

## China Price Monitor PP Pricing

April 7, 2009

(Pricing for April 3, 2009)

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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	9820	11660	11000	12000	+1180	9069	9920	9494	10345	+426
PP Block Co high-melt	9900	10340	11000	11200	+1100	9069	9920	9494	10345	+426
BOPP Film Homo	8760	9240	9800	10000	+1040	8813	9494	9069	9664	+255
PP Homo Yarn	8450	9540	9800	10200	+1350	8813	9494	9069	9920	+255
PP Fiber	8720	9260	9700	10000	+980	-	-	-	-	-
PP Homo Injection	7450	9420	9700	10000	+2250	8813	9494	9069	9920	+255
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 this week.
- Although crude oil values fell below \$50/tonne in early this week, prices in all regions remained firm, providing support to traders' confidence.
- By this Friday, homo PP prices had hit CNY 10,000/tonne due to price hike at Sinopec and PetroChina, as well as tight supply.
- Although some units had recovered normal production, new products to the market would not be available in the short term, making the market agog with speculations.
- However, trading volumes remained sporadic on limited availability.
- Some traders were cautious in operation as they worried prices would be pushed down without enough support from end users.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan,09	Feb	Mar	Apr	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300		7										
Petrochina	Dalian PC	Dalian	Liaoning		270	30	31	31	30	31	30	31	31	28	31	30	
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	20	31	31	31	31	15		2				
				PP New	300				21	2			2				
Sinopec	Yanshan PC	Beijing	Beijing		440	4	11	5	3	2	26	25	5		3		
Sinopec	Yangzi PC	Nanjing	Jiangsu		400			13							3		
Sinopec	Shanghai PC	Shanghai	Shanghai		450			17	26	17	30	31	15				
Sinopec	Maoming PC	Maoming	Guangdong	PP	170	4			1			4					
				PP New	300	17		1	1								
Sinopec and BP	Shanghai Secco	Shanghai	Shanghai		250										22		
CNOOC and Shell	CSPC	Huizhou	Guangdong		240												
Formosa	Formosa Ningbo	Ningbo	Zhejiang		450			28			30		12	7			
<b>Total</b>					<b>6463</b>	<b>154</b>	<b>127</b>	<b>174</b>	<b>161</b>	<b>120</b>	<b>189</b>	<b>181</b>	<b>130</b>	<b>93</b>	<b>127</b>	<b>97</b>	
<i>Note: Only top ten resin suppliers included, all suppliers shutdown list is available in the full China Price Monitor</i>																	

## Production News & Shutdowns

- Dalian PC shut down its 50 kt/yr PP unit on 15 May,2008, and the unit has not restarted yet.
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- Panjin Ethylene shut down its 50 kt/yr PP unit on 9 December, and plans to restart on May 2009.
- Daqing PC shut down its 100 kt/yr PP unit during 19-24 March for maintenance.
- WEPEC shut down its 100 kt/yr PP unit during 16-30 March for maintenance.
- Yangzi PC shut down its 200 kt/yr PP unit during 18-22 March for maintenance.
- Qingdao Refinery shut down its 200 kt/yr unit during 17-25 March for maintenance.
- Shanghai Secco shut down its 250 kt/yr PP unit during 8-30 March due to unexpected accidents.
- Yanshan PC shut down its 200 kt/yr 1PP unit during 23-25 March and shut down its 200 kt/yr 3PP unit during 24-27 March for maintenance, Yanshan shut down its 40 kt/yr 2PP unit during 26-27 March due to mechanical problems.
- Shaoxin Sanyuan lowered its operating rate from 70% to 50% due to shortage of propylene from 15 March.