

China Price Monitor PP Pricing

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(Pricing for Nov 01, 2010)

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Comparison of Domestic vs Import Prices as CNY/tonne										
	Transaction Prices for Domestic Resin including VAT				Change	Transaction Prices for Imported Resin CFR or CIF CMP including VAT & import duty				
	This Week		Next Week			This Week		Next Week		
	Low	High	Low	High		Low	High	Low	High	
PP Block Co low-melt	11880	13120	*	*	*	12494	12660	*	*	*
PP Block Co high-melt	12280	12840	*	*	*	12577	12826	*	*	*
BOPP Film Homo	11530	11920	*	*	*	*	*	*	*	*
PP Homo Yarn	11300	11980	*	*	*	11581	11830	*	*	*
PP Fiber	11570	12060	*	*	*	*	*	*	*	*
PP Homo Injection	11490	12070	*	*	*	11581	11830	*	*	*
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 was bullish as crude oil prices climbed for several straight days and domestic producers lifted PP ex-works prices. Although users strongly resisted lofty feedstock values, leading to limited transactions, major traders were unwilling to lower prices under slight sales pressure.
- Domestic producers lifted settlement prices or list prices of various PP grades sharply, spurring market speculations. Accordingly, most players attributed this week's upside to their price lifts.
- Import prices climbed cheerfully amid higher oil prices and domestic price lifts, and transactions were brisk.
- Given crude oil prices rose sharply and domestic producers lifted ex-tank prices forcefully, most players thought it impossible to see a price plunge in short term.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Jan, 10	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300								11	22			
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	24	25	31	30	31	30	31	31	30	31	5	
				PP New	300							4					
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

- 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.
- Panjin Ethylene shut down its new PP unit of 250 kt/yr on 9 October and restarted on 11 October for regular maintenance.
- Yanshan PC unexpectedly shut down its 1PP unit of 200 kt/yr during 11-15 October and shut down from 23 October to 27 October and again shut down on 4 November all due to shortage of propylene.
- Yangzi PC shut down its Line B of 100 kt/yr 1PP unit on 27 September and confirmed to restarted on 12 October for regular maintenance.
- Yanan refinery shut down its new PP unit of 200 kt/yr for regular maintenance during 14-19 September.
- Hunan Changsheng unexpectedly shut down its 100 kt/yr PP unit during 20-27 July and again from 27 August to 28 September due to short supply of propylene both for regular maintenance.
- Dushanzi PC was reported to shut down its old PP unit of 70 kt/yr from 7 September to 1 October for regular maintenance and the other line of 70 kt/yr of old unit shut down on 2 November due to shortage of propylene, while its 250 kt/yr Line 1 of new unit unexpectedly shut down during 8-14 October due to the shortage of propylene and the other line of 300kt/yr of new unit shut down during 24-29 October for regular maintenance.
- Formosa Ningbo shut down its 170 kt/yr Line 1 on 4 August and restarted on 10 October, while its 280 kt/yr Line2 also shut down on 20 August and restarted on 15 October both for regular maintenance.
- Zhongsha PC (Sinopec-Sabic) shut down its PP unit of 450 kt/yr during 27-30 October for regular maintenance.
- Daqing Refining shut down its PP unit of 300 kt/yr on 21 August and restarted on 23 September for regular maintenance.
- Qilu PC shut down its PP unit of 70 kt/yr on 27 August and restarted on 10 September due to short supply of propylene and unexpectedly again shut down during 28-29 September due to a technical problem.
- Baotoushenhua PC shut down its PP unit of 300 kt/yr from 27 September and restarted on 2 November for regular maintenance.