

The QuiMax Mid-month Report

Providing Market Intelligence
to the Petrochemical and Plastic Industries

November 22, 2010

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HIGHLIGHT

Argentina – The nation is grappling with a newly discovered sense of political uncertainty in the aftermath of former President Nestor Kirchner's death, while seeing its economy grow at a robust pace. No significant operational problems have been reported recently. End-user demand for plastic finished goods remained healthy in early November. Tight supply helped producers raise prices in October, as expected. Another round of price increases was announced in late October for November deliveries, but only part of them materialized, and prices of certain types of resins slipped.

Brazil – Braskem has announced it will be replacing current CEO Bernardo Gradin in 2011 with Carlos Fadigas, the current CEO of Braskem America – the U.S. subsidiary of Braskem. One of Braskem's largest naphtha crackers has been shut down for maintenance work since Nov. 4. At the moment, all polymers units at this site are down as well. The maintenance process was initially expected to last 40 days. However, it could be delayed due to a workers' strike in the state of Bahia. In the first half of November, converters in general reported strong production levels, while petrochemical companies continue to show strong sales. Prices of naphtha increased for November deliveries and should remain in the upward trend in December. Prices of thermoplastic resins increased across the board in November, although at a more moderate pace than in October.

Mexico – November began with better weather and transportation logistics improved. November should be a month with good demand. Despite the fact that supply continues to be tight for some products and that prices continued to firm, speculative demand increased. Prices are up for PEs, PVC, PP, PET and PS as well as PVC. Regarding the plastics and petrochemicals markets, tight supply, more so than real demand, has caused a price increase in most products in November. Inventory levels are higher. PP prices weakened as a result of lower PG propylene costs in early November but firmed in mid November. Pemex announced planned maintenance shutdowns for HDPE unit at Morelos and increased prices for all PEs on Nov 17. Buyers are torn between ending 2010 with low inventory and buying additional volumes in anticipation of price increases. Hence, purchases reflect only short-term demand. Volatility will continue to add a high level of uncertainty in our price estimates.

U.S. – No major improvement in the economy has taken place. The number of unemployed persons (14.9 million) continues to linger around the 10% mark. The Henry Hub natural gas spot price increased, averaging US\$3.77 per MMBtu. At the NYMEX, the futures contract for November delivery at the Henry Hub settled at US\$4.03 per MMBtu. Natural gas in storage reported record high numbers, reaching 3,843 billion cubic feet (Bcf). The spot WTI crude oil decreased to US\$80.43 per barrel, or US\$13.87 per MMBtu. Weather will become an important variable to follow as it impacts heating demand.

Please Mark your calendars to attend our Fourth Networking meeting in Houston, Texas on March 25, 2011. For more information please visit our web site www.quimaxlatin.com

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BRAZILIAN PETROCHEMICAL DOMESTIC PRICING
Preliminary Mid-Month Prices
November 2010

Product	Grade	Notes	Contract / Market Prices			
			With PIS/COFINS		Net of Taxes	
			R\$/Ton	R\$/Ton	US\$/Ton	Cts/Lb
Feedstock						
Naphtha		2, 3	1163 - 1179	1163 - 1179	680 - 689	30.9 - 31.3
Monomers						
Ethylene		2, 5	2363 - 2501	2163 - 2289	1265 - 1339	57.4 - 60.7
Propylene		2, 5	2209 - 2458	2022 - 2250	1183 - 1316	53.6 - 59.7
Butadiene		2, 5	3449 - 3702	3157 - 3388	1846 - 1982	83.7 - 89.9
Benzene		2, 5	1492 - 1645	1366 - 1506	799 - 881	36.2 - 40.0
Styrene		2, 5	2475 - 2625	2266 - 2403	1325 - 1405	60.1 - 63.7
Polymers						
Low Density PE	General Purpose, Film	1, 2, 4	4251 - 4499	3891 - 4118	2276 - 2408	103.2 - 109.2
Linear Low Density PE	Butene, Film	1, 2, 4	3733 - 4018	3417 - 3678	1998 - 2151	90.6 - 97.6
Linear Low Density PE	Hexene, Film	1, 2, 4	3774 - 4059	3454 - 3716	2020 - 2173	91.6 - 98.6
Linear Low Density PE	Octene, Film	1, 2, 4	3913 - 4204	3582 - 3848	2095 - 2250	95.0 - 102.1
Linear Low Density PE	Metallocene	1, 2, 4	4162 - 4447	3809 - 4070	2228 - 2380	101.0 - 108.0
High Density PE	Film	1, 2, 4	3709 - 3999	3395 - 3660	1985 - 2141	90.1 - 97.1
High Density PE	Blow Molding	1, 2, 4	3750 - 4049	3432 - 3706	2007 - 2167	91.0 - 98.3
Polypropylene	Film	1, 2, 4	3810 - 4022	3487 - 3682	2039 - 2153	92.5 - 97.7
Polypropylene	Injection Molding	1, 2, 4	3842 - 4096	3516 - 3749	2056 - 2192	93.3 - 99.4
Polypropylene	Copolymer	1, 2, 4	3926 - 4180	3593 - 3826	2101 - 2237	95.3 - 101.5
Polypropylene	Raffia	1, 2, 4	3688 - 3850	3376 - 3524	1974 - 2061	89.6 - 93.5
Polystyrene	General Purpose	1, 2, 4	3303 - 3660	3023 - 3350	1768 - 1959	80.2 - 88.9
Polystyrene	High Impact	1, 2, 4	3480 - 3805	3185 - 3482	1863 - 2037	84.5 - 92.4
PVC	Suspension Rigid Pipe	1, 2, 4	3005 - 3276	2751 - 2998	1609 - 1753	73.0 - 79.5
PVC	General Purpose	1, 2, 4	3095 - 3381	2833 - 3094	1657 - 1810	75.1 - 82.1
ABS	High Impact	1, 2, 4	5769 - 6034	5281 - 5523	3088 - 3230	140.1 - 146.5
EPS	General Purpose	1, 2, 4	4369 - 4725	3999 - 4325	2339 - 2529	106.1 - 114.7
EVA	Low VA	1, 2, 4	5080 - 5254	4650 - 4809	2719 - 2813	123.3 - 127.6
EVA	High VA	1, 2, 4	5180 - 5498	4742 - 5033	2773 - 2943	125.8 - 133.5
PET	Bottle	1, 2, 4	3195 - 3419	2924 - 3129	1710 - 1830	77.6 - 83.0
Others						
Caustic Soda (DMT)		2, 6	710 - 747	650 - 684	380 - 400	17.2 - 18.1

- | | |
|-----------------------------|---------------------|
| 1) Delivered, bagged | 4) Sight |
| 2) Before Taxes (ICMS, IPI) | 5) Delivered |
| 3) FOB Refinery | 6) X Tank Sao Paulo |

Prices reported are the opinion of QuiMax and based on public information.

Exchange Rate R\$/US\$ 1.71

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MEXICAN PETROCHEMICAL DOMESTIC PRICING

Preliminary Mid-Month Prices

				November 2010		
Product	Grade	Notes	Contract/Market Prices			
			Pesos/Ton	US\$/Ton	Cts/Lb	
Feedstock						
Natural Gas (\$/MMBTU)	Henry Hub	US Gulf	-	3.80 - 4.21	-	
Monomers (8)						
Styrene (no discount)		6,9	17591 - 17818	1420 - 1438	63.94 - 65.23	
Polymers						
Low Density PE	General Purpose, Frac	1, 4	20486 - 22808	1653 - 1841	75.00 - 83.50	
Low Density PE	General Purpose, Film	1, 4	20623 - 22262	1664 - 1797	75.50 - 81.50	
Linear Low Density PE	Butene, Film	1, 4	15706 - 16662	1268 - 1345	57.50 - 61.00	
High Density PE	Film	1, 4	15843 - 16389	1279 - 1323	58.00 - 60.00	
High Density PE	Blow Molding	1, 4	15023 - 16116	1213 - 1301	55.00 - 59.00	
High Density PE	Injection Molding	1, 4	15023 - 16116	1213 - 1301	55.00 - 59.00	
Polypropylene	Injection Molding	1, 4	18028 - 18847	1455 - 1521	66.00 - 69.00	
Polypropylene	Raffia	1, 4	18028 - 18847	1455 - 1521	66.00 - 69.00	
Polystyrene	General Purpose	2, 4	19394 - 21579	1565 - 1742	71.00 - 79.00	
Polystyrene	High Impact	2, 4	20759 - 22945	1675 - 1852	76.00 - 84.00	
PVC(**)	Suspension Rigid Pipe	4,7	12019 - 12838	970 - 1036	44.00 - 47.00	
PVC(**)	Suspension GP	4,7	12565 - 13111	1014 - 1058	46.00 - 48.00	
PET		2	19120 - 20486	1543 - 1653	70.00 - 75.00	
Others						
Caustic Soda (DMT)		6	6815 - 7434	550 - 600	24.95 - 27.22	

- 1) DAF, Laredo-Bulk
- 2) Bagged-Delivered
- 3) FOB Refinery
- 4) Sight
- 5) Delivered

- 6) X-tank/X-Works DF
- 7) Plant Bagged
- 8) Prices no longer reported
- 9) Pemex List Price -Discount appx 15%

(**) PVC GP price 1-2 cents higher
PS prices adjusted to reflect
producers and distributors sales

Prices reported are the opinion of QuiMax and based on public information.

EXCHANGE Peso/US\$ 12.39

Banco de Mexico

Ex Works -- Title and risk pass to buyer including payment of all transportation and insurance cost from the seller's door.

Delivered at Frontier -- Title, risk and responsibility for import clearance pass to buyer when delivered to named border point by seller.

