

**China Price Monitor HDPE Pricing**  
**January 4, 2011**  
**(Pricing for December 31 2010)**

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Comparison of Domestic vs Import Prices as CNY/tonne										
	Transaction Prices for Domestic Resin including VAT <i>(from pg 4)</i>					Transaction Prices for Imported Resin CFR or CIF CMP including VAT & import duty <i>(from pg 7, converted to CNY)</i>				
	This Week		Next Week Forecast		Change	This Week		Next Week Forecast		Change
	Low	High	Low	High		Low	High	Low	High	
HDPE BM	10270	11220	*	*	*	10296	11533	*	*	*
HDPE Film	10400	11170	*	*	*	10874	11616	*	*	*
HDPE Injection	9800	10800	*	*	*	10296	10709	*	*	*
HDPE Yarn	10700	11160	*	*	*	0	0	*	*	*

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

### This week's executive summary

- Prices in the China polyethylene (PE) market fluctuated within a narrow range this week. Some grades experienced mixed fortunes as some traders tested the market with higher offer prices on the back of relief in capital pressure, while most end-users' weak buying interest resulted in persistently-sporadic transactions.
- Supply of some domestic cargoes was ample because Maoming PC resumed its unit after maintenance and delivery of cargoes in north China was difficult due to tight transportation capacity. It was noticeable that most distributors were holding a wait-and-see attitude due to a lack of sales pressure after finishing sales task this year.
- There were limited new offer prices from overseas suppliers this week, and the levels available in market were either stable or slightly higher compared with a month ago, but trading volumes were limited, as most importers remained aside.
- Given relief in participants' capital pressure, there was a possibility of price rises next week, despite scant trades.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan,2011	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	2					5		1	8	1	7		
				HDPE	140						1	4						
Sinopec	TUCC	Tianjin	Tianjin	LLDPE	120							16					3	
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140			7										
				LLDPE	140				7									
				HDPE	140								12					
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*		
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*		
...	...	...		...	...	...	...	...	...	...	...	...	...	...	...	...		
<b>Total</b>					<b>10500</b>	<b>83</b>	<b>108</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 200 kt/yr LDPE unit during 22-26 December for regular maintenance.
- Yanshan PC shut down its 60 kt/yr Line 1 of old LDPE unit and 60 kt/yr Line 2 of old LDPE unit during 22-23 December and 19-27 December respectively due to a technical problem. Then it shut down its 200 kt/yr new LDPE unit on 29 December for maintenance and restarted it at the same day.
- Zhenhai Ethylene shut down its 450 kt/yr FDPE unit during 9-16 December for regular maintenance.
- TUCC shut down its 120 kt/yr LLDPE unit during 30 November-4 December unexpectedly due to a technical problem.
- Shanghai PC shut down its 100 kt/yr LDPE unit during 22 November-21 December for maintenance. Meanwhile, it shut down its 250 kt/yr HDPE unit during 20-24 December for maintenance.
- FRPC shut down its 400 kt/yr LLDPE unit during 15-21 December for regular maintenance.
- Daqing PC shut down its 80 kt/yr Line C of HDPE unit during 9-12 December due to a technical problem. Meanwhile, it shut down its 65 kt/yr old LDPE unit during 12-13 December due to unstable production.
- Maoming PC shut down its 120 kt/yr old LDPE unit and 200 kt/yr FDPE unit during 28 November-3 January and 29 November-3 January respectively for maintenance. Meanwhile, it shut down its 250 kt/yr new LDPE unit during 13-16 December for maintenance.
- Baotou Shenhua shut down its 300 kt/yr FDPE unit during 27 September-2 December for maintenance.

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

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