

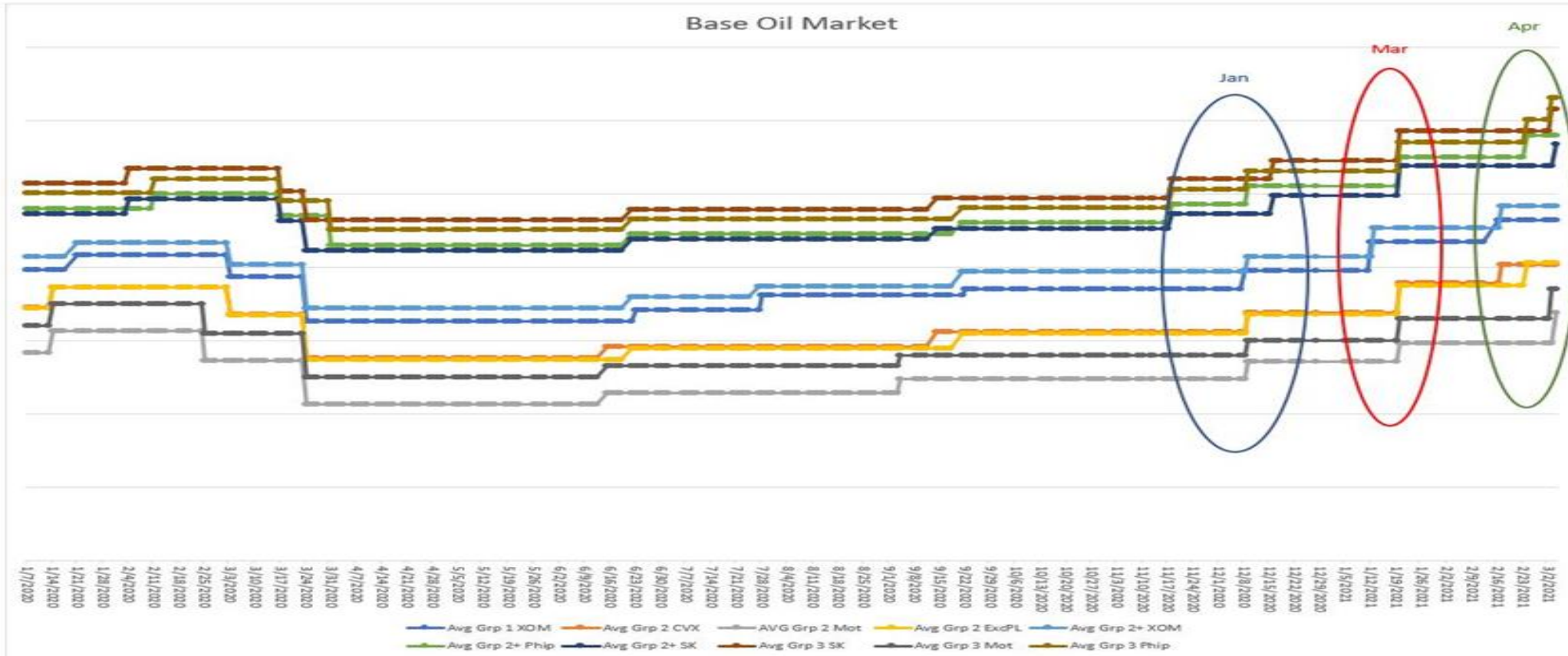


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# **US Market Conditions**

## **March 2021**

# Summary View of Base Oil Market

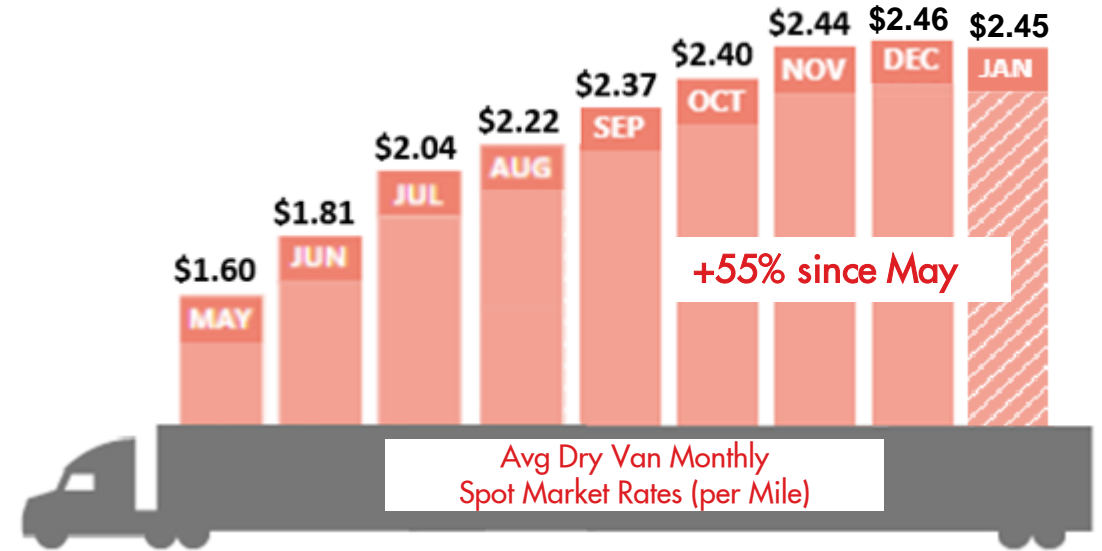


- ❖ Group I, Group II and Group III base oil suppliers have announced price increases due to shortages in supply, healthy demand and feedstock dynamics.
- ❖ Shortages were aggravated by extreme winter weather that forced refinery shutdown.

