

The QuiMax Mid-month Report

Providing Market Intelligence
to the Petrochemical and Plastic Industries

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HIGHLIGHT

Argentina – GDP expanded 9.3% in Q3 year-on-year. Currency markets are still adjusting to new regulations, as the peso continues to lose ground to the dollar. Output rates for polyethylenes and PP remain healthy. No operational issues have been reported in the past few weeks. Demand remains sluggish, with major converters reporting lower production rates. In addition, most companies are already preparing for the holidays. Prices for most resins slipped in November, and a few residual discounts continued into early December.

Brazil - Braskem's naphtha crackers in Triunfo are operating normally once again, running close to their nameplate ethylene capacity of 1.25 million tons per year. One of Braskem's two naphtha crackers in Bahia, with capacity for 540,000 tons of ethylene per year, has been offline since Dec. 3 in response to poor market conditions. Domestic sales of resins improved from October to November. We expect December sales to match November's. Prices of naphtha dropped in December and should remain in the downward trend for January deliveries. Resin prices were generally flat in December, despite a few residual discounts.

Chile – The economy has been struggling to keep up the frantic pace of growth it has seen most of the year. Operational rates at local producer Petroquim's facilities are healthy. Supply of most commodity resins is ample. Demand rebounded in December and converters are buying volumes as usual just ahead of the holidays. Volatility in the currency is helping local producers and traders to regain market-share from overseas suppliers. Prices have stabilized in recent weeks. No additional drops have been reported since November.

Mexico – In December, low inventories characterize the industry. This is largely due to the tax incentive gained by low year-end inventories. Buyers are entering the market chiefly to replenish stocks. Everyone is trying to keep inventories low while supplying clients. In mid-December, the peso's depreciation showed some sign of stabilizing around 13.50 per U.S. dollar but is trading at 13.79 at publication. The price trend for January is uncertain. Demand is weak, and production costs are high. Slightly higher prices were reported in early December for selected PEs. However, PP, PS and PET prices weakened, while PVC prices remained strong. Supply restrictions for PVC will keep prices firm. Only a tight market can push up prices. For December, only those products in tight supply maintained price levels and did not fall. Pemex kept prices stable in December with no increases. All PE units are currently running at good rates. Small volumes of LLDPE hexene were produced in December.

U.S. – Third quarter GDP grew by 2.0% compared with Q2. The unemployment rate for November came down to 8.6%. Crude oil prices continued to oscillate with dramatic volatility during the past week, as spot prices reached US\$101.28 per barrel on Dec. 06. The Henry Hub natural gas spot prices were swinging again in December, averaging US\$3.08 per MMBtu in mid-December. At the NYMEX, the futures contract for January 2012 delivery at the Henry Hub settled at US\$3.14 per MMBtu. Also, NG storage seemed stable compared to November, reaching 3,729 billion cubic feet (Bcf). The WTI crude oil spot price settled at US\$97.77 per barrel, or US\$16.86 per MMBtu on Dec. 12.

NOTE: Please mark your calendars to attend our Fifth Annual Latin American Networking Meeting on March 30, 2012. This world class event will be held at the Westin Galleria Hotel in Houston, Texas, just prior to NPRA 2012. For additional information and to register online, please visit our website: www.quimaxlatin.com.

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Happy Holidays

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BRAZILIAN PETROCHEMICAL DOMESTIC PRICING

Preliminary Mid-Month Prices

			December 2011				
			Market Prices				
Product	Grade	Notes	With PIS/COFINS		Net of Taxes		
			R\$/Ton	R\$/Ton	US\$/Ton	Cts/Lb	
Feedstock							
Naphtha		2, 3	1582 - 1603	1582 - 1603	874 - 886	39.6 - 40.2	
Monomers							
Ethylene		2, 5	2710 - 2867	2480 - 2624	1370 - 1450	62.2 - 65.8	
Propylene		2, 5	2284 - 2460	2090 - 2252	1155 - 1244	52.4 - 56.4	
Butadiene		2, 5	4463 - 4791	4085 - 4386	2257 - 2423	102.4 - 109.9	
Benzene		2, 5	1637 - 1805	1498 - 1652	828 - 913	37.6 - 41.4	
Styrene		2, 5	2764 - 2932	2530 - 2683	1398 - 1482	63.4 - 67.2	
Polymers							
Low Density PE	General Purpose, Film	1, 2, 4	3982 - 4214	3645 - 3857	2014 - 2131	91.3 - 96.7	
Linear Low Density PE	Butene, Film	1, 2, 4	3479 - 3745	3185 - 3428	1759 - 1894	79.8 - 85.9	
Linear Low Density PE	Hexene, Film	1, 2, 4	3517 - 3783	3219 - 3463	1779 - 1913	80.7 - 86.8	
Linear Low Density PE	Octene, Film	1, 2, 4	3683 - 3957	3371 - 3622	1862 - 2001	84.5 - 90.8	
Linear Low Density PE	Metallocene	1, 2, 4	3879 - 4144	3550 - 3794	1961 - 2096	89.0 - 95.1	
High Density PE	Film	1, 2, 4	3456 - 3726	3163 - 3410	1748 - 1884	79.3 - 85.5	
High Density PE	Blow Molding	1, 2, 4	3494 - 3773	3198 - 3453	1767 - 1908	80.1 - 86.5	
High Density PE	Injection Molding	1, 2, 4	3718 - 3952	3403 - 3617	1880 - 1999	85.3 - 90.7	
Polypropylene	Film	1, 2, 4	3997 - 4220	3658 - 3862	2021 - 2134	91.7 - 96.8	
Polypropylene	Injection Molding	1, 2, 4	4030 - 4297	3689 - 3933	2038 - 2173	92.4 - 98.6	
Polypropylene	Copolymer	1, 2, 4	4164 - 4424	3811 - 4049	2106 - 2237	95.5 - 101.5	
Polypropylene	Raffia	1, 2, 4	3870 - 4057	3542 - 3714	1957 - 2052	88.8 - 93.1	
Polystyrene	General Purpose	1, 2, 4	3467 - 3785	3173 - 3465	1753 - 1914	79.5 - 86.8	
Polystyrene	High Impact	1, 2, 4	3711 - 4058	3397 - 3714	1877 - 2052	85.1 - 93.1	
PVC	Suspension Rigid Pipe	1, 2, 4	3035 - 3308	2778 - 3028	1535 - 1673	69.6 - 75.9	
PVC	General Purpose	1, 2, 4	3094 - 3380	2832 - 3094	1565 - 1709	71.0 - 77.5	
ABS	High Impact	1, 2, 4	5751 - 6015	5264 - 5506	2908 - 3042	131.9 - 138.0	
EPS	General Purpose	1, 2, 4	4986 - 5392	4564 - 4935	2522 - 2727	114.4 - 123.7	
EVA	Low VA	1, 2, 4	5498 - 5815	5033 - 5323	2780 - 2941	126.1 - 133.4	
EVA	High VA	1, 2, 4	5625 - 5830	5149 - 5336	2845 - 2948	129.0 - 133.7	
PET	Bottle	1, 2, 4	4153 - 4390	3801 - 4018	2100 - 2220	95.3 - 100.7	

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

Note: Ethylene prices refer to non-PE derivatives.

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

Exchange Rate R\$/US\$ 1.81

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MEXICAN PETROCHEMICAL DOMESTIC PRICING

Preliminary Mid-Month Prices

			December 2011		
			Spot/Market Prices		
Product	Grade	Notes	Pesos/Ton	US\$/Ton	Cts/Lb
Feedstock					
Natural Gas (\$/MMBTU)	Henry Hub	US Gulf	-	3.13 - 3.49	-
Monomers (8)					
Styrene (no discount)		6,9	20500 - 20600	1504 - 1511	67.74 - 68.56
Polymers					
Low Density PE	General Purpose, Frac	1, 4	20133 - 20734	1477 - 1521	67.00 - 69.00
Low Density PE	General Purpose, Film	1, 4	19532 - 20133	1433 - 1477	65.00 - 67.00
Linear Low Density PE	Butene,Film	1, 4	18630 - 20433	1367 - 1499	62.00 - 68.00
Linear Low Density PE	Octene,Film	1, 4	22537 - 24039	1653 - 1764	75.00 - 80.00
High Density PE	Film	1, 4	18630 - 20133	1367 - 1477	62.00 - 67.00
High Density PE	Blow Molding	1, 4	17729 - 19532	1301 - 1433	59.00 - 65.00
High Density PE	Injection Molding	1, 4	17729 - 19532	1301 - 1433	59.00 - 65.00
Polypropylene	Injection Molding	1, 4	19231 - 20433	1411 - 1499	64.00 - 68.00
Polypropylene	Raffia	1, 4	19532 - 20734	1433 - 1521	65.00 - 69.00
Polystyrene	General Purpose	2, 4	23137 - 24039	1698 - 1764	77.00 - 80.00
Polystyrene	High Impact	2, 4	24940 - 26443	1830 - 1940	83.00 - 88.00
PVC(**)	Suspension Rigid Pipe	4, 7	11858 - 12131	870 - 890	39.46 - 40.37
PVC(**)	Suspension GP	4, 7	11858 - 12540	870 - 920	39.46 - 41.73
PET		2	26593 - 27645	1951 - 2028	88.50 - 92.00
Others					
Caustic Soda (DMT)		6	7088 - 7497	520 - 550	23.59 - 24.95

- 1) DAP,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.

Suggested
Strategy

EXCHANGE Peso/US\$ 13.63

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 Place -- Seller pays for carriage to the named place, except for costs related to import clearance, and assumes all risks prior to the point that the goods are ready for unloading by the buyer.

