

VINYL CHLORIDE MONOMER (VCM)

VCM production takes place in an integrated balanced process, comprising three units, direct chlorination, oxychlorination and ethylene dichloride (EDC) cracking. Around 99% of VCM is used in the production of polyvinyl chloride (PVC) and co-polymers. VCM is extremely flammable and known as a human carcinogen. Large fires triggered by VCM are difficult to extinguish. It has dangerous toxic effects when absorbed by the skin or inhaled. It also causes severe irritation of the eyes.

ICIS pricing quotes vinyl chloride monomer on a **global** basis.

Frequency:

Published weekly on Fridays

Vinyl Chloride Monomer

Weekly Price Assessments:

VCM Contract Prices

- FD NORTH WEST EUROPE (EUR/MT & conversion to US CTS/LB)

VCM Spot Prices

- FOB NWE (USD/MT & conversion to US CTS/LB)
- FOB USG (USD/MT & conversion to CTS/LB)
- CFR NE ASIA (USD/MT & conversion to US CTS/LB)
- CFR SE ASIA (USD/MT & conversion to US CTS/LB)

VCM Feedstock Prices

- EDC FOB WESTERN EUROPE (USD/MT & conversion to US CTS/LB)
- EDC FOB US GULF (USD/MT & conversion to CTS/LB)
- ETHYLENE CONTRACT FD NWE (EUR/MT)
- ETHYLENE CFR NE ASIA Spot (USD/MT)

General Information:

Assessment window: Price assessments are based on information supplied by market participants through the week up to close of business on Fridays at 1700 hours in London, Singapore and Houston.

Specification: Purity 99.90, water 100 maximum ppmw, acidity as HCl 2 Maximum ppm.

Timing: Cargoes loading or delivered four-six weeks forward from the date of publication.

Terms: 30-60 days after bill of lading date.

Standard cargo size: Export parcels are usually sold in cargoes of between 3,000-10,000 tonnes from the USA. Parcel sizes in Asia and the Mediterranean tend to be between 1,500-3,000 tonnes.

Assessment basis: The report offers assessments and commentary on vinyl chloride monomer in Europe and North America, together with market commentary only on Asia. European business is largely captive for PVC production, with some merchant flows into southern Europe. US activity is mainly domestic business, though there is a structural



export flow into Latin America and some spot exports to Europe and Asia. Asian business comprises intra-Asian business, sales from the Middle East and occasional spot sales from the USA. (CFR NE Asia includes China, Korea, Japan and Taiwan, while CFR SE Asia includes – Malaysia, Singapore, Indonesia, Thailand, Vietnam.

The commentary includes news of traced transactions, news on the supply/demand balance, export/import information, contract price negotiations and general sentiment for price direction. Where applicable there is product information, comments on up and downstream market developments and general market intelligence.

