

Benzene Global Price Forecast Methodology

26 June 2018



The ICIS Benzene Global price forecast report is a brief monthly publication that can be accessed via the Dashboard.

- The report provides:
 - a monthly forecast of the benzene CIF NWE contract price in Europe, extending the historical gross prices reported in the ICIS Benzene Europe price report edited by Helena Strathearn.
 - a monthly forecast of the benzene FOB US Gulf contract price, extending the historical gross prices reported in the ICIS Benzene US Gulf price report edited by Zachary Moore.
 - a monthly forecast of the benzene FOB South Korea spot price, extending the historical gross prices reported in the ICIS Benzene Asia Pacific price report edited by Clive Ong.
- Price forecasts are for the following month and the next eleven months in the future, i.e. twelve months in total.
- The forecasts are made by aromatics consultants Rob Peacock, based in the ICIS office in Sutton, UK, Stephanie Kirby, based in the ICIS office in Houston, Texas, and Jenny Yi, based in the ICIS office in Shanghai, with support from Ally Kirk/Elia Farah (feedstocks).
- Data is compiled at the beginning of the month (Month 0) so that a report can be produced and published at the end of the first full week of Month 0 covering the period Month 0 to Month 11.
- Prices are published in the assessed currency and converted to \$/tonne for comparison.

Elements within the benzene price forecasts include:

- Oil and naphtha price forecasts in Europe, US and Asia, e.g. Brent, WTI, NYMEX.
- Supply-demand data for benzene including regional imports, exports and global plant shutdowns.
- Arbitrage opportunities for benzene between geographical regions based on (a) freight rates, (b) exchange rates, (c) new manufacturing units.
- Downstream benzene derivative demand forecasts.
- Movement of spot prices and spot margins.
- Benzene production margins.
- Where information is provided from a third party, this data is attributed in a footnote.

ICIS compliance protocols:

- a) The information gathered in the process of making this ICIS price forecast does not flow back to the ICIS price reporting editorial staff.
- b) Confidential information that is gathered by ICIS editorial staff in the process of price reporting is not permitted to be included in the ICIS benzene or styrene price forecasting process.

Since January 2016, the price forecast series have been available through a 'Price Forecast' window on the ICIS Dashboard. The window enables price forecast series generated over the last 12 months to be charted and downloaded, along with up to 12 months' worth of price history.

Where a price forecast series is charted and downloaded in a currency other than its assessed currency, the 16:00 UTC foreign exchange rate, as provided by www.xe.com, from the first of the month in which the forecast series was generated is applied to all price forecasts within that forecast series. Where the first of the month is a non-publishing day, the prior publishing day's 16:00 UTC foreign exchange rate is applied. ICIS provides charting and downloads in alternate currencies as a guide only.

Our recommendation would be to chart and download in original assessed currency and to apply your own selected foreign exchange rates.