

**China Price Monitor HDPE Pricing**  
**September 6, 2011**  
**(Pricing for September 2, 2011)**

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Comparison of Domestic vs Import Prices as CNY/tonne										
	Transaction Prices for Domestic Resin including VAT (from pg 4)					Transaction Prices for Imported Resin CFR or CIF CMP including VAT & import duty (from pg 7, converted to CNY)				
	This Week		Next Week Forecast		Change	This Week		Next Week Forecast		Change
	Low	High	Low	High		Low	High	Low	High	
HDPE BM	11250	12000	*	*	*	11138	11456	*	*	*
HDPE Film	10500	11880	*	*	*	11138	11456	*	*	*
HDPE Injection	11290	11788	*	*	*	11058	11138	*	*	*
HDPE Yarn	12250	12520	*	*	*	0	0	*	*	*

Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.

### This week's executive summary

- China PE market was still in a correction this week with mixed prices. Participants were in a calm sentiment because the overseas producers' offer prices for September shipment were closed to current market prices, and traders rolled over their offer prices or raised them slightly amid firm crude's values this week. However, some buyer's sentiment was still dampened by the lingering fears of a second recession in the global economy, which dragged market prices in some regions.
- Domestic producers increased their list prices or settlement prices this week, which firmed traders' sentiment, and they sold according to market trends.
- The import market sank into confrontation this week. On the one hand, traders tried to slightly lift offers supported by that the demand of downstream is expected to be improved with the upcoming fall. On the other hand, domestically tight fiscal policy against inflation still weighed on the market, keeping some traders stay at sidelines.
- The outlook is divergent on Friday. Some traders were in a bullish sentiment due to the peak production season for agricultural films in September, but other participants consider that China PE market will in a downtrend because the tight credit lines should restrain buying interest.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Sep	Oct	Nov	Dec	Jan, 2011	Feb, 2011	Mar 2011	April 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	1	8	1		2	1						3	
				HDPE	140													
Sinopec	TUCC	Tianjin	Tianjin	LLDPE	120				3									
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140													
				LLDPE	140													
				HDPE	140	12						1						
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*											
				HDPE	*	*	*											
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*											
				HDPE	*	*	*											
...	...	...		...	...	...	...											
<b>Total</b>					<b>10500</b>	<b>108</b>												

*Note: Only top ten resin suppliers included, all suppliers shutdown list is available in the full China Price Monitor*

## Production News & Shutdowns

- Lanzhou PC shut down its 85kt/yr HDPE Line 1 and Line 2 on 24 June for regular maintenance, and restarted on 26 July.
- Lanzhou PC shut down its 60kt/yr old HDPE unit on Jun14 for regular maintenance, and restarted on 9 August.
- Lanzhou PC shut down its 300tonne/yr LLDPE unit on 24 June for regular maintenance, and restarted on 2 August.
- FREP (Fujian Refining & Petrochemical) shut down its 400kt/yr HDPE unit on 27Jun, and restarted on July 6 for regular maintenance, and shut down its 400kt/yr HDPE unit on 18 July and restarted on 28 July for the same reason.
- Qilu PC shutdown its 140kt/yr LDPE during 27-28 June for regular maintenance, and shut down its 70kt/yr HDPE line A during 14-17 July for lack of feedstock.
- Daqing PC shut down its 65kt/yr old LDPE unit during 1-3 August for accident. Daqing PC shut down its 80kt/yr HDPE Line C unit on 17 August for regular maintenance and restarted on 19 August.
- Daqing PC shut down its 65kt/yr old LDPE unit during 21-24 August for regular maintenance.
- SINOPEC SABIC Tianjin Petrochemical shut down its 300kt/yr HDPE unit during 11-19 May for regular maintenance, and shut down its 300kt/yr LLDPE unit during 7-12 July for unit failure.
- Shanghai Golden Phillips Petrochemical Co shut down its 135kt/yr 3PE unit during 3-7 May for regular maintenance.
- Huajin Chemical (Panjin Ethylene) shut down its 65kt/yr HDPE Line 2 for regular maintenance on 3 July and restarted on 9 July.
- Dushanzi Petroleum and Petrochemical Complex shut down its 300kt/yr HDPE unit on 14 July and

restart on 2 August for regular maintenance.

- Dushanzi Petroleum and Petrochemical Complex shut down its 120kt/yr LLDPE unit on 8 August and had a plan to restart on 8 October. Dushanzi Petroleum and Petrochemical Complex shut down its 100kt/yr HDPE unit on 9 August and had a plan to restart on 9 October for regular maintenance.
- Dushanzi Petroleum and Petrochemical Complex shut down its 600kt/yr new LLDPE unit on 12 August and plans to restart on 21 September for regular maintenance, and shut down its 300kt/yr new HDPE unit on 13 August and plans to restart on 22 September.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr LLDPE unit on 5 July for maintenance, and restarted on 22 August.
- Yanshan PC shut down its 60kt/yr old LDPE unit Line 1 and old LDPE unit Line 2 on 15 August and plans to restart on 14 September, so did old LDPE unit Line 3. And Yanshan PC shut down its 200kt/yr new LDPE unit on 13 August and plans to restart on 13 September, and shut down its 70kt/yr HDPE Line 1 and Line 2 on 15 August and plans to restart on 13 September.
- Zhongyuan Petrochemical shut down its 200kt/yr LLDPE unit on 5 May and restarted on 10 July for regular maintenance.

Note: \* replaced the actual data which are only provided to CBI CPM subscribers.

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