

China Price Monitor LDPE+LLDPE Pricing

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(Pricing for September, 11 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	11350	11600	*	*	*			*	*	*
LDPE Film	10180	12200	*	*	*	10090	10515	*	*	*
LLDPE General Film	10550	11050	*	*	*	10345	10686	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- The PE market in north China reported a mixed trend this week while prices in other regions fell. Transactions were limited.
- In the first half of this week, market prices dropped as most buyers stood on the sidelines. But in the second half, prices in some areas rebounded slightly.
- In North China, traders lifted offers slightly considering the sharp declines in LDPE, LLDPE and HDPE yarn prices last week, as well as Sinopec's higher-than-expected settlement prices. But traders in East China stood on the sidelines as Sinopec East China has not released settlement prices of LLDPE.
- Transactions of LLDPE were brisker compared with other grades driven by rising values of crude oil and futures, as well as increasing demand from agricultural film producers in North China.
- Traders were uncertain about the market next week. Some of them expected a slim possibility of rebound in view of poor demand. While some others thought the market was likely to show a slight uptrend supported by producers' control on sales and traders' reluctance to sell at low levels due to their worries about future settlement prices.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Dec	Jan,09	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Comments	
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	11			1	12	2		18	31	30	14		
				HDPE	140	2			7						1			
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140	7				15	25							
				LLDPE	140	4				15	30			2				
				HDPE	140		4	3		15	28							
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
...		
Total					7050	163	132	90	138	117	194	156	74	108	38	14		

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

Production News & Shutdowns

- Yanshan PC shut down its 60 kt/yr No.3 line of LDPE unit on 13 July for three months as the line was being transformed into an EVA line.
- Daqing PC shut down its 80 kt/yr line C of HDPE unit during 17-27 August for maintenance, Daqing shut the unit again on 1 September due to a shortage of ethylene.
- Dushanzi PC shut down its 100 kt/yr HDPE unit during 11-31 August for maintenance.
- Maoming PC shut down its 120 kt/yr LDPE unit during 1-8 September for maintenance.
- Guangzhou PC shut down its 100 kt/yr Line one of LLDPE unit on 25 August for maintenance, and restarted it on 1 September.

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

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