

CHEMICAL BUSINESS FOCUS

A MONTHLY ROUNDUP AND ANALYSIS OF THE
KEY FACTORS SHAPING WORLD CHEMICAL MARKETS

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- Asian EDC price at \$420/ton cfr for new business in July
- US export VCM prices increase to \$720-740/ton for July
- In West Europe unscheduled outages tighten VCM supply
- The June VCM price agreed at \$760/ton cfr in NE Asia
- West European PVC prices increase Euro20/ton for June
- In NE Asia, PVC prices increase to \$950-970/ton for June

Feedstocks

In the USA, contract ethylene prices for May rose 1c/lb at 44.5c/lb. June prices are expected to show further increases of between 2.0 and 2.5c/lb. In West Europe, the bimonthly contract price for June/July was concluded at Euro925/ton. This is an increase of Euro40/ton but the Q3 contract prices is expected to show increases of perhaps Euro20-30/ton. In Asia, spot ethylene prices are \$1150-1200/ton cfr, Taiwan, down a little due to the new FPC capacity.

EDC

Brazilian EDC exports to Asia are currently running at about 150-160ktpa. For the moment US exports seem limited to contract business only. In West Europe, EDC prices are quite stable at around \$370-380/ton fob. Lower priced EDC material is heard, but it is not clear what quality it is. In Northeast Asia the EDC price has been fairly stable at around \$420/ton cfr but the outlook is cause for concern. This is due to the weakening Chinese PVC market.

VCM

There has been a surge in spot export VCM offer prices over the last month to around \$720-750/ton fob US Gulf. There has been some tightening of supply and PVC exports are running well, though the price may just be a question of what the market will bear. In West Europe, Shin Etsu's VCM plant is back up, after a compressor problem, and 2 of Arkema's VCM plants should re-start around 5-6 July. In Northeast Asia the VCM price for June was settled at \$760/ton cfr, with July offers at \$800/ton cfr.

PVC

The housing sector in the USA remains generally at a reduced level (after the peak in 2006). June PVC prices look likely to increase by just 1c/lb after nominations of 2c/lb. In West Europe, average June PVC prices are assessed to have risen by Euro20/ton, although higher increases for spot business are heard. Demand has been a bit slower. In Northeast Asia, PVC prices for July have increased to \$950-970/ton cfr. The China market is weakening, however.

PRICE MONITOR

US PRICES

		30 March 2007 ¢/pound	30 April 2007 ¢/pound	30 May 2007 ¢/pound	29 June 2007 ¢/pound	29 June 2007 \$/ton
VCM	Contract	38.50	40.0	40.75	N.A.*	FOB N.A.*
	Spot Export	27.2-27.7	27.2-28.1	27.2-28.1	31.1	FOB 685
PVC	Pipe, Suspension					
	Market ref	53.0-55.0	55.0-57.0	56.0-58.0	56.0-58.0	DEL 1235-1279
	Actual	46.0-48.0	48.0-50.0	49.0-51.0	49.0-51.0#	DEL 1080-1124#
	Homopolymer, Suspension					
	Market ref	54.0-56.0	56.0-58.0	57.0-59.0	57.0-58.0	DEL 1257-1279
	Actual	47.0-48.0	49.0-50.0	50.0-52.0	50.0-52.0#	DEL 1102-1146#
	Export, Suspension	38.6-40.8	39.5-40.8	39.9-43.1	40.8-41.7	FOB 900-920

WEST EUROPEAN PRICES

		€/ton	€/ton	€/ton	€/ton	\$/ton
EDC	Spot	263-278	249-264	278-293	275-282	FOB 370-380
VCM	Contract Monthly	720-740	720-740	680-700	740-750	FD 996-1009
	'Spot'	600-608	549-966	594-616	721-737	CIF 971-992
	Spot Export	600-638	586-623	631-697	728-750	FOB 980-1010
PVC	Pipe, Suspension(1)					
	Germany	1010-1030	1010-1030	1010-1030	1030-1050	DEL 1386-1413
	Italy	995-1015	1005-1025	1005-1025	1025-1045	DEL 1380-1406
	France	1015-1030	1015-1030	1015-1030	1035-1050	DEL 1393-1413
	UK (£/ton)	720-730	725-735	725-735	740-750	DEL 1483-1503
	Homopolymer, Suspension	1050-1070	1050-1070	1050-1070	1070-1090	DEL 1440-1467
	Paste Actual	1270-1320	1270-1320	1270-1320	1270-1320	DEL 1709-1777
	Export, Suspension					
	Ex West Europe	690-705	674-689	683-735	698-750	FOB 940-1010
	Ex Comecon	758-773	748-770	757-787	773-802	FOB 1040-1080

EAST ASIAN PRICES

EDC	Taiwan \$/ton	420-440	370-400	420-430	420	CFR
VCM	\$/ton	690	700	715	760	CFR
PVC	General Purpose \$/ton	870-890	900-910	930-940	950-970	CFR
	China Acetylene Rmb/Ton (2)	6350-6750	6500-7200	6950-7850	7300-7900	CFR 959-1037
	China Ethylene Rmb/Ton (2)	6800-7400	6950-7600	7150-8100	7900-8300	CFR 1037-1090
	Taiwan Domestic NT\$/ton	28200	29200	29800	31300	CFR 953

SOUTH EAST ASIAN PRICES

VCM	\$/ton	750	770-780	800	820-840	CFR
PVC		850-870	870-900	920-930	920-940	CFR

Current one US dollar equivalent (28 June 2007)

€: 0.743 £: 0.499 (1/2.004) Yen 123 NT\$: 32.840 Won: 926.9 RMB Yuan: 7.62

Current one € equivalent (28 June 2007)

US\$ 1.346 £: 0.672 (1/1.488) Yen 165.6

(1) = Domestic Producers' prices. N.A. = Not Available * = The VCM price series has been rebased since January 2006. Prices now refer to the caption month (and not to two months previously as before). See also VCM text. (2) = Rmb/ton, includes VAT at 17% # = Provisional

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FEEDSTOCKS

Ethylene

The contract price for April in the USA was finally settled at 43.5c/lb, an increase of 2.5c on the March price. High feedstock costs and a strong spot market have sustained the price momentum and May's contract price was settled at a further 1c/lb increase to 44.5c/lb. June contract price nominations were in the range plus 3-5c/lb, but settlements were expected to be closer to increases of 2.0-2.5c/lb. Demand for ethylene in the USA is generally good and there is no surplus spot product overhanging the market. June and July are normally months in which demand is strong, as downstream producers build inventories ahead of the holiday months of August and September.

High raw material costs and a surge in supply (due to scheduled and unscheduled outages) have supported spot numbers. Some early settlements of the bimonthly ethylene contract price for June/July have been concluded at Euro925/ton. This is an increase of Euro40/ton from the April/May number. It is widely expected that the Q3 contract price will show an increase of Euro20-30/ton. Spot prices for ethylene in Asia increased during May. On the consumption side this increase was supported by strong demand from the PE sector. May naphtha was trading at \$724/ton.