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ARGENTINE PETROCHEMICAL DOMESTIC PRICING Preliminary Mid-Month Prices

			December 2011					
			Market Prices					
Product	Grade	Notes	PESO/Ton		US\$/Ton		Cts/Lb	
Polymers								
Low Density PE	General Purpose, Film	1, 2, 3	8500	- 9100	1985	- 2125	90.0	- 96.4
Linear Low Density PE	Butene, Film	1, 2, 3	7700	- 8200	1798	- 1915	81.6	- 86.9
Linear Low Density PE	Hexene, Film	1, 2, 3	7950	- 8430	1857	- 1969	84.2	- 89.3
Linear Low Density PE	Octene, Film	1, 2, 3	8400	- 8790	1962	- 2053	89.0	- 93.1
High Density PE	Film	1, 2, 3	7550	- 8300	1763	- 1938	80.0	- 87.9
High Density PE	Blow	1, 2, 3	8000	- 8390	1868	- 1959	84.7	- 88.9
Polypropylene	Raffia	1, 2, 3	7700	- 8600	1798	- 2008	81.6	- 91.1
Polypropylene	Injection Molding	1, 2, 3	8050	- 8800	1880	- 2055	85.3	- 93.2

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

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Exchange Rate PESO/US\$ 4.28

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VENEZUELAN PETROCHEMICAL DOMESTIC PRICING Preliminary Mid-Month Prices

			December 2011					
			Spot/Market					
Product	Grade	Notes	Bolivares/Ton		US\$/Ton		Cts/Lb	
Polymers								
Low Density PE	General Purpose, Film	1, 2, 3	6,090		1416		64.2	
Linear Low Density PE	Butene, Film	1, 2, 3	5,260		1223		55.5	
High Density PE	Injection Molding	1, 2, 3	5,260		1223		55.5	
High Density PE	Blow Molding	1, 2, 3	5,850		1360		61.7	
Polypropylene	Injection Molding	1, 2, 3	5,860		1363		61.8	

- 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. February 18 prices were increased.

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Exchange Rate Bolivares/US\$ 4.30

New Exchange rate as of January 1, 2011 - Resins remain with this exchange rate.

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ENERGY BRIEFING

There is good news for the U.S. economy: Unemployment rates are falling, and consumer confidence is improving. Housing-starts numbers released today indicate an unexpected increase of 15% in new residential construction projects. Housing starts grew by 658,000 in September, the best number in 17 months, as reported by the Commerce Department.

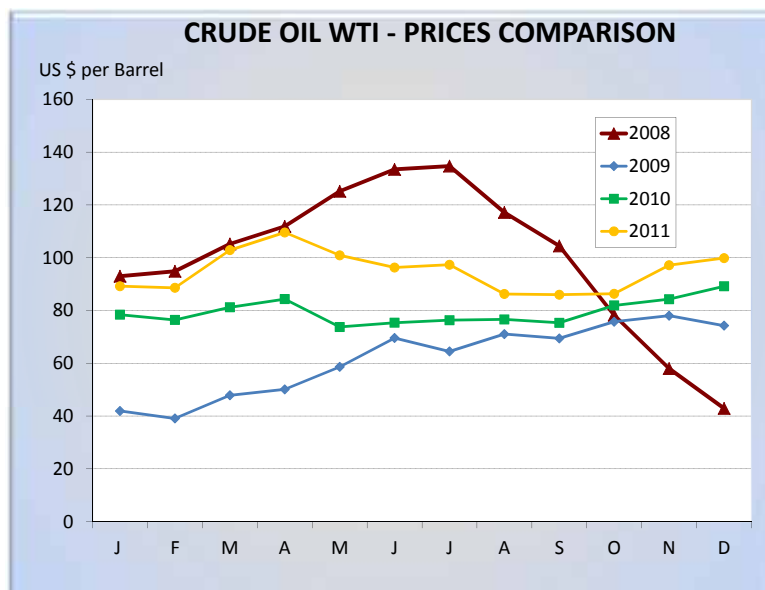
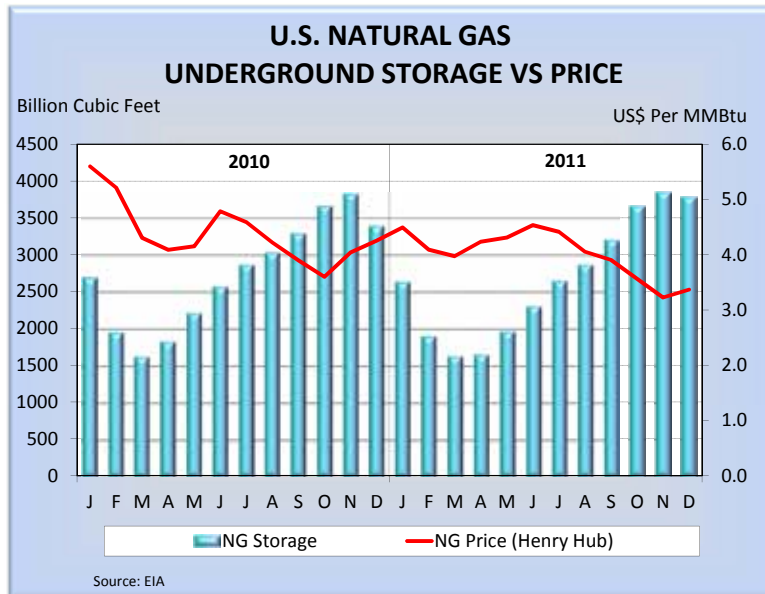
Real gross domestic product (GDP) – the output of goods and services produced by labor and property located in the United States – increased at an annual rate of 2.0% in the third quarter of 2011 (that is, from the second quarter to the third quarter) according to the Bureau of Economic Analysis.

Natural gas prices decreased around 12% in the first two weeks of the month. After beginning December at US\$3.49 per MMBtu, the spot price at the Henry Hub was US\$3.08 per MMBtu in mid-December. In New York, futures contracts were settling at US\$3.14 per MMBtu for January 2012 deliveries. Working natural gas in underground storage was 3,729 bcf, a healthy 10.3% above the 5-year average of 3,382 bcf.

The first graph shows the relationship between underground natural gas inventory levels and prices in the United States.

Oil prices continue to be erratic. The WTI spot price closed at US\$97.77 on Dec. 12, as reported by the EIA. At the New York Mercantile Exchange, the near-month contract settled at the same level of US\$ 97.77 per barrel.

The next graph illustrates the month-by-month evolution of oil prices.



ARGENTINA

✓ Data recently released by state statistics agency INDEC is showing that Q3 GDP was up 1.1% from the previous quarter and 9.3% year-on-year. In the first three quarters of 2011, accumulated GDP growth is now 9.5% over the same period of 2010.

✓ The report cites the industrial and service sectors as the main drivers for the healthy growth, while agriculture shrank in the period.

✓ Currency markets are still adjusting to new regulations, as several measures are being enforced to enact greater control over access to dollars in the country.



✓ The peso continued to weaken in late November and early December and is now trading above 4.29 to the U.S. dollar.

The graph above shows quarterly GDP change in Argentina in recent years.

OPERATIONAL NEWS

✓ Output rates for polyethylenes and PP remain healthy. No operational issues have been reported in the past few weeks.

✓ PE supply has been abundant with no reports of shortages. Convertors reported that off-grade resins are entering the market. Few companies were able to acquire them, though.

✓ Demand for PP fell, as major convertors lowered production rates. Some production lines have been shutdown in response to market conditions.

✓ The new regulations on foreign currency also affected imports. Nevertheless, most shipments arrived without problem and received payment in full.

The next tables show trade of resins between Brazil and Argentina.

BRAZIL EXPORTS OF RESINS INTO ARGENTINA				
YTD NOVEMBER				
000 Tons	2009	2010	2011	2011/2010
LDPE	52.2	51.3	42.6	-17.0%
LLDPE	54.0	56.0	56.5	0.8%
HDPE	82.7	78.3	71.0	-9.3%
PE's Total	188.9	185.6	170.0	-8.4%
PP	62.8	69.9	70.9	1.4%
PS	14.3	16.0	20.6	28.9%
PVC	10.6	5.2	4.2	-18.9%
PET	2.2	5.3	1.4	-74.0%
Total	278.9	282.0	267.1	-5.3%

MARKET INTELLIGENCE

Demand for thermoplastic resins was weak throughout October, November and early December. Convertors have been holding off on making unnecessary purchases for the last couple of months. It seems they will continue to be cautious through the end of the year.

BRAZIL IMPORTS OF RESINS FROM ARGENTINA				
YTD NOVEMBER				
000 Tons	2009	2010	2011	2011/2010
LDPE	7.1	3.9	6.5	65.9%
LLDPE	123.7	95.9	89.2	-6.9%
HDPE	71.0	55.3	63.4	14.6%
PE's Total	201.9	155.1	159.1	2.6%
PP	34.9	40.9	36.2	-11.4%
PS	2.5	3.4	1.0	-71.1%
PVC	61.4	64.1	77.5	20.9%
PET	2.8	2.8	16.0	465.6%
Total	303.5	266.3	289.8	8.8%

Source: MDIC

Prices for most resins slipped in November, and a few residual discounts continued into early December.

The price range widened, once again, in conjunction with a marked increase in the presence of off-grade materials coming from foreign sources, particularly in the PE market.

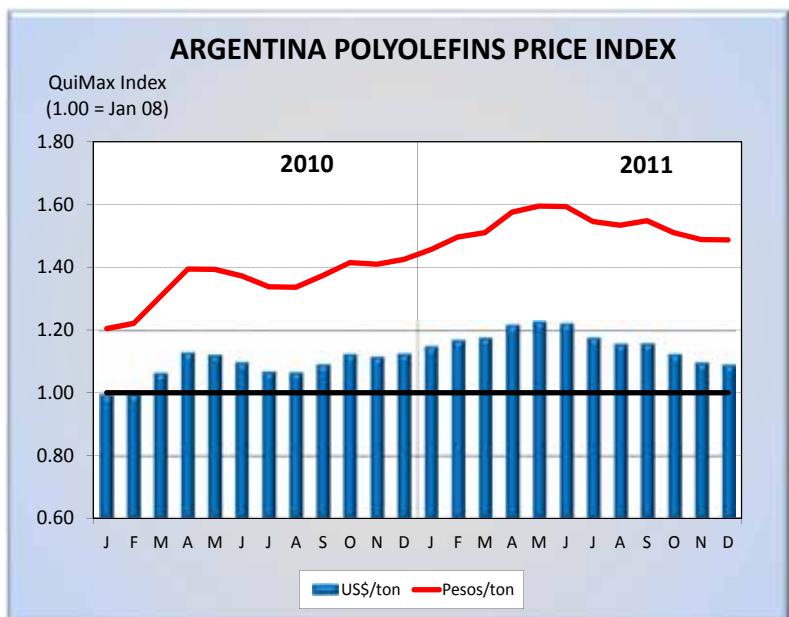
PP prices have been elevated for quite some time but started to fall in early November. They then continued to slip in the last couple of weeks of the month. On average, prices stayed flat for December deliveries.

