

## China Price Monitor LDPE+LLDPE Pricing

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(Pricing for July 8 2011)

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Comparison of Domestic vs Import Prices as CNY/tonne										
	Transaction Prices for Domestic Resin including VAT					Transaction Prices for Imported Resin CFR or CIF CMP including VAT & import duty				
	This Week		Next Week		Change	This Week		Next Week		Change
	Low	High	Low	High		Low	High	Low	High	
LDPE Coating	14640	15550	*	*	*	*	*	*	*	*
LDPE Film	12260	12960	*	*	*	12218	12863	*	*	*
LLDPE General Film	12860	13180	*	*	*	10606	11009	*	*	*

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

### This week's executive summary

- The China PE market rose this week. Speculative activities emerged in the market thanks to the higher crude and LLDPE futures values in early this week. On the other hand, major distributors raised their offer prices as scant inventory caused by depletion of earlier low-cost cargoes.
- Domestic producers increased their EXWH (ex-warehouse) prices according to market trends, and traders lifted offer prices on higher cargoes' cost.
- Supported by the substantially jumped global crude oil and LLDPE futures prices early this week, PE second-tier import market had sparking speculations, but downstream buyers were resistant to high price. In addition, dealers had no intention to lower prices considering light inventory pressure at present, which lead to sluggish transaction.
- China central bank announced to raise interest rates by 25 basic points on this Wednesday; hence a weak buying interest was expected caused by a tight credit lines, along with the power shortages in summer. China PE market was expected to still in a correction next week.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Aug	Sep	Oct	Nov	Dec	Jan, 2011	Feb, 2011	Mar, 2011	Apr, 2011	May, 2011	Jun, 2011	Jul, 2011	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380		1	8	1	7	2	1			3	4		
				HDPE	140	4												
Sinopec	TUCC	Tianjin	Tianjin	LLDPE	120	16				3								
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140								1					
				LLDPE	140													
				HDPE	140		12											
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
...	...	...		...	...	...	...	...										
<b>Total</b>					<b>10500</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>		<b>120</b>	<b>30</b>	<b>28</b>	<b>31</b>	<b>3</b>	<b>3</b>		
<b>Note: Only top ten resin suppliers included, all suppliers shutdown list is available in the full China Price Monitor</b>																		

## Production News & Shutdowns

- Yanshan PC shut down its 200kt/yr new LDPE unit on 24 May for one-day turnaround.
- Guangzhou PC shut down its 200kt/yr LLDPE unit on 20 February for maintenance, planning to restart it on 3 April.
- Lanzhou PC shut down its 85kt/yr LDPE unit on Jun24 for regular maintenance, and restart date was unknown.
- Lanzhou PC shut down its 60kt/yr LDPE unit on Jun14 for regular maintenance, and restart date unknown.
- Maoming PC shut down its 200kt/yr FDPE unit unexpectedly on 24May due to a technical problem, and plan to resume production on June 8th.
- Jilin PC shut down its 300kt/yr HDPE unit during 8-14 March for week-long turnarounds.
- Fujian united shut down its 400kt/yr HDPE unit on 27Jun due to a technical problem, and restart on July 6.
- Zhongsha PC shut down its 300kt/yr HDPE unit on 17 March for maintenance, and planned to recovery production on 19 March.
- Jilin PC shut down its 300kt/yr HDPE unit during 8-15 March for turnarounds.
- Qilu shutdown its 70kt/yr Line B of HDPE on 25 March for regular maintenance, has not yet decided the restarted time.
- Daqing PC shut down its 80kt/yr Line C of HDPE unit on March 29th unexpectedly due to feedstock shortage, and restarted on April 10th.
- Maoming PC shut down its 350kt/yr FDPE unit unexpectedly on 24May due to a technical problem, and plan to resume production on June 8th.
- Panjin Ethylene shut down its 65kt/yr Line B on 25May for maintenance, restart date was unknown.
- Panjin Ethylene shut down its 65kt/yr Line A on 22May for maintenance, restart date was unknown.
- Panjin Ethylene shut down its 300kt/yr on 24May for maintenance, restart on May 25th.
- Zhongyuan ethylene shutdown its 200kt/yr units on May 5 for regular maintenance, will restart at the end of June.
- Zhongsha PC shut down its 300kt/yr HDPE unit on 11May for maintenance, restart on May 21.
- Jinfei PC shut down its 135kt/yr on 3 May for maintenance, restart on May 8.
- Maoming PC shut down its 350kt/yr FDPE unit unexpectedly on 24May due to a technical problem, and plan to resume production on June 8th.
- Dushanzi PC shut down its 300kt/yr FDPE unit on 1 June for maintenance, restart on June 5.
- Baotou Shenhua shut down its 300kt/yr FDPE unit on 5 July for maintenance, restart on Aug 20.

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