In Taiwan, Formosa Chemicals' new 1.2 million tpa cracker has been working up its production through May and June. This large new capacity has caused many buyers to hold off from making purchases in the expectation that prices would fall. This has happened to some extent and latest offers are in the range \$1150-1200/ton cfr, Taiwan.

Chlorine

In the USA, demand for chlorine has improved and supplies are tight due to a number of outages (both scheduled and unscheduled). Indeed some producers remain in 'catch-up' mode in fulfilling orders. There has been no movement in chlorine contract prices recently and spot business has been thin. The Chlorine Institute data for April showed that the effective chlor-alkali plant operating rate was 95%. Caustic soda prices have been stable for the past month.

In West Europe, chlorine demand has decreased for a number of reasons. These are mainly to do with extended and unscheduled outages of VCM. There were also some problems with other chlorine derivatives such as isocyanates and chloromethanes. This coupled with a force majeure situation on caustic soda at Akzo Nobel has tightened the supply of this product. For Q3, contract prices for caustic soda have been announced by two majors in the range of Euro40-50/ton (£30/ton in the UK).

EDC**North and South America**

In the USA, current EDC exports remain limited to contract volumes supplied to Northeast Asia.

In Brazil, Braskem are maintaining EDC exports of 100-110ktpa (or around 10kt per month) and the second exporter, Carbocloro 40-60ktpa Carbocloro is owned by Unipar and the company has recently announced that it plans to install new technology and increase its chlorine capacity from some 250 to 360ktpa.

UNITED STATES EDC EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Switzerland	-	-	15,815	-
India	-	-	21,595	-
China	-	-	-	26,257
South Korea	48,124	363	63,698	-
Taiwan	-	-	9,751	-
Japan	10,000	265	66,082	69,430
Others	-	-	218	919
Total	58,124		177,159	96,606

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Over the past year the main destination of Brazilian EDC exports was India (55%) followed by Japan (25%) and South Korea (20%).

PRICE MONITOR

West Europe

The recent unscheduled outages of VCM units might have been expected to release more spot EDC. However, the case of Akzo is a bit different. The company normally supplies Shin Etsu at Pernis, the Netherlands, both with chlorine and crude EDC. The chlorine is used in the normal way on site to produce EDC and ultimately, PVC. The crude EDC is distilled and returned in a purer form to Akzo for the manufacture of ethylene amines. It is this business which has been disrupted by the VCM compressor problem that Shin Etsu suffered in June. Separately, there is a report that another EDC producer has had production problems in West Europe.

EDC prices in West Europe are fairly stable around \$370-380/ton fob. However, a buyer maintains that he bought a parcel recently from outside Europe at \$340/ton cfr. Normally this price would be expected to be crude material.

China and Northeast Asia

For China and Northeast Asia the EDC price has been fairly stable recently at around \$420/ton cfr. This price level has been supported by the recent price increases in PVC and VCM, despite the continuation of the VCM 'Outage Season'.

On the supply side, the Middle East producers are operating well and are also making some spot sales. The usual volumes are available from the Americas. In China, however, Shanghai Chlor-alkali is reported to have some problems with its chlor-alkali plant at present.

Looking ahead, there is some concern about the future direction of EDC prices in Asia. These concerns relate to the weaker domestic Chinese PVC market and the possibility of import PVC prices peaking and then falling. On the other hand spot ethylene prices have been falling recently and caustic soda prices are still good, supporting current chlorine values. The reduction in export rebate for China is a fairly neutral issue for EDC pricing, as little ethylene-based PVC is exported, apart from some to South Korea, between LG Chemical subsidiary and associate companies.

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Asian EDC Price

2007	\$/ton cfr
Jan	440-460
Feb	440-470
Mar	420-450
Apr	380-410
May	380-390
Jun	440-450

CHINESE EDC IMPORTS

	April 2007		Jan-Apr 07	Jan-Apr 06
	Tons	\$/Ton	Tons	Tons
United States	19,515	420	69,827	30,021
Saudi Arabia	-	-	4,995	43,710
Indonesia	-	-	-	4,994
South Korea	-	-	9,832	26,724
Taiwan	5,860	450	36,669	14,402
Japan	-	-	2,876	9
Total	25,375		124,199	119,860

\$/ton figures are calculated from customs data and may not reflect market prices

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**CHINESE EDC IMPORTS
(1,000 Metric Tons)**

Month	2005	2006	2007	2006	2007
				\$/ton	\$/ton
Jan	53.8	37.2	24.5	313	419
Feb	27.4	37.9	24.9	301	416
Mar	21.5	19.5	49.4	307	445
Apr	30.2	25.3	25.4	313	427
May	37.3	40.3	-	320	-
Jun	49.7	39.7	-	310	-
Jul	48.5	56.5	-	328	-
Aug	43.8	60.6	-	327	-
Sep	56.2	46.3	-	364	-
Oct	19.8	23.9	-	397	-
Nov	53.4	11.7	-	425	-
Dec	50.1	40.4	-	423	-
Jan-Apr	132.9	119.9	124.2	308	430
% Change	(15.9)	(9.8)	3.6	(40.9)	39.6
Jan-Dec	491.8	439.1	-	-	-
% Change	16.7	(10.7)	-	-	-

\$/ton figures are calculated from customs data and may not reflect market prices

TAIWANESE EDC IMPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
United States	-	-	10,475	-
Brazil	-	-	-	6,667
Germany	-	-	-	4,750
Saudi Arabia	3,990	428	8,985	20,699
Others	19	620	38	86
Total	4,009	-	19,498	32,202

\$/ton figures are calculated from customs data and may not reflect market prices

**TAIWANESE EDC IMPORTS
(1,000 Metric Tons)**

Month	2005	2006	2007	2006	2007
				\$/ton	\$/ton
Jan	38.3	8.4	15.5	321	393
Feb	10.4	13.0	-	303	496
Mar	37.1	10.8	4.0	289	429
Apr	28.4	6.3	-	289	-
May	19.8	17.3	-	296	-
Jun	37.8	-	-	3,730	-
Jul	19.3	22.1	-	293	-
Aug	33.0	7.1	-	308	-
Sep	-	6.7	-	324	-
Oct	9.0	5.7	-	328	-
Nov	16.7	4.8	-	376	-
Dec	13.6	6.0	-	421	-
Jan-Mar	85.8	32.2	19.5	303	401
% Change	(23.9)	(62.5)	(39.5)	(43.3)	32.3
Jan-Dec	263.4	108.2	-	-	-
% Change	(40.1)	(58.9)	-	-	-

