

Plastics Services

Market intel, expertise and price risk management
to enhance procurement and protect profits.

Polyethylene | Polypropylene

Few materials have grown more central to most manufacturing and wholesaling/retailing processes – and their costs – than plastics. Yet, traditional resin and packaging purchases can be susceptible to significant price swings in the plastics markets – swings that can wreak havoc on budgets as they drive costs up and margins down.

The StoneX Plastics Team can provide the market insights, access and expertise required to help businesses across multiple industry sectors understand the plastics markets better, make more informed purchasing decisions based on that knowledge, and protect their profit margins from price volatility.

SERVING COMPANIES IN:



Plastics
Fabrication



Food &
Beverage



Consumer/Household
Products



Building &
Construction



Automotive



Medical



Personal Care



Electronics &
Appliances



Make the World Your Market

StoneX Group Inc. (NASDAQ: SNEX) companies provide clients across the globe with a comprehensive range of customized commodity risk management tools and financial services to help them protect their margins, mitigate price risk, secure budgets and manage volatility. The FCM Division of StoneX Financial Inc. offers unparalleled, global boots-on-the-ground market intelligence, high-touch service and expertise, and full-service 24-hour futures and options clearing and execution on all major commodity exchanges worldwide. In addition, as one of the first non-bank, provisionally registered swaps dealers with the CFTC, StoneX Markets LLC provides a full suite of over-the-counter hedging solutions that are tailored to meet each client's specific risk management needs.

This material should be construed as the solicitation of trading strategies and/or services provided by the FCM Division of StoneX Financial Inc., or StoneX Markets LLC ("SXM") as noted in this presentation. These materials have been created for a select group of individuals, and are intended to be presented with the proper context and guidance. Information contained herein was obtained from sources believed to be reliable, but is not guaranteed as to its accuracy. These materials represent the opinions and viewpoints of the author, and do not necessarily reflect the viewpoints and trading strategies employed by the FCM Division of StoneX Financial Inc. or SXM. The trading of derivatives such as futures, options, and over-the-counter ("OTC") products or "swaps" may not be suitable for all investors. Derivatives trading involves risk of loss and past financial results are not necessarily indicative of future performance. Any hypothetical examples given are exactly that and no representation is being made that any person will or is likely to achieve profits or losses based on those examples. The FCM Division of StoneX Financial Inc. is not responsible for any redistribution of this material by third parties, or any trading decisions taken by persons not intended to view this material. This material does not constitute an individualized recommendation, or take into account the particular trading objectives, financial situations, or needs of individual customers. Contact designated personnel from the FCM Division of StoneX Financial Inc. for specific trading advice to meet your trading preferences or goals. All references to and discussion of OTC products or swaps are made solely on behalf of SXM, a member of the NFA and provisionally registered with the CFTC as a swap dealer. SXM's products are designed only for individuals or firms who qualify under CFTC rules as an 'Eligible Contract Participant' ("ECP") and who have been accepted as customers of SXM. Reproduction without authorization is forbidden. © Copyright 2022. All rights reserved.

Plastics Services

Market intel, expertise and price risk management
to enhance procurement and protect profits.

Polyethylene | Polypropylene

Few materials have grown more central to most manufacturing and wholesaling/retailing processes – and their costs – than plastics. Yet, traditional resin and packaging purchases can be susceptible to significant price swings in the plastics markets – swings that can wreak havoc on budgets as they drive costs up and margins down.

The StoneX Plastics Team can provide the market insights, access and expertise required to help businesses across multiple industry sectors understand the plastics markets better, make more informed purchasing decisions based on that knowledge, and protect their profit margins from price volatility.

SERVING COMPANIES IN:



Plastics
Fabrication



Food &
Beverage



Consumer/Household
Products



Building &
Construction



Automotive



Medical



Personal Care



Electronics &
Appliances

Plastics Advisory Services

Data > Knowledge > Better Results

StoneX takes a hands-on, holistic approach to learning your business and understanding your plastics needs. Based on that understanding, we pursue a three-pronged approach to help you grow your market knowledge, use market data to enable more effective procurement decisions, and access the commodity markets to mitigate price risk and protect profit margins.

MARKET INSIGHTS

Analysis of fundamental factors affecting the market

Bimonthly “Polyolefins Update”

- covering the polyethylene and polypropylene markets

Monthly price movements and near-term outlook

Market drivers

- Supply, demand, and price

Cash cost elements

- energy, petrochemical feedstocks, conversion costs

Supply Chain dynamics

- plant operations, capacity changes
- logistics issues, inventory levels
- import/export trade
- industry events

ADVISORY

Plastics industry 101 course

- for business professionals who need to know how the products are produced (and their cost structure) from energy feedstocks to finished goods