Reports are coming in that inventories are low at the convertor level, as they are for their clients, which may prompt companies to place purchase orders once they are convinced that prices have firmed.

The following factors should be taken into consideration in price negotiations for thermoplastic resins in Argentina over the coming weeks:

- ✓ Supply remains ample – enough to cover demand for most resins. No shortages have been reported for the last few months;
- ✓ Supply of off-grade product will still have an effect on domestic prices on selected resins;
- ✓ Strong seasonal demand has ended. Fresh purchases orders may be seen in the first days of 2012.

Prices of thermoplastic resins in benchmark markets leveled out in November and could well start rising soon. The next graph shows average polyolefins prices in Argentina.



BRAZIL

OPERATIONAL NEWS

- ✓ Braskem's naphtha crackers in Triunfo are operating normally once again, running close to their nameplate ethylene capacity of 1.25 million tons per year. All PE units at this site are also back online. One of the PP units, however, is still down for maintenance work. It should be running again very soon.
- ✓ Innova's ethylbenzene and styrene units were also down for maintenance but came back on-stream Dec. 17, as scheduled.
- ✓ One of Braskem's two naphtha crackers in Bahia, with capacity for 540,000 tons of ethylene per year, has been offline since Dec. 3 in response to poor market conditions. Most of the downstream units are also down and should not restart until early January.

The next table details all of the major maintenance work performed at Brazil's petrochemical industrial units in 2011.

MAINTENANCE AND EXPANSION WORK IN BRAZILIAN PETROCHEMICAL INDUSTRY- 2011							
SITE	STATE	COMPANY	PRODUCT	CAPACITY 000 ton/year	PERIOD		NOTES
					START	END	
DUQUE DE CAXIAS	RJ	Braskem (ex. Rio Polimeros)	Ethylene	520	June 30	August, 10	Scheduled maintenance work, done
			HDPE/LLDPE	540	July 01	August, 10	Scheduled maintenance work, done
SANTO ANDRE CUBATAO	SP	Braskem (ex. Quattor)	Ethylene	200	March 29	May 06	Scheduled maintenance work, done
		CBE (Grupo Unigel)	Styrene	120	May 05	May 20	Scheduled maintenance work, done
TRIUNFO	RS	Braskem	Ethylene	565	October, 26	November, 25	Scheduled maintenance work, done
		Braskem	Polyethylene	1225	November	November	Scheduled maintenance work, done
		Braskem	Polypropylene	740	December	December	Scheduled maintenance work, 7 days
		Innova	EB / Styrene	250	December 01	December, 17	Scheduled maintenance work, done
IPOJUCA	PE	M&G	PET	550	April, 26	May	Unscheduled maintenance work, done

MARKET INTELLIGENCE

Domestic sales of resins improved from October, a very weak month, to November. We expect December sales to match November's. Overall, 2011 resins sales may end up being lower than 2010's, given the slower economy and increased imports.

While domestic sales of PE and PVC were essentially even compared to last year's, PP and PS sales were slightly lower in 2011. We expect the sales in 2012 to show some improvement over 2011's, with moderate growth rates being the norm.

Convertors' production rates seem to have been slow in early December, as they were in November. Demand for finished goods remained sluggish in most market segments. This has been the norm in recent months, but we have noticed some signs that the month of January could bring some recovery. Hence, we expect convertors to reduce their inventories to the minimum in late December and restart their units at improved rates in January. However, negotiations will be fierce by then.

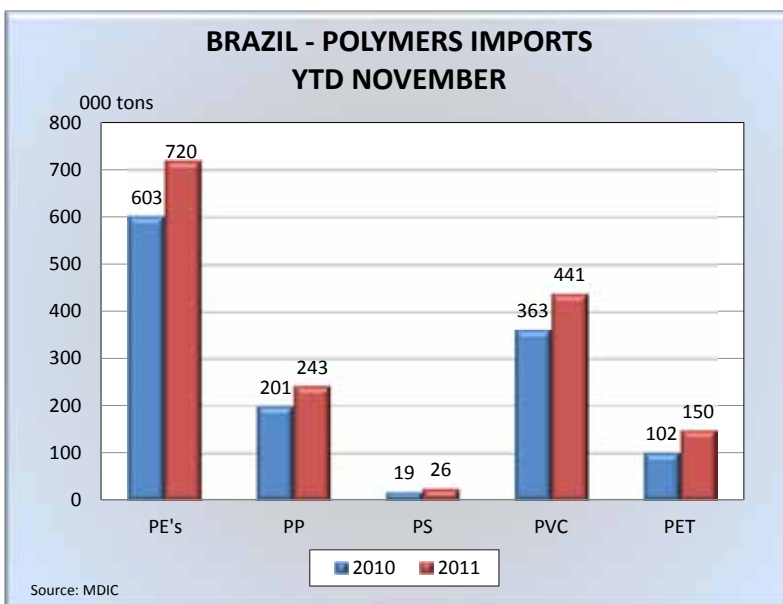
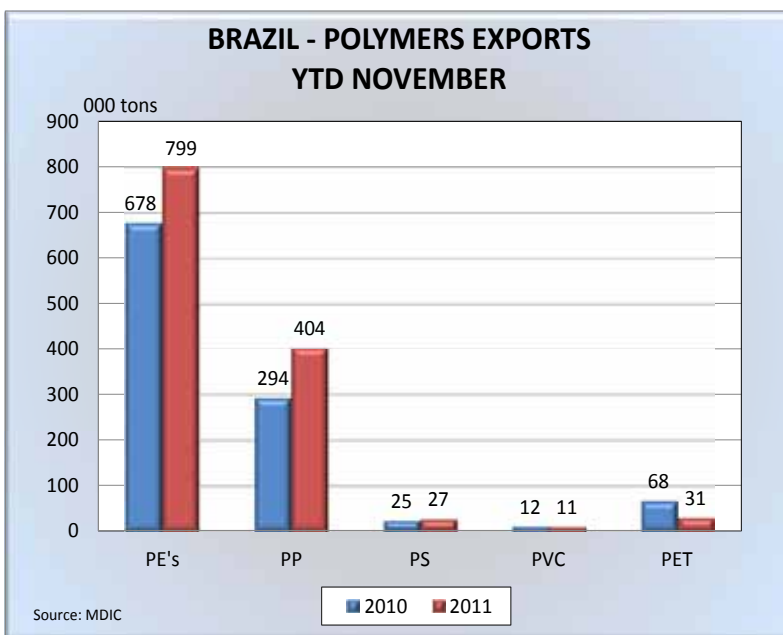
From January to November, exports of resins (PE, PP, PVC, PS and PET) jumped 18% over those in the same period last year. In the month of November, exports were 8% higher year-on-year, but fell 5% from October. We expect exports to slow down in December due to the reduced production rates at Braskem's naphtha crackers in Triunfo and Camacari and fewer attractive offers from foreign markets in recent weeks. The graph to the right compares resins exports in 2011 and 2010.

Imports, on the other hand, increased by 7% in November when compared to the same month of 2010. However, volumes were 6% lower than in October. In the first 11 months of the year, imports increased by 23% year-to-year. In the first half of December, imports seem to have increased slightly. We expect imports to remain calm from now to the end of the year, due to volatility in the currency exchange rate combined with slowing demand. The second graph compares resins imports in 2011 and 2010.

Prices of naphtha continued to drop in December, down some 1.8% from the previous month to R\$1,600 per ton, which is equivalent to US\$880 per ton. Naphtha prices will be dropping once again in January. For February, there is not a clear trend, given the volatile descent in oil prices, the naphtha markets in Europe and unpredictability in the currency exchange rates.

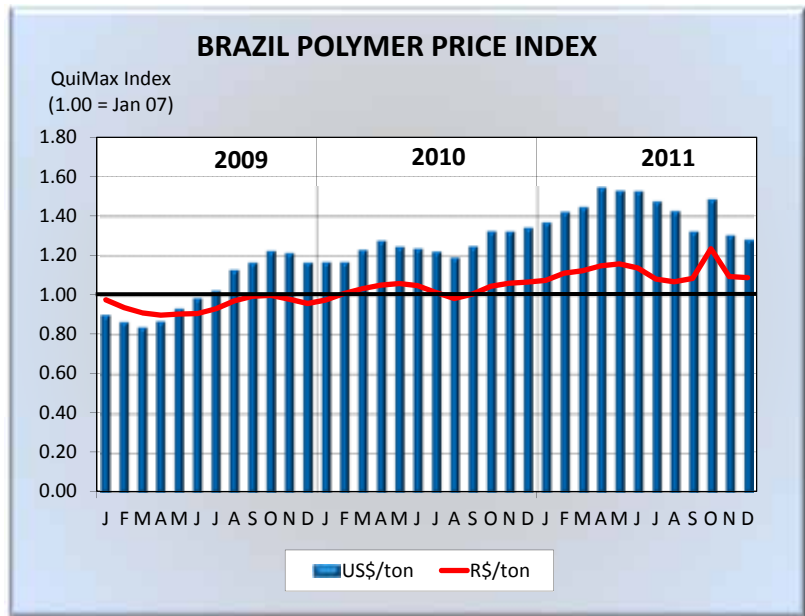
Prices set in reais for most thermoplastic resins were flat in early December.