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JAPANESE EDC IMPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Canada	6,312	337	27,873	30,334
United States	-	-	-	24,435
Brazil	-	-	-	23,772
Saudi Arabia	-	-	3,476	9,152
China	5,007	444	5,007	-
South Korea	4,021	435	7,983	17,066
Total	15,340		44,339	104,759

\$/ton figures are calculated from customs data and may not reflect market prices

SOUTH KOREAN EDC IMPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Canada	-	-	-	11,248
United States	38,110	438	109,248	84,081
Brazil	-	-	1,986	2,950
Saudi Arabia	-	-	-	5,217
Taiwan	3,532	421	7,546	4,994
Japan	1	3,636	1	2,918
Total	41,643		118,781	111,408

\$/ton figures are calculated from customs data and may not reflect market prices

SOUTH KOREAN EDC EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
China	1,961	413	7,813	8,850
Japan	2,003	415	7,961	17,050
Others	-	-	-	3
Total	3,964		15,774	25,903

\$/ton figures are calculated from customs data and may not reflect market prices

VCM

North America

In the USA, the May Tecnon OrbiChem VCM formula price is 40.75c/lb, an increase of 0.75c on the April price. The main cost drivers were ethylene and PVC.

In the VCM spot market available supply has tightened over the past month and some business has been concluded at \$685/ton fob US Gulf. The reason seems to be that contract supplies to Colombia and Mexico are very stable. Dow has an outage at Freeport, another producer is running at reduced production rates, and PVC exports are going well. On the other hand the domestic PVC businesses remain weak. It is

UNITED STATES VCM EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Canada	24,620	779	82,995	49,450
Mexico	30,797	656	77,087	61,633
Brazil	-	-	-	7,200
Colombia	29,088	604	87,050	71,314
France	-	-	13,296	-
Norway	7,313	606	7,313	-
Portugal	4,006	605	12,905	-
South Korea	-	-	32,851	-
Others	5	2,784	22	4
Total	95,829		313,519	189,601

\$/ton figures are calculated from customs data and may not reflect market prices

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understood that those producers with spot product available are looking for VCM prices in the region of \$720-740/ton fob US Gulf for July shipments.

West Europe

Supply of VCM in West Europe has been very much affected in June by the explosion of one (of three) Arkema VCM units at Lavera and the compressor problem of Shin etsu at Pernis.

As far as Arkema is concerned, it is understood that the two undamaged VCM units will restart around 5-6 July and that the third, fire damaged unit, should restart in the second half of August. To improve supplies of VCM, Arkema have arranged two parcels from QVC, Qatar, and are also likely to conclude some additional business from the US Gulf.

Then early June Shin Etsu had a problem with a compressor on their VCM plant at Pernis which led them to declare force majeure on VCM supply and also subsequently to declare force majeure on PVC. The VCM plant was restarted with a repaired compressor in the third week of June and it was expected that the entire VCM plant would be in full operation by about the 23-24 of the month.

Late in June, Vinnolit had a problem with one of their chlor-alkali units at Knapsack. The company declared force majeure on caustic soda and the problems were expected to last for about two weeks. However, the company anticipates little impact on its PVC business as they will drawn-down their stocks in the first instance.

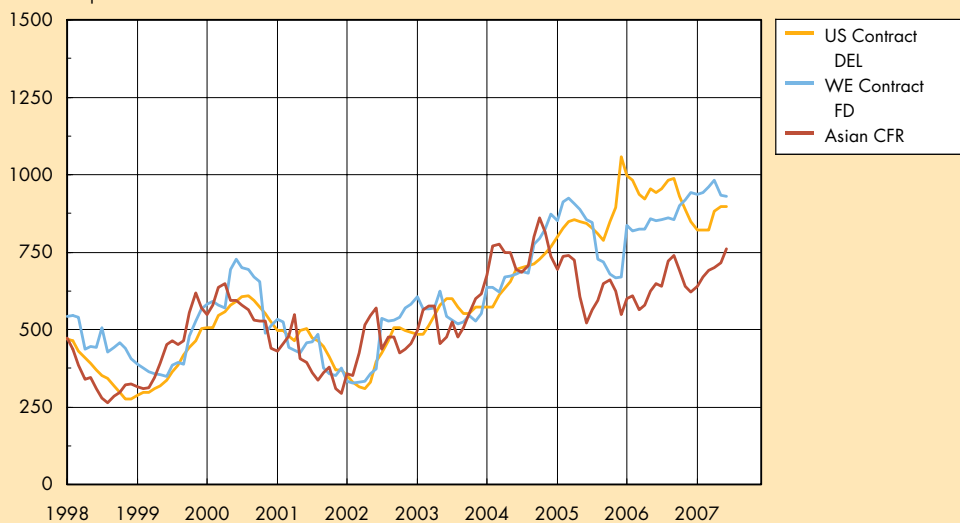
Against this background of extremely tight supply, VCM prices within West Europe have risen to around Euro750/ton cfr (using a time chartered vessel). Supply from the US Gulf is expected to be in the region of \$980/ton cfr, which is a very similar price on a common currency basis. However, at this stage there are a number of buyers whose focus is volume first, price second. Thus the discount on US material (to allow for the longer shipping time and the uncertainties in the market that may exist when it arrives) is virtually zero at present.

South and Southeast Asia

June VCM price fixtures were typically \$820-840/ton cfr. At the time of writing no July fixtures had been concluded.

US, WEST EUROPEAN AND ASIAN VCM PRICES

US Dollars per Ton



Source: Tecnon OrbiChem

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The Petronas VCM SB plant of 400ktpa at Kertih, Malaysia, has been running at a respectable 85% recently. It would no doubt have been more but for the fact that its 150ktpa PVC plant went down early June for two to three weeks.

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In India, Finolex recently agreed a contract with Qapco of Qatar for 40-60kt of VCM (and EDC) for its PVC plant at Ratnagiri. The deal also includes a quantity of ethylene.

China and Northeast Asia

Tosoh had initially offered \$780/ton cfr for June VCM cargoes. However, this was pegged back by buyers and \$760/ton cfr was finally agreed for the month. This was an increase of \$45/ton over the May price.

At \$760/ton buyers had a reasonable margin over the PVC sales price, though they had maintained this was too small at \$780/ton. From the supply-side, VCM is still tight as the outage season continues. Of upcoming outages, Kanega at Takasago has its 260ktpa No. 2 plant down for 18 days from 19 July to 7 August, and in South Korea, LG Chemical has both VCM plants (2 x 360ktpa) down for 18 days at Yeosu. Those buyers who have had to buy in spot EDC have paid a relatively high price, although the cost of ethylene has eased.

For July VCM business, an initial offer has been made at \$800/ton cfr, the response to which has been very bad. Whilst this gives a reasonable margin against PVC exports for July (which are in the range \$950-960/ton) it is currently unworkable in a domestic Chinese context.

