

China Price Monitor HDPE Pricing

July 21, 2009

(Pricing for July 17 2009)

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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	10200	10854	10150	10700	-50	9937	11129	9937	11129	0
HDPE Film	10400	11010	10500	11100	+100	10448	11214	10448	11214	0
HDPE Injection	9500	10560	9600	10600	+100	10022	10192	10022	10192	0
HDPE Yarn	10620	11000	10700	11100	+80	10533	10873	10533	10873	0
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 saw a slight downtrend this week.
- Due to ample inventories of end users and traders, as well as low crude values in the past two week, transactions remained scant from the second half of last week.
- Futures prices surged following a rebound of crude oil values on Wednesday, but this exerted little impact on the spot market.
- The HDPE injection market was relatively stable on the back of tight spot supply, but prices of HDPE film and blow moulding grade fell affected by supply glut of import spots and futures.
- Domestic petrochemical producers reported normal inventory levels and most were in no hurry to sell.

Production News & Shutdowns

- Yanshan PC shut down its 60 kt/yr No.3 line of LDPE unit during 5-6 July due to unexpected accidents, Yanshan shut down the unit again on 13 July for maintenance.
- Daqing PC shut down its 80 kt/yr line C of HDPE unit from 22 June to 12 July for regular maintenance. Daqing PC shut down its 65 kt/yr LDPE unit on 12 July for maintenance.
- Shanghai Secco PC shut down its PE units with a total capacity of 600 kt/yr on 25 May for maintenance. Secco restarted its 300 kt/yr HDPE unit on 26 June, and restarted its 300 kt/yr LLDPE unit on 13 July. Secco shut down its 300 kt/yr HDPE unit again during 6-13 July due to shortage of ethylene feedstock.
- TUCC shut down its 120 kt/yr LLDPE unit during 9-10 July for maintenance.
- Dushanzi shut down its 120 kt/yr LLDPE unit on 9-12 July due to unexpected accidents.
- Panjin shut down its 130 kt/yr HDPE units on 5 July due to unexpected accident, restarted one line on 6 July, one line on 7 July.