

China Price Monitor LDPE+LLDPE Pricing

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(Pricing for July 31, 2009)

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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	10910	11060	11000	11100	+90	-	-	-	-	-
LDPE Film	10040	10820	10300	10900	+260	10005	11281	10005	11366	+0
LLDPE General Film	10190	10500	10300	10600	+110	10175	10856	10430	10856	+255
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- Transactions in the Chinese polyethylene market were brisker than last week with active inquiries and soaring prices of LDPE and LLDPE reported.
- The LDPE and LLDPE market was bullish boosted by soaring values of crude oil and futures, as well as domestic petrochemical producers' hike of their August offers.
- Distributors would have no sales pressure in early August and domestic petrochemical producers planned to reduce their August supply to the distributors
- This, coupled with limited import availability, made traders confident in sentiment and reluctant to sell LDPE and LLDPE.

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, and the line was being transformed into EVA line.
- 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 during 12-17 July for maintenance. Daqing shut down its 200 kt/yr LDPE unit during 17-19 July for maintenance. Daqing shut down its 80 kt/yr line C of HDPE unit on 27 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 planned to restart its 300 kt/yr LLDPE unit on 22 July. Secco shut down its 300 kt/yr HDPE unit again during 6-17 July due to shortage of ethylene feedstock.
- TUCC shut down its 120 kt/yr LLDPE unit during 9-10 July for maintenance. TUCC run at 50% operating rate during 21-23 July due to unexpected accidents at its granule unit.
- Dushanzi shut down its 120 kt/yr LLDPE unit on 9-12 July due to unexpected accidents. Dushanzi shut down the unit again on 25 July due to shortage of ethylene feedstock.
- Jilin PC shut down its 300 kt/yr HDPE unit on 27 July for maintenance, and plans to restart on 3 August.
- 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.

PE China Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Oct	Nov	Dec	Jan,09	Feb	Mar	Apr	May	Jun	Jul	Aug	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	3	30	11			1	12	2		10		
				HDPE	140		2	2		7							
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140	1	3	7			15	25					
				LLDPE	140			4			15	30					
				HDPE	140				4	3	15	28					
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	200		5										
				HDPE	260		4			4			4				
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	190	1	30	30	5								
				HDPE	250		3										
Sinopec	Maoming PC	Maoming	Guangdong	LDPE	120	3	5		17	7	1	2	6	5			
				New LDPE	250	5	8	7	4	4			3	2			
				LLDPE	200	2	4		1	1	15						
				HDPE	350	10	1	9	4					1			
Petrochina	Daqing PC	Daqing	Heilongjiang	LDPE	65	4	12			5	10	12	24	5	5		
				New LDPE	200					1					2		
				LLDPE	85				6								
				HDPE	240	7	4	17	6	7	16	16	2	13			
Petrochina	Jilin PC	Jilin	Jilin	LLDPE	275												
				HDPE	300					6					4	3	
Petrochina	Lanzhou PC	Lanzhou	Gangsu	LDPE	200	2			2				2	30			
				LLDPE	60			5					13				
				HDPE	170			5	21	6	3						
				New HDPE	300	2							8	30			
Sinopec and BP	Shanghai Secco	Shanghai	Shanghai	LLDPE	300					15		6	30	22			
				HDPE	300					18		6	26	11			
CNOOC and Shell	CSPC	Huizhou	Guangdong	LDPE	250												
				HDPE	200												
	Total				7050	83	145	163	132	90	138	117	194	156	66	3	

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

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