

**China Price Monitor HDPE Pricing**  
**March 23 2010**  
**(Pricing for March 19, 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	9770	10900	*	*	*	9937	10192	*	*	*
HDPE Film	9760	10880	*	*	*	10192	10618	*	*	*
HDPE Injection	9300	11100	*	*	*	9937	10192	*	*	*
HDPE Yarn	10670	11400	*	*	*	-	-	*	*	*

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

### This week's executive summary

- The Chinese PE market went through a slight correction this week with increasing transactions. Prices of some grades stopped decline and inched up on the back of rebounds in crude oil and LLDPE futures values.
- Most domestic producers, holding higher inventories, either released settlement prices or cut EXW prices this week in a bid to stimulate sales, but this failed to ease their inventory pressure due to stable production and import arrivals.
- Most traders reported increasing sales of domestic cargoes this week. Considering huge losses in transactions of some high-cost cargoes, importers stood aside. Some of them showed interest in lower-priced cargoes and intended to replenish inventories along with relief in capital pressure.
- End-users' buying interest became active this week due to feedstock consumption and some of them thought the prices have touched the bottom.
- Participants expected the domestic prices to rise further next week given continual rebounds in crude oil and LLDPE futures values.

## Production News & Shutdowns

- Maoming PC shut its 120 kt/yr LDPE unit during 4-6 March for maintenance.
- Zhongsha PC shut down its 300 kt/yr HDPE unit and 300 kt/yr LLDPE unit on 25 February, and restarted on 1 March. Zhongsha PC shut down its 300 kt/yr LLDPE unit during 9-10 March due to a short supply of ethylene.
- Panjing Ethylene shut down its 300 kt/yr HDPE unit on 22 February for maintenance, and restarted the unit on 1 March. Panjing Ethylene shut down its 300 kt/yr HDPE unit during 8-10 March due to a technical problem.
- Daqing PC shut down its 80 kt/yr Line B of HDPE unit on 21 February for maintenance, and restarted on 5 March. Daqing PC shut its 80 kt/yr Line C of HDPE unit during 5-15 March for maintenance. Daqing PC shut down its other PE units due to the power supply problem on 12 March, Daqing restarted its 80 kt/yr Line B of HDPE unit on 17 March, and restarted its two LDPE units with a capacity of 265 kt/yr and 80 kt/yr its Line A of HDPE unit on 15 March.
- Golden Phillips PC shut down its 135 kt/yr HDPE unit during 19-24 March for maintenance.
- FRPC shut down its 400 kt/yr LLDPE unit during 17-23 March for maintenance.
- CSPC shut down its 200 kt/yr HDPE unit and 250 kt/yr LDPE unit on early March for maintenance, and restart the two units at the end of April.

PE China Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan,09	Feb	Mar	Apr	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380		18	31	30	14	1		1	2			
				HDPE	140			1									
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140								13				
				LLDPE	140			2									
				HDPE	140												
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	<b>Total</b>				<b>8850</b>	<b>156</b>	<b>74</b>	<b>108</b>	*	*	*	*	*	*	*	*	*

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

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