

Italy PS Market

General Outlook

PS sentiment firm for Jan on sellers' side

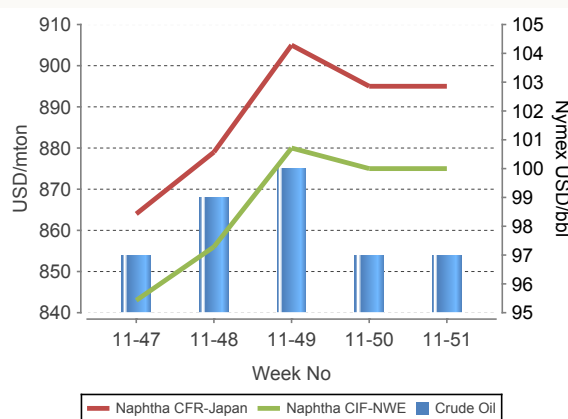
In Italy, players wrapped up their December PS business mainly with rollovers for GPPS and with small decreases of €10-20/ton for HIPS for both spot deals and gentlemen's agreements. Softer HIPS prices were attributed to lower butadiene costs. The spot level was stable week over week at €1130-1240/ton for GPPS and €1260-1360/ton for HIPS FD Italy. After a few converters looked for material to pre-buy, spot demand cooled off this week as players have started to step out from the market for the Christmas holidays. Buyers, most of whom are facing a visible slowdown in their end product business, generally refrained from building stocks this month despite the widespread talk of an upturn for January. A couple of players received import offers for January delivery at \$1550/ton for Indian GPPS and \$1830/ton for South Korean HIPS, all on CIF basis but they refused these offers as they found the localized euro based equivalences too high.

Sentiment remains firm on the sellers' side, with a West European supplier said to be targeting an increase of €150/ton for January. Producers are citing the need to improve their margins. Higher spot styrene prices, which gained around \$50/ton (€38/ton) on the week, the higher ethylene and butadiene contracts for January, as well as the talk of tighter regional supply particularly for HIPS are amongst other factors supporting sellers for now. "European styrene producers are limiting their allocations for Europe because they are selling to Asia with better margins. PS prices may post strong increases in January," a distributor stated. After the holidays, January styrene contracts will set the tone of the market. Buyers may push for smaller increases pointing to weak economic conditions. "The Italian government is approving a budget package, which will cause higher fuel costs. Therefore, the sentiment on the buyers' side is becoming more pessimistic," a converter complained.

NYMEX crude settled on Thursday at \$99.53/barrel.

Feedstocks & Monomers

Feedstocks			
Week No	Crude Oil Nymex USD/bbl	Naphtha CFR-Japan USD/mton	Naphtha CIF-NWE USD/mton
11-51	97	895	875
11-50	97	895	875
11-49	100	905	880
11-48	99	879	856
11-47	97	864	843



Styrene			
Week No	FOB-Korea USD/mton	FOB-USG USD/mton	FOB-NWE USD/mton
11-51	↑ 1320	↑ 1300	↑ 1310
11-50	1310	1260	1230
11-49	1300	1250	1220
11-48	1270	1230	1290
11-47	1280	1260	1330

Benzene			
Week No	FOB-Korea USD/mton	FOB-USG USD/mton	CIF-NWE USD/mton
11-51	↑ 1050	↑ 1070	↑ 1080
11-50	1020	1010	1050
11-49	1030	1030	1010
11-48	980	930	910
11-47	950	880	870

Note: Indicative prices are given based on latest available figures. Prices are translated to USD/mton and with the exception of naphtha have been rounded to the nearest ten. Crude and naphtha prices represent weekly averages up to the date of publication.

Abbreviations: NWE: Northwest Europe, USG: United States Gulf, FEA: Far East Asia

Price Ranges

- December gentlemen's agreements have started to be offered at €1105-1295/ton for GPPS and €1190-1420/ton for HIPS FD Italy, 60 days deferred payment.
- Spot West European GPPS extrusion is at €1230-1240/ton and HIPS is at €1350-1360/ton FD North Italy, 90 days deferred payment.
- Spot Central European GPPS extrusion is at €1130-1140/ton and HIPS is at €1260/ton FD North Italy, 90 days deferred payment.
- Spot South European GPPS extrusion is at €1190-1200/ton and HIPS is at €1300-1320/ton FD North Italy, 60/90 days deferred payment.
- Spot Pakistani GPPS extrusion is at €1200/ton FD North Italy, 90 days deferred payment.
- Import Indian GPPS extrusion is at \$1550/ton CIF Italy, 60 days deferred payment for January delivery.
- Import South Korean HIPS extrusion is at \$1830/ton CIF Italy, 60 days deferred payment for January delivery.

