

Price increase 1st June 2015: PVC, PP, PE

As you will surely have followed in the press, you will be aware of the rise in market pricing for raw materials used in the manufacturing of semi-finished plastics.

The situation which we have been monitoring has continued to become increasingly serious to ensure the continued supply of product availability with raw material suppliers terminating existing quantity agreements and cancelling price agreements.

Since early March major resin suppliers announced unscheduled production stops due to technical reasons and limited availability in monomers, this has resulted in an exceptional quantity of Force Majeure announcements which have been widely commented in the media.

Until now the strength of the pound has helped absorbed these increases but now resin manufacturers would rather sell their materials outside of Europe to achieve a higher margin due to the weak Euro.

As a result of this situation we need to adjust our pricing by +6% from 1st June for the supply of semi-finished products made of PVC, PE and PP.

Forecasters predict further increases in commodity pricing throughout 2015 and we will inform you with as much notice as possible.

If you have any questions, please do not hesitate to contact me. We appreciate your understanding and look forward to continuing our business relationship.

Yours Sincerely

Ben Senior

Ben Senior
Branch Manager