

PSA Input Q1 2022 Price Update



Category	Q1 2022	Comments
Paper (liner/face)		<ul style="list-style-type: none"> Coated paper grades seeing 10% inflation to kick off the new year. Producers citing energy, chemicals, labor and logistics. Most producers remain on allocation.
Films (liner/face)		<ul style="list-style-type: none"> PP – CDI declined in Q4. Pricing FCST is flat for Q1 barring a major event. PET supply/demand remains imbalanced – prices are expected slightly rise on PET based on energy, logistics, labor increases.
Silicone		<ul style="list-style-type: none"> Silicone has increased another 10-25% for Q1 contracts on tight supply, longer lead times, higher logistics cost and extremely strong demand.
Acrylic adhesives		<ul style="list-style-type: none"> Acrylic Adhesives up increased 10-15% to start the year. CGP & monomer prices continue to decouple.
Hot melt components		<ul style="list-style-type: none"> Rosin Ester, SIS, SBR pricing up 20%+. Oil (WTI) back above \$82+ barrel, 30%+ higher than pre-Covid Nat Gas spot prices have rescinded from the Q4 peak but remain volatile. Energy contracts year over year are up double-digits.
Packaging		<ul style="list-style-type: none"> Corrugated prices remain elevated 15%+ over prior year. Pallet prices remain elevated at 15%+ over prior year on increased demand. Lumber prices have steadily climbed since November. Totes, Steel drum suppliers successfully implemented double-digit increases.
Freight		<ul style="list-style-type: none"> Diesel fuel costs have increased 40%+ yoy TL rates on the spot market have stayed elevated since the holidays. Tanker truck and specialized modes remain scarce. Load-to-truck ratio at an all time high 11.75 loads available for every truck!

Legend:

- Costs declining
- Costs neutral
- Costs up < 5%
- Costs up 5%-9%
- Costs up >10%

PSA Input Q1 2022 Supply Update



Cost Category

Comments

Paper (liner/face)

- EU paper workers union strike will impact liner and C1S availability in mid-to-late Q1.
- Paper makers remain on sales control/allocation at most mills producing significant quantities of base papers, face papers and liners. These will continue well into 2022 as there is simply not enough capacity to support demand.
- Major producer of domestics C1S has repurposed a paper machine creating a shortage.

Films (liner/face)

- PP - Supply remains manageable.
- PET supply/demand imbalance remains – Lead times for domestic PET is the same as lead times for foreign material. 14-16 weeks

Silicone

- CRA industry-wide tightness stemming from resin shortage continues.
- Significant delays on imported materials due to global logistics/container shortage
- PSA industry closely watching the potential for a Q1/Q2 Silicone shortage.

Acrylic adhesives

- Acrylic suppliers expected to remain on allocation through the first half of 2022.
- Specialty monomers remain extremely tight.
- Majority of suppliers remain on sales control/allocations.
- Suppliers have been unable to catch up from 2021 issues/backlogs and supply remains constrained.

Hot melt components

- Supply has deteriorated from our last report, HM components remain in tight supply and inflationary.
- Suppliers have been unable to catch up from 2021 issues/backlogs and supply remains constrained.