

China Price Monitor PP Pricing

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(Pricing for March 13, 2008)

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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	8150	8730	8200	8800	+50	7792	8217	7792	8217	0
PP Block Co high-melt	8400	8500	8500	8700	+100	7792	8217	7792	8217	0
BOPP Film Homo	7510	7850	7600	7900	+90	7537	8047	7537	8047	0
PP Homo Yarn	7470	7848	7550	7900	+80	7537	7792	7537	7792	0
PP Fiber	7480	7810	7550	7900	+70	-	-	-	-	-
PP Homo Injection	7450	8030	7550	8100	+100	7537	7792	7537	7792	0
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- The China's PP market stepped out of bearish sentiment this week and prices had been on a rising streak since Monday.
- Sinopec cancelled list prices, giving support to the market.
- Zhenhai Refinery will not produce yarn grade until late March, decreasing local supply.
- In addition, rumors that a PP unit at a joint venture in east China was unexpected offline, strengthening traders' confidence.
- Soaring prices of crude oil futures and domestic plastic futures also stimulated transactions.
- However, transactions at high levels were sluggish due to low operating rates at downstream users. As a result, most traders were not optimistic about the market next week.

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	28	28	
Petrochina	Lanzhou PC	Lanzhou	Gansu	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				
Sinopec	Yangzi PC	Nanjing	Jiangsu		400			13									
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												
CNOOC and Shell	CSPC	Huizhou	Guangdong		240												
Formosa	Formosa Ningbo	Ningbo	Zhejiang		450			28			30		12	7			
Total					6463	154	127	174	161	120	189	181	130	93	80	28	
<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 was not restarted yet.
- TUCO shut down its 60 kt/yr PP unit on 28 September of 2008, it delayed the restart to 9 March of 2009 due to weak market.
- Panjin Ethylene shut down its 50 kt/yr PP unit on 9 December, and planned to restart on 1 April 2009.
- Yanshan PC shut down its 200 kt/yr 1PP unit during 20-26 February due to the breakdown of equipment.
- Daqing PC plans to shut down its 100 kt/yr PP unit during 20-24 March for maintenance.
- WEPEC shut down its 100 kt/yr PP unit during 15-24 March for maintenance.
- Shaoxin sanyuan was running at 70% operating rate from late November 2008.