- ✓ **Polyethylenes** prices were virtually flat compared to November. For the remainder of the month, we do not expect significant movement.
- ✓ **Polypropylene** prices were also flat for most accounts, but there were some residual discounts for a few customers.
- ✓ **Polystyrene** prices were flat-to-lower, with some accounts reporting reductions of 2 to 3%.
- ✓ For **PVC**, prices ought to remain virtually flat as we move towards the end of the year. However, some residual discounts may be in place for late December purchases.



- ✓ The dollar price of bottle-grade **PET** was virtually flat in December compared to November, but the price set in the local currency jumped. **PET** prices usually are set in U.S. dollars and converted to reais by the currency exchange rate of the day.

We expect prices to remain relatively stable from here to the end of the year. In benchmark markets, prices continue to fluctuate, but there have been no significant changes reported in recent weeks. We expect prices in Brazil to stay mostly flat until early January. We should only see significant price moves when there is a clear trend for prices in benchmark markets, domestic demand and the currency exchange rate. The next graph shows price dynamics for a basket of thermoplastic resins through December in local and hard currency.



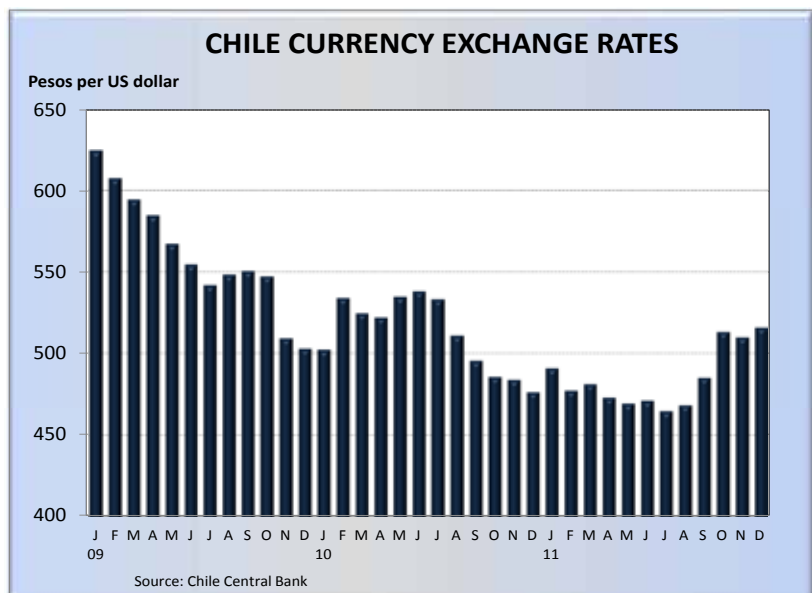
CHILE

COUNTRY OVERVIEW

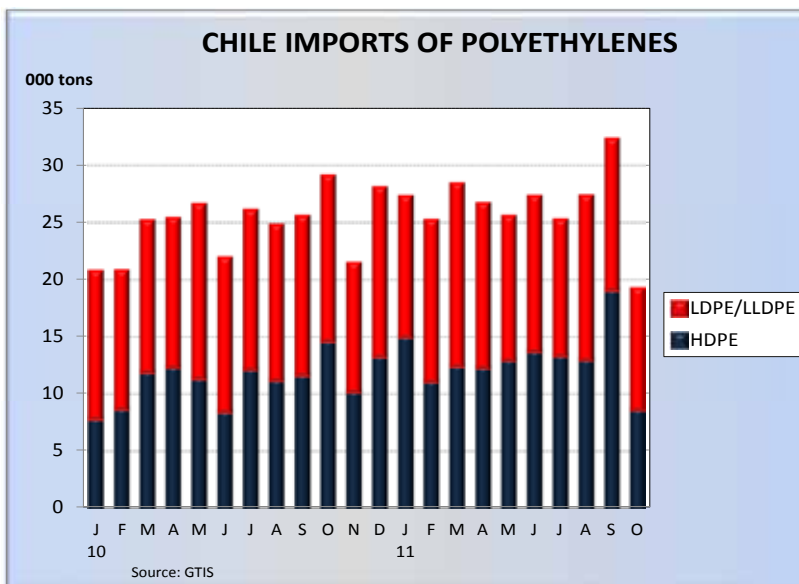
- ✓ In late 2011, Chile’s economy has been struggling to keep up the frantic pace of growth it has seen in most of the year. It seems most sectors of the economy have cooled down from previous quarters, particularly mining.
- ✓ The nation’s economy is highly dependent on the export of metals (copper), and the declines in metals prices have taken their toll.
- ✓ The currency markets have also felt the pinch, with the dollar escalating again to the 520:1 benchmark. Recent movement in the exchange rate is shown in the next graph.

MARKET INTELLIGENCE

Operational rates at Petroquim facilities have been relatively healthy since September. Supply of most grades of PP is ample. Only some specific grades are exhibiting scarcity. Supply of polyethylenes is also abundant.



The next graph shows imports of PE through October. As seen, imports reached their highest level of the year in September, just before plunging in October. This is a side effect of currency exchange volatility, which affects the trade and sale of thermoplastics.



Demand for polyolefins seems to have improved in the last week. Most converters now believe prices may not be able to fall any further. As such, purchases are back to normal for the season. Several companies will be shut down for 10 days for the holidays, which may reduce demand for most commodity resins in Chile in December.

Prices of polyolefins seem to have stabilized in recent weeks in Chile. Offers from overseas markets remain abundant, but most companies now prefer to supply from local traders instead of making their own imports, due to currency exchange volatility. Prices in Chilean markets are shown in the next table.

PRICES OF RESINS IN THE CHILEAN MARKET					
Average - Spot, Delivered, Bagged, Sight (US\$ per Ton)					
2011	LDPE GP, Film	LLDPE But., Film	HDPE Blow	PP Raffia	PP Injection
May	1980	1730	1750	1920	1960
June	1830	1690	1710	1790	1850
July	1820	1690	1690	1780	1830
August	1830	1700	1680	1820	1870
September	1750	1680	1680	1780	1820
October	1590	1470	1430	1560	1590
November	1620	1500	1460	1600	1650
December	1600	1500	1460	1600	1650

MEXICO

Mexico closes the year with unexpected strength with annual GDP growth for 2011 projected to reach 3.8% and annual inflation sitting at a comfortable 3.5%, despite a marked deceleration in expansion in the second half of the year due to a stalled recovery in the United States, the destination of some 79% of Mexican exports this year, and continued fiscal and financial crises in Europe.

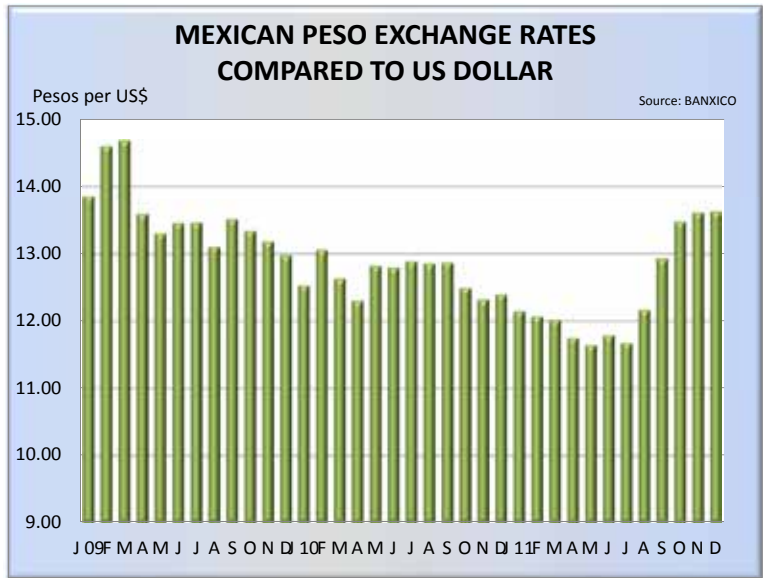
According to department store association ANTAD, last month's *Buen Fin* private-public promotional weekend helped spur retail sales for November by 14.6% year-to-year with even better numbers for large outlet stores, who sold massive volumes of manufactured goods like flat-screen TVs, many of which were assembled in Mexico.

Solid manufacturing and construction data backed by retail sales and higher exports are further reinforced by mildly positive data finally emerging from the United States.

Nevertheless, most expect growth to flag in the year ahead with some estimates descending below the 3%-mark to 2.8% or 2.9%.

One worrisome spot, the Mexican peso has fallen nearly 17% since its July 7 high of 11:54 to the U.S. dollar. The currency continues to be plagued by uncertainty in Europe, as investors are scared off from emerging market currencies out of fears that European officials and regulators have not done enough to stave off a worst case scenario in the debt market and banking systems there.

The peso is currently trading near 13.79:1, and the above graph provides a history of the exchange rate.



OPERATIONAL NEWS

Pemex is reporting normal output for ethylene production. The state-owned company's HDPE unit continues to have operational issues. Looking at Pemex's supply system, LDPE supply is adequate, but both LLDPE butene and HDPE are running short. Most non-Pemex production units in Mexico ran free of problems in early November. In October, several units took maintenance downtime in anticipation of slow demand.

Pemex's year-to-date production of basic petrochemicals and derivatives is illustrated in the next table.

MEXICO PETROCHEMICAL PRODUCTION - YTD OCTOBER				
-000-Tons	2009	2010	2011	2011/2010
Ethylene	954	937	928	-1.0%
Benzene	79	97	100	3.1%
EB	93	56	119	112.1%
VCM	118	174	157	-9.8%
Styrene	86	52	110	112.1%
EO	219	310	292	-5.8%
LDPE	241	210	226	7.6%
LLDPE	178	160	169	5.6%
HDPE	156	152	147	-3.3%

Source: Pemex

For December, we report good supply for most resins from Mexico and the U.S. Gulf Coast, but demand reflects the need to restock inventory to maintain short-term supply. As a result, inventory has been increasing to supply local demand, and purchase orders are reflecting only minimum demand requirements. This has been the preferred buying pattern in Mexico for most of 2011.

The next table shows sales of resins in North America, as reported by the ACC. Here, we see that sales of PP and PE slowed from January to September 2011, while PS and PVC reported growth over 2010.