CHINESE VCM IMPORTS

	April 2007		Jan-Apr 07	Jan-Apr 06
	Tons	\$/Ton	Tons	Tons
South Korea	17,869	700	64,516	31,751
Taiwan	21,797	654	65,910	60,425
Japan	40,569	691	184,455	256,523
Others	-	-	530	37
Total	80,235		315,411	348,736

\$/ton figures are calculated from customs data and may not reflect market prices

**CHINESE VCM IMPORTS
(1,000 Metric Tons)**

Month	2005	2006	2007	2006	2007
				\$/ton	\$/ton
Jan	71.4	98.0	96.1	551	620
Feb	72.9	54.0	67.7	579	646
Mar	84.4	105.1	71.4	586	673
Apr	108.5	91.7	80.2	587	683
May	37.4	78.5	-	606	-
Jun	63.0	111.5	-	626	-
Jul	66.6	50.3	-	643	-
Aug	86.7	103.9	-	639	-
Sep	111.5	88.4	-	677	-
Oct	64.4	47.2	-	703	-
Nov	64.7	94.5	-	672	-
Dec	66.8	77.0	-	624	-
Jan-Apr	337.2	348.7	315.4	575	654
% Change	(1.5)	3.4	(9.6)	(20.4)	13.7
Jan-Dec	898.2	1,000.0			
% Change	0.3	11.3			

\$/ton figures are calculated from customs data and may not reflect market prices

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**Taiwanese VCM Production
(1,000 Metric Tons)**

PRICE MONITOR

	2003	2004	2005	2006	2007	
Jan	142	169	155	144	150	
Feb	133	118	144	144	132	
Mar	118	162	142	117	108	
Apr	113	157	155	126	147	
May	137	169	132	154		
Jun	160	144	120	151		
Jul	163	134	161	157		
Aug	160	142	159	125		
Sep	155	149	155	132		
Oct	128	156	169	120		
Nov	148	145	156	120		
Dec	161	120	135	107		
North America						
West Europe	Jan-April	506	605	597	531	537
South and Southeast Asia	% change	-7	20	-1	-11	1
China and Northeast Asia	Jan-Dec	1718	1763	1783	1597	
	% change	10	3	1	-10	

PVC

Source: Petrochemical Industry Association of Taiwan

North America

South America

West Europe

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China and Northeast Asia

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SOUTH KOREAN VCM EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
India	-	-	2,099	-
Philippines	1,850	675	3,701	-
China	18,184	635	48,856	25,354
Taiwan	-	-	2,986	-
Total	20,034		57,642	25,354

\$/ton figures are calculated from customs data and may not reflect market prices

TAIWANESE VCM IMPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Malaysia	-	-	1,509	-
South Korea	-	-	2,986	-
Japan	10,499	680	22,092	22,451
Total	10,499		26,587	22,451

\$/ton figures are calculated from customs data and may not reflect market prices

TAIWANESE VCM EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Norway	-	-	4,098	-
India	2,992	713	2,992	-
Pakistan	-	-	3,011	-
Thailand	-	-	3,000	14,001
Vietnam	3,011	715	15,029	-
China	11,000	591	52,500	38,250
Japan	-	-	-	6,699
Total	17,003		80,630	58,950

\$/ton figures are calculated from customs data and may not reflect market prices

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**TAIWANESE VCM EXPORTS
(1,000 Metric Tons)**

Month	2005	2006	2007	2006 \$/ton	2007 \$/ton
Jan	24.1	21.3	38.1	533	598
Feb	14.7	16.3	25.5	486	575
Mar	19.5	21.3	17.0	548	635
Apr	26.0	29.5	-	558	-
May	24.9	34.9	-	560	-
Jun	34.8	32.3	-	582	-
Jul	39.4	25.1	-	587	-
Aug	33.6	20.8	-	597	-
Sep	28.0	40.6	-	631	-
Oct	43.7	26.1	-	676	-
Nov	37.4	31.5	-	662	-
Dec	31.6	8.6	-	611	-
Jan-Mar	58.3	59.0	80.6	525	599
% Change	17.1	1.1	36.8	(23.1)	14.1
Jan-Dec	357.9	308.2			
% Change	91.5	(13.9)			

\$/ton figures are calculated from customs data and may not reflect market prices

JAPANESE VCM EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Australia	-	-	14,206	-
India	2,740	680	2,740	-
Indonesia	5,956	649	18,770	24,367
Malaysia	-	-	-	3,010
Pakistan	-	-	3,001	-
Philippines	9,024	621	24,027	27,210
Thailand	-	-	-	20,971
Vietnam	9,106	650	15,062	18,041
China	42,993	654	131,944	182,590
Taiwan	8,006	639	23,912	23,489
Total	77,825		233,662	299,678

\$/ton figures are calculated from customs data and may not reflect market prices

PVC**North America**

The PVC market in the USA remains weak compared with 2006. The important housing sector in particular is soft with both housing permits and housing starts down by 26-28% in the period January to May (compared with the same period in 2006). Largely as a result, domestic PVC sales were down 5% through to May (and have not changed much since). PVC production was a little better, showing just a 4% decrease on a year on year basis due to the strong performance in export sales this year (up 24% through to May).

In the Public Construction Spending sector (sewage, waste disposal and water supply) the trend over April and May was flat but the medium/long term position is a strongly positive rising trend. This continues to offset some of the weakness from the slow housing and construction markets. The May PVC industry operating rate was a healthy 92.7% just 0.3 points lower than for May 2006. Inventories are fairly stable at just over 11 days.

Against this background, suppliers have been quite successful in obtaining PVC contract price increases over the last three months. April and May price increase nominations were 3c/lb, although in both cases just 2c/lb price rises were achieved. In the case of June the final nomination was for a 2c/lb of which 1c/lb has been secured.

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UNITED STATES PVC EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Canada	31,218	939	81,100	90,695
Mexico	2,241	1,360	4,954	2,113
Chile	427	889	3,378	7,830
Colombia	1,317	907	6,333	1,002
Costa Rica	3,561	914	8,307	7,737
Dominican Republic	1,902	912	4,182	4,542
El Salvador	298	960	1,079	981
Guatemala	2,673	899	7,420	5,718
Honduras	120	935	366	-
Panama	1,001	925	3,161	2,719
Peru	2,820	930	6,724	1,298
Trinidad	180	850	582	1,095
Uruguay	625	907	1,703	640
Finland	541	890	1,383	-
France	117	-	290	217
Germany	114	-	577	467
Greece	100	866	260	-
Netherlands	466	1,240	980	656
Portugal	187	884	996	-
United Kingdom	917	1,123	2,333	127
Poland	200	891	360	-
Algeria	2,807	876	6,687	840
Egypt	1,618	770	10,299	7,840
Ghana	508	1,147	1,522	595
Israel	2,460	1,163	7,144	3,039
Ivory Coast	1,798	881	3,098	3,034
Morocco	422	951	2,554	-
Nigeria	869	805	3,784	-
Saudi Arabia	-	-	2,600	500
Senegal	-	-	1,032	840
Tunisia	560	882	1,818	300
Turkey	230	820	5,461	2,341
UAE	200	887	1,300	1,300
India	550	902	1,369	4,224
New Zealand	214	967	418	5
Singapore	102	-	238	359
China	5,747	942	28,254	33,289
Hong Kong	122	565	838	1,083
Taiwan	377	2,528	671	945
Japan	104	-	190	200
Others	459	-	3,593	2,378
Total	70,172		219,338	190,949

