bvse market report: on plastics, October 2023

1 General economy and reference to the plastics industry

In June, PIE – Plastic Information Europe published the results of the 45th environmental survey. The results appeared under the headlines "The crisis has only just begun", "Continuing sombre mood in the industry" and "No improvement before 2024".

The vast majority (61 %) of the almost 500 participating companies stated that their business had deteriorated in the first half of 2023 in comparison to the second half of 2022. Only one in four companies referred to its developments as stable.

Broken down according to the individual sectors of the industry, it is noticeable that it is the companies from plastics recycling that are complaining about a fall in their business. For almost 83 % of them, the first half of 2023 was worse than the previous half year.

Within the group of plastics processors, business losses are mainly affecting those who manufacture products for the building industry (66 %) and pipes/profiles (74 %). Of those plastics processors who mainly earn their money in the automotive user market, only just under a quarter (24 %) reported a deterioration.

2 Primary markets - standard plastics

September was characterised by restrained demand for standard plastics and rising prices. The price rises are due to higher monomer prices. In September 2023 the EUWID average price of 1,414 €/t was therefore 69 €/t higher than in the previous month (1,345 €/t). The price drop for standard plastics has been conquered, see Tab. 1. In a year-on-year comparison, it can be seen that the average quotes from September 2023 (1,414 €/t) were 106 €/t lower than those of the previous year (1,520 €/t).

The quotes for plastics rose on average by 40 €/t for LDPE, 50 €/t for LLDPE, 50 €/t for HDPE, 45 €/t for PP, 170 €/t for PS and 30 €/t for PVC. The situation for standard plastics is portrayed well in EUWID, see www.euwid-recycling.de, and PIE – Plastic Information Europe, see https://pieweb.plasteurope.com/.

Table 1: Standard plastics prices according to EUWID over the past five months, listed in €/t.

Prices in €/t	Sept. 2023	Aug. 2023	July 2023	June 2023	May 2023
LDPE film grade	1200- 1250	1160- 1210	1160- 1210	1230- 1310	1370- 1470
LLDPE film grade	1200- 1260	1130- 1230	1130- 1230	1200- 1310	1300- 1430
HDPE injection moulding	1220- 1270	1170- 1220	1170- 1220	1210- 1290	1290- 1390
HDPE blow moulding	1200- 1280	1150- 1230	1150- 1230	1190- 1300	1270- 1400
PS crystal clear	1810- 1890	1640- 1720	1560- 1640	1640- 1720	1770- 1870
PS high impact	1940- 1990	1770- 1820	1690- 1740	1770- 1820	1900- 1970
PP homopolymer	1390- 1450	1330- 1420	1330- 1420	1360- 1520	1460- 1620
PP copolymer	1440- 1500	1380- 1470	1380- 1470	1430- 1570	1510- 1670
PVC tube grade	1130- 1230	1100- 1200	1110- 1210	1150- 1250	1310- 1410
PVC film/cables	1260- 1360	1230- 1330	1240- 1340	1280- 1380	1440- 1540
Average Price	**1414 ± 272**	**1345 ± 225**	**1337 ± 193**	**1397 ± 206**	**1520 ± 213**

PET: The situation for PET is difficult; demand continues to be weak. Supply is becoming scarce because a product line has been shut down. However, cheap import goods are flooding the European markets. It has been possible to pass on the higher prices for paraxylol only to a limited extent. Experts are expecting prices to continue to rise. In September 2023, packaging PET was quoted on average at 1,195 €/t and this 15 €/t higher than in the previous month, see PIE – Plastic Information Europehttps://pieweb.plasteurope.com/. However, virgin grade is also traded in the region of 1,000 €/t to 1,100 €/t, s. www.euwid-recycling.de.

3 Secondary plastics markets in the plasticker price index

The plasticker internet platform, see 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 the month of the report, in this case October 2023; they will not become definitive until early November 2023. The two quotes stated for October 2023 below indicate only an interim situation, see the left-hand column in Table 2 and Table 3.

