

MEXICO'S PEMEX TO SHUT CANGREJERA CRACKER ON FEB 15 FOR 14 DAYS: SOURCE

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Mexico's state-owned Pemex plans to shut the steam cracker at its Cangrejera complex for maintenance on February 15, a source with knowledge of the company's operations said Monday.

"The cracker will stop for about 14 days," the source said, adding that the repairs are a part of planned maintenance.

Company sources declined to discuss the type of repairs needed.

Pemex has two steam crackers, one at Morelos and one at Cangrejera, and each has a similar capacity. Ethylene production at the crackers is estimated at 500,000 mt/year each.

The Cangrejera cracker was originally expected to be repaired in the third quarter of 2015, but the work was delayed until early 2016.

Instead, the Morelos cracker underwent maintenance in October that lasted until early December, the source said.

Pemex reported a 7% year-on-year drop in ethylene output to 917,000 mt in 2015, the company said Thursday. In volume terms, last year's ethylene output was down 71,000 mt from 2014, it said.

Pemex could not be reached for comment on Monday.

Pemex is Mexico's sole producer of ethylene -- until Braskem and Grupo Idesa's Etileno XXI project begins operations later in the first quarter -- and allocates the majority of the monomer for the production of downstream derivatives, including high density and low density polyethylene.