

**China Price Monitor PP Pricing**  
**March 22, 2011**  
**(Pricing for March 18, 2011)**

Source: CBI (Shanghai) Co., Ltd.

Tel. +44 20 8652 3335

E-mail: [CSC@icis.com](mailto:CSC@icis.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	
PP Block Co low-melt	12600	14400	*	*	*	13881	14208	*	*	*
PP Block Co high-melt	12910	13200	*	*	*	13881	14208	*	*	*
BOPP Film Homo	12570	12790	*	*	*	-	-	*	*	*
PP Homo Yarn	12050	12680	*	*	*	13635	13881	*	*	*
PP Fiber	12400	12900	*	*	*	-	-	*	*	*
PP Homo Injection	12260	13000	*	*	*	13635	13881	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- Domestic PP market appeared dismal this week in weak demand. Operating rates of downstream plants were low. Most of the plants received limited fresh orders alongside lower feedstock values, so they just covered immediate requirements, leading to few transactions.
- The majority of domestic petrochemical producers cancelled settlement prices to carry out listed prices and some cut listed prices, lashing market confidence, plus weak demand, so sellers lowered prices to promote sales.
- Import transactions were stalemated. Import prices were higher than domestic prices, sidelining players. Some players continued to sell import cargoes in view of relatively low Chinese goods.
- Most players took bearish outlooks on short-term market and thus they were eager to sell, leading to mixed transaction prices. Downstream demand remained weak, with no sign of a quick recovery. Besides, crude oil, futures market and stock market weakened alongside the quake in Japan, frustrating local players. PP market was bearish in thin trade caused by continuously weak demand. In the second half of the week, a surge in international oil prices encouraged traders to lift their PP offers, but trade volumes remained light.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Ma y	Ju n	Jul	Au g	Sep	Oct	No v	De c	Jan ,11	Feb ,11	Mar,11	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300				11	22							
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	31	30	31	31	30	31	30	31	31	28	18	
				PP New	300			4				4					
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	*	*	*	
Sinopec	Yangzi PC	Nanjing	Jiangsu		*	*	*	*	*	*	*	*	*	*	*	*	
...	...	...		...	...	...	...	...	...	...	...	...	...	...	...	...	
<b>Total</b>				<b>9833</b>			*	*	*	*	*	*	*	*	*	*	

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

## Production News & Shutdowns

- Lanzhou PC unexpectedly shut down its 40 kt/yr PP old unit on 7 January,2010 and still not restarted yet due to the explosion at oil tank.
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- Yanshan PC unexpectedly shut down its 1PP unit of 200 kt/yr on 26 January, 2011 and restarted on 14 February,2011 and again took off line during 1-4 March both due to shortage of propylene.
- Yanan refinery shut down its old PP unit of 100kt/yr on 22 November, 2010 and still not restarted yet for regular maintenance.
- Zhongsha PC (Sinopec-Sabic) shut down its PP unit of 450kt/yr on 29 January, 2011 and restarted promptly on 30 January, 2011 for an unexpected technical issue
- Shaoxing Sanyuan PC planned to shut down its PP unit of 200 kt/yr during 21-27 February for regular maintenance.
- Guangzhou PC shut down its PP unit of 170 kt/yr for regular maintenance on 20 Feb and would be restarted on 5st April for regular maintenance.
- WEPEC shut down its PP unit of 100 kt/yr for regular maintenance starting on 24 Feb and would be restarted on 5 April.
- Dagang PC's PP unit of 100 kt/yr was scheduled for turnaround amid whole March.
- Qingdao Refinery shut down its PP unit of 200 kt/yr on 28 February and restarted on 9th March for regular maintenance.
- Jingmen PC shut down its PP unit of 120 kt/yr on 24 February and planned to restart on 20 March for regular maintenance.
- Dalian PC's unit of 70 kt/yr was taken-off line on 10th March for the turnaround but no details involving of restarting had not been reported yet.
- Qilu PC's PP unit shifted production from EPS30R to EPS30RA on 13 Mar.
- Maoming PC's 1# PP unit shifted production from HHP4to EPC30R-H and its 2# PP unit shifted to F-280M on 12 Mar.
- Yangtze PC's 1PP unit shifted production from J340 to C180 on 17 Mar.