

14 September 2021: Auction sales result for Shenhua's coal-based PP and PE



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Shenhua Baotou Coal Chemical Co has concluded the auction session for its coal-based PP and PE cargoes on 14 September 2021. The following table showed the details of the auction results for prime grade only:

Product	Auction Volume	Deal Volume	Auction Prices		Deal Prices		Deal %
			CNY/ton	USD/ton	CNY/ton	USD/ton	
Combined and reported by CommoPlast							
Homo-PP	1596	1357	8200	\$1125	8200-8670	\$1125-1190	85.0%
PP Fiber	-	-	-	-	-	-	-
PPBC	-	-	-	-	-	-	-
LLDPE	478	478	8500	\$1166	8520-8710	\$1169-1195	100.0%
LDPE	-	-	-	-	-	-	-
HDPE	416	111	8000	\$1098	8000-8200	\$1098-1125	26.7%
*Auction and Deal volumes are in tonnage							
*All USD equivalent prices only exclude the 13% value-added tax (VAT). They have not taken into account other costs that might incur in the selling process, i.e. import duty, customs clearances.							

Transactions are steady on the Shenhua Auction Platform on the second trading day of the week, though prices have yet to register any major changes. The auction session has been concluded at similar price levels for several trading days, indicating the difficulties facing suppliers to adjust prices in this market.

Background:

Shenhua Baotou Coal Chemical Co is currently the largest coal-based polyolefins producer in China, operates under four subsidiaries, namely: Shenhua Xinjiang Coal-based New Materials Project, Shenhua Yulin Energy Co Ltd, Shenhua Baotou Coal Chemical Co Ltd and Shenhua Ningxia Coal Industry Group (Ningmei).

The company has an annual capacity of 2.65 million tons/year of PP, 750,000 tons/year of HDPE/LLDPE and 570,000 tons/year of LDPE.

Shenhua Baotou Coal Chemical Co is active in spot trading, while also conducting the daily auction for its cargoes daily between 10AM to 12PM on the official online platform that specifically designed for this purpose: <https://www.e-shenhua.com>

Country
China