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➤ **Raw material: Industry Salt**

Price of industry salt showed the up-ward trend in domestic market on tight supply, which was led by the solar salt prices.

✧ Solar salt: Price hiked because solar salt output decreased compared to the level of former years due to the impact of weather condition, and price upward pace would slow down this week.

✧ Lake salt: Transportation was broken off momentarily due to the increased transport cost. Price of lake salt might climb up when transportation turned to be smooth.

✧ Well salt: Price climbed up due to the increased coal and transport cost, and it would keep on rising on upward cost of coal.

➤ **Export market**

✧ **Liquid caustic soda**

Supply of liquid caustic soda for export was tight and nomination for July climbed up to USD 520-530/mt FOB. Market players were still awaiting the full impact of two force majeure within the past week. Dow Chemical Company declined operating rate due to the force majeure, and it would not improve in the future 3 months, so its supply of caustic soda would decline to 90% to North America and Latin America. An Australian alumina producer had also declared force majeure for due to the disruption of natural gas supplies to its Western Australia facilities. Australia's demand for caustic soda might decrease if operating rates are affected. However, export price in China might keep on the up-ward trend this week.

EXPORT NOMINATIONS OF LIQUID CAUSTIC SODA (USD/mt FOB)

Date	Harbor	Category	Price Range	Four weeks ago	Source	ETD
23 Jun	Tianjin	48-50%	500	-	Tianjin	Jun
23 Jun	Shanghai	48-50%	500	450	Shanghai	Jun
23 Jun	Taizhou	48%	500	430	Jiangsu	Jun
23 Jun	Qingdao	48%	530	460	Shandong	Jun
23 Jun	Jinzhou	48%-50%	450	330	Liaoning	Jun

ETD: Estimate Time of Departure

✧ **Solid caustic soda**

Supply of solid caustic soda for export tended to be tighter, and many of the producers maintained a low operating rate due to the increased cost of coal and deficiency of limestone or calcium carbide, which had impact of PVC production. Export nomination had risen in a different degree, and present prevailing conclusion price was about USD 450/mt FOB in both Shanghai and Tianjin ports. Transportation cost had risen due to the increased price for diesel and gasoline, and it was difficult to transport from Northwest China to Tianjin port. It was expected that export price might rise slightly this week due to the tight supply and the rise production and transport cost.

EXPORT PRICES OF SOLID CAUSTIC SODA (USD/mt FOB)

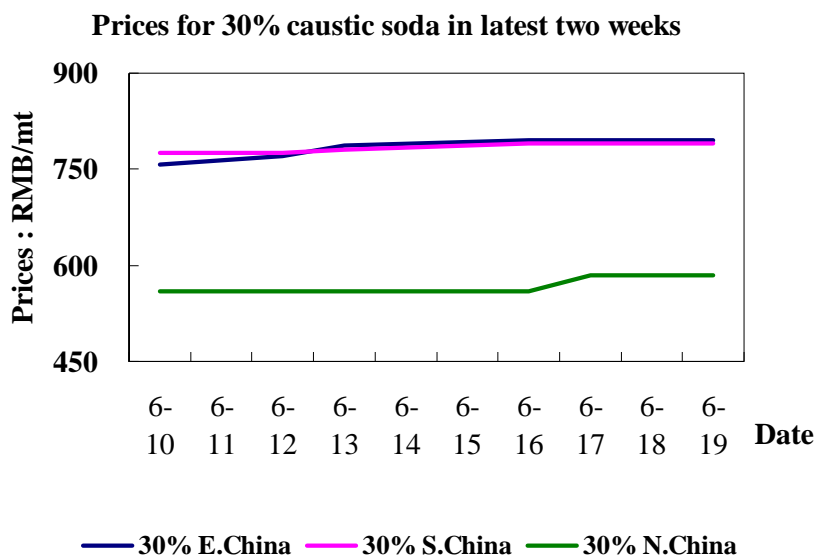
Date	Harbor	Category	Price Range	Four weeks ago	Source	ETD
23 Jun	Qingdao	98.5%	410-420	400-410	Shandong	Jun
23 Jun	Tianjin	98-99%	440-450	410	Henan, Tianjin, Ningxia, Shanxi, Sinkiang	Jun
23 Jun	Tianjin	96%	390-400	390-400	Inner Mongolia	Jun
23 Jun	Shanghai	98-99%	450	420	Anhui	Jun
23 Jun	Allah frontier	99%&98%	350-360	335-345	Sinkiang	Jun

23 Jun	Hekou	96%	420	415	Sichuan	Jun
23 Jun	Hekou	99%	430	430	Sichuan	Jun
23 Jun	Pingxiang	96%	-	405-410	Guizhou	Jun
23 Jun	Pingxiang	98%	425-430	415-420	Guizhou	Jun

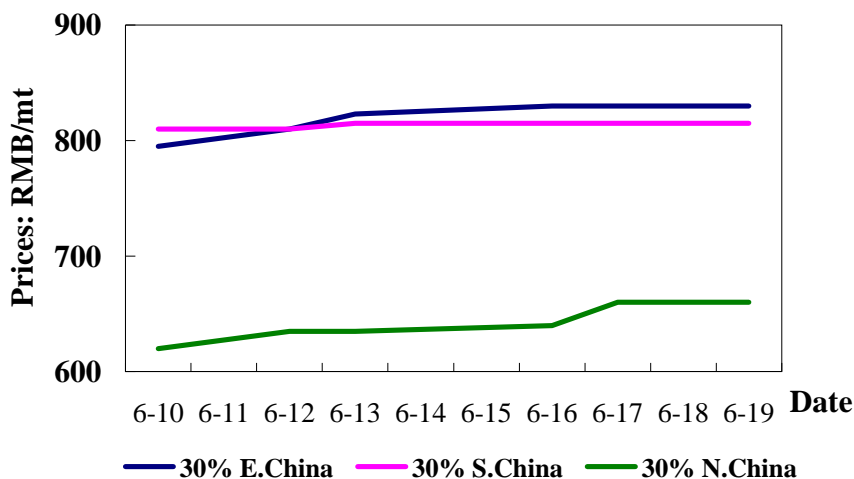
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➤ Domestic market

Domestic price of caustic soda kept on rising on a high level, especially for flake caustic soda. At the same time, price of liquid caustic soda edged up in East, North and South China, and the highest level emerged in South China. The price characteristic was still high in South China and low in North China. The increased price for electricity and diesel, gasoline would make producers face a reality that with high production and transportation cost.



**Prices for 32% caustic soda in latest two weeks**



**Domestic price of flake caustic soda**

District \ Product	96% flake caustic soda		99% flake caustic soda	
	RMB/mt	USD/mt	RMB/mt	USD/mt
E. China	3150-3300	458-480	3450-3700	501-538
S. China	2850-2900	414-422	3000-3100	436-451

➤ **News:**

**Lorries have to bypass Beijing next month**

According to the Ministry of transport of the People’s Republic of China, lorries have to bypass No. 112 national highway to Beijing from each direction next month.

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