Sources: \*Lubes&Grease, \*ICIS, ZEMA

# Freight Market Summary

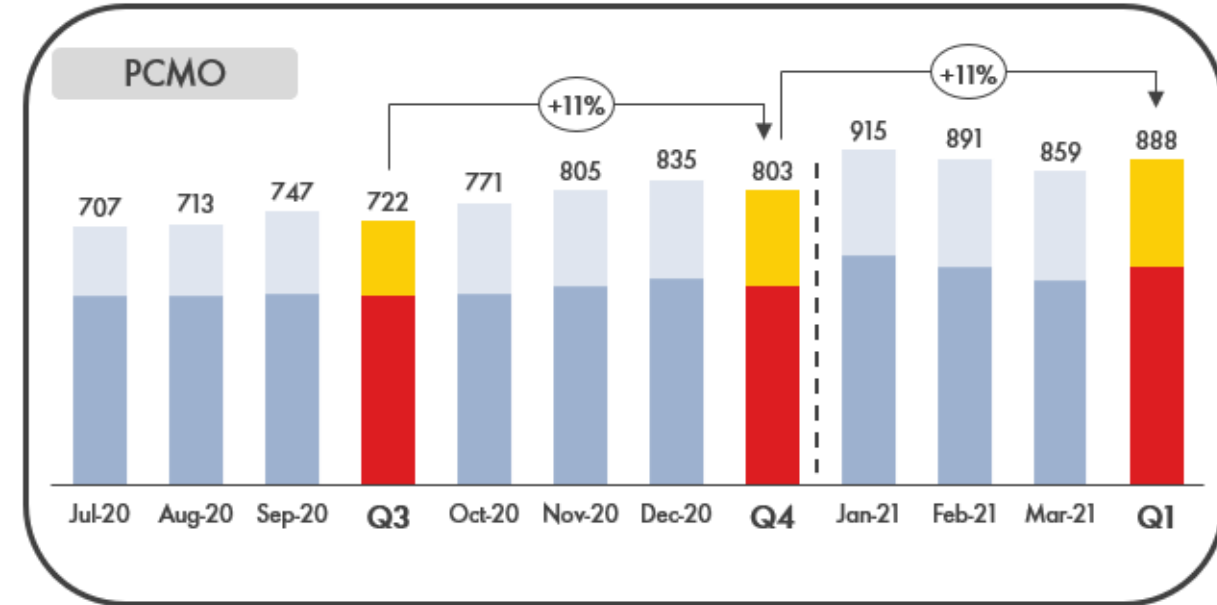
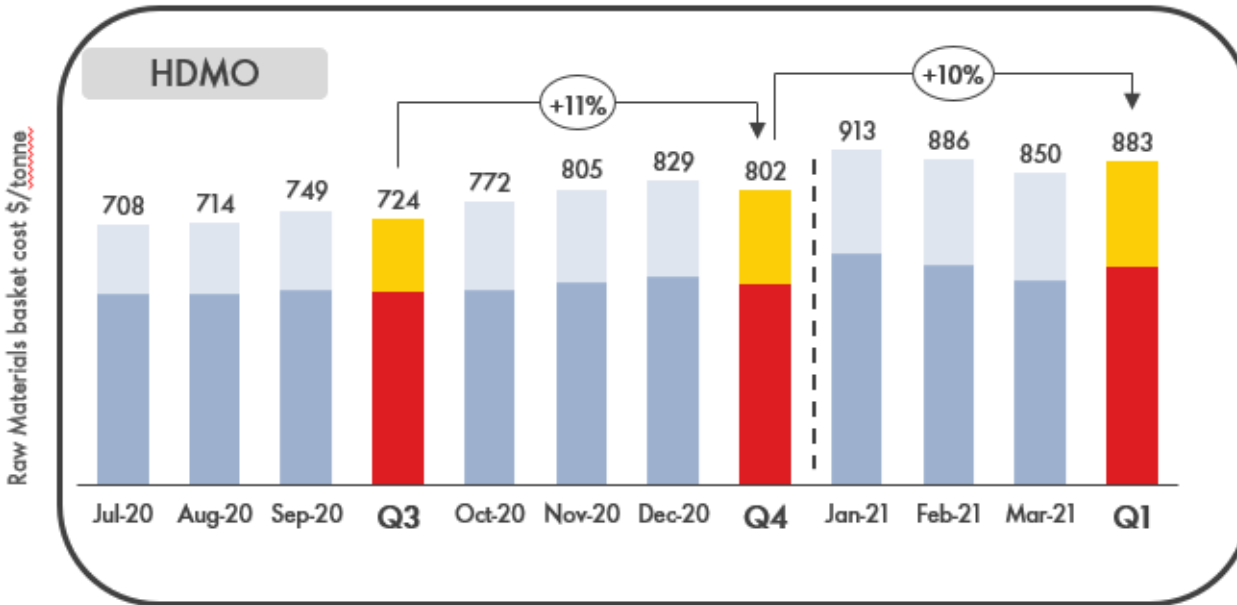
Spot rates for all truckload segments still moving higher due to better demand and less capacity



