bvse market report: on plastics, October 2024

1 General economy and reference to the plastics industry

The VDMA published its economic survey for the 3rd quarter of 2024 on 9 October 2024, see https://vdma.org/viewer/-/v2article/render/129823406. According to the current VDMA survey, the mood and the prospects in mechanical engineering have deteriorated noticeably. It is therefore all the more urgent for politicians to finally lay the groundwork for new growth.

The current situation: more than a third (37 %) of companies in mechanical and plant engineering assess their current situation as poor or very poor. This is the result of the most recent economic survey by the VDMA of the 938 member companies that took part in September. Nevertheless, a good quarter (28 %) of the firms assess the situation as good or very good. But the prospects are not rosy: around 8 out of 10 companies are not expecting the situation to improve in the next six months, and around one in five companies is actually expecting the current situation to deteriorate even more.

Scepticism for 2025, too: consequently, very few companies are positive about their overall results for 2024. Around 40 % are expecting a nominal fall in turnover in the current year, another 27 % expect their turnover to stagnate. And looking ahead to 2025, the majority, albeit a small majority, is sceptical. More than half of companies (54 %) are expecting no nominal growth. 32 % of those surveyed feel that stagnation of their turnover for 2025 is realistic. This means, that 2024, which has been lean for most companies, will be followed by a very challenging time in 2025. The weak incoming orders of recent months mean that the order backlogs have mostly been processed by now in many places. Consequently, more than a third (37 %) of companies assess their own order situation as a great or major risk looking ahead to the next six months.

2 Primary markets - standard plastics

Price stability with a slight rise for LDPE by an average 10 €/t and PVC by an average 20 €/t. Weakening demand is countered by adequate supply of virgin grade. There is no market impetus. Hopes rest on the fourth quarter – production for Christmas. And FAKUMA, 15/18 October 2024, could revitalise the market with new trends. The further development of plastics prices remains tense against the backdrop of low crude oil quotes.

In September 2024, the EUWID average price of 1,458 €/t was therefore only 5 €/t higher than in the previous month (1,453 €/t), see Tab. 2. In a year-on-year comparison, it can be seen that the average quotes from September 2024 (1,458 €/t) were 44 €/t higher than those of the previous year (1,414 €/t). The current market situation for virgin grade standard plastics is portrayed well in EUWID, see www.euwid-recycling.de, and PIE – Plastic Information Europe, see https://pieweb.plasteurope.com/.

Table 2: Standard plastics prices according to EUWID over the past five months, listed in €/t.

Prices in €/t	Sept. 2024	Aug. 2024	July 2024	June 2024	May 2024
LDPE film grade	1310- 1390	1290- 1390	1250- 1350	1250- 1350	1320- 1390
LLDPE film grade	1290- 1350	1290- 1350	1260- 1330	1260- 1330	1310- 1370
HDPE injection moulding	1310- 1340	1310- 1340	1290- 1320	1290- 1320	1320- 1360
HDPE blow moulding	1300- 1350	1300- 1350	1280- 1330	1280- 1330	1310- 1370
PS crystal clear	1830- 1880	1830- 1880	1750- 1880	1850- 1910	1880- 1940
PS high impact	1960- 1980	1960- 1980	1880- 1900	1980- 2010	2010- 2040
PP homopolymer	1420- 1530	1420- 1530	1390- 1510	1390- 1510	1430- 1550
PP copolymer	1470- 1580	1470- 1580	1440- 1560	1440- 1560	1480- 1600
PVC tube grade	1100- 1200	1080- 1180	1070- 1170	1060- 1160	1080- 1180
PVC film/cables	1230- 1330	1210- 1310	1200- 1300	1190- 1290	1210- 1310

Average Price	**1458 ± 258**	**1453 ± 263**	**1423 ± 247**	**1444 ± 281**	**1473 ± 280**

PET: Beverage bottlers complain that beverage sales in the year to date have been lower than in previous years. Not even the summer increased demand much. No increased PET demand is expected in October and November. In the beverages sector, PET demand can be readily assessed depending on a few parameters. Impetus for the PET markets could come from the non-beverages sector. PET trays and PET films are becoming increasingly important both in the food sector and the non-food sector.