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ARGENTINE PETROCHEMICAL DOMESTIC PRICING

Mid-Month Preliminary Prices November 2010

Product	Grade	Notes	Contract/Market		
			PESO/Ton	US\$/Ton	Cts/Lb
Polymers					
Low Density PE	General Purpose, Film	1, 2, 3	8300 - 8900	2094 - 2245	95.0 - 101.8
Linear Low Density PE	Butene, Film	1, 2, 3	7350 - 7890	1854 - 1991	84.1 - 90.3
Linear Low Density PE	Hexene, Film	1, 2, 3	7600 - 8050	1917 - 2031	87.0 - 92.1
Linear Low Density PE	Octene, Film	1, 2, 3	7800 - 8200	1968 - 2069	89.3 - 93.8
High Density PE	Film	1, 2, 3	7450 - 7800	1880 - 1968	85.3 - 89.3
High Density PE	Blow	1, 2, 3	7600 - 7950	1917 - 2006	87.0 - 91.0
Polypropylene	Raffia	1, 2, 3	6900 - 7600	1741 - 1917	79.0 - 87.0
Polypropylene	Injection Molding	1, 2, 3	7100 - 7800	1791 - 1968	81.2 - 89.3

- 1) Delivered, bagged
- 2) Before Tax (IVA)
- 3) Sight

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Exchange Rate PESO/US\$ 3.96

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VENEZUELAN PETROCHEMICAL DOMESTIC PRICING

Preliminary Mid-Month Prices November 2010

Product	Grade	Notes	Contract/Market		
			Bolivares/Ton	US\$/Ton	Cts/Lb
Polymers					
Low Density PE	General Purpose, Film	1, 2, 3	3,495	920	41.7
Linear Low Density PE	Butene, Film	1, 2, 3	2,995	788	35.8
High Density PE	Injection Molding	1, 2, 3	3,087	812	36.8
High Density PE	Blow Molding	1, 2, 3	3,364	885	40.2
Polypropylene	Injection Molding	1, 2, 3	4,359	1147	52.0

- 1) Delivered, bagged
- 2) Before Tax (IVA)
- 3) Sight

Prices have been stable since November 2008. NOTE: AS OF APRIL 1, A 45 percent increase was implemented but as of June, the increase was reversed.

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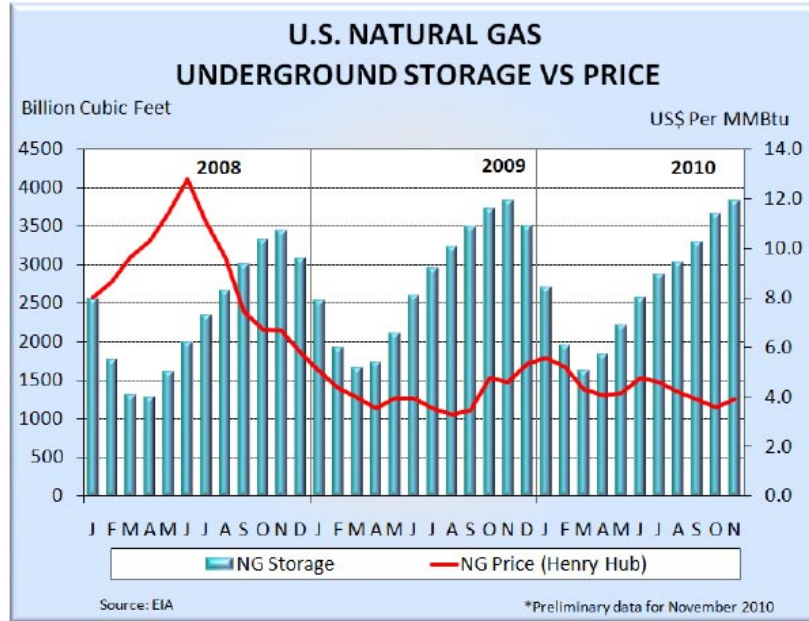
Exchange Rate Bolivares/US\$ 3.80

New Exchange rate as of January 1, 2010- Resins remain with this exchange rate.

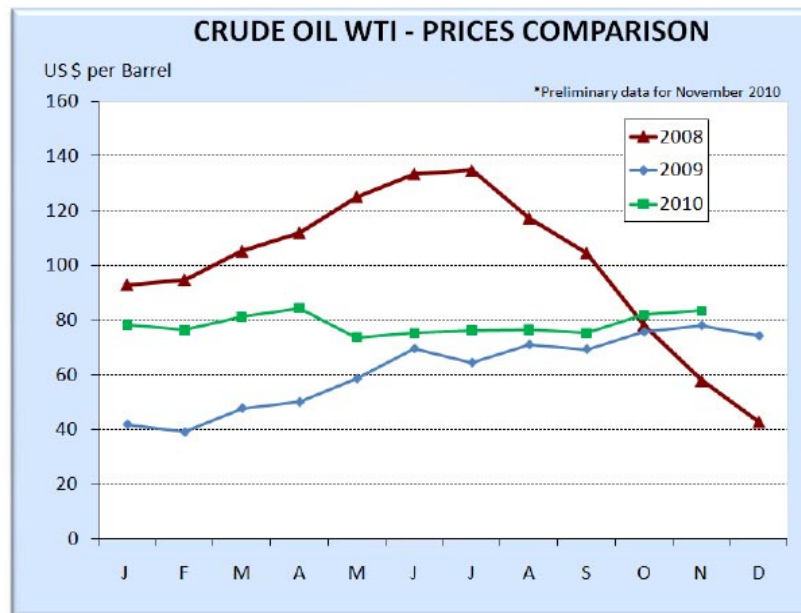
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ECONOMIC AND ENERGY BRIEFING

Natural gas spot prices reported a slight decrease at nearly all of the domestic pricing points due to warmer weather and high storage levels. The Henry Hub price fell to US\$3.77 per million Btu (MMBtu). The West Texas Intermediate crude oil spot price settled at US\$80.43 per barrel (US\$13.87 per MMBtu). Working natural gas in storage set another new all-time record increasing to 3,843 billion cubic feet (Bcf) on Nov. 12, according to the Energy Information Administration. At the New York Mercantile Exchange (NYMEX), the December 2010 contract price fell to US\$4.03 per MMBtu. The following graph shows the relationship between underground natural gas inventory levels and prices.



Crude oil prices are illustrated in the subsequent graph.



BRAZIL

OPERATIONAL NEWS

One of Braskem's naphtha crackers in Camacari, Bahia, has been shut down for maintenance work since Nov. 4. At the moment, all polymers units at this site are down as well. The maintenance process was initially expected to last 40 days. However, it could be delayed due to a workers' strike in the state of Bahia. The state's chapter of the Union of Metallurgical Workers started the strike on Nov. 17, affecting several companies within the state. Even if maintenance work is resumed this week, as expected, it is likely that Braskem's normal production will resume later than previously announced. This will help to keep the market tight longer than expected.

The next table details scheduled maintenance shutdowns for Brazilian petrochemical companies this year. Braskem's maintenance work could be delayed, but we still do not know the full impact of the strike on the schedule. We will update this in the next QuiMax report.

MAINTENANCE AND EXPANSION WORK IN BRAZILIAN PETROCHEMICAL INDUSTRY- 2010							
SITE	STATE	COMPANY	PRODUCT	CAPACITY 000 ton/year	PERIOD		NOTES
					START	END	
CAMACARI	BA	Braskem	Ethylene (Cracker 1)	740	November 4	December 13	Scheduled maintenance work, 40 days
		Braskem	HDPE	150	November 4	December 13	Scheduled maintenance work
		Braskem	LDPE	150	November 4	December	Scheduled maintenance work
		Braskem	HDPE/LLDPE	210	November 4	December	Scheduled maintenance work
		EDN (Grupo Unigel)	Styrene/Ethylbenzene	160/173	July	December 13	Scheduled maintenance work, 5 months
		Oxiteno	Ethylene Oxide	260	November 4	November 14	Scheduled maintenance work
MARECHAL DEODORO	AL	Braskem	Chlor / Caustic Soda	470 / 533	November 4	November	Scheduled maintenance work
DUQUE DE CAXIAS	RJ	Petrobras REDUC refinery	Propylene	100	March 1	April 18	Unscheduled maintenance work, done
CAPUAVA	SP	CBE (Grupo Unigel)	Styrene	120	May 7	May 27	Scheduled maintenance work, done
SANTO ANDRE		Braskem (ex Quattor)	LDPE	126	April	April	Scheduled maintenance work, done
CUBATAO		Braskem (ex Quattor)	LDPE	144	April	May	Scheduled maintenance work, done
CUBATAO		Petrobras RECAP refinery	Propylene	145	May	June 17	Scheduled maintenance work, done
PAULINIA		Petrobras REPLAN refinery	Propylene	265	March	April	Scheduled maintenance work, done
ARAUCÁRIA	PR	Petrobras REPAR refinery	Propylene	180	July 18	August 20	Scheduled maintenance work, done
TRUINFO	RS	Innova	PS	150	May 24	June 05	Scheduled maintenance work, done

Other naphtha crackers in Triunfo and Sao Paulo, as well as the ethane and propane cracker in Rio de Janeiro, have been producing at high rates in order to compensate the outage in Bahia. In general, most petrochemical products are balanced-to-tight in the domestic market, which will limit exports in these last months of the year.

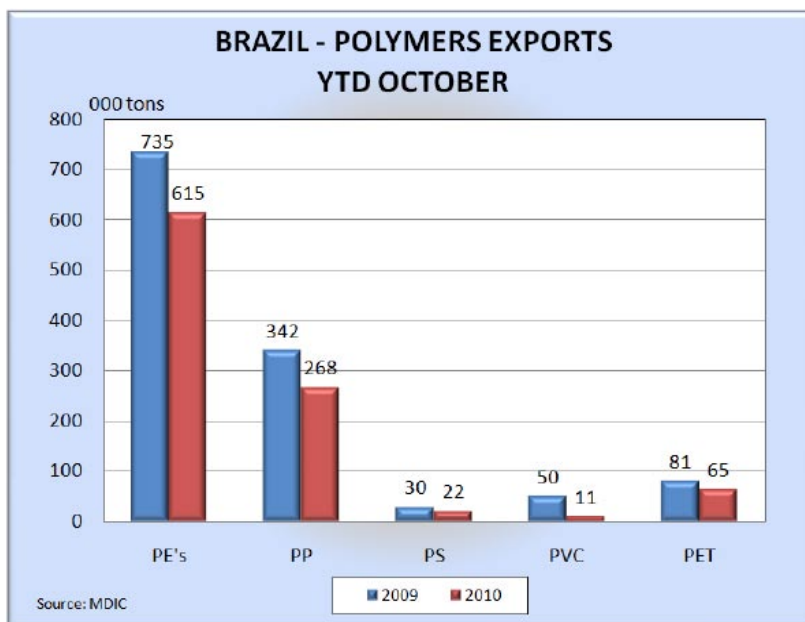
MARKET INTELLIGENCE

In the first half of November, converters in general reported strong production levels. However, we expect some slowdown in production in the last weeks of December. This has much more to do with end-year inventory adjustment than reduced end-user demand.