The next table shows quarterly production volumes for the Mexican petrochemical industry through Q3 2011.

U.S. Resin Sales and Captive Use				
(YTD-000 tons)				
Resin	September			
	2011	2010	% Change	Net Trade
LDPE	2,312	2,317	-0.2%	295
LLDPE	4,592	4,608	-0.4%	309
HDPE	5,814	5,745	1.2%	565
TOTAL PE	12,717	12,669	0.4%	1,169
PP	5,504	5,880	-6.4%	832
PS	1,888	1,728	9.2%	93
PVC	4,932	4,752	3.8%	1,924
Total	25,041	25,030	0.0%	4,018

Source: ACC/GTIS

MEXICO PETROCHEMICAL PRODUCTION																		
-000-Tons	BENZENE		EBZ		ETHYLENE		VCM		EO		HDPE		LDPE		LLDPE		STYRENE	
	Prod.	% Chg	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	0	NA	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	0	NA	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	0	NA	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	0	NA	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	0	NA	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	0	NA	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	0	NA	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	0	NA	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	61	NA	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	51	-16.4	32	34.6
Q3 09	31	14.8	32	-8.6	288	4.7	41	215.4	40	-44.4	54	38.5	75	15.4	50	-2.0	30	-8.6
Q4 09	1	-96.8	12	-62.5	303	5.2	56	36.6	92	130.0	53	-1.9	73	-2.7	45	-10.0	11	-62.5
Q1 10	35	3400.0	30	150.0	302	-0.3	62	10.7	97	5.4	45	-15.1	65	-11.0	55	22.2	28	150.0
Q2 10	31	-11.4	14	-53.3	288	-4.6	61	-1.6	101	4.1	55	22.2	53	-18.5	41	-25.5	13	-53.3
Q3 10	20	-35.5	3	-78.6	278	-3.5	51	-16.4	94	-6.9	43	-21.8	74	39.6	39	-4.9	3	-78.6
Q4 10	33	65.0	29	866.7	258	-7.2	14	-72.5	81	-13.8	31	-27.9	71	-4.1	62	59.0	27	866.7
Q1 11	33	0.0	35	19.2	306	18.6	60	328.6	99	22.2	54	74.2	72	1.4	55	-11.3	32	19.2
Q2 11	35	6.1	42	21.9	312	2.0	48	-20.0	94	-5.1	55	1.9	66	-8.3	62	12.7	39	21.9
Q3 11	26	-25.7	31	-25.6	219	-29.8	47	-2.1	71	-24.5	28	-49.1	62	-6.1	30	-51.6	29	-25.6

Source: Pemex

MARKET INTELLIGENCE

There will continue to be high uncertainty on price trends for early 2012.

Demand continues to be weak in the United States and other significant markets like China and Europe.

Availability of product from the U.S. Gulf Coast may be tight, and this will be important to price consideration in early 2012. However, supply from other regions, like Asia Pacific and Western Europe, is expected to increase. The petrochemical industry is indeed global in nature. Markets far away can affect local prices, and fierce competition for market share will drive price trends in the early part of 2012. The Chinese lunar new year celebration must be considered when trying to forecast price trends in Q1 2012. If China's demand is high after returning from their holidays, then prices will firm. On the other hand, if demand is weak, prices will take a downward turn in late January.

Production costs for U.S. Gulf Coast producers dictate price announcements, while supply and demand balances will determine price realization. *Recent price increase announcements will take place ONLY if there is a limitation of supply.*

Meanwhile, the monomer/polymer production relationship will continue to affect prices on the U.S. Gulf Coast. Monomer prices are most likely to remain flat or even drop in January. Hence, polymer prices will follow accordingly.

Demand in Mexico during December was aimed at supplying customers, as inventory levels were depleted. In Mexico, the exchange rate has been of key concern to buyers, and it is now a bit more stable. In December, exchange rates remained below 14 pesos per dollar.

The Mexican market should not underestimate disciplined U.S. production. Production rates will adjust to meet demand. As a result, most resins are or will be in a balanced-to-tight supply situation by early 2012.

Recently announced price increases did not fully go through. However, the attempt to raise them prevented additional price reduction. Product is selling on the high end of the range, a potential indication that prices have reached rock bottom.

Prices for **thermoplastic resins** in early December reflected the following:

- ✓ **Polyethylenes** price range narrowed. Prices moved slightly higher for selected grades compared to November. For the remainder of the month, we do not expect significant movements in prices.
- ✓ **Polypropylene** prices were flat in early December compared to November, trending down when PG Propylene contract prices fell by US\$0.02/lb to US\$0.56/lb. Supply is balanced-to-short at this time.
- ✓ **Polystyrene** prices were flat-to-lower, with some accounts reporting reductions of US\$0.02-.03/lb.
- ✓ For **PVC**, prices increased due to a plant explosion in Japan and the limited supply of product for export to supply Asian markets.
- ✓ Bottle-grade **PET** prices were lower in December compared to November. PET prices in Mexico are usually higher than international prices mainly due to import duty.

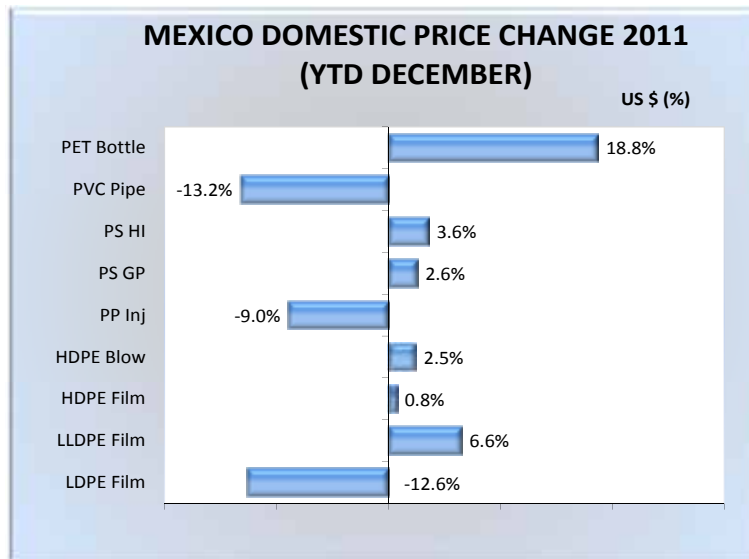
It seems, the market is not sure of where prices will be in late January. Consequently, there have been few purchases made on speculation in December. If buyers were certain that prices had bottomed out in December and that higher prices were awaiting just three weeks away, additional purchases would be reported. The market perceives a potential for additional price reduction and is not willing to risk buying product at current market levels.

In December, the following factors are influencing Mexican prices:

- ✓ The plummeting peso is making imports too risky. Local products are favored.
- ✓ There is no clear indication of January price trends; therefore, low volumes are being purchased in December, despite lower prices for most resins.
- ✓ PE prices increased slightly by US\$0.02-0.03/lb while PP prices were hard hit plummeting another US\$0.02/lb in December. The price differential between LLDPE and LDPE is now very small.

- ✓ PS prices also declined by US\$0.02-0.03/lb. The price differential between crystal grade and HIPS is now at US\$0.07-0.08/lb.
- ✓ PET prices also declined by US\$0.02-0.03/lb in December, while PVC prices reported a US\$30-40 dollar per ton increase.

The next graph indicates the price shifts occurring in 2011.



Suggested Strategy:

Remember, prices are no longer homogenous. They vary according to producer and region. In January, supply will determine price trends, not demand or production costs. Fiscal policies in most countries promote low inventory levels at the end of the year. Consequently, some fire sale volumes might appear in the last weeks of December. Demand will continue to be weak through December with sales only to replace inventory levels. The chief priority should be to secure delivery of products that are in short supply. There is a chance for prices to slip slightly during the start of 2012 as China exits the market during their 15-day holiday period, starting on Jan. 23, 2012. Keep track of production levels in North America, as they are a key variable affecting price trends in early 2012.

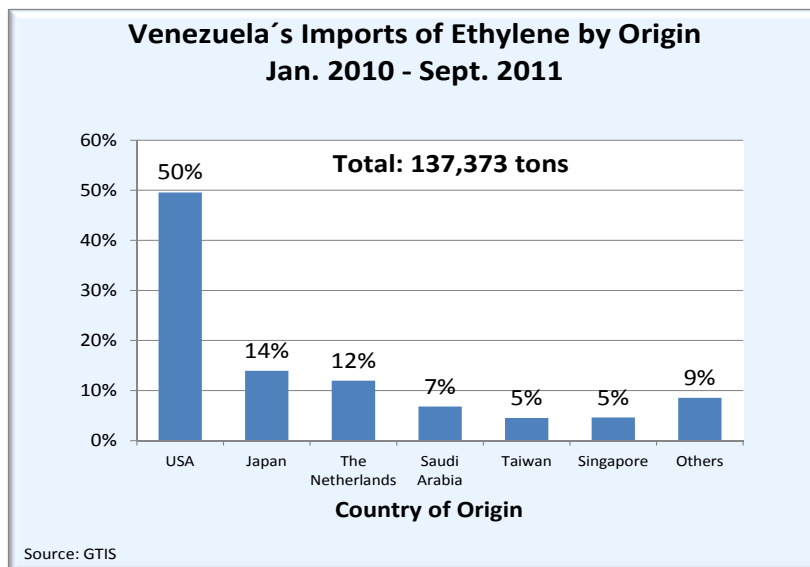
VENEZUELA

On Nov. 22, Venezuela's government approved regulations to control domestic prices for most products produced and sold in Venezuela. According to this NEW law, all manufacturing companies, converters and end-users will report to the government details of costs relative to production of finished products. The government will set a max sales price based on production costs. The full impact of this law will be felt in 2012. If local producers cannot achieve expected margins for their finished goods, we expect companies to reduce production of selected products, and in some cases, product will become scarce, and imported product will replace that which is produced locally.

