

## China Price Monitor PP Pricing

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(Pricing for October 30, 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	9780	11240	*	*	*	10175	10600	*	*	*
PP Block Co high-melt	10220	10560	*	*	*	10175	10600	*	*	*
BOPP Film Homo	9500	9840	*	*	*	132.5	132.5	*	*	*
PP Homo Yarn	9540	9850	*	*	*	9494	9920	*	*	*
PP Fiber	9600	10000	*	*	*	-	-	*	*	*
PP Homo Injection	9570	10150	*	*	*	9494	9920	*	*	*
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

### This week's executive summary

- The Chinese domestic market stopped its upward step, experiencing an unexpectedly slight drop in prices according to crude oil's dive the second half of this week. Transactions heard to be moderate under inactive market conditions, although it was reported that spot cargoes were in the shortage.
- Market players' confidence was broken due to the dramatic turbulence of crude oil that apparently unable to boost the continuing uptrend. More seriously, some end users seemed to be hesitated to receive the current high prices.
- Overseas suppliers were generally looking for increased offers, citing stably high propylene price. More importers who felt unsure about the future price trend preferred to take a wait and see stance based on the faint downstream demand.
- In sum, both bullish and bearish sentiments spread around this market in which most market players were lacking of long-term operation orientation in anticipation of the provisional downturn.

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

## Production News & Shutdowns

- Dushanzi PC shut down one of its new PP unit of 250 /yr from 20-26 October for regular maintenance due to the shortage of propylene feedstock.
- FRPC was confirmed to start up its 400 kt/yr new PP with 2 lines; one line of 220 kt/yr shut down from 9 September to 17 September while the other of 180 kt/yr also shut down during 24-29 September unexpectedly, both due to technical problem.
- Daqing Refinery shut down its 300 kt/yr PP unit from 21 August to 8 September for regular maintenance and again shut down during 17-25 September for regular maintenance.
- Yanshan PC shut down its 1 PP unit of 200 kt/yr for regular maintenance firstly during 23-30 September and again shut down from 11-19 October due to the shortage of propylene feedstock. Meanwhile, it unexpectedly shut down its 2PP unit of 200 kt/yr due to the technical problem on 27 October only for several hours.
- Yan'an Refinery shut down its 100 kt/yr PP old unit during 7-29 September due to the shortage of propylene feedstock and again shut down from 17 October but kept unknown about its restarting both for regular maintenance. Meanwhile, it also shut down its 200 kt/yr new PP unit unexpectedly from 14 September to 3 October due to technical problem.
- Shanghai PC shut down its 3 PP unit of 210 kt/yr during 12-20 October for regular maintenance.
- Panjin Ethylene shut down its 50 kt/yr PP unit during 23-30 September for regular maintenance.
- Dalian PC shut down its 200 kt/yr PP unit unexpectedly from 26 October to 6 November for regular maintenance.