

China Price Monitor LDPE+LLDPE Pricing

November 8, 2011

(Pricing for November 4 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	15480	15680	*	*	*	0	0	*	*	*
LDPE Film	11540	12020	*	*	*	11148	11541	*	*	*
LLDPE General Film	11880	11960	*	*	*	9336	9573	*	*	*
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 stalemate this week as a result of the weak downstream demand and fund pressure of major distributors towards the year-end, in contrast to a general optimism in the market, driven by the resolution for the eurozone debt crisis and increased restocking activity by the second and third tier traders after the recent sharp price falls.
- Domestic producers increased their EXWH(ex-warehouse) prices this week, which supported market confidence, and traders kept offer prices stable or raised it slightly attempt to test buying interest.
- The PE import market appeared to be stable this week. Overseas suppliers had completed the transactions for November shipment and had begun preparing the offers for December shipment. The offers were slightly higher following the recovering PE market. And transactions were fair.
- The outlook is uncertain on Friday. Traders were still worried about the local downstream demands were expected to weaken during the winter, despite Sinopec planned to cut operating rate at its crackers on November as the company tries to address the tight supply of diesel in the domestic market, which may reduce the output of PE resins.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Dec	Jau	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Comments
							2011	2011	201	2011	2011	2011	2011	2011	2011	2011	2011	
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

- Daqing PC shut down its 85kt/yr LLDPE unit during 1-8 September for regular maintenance, and shut down it on 15 September again and restarted on 21 September. Daqing PC shut down its 20kt/yr new LDPE unit on 15 September and had a plan to restart on 17 September for regular maintenance.
- Daqing PC shut down its 80kt/yr HDPE Line A on 13 October and restarted on 17 October for accident.
- Daqing PC shut down its 80kt/yr HDPE Line C on 31 October and restarted on 2 November for accident.
- Dushanzi Petroleum and Petrochemical Complex shut down its 120kt/yr LLDPE unit on 8 August and restarted on 8 October. Dushanzi Petroleum and Petrochemical Complex shut down its 100kt/yr HDPE unit on 9 August and restarted on 8 October for regular maintenance.
- Dushanzi Petroleum and Petrochemical Complex shut down its 600kt/yr new LLDPE unit on 12 August and plans to restart on 8 October for regular maintenance, and shut down its 300kt/yr new HDPE unit on 12 August and restarted on 10 October.
- Dushanzi Petroleum and Petrochemical Complex shut down its 300kt/yr New LLDPE line 2 on 12 August and restarted on 10 October, and shut down its 300kt/yr New LLDPE Line 1 on 12 August and restarted on 11 October for regular maintenance.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr LLDPE unit on 5 July for maintenance, and restarted on 22 August.
- Yanshan PC shut down its 60kt/yr old LDPE unit Line 1 and old LDPE unit Line 2 on 15 August and restarted on 15 September, so did old LDPE unit Line 3. And Yanshan PC shut down its 200kt/yr new LDPE unit on 13 August and restarted on 15 September, and shut down its 70kt/yr HDPE Line 1 and Line 2 on 15 August and restarted on 14 September.
- Zhongyuan Petrochemical shut down its 200kt/yr LLDPE unit on 5 May and restarted on 10 July for regular maintenance.
- Shanghai PC shut down its 45kt/yr 1PE and 2PE units on 2 September and had a plan to restart on 29 September for regular maintenance.
- Shanghai PC shut down its 250kt/yr 4PE unit during 14– 28 October for regular maintenance. And shut down its 250kt/yr 4PE unit on 1 November and restarted on 2 November for accident.
- Huajin Chemical (Panjin Ethylene) shut down its 65kt/yr HDPE Line two on 19 September and restarted on 21 September for accident.
- Huajin Chemical (Panjin Ethylene) shut down its 300kt/yr new HDPE unit during 26-27 October for regular maintenance.
- Yanshan PC shut down its 60kt/yr old LDPE Line 3 and restarted on 21 October for accident.
- Yanshan PC shut down its 60kt/yr old LDPE line 1 during 26-27 October for regular maintenance.
- SINOPEC SABIC Tianjin PC shut down its 300kt/yr new LDPE unit on 26 October and restarted on 1 November for regular maintenance.

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

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