

## China Price Monitor PP Pricing

August 30, 2011

(Pricing for August 26, 2011)

Source: CBI (Shanghai) Co., Ltd.

Tel. +44 20 8652 3335

E-mail: [CSC@icis.com](mailto: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	12270	13700	*	*	*	12485	12963	*	*	*
PP Block Co high-melt	12510	13200	*	*	*	12485	12963	*	*	*
BOPP Film Homo	12420	12710	*	*	*	-	-	*	*	*
PP Homo Yarn	12290	12800	*	*	*	12405	12804	*	*	*
PP Fiber	12400	13000	*	*	*	-	-	*	*	*
PP Homo Injection	12290	13000	*	*	*	12405	12804	*	*	*

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 in smooth direction overall this week. Traders sold cargoes according to the market trend with poor transactions in market. However, downstream manufacturers continued to hold weak buying interest with sluggish transactions at the high-end price.
- The domestically petrochemical companies successively adopted settlement price this week. However most ex-works prices were reduced, impacted by which traders lost confidence to the outlook and improved selling interest. Under the locked cost, most traders did not decrease offers largely.
- The global crude oil futures and Asian propylene fluctuated in a narrow range and domestic market kept in weak correction this week. Therefore, the import market was still unclear in outlook, leading weak transactions for days. Meanwhile, overseas suppliers began publishing offers for September shipment which were beyond buyers' expectation, leading slow trades.
- Most participants lost confidence to the outlook in view of lacking directional guides and held cautious stance in trading. The market is expected to be still in weak correction given that petrochemical companies successively adopted settlement prices to the coming of the end of this month.

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		*	*	*	*	*	*	*	*	*	*	*	*	
...	...	...		...	...	...	...	...	...	...	...	...	...	...	...	...	
<b>Total</b>				<b>9833</b>		*	*	*	*	*	*	*	*	*	*	*	

*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.
- FREP (Fujian Refining & Petrochemical) shut down its 120kt/yr old unit on June 5 for regular maintenance, and restarted on 22 July for regular maintenance. And this unit was shut down again during 2-3 August for accident.
- 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 40kt/yr 2PP unit on 11 August, and restarted date was unfixed for regular maintenance.
- Sanyuan PC shut down its 200kt/yr Line 1 during 11-19 June for regular maintenance, and shut down its 300kt/yr Line 2 during 16-21 June for regular maintenance. And 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 250kt/yr new Line 1 unit on 27 June and restarted on 6 July for regular maintenance, while 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 new Line 1 unit for accident with no 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 11 October.
- Shenhua (Baotou) Charcoal Chemical Industry shut down its 300kt/yr unit on 5 July and had a plan to restart on 22 August.
- Yanan refinery shut down its 200kt/yr new unit during 5-29 June for regular maintenance, and shut down its 100kt/yr old unit during 4-19 July for regular maintenance.
- 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.
- Jinan Refinery shut down its 120kt/yr 1PP unit on 1 August and restarted on 8 August.
- Huajin Chemical (Panjin Ethylene) its 250kt/yr new unit on 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. [CBI \(Shanghai\) Co., Ltd.](#) Contact: +44 20 8652 3335 E-Mail: [CSC@icis.com](mailto:CSC@icis.com)