



Chemical market news, analysis

D-Limonene prices have doubled!

The big news this year for the cleaning industry is D-Limonene. For those of you who aren't familiar with this magical and all-important formulating ingredient, D-Limonene oil (a.k.a. D-Lime) is squeezed out of oranges and doubles as an oil-cutter and fragrance enhancer in detergents. D-Lime's claim-to-fame is its near magical ability to remove tar and asphalt from paint...without removing the paint.

Why is D-Lime so important in the 3rd and 4th quarter? Because there isn't any! Prices have already doubled from 2nd quarter numbers and many suppliers have it on the "By Inquiry Only" list. But, there's good news around the corner! When the harvest comes in, supply is expected to be high and market demand low. That means prices will hopefully fall back to normal before the end of 2010.

Analysis: Patience. Put off your orange solvent inventory until the Florida and Brazil crops come in. Prices will soften back to normal.

Chemical market overview

The chemical market has had a very strong year. In fact, DuPont showed gains of 92% over the 2nd quarter of 2009. Renegade has seen similar growth in 2010 compared to 2009, indicating a pick-up in manufacturing and consumer spending.

Prices have not waned since there is a strong demand for chemicals. The chemical market is expected to slow in the 3rd and 4th quarter as inventories



are built up; so, expect to see some raw material plants shut down for "maintenance"...which, of course, dries up supply and keeps prices from falling.

For our distributors, there may be price increases for 2011. The chemical market has talked about price increases for the 3rd quarter of 2010; but, none have arrived yet. The Federal Chairman's decision on Quantitative Easing has driven the value of the U.S. dollar down; which, in turn, has driven crude oil imports up. This results in higher energy and production costs for the manufacture of both organic and inorganic detergent ingredients as well as higher costs for import chemicals. We will keep you posted as the entire chemical market seems to be in limbo.

Analysis: The market is uncertain of the future. Expect prices to be steady if demand stabilizes.

New product news

Renegade Chemicals is formally releasing a new acid cleaner that can rip lime scale, dirt, and water spots from nearly any surface, including polished aluminum, without damaging the substrate. It's called Weather Guard A and we believe there is a vast market potential for this product since its use spans so many different industries. It is more aggressive than the citrus cleaners; yet, it is safe on polished aluminum...even if it dries before it is washed off!

Weather Guard A has recently been discovered to compete with the nation's most popular polished aluminum cleaner for the commercial truck wash industry. Our preliminary testing this summer has shown it to outperform the leading product offered by the nation's largest commercial truck wash service. It has been sold by two private label customers for the past year and is used in aluminum manufacturing and as a janitorial bathroom cleaner.

Weather Guard A has been used to: clean glass shower doors, remove lake scale off the bottom of pontoon boats, clean up concrete slag from construction sites, clean red mud off dirt bikes, clean semi's with polished fuel tanks, clean polished aluminum fuel tankers, remove lime dust from bulk powder trucks, and remove welding soot from polished aluminum tankers. Renegade is now making it available to all its distributors, effective September 15, 2010.

Weather Guard A is biodegradable, is non-hazardous, and is very easy to use.

For more information on this new product and how it can expand your sales, give Michael a call at 877-888-1339.