In September 2024 packaging PET was quoted on average at 1,250 €/t. And thus 30 €/t lower than in the previous month, see PIE – Plastic Information Europe https://pieweb.plasteurope.com/. The September quotes in EUWID have fallen by 50 €/t in comparison to the previous month; on average they are quoted at 1,100 €/t for European films and bottle grade (A-PET and C-PET), see 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 2024; they will not become definitive until early November 2024. The two quotes stated for October 2024 below indicate only an interim situation, see the left-hand column in Table 3 and Table 4.

3.1 plasticker: Standard plastics

The September price index shows subdued demand for plastic. There is still little movement in the plastics markets. We see frozen markets for standard plastics in particular. These are frozen markets both for virgin grade and for recyclates.

In September 2024, standard plastics were quoted at an average price of 577 €/t and thus 17 €/t lower than in the previous month (594 €/t), see Tab. 3. The average price for September 2024 (577 €/t) was about the same as that of the previous year. The price collapse of the standard plastics quoted in plasticker has probably not ended.

The likely average price in October 2024 (593 €/t) is thus 16 €/t higher than in the previous month (577 €/t), see Tab. 3. The price index of 15.10.2024 shows better demand in comparison to the previous month.

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

	Oct.[6] 24	**Sept. 24**	**Aug. 24**	**July 24**	**June 24**	**Sept.23**
HDPE regrind[1]	560	540	540	560	570	610
HDPE regranulates[5]	830	890	940	950	960	860
LDPE bale goods[2]	440	300*	460*	410*	480*	170*
LDPE regrind[1]	510*	440*	440*	520*	500	180*
LDPE regranulates[5]	760	780	820	780	820	700
PP bale goods[3]	180	140*	190	190	210	250*
PP regrind[1]	570	540	550	540	580	640
PP regranulates[5]	920	950	950	970	880	860
PS regrind[4]	730	710	630*	650	760	760
PS regranulates[5]	900	970	1000	970	890	1020
PVC_P regrind[1]	620*	770*	690*	730*	740*	720*
PVC_U regrind[1]	570	480	530*	580	660	630*

PET bale goods	270*	220*	170*	190*	240*	250*
PET regrind mixed colours	440	350*	400*	430*	500	430
Average Price	**(593)**	**577**	**594**	**605**	**628**	**577**

*: 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

There is little movement in the technical plastics markets, either. For September, there was an average price of 1,521 €/t, which was 72 €/t lower than that of the previous month (1,593 €/t), see Table 4. And the average price for September 2024 (1,521 €/t) was as much as 354 €/t below that of the previous year (1,875 €/t).

There were significant price changes of greater than ±70 €/t for: PC regranulates -80 €/t, PBT regranulates -180 €/t, PA 6 regrind -120 €/t, PA 6 regranulates -170 €/t and PA 6.6 regranulates -250 €/t. The low price of PA 6 regranulates of 2,210 €/t is the lowest since April 2021, when it was 2,130 €/t. The price index for September 2024 is characterised by subdued demand. The price collapse of the technical plastics quoted in plasticker has probably not ended.

The probable average price in October 2024 (1,517 €/t) is thus almost identical to that of the previous month (1,521 €/t). The price index of 15.10.2024 records slightly better demand for plastic in comparison with the previous month.

Table 4: Technical plastics price according to plasticker; listed in €/t.

