

**China Price Monitor PP Pricing**  
**November 24, 2009**  
**(Pricing for November 20, 2009)**

Source: CBI (Shanghai) Co., Ltd.

Tel. +(86 21) 51550731

E-mail: [chemicalresearch@cbichina.com](mailto:chemicalresearch@cbichina.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	10160	11610	*	*	*	10345	10856	*	*	*
PP Block Co high-melt	10360	10880	*	*	*	10345	10856	*	*	*
BOPP Film Homo	9880	10160	*	*	*	132.5	132.5	*	*	*
PP Homo Yarn	9820	10260	*	*	*	10175	10430	*	*	*
PP Fiber	9860	10360	*	*	*	-	-	*	*	*
PP Homo Injection	9880	10320	*	*	*	10175	10430	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- PP prices in China rose significantly this week, especially those of copolymer, driven by strong crude oil prices and producers' price hikes.
- Producers lifted their offers due to higher upstream feedstock costs and low inventories. Shaoxin Sanyuan PC ran at around 60% operating rates due to higher propylene prices. Heavy snows in north China negatively influenced transaction of local producers' cargoes, leading to a tight supply.
- Most of inventories holders limited their trading volumes, particularly according to the currently encouraged prices and confirmed tight spot availabilities, sources reported.
- November demand from downstream converters was strong due to the peak production season in December and January.
- Considering tight supply and higher propylene prices and crude values, some traders expected PP prices to increase next week. However, the increase was likely to be moderate as supply pressure from new capacities of domestic petrochemicals still affected PP market.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Jan.09	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300								10	15			
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	2											
				PP New	300	2				6	30						
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Yangzi PC	Nanjing	Jiangsu		*	*	*	*	*	*	*	*	*	*	*	*	*
...	...	...		...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>Total</b>					<b>7773</b>	<b>130</b>	<b>93</b>	<b>127</b>	<b>130</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>*</b>
<b>Note: Only top ten resin suppliers included, all suppliers shutdown list is available in the full China Price Monitor</b>																	

## Production News & Shutdowns

- FRPC was reported to start up its 400 kt/yr new PP units including 2 lines. One of its lines confirming 180 kt/yr shut down during 3-6 November and other of 220 kt/yr shut down during 9-16 November both for regular maintenance.
- Yanshan PC shut down its 200 kt/yr 1PP unit due to a technical problem on 17 November, and the unit has not restarted yet.
- Yan'an Refinery shut down its 100 kt/yr PP old unit from 17 October to 15 November for regular maintenance. Meanwhile, it also shut down its 200 kt/yr new PP unit unexpectedly from 14 September to 3 October due to a technical problem.
- Shanghai PC shut down its 3PP unit of 210 kt/yr during during 4-9 November for regular maintenance.
- Dalian PC shut down its 200 kt/yr PP unit unexpectedly from 26 October to 14 November for regular maintenance.
- Maoming PC shut down its 2PP unit of 300 kt/yr on 4 November only for several hours for regular maintenance.
- Hunan Changsheng shut down its PP unit of 100 kt/yr during 9-13 November for regular maintenance.
- Formosa Ningbo shut down its 170 kt/yr PP unit during 11-23 November due to a shortage of propylene feedstock.