

China Price Monitor PP Pricing

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(Pricing for January 8, 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	11280	12050	*	*	*	11707	11792	*	*	*
PP Block Co high-melt	11380	11840	*	*	*	11877	12217	*	*	*
BOPP Film Homo	10770	11090	*	*	*	132.5	132.5	*	*	*
PP Homo Yarn	10560	11270	*	*	*	11196	11366	*	*	*
PP Fiber	10800	11330	*	*	*	-	-	*	*	*
PP Homo Injection	10840	11450	*	*	*	11281	11451	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- With the strong oil drastically rebounding above \$80/bbl and recently tight spot availabilities, offers from local petrochemical suppliers generally jumped dramatically, whose inventories were assessed normal. Hence Chinese PP domestic prices were posted a surprised higher this week.
- According to this, speculation sentiment unfortunately spread around everywhere, sources reported. Therefore some inventories holders who were less inclined to sell even hold back offers, keeping wait and see attitude, till the second half of this week.
- However, deals were heard moderate, with stagnation at the high-end prices.
- Most of end users were found hesitated with the current prices rocketed up dynamically, holding money but not interested to go back to the market. Presently they generally still preferred mild purchasing policies.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan, 10	Feb	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300					10	15			15			
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40										1		
				PP New	300		6	30									
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Yangzi PC	Nanjing	Jiangsu		*	*	*	*	*	*	*	*	*	*	*	*	*
...
Total					7773	130	188	*	*	*	*	*	*	*	*	*	*

Note: Only top ten resin suppliers included, all suppliers shutdown list is available in the full China Price Monitor

Production News & Shutdowns

- Yanshan PC unexpectedly shut down its 200 kt/yr 1PP unit due to a shortage of propylene feedstock for regular maintenance during 24-28 December.
- Hainan Refinery shut down its 200 kt/yr PP unit for regular maintenance on 20 December and plans to restart by the end of January 2010.
- Panjin Ethylene shut down its 50 kt/yr from 23 December to 3 January for regular maintenance.
- Yanan Refinery shut down its 100 kt/yr PP unit from 23 December and has not restarted yet for regular maintenance due to a shortage of propylene feedstock.
- Dushanzi PC unexpectedly shut down its 550 kt/yr PP new unit, which has two lines of 250 kt/yr from 22-30 December and 300 kt/yr from 22-25 December respectively, both due to technical problem.
- Yangzi PC shut down its 100 kt/yr line B of old unit during 22-27 December for regular maintenance.
- Lanzhou PC shut down its 40 kt/yr PP old unit from 7 January and not restarted yet due to a explosion at oil tank.
- Formosa Ningbo unexpectedly shut down its 170 kt/yr PP unit from 28 December and has not restarted yet due to technical problem.
- Maoming PC shut down its 2PP unit of 300 kt/yr from 28 December and has not restarted yet for regular maintenance.

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