

Radchem Products, Inc.



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Market Report

Bill Radostits

Oil and Gas

Crude Oil is currently trading at \$53 per barrel for March, and for the last month has been ranging \$52 to \$54 per barrel. The oil market moved higher as OPEC and non-OPEC countries made agreements to reduce oil production while the United States was actually increasing production. Last week Crude Oil inventories in the United States increased by nearly 3 million barrels. According to the traders this has been the result of lower exports of gasoline. The market has stabilized and is looking for direction. Demand should rise with the normal increase in US consumption in March and April.

Aromatic Solvents

There have been two major increases on Toluene and Xylene in 2017. The first increase resulted in a jump \$.04 to \$.05 per pound effective from the last week in December through the first week in January. The second move of \$.03 per pound was effective as early as January 23rd through February 1st from all refiners and traders. Production outages and tight supply continue to be the main reason for the increases. Marathon Galveston Bay (formerly BP Texas City), Valero at Three Rivers, and Flint Hills resources in Corpus Christi are all down for turnaround and not producing. CITGO in Lemont, Illinois is planning a turnaround in March that could impact both aromatic and aliphatic solvents. Several other refiners are also planning some maintenance turnarounds in the spring. Producers for Aromatic 100 and 150 raised their prices because of higher feedstock costs and increases in the distillate market. Exxon moved \$.05 per pound December 21st, and the rest of the US producers followed with an increase effective January 1, 2017. Aromatic 150 inventories are very low and will be until Flint Hills Resources produces again in March.

Acetone

The strong demand for Acetone in Asia is driving prices significantly higher than the value in North America. This has created increased exports from US producers trying to capitalize on the opportunity overseas, and a redirection of imports of Acetone that were formally coming to the United States. A couple domestic sources plan turnarounds this spring, and there are announcements for major increases from all producers for February 1st. Expect prices to go \$.05 -\$.10 per pound in February.

Other increases for February 1st

The January Chem Grade US Gulf contract price for Propylene finally settled last week. The January price is \$.40 per pound which is an increase of \$.10 per pound from December. Expect another large increase for February. As a result, all propylene based products will jump in price. Propylene Glycol, Dipropylene Glycol, and Tripropylene Glycol will increase \$.05 per pound on 2/01/17 and an additional \$.05 per pound on 2/15/17. Most of the Glycol Ethers and Glycol Ether Acetates are increasing \$.04 to \$.05 per pound. Normal Butyl Acetate, Normal Butyl Alcohol, Isobutyl Acetate, Isobutyl Alcohol are moving \$.05 per pound. Normal Propyl Acetate and Isopropyl Alcohol are going up \$.07 per pound. MIBK and DIBK are increasing \$.05 per pound. Methanol has moved up in price the last 5 months, and the word is that it could increase another \$.10 per gallon.

Kleen Performance Products

Alan May

Radchem is excited to announce the addition of Kleen Performance Products re-refined base oils to its growing product line. These products are re-refined oils produced by using catalytic hydrogenation which virtually eliminates all impurities and most aromatics while providing high oxidation and thermal stability. This is a closed loop-process in which oil is collected, recycled, refined and resold – a procedure that consumes 85% less energy than refining base oils from crude oil. The result is a reduction in greenhouse gases and a product that is considered “green”.

These products are superior quality Group II+ paraffinic base oils which will help you achieve performance objectives while lowering blending costs. Methodology and control guarantees exceptional quality and uniformity including:

- Low NOAK (volatility) and consistent viscosity
- Lab testing for all base and blended products
- ISO 9001
- Elimination of impurities with low aromatic content
- Improved demulsibility
- Improved performance of finished products
- There are six refinery locations throughout the United States which will help lower logistical costs. Product is available in drum, tote and bulk volumes.

Typical Properties Product	Method	RHT70	RHT120	RHT240
Kinematic Viscosity				
cSt @40C	ASTM D7279	12.7	24.8	43.4
cSt @ 100C	ASTM D7279	3.0	4.8	6.9
Viscosity Index	ASTM 2270	94	113	117
Color	ASTM D1500	L0.5	L0.5	L1.5
Appearance	Visual	Clear/Bright	Clear/Bright	Clear/Bright
Specific Gravity@15C	ASTM D4052	0.849	0.849	0.854
Flash Point, C	ASTM D92	196	228	250
Pour Point, C	ASTM D5949	-21	-18	-15
Cold Crank Simulator				
@ -25C, cP	ASTM D5293	600	1730	4950
@ -20C, cP	ASTM D5393	-	960	2650
Evaporative Loss, NOAK, wt %	ASTM D5800	-	12.5	5.5
Volatility @ 371C, wt %	ASTM D2887	-	3.9	1.4
Sulfur	ASTM D5185	<300	<300	<300
Polycyclic Aromatics, wt %	IP 346	<3.0	<3.0	<3.0
Modified Ames Assay	ASTM E 1687	MI<1	MI<1	MI<1

If you have any questions, need further information, or samples, contact your Radchem Products, Inc. Regional Manager or our corporate office at 708-966-4044.

	Oct. 2016	Nov. 2016	Dec. 2016	Jan. 2017
Crude Oil	\$50.46	\$48.02	\$53.08	\$51.25
Diesel	\$1.58	\$1.53	\$1.68	\$1.62
Gas	\$1.53	\$1.41	\$1.56	\$1.53



To place an order, please call our main office at (708) 966-4044; or email PO's to our NEW Customer Service email address: cs@radcheminc.com