\$/ton figures are calculated from customs data and may not reflect market prices

UNITED STATES PVC IMPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Canada	7,680	838	20,780	29,140
Mexico	1,775	1,080	5,175	7,215
Colombia	3,041	1,126	8,796	10,938
Belgium	548	968	1,402	1,585
France	247	1,407	833	2,043
Germany	2,913	1,361	7,531	11,156
Italy	537	1,255	1,115	1,617
Spain	100	1,353	398	70
Thailand	430	1,009	1,769	1,977
China	57	1,545	174	3,594
South Korea	878	1,065	2,306	7,127
Taiwan	176	1,059	235	18,656
Japan	265	1,200	770	2,989
Others	185	1,976	1,255	1,524
Total	18,832		52,539	99,631

\$/ton figures are calculated from customs data and may not reflect market prices

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In the export market, as well as a strong sales volume performance, prices too have been increasing. Prices for July have increased by \$30-50/ton to around \$950/ton fob US Gulf coast port.

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In Brazil, PVC demand has been good this year showing a 14% increase to 343kt in the period January to May, compared with the same period in 2006 (according to Siresp). The construction industry which dominates PVC demand has been the main motor for growth. Overall PVC growth this year is expected to be around 7%.

EDC

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The June domestic PVC prices in Brazil are in the range \$1250-1400/ton, delivered. The actual price depends on the grade, customer size and location. Import prices are currently in the range \$1100-1200/ton cfr.

VCM

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As with many countries, there has been a reduction in Chinese imports recently due to the decrease in the level of export rebate. This reduction in PVC exports is likely to be short term and in a way many will be glad when they do return to previous export levels. This is because the Chinese PVC price is now the reference price for several markets.

West Europe

PVC

North America

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There is general, but not universal, agreement that June PVC prices in West Europe increased Euro20/ton. Of differing views, a major buyer saw prices roll over early in June before increases of some Euro15/ton were conceded later in the month. On the other hand, a producer cited price increases of Euro30 plus in some cases. With major disruption at two producers a whole range of new supply arrangements with other suppliers had to be made. In this situation one supplier sought Euro50/ton for additional volumes outside normal contract supply volumes. One major buyer is known to have refused this approach.

Whilst the aggregate effect on the average West European PVC price of such an approach is not known, we take the view that such supplies are in fact spot, and therefore outside the normal discussion of monthly PVC price changes. Overall, then, Tecnon OrbiChem's assessment is that PVC prices in Northwest Europe increased by Euro20/ton in June.

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Outside this area, it is understood that prices in Spain increased by Euro15/ton in June and by £15/ton in the UK. At the time of writing there had been no agreement on the Q3 contract ethylene price, although expectations ranged from Euro40-50/ton. Partly with this ethylene price increase in mind, prospective increases of Euro50 and Euro60/ton had been heard in the market from major suppliers.

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So far as the end-use PVC business is concerned, the pipe sector, backed by a mild winter in West Europe had a very good first quarter for sales, but a somewhat disappointing second quarter. Whilst it is true that the German economy has been generally picking up recently this did not extend to the construction industry, at least for Q2, which was weak. So far as housing is concerned this is partly due to a 3% tax increase (Euro7500 on a Euro250000 new house).

In the profile sector, exports to Central Europe and Russia did not progress to the same extent in Q2 as in the previous year. Some producers say they had built stock in Q1/Q2 to service this expected expansion and therefore may not need to buy as much in July and August. We shall see.

South & Southeast Asia

In Southeast Asia, June PVC prices were around \$920-940/ton cfr and the market was fairly quiet. Regular exporters such as Asahimas Chemicals and Thai Plastics and Chemicals were said not to be offering product within the region. Equally there has been a temporary absence of Chinese offers due to the reduction in the export duty rebate of 6%. However, prices if anything are a bit higher than they would have been due to increased offers from Japanese and South Korean suppliers. The Petronas VCM SB PVC plant of 150ktpa capacity went down early June for two or three weeks with a mechanical problem and it is not clear when it will come back up.

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In India, PVC prices rolled over from May due to the competitive pressure from relatively 'cheap' imports, following the strengthening of the rupee. Price levels in the domestic market were Rs45/kg ex works. However, the temporary absence of Chinese PVC saw late June import prices increase to \$1010-1020/ton cfr.

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The PVC market in the first two weeks of June has been a little tight with good demand. Calcium carbide supply is tight and operating rates of acetylene based PVC plants have been constrained. Prices of PVC increased following with the price increase of calcium carbide and therefore the production cost of acetylene based PVC.

Prices in East China and South China were ranging from Rmb7800 to 7900/ton for acetylene based PVC and from Rmb8000 to 8300/ton for ethylene based PVC in earlier June. However, they declined by Rmb100/ton soon after the announcement of export rebate change (the government announced on June 19 that the export rebates of caustic soda and PVC will be changed from July 1st. The changes are to cancel the 13% export rebate of caustic soda and decrease the 11% export rebate of PVC to 5%)

Market players expect export volumes will be constrained and domestic supplies will increase. PVC ex work prices are still relatively stable due to the support of production cost increases. But some local traders have been clearing out inventories with low prices and this has disordered the market prices.

Several highways in South China have recently started to charge according to the weight of vehicles. As most trucks used to deliver goods are overweight, the recent changes have increased the costs of logistics to Guangdong from other provinces. PVC supply is now tight in Guangdong. But on the other hand, operating rates of downstream producers are now constrained because of power shortages and therefore prices are under pressure.

The PVC export market has been slow from the beginning of June due to the expectation of rebate policy changes. Small volumes of PVC have been transacted at the level of \$930-940/ton fob for acetylene based and \$950-970/ton fob for ethylene based. After the announcement of rebate changes, quotations for acetylene based PVC for July increased to \$950-960/ton fob and \$970-980/ton fob for ethylene based PVC.

With the increase in feedstock costs, export PVC prices for July have been increased to \$970-980/ton cfr. PVC supplies from Asia have been tight in June due to a number of shutdowns in Asia and the announcement of the Chinese export rebate change.

