

China Morning Snapshot - 14 September 2021



insight 14 Sep 2021

Chinese buyers are holding a conservative stance and prefer to buy hand-to-mouth basis, especially among woven bag manufacturers due to the squeezed profit margins.

Key contracts for January delivery remain in the positive territory during today's early trading hours, though the extent of increases is minor.

Details on the spot and futures prices are shown in the following table:

14 September 2021	Prices in CNY	USD Equivalent	Changes in CNY	Changes in USD
Combined and reported by CommoPlast				
Dalian Commodity Exchange (Mid-day closing)				
PP 2201	CNY 8652	USD 1187	+CNY 63	+USD 10
LLDPE 2201	CNY 8605	USD 1181	+CNY 35	+USD 5
Spot Domestic Prices (EXW China, Cash equivalent)				
PPH (East China)	CNY 8600-8650	USD 1180-1187	+CNY 50	+USD 8
LLDPE (North China)	CNY 8500-8600	USD 1166-1180	-CNY 50	-USD 8

****All USD equivalent prices are exclusive of 13% VAT**

Compared to the previous day, local inventories fell 25,000 tons to approximately 770,000 tons as of 14 September 2021.

Trading sentiment remains mediocre even though Dalian Commodity Exchange persists in the bullish trend. Chinese buyers are holding a conservative stance and prefer to buy hand-to-mouth basis, especially among woven bag manufacturers due to the squeezed profit margins.

“Many customers are asking for offers, but only to check the market movement. Deals are not good. At this rate, we might not be able to achieve sales target before the holidays kick in,” a trader expressed his concerns.

Country
China