

China's Shandong Wanda starts test trial of new on-purpose BD unit

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China's Shandong Wanda Chemical has started test trial of its on-purpose 150,000 tonne/year butadiene (BD) plant at Dongying in Shandong province, market sources said on Friday.

The new BD plant is unlikely to run at full rate, or may even shut after its test trial is completed because of negative margins, given the current weak BD prices, market sources said.

The plant uses butene as a feedstock to produce BD through dehydrogenation, the source said.

Chinese domestic BD spot prices have dropped by more than yuan (CNY) 2,000/tonne since early February to CNY8,600-8,900/tonne delivered in east China on 20 March, according to Chemease, an ICIS service in China.

SOURCE *Icis News*