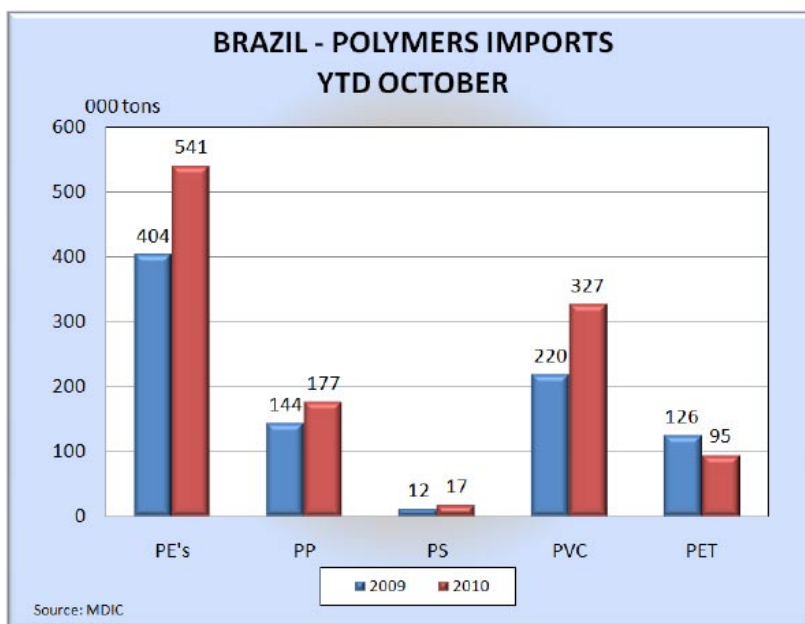
For now, petrochemical companies continue to show strong sales, even with reduced national production. Usually, the last month of the year is characterized by lower sales. However, we expect stronger-than-usual market activity for the period. By year's end, demand for resins in 2010 is expected to show double-digit growth compared to 2009.

Throughout 2010, exports were less than those reported in 2009. In October, exports of resins (PE, PP, PS, PVC and PET) were 2% lower than September and 3% below October 2009 levels. Total year-to-date exports are 21% below the same period of last year.

A strengthening local currency, against the U.S. dollar, and strong domestic demand are the two main reasons for lowered exports in 2010. We expect reduced exports in coming months due to lowered national production and the impact of the maintenance work at Braskem's unit in Bahia. The next graph shows export volumes by resin through October.



Imports, on the other hand, have increased this year. The total volume of imports in 2010 to-date is 28% above that seen in the same period of 2009, but October 2010 imports slipped by 6%, compared to the previous month. However, imports from Argentina rebounded in October, increasing 17% over the previous month. Usually, imports fall in the last months of the year due to slower demand and inventory adjustments. However, we do not believe this will happen this year, and imports are likely to remain high. This is in large part due to the balanced-to-tight market situation that developed in certain types of resins. The next graph compares total imports by resin for 2009 and 2010 through October.



After dropping for seven consecutive months, naphtha prices in Brazil increased – in local currency – for November deliveries. Prices rose some 4%. The stronger currency offset most of the price increase in hard currency seen in benchmark markets. We expect prices to accelerate upward for December deliveries.

It means that a cost-push pressure should be in place for most petrochemical products in Brazil, since naphtha is the most widely used feedstock in the country. However, the formula used in Brazil considers the three-month moving average of naphtha sold in Europe, which allows Braskem to have access to cheaper naphtha than its peers when prices are on the rise in benchmark markets.

Prices for thermoplastic resins are rising in general. Most price increases are residual, which mean price hikes are being enacted more slowly than in October and look to be flat in December. Most of this month's price hikes are expected to hit during its second half.

Regarding polyethylenes, prices went up by R\$80 to R\$100 (US\$50 to US\$60) per ton. The main reason for the higher prices is tight supply. However, competition with imports and inventory adjustments in December would not allow prices to further rise. In the case of EVA, prices rose even faster in November, by some R\$200 (US\$120) per ton on average.

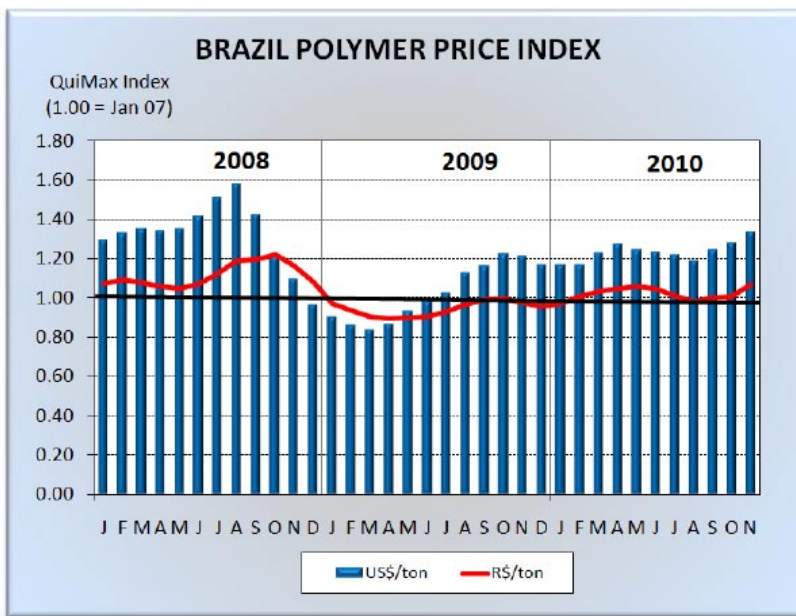
Regarding polypropylene, announced price increases were around R\$100 (US\$60) per ton. Convertors, on the other hand, reported flat prices compared to October for most of their purchases. In some segments, such as raffia bags, the expectation is of lower demand in coming weeks, which could result in slipping prices.

In the polystyrene market, manufacturers announced price hikes of around R\$150 (US\$90) per ton for November deliveries. All producers seem to have raised their prices at the same pace. PS prices remain firm, and those increased prices seem to have permeated through to the production chain. This was brought about by a balanced-to-tight market situation that developed in the third and fourth quarters of the year, mostly attributed to the exit of Dow from Brazil. Prices vary from producer to producer, but all producers have been able to regain their margins. In addition, prices of EPS increased once again in November by some 5% in local currency.

As for PVC, price increases have been residual with hikes of 3% materializing in some cases. Not all producers were able to raise their prices. However, it seems that price ranges have narrowed somewhat, for now.

The price of PET showed the highest increase, rising US\$100 per ton in November, and we expect a new round of increases for December deliveries after four months of flat prices in hard currency. We have been expecting prices to move up in late 2010 due to strong seasonal demand, lasting through mid-summer.

The next graph shows the price dynamics for commodity resins in Brazil in local and hard currency up to November.



COMPANY NEWS

On Nov. 22, 2010, Braskem announced that CEO Bernardo Gradin will be replaced by Carlos Fadigas in 2011. Fadigas is currently the CEO of Braskem America, a U.S. subsidiary of Braskem. Fadigas also served as CFO of Braskem for many years before being assigned his current position. Carlos Fadigas will be formally inducted into his new role by the Board of Directors in 2011.

MEXICO

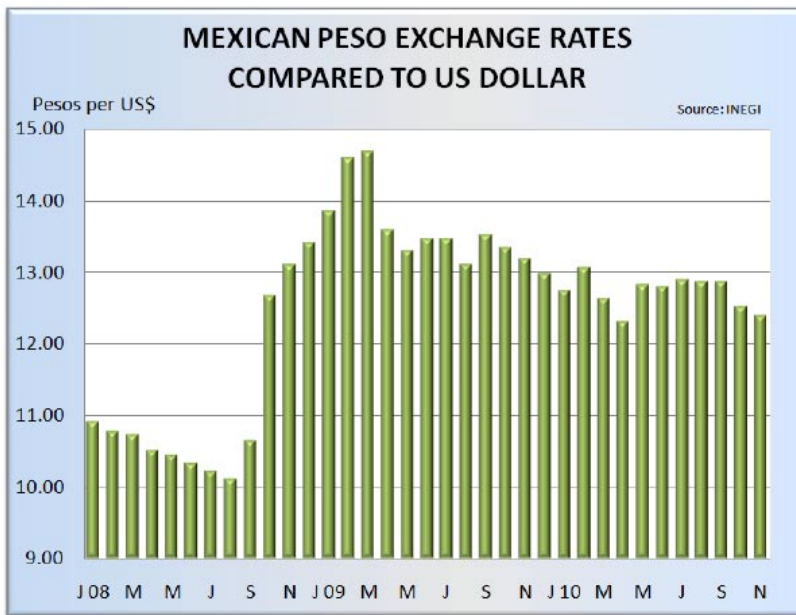


On Saturday, Nov. 20, Mexico celebrated the 100-year anniversary of the Mexican Revolution – a years-long struggle meant to bring social justice to the nation’s poor and indigenous. In the capital, jets soared and thousands gathered in the city center to watch a live-action, lights and fireworks spectacular, as the mayors of the world converged for a conference hosted by Mayor Marcelo Ebrard, who is showcasing the city as a gleaming model to developing nations.

Meanwhile on the Texas border, Ciudad Mier lies nearly vacant as the last holdouts fled the endless violence last week in a mass exodus. Last Thursday, a manager for Swiss-based oil-services firm Weatherford was gunned down in Poza Rica, Veracruz, by unknown assailants, as was a former governor of Colima on Sunday morning as he ate breakfast at his home.

Such bloodshed threatens to undercut and hobble the economic growth of the nation and casts a shadow on the progress made in Mexico in the last century.

