

China Price Monitor LDPE+LLDPE Pricing

August 23, 2011

(Pricing for August 19 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	15960	16480	*	*	*	*	*	*	*	*
LDPE Film	12820	13680	*	*	*	12325	13282	*	*	*
LLDPE General Film	13560	13600	*	*	*	10651	10970	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- China PE market was in a correction this week. Major distributors cut their offer prices slightly in some regions on disrupted sales caused by bearish LLDPE futures market and the government was expected to continue tighten its monetary policy to curb inflation in second half of this year, despite the crude prices rose successively in the first half of this week.
- A tight supply was expected because a number of local plants have regular maintenances in August or September, along with the domestic producers raised their list prices, hence the low end prices in the market rose this week.
- The PE import market was sluggish this week driven by weak domestic market. And since the previously low cargoes successively arrived at the port, traders intensively speed selling to lock the margin considering of facing clear judgments to the outlook.
- The outlook is uncertain on Friday. China PE market was in a stalemate as a result of the scant supply against a weak buying interest, and it was expected to maintain a correction next week.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Sep	Oct	Nov	Dec	Jan, 2011	Feb, 2011	Mar, 2011	Apr, 2011	May, 2011	Jun, 2011	Jul, 2011	Aug, 2011	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	1	8	1	7	2	1			3	4	3	8	
				HDPE	140													
Sinopec	TUCC	Tianjin	Tianjin	LLDPE	120				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 restarted on 9 August.
- Lanzhou PC shut down its 300tonne/yr LLDPE unit on 24 June for regular maintenance, and restarted on 2 August.
- FREP (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 65kt/yr old LDPE unit during 1-3 August for accident. Daqing PC shut down its 80kt/yr HDPE Line C unit on 17 August for regular maintenance with unfixed restarted date.
- SINOPEC SABIC Tianjin Petrochemical 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.
- Shanghai Golden Phillips Petrochemical Co shut down its 135kt/yr 3PE unit during 3-7 May for regular maintenance.
- Huajin Chemical (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 on 2 August for regular maintenance.
- Dushanzi Petroleum and Petrochemical Complex shut down its 120kt/yr LLDPE unit on 8 August and had a plan to restart on 8 October. Dushanzi Petroleum and Petrochemical Complex shut down its 100kt/yr HDPE unit on 9 August and had a plan to restart on 9 October for regular maintenance.
- Dushanzi Petroleum and Petrochemical Complex shut down its 600kt/yr new LLDPE unit on 12 August and plan to restart on 21 September for regular maintenance, and shut down its 300kt/yr new HDPE unit on 13 August and plans to restart on 22 September.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr LLDPE unit on 5 July for maintenance, and had a plan to restart on 20 August.
- Yanshan PC shut down its 60kt/yr old LDPE unit Line 1 and old LDPE unit Line 2 on 15 August for regular maintenance with unfixed restarted date, so did old LDPE unit Line 3. And Yanshan PC shut down its 200kt/yr new LDPE unit on 13 August without fixed restarted date, and shut down its 70kt/yr HDPE Line 1 and Line 2 on 15 August without fixed restarted date.
- 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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