Weekly Price Changes

Italy Weekly Price Changes - Spot Local

Week No 2011-51 (19.12.2011 - 25.12.2011)

(€/mton, FD Italy)

GPPS				
Origin	Chg	Low	High	Chg
CEE	▬	1,130	1,140	▬
ISC		1,200	1,200	
NWE	↑ 40	1,230	1,240	▬
SEU	↓ (10)	1,190	1,200	↓ (10)
HIPS				
Origin	Chg	Low	High	Chg
CEE	↑ 10	1,260	1,260	↑ 10
NWE	↑ 30	1,350	1,360	▬
SEU	▬	1,300	1,320	↑ 20

Changes show the difference between week 11-50 and week 11-51 .

Abbreviations: CEE: Central Eastern Europe, ISC: Indian Subcontinent, NWE: Northwest Europe, SEU: Southern Europe

Italy Weekly Price Changes - Spot Local

Week No 2011-50 (12.12.2011 - 18.12.2011)

(€/mton, FD Italy)

GPPS				
Origin	Chg	Low	High	Chg
CEE	▬	1,130	1,140	↓ (90)
NWE	↓ (30)	1,190	1,240	▬
SEU		1,200	1,210	
HIPS				
Origin	Chg	Low	High	Chg
CEE	↑ 18	1,250	1,250	↓ (80)
NWE	▬	1,320	1,360	▬
SEU		1,300	1,300	

Changes show the difference between week 11-49 and week 11-50 .

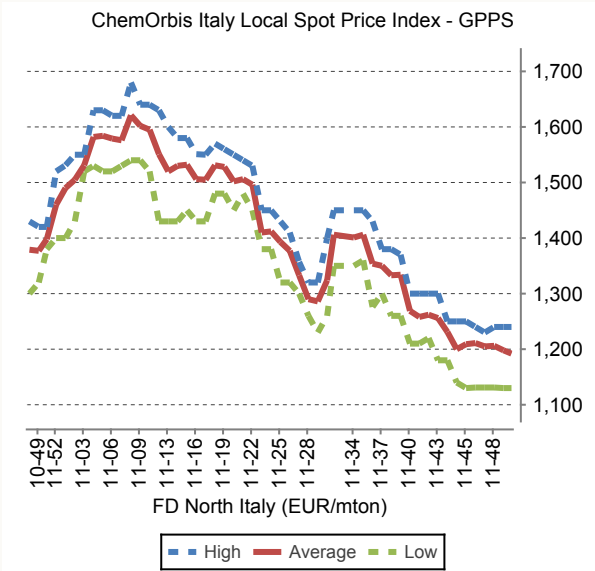
Abbreviations: CEE: Central Eastern Europe, NWE: Northwest Europe, SEU: Southern Europe

Note: All reported local prices are adjusted to FD North Italy, 60/90 days deferred payment. Prices include customs duties and also include clearing and handling costs if applicable. Prices exclude the VAT.

