



mcneely
P L A S T I C S

of Sigma Plastics Group

NOVEMBER
2017

MARKET REPORT

ECONOMIC INDICATORS

- GDP was revised up to 3.3% (2.3% Y/Y) during Q3'17
- The number of Americans filing for unemployment benefits decreased by 2,000 to 238,000 in November
- Manufacturing PMI was revised marginally higher to 53.9 in November of 2017 from a preliminary reading of 53.8
- Pending Home Sales increased 3.5% (-0.6% Y/Y) during October to an index level of 109.3
- Total housing starts increased 13.7% (-2.9% Y/Y) during October to 1.290 million units
- Private Non-Farm Payrolls increased 235,000 (2.1% Y/Y) during October
- Personal Income rose 0.4% (3.4% Y/Y) during October following an unrevised 0.4% September increase
- Consumer Confidence was revised up to 98.5 in November of 2017 from a preliminary of 97.8
- WTI crude oil prices are \$47.39 a barrel (17.0% Y/Y)
- National average for Regular gasoline is \$2.47 per gallon; Diesel is \$2.84
- Natural gas prices rose to \$2.76/mmbtu (31.2% Y/Y), the highest level in five weeks

POLYETHYLENE

- November CDI reflected \$.015/lb increase, the 2nd half of the \$.03/lb increase that occurred on October 15th
- In all, PE prices increased \$.10/lb following Hurricane Harvey
- PE production and inventory levels are returning to normal after Hurricane Harvey caused significant disruptions and declines

OUTLOOK

- 2018 PE prices are forecast to be lower as 7 new PE production facilities are set to start up
- December is expected to see some portion of the Harvey-related increases begin to reverse