

## China Price Monitor PP Pricing

June 16, 2009

(Pricing for June 12, 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	9990	12100	10100	12200	+110	9324	9920	9494	10345	+170
PP Block Co high-melt	9920	10200	10100	10400	+180	9324	9920	9494	10345	+170
BOPP Film Homo	9200	9720	9500	9900	+300	9069	9494	9324	9749	+255
PP Homo Yarn	9230	9800	9500	10000	+270	9069	9494	9324	9664	+255
PP Fiber	9520	9800	9700	10000	+180	-	-	-	-	-
PP Homo Injection	9200	9840	9500	10000	+300	9069	9494	9324	9664	+255
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- China PP prices continued to increase and homo PP volumes were better than last weekend in some regions. The ongoing rise in crude values remains the major upside factor.
- Despite the uptrend in recent weeks, there was no firm consensus on how long the crude-driven price rise would hold.
- Many traders believed the market was cautious and it stroked a balance between upstream cost increases and downstream weakness in demand.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Aug	Sep	Oct	Nov	Dec	Jan,09	Feb	Mar	Apr	May	Jun	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300												
Petrochina	Dalian PC	Dalian	Liaoning		270	31	30	31	30	31	31	28	31	30	31	30	
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	31	31	31	15		2						
				PP New	300		21	2			2				6	30	
Sinopec	Yanshan PC	Beijing	Beijing		440	5	3	2	26	25	5		3	6	5	7	
Sinopec	Yangzi PC	Nanjing	Jiangsu		400	13							4	2	1		
Sinopec	Shanghai PC	Shanghai	Shanghai		450	17	26	17	30	31	15						
Sinopec	Maoming PC	Maoming	Guangdong	PP	170		1			4							
				PP New	300	1	1										
Sinopec and BP	Shanghai Secco	Shanghai	Shanghai		250								21		5	30	
CNOOC and Shell	CSPC	Huizhou	Guangdong		240												
Formosa	Formosa Ningbo	Ningbo	Zhejiang		450	28			30		12	7		12	30	2	
<b>Total</b>					<b>6463</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>130</b>	<b>188</b>	<b>103</b>	

*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 200 kt/yr 1PP unit on 31 May for maintenance, and restarted on 6 June. Yanshan shut down the unit again on 11 June for maintenance.
- Qilu PC planned to shut down its 70 kt/yr PP unit from 15 April to 30 May for maintenance.
- Guangzhou PC shut down its 70 kt/yr Line B of PP unit on 27 April for maintenance, the unit was restarted on 31 May.
- Hunan Changsheng shut down its 100 kt/yr PP unit during 8-26 May for maintenance.
- Shanghai Secco shut down its 250 kt/yr PP unit on 26 May, for maintenance and plans to restart the unit early July.
- Lanzhou PC shut down its 300 kt/yr PP unit on 25 May for maintenance, and plans to restart the unit early July .
- Sanyuan lifted its operating rate to 60% on 7 April, lifted to 70% on 14 April, and to 80% on 5 May.
- Zhenhai Refinery ran its 250 kt/yr PP unit at 50% operating rates in mid May, it planned to run at 100% on 15 June.

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