

## China Price Monitor PP Pricing

July 26, 2011

(Pricing for July 22, 2011)

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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	12060	12940	*	*	*	12261	12583	*	*	*
PP Block Co high-melt	12090	12660	*	*	*	12261	12583	*	*	*
BOPP Film Homo	12120	12360	*	*	*	-	-	*	*	*
PP Homo Yarn	12000	12410	*	*	*	12341	12583	*	*	*
PP Fiber	12150	12600	*	*	*	-	-	*	*	*
PP Homo Injection	12000	12700	*	*	*	12341	12583	*	*	*

Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.

### This week's executive summary

- The China PP market did not improve markedly this week, staying on consolidation. Early this week, some traders exploratorily raised offers on rebounding crude oil and LLDPE futures. However, later this week, prices fell back to be stable with lackluster real transactions.
- As for domestic market, traders were reluctant to easily decline price for sales, with poor transactions at the high-end price. Because domestic Petrochemical companies concentratedly shut down for maintenance and some Petrochemical companies lifted the ex-works prices.
- As for import market, most of importers kept optimistic sentiment to the market for propylene monomer recently rebounded to the high-end price. Hence, domestic suppliers offered slightly higher. However; recently concentrated cargoes reached the port, causing participants in a big capital pressure. In this case, some suppliers slightly pushed prices down.
- Given that participants are optimistic to the market, the PP market is expected to correct up with the upcoming production peak period at the end of the month.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Se p	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300	22											
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	30	31	30	31	31	28	25	29	20	3	22	
				PP New	300			4									
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	9	3	7	
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

- WEPEC shut down its PP unit of 100kt/yr for regular maintenance starting on 24 Feb and would be restarted on 5 April.
- Qingdao Refinery shut down its PP unit of 200kt/yr on 22 June and plan to restart on 10th August for regular maintenance.
- Maoming PC shutdown its PP unit of 300kt/yr on 2 Jun, and restarted on June 6.
- Yangtze PC shutdown its 200kt/yr unit on 19 May, and restart on May 23 for regular maintenance.
- Fujian Union shut down its 120,000tonne/year old unit on June 5 for regular maintenance, the restart date was not fixed yet.
- Dalian PC's unit of 200,000tonne/yr was taken-off line on 29th March for the turnaround, and the restart date was April 10.
- Dalian Xitai 100,000tonne/year unit shut down on Feb. 24th, and restarted on April 14th.
- Zhenhai refinery shutdown its 250kt/yr on June 17th, and restarted on June 20th for regular maintenance.
- Hebei Huabei Petrochemical shutdown its 100kt/yr on Jun 11th, and restarted on Jun 12.
- Zhongyuan ethylene shutdown its 60kt/yr on May 5, restarted on July 10, for regular maintenance.
- Yanshan shutdown its 200kt/yr on Jun 23rd, and restart on Jun 29.
- Yanshan shut down its 200kt/yr during July 11-July 13 for maintenance.
- Tianjin union shutdown its 60kt/yr on May 9th, and restart on May 11 for regular maintenance.
- Ningbo Fosma shutdown its 170kt/yr on Jun 9th, and restart on 1 July.
- Yanshan shutdown its 200kt/yr on July 5th-10th for maintenance.
- Panjin Ethylene shut down its 50kt/yr on 24 May for maintenance, restart on May 27th.
- Shanghai PC shut down its 120kt/yr unit on 13 Jun, with unknown restart date.
- Sanyuan PC shut down its 200kt/yr unit on 11 Jun, restart on Jun 20th.
- Sanyuan PC shut down its 200kt/yr unit on 16 Jun, restart on Jun 22nd.
- Sanyuan PC shut down its 200kt/yr unit on 11 July and had a plan to restart on 17 July.
- Ningbo Fosma shut down its 280kt/yr unit on 12 May, and restarted on 13 July.
- Dushanzi PC shut down its 70kt/yr unit on 14 July and restart date was unknown.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr unit on 5 July and had a plan to restart on 19 August.
- Yanan refinery shut down its old PP unit of 200kt/yr on July 4, 2011 and restarted on July 20.