

China Price Monitor LDPE+LLDPE Pricing

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(Pricing for September 12, 2008)

Source: CBI (Shanghai) Co., Ltd.

Tel. +(86 21) 51550731

E-mail: 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	13490	13930	13400	13800	-90	15070	15497	14814	15070	-256
LDPE Film	12900	15300	12800	15000	-100	14643	15070	14472	14814	-171
LLDPE General Film	13400	13900	13300	13800	-100	13448	13960	13363	13790	-85
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- PE prices continued their downtrend trend this week.
- The CFR offers fell around by \$100/tonne within one day. Though domestic market remained the same drop range with last week, the drop speed eased from the second half of this week.
- The market was not impacted obviously by shutdown at Lanzhou Petrochemical 300,000 tonne/year swing plant and 200,000 tonne/year LDPE units, in line with the cracker issue at the beginning of the week.
- The traders stood on the sidelines of the market as the output reduction of producers failed to relieve high inventory pressure.
- Sources said players' confidence was dampened due to falls in prices of crude oil, ethylene monomer, and a plunging CFR market.
- The market will be fluctuated in a narrow range next week as purchasing interests increased with impending National Day holiday.

Production News & Shutdowns

- Qilu PC shut down its 80,000 tonne/year Line B of HDPE unit from 30 August to 7 September due to lack of ethylene.
- Panjin Ethylene shut down its 130,000 tonne/year HDPE unit on 12 August and planned to restart on mid September.
- Yanshan PC shutdown its 60,000 tonne/year old LDPE unit Line 2 during 3-6 September for maintenance, and shut down its 200,000 tonne/year new LDPE unit during 5-9 September due to unexpected accidents .
- Lanzhou PC shut down its 170,000 tonne/year HDPE unit and 60,000 tonne/year LLDPE unit on 15 August, and planned to restart on mid September. Its 200,000 tonne/year LDPE unit and 300,000 tonne/year HDPE unit was shut down on 9 September due to an accident of upstream cracker.
- Yangzi PC shut down its 260,000 tonne/year HDPE unit with three Lines on 21 August, and Yangzi restarted its Line A and Line B of the unit on 5 September, and Line C of the unit on 10 September.
- Daqing PC shut down its 80,000 tonne/year Line C of HDPE unit on 25 August for 10-days maintenance, and shut down its 200,000 tonne/year new LDPE unit during 1-13 September for maintenance.

- Shanghai PC shut down 100,000 tonne 2PE unit of LDPE on 19 August for maintenance, and would restart on 20 September.
- TUCC shut down its 120,000 tonne/year LLDPE unit on 28 September for 28-days maintenance.

PE China Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Dec	Jan,08	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Comments
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	3			5	4.5	5		2	7	4		
				HDPE	140	11						1	3				
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140							2					
				LLDPE	120	11								8			
				HDPE	160							2	4	6			
Sinopec	Yangzi PC	Nanjing	Jiangsu	LLDPE	200	7			6				18				
				HDPE	260	5							10	10			
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	190								23	11			
				HDPE	250	1		4			8						
Sinopec	Maoming PC	Maoming	Guangdong	LDPE	120		1		3	4	5	4	6	4			
				New LDPE	250	8	9				4	20	8	1			
				LLDPE	200		6					5	1				
				HDPE	350	11	7					17		7			
Petrochina	Daqing PC	Daqing	Heilongjiang	LDPE	65	4	6	4		1				2			
				New LDPE	200										12		
				LLDPE	85		4			8		1	12				
				HDPE	240	6	9	13	15	19	22	17		7	5		
Petrochina	Jilin PC	Jilin	Jilin	LLDPE	275						16	14					
				HDPE	300						16	15					
Petrochina	Lanzhou PC	Lanzhou	Gangsu	LDPE	200			3						2	4		
				LLDPE	60									16	15		
				HDPE	170		7							16	15		
				New HDPE	300				5	2					4		
Sinopec and BP	Shanghai Secco	Shanghai	Shanghai	LLDPE	300				6								
				HDPE	300												
CNOOC and Shell	CSPC	Huizhou	Guangdong	LDPE	250		8		6								
				HDPE	200				13								
	Total				7265	67	63	32	61	45	98	140	100	121	98	26	

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

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Contact: +(86 21) 51550731

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