

China Price Monitor LDPE+LLDPE Pricing

August 2, 2011

(Pricing for July 29 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	15720	16900	*	*	*	*	*	*	*	*
LDPE Film	12860	13520	*	*	*	12964	13365	*	*	*
LLDPE General Film	13400	13560	*	*	*	11359	11520	*	*	*

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 prices rose further this week. Speculative activities emerged because of the scant spot inventory of major distributors and end-users looking to cover immediate requirements had to accept higher prices. On the other hand, a supply shortage from Taiwan was expected because Formosa Plastics Corp's (FPC) shut its PE unit following a fire at a hydrogen pipeline in the vicinity, which is the another reason to boost China PE market prices.
- Domestic producers increased EXWH(ex-warehouse) prices according to market trends this week, and Sinopec held back its offers on Thursday because of low inventory level in the end of July.
- As for import market, Offers for bonded spot cargoes edged up this week because main distributors raised offers with low inventory level. Besides, Formosa emergently shut down its PE unit in that the leakage of hydrogen pipe caught fire, improving the market speculation. And some sellers ceased offering to wait for price increase.
- A firm market sentiment was expected in next week because of participants have light sales pressure in the beginning of August, despite downstream industries were resistant to higher feedstock prices yet.

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	3	
				HDPE	140	4												
Sinopec	TUCC	Tianjin	Tianjin	LLDPE	120	16				3								
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140								1					

				LLDPE	140												
				HDPE	140		12										4
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*
...										
Total					10500	*	*	*	*	120	30	28	31	3	3		
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 85kt/yr HDPE Line 1 and Line 2 on 24 June for regular maintenance, and restarted on 26 July.
- Lanzhou PC shut down its 60kt/yr old HDPE unit on Jun14 for regular maintenance, and had a plan to restart on July 31.
- Lanzhou PC shut down its 300tonne/yr on 24 June for regular maintenance, and had a plan to restart on 30 July.
- Maoming PC shut down its 120kt/yr old LDPE unit during 2-13 June for regular maintenance, and shut down its 250kt/yr new LDPE unit on 31 May and restarted on 5 June for the same reason.
- Maoming PC shut down its 200kt/yr LLDPE on 24 May and restarted on 15 June for regular maintenance, and shut down its 350kt/yr on 24 May and restarted on 12 June for the same reason.
- Jilin PC shut down its 275kt/yr LLDPE unit on 20 June and restarted on 2 July for regular maintenance.
- FRPC (Fujian Refining & Petrochemical) shut down its 400kt/yr HDPE unit on 27Jun, and restarted on July 6 for regular maintenance, and shut down its 400kt/yr HDPE unit on 18 July and restarted on 28 July for the same reason.
- Qilu PC shutdown its 140kt/yr LDPE during 27-28 June for regular maintenance, and shut down its 70kt/yr HDPE line A during 14-17 July for lack of feedstock.
- Daqing PC shut down its 200kt/yr new LDPE unit during 5-19 June for regular maintenance, and shut down its 80kt/yr HDPE Line C during 13-17 July for regular maintenance.
- Zhongsha PC shut down its 300kt/yr HDPE unit during 11-19 May for regular maintenance, and shut down its 300kt/yr LLDPE unit during 7-12 July for unit failure.
- Jinfei PC shut down its 135kt/yr 3PE unit during 3-7 May for regular maintenance.
- Panjin Ethylene shut down its 65kt/yr Line 2 on 25May for maintenance, restart on May26, and shut down its 65kt/yr Line 1 during 22-25 May for regular maintenance, and shut down its 300kt/yr new HDPE unit on 24 May ,and restarted on 25 May for the same reason.
- Panjin Ethylene shut down its 65kt/yr HDPE Line 2 for regular maintenance on 3 July and restarted on 9 July.
- Dushanzi Petroleum and Petrochemical Complex shut down its 300kt/yr HDPE unit on 14 July and restart date was unknown.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr LLDPE unit on 5 July for maintenance, and had a plan to restart on Aug 20.
- Yanshan PC shut down its 60kt/yr old LDPE unit Line 1 during 16-18 July for regular maintenance, and shut down its 60kt/yr old LDPE unit Line 3 on 16 July and restarted on 17 July for the same reason.
- Zhongyuan Petrochemical shut down its 200kt/yr LLDPE unit on 5 May and restarted on 10 July for regular maintenance.

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

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