

Soap Noodles Methodology

Soap noodles are the sodium salt of fatty acids from oils or fats of both animal and vegetable origin. It is used in the production of toilet soap.

A typical blend would be the 80/20 standard comprising of 80% palm oil and 20% palm kernel oil or coconut oil. While there are other blends available in the market such as 70:30, 60:40 and 90:10, the ICIS soap noodle report assessment is based on the 80:20 blend which is recognized by the industry as the optimal grade due to its right balance of lather, rate of wear, cleaning ability and hardness.

The assessment takes into account 80/20 soap noodle produced from the following process: saponification of oil, neutralisation of fatty acids and saponification of fatty methyl esters with a total fatty matter (TFM) content of 78%.

In Southeast Asia, soap noodles are mainly made from palm oil blended with either coconut oil or palm kernel oil. ICIS assess soap noodles from both feedstocks.

In China, soap noodles are made from animal fats (tallow), palm oil or a blend of both. However, the ICIS soap noodle assessment takes into account only palm oil based soap noodles.

In India, soap noodles are made from palm fatty acid distillate and palm stearin and ICIS assess soap noodles from both feedstocks.

ICIS quotes soap noodles in **Southeast Asia, China and India**

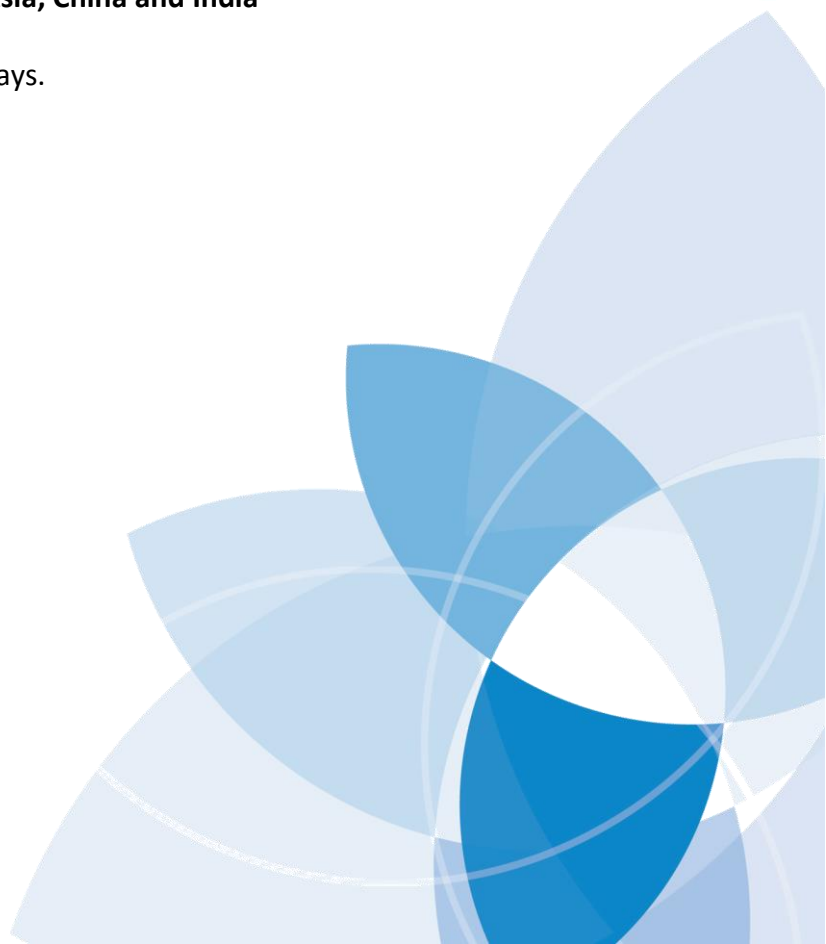
Frequency: Published weekly on Thursdays.

Soap Noodles (Asia-Pacific)

Weekly Price Assessments

Soap Noodle 80/20 Blend Spot Prices

- FOB S.E. ASIA (USD/MT)
- EX-WORKS CHINA (CNY/MT)
- EX-Works INDIA (INR/MT)



General Information:

Assessment window: Price assessments are based on information supplied by market participants through the week up to close of business on Thursdays at 1800 hours in Singapore.

Specifications: ICIS assesses soap noodle prices produced for toilet soap purposes with a TFM of 78% from vegetable origin comprising 80:20 standard grade (80% palm oil and 20% palm kernel oil or coconut oil in Southeast Asia and China). In India, the 80:20 standard grade is based on 80% palm fatty acids distillate and 20% palm stearin.

Timing: Cargoes delivered two-six weeks forward from the date of publication.

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

Standard cargo size: In Southeast Asia, China and India, the typical cargo is in pellet (chip) form. Cargoes are sold in lots of 20 tonnes each, packed in 20 fcl containers. The typical cargo size per transaction is 500 tonnes.

Assessment basis: The ICIS pricing soap noodle price assessments are based on information gathered throughout the week from producers, buyers and traders. The assessment takes into consideration confirmed deals, firm bids and offers, buy-sell indications and price discussions. In the event of lack of trades, the published price range represents the highest bids received and the lowest sell indications of the week.

Factors such as supply/demand balance and feedstocks trends and prices are also taken into account.

The market commentary covers the spot prices and supply and demand of the soap noodle industry each week including the various feedstock trends and prices.

Other non-assessed grades such as 90:10 and 70:30 would also be included in the text when relevant.

FOB S.E. Asia quotes include transactions in Malaysia, Indonesia and Philippines. Ex-works China and ex-works India quotes represent trades within China and India respectively.

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