**Chinese Calcium Carbide Production
(1,000 Metric Tons)**

	2003	2004	2005	2006	2007
Jan	346	460	455	624	1034
Feb	418	463	613	757	1081
Mar	410	445	701	809	1184
Apr	416	456	629	863	1127
May	422	484	572	917	1197
Jun	429	578	651	1094	
Jul	400	501	628	955	
Aug	420	543	722	942	
Sep	483	553	876	1089	
Oct	489	621	923	1070	
Nov	493	609	935	1106	
Dec	478	653	889	1126	
Jan-May 2011	2308	2969	3969	5622	
% change	26	15	29	34	42
Jan-Dec	1505	1590	1481	1382	
% Change	2	6	-7	-7	

Source: National Bureau of Statistics of China

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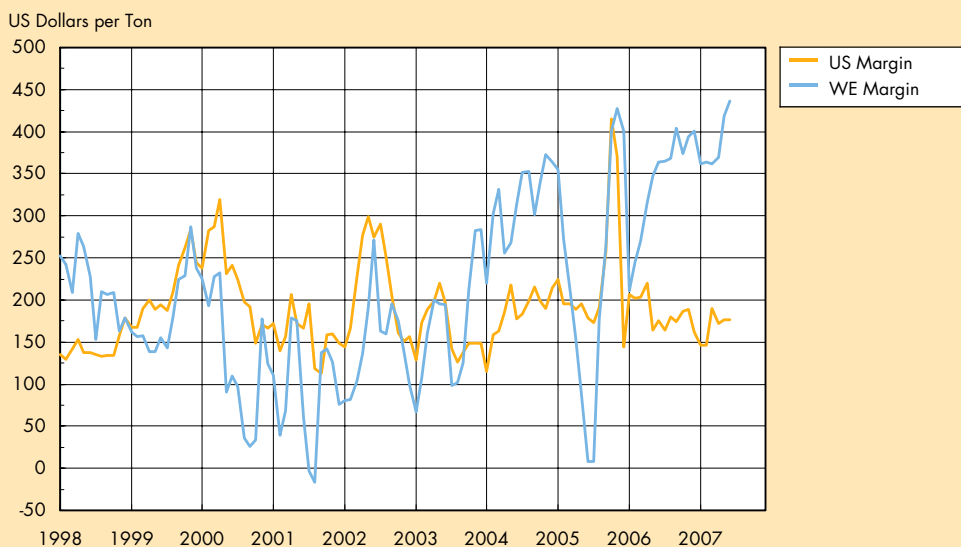
Chinese PVC Prices

	Export East China \$/ton fob	Domestic South & East China Rmb/ton del	Domestic North & Central China Rmb/ton del
29 Jan			
Ethylene PVC-A	750-780	6400-6700	6300-6550
Chlorine PVC-E	790-810	6750-7250	6700-7100
17 Feb			
EDC PVC-A	760-780	6400-6500	6200-6400
PVC-E	800-810	6800-7350	6800-7150
27 Mar			
West Europe PVC-A	780-790	6550-6750	6350-6600
China and Northeast Asia PVC-E	810-820	6900-7400	6800-7250
29 Apr			
VCM PVC-A	810-855	6700-7200	6500-7150
PVC-E	830-870	7000-7600	6950-7500
29 May			
West Europe PVC-A	850-910	7100-7850	6950-7800
South and Southeast Asia PVC-E	870-930	7300-8100	7150-8100
China and Northeast Asia			
28 Jun			
PVC-A	930-940	7800-7900	7300-7900
PVC-E	960-970	8000-8300	7900-8200

Taiwanese PVC Prices

	Domestic NT\$/kg del	Domestic \$/ton del	Export \$/ton cfr
2007			
Jan	29.1	901	850-860
Feb	29.1	901	850-860
Mar	28.2	853	860-870
Apr	29.2	878	900-910
May	29.8	903	930-940
Jun	31.3	954	970-980

US AND WEST EUROPEAN PVC PIPE GRADE MARGINS over 1.03 x VCM



Source: Tecnon OrbiChem

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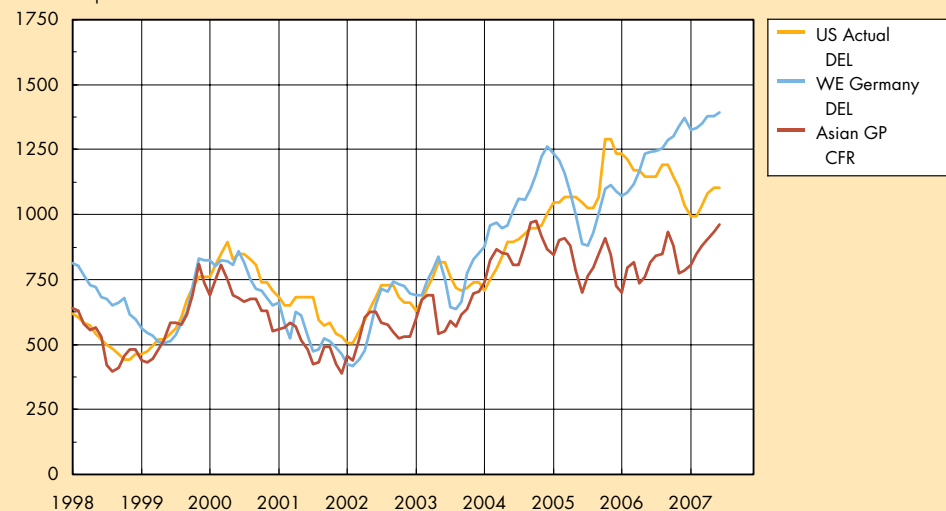
**Taiwanese PVC Production
(1,000 Metric Tons)**

	2003	2004	2005	2006	2007
Jan	134	137	137	132	124
Feb	114	121	124	125	104
Mar	121	138	131	102	109
Apr	115	127	124	124	122
May	110	138	109	129	
Jun	124	134	109	120	
Jul	133	124	136	117	
Aug	134	136	126	113	
Sep	127	133	121	109	
Oct	126	139	128	90	
Nov	130	133	129	106	
Dec	137	132	106	115	
Jan-Apr	484	522	516	482	459
% change	-3	8	-1	-7	-5
Jan-Dec	1505	1590	1481	1382	
% Change	2	6	-7	-7	