Film resin in Venezuela is tight, and local production has been limited by a lack of ethylene supply. Hence, volumes of LLDPE/LDPE and HMW film resins have been imported to supply local demand. Venezuela did not export resin to Colombia, Ecuador, Peru or Chile in 2011. On the contrary, local demand has slowly absorbed the surplus, and Venezuela is now importing both resins and ethylene in significant volumes.

We expect a new butene-1 unit to resume production in 2012. This unit will take advantage of AXENS Alphabutol process technology and will have an annual capacity of 15,000 tons per year.

Ethylene imports are tracked in the next graph.



STATISTICS AND TABLES

We have included statistical information in the following tables.

ARGENTINA POLYMERS IMPORTS BY COUNTRY - YTD NOVEMBER 2011									
000 Tons	World	Brazil	U.S.	Korea	China	Spain	Belgium	Chile	Others
LDPE	101.9	45.1	11.0	1.0	0.5	14.9	1.3	7.1	20.9
LLDPE	110.8	60.7	18.9	5.1	4.3	4.4	1.6	0.3	15.3
HDPE	102.1	68.0	18.3	2.0	0.4	0.3	5.6	0.0	7.4
PP	88.1	56.5	6.4	1.7	0.6	0.5	5.6	3.7	13.2
PS	25.8	16.4	7.2	0.1	0.3	0.0	0.2	0.0	1.5
PVC	66.1	4.2	42.5	2.2	0.2	0.6	1.4	0.2	14.9
PET	74.7	1.4	6.3	26.8	28.1	0.1	0.1	0.0	12.0
Total	569.6	252.3	110.6	38.9	34.4	20.7	15.8	11.4	85.3

Source: AFIP

ARGENTINA POLYMERS EXPORTS BY COUNTRY - YTD NOVEMBER 2011									
000 Tons	World	Brazil	Chile	Uruguay	Bolivia	Paraguay	Peru	South Africa	Others
LDPE	17.8	9.8	3.2	1.6	1.9	0.5	0.8	0.0	0.0
LLDPE	118.1	98.9	11.6	2.8	2.9	1.0	0.6	0.0	0.3
HDPE	86.9	67.9	10.5	3.0	2.9	2.5	0.0	0.0	0.0
PP	39.5	35.4	1.7	1.5	0.0	0.1	0.5	0.0	0.2
PS	10.2	0.1	4.3	3.0	0.4	1.0	0.0	1.3	0.0
PVC	98.3	82.2	4.5	3.0	5.0	3.5	0.0	0.0	0.2
PET	44.5	15.4	2.3	15.3	3.4	6.4	0.7	0.0	1.0
Total	415.4	309.9	38.1	30.1	16.5	15.1	2.6	1.3	1.7

Source: AFIP

BRAZILIAN POLYMER EXPORTS 2011							
000 Ton	LDPE	LLDPE	HDPE	PP	PS (*)	PVC	PET
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	157.7	358.7	492.2	494.0	35.3	17.3	91.3
2011	40.4	112.8	159.3	175.9	14.3	5.4	12.8
J 11	6.7	18.8	28.6	39.6	2.5	1.1	6.6
F	6.9	22.8	38.4	37.8	1.4	0.7	2.0
M	7.4	26.1	35.0	35.9	2.5	1.5	3.4
A	8.7	22.8	27.3	28.9	4.7	0.8	0.4
M	10.7	22.3	30.1	33.8	3.1	1.4	0.4
J	15.7	26.6	43.6	32.3	1.5	1.0	1.1
J	27.4	29.7	48.3	33.5	0.8	1.1	2.9
A	20.0	26.9	37.9	47.4	3.3	0.9	3.8
S	20.4	21.6	37.5	46.8	2.0	0.7	6.6
O	17.6	15.8	31.5	39.0	2.8	0.7	0.4
N	12.6	16.4	37.0	29.6	2.9	0.8	3.3

(*) - EPS included
Source: MDIC

BRAZILIAN POLYMER IMPORTS 2011

000 Ton	LDPE	LLDPE	HDPE	PP	PS (*)	PVC	PET
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	62.7	307.3	292.9	218.8	39.3	386.4	115.1
2011	104.2	336.1	279.6	243.4	60.9	440.6	150.3
J 11	5.6	24.2	23.0	10.7	4.3	25.2	14.7
F	9.6	28.0	24.0	20.0	4.9	33.1	9.1
M	8.6	26.7	29.6	18.5	6.2	42.0	8.1
A	9.3	32.8	28.3	16.7	4.7	38.7	7.9
M	9.7	25.6	26.6	19.2	6.5	38.0	23.8
J	9.9	31.5	24.5	23.9	5.9	49.7	16.4
J	9.3	26.6	24.1	27.3	6.3	51.3	18.0
A	7.7	33.0	25.9	26.9	5.4	61.0	14.5
S	10.8	35.3	24.4	31.7	5.1	34.6	14.8
O	12.3	35.2	27.2	27.1	6.4	32.4	11.9
N	11.4	37.2	22.0	21.5	5.3	34.6	11.2

(*) - EPS included

Source: MDIC

BRAZILIAN PETROCHEMICAL EXPORTS 2011

000 Ton	Propylene	Benzene	Butadiene	Ammonia	EDC	P-xylene	MEG
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	166.7	284.5	76.4	35.7	147.4	169.3	15.3
2011	145.4	173.9	47.8	28.7	77.2	116.3	4.3
J 11	6.3	19.1	3.8	0.3	14.4	3.1	0.7
F	10.5	18.9	4.0	0.2	10.0	0.0	0.0
M	4.2	10.8	1.9	0.2	7.5	5.1	0.9
A	13.7	18.6	3.8	0.2	8.0	21.0	0.5
M	20.4	11.0	4.1	0.1	0.0	12.6	0.9
J	17.8	24.8	4.0	0.2	0.0	7.2	0.0
J	21.8	10.2	5.5	14.5	8.2	21.6	0.9
A	7.8	21.6	6.0	0.0	7.8	10.5	0.1
S	19.2	6.3	4.0	12.8	8.4	4.0	0.1
O	10.2	21.2	5.9	0.1	0.0	15.7	0.1
N	13.7	11.4	4.8	0.1	12.8	15.4	0.1

Source: MDIC

BRAZILIAN PETROCHEMICAL IMPORTS 2011

000 Ton	Styrene	Methanol	Ammonia	Urea	Caustic Soda*	PTA	MEG
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	219.4	563.2	363.4	2,547.1	1,090.6	502.3	168.8
2011	182.1	613.8	284.5	2,678.9	1,098.2	402.4	124.9
J 11	27.9	38.2	32.6	351.9	100.2	40.8	15.1
F	10.6	53.4	33.2	144.1	101.0	48.3	19.6
M	8.4	51.5	24.0	110.5	107.5	45.6	5.7
A	17.6	73.8	16.6	211.1	139.1	27.7	15.5
M	25.1	37.5	33.2	245.8	85.6	27.8	10.0
J	41.6	72.4	17.0	183.1	118.3	27.2	5.8
J	1.6	56.9	23.6	178.7	79.2	37.3	10.9
A	36.1	68.8	21.2	344.9	119.0	31.2	12.1
S	1.6	54.6	37.6	230.0	107.6	33.5	16.1
O	9.5	55.3	17.0	265.8	49.7	49.5	5.2
N	2.1	51.5	28.4	413.0	91.0	33.6	8.8

Source: MDIC - * Caustic Soda DMT

COLOMBIA POLYMER EXPORTS BY COUNTRY - YTD AUGUST 2011

000 Tons	World	Brazil	Peru	Ecuador	U.S.	Guatemala	Costa Rica	Others
LDPE/LLDPE	7.0	5.6	0.1	0.0	0.3	0.0	0.1	1.0
HDPE	0.5	0.0	0.4	0.0	0.0	0.0	0.0	0.1
PP*	88.0	6.2	17.8	14.2	0.0	7.1	6.4	36.3
PSN	10.0	1.4	0.4	1.8	0.0	0.0	1.0	5.3
PSE	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1
PVC	168.9	134.1	2.9	3.9	13.0	0.0	1.0	14.0
PET	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.1
Total	275	147	22	20	13	7	8	57

*Homopolymer only

Source: GTIS

COLOMBIA POLYMER IMPORTS BY COUNTRY - YTD AUGUST 2011

000 Tons	World	U.S.	Mexico	S. Korea	Brazil	Taiwan	Saudi Arabia	Spain	Others
LDPE/LLDPE	54.3	22.4	6.2	3.2	6.2	0.0	2.2	1.5	12.6
HDPE	80.5	42.6	1.6	6.3	13.2	1.1	5.3	0.1	10.4
PP*	16.8	1.8	1.0	2.8	5.8	0.5	1.7	0.0	3.2
PSN	1.1	0.0	0.1	0.1	0.0	0.9	0.0	0.0	0.0
PSE	6.4	1.1	1.1	0.0	0.0	2.7	0.0	0.0	1.5
PVC	46.3	26.9	17.5	0.2	0.0	0.0	0.0	0.5	1.3
PET	71.5	4.1	48.5	11.0	0.0	6.4	0.0	0.0	1.6
Total	277	99	76	24	25	12	9	2	31

*Homopolymer only

Source: GTIS

COLOMBIA Import Tariffs as of November 30th, 2011		
HS	Description	Tariff
281512	Sodium Hydroxide (Caustic Soda) In Aqueous Solution	5%
290122	Propylene	0%
290243	P-Xylene	0%
290250	Styrene	0%
290321	Vinyl Chloride	0%
390110	Polyethylene Having A Specific Gravity Of Less Than 0.94	0%**
390120	Polyethylene Having A Specific Gravity Of 0.94 Or More	0%
390210	Polypropylene *	5%
390311	PolystyreneExpansible	0%
390319	Polystyrene Nes	10%
390410	Poly(Vinyl Chloride),Not Mixed With Any Other Substances	10%
390760	Poly(Ethylene Terephthalate) w/Titanium Dioxide	0%
390760	Poly(Ethylene Terephthalate)	10%
390950	Polyurethanes In Primary Forms	0%
* from Brazil now 0% from 1.5% ** In place through Dec. 2012		

