

China Price Monitor PP Pricing

May 4, 2011

(Pricing for April 29, 2011)

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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	12500	14500	*	*	*	13247	14381	*	*	*
PP Block Co high-melt	12750	13000	*	*	*	13490	14543	*	*	*
BOPP Film Homo	12550	12820	*	*	*	-	-	*	*	*
PP Homo Yarn	12450	12780	*	*	*	13652	13814	*	*	*
PP Fiber	12580	12850	*	*	*	-	-	*	*	*
PP Homo Injection	12500	13100	*	*	*	13328	13490	*	*	*

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 was stable this week, offers mainly fluctuating. Price of Yarn grade inched up, while offers for injection and co-polymer were inched down in view of normal supply and weak demand.
- Offers were kept stable in response of high cost pressure because settlement prices from domestic Petrochemical companies were close to market price. Currently, trades sold according to market trends, with more sluggish transaction of co-polymer product.
- PP import market was stable on the whole. Offers for May were close to April or even higher, supported by the high crude oil and monomer price, but deals were rarely closed in view of weak demand and the price gap between seller and buyer.
- The domestic PP downstream demand was still in a lull, and had no signal to recover. However, it is heard Sinopec will reduce production, which will support market to some extent. Above all, the PP market was estimated to fluctuate next week, and offers may inch up considering light fund pressure in early May.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Jun	Jul	Aug	Se p	Oct	Nov	Dec	Jan,11	Feb,11	Mar,11	Apr,11	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300			11	22								
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	30	31	31	30	31	30	31	31	28	25	29	
				PP New	300		4				4						
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	*	*	*	
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

- Lanzhou PC unexpectedly shut down its 40kt/yr PP old unit on 7 January,2010 and still not restarted yet due to the explosion at oil tank.
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- Yanshan PC unexpectedly shut down its 1PP unit of 200kt/yr on 26 January, 2011 and restarted on 14 February,2011 and again took off line during 1-4 March both due to shortage of propylene.
- Yanan refinery shut down its old PP unit of 100kt/yr on 22 November, 2010 and still not restarted yet for regular maintenance.
- Zhongsha PC (Sinopec-Sabic) shut down its PP unit of 450kt/yr on 29 January, 2011 and restarted promptly on 30 January, 2011 for an unexpected technical issue
- Shaoxing Sanyuan PC planned to shut down its PP unit of 200kt/yr during 21-27 February for regular maintenance.
- Guangzhou PC shut down its PP unit of 170kt/yr for regular maintenance on 20 Feb and would be restarted on 3rd April for regular maintenance.
- WEPEC shut down its PP unit of 100kt/yr for regular maintenance starting on 24 Feb and would be restarted on 5 April.
- Dagang PC's PP unit of 100kt/yr was scheduled for turnaround amid whole March.
- Qingdao Refinery shut down its PP unit of 200kt/yr on 28 February and restarted on 9th March for regular maintenance.
- Jingmen PC shut down its PP unit of 120kt/yr on 24 February and planned to restart on 20 March for regular maintenance.
- Dalian PC's unit of 70kt/yr was taken-off line on 10th March for the turnaround but no details involving of restarting had not been reported yet.
- Qilu PC's PP unit shifted production from EPS30R to EPS30RA on 13 Mar.
- Maoming PC's 1# PP unit shifted production from HHP4to EPC30R-H and its 2# PP unit shifted to F-280M on 12 Mar.
- Yangtze PC's 1PP unit shifted production from J340 to C180 on 17 Mar.
- Fujian Union shut down its 120,000tonne/year old unit on March 28 for regular maintenance.
- Dalian PC's unit of 200,000tonne/yr was taken-off line on 29th March for the turnaround, and the restart date was April10.
- Dalian Xitai 100,000tonne/year unit shut down on Feb.24th, and plan to restart on April 12th.
- Zhenhai refinery shutdown its 250kt/yr on April 9th, and restarted on April 14 for regular maintenance.
- Hebei Huabei Petrochemical shutdown its 100kt/yr on April 20th, and restarted date not fixed now.

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