On the economic front, the peso suffered a setback in recent weeks on jitters that the Bank of Mexico may allow the currency to devalue amid a worldwide surge in concerns about riskier currencies. It has since recovered slightly, and as we write, it is trading at 12.26 pesos to the U.S. dollar. The following graph tracks the recent historical value of the Mexican peso.



OPERATIONAL NEWS

Several units will be down for planned maintenance in Mexico this month. Pemex has three ethylene units; however, ethylene production from Pajaritos has been restricted due to lack of ethane supply. This is consequently affecting ethylene derivatives. However, the styrene monomer unit is back online after a long period (over two months) of downtime. Also, all three LDPE production lines are currently in production. At the Morelos site, Pemex has concentrated its HDPE and LLDPE production. The swing unit has no planned maintenance, but one line (50,000 tpy) of the HDPE Asahi unit is down through mid-November. Morelos’ LLDPE/HDPE swing unit ran close to capacity in early November. We expect no downtime in this swing unit in November. We are also seeing a similar outage and product limitation for selected PEs that are imported from the U.S. Gulf Coast to help meet demand in Mexico.

Most resin convertors have comfortable inventory levels at this time but would like to purchase additional volumes to mitigate possible price increases announced for December. Production problems at some resin manufacturing sites in North America have made supply tight. There is **an imbalance of supply** in relationship to current speculative demand. Anticipation of higher prices has increased purchase orders. We are still seeing the after effects of heavy flooding throughout southern Mexico during October, which disrupted transportation via both road and rail. Rail service only became available again to Pemex around

the end of October; therefore, there is still a backlog of hopper cars and other cargos on site. **Pre-flood delivery levels** will not return for another two weeks. Transportation problems have made getting product from point A to point B in a timely manner difficult this November, affecting supply.

Looking at propylene and PP, Mexico experienced a short-lived PP shortage from certain U.S. Gulf Coast producers in early October. In early November, PP prices eased some due to a US\$0.02-per-pound reduction in PG propylene prices. PP demand in Mexico is healthy. We anticipate double-digit growth in 2010. Supply is still not back to comfortable levels. Hence, PP price volatility is reported in November. Safeguarding trucks carrying PP, PET and PS from Altamira to central Mexico has now become a very serious issue in Mexico. Meanwhile, PET supply is balanced to short; PS-GP supply is also balanced-to-short; and HIPS grade continues to fetch a premium. Due to a structural shortage of GP, fractional-melt-flow- and extrusion-coating grades of LDPE, we have seen additional consumption of LLDPE. Regarding PVC, supply is short while demand is healthy, and prices are firming.

The next table shows quarterly production volumes for the Mexican petrochemical industry through the third quarter of 2010. Year-to-date production of basic petrochemicals and derivatives in Mexico is illustrated in the next table. Although Pemex production rates were relatively good, heavy floods limited supply and the industry was left with a significant deficit of product in October and early November.

MEXICO PETROCHEMICAL PRODUCTION																
	BENZENE		EBZ		ETHYLENE		VCM		EO		HDPE		LDPE		STYRENE	
-000-Tons	Prod.	% Chg	Prod.	% Chg	Prod.	% Chg	Prod.	% Chg	Prod.	% Chg	Prod.	% Chg	Prod.	% Chg	Prod.	% Chg
Q1 07	35	-12.5	38	-19.1	263	-7.7	40	-38.5	94	5.6	45	21.6	75	-8.5	35	-19.1
Q2 07	32	-8.6	46	21.1	278	5.7	73	82.5	85	-9.6	40	-11.1	102	36.0	43	21.1
Q3 07	29	-9.4	40	-13.0	272	-2.2	65	-11.0	73	-14.1	55	37.5	102	0.0	37	-13.0
Q4 07	20	-31.0	26	-35.0	190	-30.1	58	-10.8	49	-32.9	16	-70.9	79	-22.5	24	-35.0
Q1 08	27	35.0	41	57.7	286	50.5	26	-55.2	89	81.6	50	212.5	118	49.4	38	57.7
Q2 08	29	7.4	37	-9.8	285	-0.3	55	111.5	90	1.1	45	-10.0	105	-11.0	34	-9.8
Q3 08	26	-10.3	27	-27.0	288	1.1	44	-20.0	95	5.6	44	-2.2	118	12.4	25	-27.0
Q4 08	30	15.4	44	63.0	292	1.4	46	4.5	101	6.3	39	-11.4	85	-28.0	45	79.6
Q1 09	20	-33.3	26	-40.9	293	0.3	44	-4.3	75	-25.7	48	23.1	76	-10.6	24	-46.4
Q2 09	27	35.0	35	34.6	275	-6.1	13	-70.5	72	-4.0	39	-18.8	65	-14.5	32	34.6
Q3 09	31	14.8	32	-8.6	288	4.7	41	215.4	40	-44.4	54	38.5	85	30.8	30	-8.6
Q4 09	8	-74.2	12	-62.5	303	5.2	56	36.6	92	130.0	53	-1.9	73	-14.1	11	-62.5
Q1 10	35	337.5	30	150.0	302	-0.3	62	10.7	97	5.4	45	-15.1	120	64.4	28	150.0
Q2 10	31	-11.4	14	-53.3	288	-4.6	61	-1.6	101	4.1	55	22.2	94	-21.7	13	-53.3
Q3 10	20	-35.5	3	-78.6	278	-3.5	51	-16.4	94	-6.9	43	-21.8	118	25.5	3	-78.6

Source: Pemex

It is interesting to note that ethylene exports were much less in 2010 when compared to 2009. However, we do not expect additional exports in Q4. There was a reduction in ethylene production due to ethane limitation. Meanwhile, styrene production was significantly lower, and this has had an important impact on the amount of imported styrene. Resirene's PS production facility has now moved to Tlaxcala and should import significant volumes of styrene to run their PS unit. This situation may result in some styrene monomer exports from Pemex in Q4. Once Resirene consumes all of its imported material, we expect Pemex supply to increase in domestic markets and exports to decline.

Please note: In our Nov. 8 report we mistakenly reported Resirene's plant location. We would like to take this opportunity to correct that information. Resirene's PS production site is situated in Tlaxcala not Altamira. On the other hand, BASF's PS production site is situated in Altamira.

Production of LDPE at Pemex's Cangrejera facility has been limited in a year when prices and markets have been tight for LDPE. There is no additional work planned for these LDPE units, and they all should be producing. However, there is still additional work planned for one production line at the Morelos Ashai HDPE unit. Conversely, VCM production has been reportedly improving in 2010 despite a significant reduction in recent months.

MEXICO PETROCHEMICAL PRODUCTION - YTD				
-000-Tons	2008	2009	2010	2010/2009
Ethylene	859	856	868	1.4%
Benzene	82	78	86	10.3%
EB	105	93	47	-49.5%
VCM	125	98	174	77.6%
Styrene	97	86	44	-49.5%
EO	274	187	292	56.1%
LDPE	341	226	332	46.9%
HDPE	139	141	143	1.4%

Source: Pemex

MARKET INTELLIGENCE

The main variable affecting prices in **November is supply**. Production problems in the United States and increased demand in Asia has made product scarce for the Mexican market. Mexican imported monomer and resin make domestic prices vulnerable to volatility in international markets. Prices today reflect **an imbalance between** supply and demand. Some speculative purchases are also now affecting domestic demand.

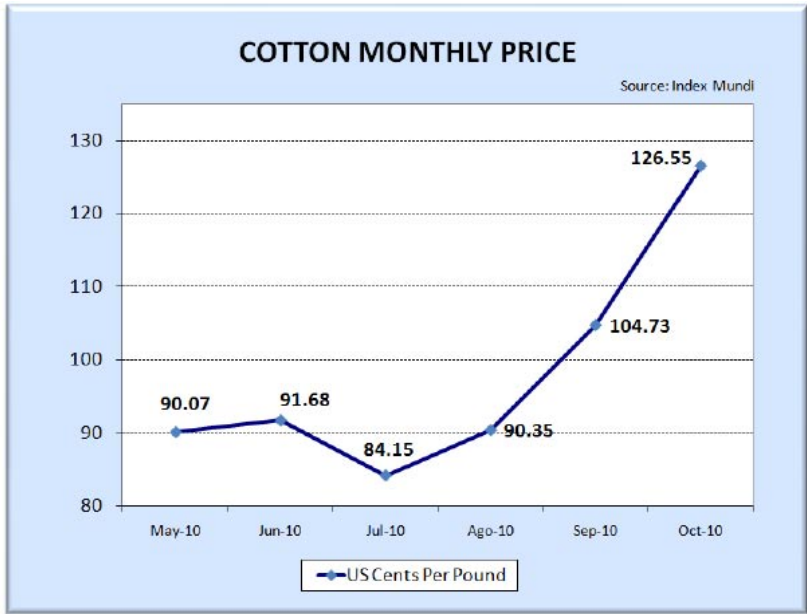
This November, convertors continue to struggle to find selected resins at October's prices. Most resins increased in price during November. Even PP, which previously reported a slight reduction in price, is now sold at higher prices. Prices continued to firm, although at a slower pace. Anticipation of higher pricing is now beginning to impact speculative buying. Prices began to firm as a result of supply limitations in the United States and in Mexico.

The month began with weak demand as China returned from a national holiday break, but now demand has firmed, and no additional surplus is offered in the Mexican market. This time the price hikes were not only a result of increased production costs but also of product shortages associated with plant problems in the United States. Recently, Pemex announced a price increase for all PE products effective Nov. 17. We believe they will increase prices in the coming weeks. PS prices have firmed up in the last eight weeks by a total of \$0.04-.07 cents per pound.

In the case of PET, prices have increased dramatically and additional increases are talked about for December. The increases in prices reported in Mexico reflect demand elsewhere – mainly in Asia – and inter-material substitution, mainly with cotton. Polyester fiber is in high demand, and this means additional volumes of PTA are going towards fiber production instead of to resin production. Hence, PTA and PET prices are beginning to rise.

Polyester fiber demand is high, mainly due to shortage in cotton supply, this so primarily in China. China grows about 30 million bales a year, and demand is about 50 million bales. As a result, it now has to import approximately 20 million bales, a record volume.

