

China Price Monitor PP Pricing
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(Pricing for November 14, 2008)

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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	6700	8480	7500	9000	+800	5920	6515	6941	7366	+1021
PP Block Co high-melt	7140	7430	7700	8000	+560	-	-	-	-	-
BOPP Film Homo	6270	7050	7500	8000	+1230	6090	6260	6515	6771	+426
PP Homo Yarn	5980	7230	7500	8000	+1520	5920	6260	6515	6771	+596
PP Fiber	6180	6860	7000	8000	+820	-	-	-	-	-
PP Homo Injection	6180	6920	7000	8000	+820	5920	6260	6515	6771	+596
Excludes delivery. Payment terms are T/T for domestic resin and LC at site for imported resin.										

This week's executive summary

- PP market, sinking in a bearish air previously, recovered early this week. Traded prices of ho-PP gained more than CNY 1,000/tonne.
- Despite falling crude oil prices, PP prices rose due to short supply, source said. Petrochemical producers said inventories of PP yarn and common co-PP were tight, and those of other grades were close to normal level.
- Consumption of BOPP film and some special grades still remained slow.
- Rebound in the Asian ethylene prices gave support to increasing US prices, but the upward rate slowed down and most suppliers opted to delay trades.
- Traders showed keener buying interest and downstream users also made large volume purchase.
- However, market players were worried that the bullish situation was short lived as converters had no plans to raise operating rates sharply.

China PP Shutdown Schedule - expected number of shut down days																	
Majority Owners	Plant	City	Province	Line	Annual Capacity KT	JAN, 08	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Comments
Petrochina	Daqing Refinery	Daqing	Heilongjiang	PP	300							7					
Petrochina	Dalian PC	Dalian	Liaoning		270					15	30	31	31	31	31	31	
Petrochina	Lanzhou PC	Lanzhou	Gangsu	PP	40	3					20	31	31	31	31	15	
				PP New	300									21	2		
Sinopec	Yanshan PC	Beijing	Beijing		440	2	5		2		4	11	5	3	2	9	
Sinopec	Yangzi PC	Nanjing	Jiangsu		400	8	6	4	15				13				
Sinopec	Shanghai PC	Shanghai	Shanghai		450					8			17	26	17	31	
Sinopec	Maoming PC	Maoming	Guangdong	PP	170			3			4			1			
				PP New	300	17			3		17		1	1			
Sinopec and BP	Shanghai Secco	Shanghai	Shanghai		250												
CNOOC and Shell	CSPC	Huizhou	Guangdong		240												
Formosa	Formosa Ningbo	Ningbo	Zhejiang		450								28				
Total					6418	69	39	41	53	90	154	127	174	162	120	122	
<i>Note: Only top ten resin suppliers included, all suppliers shutdown list is available in the full China Price Monitor</i>																	

Production News & Shutdowns

- Dalian PC shut down its 70 kt/yr old PP unit on 15 May, and the unit has not restarted yet.
- Shanghai PC shut down its 120 kt/yr 2PP unit on 18 October for maintenance, and planned to restart on early December.
- Yanshan PC shut down its 40 kt/yr 2PP unit during 8-10 October due to unexpected accidents, and it shut down the unit again on 5 November for maintenance due to poor demand. Yanshan PC shut down its 200 kt/yr 1PP unit on 3 November for one-day maintenance due to unexpected accidents.
- Lanzhou PC shut down its 40 kt/yr old PP unit on 10 June due to lack of propylene, it planned to restart on 15 November.
- Tucc shut down its 60 kt/yr PP unit on 28 September for maintenance, it delayed the restart to 25 November due to weak market.
- Hunan Chuangsheng PC planned to shut down its 100 kt/yr PP unit during 22-28 October due to unexpected accidents.
- Luoyang PC planned to shut down its 80 kt/yr PP unit during 13-24 November due to the hitch of upstream cracker.