

China Price Monitor PP Pricing
October 4, 2011
(Pricing for September 30, 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	12020	12800	*	*	*	11438	11834	*	*	*
PP Block Co high-melt	12210	12300	*	*	*	11438	11834	*	*	*
BOPP Film Homo	12120	12450	*	*	*	-	-	*	*	*
PP Homo Yarn	11900	12380	*	*	*	11517	11754	*	*	*
PP Fiber	12160	12600	*	*	*	-	-	*	*	*
PP Homo Injection	12080	12940	*	*	*	11517	11754	*	*	*

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

This week's executive summary

- The European crisis further dampened the market. Global crude oil and LLDPE futures kept going down and the PP market appeared to be bleak this week. The downstream manufacturers had no intention to restock in advance before the National Day and held weak demand. Under this circumstance, sellers mainly reduced offers to boost deals but the transactions were still poor.
- Most petrochemical companies sharply pushed the settlement prices down by the end of this month. Besides, the external economical factors dampened the market, and most participants were pessimistic to the outlook and reduced the offers low enough to be closed to the settlement prices of PC, even lower.
- The PP import market remained bleak this week. Being concerned about the external economy, most participants held weak confidence and reduced offers to boost deals. Since the downstream manufacturers were pessimistic to the outlook, holding poor buying interest, the real transactions were still weak.
- The PP market kept being in fluctuated correction in the recent days and global economy was still in poor statement. Most participants were pessimistic to the outlook, so the PP market was expected to be in downturn correction after the National Day.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	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

- 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.
- 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 without fixed restarted date.
- 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 8 October.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr unit on 5 July and had a plan to restart on 22 August.
- 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 and had a plan to restart on 8 October 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.
- Shanghai PC shut down its 210kt/yr 3PP line on 22 September and had a plan to restart on 21 October for regular maintenance.
- Jiangxi PC shut down its 100kt/yr Line one on 21 September and had a plan to restart on 30 October for regular maintenance.