

Dow seeks 6 cent/lb VAM hike following INEOS force majeure

Released on 07/01/13

Dow Chemical wants to raise prices on vinyl acetate monomer (VAM) by 6 cents/lb (\$132/tonne, €100/tonne) immediately, according to a letter the producer sent customers on Monday.

The letter follows a force majeure on VAM made at an INEOS plant in England that was announced on 4 January.

Europe is a net importer of VAM and depends on US producers for its supply. Belgium historically has been the largest export destination for US-made VAM.

Dow did not return calls immediately regarding the letter, which contained no explanation for the increase.

Besides the INEOS force majeure, another impact on VAM prices comes from feedstock US ethylene spot prices, which have jumped nearly 17% in the past month or so.

Few buyers could be reached late Monday for comment on the Dow hike, though one said the increase made sense in light of INEOS's force majeure.

US VAM spot prices closed the year at \$850-950/tonne, as assessed by ICIS, with one seller saying pricing had been down in December compared to November.

Source *ICIS News*

RELATED STORIES

[INEOS declares force majeure on VAM from Hull, UK plant](#)