

Index Methodology

Introduction

ChemOrbis brings clarity and reality to polymer pricing. Our goal is to continuously provide the most up-to-date and accurate reports of prices available in the market so that our members can make appropriate and profitable trading decisions.

The launching of a new Index will go a long way towards bringing clarity to the market and will be an important tool for our members both in trading decisions as well as for our members' contract business, whether it is between buyers and sellers in the polymer market or between converters and their end customers.

Prices are always from first hand sources directly involved in the reported transaction, meaning heard information is never included in the Price Index range. Prices are taken each week from a wide range of sources on both the buy and sell side of polymer transactions.

ChemOrbis does not believe in editing, amending or in any way making up price ranges based on its own judgment. However, all reported prices are put through rigorous analytical tests, including netback and cost analysis, before the decision is made to include them in the Price Index.

The ChemOrbis system is also unique in that the collection and reporting of market information is done by an extensive local team located within each country covered, while the creation of Market Intelligence is done by an independent team which performs quality assurance. This process helps minimize bias and leads to true objectivity. At the same time, the wide range of market sources and the sheer number of price reports tracked on a weekly basis allows ChemOrbis to publish a unique "Weighted Average Index" which shows where the majority of prices are congregating within the range.

Kimberley Yasa
Director of Market Intelligence

Turkey Price Index Methodology

As the Turkish market is predominantly spot oriented, the Price Index includes only spot prices, meaning transactions in which the parties are not obligated to buy or sell from each other.

The Price Index represents the range of actual, real prices available in the market from all sources within a particular week.

Prices represent first person reports from reliable sources; meaning they are given or received directly by the source providing the information. Heard or rumored prices are not included in the ranges.

Price ranges include offers given, offers received and done deals. Only in the event that there are no offers given or received and no done deals completed in a particular week, then the range will be composed of the prevailing buy and sell ideas.

All prices are ensured for accuracy through cross checking on the buy-sell side and using technical assessment tools.

The price range contains all reported origins for the week. The week over week origins may change depending on the market conditions.

The Average Index Price refers to the weighted average to account for the predominance of offers culminating around a certain level and in order to temper unusual prices within the range.

Prices included in the range are always for shipments which will take place within 30 days of the transaction.

The week number refers to the actual date of the transaction, not the date the price is reported to ChemOrbis.

The Turkey Price Index is published every Friday and refers to the current week's price range. However, the data is permanently locked only through the prior week, while the current week is subject to change until the next publishing date, at which time it will become locked.

The Turkey Price Index is never changed following publication without clear, written notice to all of our subscribers. By policy, historical data is locked and editing is restricted once the Index figure has been published.

The plastic raw materials and grades which are presented in the Price Index reflect the commodity products and the most heavily traded.

ChemOrbis reserves the right to reject prices which are deemed unusual, available only with specific conditions which are not repeatable for all players or are considered too far outside the range of prices.

The minimum cargo size is 20 metric tons.

The Turkey Price Index and its associated database will be maintained and archived on the website to allow users to reference historical Index figures.

Specifications:

In Turkey, the following products and grades are used for the Price Index:

- Polypropylene
 - o Fibre
 - o Raffia

- Poly Vinyl Chloride
 - K67-68
- Low Density Polyethylene
 - Film + General Purpose
- Linear Low Density Polyethylene
 - Film (C4)
- High Density Polyethylene
 - Film
- General Purpose Polystyrene
 - Injection
- High Impact Polystyrene
 - Injection

Definitions of Categories

Imports

All reported import prices are adjusted to CFR Turkey Main Port, cash. Prices include customs duties and antidumping duties if applicable, but do not include clearing and handling costs. All prices are converted to USD using the average parity valid on the week of the transaction. FCA bonded warehouse import prices are adjusted to CFR basis and are included in the import section.

Local

All reported local prices are adjusted to Ex-warehouse Main Turkish City, cash. Prices include customs duties and antidumping duties if applicable and also include clearing and handling costs. Prices exclude the VAT and are converted to USD using the average parity valid on the week of the transaction. The range may also include the local producer's material which is offered in the resale market.

Petkim

All prices are as announced by the producer and reported to ChemOrbis by buyers and distributors. Prices are based on FCA Aliaga, cash. Prices do not include the VAT.

Disclaimer

Price Analysis Disclaimer: Reports are as reported by member companies, reports are not generated from the system. We believe the reports to be true but do not guarantee their accuracy nor does ChemOrbis accept responsibility for decisions made based on these reports. Please contact us for further questions.