

# China butyl-A may continue uptrend as supply tightens

DATE : 2014-03-12

Spot butyl acrylate (butyl-A) prices in China's domestic market may extend gains on the back of tightening supply, as major acrylic acid and acrylate esters facilities in the country undergo scheduled turnarounds throughout March, market sources said on Wednesday.

On 11 March, butyl-A prices were assessed at yuan (CNY) 12,500-12,600/tonne (\$2,036-2,052/tonne) DEL (delivered) east China, up by CNY300/tonne from last week, according to Chemease, an ICIS service in China.

Expectations of tighter supply of butyl-A - the biggest representative product of the acrylate esters market in China - prompted the reversal of its price downtrend in end-February this year, in spite of weak demand, market sources said.

Acrylic acid is a key intermediate chemical used to produce esters such as ethyl acrylate, butyl-A, methyl acrylate, and 2-ethylhexyl acrylate. These esters are polymerised to become ingredients in paints, coatings, textiles, adhesives, polishes, and plastics.

Five producers in China have planned maintenance at their acrylic acid and acrylate esters facilities, with the shutdown period ranging between 10-40 days.

In Zhejiang province in eastern China, Formosa Plastics Corp shut its facilities in Ningbo on 9 March for a 10-day turnaround. *(Please see table below)*

Zhejiang Satellite Petro-chemical, meanwhile, plans to halt production at its 160,000 tonne/year acrylic acid and 120,000 tonne/year acrylate esters plant in Jiaxing from 19 March. The shutdown has to do with power supply coordination with the local government and is expected to last 15-20 days, a company source said.

In southern China, Jiangmen Handsome Chemical's acrylate esters plant in Guangzhou is undergoing maintenance. The unit was shut on 9 March and will be restarted 10 days later.

In Shandong province in northern China, Zhenghe Petrochemical is due to take its 60,000 tonne/year acrylate esters plant off line for catalyst change on 11 March, with the shutdown expected to last 30-40 days, a company source said.

Shandong Kaitai, meanwhile, will conduct a 20-day turnaround at its acrylic acid and acrylate esters plants – each with a 80,000 tonnes/year capacity – at Zibo from 15 March. In April, it also plans to shut its 30,000 tonne/year acrylic acid and 5,000 tonne/year acrylate esters plant at the same site for maintenance of the same duration, a company source said.

Producer	Acrylic acid (in tonnes /yr)	Acrylate esters (in tonnes /yr)	Location	Shutdown date and duration
Formosa Plastics Corp	160,000	200,000	Ningbo, Zhejiang	09-Mar (10 days)
Jiangmen Handsome Chemical	---	80,000	Guangzhou	09-Mar (10 days)
Zhenghe Petrochemical	---	60,000	Guangrao, Shandong	11-Mar (30-40 days)
Shandong Kaitai	80,000	80,000	Zibo, Shandong	15-Mar (20 days)
	30,000	5,000	Zibo, Shandong	April (20 days)
Zhejiang Satellite Petro-chemical	160,000	120,000	Jiaxing, Zhejiang	19-Mar (15-20 days)

SOURCE *ICIS News*