3.1 plasticker: Standard plastics

The standard plastics were quoted at an average 588 €/t in September 2023 and were thus 27 €/t lower than the average quote for August of 615 €/t, see Tab. 2. The average price for September 2023 (588 €/t) was 216 €/t below that of the previous year (804 €/t).

There were significant price changes of greater than ±40 €/t for: LDPE regranulates -60 €/t, PP regranulates -100 €/t, PS regrind -200 €/t and PS regranulates -50 €/t. Considerations of price changes with supply figures that are too low are not included here. The September price index is characterised by subdued demand for plastic.

The probable average price in October 2023 (581 €/t) is thus 7 €/t lower than in the previous month, see Tab. 2. And this indicates price stability. The price index of 13.10.2023, shows continued subdued demand for plastic.

Table 2: Standard plastics price according to plasticker; listed in €/t.

	October[6] 23	Sept. 23	Aug. 23	July 23	June 23	Oct. 22
HDPE regrind[1]	630	610	610	630	670	770
HDPE regranulates[5]	870	860	870	940	880	980
LDPE bale goods[2]	220*	170*	300	320	370*	270
LDPE regrind[1]	250*	180*	180	290*	180*	560*
LDPE regranulates[5]	760	700	760	890	800	990
PP bale goods[3]	290*	250*	290	280	230*	470*
PP regrind[1]	670	640	650	700	740	790
PP regranulates[5]	840	860	960	1060	1020	1300
PS regrind[4]	700	760	960	790	710*	1100*
PS regranulates[5]	980	1020	1070	1070	1130	1470*
PVC_P regrind[1]	680*	720*	530	500*	570*	900*
PVC_U regrind[1]	600*	630*	670	660*	580*	720*
PET bale goods	190*	250*	300	310	300*	450*
PET regrind mixed colours	450	430	460	440	480	480
Average Price	**(581)**	**588**	**615**	**635**	**619**	**804**

*: 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 (may be amended by additional quotes)

3.2 plasticker: Technical plastics

For September 2023, there was an average price of 1,875 €/t, which was 41 €/t lower than that of the previous month (1,916 €/t), see Table 3. Or to put it another way, the quotes are remaining extremely constant. The average price for September 2023 (1,875 €/t) was 57 €/t below that of the previous year (1,932 €/t). A turning point in the price levels was reached with the June quotes. And now what happens with the quotes to the end of the year remains exciting. What trend will continue?

There were significant price changes of greater than ±70 €/t for: ABS regrind -100 €/t, PC regranulates -220 €/t and PA 6.6 regranulates -90 €/t. The price index for September is still characterised by just about adequate demand for plastic.

The probable average price in October 2023 (1,765 €/t) is thus 110 €/t lower than in the previous month (1,875 €/t). The price index of 13.10.2023 shows just about adequate demand for plastic.

Table 3: Technical plastics price according to plasticker; listed in €/t.

	October[6] 23	Sept. 23	Aug. 23	July 23	June 23	Oct. 22
ABS regrind	660	750	850	820	870	1040
ABS regranulates[5]	1360	1320	1360	1510	1570	1990
PC regrind	1320	1260	1290	1260	1210	1270
PC regranulates[5]	2050	2300	2520	2480	2120	2520
PBT regrind	660	680*	740	770*	750*	820
PBT regranulates	2490	3230	3260	2540	2200	2260
PA 6 regrind	1060	1130	1190	1180	1050*	1110
PA 6 regranulates[5]	2570	2610	2570	2410	2630	3050
PA 6.6 regrind	1210	1240	1280	1330	1390	1410
PA 6.6 regranulates[5]	3760	3980	4070	3600	3570	3520
POM regrind	700	750	760	730	760	890
POM regranulates[5]	3340	3250	3100	3110	3010	3300
Average Price	**(1765)**	**1875**	**1916**	**1812**	**1761**	**1932**

*: Supply figure too low to attain statistical significance; [5.] equivalent to the grade “regranulates, black”;
[6.] preview (may be amended by additional quotes)

