

## China Price Monitor LDPE+LLDPE Pricing

August 25, 2009

(Pricing for August 21, 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	
LDPE Coating	11650	11800	*	*	*	11792	12132	*	*	*
LDPE Film	10680	11600	*	*	*	10260	11451	*	*	*
LLDPE General Film	10800	11300	*	*	*	10771	11366	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- The Chinese PE market reported a downtrend this week.
- The market sentiment was greatly dampened by nose-dived values of crude oil, futures and stocks with a sharp drop registered in prices of LLDPE.
- Prices of LDPE kept stable or fell slightly on the back of high offers from producers, but a significant decrease was seen in trading volumes.
- Price fall of LLDPE was largely due to continual decline in the futures market. Traders were in a hurry to sell while buyers stood on the sidelines.
- Distributors have not finished their August sales task at the end of the month.
- In addition, petrochemical producers saw increasing inventories following disrupted sales in earlier time and they were reportedly mulling price cuts.
- As a result, more and more traders were pessimistic about the outlook.

PE China Shutdown Schedule - expected number of shut down days																		
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	Dec	Jan,09	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Comments	
Sinopec	Yanshan PC	Beijing	Beijing	LDPE	380	11			1	12	2		18	31	30	14		
				HDPE	140	2			7						1			
Sinopec	Qilu PC	Zibo	Shandong	LDPE	140	7				15	25							
				LLDPE	140	4				15	30				2			
				HDPE	140		4	3		15	28							
Sinopec	Yangzi PC	Nanjing	Jiangsu	LDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Sinopec	Shanghai PC	Shanghai	Shanghai	LDPE	*	*	*	*	*	*	*	*	*	*	*	*		
				HDPE	*	*	*	*	*	*	*	*	*	*	*	*	*	*
...	...	...		...	...	...	...	...	...	...	...	...	...	...	...	...		
<b>Total</b>					<b>7050</b>	<b>163</b>	<b>132</b>	<b>90</b>	<b>138</b>	<b>117</b>	<b>194</b>	<b>156</b>	<b>74</b>	<b>82</b>	<b>30</b>	<b>14</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 60 kt/yr No.3 line of LDPE unit on 13 July for three months as the line was being transformed into EVA line. Yanshan shut down its 60 kt/yr No.2 line of LDPE unit during 3-6 August for maintenance. Yanshan shut down its 70 kt/yr No.2 line of HDPE unit on 14 August for one day due to mechanical problems.
- Qilu PC shut down its 140 kt/yr LLDPE during 12-14 August due to unexpected accidents.
- Daqing shut down its 80 kt/yr line C of HDPE unit on 27 July for maintenance, restarted on 3 August. Daqing shut down the unit again on 17 August for maintenance. Daqing shut down its 80 kt/yr line A of HDPE unit during 3-6 August and 10-17 August for maintenance. Daqing shut down its 65 kt/yr LDPE unit during 19-21 August for maintenance.
- Dushanzi shut down its 120 kt/yr LLDPE unit on 25 July due to shortage of ethylene feedstock, and restarted on 9 August. Dushanzi shut down its 100 kt/yr HDPE unit on 11 August for maintenance.
- Jilin PC shut down its 300 kt/yr HDPE unit on 27 July for maintenance, and restarted on 3 August. Jilin shut down its 275 kt/yr LLDPE unit during 4-7 August for maintenance.
- Yangzi PC shut down its 80 kt/yr Line B of HDPE during 6-16 August due to mechanical problems.
- Maoming PC shut down its 120 kt/yr LDPE unit during 1-6 August for maintenance. Maoming shut down its 250 kt/yr LDPE during 8-11 August for maintenance.

Note: \* replaced the actual data which are only provided to CBI CPM subscribers.

CBI (Shanghai) Co., Ltd. Contact: +(86 21) 51550731 E-Mail: [chemicalresearch@cbichina.com](mailto:chemicalresearch@cbichina.com)