

China Price Monitor PP Pricing
September 20, 2011
(Pricing for September 16, 2011)

Source: CBI (Shanghai) Co., Ltd.

Tel. +44 20 8652 3335

E-mail: 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	12300	13400	*	*	*	12207	12366	*	*	*
PP Block Co high-melt	12450	13300	*	*	*	12207	12366	*	*	*
BOPP Film Homo	12420	12600	*	*	*	-	-	*	*	*
PP Homo Yarn	12250	12680	*	*	*	12207	12366	*	*	*
PP Fiber	12400	12880	*	*	*	-	-	*	*	*
PP Homo Injection	12220	13300	*	*	*	12207	12366	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- The market stayed in the stable correction. Traders purchased according to the market trend impacted by fluctuated global crude oil futures and firm domestically petrochemical offers. However, the weak buying interest in downstream market after the holiday kept the transactions thin this week.
- The petrochemical companies kept adopting settlement prices or list prices unchanged. Following the news's release that Yanshan PC brought the PP unit into operation, traders showed limited confidence to the outlook, delivering shipments for the profit.
- Early this week, most participants stayed at sidelines on the mid-autumn festival and the transactions were poor in the market. After the holiday, the import market did not show any improvement. The poor purchasing interest enabled the traders to slightly reduce offers which were not low enough to improve the transactions because of the buying gap between buyer and seller.
- Recently, there were no bullish factors in the market and macro-environment to support the market. Since the petrochemical offers got to be stable, the PP market is likely to be in stabilized downward in next week without instructive factors in the market.

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	31	
				PP New	300			4									
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	9	3	5	
Sinopec	Yangzi PC	Nanjing	Jiangsu		*	*	*	*	*	*	*	*	*	*	*	*	
...	
Total				9833		*	*	*	*	*	*	*	*	*	*	*	

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

Production News & Shutdowns

- Qingdao Refining Corporation shut down its 200kt/yr PP Line 1 on 22 June for regular maintenance and restarted on 15 August.
- Yanshan PC shut down its 200kt/yr 1PP unit during on 22 July, and the restarted on 24 August for lacking of feedstock. Yanshan PC shut down its 200kt/yr 1PP unit on 11 September and restarted on 16 September for regular maintenance. Yanshan PC shut down its 40kt/yr 2PP unit on 11 August ,and restarted on 13 September. Yanshan PC shut down its 200kt/yr 3PP unit on 15 August and restarted on 15 September.
- Sanyuan PC shut down its 300kt/yr Line 2 during 11-16 July for the same reason. Sanyuan PC shut down its 200kt/yr 1PP unit during 5-10 August for regular maintenance.
- Dushanzi Petroleum and Petrochemical Complex shut down its 70kt/yr old Line 2 unit was shut down on 14 July and restarted on 4 August. On 2 August, Dushanzi Petroleum and Petrochemical Complex shut down its 250kt/yr new Line 1 unit for accident and plans to restart on 30 September.
- Dushanzi Petroleum and Petrochemical Complex shut down its 70kt/yr old Line 1 and old Line 2 on 9 August and had a plan to restart on 7 October for regular maintenance. And Dushanzi Petroleum and Petrochemical Complex shut down its 300kt/yr new Line 4 unit on 12 August and plans to restart on 20 September.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr unit on 5 July and had a plan to restart on 22 August.
- Daqing PC shut down its 100kt/yr Line 1 PP unit on 24 July and had a plan to restart on 3 August for regular maintenance.
- Lanzhou PC shut down its 40kt/yr old unit on 7 January 2010 and the restarted date was not fixed for explosion at oil tank .
- SINOPEC SABIC Tianjin PC shut down its 450kt/yr new unit on 31 July, and restarted on 4 August for accident. And shut down the same unit during 18-21 August for accident again.
- Huajin Chemical (Panjin Ethylene) its 250kt/yr new unit n 18 August and restarted on 19 August for accident.
- Formosa Ningbo shut down its 280kt/yr Line 2 on 11 August without fixed restarted date for regular maintenance. Formosa Ningbo shut down its 170kt/yr 1PP unit on 9 September without fixed restarted date yet.
- Luoyang PC shut down its 80kt/yr Line one on 30 August and plans to restart on the middle of October for regular maintenance.
- Dagang PC shut down its 100kt/yr on 30 August and restarted on 5 September.
- Guangxi PC shut down its 200kt/yr on 1 August and restarted on 21 August for regular maintenance.
- Fushun PC shut down its 90kt/yr Line One on 15 September and had a plan to restart on 19 September for regular maintenance.
- Dalian PC shut down its 70kt/yr old unit Line One during 6-12 September for regular maintenance.

CBI (Shanghai) Co., Ltd. Contact: +44 20 8652 3335 E-Mail: CSC@icis.com