

China Price Monitor LDPE+LLDPE Pricing

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(Pricing for December 3 2010)

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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	14690	15040	*	*	*	*	*	*	*	*
LDPE Film	13080	13820	*	*	*	12992	13656	*	*	*
LLDPE General Film	13640	13780	*	*	*	11166	11664	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- Prices in the Chinese polyethylene (PE) market moved down this week largely due to following. Impact by the Chinese government's policies of reining in prices and cracking down speculative activities was extended. In addition, some traders undersold cargoes, which made buyers' wait-and-see attitude firmer.
- Although supply decreased because Maoming PC and Shanghai PC shut down production for maintenance, low density PE (LDPE) prices were lower than last week dragged by declines across the PE board. In the second half of this week, some traders with low inventories purchased low-priced cargoes actively and paid close attentions to the market as they expected limited downward room in the near future.
- Some importers slightly cut offer prices in a bid to break stagnant negotiations. Traded prices fell from the offer prices seen in last week, but the levels remained higher than domestic values.
- Market sentiment has not totally reversed and participants expect continual fluctuations next week given a continual absence of favorable factors.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380		2					5		1	8	1		
				HDPE	140							1	4					
Sinopec	TUCC	Tianjin	Tianjin	LLDPE	120	6							16					3
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140	13			7									
				LLDPE	140					7								
				HDPE	140									12				
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*		
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*		
...		
Total					10500	163	83	108	108	*	*	*	*	*	*	*		

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

Production News & Shutdowns

- TUCC shut down its 120 kt/yr LLDPE unit on 30 November unexpectedly due to a technical problem, but with no details of its restart.
- Shanghai PC shut down its 100 kt/yr LDPE unit on 22 November for maintenance, but with no details of its restart.
- FRPC shut down its 400 kt/yr HDPE unit during 6-11 November for regular maintenance.
- Lanzhou PC shut down its 300 kt/yr LLDPE unit during 1-7 November due to a technical problem.
- Daqing PC shut down its 80 kt/yr Line C of HDPE unit during 20 October-2 November and 14-16 November respectively unexpectedly due to shortage of feedstock. Meanwhile, it shut down its 200 kt/yr new LDPE unit due to shortage of feedstock.
- Guangzhou PC shut down its 200 kt/yr LLDPE unit during 4-7 November for maintenance.
- Maoming PC shut down its 120 kt/yr old LDPE unit during 30 October-3 November for maintenance. This unit was shut again on 28 November for maintenance, but with no details of its restart. Meanwhile, Maoming shut down its 25 kt/yr new LDPE unit during 11-14 November and its 200 kt/yr FDPE unit on 29 November for maintenance.
- Baotou Shenhua shut down its 300 kt/yr FDPE unit on 27 September for maintenance, but with no details of its restart.
- Golden-Phillips shut down its 135 kt/yr HDPE unit during 27-30 October for maintenance.

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

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