

Platts: Global Petrochemical Prices Levelled Off in October

But Month-End Prices Were Stronger versus September; First Such Strength Since May 2015

PR Newswire
HOUSTON

HOUSTON, Nov. 17, 2015 [PRNewswire/](#) -- Prices in the \$3-trillion-plus global petrochemicals market in October were virtually flat based on a monthly average, but edged slightly when valued on a month-end to month-end basis from September. This is the first time the markets have shown intermonth gains since May of this year, according to the just-released monthly [Platts Global Petrochemical Index](#) (PGPI). Petrochemical prices, expressed as a monthly average were \$785 per metric ton (/mt) in October, down just \$1/mt from September.

The PGPI is a benchmark basket of seven widely used petrochemicals and is published by [Platts](#), a leading global provider of energy, petrochemicals, metals and agriculture information and a top source of benchmark price references.

"Benzene prices climbed 4% in October," said Jim Foster, head of analysis for petrochemicals and agriculture at Platts. "Exports of benzene out of Korea were down 30% in October, which pinched supplies globally, pushing up price as did the strengthening of upstream prices of crude oil and naphtha."

Crude oil prices were up 2% in October, while naphtha prices climbed 3%.

PLATTS GLOBAL PETROCHEMICAL INDEX IN DOLLARS PER METRIC TON

The daily price reflected as a monthly average

Oct 2015	Monthly % Change	Annual % Change	Oct 2014	Sept 2015	Aug 2015	July 2015	June 2015
\$785	-0.12%	-41%	\$1,324	\$786	\$888	\$1,013	\$1,103

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.

OLEFINS

As a group, olefins prices were mixed last month, with ethylene posting small gains and propylene prices falling. Propylene, which can be made at both the refinery and the cracker, slipped 5% to \$533 per metric ton (/mt) in October, down \$26 from September. Ethylene, which is primarily produced at crackers, climbed 1% to \$767/mt in October, up \$6/mt from September.

Polyethylene and polypropylene, plastics manufactured from ethylene and propylene respectively, were also mixed in October as each derivative closely followed its feedstock price. Global polyethylene prices rose 1% to \$1,252/mt, while polypropylene prices fell 3% to \$1,114/mt.

AROMATICS

Prices of aromatics - a group of scented hydrocarbons with benzene rings used to make a variety of petrochemicals - were stronger across the board last month. Benzene posted the largest gain of any component in the PGPI, climbing 4% to \$612/mt, up from \$586/mt in September. Toluene prices gained 2% in October to \$621/mt, up \$12 from September. Paraxylene, the final aromatic included in the PGPI, was up 1% in October to \$773/mt, up \$8 from September.

Petrochemical prices moved in line with global equity markets in October. The Dow Jones Industrial Average increased 8%. The London Stock Exchange Index (FTSE) gained 5% and the NIKKEI 225 advanced 10%.

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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