**RAFFINATE 1 & RAFFINATE 2**

Raffinates 1 and 2 are by-products of ethylene and propylene production in a cracker. The European market is structurally thin as most companies have captive use or are locked into long-term contracts.

Raffinate 1 is used in the manufacture of a variety of polymers such as PIB (poly iso butene) and butyl rubber and fuel components such as MTBE (methyl tert-butyl ether) and alkylate gasoline. Major polymer end uses include sealing compounds and adhesives for plastic products, protective coatings and cable insulating materials.

Raffinate 2’s main use is methyl ethyl ketone (MEK). Butene 1 can be extracted which is a feedstock into linear low density polyethylene (LLDPE). Other uses are polygas, polygasoline a high octane gasoline pool component.

ICIS pricing quotes Raffinate 1 and Raffinate 2 in separate reports in **Europe**

**Frequency:**
Published weekly on Fridays

**Raffinate 1 (EUROPE)**
**Weekly Price Assessments**
**Spot Prices**
- CIF NWE (USD/MT & conversion to US CTS/LB)

**Raffinate 2 (EUROPE)**
**Weekly Price Assessments:**
**Spot Prices**
- CIF NWE (USD/MT & conversion to US CTS/LB)

**Raffinate 2 Derivative Spot Prices**
- MEK FD NWE (EUR/MT & conversion to US CTS/LB)

**Raffinate 2 Feedstock Spot Prices**
- NAPHTHA FOB BARGES ARA (USD/MT)
- RAFFINATE 1 CIF NWE (USD/MT)

**General Information:**
**Assessment window:** Price assessments are based on information supplied by market participants through the week up to close of business on Fridays at 1700 hours in London.

**Specification:** Raffinate 1 contains minimum 45% isobutene. Raffinate 2 contains a mixture of butene 1 and butene 2 and product is typically assessed at 60-70% butene content.

**Timing:** Cargoes loading or delivered four-six weeks forward from the date of publication.

**Terms:** 30-60 days after bill of lading date.

**Standard cargo size:** 1,000 tonnes

**Assessment basis:** Raffinate 1 is structurally thin in Europe as most producers are either captive or they have long term supply agreements to customers.
The spot price is typically assessed as a factor relative to naphtha CIF NWE cargo values which is derived by consultation with the industry. There is very little liquidity in the Raffinate 2 market as most companies again have captive use or are locked into long term contracts. Raffinate 2 is valued in relation to naphtha CIF NWE cargoes. The reports offer market commentary that includes details of traced transactions, news on the supply/demand balance, export/import information, contract price negotiations and general sentiment for price direction. Where applicable there is product information, comments on up and downstream market developments and general market intelligence.