Each bale weighs about 480 pounds. The tight supply situation in China and the tightening conditions in the United States explain some of the recent upward movement in prices. The unprecedented price levels and volatility in fiber prices corresponding to the tight fiber supply situation has made pricing difficult throughout the cotton supply chain.



In November, the following factors influenced Mexican prices:

- ☑ Of most importance was the supply limitation from both Mexican and U.S. Gulf Coast producers. In Asia (China and India), increased demand limited exports to Mexico.
- ☑ Anticipation of higher prices increased convertor speculative demand. However, resin consumers in Mexico do not want to end November with higher-than-needed levels of expensive inventory.
- ☑ In October, inventory levels were lower at convertors' sites. Now in November, inventory levels are much more comfortable to meet real demand.

We expect to continue to see volatile prices for most PEs through the end of November. Other resin prices could begin to erode heading into late December. In late November, *the most important factor affecting prices continues to be short supply, more so than higher demand.*

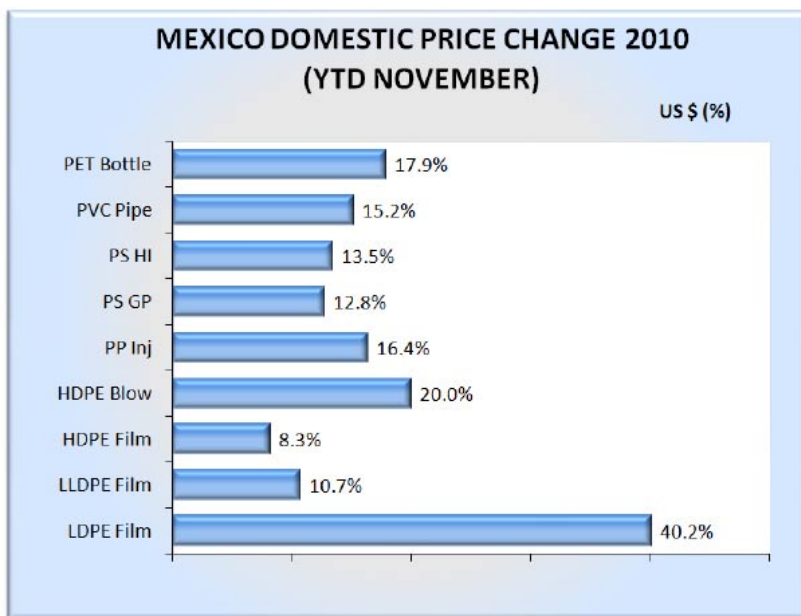
Trade tables at the end of this report show how surplus volume from the U.S. Gulf Coast. ***For most resins, prices increased in early and mid-November 2010, compared to early October. However, some of these increases fully materialized in a period of 6-8 weeks. Some products reported price increases that began in late October and absorbed the full increase in mid-November. Ending 2010 with low inventory levels will be a key goal for most industry players in Mexico.***

Our price range is wider and shows a low and a high price for each product. In mid-November, the higher end of the range was used for most transactions, confirming the increase in price. It is a *very heterogeneous market.*

Price hikes finally took hold but not for all buyers at the same time. Large buyers were able to negotiate and spread price increases over a period extending into November. Prices continue to be heterogeneous and volatile. They may also vary from deal to deal, producer to producer and also by grade in each

product. However, business is currently being carried out at the higher end of the price range provided in the price page. The price page reflects transactions done throughout the month for representative volumes. The extreme lows and highs are not represented in the table.

The next graph shows price shifts in 2010.



Suggested Strategy:

Purchase as much product as needed to meet real demand. We believe that 2011 will begin with firm prices and low inventory. Due to product limitation, supply has been tight, and prices for most resins increased in November. In the case of PS, the increase reached US\$0.05 per pound. PVC is currently up by US\$50 per ton, and PET is increasing in price. Commodity prices in general seem to be firming for the next months.

Buyers in Mexico should purchase enough to meet real demand. In our view, availability could be a problem at the end of Q4 and into early weeks of 2011. Transportation logistics will improve, and product will flow much more smoothly from producer to consumer in Q4.

ARGENTINA

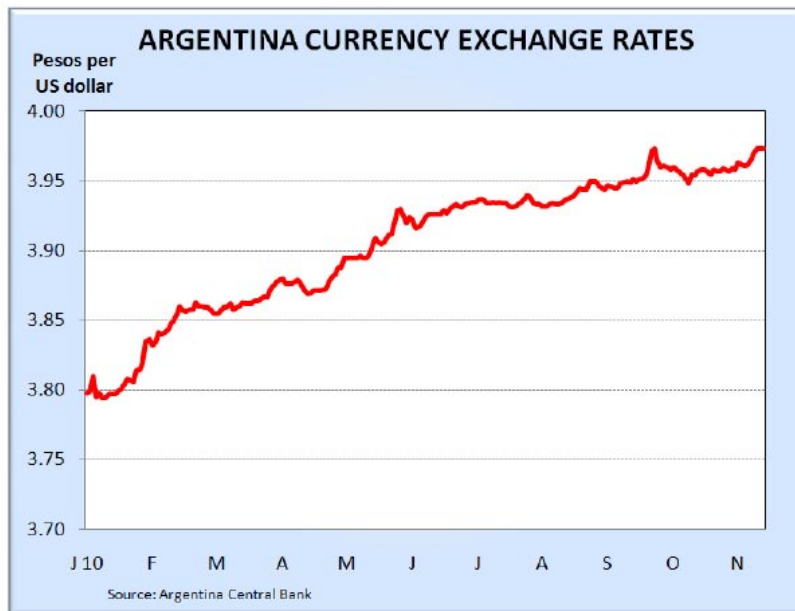
The nation is grappling with a newly discovered sense of political uncertainty in the aftermath of former President Nestor Kirchner's death, throwing expectations for the next presidential election in November 2011 into complete disarray. Before October, there was little doubt that either current President Cristina Kirchner or her husband Nestor would become the favored candidate to win. In response, President Kirchner has begun striking a more moderate tone in recent speeches in an apparent attempt to curry favor with corporations and the agricultural sector.

Like many commodity-rich nations, Argentina is seeing its economy grow at a robust pace, boosted by strong exports and healthy domestic demand. Low unemployment rates and higher wages help to explain the national shopping spree taking place.

However, inflation remains a concern, and natural gas supply continues to be a structural problem in the country, often running short during peak demand months May to August.

In recent years, the result has been reduced investment in exploration, production and transportation of NG. It seems there is no easy and fast way out of this situation.

Local currency lost some ground to the dollar in the first half of November. As we write, the greenback is being traded at 3.97 pesos. The historical currency exchange rate is shown in the next graph.



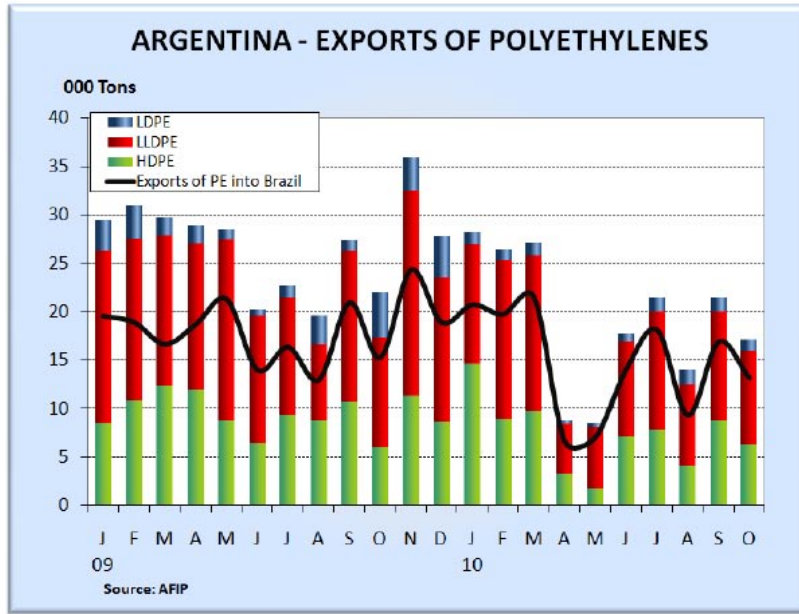
OPERATIONAL NEWS

No significant operational problems have been reported since mid-August in Argentina. Production rates at most petrochemical units seem to be close to nameplate capacity in an attempt to meet strong seasonal demand. We do not expect any significant outages in coming months.

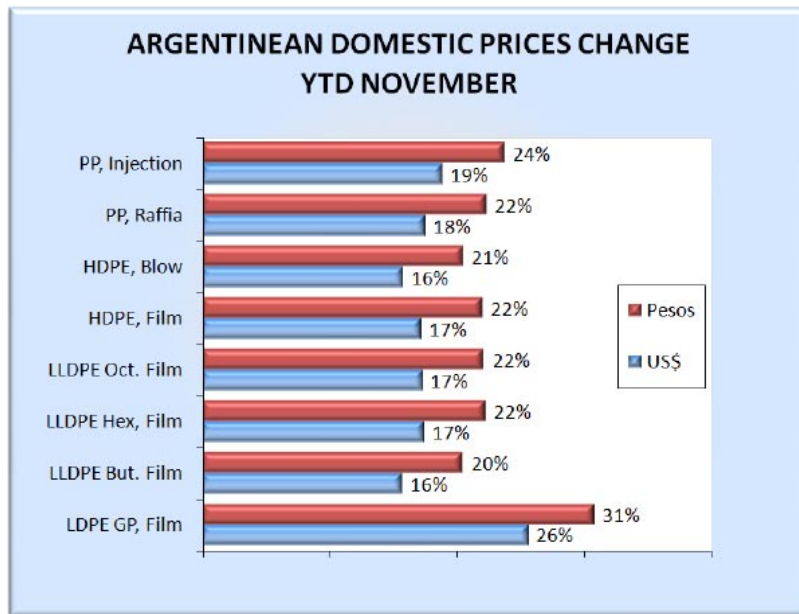
MARKET INTELLIGENCE

End-user demand remained healthy in the first half of the month. Orders for food, beverages and industrial packaging were still strong; although, some slowdown is expected in the coming weeks.

