

# Radchem Products, Inc.



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## Market Report *by Bill Radostits*

The Acetone increase by the Producers and major brokers who support barge tanks are firm. Acetone will be increasing a minimum of \$.03/LB, but some announcements are actually set for \$.05/LB on April 1, 2016. We met with the Senior Management folks at Altivia in Dallas at the AFPM meetings, and their new Haverhill, Ohio plant is producing Acetone at a steady rate. We will be representing Altivia Acetone as well as their Alpha Methyl Styrene (AMS). This supply provides us better logistics for our accounts in Ohio and to the Northeast.

Crude oil prices have leveled off around the \$40 per barrel. Crude Oil inventories are still at record high levels. 60% of the United States drilling rigs have been shut down since a year ago. Inventory of Crude Oil continues to grow because there are many North American refineries currently down for scheduled maintenance while others have slowed their rates down because of weak profits. The market could be affected by the April 17th meeting of OPEC and Non-OPEC countries who our planning to discuss lowering output. Gasoline inventories are still high even though prices have jumped \$.40 per gallon in the last 4 weeks. The increase is mainly due to the change from summer to winter grade gasoline. NYMEX distillate is trading close to \$1.20 per gallon. Natural Gas pricing has leveled off around \$1.85 per MMBTU. Toluene and Xylene demand has picked up because of export gasoline demand for Toluene and higher chemical demand for Xylene. We have seen one announcement for a \$.015/LB increase on both products FOB the Gulf. The refiners in the Midwest and Northeast are quiet.

Methanol prices have firmed up slightly after reaching the low point a month ago. Higher energy prices and higher Methanol prices in Asia have led the change. The market could see a slight increase for April as demand for Methanol into Formaldehyde is near.

There are several producers announcing increases for Oxygenated Solvents for April 1, 2016. Alcohol prices are announced to increase by \$.03 per pound to \$.05 per pound. Propanol is set to go up \$.05/LB, while n-Butanol, Isobutanol, 2 Ethylhexanol, Primary Amyl Alcohol are going up \$.03 per pound. The Acetone derivatives like MIBK, Isophorone, and DIBK are increasing \$.03 per pound. Esters like n-Butyl Acetate, Isobutyl Acetate, Isopropyl Acetate, n-Propyl Acetate are going up \$.03 per pound. All grades of Isopropanol are also set to move up \$.03 per pound.

The aliphatic hydrocarbon solvent market is a battle ground. Inventories remain high across the spectrum because there is a lot of capacity in the market. There are several new refineries producing solvents that were expected to move into the drilling and fracking markets as drilling fluids, and that market has rapidly disappeared. At this point, pricing looks to be rolling over for the month of April. Inventories are strong on Heptane, Hexane, VM&P, all grades of Mineral Spirits, 142 Solvent, 400/500 Solvent, 170 Solvent, and the higher boiling ranges as well.

## ESGR Award given to Bill Radostits and Radchem

Bill Radostits and Radchem Products, Inc. were recognized by the ESGR (Employer Support of the Guard and Reserve) and the United States Department of Defense. This military organization along with The Department of Defense recognizes employers who support an employee of theirs that is an active member of the Military Reserve or Guard. Bill received two awards for his support of Will's training weekends and weekdays away from Radchem, his patriotism for The United States of America, and for the many donations he and Kathy have made over the years to a multitude of organizations, such as the USO, Toys for Tots, The Wounded Warrior Project, Luke's Wings, and the Homeless Shelter for Disabled Veterans. Bill received the "Patriot Award" and a second award, the "Above and Beyond Award" for his extra contributions and going above and beyond the legal requirements of the Uniformed Services Employment and Reemployment Rights Act, or USERRA, in granting leave to employees for military duty.

The award ceremony was held on March 18<sup>th</sup> in Bloomington, Illinois. Patrick A. Winfrey, retired veteran, Will Radostits, 1<sup>st</sup> LT U.S. Marine Corps, his wife Alyssa, and Kathy Radostits attended the ceremony with Bill. Major General Daniel R. Ammerman, the Commanding General of U.S. Army Civil Affairs and Psychological Operations Command (Airborne), was the guest speaker and was there to honor and help present the awards to all the recipients.



(Anthony Ochiabytora, Major General Daniel R. Ammerman, 1<sup>st</sup> Lt. Will Radostits, Bill Radostits, Colonel US Army (Retired) Ron Bacci)



(Patrick A. Winfrey, Kathy Radostits, Bill Radostits, Alyssa Radostits, Will Radostits)

	Sept. 2015	Oct. 2015	Nov. 2015	Dec. 2015	Jan. 2016	Feb. 2016	Mar. 2016
Crude Oil	\$44.07	\$46.73	\$43.92	\$36.69	\$29.78	\$31.03	\$38.30
Diesel	\$1.53	\$1.53	\$1.45	\$1.20	\$0.98	\$1.03	\$1.18
Gas	\$1.44	\$1.36	\$1.31	\$1.22	\$1.05	\$0.95	\$1.25



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