Source: Petrochemical Industry Association of Taiwan

**US, WEST EUROPEAN AND ASIAN
PVC PIPE GRADE PRICES**

US Dollars per Ton



Source: Tecnon OrbiChem

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CHINESE PVC IMPORTS

	April 2007		Jan-Apr 07	Jan-Apr 06
	Tons	\$/Ton	Tons	Tons
United States	6,337	953	43,930	39,146
France	606	1,962	1,499	1,388
Germany	1,201	1,490	3,477	5,059
Italy	165	1,729	458	523
Sweden	169	1,976	954	904
Russia	1,141	761	5,531	4,648
Indonesia	2,713	815	11,803	14,821
Malaysia	1,827	1,098	6,336	7,565
Philippines	181	1,285	2,598	3,229
Singapore	990	1,750	3,041	3,730
Thailand	4,672	1,063	16,252	22,788
Vietnam	137	1,963	469	155
China	1,517	869	4,229	4,539
Hong Kong	1,130	1,139	3,733	3,930
South Korea	8,921	1,184	32,383	46,346
Taiwan	33,272	872	127,616	171,033
Japan	46,550	863	179,019	182,616
Others	249	1,475	1,428	1,611
Total	111,778		444,756	514,031

CHINESE PVC EXPORTS
(1,000 Metric Tons)

Month	2005	2006	2007	2006	2007
				\$/ton	\$/ton
Jan	4.3	20.5	43.1	747	783
Feb	3.3	38.7	66.9	740	786
Mar	7.7	52.8	90.6	760	794
Apr	8.3	34.4	93.0	751	816
May	5.2	53.5	-	732	-
Jun	6.6	66.7	-	757	-
Jul	6.3	49.8	-	766	-
Aug	6.1	60.4	-	779	-
Sep	8.3	42.4	-	812	-
Oct	19.8	30.7	-	848	-
Nov	44.4	16.8	-	865	-
Dec	29.3	32.6	-	794	-
Jan-Apr	23.6	146.5	293.7	751	798
% Change	66.6	520.4	100.5	(14.8)	6.3
Jan-Dec	149.6	499.4			
% Change	245.0	233.9			

CHINESE PVC IMPORTS
(1,000 Metric Tons)

Month	2005	2006	2007	2006	2007
				\$/ton	\$/ton
Jan	136.2	102.9	121.1	840	893
Feb	113.0	126.0	94.6	820	889
Mar	190.8	147.7	117.2	850	910
Apr	155.0	137.4	111.8	851	936
May	120.8	120.5	-	842	-
Jun	132.4	120.1	-	869	-
Jul	148.5	108.6	-	889	-
Aug	154.3	121.4	-	897	-
Sep	151.9	130.5	-	908	-
Oct	127.2	103.8	-	925	-
Nov	115.7	111.7	-	931	-
Dec	115.5	121.4	-	909	-
Jan-Apr	595.0	514.0	444.8	841	907
% Change	(27.6)	(13.6)	(13.5)	(3.8)	7.8
Jan-Dec	1,661.3	1,452.1			
% Change	(21.3)	(12.6)			

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CHINESE PVC EXPORTS

	April 2007		Jan-Apr 07	Jan-Apr 06
	Tons	\$/Ton	Tons	Tons
Canada	25	827	127	1,288
United States	256	1,288	943	5,072
Argentina	112	796	112	62
Brazil	1,686	809	13,226	4,242
Dominican Republic	-	-	200	5,626
Jamaica	163	891	163	379
Belgium	1,010	863	2,456	289
Germany	614	812	4,982	18
Italy	550	834	1,534	66
Netherlands	208	850	830	22
Portugal	212	900	393	261
Bulgaria	319	860	460	33
Croatia	102	840	102	-
Kazakhstan	1,022	859	3,771	792
Poland	944	781	2,484	159
Russia	3,204	789	11,433	8,586
Ukraine	987	776	6,986	702
Uzbekistan	1,014	796	3,856	1,029
Algeria	616	850	893	64
Cameroon	135	811	135	53
Egypt	10,421	813	26,202	11,871
Ghana	391	797	1,083	3
Iran	668	847	3,752	461
Israel	1,246	830	4,616	1,326
Jordan	925	814	4,152	416
Kenya	260	802	1,592	363
Lebanon	208	830	426	248
Mauritius	132	837	216	51
Nigeria	2	656	1,147	571
Oman	204	806	884	-
Qatar	102	789	680	-
Reunion	119	855	119	-
Sudan	209	828	474	99
Syria	2,797	816	6,777	1,106
Turkey	1,598	796	11,354	46,278
UAE	4,254	817	13,336	4,997
Yemen	214	824	1,887	198
Australia	535	844	981	792
India	50,638	802	131,898	13,568
Myanmar	120	791	190	16
Philippines	-	-	988	1,480
Singapore	148	1,590	554	346
Sri Lanka	305	811	435	-
Hong Kong	2,005	984	7,707	7,710
North Korea	127	1,078	364	179
South Korea	676	835	7,886	16,034
Japan	136	992	406	394
Others	510	905	510	-
Total	92,129		285,702	137,250

\$/ton figures are calculated from customs data and may not reflect market prices

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**TAIWANESE PVC EXPORTS
(1,000 Metric Tons)**

Month	2005	2006	2007	2006 \$/ton	2007 \$/ton
Jan	74.3	54.6	68.3	766	825
Feb	48.3	61.1	40.0	780	856
Mar	86.1	56.2	70.1	816	878
Apr	59.2	60.6	-	804	-
May	55.2	75.1	-	784	-
Jun	54.6	53.6	-	820	-
Jul	77.2	58.2	-	857	-
Aug	54.3	55.8	-	889	-
Sep	65.5	58.1	-	904	-
Oct	63.3	44.8	-	963	-
Nov	71.1	52.1	-	876	-
Dec	61.1	58.9	-	835	-
Jan-Mar	208.7	171.9	178.5	787	853
% Change	12.7	(17.6)	3.8	(12.0)	8.4
Jan-Dec	770.2	689.1			
% Change	1.3	(10.5)			

\$/ton figures are calculated from customs data and may not reflect market prices

TAIWANESE PVC IMPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
United States	109	462	723	1,155
Germany	157	315	613	486
United Kingdom	234	1,446	580	692
Singapore	124	1,292	364	178
Japan	745	1,084	2,294	2,580
Others	497	1,173	1,815	1,840
Total	1,866		6,389	6,931

\$/ton figures are calculated from customs data and may not reflect market prices

**TAIWANESE PVC IMPORTS
(1,000 Metric Tons)**

Month	2005	2006	2007	2006 \$/ton	2007 \$/ton
Jan	2.8	1.9	2.8	1,090	1,046
Feb	1.3	2.9	1.8	834	962
Mar	2.2	2.2	1.9	891	1,066
Apr	2.4	2.5	-	906	-
May	3.5	2.3	-	981	-
Jun	3.5	2.6	-	920	-
Jul	3.6	2.4	-	1,087	-
Aug	4.1	2.3	-	1,004	-
Sep	3.2	2.5	-	988	-
Oct	2.7	1.9	-	1,111	-
Nov	2.6	2.8	-	965	-
Dec	2.4	2.7	-	850	-
Jan-Mar	6.2	6.9	6.4	920	1,029
% Change	(46.2)	11.9	(7.8)	(10.7)	11.8
Jan-Dec	34.1	28.9			
% Change	(5.7)	(15.4)			