- ❖ The ratio of loads available to trucks has eased from the record level set in September but remains very strong.
- ❖ Spot market volume is holding at close to record levels and dry van segments are seeing the strongest year-over-year comparisons ever.
- ❖ The intense stress in the consumer goods supply chain is driving robust freight rates that overshadow continued softness in the industrial economy.

# Additives

## ❖ Raw Materials price trend



- ❖ The additive raw material costs for all types of additives are expected to increase due to cost increase in ethylene-based derivatives and base oils.
- ❖ Ethylene prices are hovering near six-year highs under pressure from low inventories. The industry has struggled to rebuild inventories due to lingering production issues and strong demand into derivatives and exports.

Sources: \*Shell MICA , \*Shell CT - Additives

# Finished Lubricant Price Increase Announcements as of March 2021

Lubricant Price Increases Announced as of 3/5/2021

Lubricant Supplier	Effective Date	Increase
Sinclair	04/01/2021	12% - 16%
Shell	04/05/2021	Up to 15%

Lubricant Price Increases Announced as of 2/11/2021

Company	First Increase			Second/revised first increase		
	Announced	Increase	Effective Date	Announced	Increase	Effective Date
Pinnacle Resources	12/16/2020	10 to 12%	1/8/2021	1/21/2021	12 to 18%	2/12/2021
Warren Oil	12/14/2020	up to 15%	1/14/2021	1/28/2021	up to 10%	3/1/2021
PennStar	12/10/2020	10 to 15%	1/15/2021			
Pinnacle Oil	12/15/2020	10 to 12%	1/15/2021			
Reliance Fluid Technologies	12/17/2020	up to 12%	1/18/2021			
Advanced Lubrication Specialties	12/17/2020	10 to 12%	1/18/2021		10 to 12%	2/22/2021
Chemlube International	12/17/2020	8 to 12%	1/18/2021	1/29/2021	9 to 12%	2/25/2021
Nu-Tier Brands/Gulf	12/18/2020	10 to 15%	1/18/2021			
Safety-Kleen	12/18/2020	10 to 15%	1/18/2021	1/21/2021	15 to 30%	2/10/2021
Old World Industries	12/18/2020	10 to 12%	1/18/2021		up to 10%	2/22/2021
Drydene Performance Products	12/19/2020	8 to 12%	1/18/2021		15 to 30%	2/8/2021
Smitty's Supply	12/21/2020	up to 15%	1/18/2021	1/29/2021	up to 9%	3/1/2021
CAM2 International	12/21/2020	up to 15%	1/18/2021			
AOCUSA/Amalie	12/21/2020	3 to 14%	1/20/2021	2/3/2021	3 TO 9%	3/5/2021
Sinclair Lubricants	12/9/2020	10 to 12%	1/23/2021	1/15/2021	15 to 20%	2/10/2021
SOPUS (Shell)	12/18/2020	up to 12%	1/25/2021	1/29/2021	up to 15%	3/1/2021
Warren Distribution	12/21/2020	up to 12%	1/25/2021	1/20/2021	up to 8%	2/22/2021
ExxonMobil	12/28/2020	up to 12%	2/1/2021		up 15%	4/1/2021
Total Lubricants	12/28/2020	up to 15%	2/1/2021			
Chevron	12/29/2020	up to 12%	2/8/2021	1/20/2021	12 to 15%	2/8/2021
Valvoline	1/7/2021	up to 12%	2/1/2021			
CITGO Lubricants	1/8/2021	up to 12%	2/8/2021			
Phillips 66	1/8/2021	up to 12%	2/8/2021			
BP Lubricants/Castrol	1/19/2021	up to 15%	2/22/2021			
Petro-Canada Lubricants	1/20/2021	up to 10%	2/22/2021			
Royal High-Performance Oils & Greases	2/1/2021	Up \$0.50/gallon and \$0.07/lb.	3/1/2021			

Shell Lubricants

- ❖ Finished Lubricants suppliers have announced a price increase due in part on rising base oil
- ❖ Since January a couple of suppliers recalled their original price increases and incorporated recent market moves into one price change.

Source: JobbersWorld

## Price Change Details

❖ Important dates and details to keep in mind

Description	Date
Announce Date	March 4, 2021
Effective Date	April 5, 2021
Amount (%) in Letter	up to 15%
Products	All Lubricants <i>(Except Filters and Coolants)</i>

Note: Each sales channel may vary Sales Control by customer or product to address specific needs. Sales channel leadership will provide further information.