4 Secondary plastics markets

4.1 Recycling standard plastics

Plastics recyclers no longer have any hopes that the market situation will improve in 2023. The hopes for a turnaround are based on mid-2024. There is therefore still only low demand for plastic wastes from recyclers. The recyclers’ warehouses are full, both in terms of processing input (plastic wastes) and output (recyclates). There is hardly any demand for recyclates from plastics processors. The prices for plastics wastes were largely stable in September. Only a few price corrections can be discerned. Recyclate prices have stabilised at a low level. The price drop for waste plastics has been stopped for the time being.

In spite of the generally falling quotes for secondary plastics, the outliers are still being monitored. For example, in some places there is a shortage of 310 film, whereas there are surpluses on other places. Overall, film is still sold for an additional payment. The shortage of film is also due to the economic downturn. EUWID lists price changes for PE films in September. PE films are quoted an average 10 €/t to 15 €/t higher.

The situation for mixed plastic recycling is somewhat better than that for the recyclate manufacturers. The better sales of mixed plastic recycling products are due to the fact that end products are manufactured instead of recyclates. Although domestic sales are weak, there is demand for the products abroad. The economic downturn in the building industry is a problem for the recycling of mixed plastics. This deficit is increasingly having an impact on the recycling of mixed plastics, which generate a broad product range for the building industry.

4.2 Recycling technical plastics

In plasticker, the September quotes are slightly negative, by an average of 41 €/t. In September, Technical Plastics are quoted on average at 1,875 €/t. An interim low was reached in June 2023 (1,761 €/t). Whether the recovery in prices and demand since then will last remains to be seen. However, we are still far away from a normalisation of the markets for Technical Plastics.

In PIE – Plastic Information Europe, the regranulates prices fell sharply in September, s. https://pieweb.plasteurope.com/. The price falls are between 20 €/t and 215 €/t. The demand for recyclates did not stabilise at all in September, but rather continued to fall. The situation for recyclers deteriorated due to cheap recyclate imports. In spite of the sometimes substantial falls, the low point has probably not been reached.

4.3 PET recycling

Has the low point in the price fall for recyclates been reached or are we seeing an unstable interim situation? Used PET single-use bottled are being bought again - albeit extremely reticently. And recyclates are also being ordered again - albeit reticently. Or to put it another way, we are seeing a market stabilisation at a low level. And the processors' warehouses are still well filled with input and output. Due to the incipient demand, PET recyclers are manufacturing again.

And the price levels for used bottles are thus stabilising. In September, the prices for used PET single-use bottled were unchanged in comparison to the previous month. The new price levels for regrinds (flakes) are consolidating. The difference between clear recycled flakes and virgin grade is around 200 €/t to 300 €/t. However, the new price levels for regranulates are still unclear. Detailed monthly reports on the PET prices for virgin grade and used beverage bottles can be found in EUWID and PIE - Plastics Information Europe.

5 Explanation on the price quotes

A detailed discussion with information of price indices for virgin grades and waste plastics as well as precursor products can be found in EUWID Recycling and Disposal see www.euwid.de. EUWID: No guarantee for any of the prices here; prices ex station. As a rule, the prices quoted refer to quantities in excess of 20 tons.

The quotes for secondary prices, which are updated on an hourly basis, can be calculated using the price lists that are derived from the quotations published in the raw material exchange plasticker, see www.plasticker.de. The prices listed in this index are quoted without 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 goods. 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

A detailed discussion with information of price indices for virgin grades and waste plastics as well as precursor products can be found in PIE – Plastics Information Europe, see www.kiweb.de. For virgin grades, the indices for standard plastics (Plastixx ST) and technical plastics (Plastixx TT) provide a good overview of the price trends. Pieweb quotes the monthly regranulates prices for standard plastics and technical plastics in the secondary markets. For secondary plastics, there are also details on PET, in this case flakes (flakes transparent, flakes mixed colours) as well as transparent regranulates.

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