

**China Price Monitor HDPE Pricing**  
**September 2, 2008**  
**(Pricing for August 29, 2008)**

Source: CBI (Shanghai) Co., Ltd.

Tel. +(86 21) 51550731

E-mail: [chemicalresearch@cbichina.com](mailto:chemicalresearch@cbichina.com)

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	13000	14140	12800	13700	-200	13597	14448	13512	14277	-85
HDPE Film	12900	14700	12800	14500	-100	14448	14788	14363	14703	-85
HDPE Injection	12944	13400	12700	13200	-244	13426	14192	13341	14022	-85
HDPE Yarn	14090	15100	14000	15000	-90	14448	14618	14363	14533	-85
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- PE prices slipped affected by PetroChina cutting offer prices, a sharp decrease in crude oil prices and falling futures prices.
- Sources said the previous price hikes were mainly due to speculation but not as a result of actual demand.
- HDPE film prices were stable on scant availability from Sinopec and PetroChina. HDPE injection prices declined affected by weak demand, although supply was ample.
- At the end of August, prices of some grades fell below cost levels and players paid much attention on producers' offer prices in September.
- However, prices were expected to consolidate next week considering low downstream rates, hand-to-mouth purchases, producers' high inventories and high stocks from traders.

### Production News & Shutdowns

- Qilu PC shut down its 80,000 tonne/year Line A of HDPE unit during 24-28 August for maintenance.
- Panjin Ethylene shut down its 130,000 tonne/year HDPE unit on 12 August for 25-days maintenance.
- Yanshan PC shutdown its 200,000 tonne/year new LDPE unit during 18-25 August for maintenance, it shut down its 70,000 tonne/year HDPE line 2 unit for 3-days maintenance on 26 August.
- Lanzhou PC shut down its 170,000 tonne/year HDPE unit and 60,000 tonne/year LLDPE unit on 15 August for 20-days maintenance.
- Yangzi PC shut down its 260,000 tonne/year HDPE unit with three Lines on 21 August, and Yangzi planned to restart its Line A of the unit on 31 August, Line B of the unit on 8 September, and Line C of the unit on 10 September.
- Daqing PC shut down its 80,000 tonne/year Line B of HDPE unit during 19-22 due to shortage of feedstock, and it shut down its 80,000 tonne/year Line C of HDPE unit on 25 August for 10-days maintenance.
- Shanghai PC shut down its 100,000 tonne 2PE unit of LDPE on 19 August for 11-days maintenance.
- TUCC shut down its 120,000 tonne/year LLDPE unit on 28 September for 28-days maintenance.