Source: DIAN

MEXICO POLYMER IMPORTS BY COUNTRY - YTD SEPTEMBER 2011									
000 Tons	World	U.S.	Canada	Saudi Arabia	Korea South	Taiwan	Brazil	India	Others
LDPE/LLDPE	266.3	230.2	25.6	3.5	0.1	0.1	0.9	0.0	5.9
HDPE	487.8	441.0	34.2	6.5	0.7	0.9	0.8	0.0	3.6
PP*	382.0	356.7	0.6	8.0	3.2	0.2	0.1	0.2	12.9
PSN	50.8	39.0	0.0	0.0	10.9	0.6	0.0	0.0	0.3
PSE	33.2	30.8	0.1	0.0	0.4	1.8	0.0	0.0	0.1
PVC	160.3	157.1	0.0	0.0	0.0	0.0	0.0	0.0	3.2
PET	37.9	30.9	2.8	0.0	0.7	0.0	0.1	1.1	2.4
Total	1,418	1,286	63	18	16	4	2	1	28

*Homopolymer only

NA: Not available

Source: GTIS

MEXICO POLYMER EXPORTS BY COUNTRY - YTD SEPTEMBER 2011									
000 Tons	World	U.S.	Colombia	Belgium	Italy	UK	China	Peru	Others
LDPE/LLDPE	70.4	1.0	7.3	9.6	1.5	0.5	9.8	4.7	35.8
HDPE	37.4	16.7	1.7	2.5	0.0	0.2	2.2	0.4	13.7
PP*	39.2	13.5	1.2	0.0	0.1	0.0	1.7	0.0	22.7
PSN	54.1	22.4	0.1	0.0	4.7	1.3	1.5	4.8	19.4
PSE	60.3	34.0	1.4	0.0	0.0	0.0	0.0	0.6	24.3
PVC	217.2	16.3	17.2	60.0	39.6	6.1	0.2	9.6	68.2
PET	390.1	178.2	53.5	0.0	8.5	16.6	0.0	0.3	133.1
Total	869	282	82	72	54	25	15	20	317

*Homopolymer only

Source: GTIS

U.S. POLYMER EXPORTS - YEAR TO DATE OCTOBER (000 tons)				
Partner Country	2009	2010	2011	2011/2010 (%)
Mexico	1440.3	1415.8	1462.9	3.3
Canada	1119.1	1260.9	1260.1	-0.1
China	1299.4	648.9	542.3	-16.4
Brazil	166.1	198.6	242.6	22.1
Peru	175.0	260.8	209.4	-19.7
Russia	23.0	122.6	185.4	51.3
Turkey	132.1	172.3	157.9	-8.4
Chile	107.1	163.9	145.0	-11.5
Colombia	136.7	132.0	138.7	5.1
Egypt	199.0	175.6	134.2	-23.6
Hong Kong	202.0	158.4	128.7	-18.8
Ecuador	109.2	114.2	105.8	-7.4
India	173.6	145.8	103.2	-29.2
Guatemala	88.2	98.4	91.9	-6.6
Argentina	43.7	88.1	85.1	-3.4
Israel	125.5	100.9	84.9	-15.8
Dominican Republic	75.4	86.4	81.9	-5.3
Nigeria	63.2	83.2	81.4	-2.2
Others	1039.1	1109.0	1159.0	4.5
Total	6,718	6,536	6,400	-2.1

U.S. POLYOLEFINS EXPORTS - YEAR TO DATE OCTOBER (000 tons)				
Partner Country	2009	2010	2011	2011/2010 (%)
Mexico	1197.3	1141.2	1132.7	-0.7
Canada	598.8	699.0	725.3	3.8
China	1007.4	386.0	270.9	-29.8
Brazil	133.9	164.5	146.3	-11.1
Peru	91.1	109.1	106.3	-2.5
Colombia	105.4	115.8	105.0	-9.3
Hong Kong	155.9	109.2	85.3	-21.9
Belgium	78.6	85.9	70.5	-17.9
Chile	55.4	89.0	69.6	-21.8
Israel	103.5	75.1	58.7	-21.9
Guatemala	56.0	57.6	50.5	-12.4
Ecuador	80.8	65.2	48.6	-25.4
Dominican Republic	51.1	51.1	48.4	-5.4
Singapore	32.9	27.1	46.5	71.7
Argentina	17.5	37.2	35.0	-5.9
Costa Rica	41.9	43.3	34.8	-19.6
El Salvador	27.8	30.8	33.8	9.9
Vietnam	76.8	33.6	27.6	-17.8
Others	511.7	359.9	374.4	4.0
Total	4,424	3,681	3,470	-5.7

U.S. POLYMERS EXPORTS INTO LATIN AMERICA AND OTHERS - YEAR TO DATE OCTOBER (000 tons)				
Partner Country	2009	2010	2011	2011/2010 (%)
Mexico	1440.3	1415.8	1462.9	3.3
Peru	175.0	260.8	209.4	-19.7
Brazil	166.1	198.6	242.6	22.1
Chile	107.1	163.9	145.0	-11.5
Colombia	136.7	132.0	138.7	5.1
Ecuador	109.2	114.2	105.8	-7.4
Guatemala	88.2	98.4	91.9	-6.6
Argentina	43.7	88.1	85.1	-3.4
Dominican Republic	75.4	86.4	81.9	-5.3
Costa Rica	68.2	73.5	65.7	-10.6
El Salvador	36.0	49.6	48.7	-1.8
Uruguay	20.2	39.5	27.2	-31.2
Trinidad & Tobago	26.6	26.1	23.5	-10.1
Honduras	23.2	24.4	23.5	-3.6
Panama	16.9	19.1	19.0	-0.6
Paraguay	3.5	10.2	8.6	-16.0
Others Latin America	31.8	37.1	58.1	56.8
Others Non Latin America	4149.4	3697.9	3562.7	-3.7
Total	6,718	6,536	6,400	-2.1

U.S. POLYOLEFINS EXPORTS INTO LATIN AMERICA AND OTHERS - YEAR TO DATE OCTOBER (000 tons)				
Partner Country	2009	2010	2011	2011/2010 (%)
Mexico	1197.3	1141.2	1132.7	-0.7
Peru	91.1	109.1	106.3	-2.5
Brazil	133.9	164.5	146.3	-11.1
Chile	55.4	89.0	69.6	-21.8
Colombia	105.4	115.8	105.0	-9.3
Ecuador	80.8	65.2	48.6	-25.4
Guatemala	56.0	57.6	50.5	-12.4
Argentina	17.5	37.2	35.0	-5.9
Dominican Republic	51.1	51.1	48.4	-5.4
Costa Rica	41.9	43.3	34.8	-19.6
El Salvador	27.8	30.8	33.8	9.9
Uruguay	3.2	3.7	3.0	-18.9
Trinidad & Tobago	14.0	12.7	11.8	-7.4
Honduras	17.7	17.7	21.4	21.5
Panama	7.9	6.9	6.0	-13.1
Paraguay	2.2	6.3	4.4	-29.1
Others Latin America	22.1	23.8	40.8	71.4
Others Non Latin America	2498.5	1704.9	1571.9	-7.8
Total	4,424	3,681	3,470	-5.7

U.S. POLYMERS EXPORTS										
000 Tons	Total	LDPE	LLDPE	MDPE	HDPE	PP*	PS	PVC	PET	PSE
2007	6,959	812	673	82	1,532	2,006	372	1,016	465	66
2008	6,741	825	615	134	1,640	1,536	287	1,369	335	73
2009	8,092	788	703	70	2,164	1,602	249	2,128	388	82
2010	7,806	651	681	75	1,745	1,234	249	2,732	438	82
2011	6,400	526	477	48	1,416	1,003	202	2,374	283	71
J	609	46	39	8	135	99	17	230	29	6
F	607	46	40	5	158	94	17	215	26	7
M	746	55	58	6	173	126	25	269	26	8
A	685	59	52	5	152	103	22	241	45	6
M	613	53	43	4	145	93	18	222	28	7
J	546	42	43	4	114	101	20	195	20	7
J	585	49	50	4	128	96	24	203	24	7
A	713	65	54	5	147	101	21	283	30	8
S	660	60	53	4	140	96	19	255	25	7
O	635	51	43	3	126	94	19	261	30	7

Source: GTIS

U.S. POLYMER IMPORTS										
000 Tons	Total	LDPE	LLDPE	MDPE	HDPE	PP*	PSN	PVC	PET	PSE
2007	2,917	200	147	21	1,281	188	78	182	820	203
2008	2,612	213	149	26	1,096	138	78	166	746	197
2009	2,150	136	135	41	916	52	68	156	647	165
2010	2,136	169	189	74	829	83	43	212	538	156
2011	2,146	176	137	63	793	88	36	210	509	135
J	178	16	12	5	68	7	3	21	37	9
F	179	17	12	6	69	7	3	21	31	13
M	223	18	13	7	87	9	3	25	47	15
A	209	16	15	8	86	9	2	18	43	13
M	219	17	13	8	84	9	4	21	47	17
J	229	13	13	4	85	8	6	21	64	14
J	269	32	14	6	99	10	3	20	72	16
A	222	18	17	6	70	9	5	21	63	13
S	225	20	15	8	78	10	3	22	55	15
O	193	10	13	5	68	9	4	21	52	12

*Homopolymer only

U.S. POLYMER EXPORTS BY COUNTRY - YTD OCTOBER 2011									
000 Tons	World	Mexico	Canada	China	Turkey	Peru	Brazil	Russia	Others
LDPE	526.0	85.5	139.1	52.9	1.4	14.2	21.8	0.1	211.0
LLDPE	476.6	160.6	44.2	37.9	1.7	10.5	28.3	0.2	193.2
MDPE	48.3	13.9	10.7	5.4	0.1	2.3	1.5	0.0	14.3
HDPE	1,415.9	480.4	283.8	58.8	15.5	49.9	88.3	0.7	438.7
PP*	1,003.4	392.3	247.5	115.9	2.5	29.3	6.4	0.1	209.3
PSN	201.9	107.8	66.4	0.8	0.0	2.8	3.0	0.0	21.1
PSE	71.2	34.4	14.3	2.4	0.0	0.7	2.9	0.0	16.5
PVC	2,374.4	153.8	357.1	245.9	136.5	93.4	87.6	184.3	1,115.7
PET	282.6	34.2	96.9	22.4	0.0	6.2	2.8	0.0	120.0
Total	6,400	1,463	1,260	542	158	209	243	185	2,340

