lists derived from the quotations published in the raw material exchange **plasticker** (www.plasticker.de). The prices listed in this index are quoted with reservation - as the majority of the quotes submitted are not necessarily equivalent to the sales prices. Plasticker offers the quality grades ‘regrind‘ and ‘regranulates’ both as virgin materials and as secondary materials. The term ‘bale goods’ refers to waste plastics only. Furthermore, plasticker does not distinguish between the following grades: transparent, mixed colours or colour-separated. Therefore, the information provided by plasticker may indicate different market behaviour than the prices quoted by EUWID.

Bonn, Wednesday 30 May 2018 Dr. Thomas Probst, bvse