

## China Price Monitor LDPE+LLDPE Pricing

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(Pricing for January 15, 2010)

Source: CBI (Shanghai) Co., Ltd.

Tel. +(86 21) 51550731

E-mail: [chemicalresearch@cbichina.com](mailto:chemicalresearch@cbichina.com)

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	17200	173860	*	*	*	-	-	*	*	*
LDPE Film	13180	17500	*	*	*	11622	12473	*	*	*
LLDPE General Film	13900	14300	*	*	*	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 Chinese PE market across the board, except HDPE yarn, reported a downtrend this week.
- In mid week, affected by the China Central Bank's announcement to raise deposit-reserve ratio, futures and stock prices tumbled, which dampened traders' confidence. Additionally, crude oil values fell below \$80/bbl. Sinopec and PetroChina cut their EXWH prices. All this made traders in a hurry to move their inventories.
- HDPE yarn prices inched up this week due to tight import supply and decreasing domestic supply on consecutive shutdown of Lanzhou PC's 170,000 tonne/year unit. The largest price fall was registered for LLDPE this week affected by plummeting futures values and large-volume import arrivals of the grade, as well as expected increases in supply due to impending start-up of Tianjin Ethylene Project. As a result, traders offloaded lower-priced cargoes arrived in earlier time.
- Large-import arrivals from Iran, Colombia, Mexico and the US were reported this week. Due to lower costs of the cargoes, importers reduced offers to stimulate sales.

PE China Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan,10	Feb	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	12	2		18	31	30	14	1				
				HDPE	140					1							
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140	15	25										
				LLDPE	140	15	30			2							
				HDPE	140	15	28										
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	*	*	*	*	*	*	*	*	*	*	*	*	
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*	
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	
...	...	...		...	...	...	...	...	...	...	...	...	...	...	...	...	
<b>Total</b>					<b>8850</b>	<b>117</b>	<b>194</b>	<b>156</b>	<b>74</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>

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

## Production News & Shutdowns

- FRPC shut its 400 kt/yr new HDPE during on 11 January due to a technical problem.
- TUCC shut down its 120 kt/yr LLDPE unit on 21 December for maintenance, and restarted the unit on 6 January 2010.
- Daqing shut down its 65 kt/yr old LDPE unit during 4-6 January for maintenance.
- Maoming PC shut down its 350 kt/yr HDPE unit on 25 December for 40-day maintenance, Maoming shut down its 250 kt/yr new LDPE unit on 27 December for 40-day maintenance. Maoming shut its 120 kt/yr LDPE unit on 13 January for maintenance.
- Dushanzi PC shut down its two lines of new FDPE unit with a capacity of 600 kt/yr (including 300 kt/yr LLDPE and 300 kt/yr HDPE) during 22-25 December due to a technical problem. Dushanzi shut down its 100 kt/yr HDPE unit during 21-26 December due to a technical problem.
- Yanshan PC shut down its 60 kt/yr one line of LDPE unit during 11-13 January for maintenance.
- Lanzhou PC shut down its 60 kt/yr HDPE unit and 170 kt/yr HDPE unit on 7 January due to a technical problem.
- Qilu PC shut down its 140 kt/yr LDPE unit during 1-13 January due to a technical problem.

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

CBI (Shanghai) Co., Ltd.

Contact: +(86 21) 51550731

E-Mail: [chemicalresearch@cbichina.com](mailto:chemicalresearch@cbichina.com)