



SORBITOL

Sorbitol is a sugar alcohol produced in the US from corn grind. There are only two producers, each of which sets annual contracts with wet-milling agents from the US corn industry. Primary end uses for sorbitol in the US are food applications such as diet bars, bakery products, diet candies, and sugar-free chewing gums.

There are two grades of sorbitol: Liquid USP and Crystal. Crystal grade is the premium-priced product and commands the sugar-free chewing gum industry over the liquid product. Sorbitol can, but rarely does, compete with Glycerine and Propylene Glycol.

ICIS pricing quotes Sorbitol in **Asia** and the **US** in a combined report..

Frequency:

Published weekly on Wednesdays.

Sorbitol

Weekly Price Assessments:

Sorbitol Annual Contract Prices

- LIQ USP USG (US CTS/LB & conversion to USD/MT)
- CRYSTAL USG (US CTS/LB & conversion to USD/MT)

Sorbitol Spot Prices

- LIQ USP USG (US CTS/LB & conversion to USD/MT)
- CRYSTAL USG (US CTS/LB & conversion to USD/MT)
- FOB S.E.ASIA (USD/MT & conversion to US CTS/LB)

General Information:

Assessment window: Price assessments are based on information supplied by market participants through the week up to close of business on Wednesdays at 1800 hours in Singapore and Houston.

Specification: ICIS pricing quotes Liquid USP and Crystal grade.

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: In the US, sugar alcohols are shipped primarily via standard tank truck of 45,000 lb. In Asia, liquid sorbitol is packed in 275 kg plastic or steel drums. Standard cargo size is about 20 tonnes per full container load.

Assessment basis: In the US, contracts are conducted on an annual basis and usually agreed in November and December. ICIS pricing quotes Liquid USP and Crystal grade contracts. All price assessments are determined by polling as wide a base of participants as possible in the very narrow US market.

In Asia, contracts are usually negotiated and settled on a monthly or quarterly basis for liquid sorbitol. However, spot trades are also a common feature of doing business in Asia, and the price assessment is based on spot transactions on an FOB SE Asia basis.

All regional reports offer market commentary that includes details 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.

30 October 2012