It seems that the combination of domestic supply and imports has been able to meet demand, and shortages are no longer hurting the market. In the case of polyethylenes, imports from overseas are helping to cope with demand, while exports have been lower than in previous years. Recent exports from Argentina are detailed in the next graph.



Tight supply helped producers raise prices in October, as expected. Another round of price increases was announced in late October for November deliveries. However, negotiations have been fierce, and only part of them materialized. In some cases, polypropylene prices fell slightly in November. In others, prices were flat at best. With polyethylenes, negotiations are still underway for new prices hikes. Competition between regional and overseas suppliers is dictating price trends now. The graph below shows price changes in 2010 as compared to December 2009.



VENEZUELA

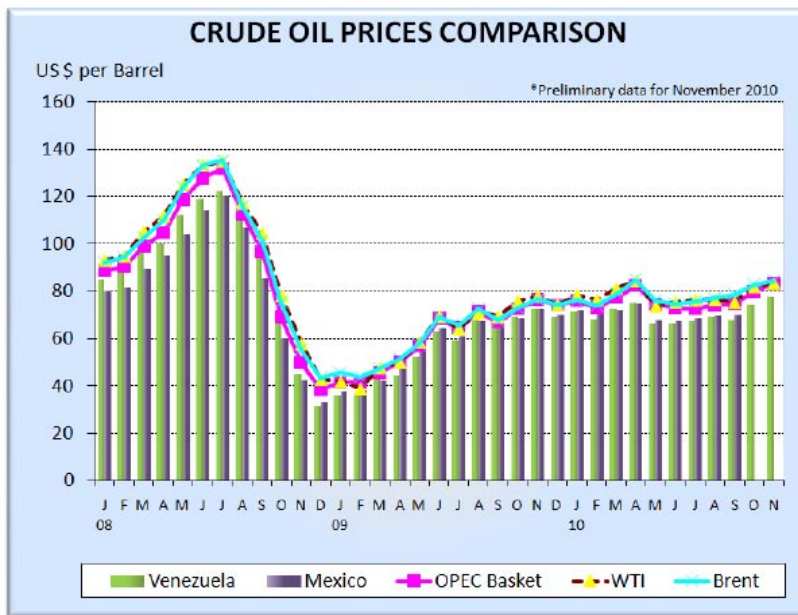
Venezuela's GDP this year is expected to show a 2.7% decline when it is compared to 2009. Pequiven elected new members of the board and also a new president. During November, imported resins began to arrive at El Tablazo. Production problems and limited ethylene supply continue to affect supply in Venezuela.

Resin consumption is flat due to a weak economy. Pequiven reported it produced 589,553-tons less than it planned for 2009, or 17% less than projected. Plastic converters increased production volumes by 15 to 20% over the past seven years, but this year, production will be significantly lower due to weaker demand, limitation in resin supply and a weak currency.

Currently, there are some 700 converters in Venezuela. Central Bank figures indicate that the first quarter of 2010 reported a severe contraction of 14% in the chemical manufacturing sector of the economy, which includes plastics.

Another critical factor affecting demand growth in Venezuela is the government-imposed controls on exchanging currency. With less access to foreign currencies, consumption of locally produced goods increased. The process for accessing hard currency in Venezuela can take 90 to 120 days. As a result, importing product into Venezuela has become difficult with payment terms losing appeal during the waiting period.

In domestic markets, the prices for most resins have remained unchanged since May. The following graph shows prices for Venezuela's exported crude oil volumes.



STATISTICS AND TABLES

We have included statistical information in the following tables.

ARGENTINA POLYMERS IMPORTS BY COUNTRY - YTD OCTOBER 2010									
000 Tons	World	Brazil	U.S.	Korea	China	Belgium	Taiwan	Spain	Others
LDPE	72.4	48.0	6.9	0.8	0.7	2.0	0.0	6.0	8.0
LLDPE	83.9	56.2	15.9	1.4	0.3	0.4	0.0	0.9	8.8
HDPE	98.6	67.1	12.1	0.2	0.0	9.3	0.1	2.1	7.6
PP	71.5	47.8	8.2	0.7	0.7	5.5	0.2	0.5	7.9
PS	6.9	6.3	0.1	0.1	0.1	0.1	0.0	0.0	0.4
PVC	53.3	4.9	37.8	1.6	0.0	0.5	0.0	1.0	7.5
PET	85.3	10.2	9.6	23.7	19.2	0.0	13.8	0.0	8.7
Total	471.9	240.5	90.7	28.5	21.0	17.8	14.1	10.5	48.8

Source: AFIP

ARGENTINA POLYMERS EXPORTS BY COUNTRY - YTD OCTOBER 2010									
000 Tons	World	Brazil	Chile	Uruguay	Paraguay	Bolivia	Peru	Venezuela	Others
LDPE	10.9	1.5	4.0	0.6	1.0	1.8	1.2	0.0	0.7
LLDPE	107.8	89.9	10.9	2.8	1.9	1.6	0.6	0.0	0.0
HDPE	72.2	55.5	8.1	1.8	3.9	2.6	0.0	0.0	0.2
PP	49.4	36.3	8.8	3.0	0.1	0.0	1.1	0.0	0.1
PS	88.8	64.3	7.1	3.8	3.8	8.7	0.1	0.0	1.0
PVC	5.5	0.0	3.2	1.7	0.3	0.3	0.0	0.0	0.0
PET	30.8	1.6	3.8	12.0	8.3	2.4	0.7	2.0	0.1
Total	365.5	249.1	46.1	25.8	19.2	17.4	3.7	2.0	2.1

Source: AFIP

BRAZILIAN POLYMER EXPORTS 2010							
000 Ton	LDPE	LLDPE	HDPE	PP	PS (*)	PVC	PET
2004	138.6	138.6	215.8	158.1	45.2	44.2	61.9
2005	147.3	218.8	239.2	227.8	51.0	77.5	32.6
2006	149.5	294.9	353.5	223.0	57.0	50.6	30.5
2007	130.7	310.7	379.1	245.0	42.4	58.7	52.4
2008	93.4	234.0	264.0	174.0	27.4	37.5	12.5
2009	159.9	284.6	438.6	419.7	35.4	52.5	92.7
2010	113.6	213.6	287.9	267.7	22.0	10.9	65.3
J 10	19.3	17.5	27.9	24.6	1.8	1.0	5.9
F	15.7	13.1	24.2	29.8	2.8	1.0	4.9
M	11.5	16.7	23.4	22.4	2.6	1.1	8.9
A	9.6	21.9	27.6	25.6	1.8	1.2	8.0
M	8.7	20.9	32.7	19.8	1.5	1.3	9.7
J	9.3	18.2	23.6	19.6	1.2	1.3	8.0
J	11.1	20.7	24.1	32.6	2.1	1.1	7.0
A	12.5	33.6	42.9	26.9	3.0	1.3	9.0
S	8.1	24.2	30.7	35.2	3.2	0.8	1.5
O	7.7	26.8	30.9	31.3	2.0	0.7	2.3

(*) - EPS included

Source: MDIC

BRAZILIAN POLYMER IMPORTS 2010

000 Ton	LDPE	LLDPE	HDPE	PP	PS (*)	PVC	PET
2004	8.8	167.3	113.7	64.3	34.8	94.7	137.1
2005	10.8	164.6	118.8	85.6	26.4	119.5	178.4
2006	10.7	174.5	111.2	105.0	29.6	126.5	172.3
2007	13.6	193.0	108.7	166.1	31.4	176.8	112.0
2008	34.2	240.4	158.3	186.1	36.4	365.6	119.2
2009	49.2	245.9	207.2	179.4	32.1	285.8	146.9
2010	50.2	248.7	242.1	177.4	33.5	326.8	95.0
J 10	5.3	26.7	21.7	17.7	3.2	25.6	9.9
F	4.1	21.5	20.6	13.4	2.2	30.7	7.5
M	5.6	25.2	23.1	16.0	4.1	32.6	7.6
A	4.9	19.4	23.8	15.7	4.0	32.0	6.6
M	5.6	15.1	17.1	17.5	5.0	32.4	10.2
J	5.5	23.2	27.7	18.1	3.6	40.7	10.7
J	5.2	27.5	23.5	18.1	3.0	33.8	8.9
A	3.8	32.1	30.5	22.4	1.2	27.2	7.4
S	4.9	31.7	25.9	19.3	2.2	39.5	12.6
O	5.3	26.4	28.3	19.3	5.1	32.4	13.7

(*) - EPS included

Source: MDIC

BRAZILIAN PETROCHEMICAL IMPORTS 2010

000 Ton	Styrene	Methanol	Ammonia	Urea	Caustic Soda*	PTA	MEG
2004	94.6	272.1	228.7	1,861.0	482.5	0.2	58.0
2005	133.3	251.3	252.3	1,558.0	495.7	11.4	43.0
2006	116.3	296.0	254.0	1,587.2	640.9	31.2	47.7
2007	171.0	317.1	313.3	2,510.8	795.0	347.1	109.3
2008	237.2	360.0	305.5	2,234.3	951.8	405.0	141.4
2009	132.9	457.9	325.8	1,940.7	925.4	413.5	132.5
2010	154.7	448.0	306.1	1,847.9	847.7	405.0	140.1
J 10	9.1	48.4	35.6	206.8	88.7	37.3	13.4
F	33.3	37.5	28.6	191.6	64.4	37.0	9.1
M	21.2	47.6	40.2	90.7	98.0	48.6	17.7
A	4.6	47.7	16.6	154.3	84.1	34.3	9.7
M	15.7	47.6	16.6	180.5	77.6	46.6	20.1
J	16.9	48.2	54.6	69.0	96.9	38.5	6.9
J	4.3	38.8	26.0	127.1	88.4	38.1	15.3
A	24.9	39.6	35.6	224.9	84.7	43.0	20.5
S	10.5	51.9	19.0	255.5	93.1	37.1	10.1
O	14.1	40.9	33.2	347.5	71.8	44.6	17.2

