

## China Price Monitor PP Pricing

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(Pricing for August 14 2009)

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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	10500	11600	10400	11500	-100	10600	11196	10600	11196	0
PP Block Co high-melt	10800	11060	10650	11000	-150	10600	11196	10600	11196	0
BOPP Film Homo	10110	10300	10000	10200	-110	10345	11026	10345	11026	0
PP Homo Yarn	9900	10360	9800	10200	-100	10345	11026	10345	11026	0
PP Fiber	10000	10450	9800	10300	-200	-	-	-	-	-
PP Homo Injection	9900	10300	9800	10200	-100	10345	11026	10345	11026	0
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- The Chinese PP price unfortunately fluctuated to have a soft decrease this week but generally maintained the level of last week as oil values spiraled around \$70/bbl.
- The market was herewith quiet to hear few deals settled under present stagnated situation between sellers and buyers.
- Some few traders were reported to cut high-level prices to move cargoes but received less interest from buyers who had completed their restocking last week. Making a deal at current price became difficult, sources agreed.
- Meanwhile, propylene monomers continued to boost Chinese PP imported market at high prices which unexpectedly witnessed spare offers and bids this week.
- Downstream users' purchasing interest remained fragile. Most of them adopted a wait-see attitude, citing shortage of orders and fluctuated oil prices.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Nov	Dec	Jan,09	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300										9	6	
Petrochina	Dalian PC	Dalian	Liaoning		270	30	31	31	28	31	30	31	30	31	31		
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	15		2									
				PP New	300			2				6	30				
Sinopec	Yanshan PC	Beijing	Beijing		440	26	25	5		3	6	5	10	3			
Sinopec	Yangzi PC	Nanjing	Jiangsu		400					4	2	1		5			
Sinopec	Shanghai PC	Shanghai	Shanghai		450	30	31	15									
Sinopec	Maoming PC	Maoming	Guangdong	PP	170		4						1				
				PP New	300												
Sinopec and BP	Shanghai Secco	Shanghai	Shanghai		250					21		5	26	11			
CNOOC and Shell	CSPC	Huizhou	Guangdong		240												
Formosa	Formosa Ningbo	Ningbo	Zhejiang		450	30		12	7		12	30	2				
	<b>Total</b>				<b>6483</b>	<b>189</b>	<b>181</b>	<b>130</b>	<b>93</b>	<b>127</b>	<b>130</b>	<b>188</b>	<b>108</b>	<b>83</b>	<b>52</b>	<b>6</b>	

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

## Production News & Shutdowns

- Panjin Ethylene shut down its 50 kt/yr PP unit during 4-6 July and again during 19-21 July due to a technical problem.
- Yangzi PC shut down its 100 kt/yr Line A of 1PP during 8-13 July for maintenance.
- Sanyuan PC lifted operating rate to 60% on 7 April, lifted rate to 70% on 14 April, and to 80% on 5 May. Sanyuan PC shut down its 200 kt/yr PP unit on 20 July for 10-days maintenance.
- Fujian Refinery shut down its 120 kt/yr PP unit from 19 July to 3 August for regular maintenance due to shortage of propylene and again shut down unexpectedly on 13 August and kept unknown about restarting due to a technical problem.
- Dushanzi PC has confirmed its PP unit 140 kt/yr changed from 120 kt/yr, including 2 lines of 70 kt/yr respectively. The one shut down on 25 July while the other shut down on 30 July both unknown about restarting for regular maintenance due to shortage of propylene.
- Daqing Refinery shut down its 300 kt/yr PP unit for 15-days' regular maintenance starting 22 August.
- Qingdao PC shut down its 200 kt/yr PP unit unexpectedly on 30 July due to a technical problem and restarted on 31 July.