GPSS

Local

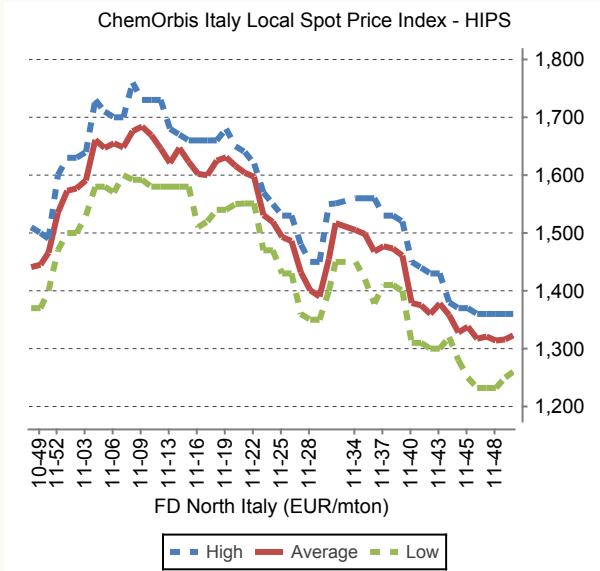
Last 52 Weeks



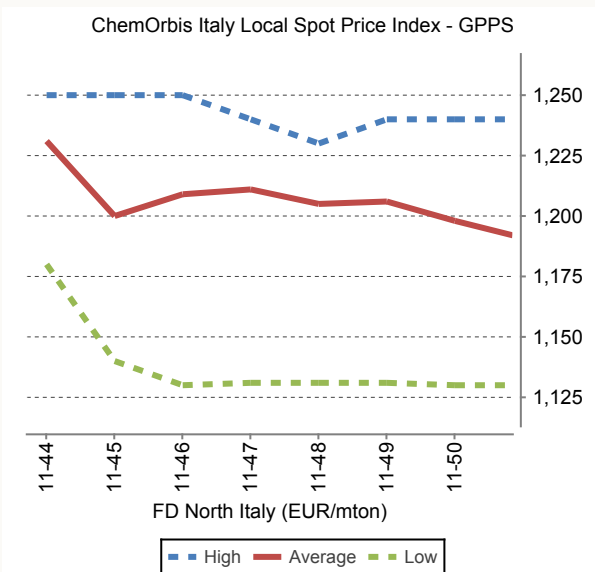
HIPS

Local

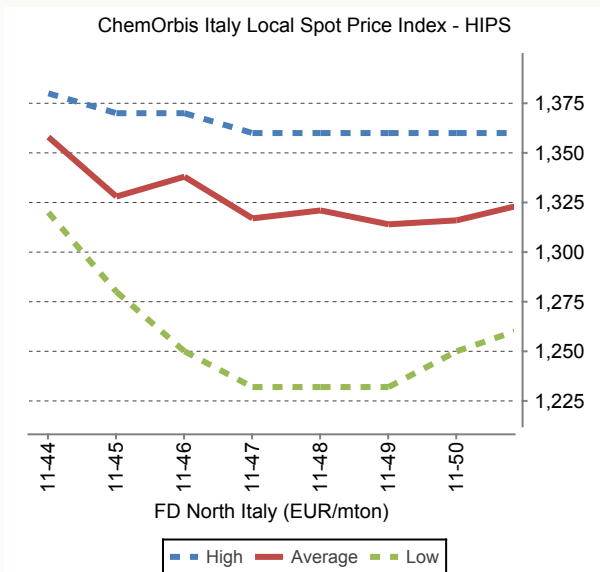
Last 52 Weeks



Last 8 Weeks



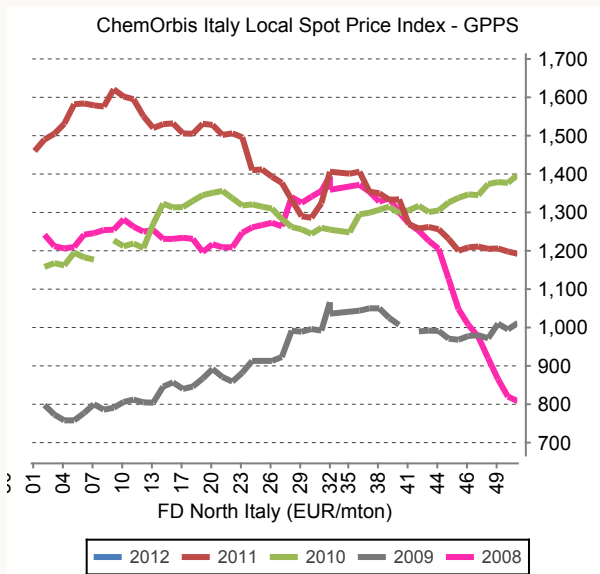
Last 8 Weeks



GPSS

Local

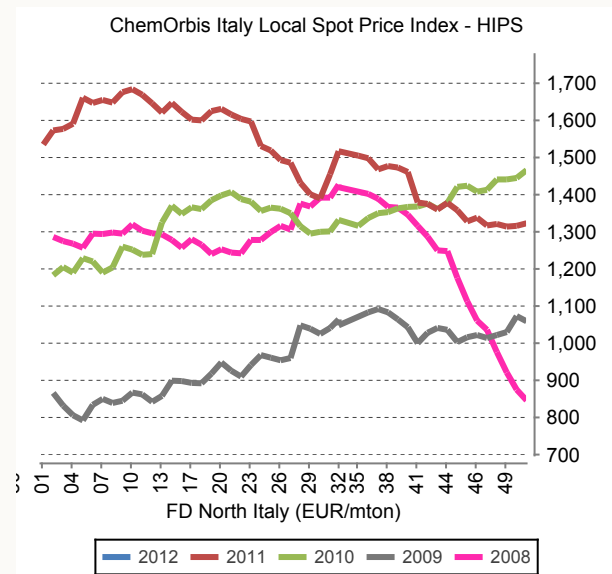
Full Data



HIPS

Local

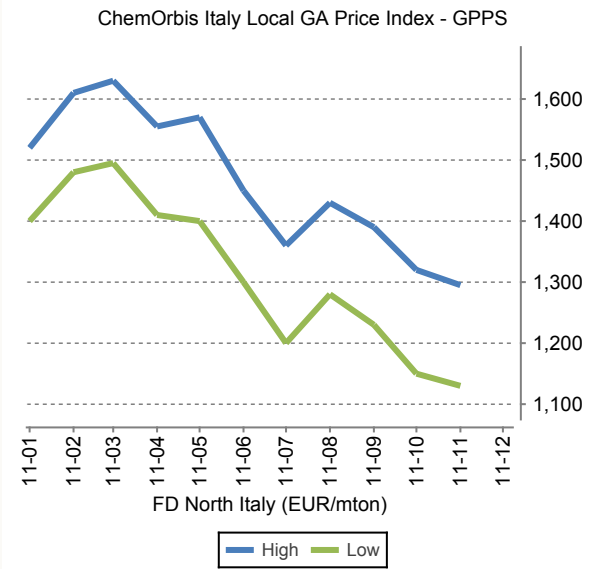
Full Data



GPSS

Local Gentlemen's Agreement

Last 12 Months



HIPS

Local Gentlemen's Agreement

Last 12 Months

