

China Price Monitor PP Pricing

July 28, 2009

(Pricing for July 24, 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	9910	11600	10000	11700	+90	10345	11026	10345	11026	0
PP Block Co high-melt	10280	10580	10350	10600	+70	10345	11026	10345	11026	0
BOPP Film Homo	9770	10100	9850	10200	+80	9920	10345	9920	10345	0
PP Homo Yarn	9510	10020	9700	10100	+190	9920	10345	9920	10345	0
PP Fiber	9650	10110	9700	10200	+50	-	-	-	-	-
PP Homo Injection	9500	10000	9600	10000	+100	9920	10345	9920	10345	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 PP market was assessed unchanged and stood firmly this week, beneficial from the increase in crude oil prices.
- Market sentiment changed to be active and players' confidences began to resume as expected. But prices of grades were expected to be stable generally in short term.
- Presently the market was bolstered due to tight spot availabilities.
- Propylene monomers prices still remained high and some units were in the maintenance program. However, it's generally believed that the market will keep this firmly in the near future mainly based on the weak downstream demand.
- In the imported market, overseas suppliers kept offering prices strictly, still based on the rebounded oil and high pricing of propylene monomers. Domestic market remained bearish with domestic prices lower than import offers, which dampened Chinese importers' buying interest greatly. Sales became difficult, suppliers said.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Sep	Oct	Nov	Dec	Jan,09	Feb	Mar	Apr	May	Jun	Jul	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300												
Petrochina	Dalian PC	Dalian	Liaoning		270	30	31	30	31	31	28	31	30	31	30	31	
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	31	31	15		2							
				PP New	300	21	2			2				6	30		
Sinopec	Yanshan PC	Beijing	Beijing		440	3	2	26	25	5		3	6	5	10	3	
Sinopec	Yangzi PC	Nanjing	Jiangsu		400							4	2	1		5	
Sinopec	Shanghai PC	Shanghai	Shanghai		450	26	17	30	31	15							
Sinopec	Maoming PC	Maoming	Guangdong	PP	170	1			4						1		
				PP New	300	1											
Sinopec and BP	Shanghai Secco	Shanghai	Shanghai		250							21		5	26	11	
CNOOC and Shell	CSPC	Huizhou	Guangdong		240												
Formosa	Formosa Ningbo	Ningbo	Zhejiang		450			30		12	7		12	30	2		
Total					6463	161	120	189	181	130	93	127	130	188	108	69	

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

Production News & Shutdowns

- Secco shut down its 250 kt/yr PP unit again on 6 July due to shortage of propylene, and restarted the unit on 17 July.
- Panjin Ethylene shut down its 50 kt/yr PP unit during 19-21 July due to a technical problem.
- Yangzi PC shut down its 100 kt/yr Line A of 1PP during 8-13 July for maintenance.
- Sanyuan lifted operating rate to 60% on 7 April, lifted rate to 70% on 14 April, and to 80% on 5 May. Sanyuan PC planned to shut down its 200 kt/yr PP unit on 20 July for 10-days maintenance.
- Fujian United shut down its 120 kt/yr PP unit on 19 July but, kept unknown about its restart.

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