

China Price Monitor HDPE Pricing
December 13, 2011
(Pricing for December 9, 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	10620	11500	*	*	*	10262	10420	*	*	*
HDPE Film	10500	11600	*	*	*	10420	10736	*	*	*
HDPE Injection	9700	11450	*	*	*	9630	10262	*	*	*
HDPE Yarn	10920	11360	*	*	*	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 in a downward correction this week with sluggish transactions, and weak downstream demands still dampened market confidence. Most distributors cut offer prices and off-load cargoes actively in view of ease their fund pressure in the end of this year.
- PetroChina east China switched to list prices this week, which dampened participants' confidence, and traders sold in line with the market situation.
- This week PP domestic market has a poor transaction under the influence of poor demand of terminal users. In consideration of funds withdrawal, suppliers have to decline the price to boost deals. From ocean cargoes LDPE has declined to below \$1300/tonne.
- The outlook is bearish on Friday. Traders still concerns over the low-cost cargoes from Iran and Brazil, which weigh on market sentiment, especially the LDPE film.

PE China Shutdown Schedule - expected number of shut down days																			
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Dec	Feb,2011	Mar,2011	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	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	*	*	*												
...												
Total					10500	108													

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

Production News & Shutdowns

- Daqing PC shut down its 80kt/yr HDPE Line A on 13 October and restarted on 17 October for accident.
- Daqing PC shut down its 80kt/yr HDPE Line C on 31 October and restarted on 2 November for accident.
- Dushanzi Petroleum and Petrochemical Complex shut down its 120kt/yr LLDPE unit on 8 August and restarted on 8 October. Dushanzi Petroleum and Petrochemical Complex shut down its 100kt/yr HDPE unit on 9 August and restarted on 8 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 8 October for regular maintenance, and shut down its 300kt/yr new HDPE unit on 12 August and restarted on 10 October.
- Dushanzi Petroleum and Petrochemical Complex shut down its 300kt/yr New LLDPE line 2 on 12 August and restarted on 10 October, and shut down its 300kt/yr New LLDPE Line 1 on 12 August and restarted on 11 October for regular maintenance.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr LLDPE unit on 5 July for maintenance, and restarted on 22 August.
- Shanghai PC shut down its 250kt/yr 4PE unit during 14– 28 October for regular maintenance. And shut down its 250kt/yr 4PE unit on 1 November and restarted on 2 November for accident.
- Yangzi PC shut down its 80kt/yr HDPE Line B during 19-23 October for an accident.
- Huajin Chemical (Panjin Ethylene) shut down its 300kt/yr new HDPE unit during 26-27 October for regular maintenance.
- Yanshan PC shut down its 60kt/yr old LDPE Line 3 and restarted on 21 October for accident.
- Yanshan PC shut down its 60kt/yr old LDPE line 1 during 26-27 October for regular maintenance.
- SINOPEC SABIC Tianjin PC shut down its 300kt/yr new LDPE unit on 26 October and restarted on 1 November for regular maintenance.
- Yanshan PC shut down its 60kt/yr Old LDPE Line 3 during 6-7 November for accident. Yanshan PC

shut down its 200kt/yr New LDPE unit during 6-7 November for accident. Yanshan PC shut down its 70kt/yr HDPE Line One and Two for one day on 6 November for accident.

- Dushanzi PC shut down its 300kt/yr New HDPE unit on 15 November and planned to restart on 22 November for an accident.
- Daqing PC shut down its 80kt/yr HDPE Line C unit during 19-21 November for an accident.
- Yanshan PC shut down its 70kt/yr HDPE Line Two on 2 December and restarted on 4 December for accident.

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

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