*Homopolymer only

Source: GTIS

U.S. POLYMER IMPORTS BY COUNTRY - YTD OCTOBER 2011									
000 Tons	World	Canada	Mexico	Korea South	Bahamas	Indonesia	Switzerland	Japan	China & Others
LDPE	175.9	105.2	0.4	0.1	0.0	0.0	4.7	9.9	55.6
LLDPE	136.9	108.5	0.1	0.5	0.0	0.0	0.0	0.4	27.3
MDPE	63.2	56.9	0.1	1.3	0.0	0.0	0.1	0.1	4.7
HDPE	792.6	740.8	16.0	4.2	0.0	0.0	0.1	4.3	27.3
PP*	87.6	26.3	13.2	15.5	0.0	0.0	0.0	4.2	28.5
PSN	35.6	7.1	16.5	0.7	1.2	0.0	0.0	0.2	9.9
PSE	135.2	33.3	36.0	11.6	46.1	0.0	0.0	0.9	7.2
PVC	209.7	134.8	16.7	4.8	0.0	0.0	0.0	4.5	49.0
PET	509.0	62.0	196.2	27.7	0.0	37.7	0.0	1.4	184.0
Total	2,146	1,275	295	66	47	38	5	26	394

*Homopolymer only
Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO ARGENTINA - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	10.0	9.9	3.8	-61.9%
LLDPE	2.3	8.5	8.3	-2.4%
MDPE	0.0	0.0	0.2	-
HDPE	4.6	16.5	19.5	17.6%
PP	0.5	2.2	3.2	47.9%
PSN	0.1	0.0	2.7	-
PSE	0.2	0.4	0.4	6.3%
PVC	24.7	40.1	43.5	8.5%
PET	1.2	10.4	3.5	-66.2%
Total	43.7	88.1	85.1	-3.4%

PP: Homopolymer only
Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO BRAZIL - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	12.2	18.1	21.8	20.8%
LLDPE	22.9	38.2	28.3	-25.9%
MDPE	1.4	3.1	1.5	-51.5%
HDPE	67.2	96.3	88.3	-8.3%
PP	30.2	8.9	6.4	-27.7%
PSN	1.2	2.8	3.0	6.0%
PSE	1.2	1.7	2.9	73.7%
PVC	29.5	29.0	87.6	202.6%
PET	0.4	0.7	2.8	282.0%
Total	166.1	198.6	242.6	22.1%

PP: Homopolymer only
Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO CHILE - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	11.1	15.3	10.3	-32.5%
LLDPE	13.5	23.6	17.4	-26.2%
MDPE	0.6	2.1	2.3	6.4%
HDPE	29.1	45.8	38.5	-16.0%
PP	1.2	2.1	1.1	-48.0%
PSN	1.3	1.3	1.2	-11.6%
PSE	1.6	1.4	1.0	-30.6%
PVC	34.3	52.7	66.2	25.8%
PET	14.5	19.5	7.0	-63.9%
Total	107.1	163.9	145.0	-11.5%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO COLOMBIA - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	35.6	29.5	24.0	-18.7%
LLDPE	16.1	22.0	20.0	-9.2%
MDPE	0.6	1.8	0.3	-82.9%
HDPE	49.9	59.9	58.6	-2.3%
PP	3.2	2.6	2.2	-13.8%
PSN	1.4	0.2	0.2	47.8%
PSE	1.4	1.0	1.3	39.0%
PVC	22.6	11.7	28.0	139.6%
PET	5.9	3.4	4.1	22.2%
Total	136.7	132.0	138.7	5.1%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO COSTA RICA - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	15.6	12.4	8.3	-32.7%
LLDPE	8.9	11.9	10.0	-16.4%
MDPE	0.0	1.8	0.8	-55.7%
HDPE	13.3	13.9	13.5	-3.0%
PP	4.1	3.3	2.2	-32.4%
PSN	0.1	0.2	0.5	204.1%
PSE	0.0	0.1	0.0	-
PVC	23.4	26.9	28.0	4.1%
PET	2.8	3.0	2.4	-20.8%
Total	68.2	73.5	65.7	-10.6%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO DOMINICAN REPUBLIC - YTD OCTOBER				
<i>000 Tons</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2011/2010(%)</i>
LDPE	15.2	14.7	16.2	10.2%
LLDPE	10.7	11.5	9.0	-21.6%
MDPE	4.0	3.2	3.4	5.7%
HDPE	19.3	18.9	17.4	-7.9%
PP	2.0	2.9	2.4	-15.8%
PSN	0.8	2.1	3.6	69.1%
PSE	0.8	1.5	1.0	-37.2%
PVC	18.1	27.6	25.6	-7.4%
PET	4.6	4.1	3.4	-17.3%
Total	75.4	86.4	81.9	-5.3%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO ECUADOR - YTD OCTOBER				
<i>000 Tons</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2011/2010 (%)</i>
LDPE	24.1	16.0	12.4	-22.4%
LLDPE	20.1	16.6	14.6	-12.0%
MDPE	0.3	0.5	0.0	-
HDPE	33.5	29.8	21.4	-28.1%
PP	2.9	2.4	0.2	-90.8%
PSN	1.1	1.9	1.7	-9.2%
PSE	0.9	0.4	0.3	-30.9%
PVC	24.6	41.6	54.0	29.7%
PET	1.8	5.0	1.2	-77.0%
Total	109.2	114.2	105.8	-7.4%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO EL SALVADOR - YTD OCTOBER				
<i>000 Tons</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2011/2010 (%)</i>
LDPE	8.9	10.2	11.7	15.0%
LLDPE	5.2	6.9	5.0	-28.1%
MDPE	0.4	0.2	0.0	-98.2%
HDPE	10.1	11.5	14.4	24.5%
PP	3.2	2.0	2.8	42.3%
PSN	2.1	1.6	2.2	39.8%
PSE	1.1	2.0	1.8	-11.9%
PVC	3.0	3.4	3.4	1.8%
PET	1.9	11.9	7.5	-37.0%
Total	36.0	49.6	48.7	-1.8%

PP: Homopolymer only

Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO GUATEMALA - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	13.4	14.5	13.3	-8.2%
LLDPE	14.5	15.2	9.1	-40.1%
MDPE	0.3	0.4	0.0	-97.5%
HDPE	20.2	21.0	22.1	5.2%
PP	7.6	6.5	6.0	-8.0%
PSN	0.9	1.2	0.3	-73.7%
PSE	0.5	0.7	0.7	-0.3%
PVC	24.5	27.6	32.0	16.0%
PET	6.4	11.3	8.5	-25.3%
Total	88.2	98.4	91.9	-6.6%

PP: Homopolymer only
Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO HONDURAS - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	6.2	4.3	6.9	58.3%
LLDPE	5.3	7.0	7.2	2.6%
MDPE	0.0	0.3	0.1	-67.0%
HDPE	4.2	5.0	6.5	29.3%
PP	1.9	1.0	0.8	-16.3%
PSN	0.1	0.2	0.1	-70.3%
PSE	0.1	0.0	0.1	-
PVC	1.7	1.7	1.0	-38.9%
PET	3.6	4.8	0.9	-80.9%
Total	23.2	24.4	23.5	-3.6%

PP: Homopolymer only
Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO PERU - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	22.1	16.3	14.2	-12.7%
LLDPE	15.8	18.2	10.5	-42.2%
MDPE	0.2	1.0	2.3	141.1%
HDPE	42.9	54.5	49.9	-8.4%
PP	10.1	19.1	29.3	53.4%
PSN	1.2	2.4	2.8	15.4%
PSE	1.6	0.6	0.7	25.6%
PVC	65.0	107.1	93.4	-12.8%
PET	16.2	41.6	6.2	-85.1%
Total	175.0	260.8	209.4	-19.7%

PP: Homopolymer only
Source: GTIS

U.S. EXPORTS OF THERMOPLASTIC RESIN INTO VENEZUELA - YTD OCTOBER				
000 Tons	2009	2010	2011	2011/2010 (%)
LDPE	0.7	0.8	1.9	133.5%
LLDPE	0.4	0.1	6.7	-
HDPE	0.4	2.8	9.6	246.8%
PP	0.0	0.1	1.1	-
PSN	0.2	0.0	1.2	-
PSE	0.1	0.1	0.1	38.6%
PVC	0.0	2.8	9.3	230.2%
PET	2.9	3.5	0.0	-100.0%
Total	4.8	10.2	29.9	194.2%

PP: Homopolymer only

Source: GTIS

VENEZUELA POLYMER IMPORTS BY COUNTRY - YTD SEPTEMBER 2011									
000 Tons	World	Brazil	Mexico	U.S.	China	Colombia	Argentina	Korea South	Others
LDPE/LLDPE	17.4	6.3	0.0	6.4	1.3	0.3	0.0	1.1	1.9
HDPE	4.5	0.5	0.0	3.3	0.7	0.0	0.0	0.0	0.1
PP*	10.8	0.0	0.1	0.5	0.1	10.1	0.0	0.0	0.0
PSN	2.3	0.0	1.6	0.6	0.0	0.1	0.0	0.0	0.0
PSE	5.2	0.0	5.2	0.0	0.0	0.0	0.0	0.0	0.0
PVC	1.5	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.7
PET	49.1	21.3	19.2	0.0	4.1	0.0	0.8	3.1	0.6
Total	91	28	26	11	6	11	1	4	3

*Homopolymer only

Source: GTIS

VENEZUELA POLYMER EXPORTS BY COUNTRY - YTD SEPTEMBER 2011									
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	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
PP*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PSN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PSE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PVC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PET	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0	0	0	0	0	0	0

*Homopolymer only

Source: GTIS