

China Price Monitor LDPE+LLDPE Pricing

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(Pricing for March 26, 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	14920	15080	*	*	*	-	-	*	*	*
LDPE Film	11800	12500	*	*	*	11792	13068	*	*	*
LLDPE General Film	12380	12800	*	*	*	11196	11622	*	*	*
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 reported an uptrend while the import market remained on a losing streak. Overseas suppliers failed to keep offers firm and slashed the levels.
- Supported by demand in surrounding markets of Southeast Asia, the overseas suppliers firmed offers to Chinese buyers, leading to a large gap between domestic and import prices for a long time. However, decreasing demand in these markets and Chinese buyers' strong rejection to high levels made the suppliers under heavy pressure and compelled them to cut offers sharply. Despite this, domestic market reported high inventories, and sporadic transactions.
- Driven by rising futures values, the domestic PE market saw increased transactions since last Thursday with prices slightly up. However, producers released settlement policies in mid week, making most buyers stand aside. Participants were uncertain about the market, this resulted in stagnant trades.
- Sources said, domestic prices might fall slightly next week affected by slow consumption, poor downstream demand, higher producers' inventories and an absence of clear signs of improvements in the market.

PE China Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan,10	Feb	Mar	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	2		18	31	30	14	1	1		2		
				HDPE	140				1								
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140	25								13			
				LLDPE	140	30			2								
				HDPE	140	28											
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*	
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*	
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	
...	
Total					8850	194	156	74	108	*	*	*	*	*	*	*	

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

Production News & Shutdowns

- Maoming PC shut its 120 kt/yr LDPE unit during 4-6 March for maintenance.
- Zhongsha PC shut down its 300 kt/yr HDPE unit and 300 kt/yr LLDPE unit on 25 February, and restarted on 1 March. Zhongsha PC shut down its 300 kt/yr LLDPE unit during 9-10 March due to a short supply of ethylene.
- Panjing Ethylene shut down its 300 kt/yr HDPE unit on 22 February for maintenance, and restarted the unit on 1 March. Panjing Ethylene shut down its 300 kt/yr HDPE unit during 8-10 March due to a technical problem.
- Daqing PC shut down its 80 kt/yr Line B of HDPE unit on 21 February for maintenance, and restarted on 5 March. Daqing PC shut its 80 kt/yr Line C of HDPE unit during 5-15 March for maintenance. Daqing PC shut down its other PE units due to power supply problem on 12 March, Daqing restarted its 80 kt/yr Line B of HDPE unit on 17 March, and restarted its two LDPE units with a capacity of 265 kt/yr and 80 kt/yr its Line A of HDPE unit on 15 March, and restarted its 85 kt/yr LLDPE unit on 23 March.
- Golden Phillips PC shut down its 135 kt/yr HDPE unit during 19-25 March for maintenance.
- FRPC shut down its 400 kt/yr LLDPE unit during 17-23 March for maintenance.
- CSPC shut down its 200 kt/yr HDPE unit and 250 kt/yr LDPE unit on early March for maintenance, and plans to restart the two units at the end of April.
- Yangzi PC shut down its 200 kt/yr LLDPE unit during 25-29 March, and shut its 260 kt/yr HDPE unit during 25-26 March.

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

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