Source: MDIC - * Caustic Soda DMT

BRAZILIAN PETROCHEMICAL EXPORTS 2010

000 Ton	Propylene	Benzene	Butadiene	Ammonia	EDC	P-xylene	MEG
2004	78.4	290.3	43.1	117.2	169.6	97.8	81.8
2005	74.4	393.3	46.5	69.6	180.0	47.6	71.6
2006	107.7	291.6	48.9	58.8	147.3	87.5	59.9
2007	98.6	345.1	43.7	24.1	120.2	116.2	71.7
2008	29.6	334.8	28.4	24.1	59.8	136.0	46.3
2009	143.8	277.4	85.8	15.0	190.4	145.2	24.7
2010	144.0	233.9	67.0	35.4	114.9	141.6	12.0
J 10	12.1	35.2	9.6	0.1	6.5	10.5	0.6
F	11.9	12.4	2.0	0.2	18.5	17.2	1.1
M	16.1	16.9	2.0	16.0	12.8	20.3	2.6
A	16.7	28.8	8.0	0.2	10.6	10.5	0.2
M	15.2	29.3	5.1	0.2	0.0	21.0	1.7
J	20.2	19.9	7.0	0.1	24.7	10.5	1.6
J	18.1	12.3	14.4	0.1	4.2	10.5	1.5
A	13.2	30.0	6.2	0.2	24.0	15.6	1.1
S	9.9	31.3	8.8	18.2	13.7	10.5	1.6
O	10.5	17.6	3.9	0.2	0.0	15.1	0.1

Source: MDIC

COLOMBIA POLYMER IMPORTS BY COUNTRY - YTD SEPTEMBER 2010

000 Tons	World	U.S.	Mexico	S. Korea	Brazil	S. Arabia	Taiwan	Belgium	Others
LDPE/LLDPE	55.6	30.4	5.7	3.0	9.0	1.1	0.1	0.2	6.1
HDPE	69.5	45.9	3.8	4.8	6.4	3.1	0.3	2.5	2.8
PP*	8.3	1.5	1.4	0.7	1.2	1.5	0.0	0.0	2.0
PS	1.0	0.1	0.1	0.1	0.2	0.0	0.4	0.0	0.1
PVC	26.6	12.4	12.3	0.0	0.0	0.0	0.0	0.0	1.8
PET	63.0	3.1	43.3	12.3	0.0	0.0	3.8	0.0	0.6
Total	224	93	67	21	17	6	5	3	13

*Homopolymer only

Source: GTIS

COLOMBIA POLYMER EXPORTS BY COUNTRY - YTD SEPTEMBER 2010

000 Tons	World	Brazil	Peru	Ecuador	U.S.	Guatemala	Costa Rica	Others
LDPE/LLDPE	5.9	0.4	0.1	0.0	0.0	0.1	0.8	4.4
HDPE	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2
PP*	98.2	4.6	27.7	14.0	0.0	10.3	6.5	35.1
PS	8.8	0.1	1.0	1.6	0.0	0.0	1.0	5.1
PVC	129.8	101.6	3.1	2.9	11.3	0.0	0.6	10.4
PET	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Total	243	107	32	19	11	10	9	56

*Homopolymer only

Source: GTIS

MEXICO POLYMER IMPORTS BY COUNTRY - YTD AUGUST 2010

000 Tons	World	U.S.	Canada	S. Korea	S. Arabia	Germany	Japan	Brazil	Others
LDPE/LLDPE	225.1	193.6	24.1	1.2	1.0	0.6	0.0	1.7	2.8
HDPE	394.6	354.2	31.7	2.3	2.6	0.6	0.1	0.8	2.3
PP*	334.5	320.0	0.1	3.2	2.1	1.1	1.9	0.1	6.0
PS	70.3	58.6	0.1	10.2	0.0	0.0	0.2	0.0	1.3
PVC	78.2	75.6	0.0	0.0	0.0	1.3	0.5	0.0	0.8
PET	28.1	24.8	0.4	0.6	0.0	0.0	0.0	0.0	2.3
Total	1,131	1,027	57	17	6	4	3	3	15

*Homopolymer only

NA: Not available

Source: GTIS

MEXICO POLYMER EXPORTS BY COUNTRY - YTD AUGUST 2010

000 Tons	World	U.S.	Colombia	Belgium	Italy	Brazil	Venezuela	Guatemala	Others
LDPE/LLDPE	37.1	1.0	6.1	0.3	0.6	4.2	0.0	2.9	22.0
HDPE	33.0	3.6	3.7	1.2	0.0	2.8	0.0	2.7	19.0
PP*	44.3	7.7	1.6	0.8	0.0	1.7	0.0	10.9	21.7
PS	40.5	14.5	0.1	0.0	3.1	0.2	0.3	0.6	21.7
PVC	128.7	14.7	12.3	32.8	19.0	1.0	0.0	2.5	46.2
PET	295.1	118.0	44.5	3.0	9.5	16.5	23.2	1.5	78.9
Total	579	160	68	38	32	26	24	21	209

*Homopolymer only

Source: GTIS

U.S. POLYOLEFINS EXPORTS - YEAR TO DATE SEPTEMBER (000 tons)

Partner Country	2008	2009	2010	2010/2009 (%)
Mexico	1173.7	1271.4	1249.4	-1.7
Canada	1163.9	987.0	1121.6	13.6
China	470.1	1233.5	580.5	-52.9
Peru	201.2	153.3	235.9	53.9
Brazil	279.9	129.5	176.7	36.5
Egypt	109.3	159.1	158.9	-0.1
Chile	137.1	87.0	147.3	69.4
Hong Kong	103.9	187.0	140.2	-25.0
Turkey	112.9	115.3	135.1	17.1
India	28.6	157.7	120.3	-23.7
Colombia	98.6	120.8	118.3	-2.1
Russia	16.8	17.7	102.9	482.5
Ecuador	107.1	97.2	101.5	4.3
Israel	146.7	110.5	93.6	-15.3
Guatemala	107.2	80.5	90.0	11.7
Belgium	102.3	75.6	85.5	13.1
Nigeria	50.0	60.7	78.4	29.0
Argentina	32.1	34.4	78.3	127.6
Others	992.3	901.0	969.9	7.6
Total	5,434	5,979	5,784	-3.3

U.S. POLYOLEFINS EXPORTS INTO LATIN AMERICA AND OTHERS - YEAR TO DATE SEPTEMBER (000 tons)

Partner Country	2008	2009	2010	2010/2009 (%)
Mexico	1173.7	1271.4	1249.4	-1.7
Peru	201.2	153.3	235.9	53.9
Brazil	279.9	129.5	176.7	36.5
Chile	137.1	87.0	147.3	69.4
Colombia	98.6	120.8	118.3	-2.1
Ecuador	107.1	97.2	101.5	4.3
Guatemala	107.2	80.5	90.0	11.7
Argentina	32.1	34.4	78.3	127.6
Dominican Republic	80.4	65.8	77.5	17.8
Costa Rica	91.4	60.8	67.4	10.9
El Salvador	40.7	31.6	42.8	35.6
Uruguay	21.6	17.2	35.8	108.5
Trinidad & Tobago	24.6	22.3	23.9	7.2
Honduras	26.5	19.7	21.3	8.5
Panama	21.6	16.2	17.9	10.5
Paraguay	15.8	2.8	9.1	230.1
Others Latin America	57.7	27.6	31.8	15.3
Others Non Latin America	2916.6	3741.3	3259.2	-12.9
Total	5,434	5,979	5,784	-3.3

U.S. POLYMER EXPORTS

000 Tons	Total	LDPE	LLDPE	MDPE	HDPE	PP*	PS	PVC	PET
2004	5,314	835	461	34	1,099	1,413	307	666	423
2005	4,386	766	464	25	970	1,439	289	647	378
2006	4,745	783	528	37	1,078	1,572	352	817	385
2007	6,959	812	673	82	1,532	2,006	372	1,016	465
2008	6,741	825	615	134	1,640	1,536	287	1,369	335
2009	8,092	788	703	70	2,164	1,602	249	2,128	388
2010	5,784	504	538	53	1,348	904	189	1,914	335
J	716	65	83	5	199	98	18	212	36
F	684	67	75	5	180	98	19	206	35
M	659	64	63	7	168	95	22	196	45
A	534	48	46	4	115	96	19	168	38
M	608	54	42	5	112	115	17	228	36
J	609	50	51	8	131	116	19	201	33
J	611	48	54	7	137	97	24	208	36
A	712	56	63	7	166	94	27	257	42
S	652	52	61	5	141	94	24	239	35

*Homopolymer only

Source: GTIS

U.S. POLYMER IMPORTS									
000 Tons	Total	LDPE	LLDPE	MDPE	HDPE	PP*	PS	PVC	PET
2004	2,950	247	195	29	1,261	212	172	265	569
2005	2,769	275	137	18	1,253	187	179	350	805
2006	2,832	278	107	15	1,295	175	140	285	879
2007	2,917	200	147	21	1,281	188	78	182	820
2008	2,612	213	149	26	1,096	138	78	166	746
2009	2,150	136	135	41	916	52	68	156	647
2010	1,641	125	148	58	646	61	35	159	410
J	179	16	14	5	78	4	4	14	43
F	167	11	15	7	69	4	3	13	44
M	185	15	18	6	74	9	6	15	43
A	172	16	12	6	59	7	4	18	51
M	182	11	17	7	73	7	4	20	43
J	180	20	16	6	72	6	4	18	37
J	203	15	22	7	80	7	3	20	50
A	193	10	17	6	72	8	4	22	54
S	183	12	17	8	70	8	3	19	46

*Homopolymer only

Source: GTIS

U.S. POLYMER EXPORTS BY COUNTRY - YTD SEPTEMBER 2010									
000 Tons	World	Mexico	Canada	China	Peru	Brazil	Egypt	Chile	Others
LDPE	504.2	77.4	131.4	50.7	15.0	16.4	4.2	14.3	194.9
LLDPE	538.2	150.2	40.1	87.3	16.8	34.0	2.1	22.2	185.5
MDPE	53.0	23.5	7.4	2.6	0.8	2.6	0.0	2.1	13.9
HDPE	1,347.8	430.0	229.2	126.2	50.6	86.2	1.7	42.1	381.8
PP*	903.7	350.1	215.6	96.8	20.0	8.5	2.6	2.1	208.1
PS	189.0	100.4	63.9	1.5	1.9	2.7	0.0	1.1	17.4
PVC	1,913.7	95.4	345.6	196.8	93.9	25.6	148.2	46.2	961.8
PET	334.5	22.5	88.3	18.6	37.0	0.6	0.0	17.2	150.3
Total	5,784	1,249	1,122	580	236	177	159	147	2,114

