

**China Price Monitor PP Pricing**  
**September 29, 2009**  
**(Pricing for September 25, 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	9460	10800	*	*	*	9920	10345	*	*	*
PP Block Co high-melt	10160	10700	*	*	*	9920	10345	*	*	*
BOPP Film Homo	9250	9550	*	*	*	132.5	132.5	*	*	*
PP Homo Yarn	9160	9950	*	*	*	9069	9494	*	*	*
PP Fiber	9230	9800	*	*	*	-	-	*	*	*
PP Homo Injection	9200	10150	*	*	*	9069	9494	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- Bearish sentiment continued to spread around the overall Chinese PP market unpleasantly with the result that market remained sluggish with moderate trading volumes based on the continuing drop of offers.
- In addition, local petrochemical suppliers cut their offers unexpectedly this week. Players said, the recent inactive pricing policies from producers definitely deteriorated the market weakness and shortage of trading confidence.
- On the background of upcoming Chinese National holiday and newly-launched units such from Fujian United and Dushanzi PC, spot supply was estimated to be increased. Almost all traders speeded up to move cargoes to reduce their inventories.
- Suffering from the depressed domestic market, overseas suppliers gave more ground in offers but still received few bids. Importers shouldered sales pressure and seemed no more interest to go back the market recently. In sum, prices experienced a huge drop this week.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Nov	Dec	Jan,09	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300										10	15	
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	15		2									
				PP New	300			2				6	30				
Sinopec	Yanshan PC	Beijing	Beijing		*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Yangzi PC	Nanjing	Jiangsu		*	*	*	*	*	*	*	*	*	*	*	*	*
...	...	...		...	...	...	...	...	...	...	...	...	...	...	...	...	...
<b>Total</b>					<b>7633</b>	<b>189</b>	<b>181</b>	<b>130</b>	<b>93</b>	<b>127</b>	<b>130</b>	<b>188</b>	<b>108</b>	<b>83</b>	<b>89</b>	<b>54</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

- Fujian United (originally-named Fujian Refinery) shut down its 120 kt/yr PP unit from 19 July to 3 August for regular maintenance due to shortage of propylene and again shut down unexpectedly 13 August and restarted on 24 August due to a technical problem.
- Fujian United (originally-named Fujian Refinery) was confirmed to start up its 400 kt/yr new PP with 2 lines; one line of 220 kt/yr shut down unexpectedly from 9 September to 17 September due to technical problem while the other was confirmed 180 kt/yr.
- Dushanzi PC was confirmed its PP unit 140 kt/yr changed from 120 kt/yr, including 2 lines of 70 kt/yr respectively. The one shut down on 25 July and planned to restart on 31 August while the other shut down on 30 July and restarted on 15 August for regular maintenance due to shortage of propylene.
- Daqing Refinery shut down its 300 kt/yr PP unit from 21 August to 8 September for regular maintenance and again shut down from 17 September and kept unknown about its restart also for regular maintenance.
- Yanshan PC shut down unexpectedly its PP 440 kt/yr unit of totally 3 lines due to the technical problem; the first line of 200 kt/yr shut down from 8-12 September and again to shut down from 23 September and kept unknown about its restart for regular maintenance; the second line of 40 kt/yr shut down from 1 September to 3 September and the third line of 200 kt/yr shut down from 19-21 August and again shut down from 25-26 August unexpectedly.
- Yan'an Refinery shut down its 100 kt/yr PP old unit from 7 September and kept unknown about its restart for regular maintenance due to the shortage of propylene feedstock. Meanwhile, it also shut down its 200 kt/yr new PP unit unexpectedly from 14 September and still kept unknown about its restart due to technical problem.
- Dalian WEPEC shut down its 100 kt/yr PP unit from 18 September and kept unknown about its restart for regular maintenance.

CBI (Shanghai) Co., Ltd.

Contact: +(86 21) 51550731

E-Mail: [chemicalresearch@cbichina.com](mailto:chemicalresearch@cbichina.com)