Guidance on optimizing plastic resin purchases

- contract terms, incentives, grade consolidation

Guidance on optimizing plastic packaging purchases

- contract terms, incentives, pricing mechanisms, material selection

Developing an overall plastics procurement strategy

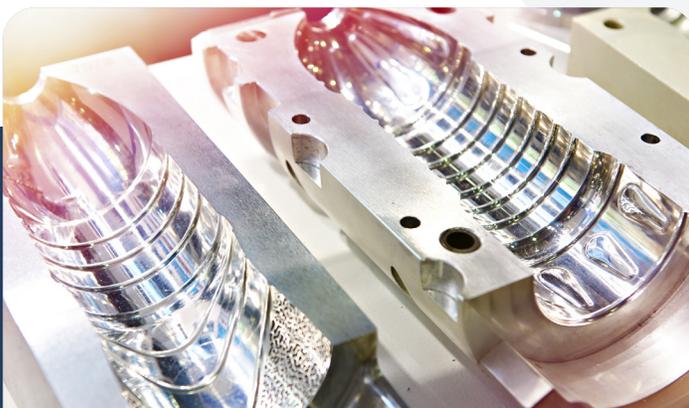
Support with “should cost” modeling

Analyzing sustainability, environmental issues

PRICE RISK MITIGATION

Budgeting Program

- Historical pricing analysis – quantitative analysis to plan plastics purchases and sales
- Physical product correlations – what physical products have underlying plastics risk
- Physical and financial hedging accounting – reports regarding both sides of transactions



Risk Management > Fixed Contracts > Protection for Profit Margins

Most end-users procure their plastics through spot purchasing and floating contracts. However, neither of these strategies provide much protection from significant swings in plastics prices.

As an increasingly popular alternative, fixed contracts help mitigate the risks posed by volatile prices by using the commodity markets to “lock in” a fixed price for critical sales for an extended period of time. By minimizing the price volatility of a major cost input, fixed contracts can enable more accurate forecasting & budgeting on your plastics spend and more “predictable” profit margins month to month.

Benefits of Fixed Contracts

- Greater cost certainty
- More accurate forecasting
- Improved budgeting
- Protection for profit margins
- More confidence to plan strategically

AVAILABLE CONTRACTS

HDPE Blow Molding Copolymer

Commodity: Polyethylene

Exchange: IHS & CDI

Units: Pounds

Price Sources: Global Plastics & Polymers Report Month Ending Price Index published by IHS Markit Inc. Chemical Data Monthly Petrochemical & Plastics Report

Currency: USD

Polypropylene Homopolymer (GP Injection Molding)

Commodity: Polypropylene

Exchange: IHS & CDI

Units: Pounds

Price Sources: Global Plastics & Polymers Report Month Ending Price Index published by IHS Markit Inc. Chemical Data Monthly Petrochemical & Plastics Report

Currency: USD

CONTACT US

To learn more about how the Plastics Team within StoneX Financial Inc. – FCM Division can help your business upgrade your procurement function and protect profit margins from price volatility, please reach out to one of our team members today.

Bruce Benefiel

Co-Director of Energy Trading
816-410-3353

Bruce.Benefiel@stonex.com

Howard Rappaport

Advisor - Plastics
832-722-1145

Howard.Rappaport@StoneX.com

Alex Hodes

Energy Analyst
816-410-5617

Alex.Hodes@stonex.com



Make the World Your Market

StoneX Group Inc. (NASDAQ: SNEX) companies provide clients across the globe with a comprehensive range of customized commodity risk management tools and financial services to help them protect their margins, mitigate price risk, secure budgets and manage volatility. The FCM Division of StoneX Financial Inc. offers unparalleled, global boots-on-the-ground market intelligence, high-touch service and expertise, and full-service 24-hour futures and options clearing and execution on all major commodity exchanges worldwide. In addition, as one of the first non-bank, provisionally registered swaps dealers with the CFTC, StoneX Markets LLC provides a full suite of over-the-counter hedging solutions that are tailored to meet each client's specific risk management needs.

This material should be construed as the solicitation of trading strategies and/or services provided by the FCM Division of StoneX Financial Inc., or StoneX Markets LLC ("SXM") as noted in this presentation. These materials have been created for a select group of individuals, and are intended to be presented with the proper context and guidance. Information contained herein was obtained from sources believed to be reliable, but is not guaranteed as to its accuracy. These materials represent the opinions and viewpoints of the author, and do not necessarily reflect the viewpoints and trading strategies employed by the FCM Division of StoneX Financial Inc. or SXM. The trading of derivatives such as futures, options, and over-the-counter ("OTC") products or "swaps" may not be suitable for all investors. Derivatives trading involves risk of loss and past financial results are not necessarily indicative of future performance. Any hypothetical examples given are exactly that and no representation is being made that any person will or is likely to achieve profits or losses based on those examples. The FCM Division of StoneX Financial Inc. is not responsible for any redistribution of this material by third parties, or any trading decisions taken by persons not intended to view this material. This material does not constitute an individualized recommendation, or take into account the particular trading objectives, financial situations, or needs of individual customers. Contact designated personnel from the FCM Division of StoneX Financial Inc. for specific trading advice to meet your trading preferences or goals. All references to and discussion of OTC products or swaps are made solely on behalf of SXM, a member of the NFA and provisionally registered with the CFTC as a swap dealer. SXM's products are designed only for individuals or firms who qualify under CFTC rules as an 'Eligible Contract Participant' ("ECP") and who have been accepted as customers of SXM. Reproduction without authorization is forbidden. © Copyright 2022. All rights reserved.