*Homopolymer only

U.S. POLYMER IMPORTS BY COUNTRY - YTD SEPTEMBER 2010									
000 Tons	World	Canada	Mexico	Indonesia	Germany	S. Korea	China	Taiwan	Others
LDPE	125.1	74.1	0.3	0.0	18.9	1.5	0.1	0.1	30.1
LLDPE	147.6	132.2	0.3	0.2	0.4	0.2	0.2	0.0	14.2
MDPE	57.7	53.1	0.0	0.0	0.0	0.8	0.0	0.0	3.8
HDPE	645.9	615.7	1.1	0.0	14.8	0.6	0.5	0.0	13.1
PP*	60.8	21.5	8.7	0.0	3.0	9.3	0.1	0.1	18.0
PS	35.5	6.1	19.7	0.0	0.1	0.8	0.2	2.3	6.3
PVC	158.9	92.9	15.3	0.0	14.4	6.6	0.1	0.1	29.5
PET	410.0	50.3	132.4	56.2	1.0	25.5	36.7	24.2	83.5
Total	1,641	1,046	178	56	53	46	38	27	198

*Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO ARGENTINA - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	11.5	5.4	6.8	25.8%
LLDPE	1.9	1.5	3.7	145.8%
MDPE	0.0	0.0	0.0	-
HDPE	2.9	3.0	9.5	220.8%
PP	1.3	0.5	1.8	290.2%
PS	0.1	0.2	0.3	73.9%
PVC	6.1	5.4	29.9	454.8%
PET	2.7	1.0	9.6	878.0%
Total	26.5	16.9	61.6	265.3%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO BRAZIL - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	10.8	4.2	13.4	222.0%
LLDPE	10.7	10.8	21.7	101.4%
MDPE	8.0	0.7	2.1	211.8%
HDPE	31.5	30.7	65.1	112.5%
PP	40.1	21.4	7.5	-64.9%
PS	2.6	0.7	3.1	348.8%
PVC	110.0	13.0	19.3	48.0%
PET	0.9	0.1	0.4	467.1%
Total	214.7	81.5	132.7	62.8%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO CHILE - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	14.1	8.2	11.9	45.7%
LLDPE	17.5	7.8	15.9	103.2%
MDPE	3.8	0.6	1.0	86.2%
HDPE	36.5	13.3	33.0	147.8%
PP	7.6	0.5	1.7	221.8%
PS	3.1	2.2	2.0	-8.0%
PVC	28.6	18.9	34.6	83.1%
PET	4.7	8.2	13.1	59.9%
Total	115.9	59.7	113.3	89.9%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO COLOMBIA - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	10.4	23.8	21.4	-9.9%
LLDPE	12.7	10.4	15.2	46.0%
MDPE	0.7	0.4	1.2	239.0%
HDPE	41.4	32.5	41.3	27.1%
PP	7.3	2.0	2.0	-0.2%
PS	1.3	2.0	1.0	-51.2%
PVC	4.0	17.3	9.3	-46.2%
PET	1.5	3.6	2.7	-24.0%
Total	79.4	91.9	94.2	2.5%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO COSTA RICA - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	15.7	10.5	9.2	-12.0%
LLDPE	9.9	5.9	7.3	24.4%
MDPE	0.1	0.0	1.3	-
HDPE	11.6	9.7	8.9	-8.1%
PP	7.4	2.5	2.2	-9.8%
PS	0.2	0.0	0.1	202.8%
PVC	22.6	17.0	22.0	29.4%
PET	3.4	1.4	2.0	44.4%
Total	70.9	47.0	53.1	13.0%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO DOMINICAN REPUBLIC - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	12.4	10.2	10.5	2.9%
LLDPE	9.0	7.5	6.7	-10.8%
MDPE	2.2	2.7	2.1	-22.3%
HDPE	11.4	12.4	12.8	3.8%
PP	2.0	1.4	2.1	51.2%
PS	1.4	0.9	2.2	164.5%
PVC	23.2	10.5	19.7	88.1%
PET	2.8	2.5	2.6	6.8%
Total	64.5	47.9	58.8	22.6%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO ECUADOR - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	19.3	16.5	12.6	-23.3%
LLDPE	17.7	13.9	11.7	-16.0%
MDPE	1.7	0.3	0.3	21.1%
HDPE	29.2	26.2	20.1	-23.3%
PP	10.5	1.9	1.2	-34.0%
PS	0.9	1.3	1.7	34.0%
PVC	12.1	11.1	28.0	151.3%
PET	1.7	1.3	4.2	211.8%
Total	93.2	72.5	79.9	10.2%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO EL SALVADOR - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	9.3	6.0	7.3	22.0%
LLDPE	4.6	4.1	4.7	13.9%
MDPE	0.4	0.3	0.2	-33.1%
HDPE	8.8	7.8	7.5	-3.8%
PP	4.7	2.5	1.6	-34.8%
PS	1.3	2.2	2.5	10.5%
PVC	3.0	2.3	2.3	2.0%
PET	0.7	0.6	7.8	1251.2%
Total	32.8	25.7	33.9	31.7%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO GUATEMALA - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	14.2	9.1	10.8	18.5%
LLDPE	14.0	11.3	10.5	-7.0%
MDPE	0.3	0.2	0.4	138.6%
HDPE	18.3	13.1	13.9	6.8%
PP	15.2	4.4	5.6	27.4%
PS	1.1	1.0	1.3	30.5%
PVC	19.6	17.9	21.1	18.0%
PET	4.9	4.0	8.1	102.0%
Total	87.6	60.9	71.7	17.8%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO HONDURAS - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	7.0	4.3	3.4	-21.3%
LLDPE	4.7	3.7	4.9	33.2%
MDPE	0.1	0.0	0.2	-
HDPE	4.5	3.0	3.8	23.1%
PP	2.7	1.4	0.8	-46.9%
PS	0.0	0.3	0.2	-23.8%
PVC	1.6	1.1	1.1	3.0%
PET	0.1	0.3	1.3	272.1%
Total	20.8	14.2	15.6	10.3%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO PERU - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	13.7	12.3	12.2	-0.4%
LLDPE	24.9	8.4	13.0	54.4%
MDPE	1.4	0.2	0.8	307.0%
HDPE	30.7	29.8	36.1	21.0%
PP	44.0	6.4	19.0	196.2%
PS	1.0	1.7	1.5	-13.8%
PVC	36.6	36.6	72.1	97.0%
PET	10.2	8.7	28.1	223.7%
Total	162.5	104.0	182.6	75.5%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO VENEZUELA - YTD SEPTEMBER				
000 Tons	2008	2009	2010	2010/2009 (%)
LDPE	11.3	0.4	0.6	57.3%
LLDPE	0.3	0.4	0.0	-98.0%
MDPE	0.0	0.0	0.0	-
HDPE	12.9	0.4	0.9	142.2%
PP	0.3	0.0	0.1	4400.0%
PS	0.5	0.2	0.1	-
PVC	0.0	0.0	0.0	-
PET	4.3	1.4	2.4	72.9%
Total	29.7	2.6	4.0	53.6%

PP: Homopolymer only

Source: GTIS

VENEZUELA POLYMER IMPORTS BY COUNTRY - YTD AUGUST 2010									
000 Tons	World	Brazil	Mexico	U.S.	China	Colombia	S. Korea	Argentina	Others
LDPE/LLDPE	5.3	3.5	0.1	1.4	0.0	0.0	0.0	0.0	0.2
HDPE	1.2	0.3	0.0	0.1	0.0	0.4	0.0	0.0	0.5
PP*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PS	0.2	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.1
PVC	1.1	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.1
PET	66.9	27.6	24.5	6.1	6.5	0.1	1.2	0.9	0.0
Total	75	31	25	8	6	2	1	1	1

*Homopolymer only
Source: GTIS

VENEZUELA POLYMER EXPORTS BY COUNTRY - YTD AUGUST 2010									
000 Tons	World	India	Mexico	Peru	Taiwan	Italy	Turkey	Colombia	Others
LDPE/LLDPE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HDPE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PP*	4.3	0.0	4.3	0.0	0.0	0.0	0.0	0.0	0.0
PS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PVC	7.5	5.3	0.0	0.7	0.7	0.5	0.3	0.0	0.0
PET	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	12	5	4	1	1	1	0	0	0

*Homopolymer only
Source: GTIS

LATIN AMERICAN DUTIES				
Importing Country	IMPORTS ORIGINATING IN THIRD COUNTRIES			
	HDPE	LDPE	LLDPE	PP
Argentina	14%	14%	14%	14%
Brazil	14%	14%	14%	14%
Chile	6%	6%	6%	6%
Colombia	5%	0%	5%	5%
Ecuador	0%	0%	0%	0%
Mexico	0%	0%	0%	7%
U.S.	6.5%	6.5%	6.5%	6.5%
Venezuela	15%	15%	15%	15%

Source: QuiMax & Market
Change made Nov2010

LATIN AMERICAN DUTIES						
Importing Country	IMPORTS ORIGINATING IN USA					
	PS	PVC	HDPE	LDPE	LLDPE	PP
Argentina	14%	14%	14%	14%	14%	14%
Brazil	14%	14%	14%	14%	14%	14%
Chile	0%	0%	0%	0%	0%	0%
Colombia	15%	15%	5%	0%	5%	5%
Ecuador	0%	0%	0%	0%	0%	0%
Mexico	0%	0%	0%	0%	0%	0%
Venezuela	15%	15%	15%	15%	15%	15%

Source: QuiMax & Market



Please Mark Your Calendars To Attend The Highly Acclaimed Latin American Petrochemical Networking Meeting

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