

China Price Monitor PP Pricing

December 6, 2011

(Pricing for December 2, 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	11110	12200	*	*	*	10771	11008	*	*	*
PP Block Co high-melt	11200	11710	*	*	*	10771	11008	*	*	*
BOPP Film Homo	10500	11530	*	*	*	-	-	*	*	*
PP Homo Yarn	10230	11400	*	*	*	10771	10771	*	*	*
PP Fiber	10740	11350	*	*	*	-	-	*	*	*
PP Homo Injection	10480	11640	*	*	*	10771	10771	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- The PP market moved in a downward direction with poor demand. In early this week, traders operated cautiously for waiting for the pricing policy of PC for new month. To the mid-week, that Bank of China cut the deposit reserve ratio lifted up the market sentiment. However, traders were still pessimistic to the outlook for the capital pressure by the approaching end year and poor demand in downstream. And the whole transactions were bleak.
- Some domestic PC cut the settlement prices for the new month or adopted the list prices, further dampening the market confidence. Therefore, traders operated in a careful way and reduced the offers with poor downstream inquiries.
- The PP import market kept slumping this week with limited transactions. Suppliers continued to negotiate on the transactions for December shipment. And the transactions were bleak for buyers stayed on the sidelines.
- Currently, traders mostly stayed on the sidelines with weak demands in the downstream. Besides, traders would still cut the offers with the capital pressure by the approaching end year.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	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 24-26 October for regular maintenance.
- On 2 August, Dushanzi Petroleum and Petrochemical Complex shut down its 250kt/yr new Line 1 unit for accident and restarted on 11 October.
- Dushanzi Petroleum and Petrochemical Complex shut down its 70kt/yr old Line 1 and restarted on 8 October for regular maintenance. Dushanzi Petroleum and Petrochemical Complex shut down its 70kt/yr old Line 2 without fixed restarted date for regular maintenance. And Dushanzi Petroleum and Petrochemical Complex shut down its 300kt/yr new Line 2 unit on 12 August and restarted on 11 October.
- 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 .
- Huajin Chemical (Panjin Ethylene) shut down its 50kt/yr old unit on 10 October and restarted on 12 October for accident.
- Formosa Ningbo shut down its 280kt/yr Line 2 on 11 August and restarted on 13 October for regular maintenance. Formosa Ningbo shut down its 170kt/yr 1PP unit on 9 September and restarted on 17 October for regular maintenance..
- Luoyang PC shut down its 80kt/yr Line one on 30 August and restarted on 24 October for regular maintenance.
- Shanghai PC shut down its 210kt/yr 3PP line on 22 September and restarted on 1 November 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.
- Jinan Refinery shut down its 120kt/yr Line 1 on 8 October and had a plan to restart on 7 November for regular maintenance.
- Shanghai PC shut down its 210kt/yr 3PP on 22 September and restarted on 26 October for regular maintenance.
- Yanshan PC shut down its 200kt/yr Line Three on 6 November and restarted on 9 November for regular maintenance.
- Qilu PC shut down its 70kt/yr Line One on 11 November and restarted on 14 November for an accident.
- Daqing Refinery shut down its 300kt/yr Line One during 11-13 November for an accident.
- Jinxi PC shut down its 150kt/yr on 11 November without fixed restarted date for an accident.
- Yanshan PC shut down its 200kt/yr Line One on 23 November and restarted on 29 November, and shut down its 40kt/yr during 21-22 November for an accident.
- SINOPEC SABIC Tianjin Petrochemical shut down its 450kt/yr during 18-20 November for an accident.
- Yanan Refinery shut down its 100kt/yr on its Old unit on 7 November without fixed restarted date for an accident.
- Changsheng PC shut down its 100kt/yr on 25 November and restarted on 27 November for an accident.