

Global Petrochemical Prices Rose 3% in June, the First Increase in Four Months

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LONDON, July 9, 2013 [PRNewswire/](#) -- Prices in the \$3-trillion-plus global petrochemicals market climbed 3% to \$1,312 per metric ton (/mt) in June, the first increase since February of this year, according to the just-released monthly [Platts Global Petrochemical Index](#) (PGPI). The PGPI is a benchmark basket of seven widely used petrochemicals and is published by [Platts](#), a leading global energy, petrochemicals and metals information provider and a top source of benchmark price references.

This followed an average monthly PGPI price of \$1,278 in May. On a year-over-year basis, the data showed petrochemical prices were up 19% from the June 2012 average of \$1,104/mt.

Petrochemicals are used to make plastic, rubber, nylon and other consumer products and are utilized in manufacturing, construction, pharmaceuticals, aviation, electronics and nearly every commercial industry.

PLATTS GLOBAL PETROCHEMICAL INDEX IN DOLLARS PER METRIC TON

The daily price reflected as a monthly average

Jun-'13	Monthly % Change	Annual % change	Jun-'12	May-'13	Apr-'13	Mar-'13	Feb-'13
\$1,312	3%	19%	\$1,104	\$1,278	\$1,309	\$1,378	\$1,453

OLEFINS

Olefins - a group of hydrocarbon compounds which are the building blocks to many petrochemicals - moved higher in June, ending a three-month price decline.

"Propylene prices were up 5% in June, with prices approaching \$1,300/mt," said Jim Foster, Platts senior petrochemicals analyst. "That's the first price increase since February, and prices are returning to levels not seen since the first quarter. Ethylene prices also were higher, climbing 4% in June. Market fundamentals indicate the increases were largely supply-driven, as variable costs for both products were mostly unchanged."

U.S. ethylene supplies were curtailed in June by pre-scheduled plant outages as well as the mid-June explosion at the Williams Olefins plant in Geismar, Louisiana.

The global ethylene price in June averaged \$1,213 per metric ton (/mt), up 4% from the May average of \$1,170/mt. Global polyethylene prices followed the ethylene price increase, rising 6% to \$1,540/mt in June, up from \$1,459 in May.

Propylene, the second olefin component of the PGPI, climbed 5% in June to \$1,287/mt, up from \$1,228/mt in May. Polypropylene prices followed propylene prices higher, climbing 5% in June to \$1,519/mt from \$1,482/mt in May.

AROMATICS

Prices of aromatics - a group of scented hydrocarbons with benzene rings used to make a variety of petrochemicals - were mostly lower in June, reflecting a lack of demand.

The Platts Global Toluene Index fell 6% in June to \$1,094/mt, down from \$1,158/mt in May. The Platts Global Benzene Index fell 3% in June to \$1,286/mt from the May average of \$1,322/mt.

The Platts Global Paraxylene Index was the only aromatic component of the PGPI to post a gain in June, edging up 1% to \$1,389/mt.

Petrochemical prices in June moved higher despite declining averages in the global equity markets. The Dow Jones Industrial Average (DJIA) and the Nikkei 225 both slipped 1% on a month-over-month basis in June. The London Stock Exchange Index

(FTSE) dropped 5%.

To access a summary of the June performance of each of the seven key petrochemicals included in the PGPI, visit this link: <http://www.platts.com/newsfeature/2013/Petrochemicals/pgpi/index>.

The **PGPI** reflects a compilation of the daily price assessments of physical spot market [ethylene](#), [propylene](#), [benzene](#), [toluene](#), [paraxylene](#), [low-density polyethylene \(LDPE\)](#) and [polypropylene](#) as published by Platts and is weighted by the three regions of Asia, Europe and the United States. Used as a price reference, a gauge of sector activity, and a measure of comparison for determining the profitability of selling a barrel of crude oil intact or refining it into products, the PGPI was first published by Platts in August 2007.

Published daily in a real-time news service [Platts Petrochemical Alert](#) and other Platts publications, the PGPI is anchored by Platts' robust and long-established price assessment methodology and the firm's 100-year history of energy price reporting.

[Platts petrochemicals experts](#) are available for media interviews. A sample list of experts may be found at the [Platts Media Center](#). For more information on [petrochemicals](#), visit the Platts website at www.platts.com.

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