	October[6] 24	Sept. 24	Aug. 24	July 24	June 24	Sept. 23
ABS regrind	680	670	640	650	700	750
ABS regranulates[5]	1330	1380	1380	1360	1390	1320
PC regrind	1020	1050	1010	1010	1010	1260
PC regranulates[5]	2600	2340	2420	2570	2480	2300
PBT regrind	630	640	710	730	740	680*
PBT regranulates	2030	2180	2360	2110	2160	3230
PA 6 regrind	860	780	900	920	820	1130
PA 6 regranulates[5]	2140	2210	2380	2410	2480	2610
PA 6.6 regrind	1180	1000	980	970	940	1240
PA 6.6 regranulates[5]	2550	2690	2940	2690	2770	3980
POM regrind	820	750*	800*	730*	740*	750
POM regranulates[5]	2360	2560	2590	2790	3320	3250
Average Price	**(1517)**	**1521**	**1593**	**1578**	**1629**	**1875**

*: 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

The economic weaknesses can also be seen in the secondary markets. And these upheavals can be seen nationally and across Europe. The economy is limping along; there is no demand for recyclates. And no end to the upheavals is in sight. Companies are unduly burdened with high costs for staff, energy, levies and taxes. And the excessive bureaucracy makes entrepreneurial activities much more difficult. Here, politicians not only offer no help whatsoever for SMEs to relieve them, but also make the situation even more acute.

Statutory requirements for increased use of recyclates, for example the PPWR and the ELV, could be helpful to maintain and expand plastic recycling. However, the PPWR doesn't take effect until 2030. A run-up time of two to three years should be needed to meet the ambitious targets.

4.1 Recycling standard plastics

The prices for plastic wastes published in EUWID and plasticker serve as a guide. Plastics recyclers are under enormous pressure, which leads to short-time working, shut-downs and closures. Profitable companies are becoming subsidised firms. Plastics processors continue to use cheap virgin grade. The virgin grade is crowding out the recyclates.

The price falls for standard plastics are now clear in the EUWID price index, too. The prices of bale goods and regrinds are falling. For bale goods, the average price fall is between 5 €/t and 20 €/t. Some grades, in this case PE post user, are quoted unchanged. Slightly higher average price falls are recorded for regrinds: PE production wastes 10 €/t to 20 €/t, PP production wastes 8 €/t to 25 €/t and PS production wastes 20 €/t to 45 €/t. The price of PVC is unchanged.

plasticker: Here, too, the quotes for standard plastics fell again in September. In September 2024, standard plastics were quoted 17 €/t on average lower than in the previous month.

PIE – Plastic Information Europe, regranulates: In PIE – Plastic Information Europe, regranulates of standard plastics were quoted almost unchanged in September 2024 in comparison to the previous month. The demand for standards plastics is low, see https://pieweb.plasteurope.com/.

4.2 Recycling technical plastics

plasticker: For September, there was an average price of 1,521 €/t, which was 72 €/t lower than that of the previous month (1,593 €/t). The September price index is characterised by subdued demand for plastic.

PIE – Plastic Information Europe, regranulates: In September 2024, regranulates were quoted lower in PIE – Plastic Information Europe. The premium grades of regranulates quoted here recorded average price falls of 10 €/t to 45 €/t, see https://pieweb.plasteurope.com/. Only PA 6 grades are quoted unchanged. Across the sector, the order situations is described as quiet.

4.3 PET recycling

The PET markets in September: stability in PET recycling. The volume of used PET bottles has improved for seasonal reasons. The statutory requirement for PET recycling of the use of 25 % recyclates in beverage bottles by January 2025 can be met in Germany.

For virgin grade, in this case granulates, the average value in PIE – Plastic Information Europe is 1,250 €/t. Regranulates are valued at 1,575 €/ in PIE – Plastic Information Europe and in EUWID. Clear, food-safe flakes are priced at 1,285 €/t in PIE – Plastic Information Europe and 1,240 €/t in EUWID. The pressure on recyclate prices, in this case flakes and regranulates, is increasing because virgin grade is becoming cheaper.

The prices for used beverage bottles are falling because of the greater supply in the summer. For PET recyclers, there is sufficient input of beverage bottles. In September 2024, the relevant price changes for used PET single-use deposit bottles are: PET transparent -25 €/t, PET mixed -25 €/t and PET coloured -15 €/t, see EUWID.

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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