\$/ton figures are calculated from customs data and may not reflect market prices

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PRICE MONITOR

FEEDSTOCK

Ethylene

Chlorine

EDC

North and South America

West Europe

China and Northeast Asia

VCM

North America

West Europe

South and Southeast Asia

China and Northeast Asia

PVC

North America

South America

West Europe

South and Southeast Asia

China and Northeast Asia

PLANTS & PROJECTS

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TECNON ORBICHEM

ONLINE

TAIWANESE PVC EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
United States	60	909	508	25,043
Brazil	180	1,077	1,336	674
France	176	842	264	-
Portugal	105	815	105	-
Ukraine	1,656	810	5,164	155
Cameroon	120	1,310	200	-
Egypt	863	818	1,377	2
Iran	505	796	706	300
Lebanon	111	836	314	-
Nigeria	178	1,334	208	18
Saudi Arabia	649	900	1,154	1,673
South Africa	1,007	797	3,053	61
Syria	2,514	813	3,134	93
Turkey	9,045	824	24,202	1,202
UAE	1,890	827	5,714	1,157
Yemen	346	829	392	-
Zaire	300	1,285	300	-
Australia	5,527	832	14,770	7,039
Bangladesh	19	2,063	1,193	579
India	9,359	816	12,932	1,012
Indonesia	697	945	1,092	928
Malaysia	356	873	939	1,338
New Zealand	105	838	125	30
Pakistan	100	889	132	22
Philippines	573	828	737	694
Singapore	181	825	890	1,138
Thailand	255	889	791	459
Vietnam	762	1,005	1,832	1,718
China	29,935	906	85,086	112,086
Hong Kong	1,858	1,161	6,027	9,957
Japan	223	1,096	524	815
Others	446	1,018	3,253	3,707
Total	70,101		178,454	171,900

\$/ton figures are calculated from customs data and may not reflect market prices

JAPANESE PVC IMPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Germany	164	1,614	271	221
Thailand	400	849	1,301	1,019
Others	179	1,477	615	1,200
Total	743		2,187	2,440

\$/ton figures are calculated from customs data and may not reflect market prices

PLANTS & PROJECTS

Shintech

Shintech is to build an integrated vinyls complex in Texas, USA, to be completed in 2010. The complex will include 825ktpa of VCM and a chlor-alkali plant of 550ktpa (expressed as caustic soda). The company presently purchases VCM in Texas and Louisiana for its existing PVC plants from outside sources, but principally from Dow.

Applications were submitted by Shintech to the Texas Commission of Environmental Quality late May, from whom approvals need to be obtained.

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EDC

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South America

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China and Northeast Asia

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ONLINE

JAPANESE PVC EXPORTS

	March 2007		Jan-Mar 07	Jan-Mar 06
	Tons	\$/Ton	Tons	Tons
Canada	337	1,192	741	351
Mexico	239	994	698	537
United States	330	1,601	1,080	1,992
Russia	496	895	592	400
Bahrain	1,299	845	2,595	503
Egypt	2,804	839	3,513	-
Israel	194	947	387	-
Kenya	976	829	1,712	415
Nigeria	2,060	894	2,605	-
Oman	1,407	864	2,008	173
Saudi Arabia	418	878	1,028	978
Senegal	496	904	992	-
South Africa	108	1,204	210	123
Syria	795	875	1,050	-
Turkey	2,076	861	3,738	2,578
UAE	4,714	829	9,350	710
Australia	614	865	1,587	772
Bangladesh	738	842	2,551	1,761
India	4,547	880	14,589	5,754
Indonesia	233	896	495	661
Malaysia	1,308	932	4,466	2,434
Myanmar	520	851	520	-
New Zealand	1,583	831	4,364	6,936
Philippines	510	871	2,133	2,824
Singapore	1,055	1,053	3,820	4,210
Sri Lanka	1,813	831	6,819	2,338
Thailand	1,150	1,062	3,628	4,801
Vietnam	639	983	2,014	1,858
China	46,382	822	120,950	123,490
Hong Kong	7,976	852	23,123	24,475
South Korea	472	677	1,412	3,341
Taiwan	962	777	2,171	2,291
Others	314	1,254	1,619	1,304
Total	89,565		228,560	198,010

\$/ton figures are calculated from customs data and may not reflect market prices

Hebei Tangshan Sanyou

Hebei Tangshan Sanyou is to double its 100ktpa acetylene based PVC and 100ktpa caustic soda capacities in July.

Henan Shenma

Henan Shenma is to double its 200ktpa acetylene based PVC and 200ktpa caustic soda capacities in July.

Shanxi Yushe

Shanxi Yushe is to add 120ktpa acetylene based PVC and caustic soda capacities to its original 280ktpa capacities.

COMPANY NEWS

Petkim

The date was extended to 21 June for the final offers of a 51% interest in Turkey's Petkim. The previous deadline was 15 June and no reason has been given by the Privatization Administration for the change.

It is known that the Indian Oil Corp is interested in bidding and it is also understood that Anadolu Endustri Holding was looking to form a consortium with two Ulker Group companies in order to make a bid.

Ineos

Following the announcement that Ineos plans to acquire the polymer and chlor-alkali businesses of Norsk Hydro, Ineos says that it has signed an agreement with Borealis to buy its petrochemical business at Bamble, Norway. The agreement also covers the 50% in the Noretyl ethylene cracker at Rafnes that it does not already own through the acquisition of the Norsk Hydro interests.

These two agreements (for Norsk Hydro and Borealis) should be finalised in Q3, pending approval from the competition authority of the European Union.

Trust Chemical Industries (TCI)

Egypt's TCI aims to start its integrated PVC complex at Port Said in 2009. The complex includes 200ktpa of PVC, 400ktpa of VCM and 200ktpa of EDC. TCI is owned by India's Samna Group and some 200ktpa of the VCM will be shipped to Cuddalore, Tamil Nadu state, India for Sanmar's Chemplast subsidiary which is not integrated. A new stand-alone PVC plant of 200ktpa will be started up there in July 2008.

Ethylene for TCI will be bought from Saudi Arabia and Iran.

Oltchim

In Romania, Petrom Pitesti is to sell its Arpechim petrochemicals business. The new company, to be named Petrochemicals Arges, includes a 200ktpa ethylene steam cracker. This is good news for vinyls producer Oltchim as it opens the way for them to purchase Petrochemicals Arges and secure their supply of ethylene. There had been some supply issues when Petrom was owned by Austria's OMV.

Hebei Baoshuo

Hebei Baoshuo could face bankruptcy due in turn to the bankruptcy of its biggest shareholder – The Baoshuo Group. Cangzhou Chemical, who has a warrant relation with Baoshuo Chemical, is now also facing the possibility of bankruptcy due to the bankruptcy application given by its debtor.

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