

China Price Monitor PP Pricing

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(Pricing for June 18 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	
PP Block Co low-melt	10330	12200	*	*	*	10856	11026	*	*	*
PP Block Co high-melt	11920	11240	*	*	*	10941	11026	*	*	*
BOPP Film Homo	10400	10850	*	*	*	132.5	132.5	*	*	*
PP Homo Yarn	10200	10800	*	*	*	10345	10600	*	*	*
PP Fiber	10400	11000	*	*	*	-	-	*	*	*
PP Homo Injection	10220	10800	*	*	*	10345	10515	*	*	*
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 prevailed wait-and-see attitude. Most traders sold off inventories before the holiday and crude oil futures prices rebounded during the holiday, so major traders lifted offers tentatively this week. However, the upward pace was slow with limited favorable factors in sight. End users showed resistance on increased prices.
- Domestic petrochemical companies did little adjustment on PP prices given the three-day holiday's absence.
- In the import market, players backed out of the market in the first half of the week and returned in the second half of the week for the holiday, leading to few deals done. Most suppliers did not release new offers.
- Players found the market directionless and most of them took wait-to-see stance.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Aug	Sep	Oct	Nov	Dec	Jan,10	Feb	Mar	Apr	May	Jun	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300	10	15										
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40						24	25	31	30	31	18	
				PP New	300												
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	*	*	*	
Sinopec	Yangzi PC	Nanjing	Jiangsu		*	*	*	*	*	*	*	*	*	*	*	*	
...	
Total					8443	188	108	*	*	*	*	*	*	*	*	*	

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

Production News & Shutdowns

- Yanan Refinery shut down its 100 kt/yr PP unit from 3 June, and not restarted yet, while its 200 kt/yr new PP unit shut down from 28 April to 17 May both for regular maintenance.
- Lanzhou PC unexpectedly shut down its 40 kt/yr PP old unit on 7 January and still not restarted yet due to the explosion at oil tank.
- Zhongsha PC (Tianjin Ethylene) unexpectedly shut down its 450 kt/yr PP during 7-9 May due to technical problem and again shut down from 16 June and plans to restart on 26 June for regular maintenance.
- Panjin Ethylene unexpectedly shut down its new PP unit of 220 kt/yr during 24-26 May due to the technical problem.
- Zhenhai Refinery shut down its old PP unit of 250 kt/yr from 13 February to 13 March for regular maintenance in order to ensure the normal supply of propylene for new capacity and again shut down during 1-21 April for regular maintenance.
- Zhenhai Refinery unexpectedly shut down its new PP unit of 300 kt/yr from 6 May and planned to restart on 22 June due to the technical problem.
- Yanshan PC shut down No.1 line of its PP unit of 200 kt/yr during 14-19 May due to technical problem and again unexpectedly shut down from 24 May to 1 June due to shortage of propylene. Besides, its No.3 line of 200 kt/yr during 25-27 March also for regular maintenance due to propylene shortage was shut down. Additionally, its No.2 line of 40 kt/yr was unexpectedly shut down during 9-10 April due to a technical problem.
- FRPC unexpectedly shut down one line of its 220 kt/yr new PP unit during 5-8 March due to the technical problem.
- Jinan Refinery shut down its PP unit of 120 kt/yr from 25 March to 3 May for regular maintenance.
- Huabei PC planned to shut down its PP unit of 100 kt/yr from 20 March to 6 May for regular maintenance and again unexpectedly shut down due to technical problem during 9-16 May.
- Sanyuan PC shut down its PP unit of 200 kt/yr from 20 April to 6 May for regular maintenance.
- Yangzi PC shut down its 100 kt/yr No.1 line of PP unit during 20-28 May for regular maintenance.
- Hunan Changsheng unexpectedly shut down its 100 kt/yr PP unit from 7 June and yet not restarted due to shortage of propylene.