

## Isopropanol (IPA) Methodology

Isopropanol (IPA), also known as isopropyl alcohol, is a low-cost solvent used in many industrial and consumer products and as an extractant. Outlets include cosmetics and personal care products, de-icers, paints and resins, pharmaceuticals, food, inks and adhesives. It is also used as solvent for oil and gums and in the manufacture of fishmeal concentrates. Low-grade IPA is used in motor oils.

Some chemical compounds are manufactured from IPA, in particular derivative ketones (such as methyl isobutyl ketone), isopropylamines and isopropyl esters. Its use as a raw material in acetone production is declining.

Isopropanol vapour is a mild irritant to the eyes, nose and throat. It may cause effects on the central nervous system, resulting in depression while repeated or prolonged contact with skin may cause dermatitis. Prolonged exposure can lead to nausea, headaches and mild narcosis. It can be absorbed through the skin leading to irritation and dermatitis. Contact lenses must not be worn as they tend to concentrate the vapour.

Isopropanol is a dangerous fire and moderate explosion hazard. It enters the environment as emissions from its manufacture and use as a solvent. It naturally occurs as a plant volatile and is released during the microbial degradation of animal wastes.

ICIS pricing quotes IPA in **Europe, Asia-Pacific, US Gulf, and India/Middle East** (contained in the Solvents India/Middle East report – see separate entry).

**Frequency:** Published weekly on Tuesdays in Europe, Fridays in Asia-Pacific and US Gulf, and weekly on Wednesdays in India/Middle East.

### Isopropanol (Europe)

#### *Weekly Price Assessment*

##### IPA Weekly Technical Grade Spot Price

- FD NWE (EUR/MT & conversion to US CTS/LB)

##### IPA Weekly Cosmetic and Pharmaceutical Grade Spot Price

- FD NWE (EUR/MT & conversion to US CTS/LB)

## Isopropanol (Asia-Pacific)

### *Weekly Price Assessments*

#### IPA Weekly Spot Prices

- CFR N.E. ASIA (USD/MT & conversion to US CTS/LB)
- CFR CHINA (USD/MT & conversion to US CTS/LB)
- CFR S.E. ASIA (USD/MT & conversion to US CTS/LB)

## Isopropanol (US Gulf)

### *Weekly Price Assessments*

#### IPA Domestic Price

- DEL CONSUMER (US CTS/LB & conversion to USD/MT)

#### IPA Weekly Spot Prices

- FOB TANK (US CTS/LB & conversion to USD/MT)
- FOB EXPORT (US CTS/LB & conversion to USD/MT)

#### IPA Monthly Feedstock Contract Price

- PROPYLENE C GRADE (US CTS/LB)

## General Information:

**Assessment window:** Assessments are based on information supplied by market participants up to the close of business on Tuesday at 1700 hours London time, and on Friday at 1800 hours Singapore and Houston time.

**Specifications:** ICIS pricing quotes material that has a minimum purity of 99.5.

**Timing:** Cargoes delivered 4-6 weeks forward from the date of publication.

**Terms:** Credit terms up to 30-90 days, depending on the region.

**Standard cargo size:** ICIS pricing quotes product delivered by ship, truck and railcar, depending on the region. The Asian coverage focuses on bulk lots delivered by ship. In Europe, ICIS pricing tracks parcels delivered in full truckloads. In the US Gulf, prices are quoted on a ship, truck and railcar delivered basis. Shipment sizes vary from

small 300-500 tonne parcels in Southeast Asia, to bulk lots of 500-1,000 tonnes in China, Korea and Japan. In the US, railcar amounts are around 180,000-190,000 lbs, and truck amounts are approximately 45,000-50,000 lbs.

**Assessment basis:** Spot price assessments are based on information gathered throughout the week (Monday to Friday) from market players comprising producers, end-users and traders. The process of evaluation takes into consideration rumoured, reported and confirmed deals; bids and offers; and buying and selling indications. In the absence of trades, the published price range may be adjusted on a notional basis to accurately reflect the levels at which trading activity could take place. Factors such as deep-sea cargo movements; supply/demand balance; plant operating rates; feedstock and derivative markets; and general market sentiment are also taken into account.

In Europe, spot values reflect sales by distributors and producers to end users. If no feedback is received on bids, offers and deals of cosmetic and pharmaceutical grade IPA, prices may be adjusted based on the standard premium from technical grade. In the US Gulf, spot tank values are based on ex-tank prices paid by consumers and distributors for truck and railcar quantities of spot material. Spot export prices on an FOB basis are paid by consumers for barge quantities of spot material. While information used to assess published prices is gathered throughout the week, more emphasis is placed on price movements that occur toward the latter portion of the week with respect to changes in numbers.

In Asia, the market commentary covers markets in Southeast Asia, Korea, Japan and China.

The CFR China quote reflects cargoes with a 5.5% import duty. Prices of tax-exempt cargoes will be included in the range after the tax has been normalised to a 5.5% basis.

The CFR NE Asia quote reflects both dutiable and non-dutiable shipments to China as well as spot trade in other northeast Asian markets such as Japan and South Korea.

The contract values in the US Gulf report represent delivered prices paid by distributors east of the Rockies prior to any discounts or incentives. Published contract prices are representative of full truckload and railcar quantities. While information used to assess prices is gathered throughout the week, more emphasis is placed on price movements that occur toward the latter portion of the week with respect to changes in numbers.

The feedstock prices reflect the ICIS pricing assessment as posted in the report for the current week.

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