WTiN Textile Economics

Executive Market Report Summary 12 November 2018

Cost summary	09-Nov-18	
	US$/kg	Change on Week
Polyester		
China PSF 1.4 den	1.31	-5.95%
China FDY 50 den/24f	1.63	-8.24%
China DTY 150den/48f	1.67	-7.69%
Viscose		
China VSF 1.5 den, 38mm	2.11	-2.66%
Polyamide		
China FDY 70 den/24f	3.41	-1.78%
Cotton		
Cotlook A Index	1.95	-0.28%
Wool		
AWEX EMI	13.28	0.00%
Yarn		
China Cotton combed 32s (weaving)	2.90	0.00%
China Cotton combed 40s (weaving)	3.89	-0.90%
Indian cotton carded 30s (weaving)*	3.15	0.00%
Indian cotton combed 40s (weaving)*	3.25	0.00%
Taiwan p/c 45s*	4.65	0.00%
WTI Oil $ per Barrel		
WTI Crude Oil Price- 05-Oct	71.41	
WTI Crude Oil Price- 12-Oct	69.16	
WTI Crude Oil Price- 19-Oct	67.58	
WTI Crude Oil Price- 26-Oct	63.12	-6.60%

MMF market

- PSF and PFY markets extend weakness in China cost plunges

Cotton market

- Cotton Futures rise on bullish USDA crop report

Fibre raw material market

- Acrylonitrile prices plunge on weak demand

Filament market

- Polyester filament prices plummet in China on easing cost and demand

Wool & Speciality Fibres

- EMI drops again as all types suffer
- Market sees dramatic fall with clearance rate just 23%
- Stronger rand and softer demand push market down by 6%
- Average mohair price drops 1% despite strong competition
- UK prices continue to soften

USDA report

- USDA's Weekly Export Sales Report of week ending 1 November

Weekly Market Review – from the analyst desk

European policy change favours R-PET market but players need bolder steps

Recent legislative decisions in the European Union are pushing recycled polyethylene terephthalate (R-PET) in the right direction, but not all markets consider them as enough steps.

On 24 October, the European Parliament approved draft plans that would result in plastic bottles being collected separately and recycled at a rate of 90% by 2025. Consequently, on 29 October, the UK government announced that it would introduce a tax on produced or imported plastic packaging that does not include at least 30% of recycled content.

While the UK's decision would lead to an increase in demand for R-PET, the European approval could result in more upstream post-consumer PET in the market.

Both proposed actions would have a beneficial impact on the environment as well.

The UK's recycling is often regarded in the industry as substandard, partly due to the kerb-side collection system. In March, the UK government proposed a deposit scheme in place of it and scheduled a consultation on the matter.

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Price movement key: Increase Unchanged Decrease

MMF market

Man-Made Fibre Prices (ex-works) in Eastern China						
Date		9-Nov		2-Nov		
Intermediates	yuan/tonne	US$/Kilogram	yuan/tonne	US$/Kilogram	Yuan Price change (%)	US Dollar Price Change (%)
PX (FOB South Korea)		1.132		1.234	-	-8.20
PTA	6,935	0.999	7,145	1.028	-2.94	-2.89
MEG	5,475	0.788	6,155	0.886	-11.05	-11.00
Caprolactam	16,300	2.347	16,300	2.346	0.00	0.05
Acrylonitrile	11,300	1.627	17,300	2.490	-34.68	-34.65
PET	11,180	1.610	12,005	1.728	-6.87	-6.83
Polyester filament						
FDY 50 den/24f	11,300	1.627	12,600	1.814	-10.32	-10.27
DTY 50 den/72f	16,050	2.311	17,650	2.541	-9.07	-9.02
DTY 150 den/48f	11,605	1.671	12,605	1.814	-7.93	-7.89
POY 150 den/48f	9,230	1.329	10,930	1.573	-15.55	-15.51
FDY 150 den/96f	9,560	1.377	10,760	1.549	-11.15	-11.11
Polyamide 6 filament						
FDY 70 den/24f	23,650	3.406	24,200	3.483	-2.27	-2.22
Staple fibre						
Polyester 1.4 denier 38 mm	9,115	1.313	9,940	1.431	-8.30	-8.25
Viscose 1.5 denier, 38mm	14,630	2.107	15,178	2.185	-3.61	-3.56
Acrylic 1.5 denier, 38 mm	20,500	2.952	20,500	2.951	0.00	0.05

Man-Made Fibre Prices (ex-works) in Taiwan				
US$/kg, FOB. L/C sight	Polyester			Viscose
	Staple	Filament		Staple
	1.4D x 38 mm semi-dull for spinning	150D/48F FDY	150D/48F DTY	1.5 denier x 38 mm bright for spinning
17-Oct	1.30	1.65	1.80	1.90
24-Oct	1.30	1.65	1.80	1.90
31-Oct	1.30	1.65	1.80	1.90
7-Nov	1.30	1.65	1.80	1.90

PSF and PFY markets extend weakness in China cost plunges

Polyester staple fibre markets extended weakness in Asian markets with prices declining sharply in China and Pakistan this week while offers in India were already reduced last week. In China, buying appetite tapered, as sentiment turned cautious over volatile feedstock and crude oil prices. Offers were subsequently lowered to boost sales while PSF inventory levels climbed. With bearish outlook and tight capital at the year end, participants were cautious to purchase despite low prices. Offers declined further with 1.4D direct-melt PSF at 9.20-9.40 Yuan a kg (US$1.33-1.36 a kg, down US cents 8) in Jiangsu and Zhejiang while the same in Fujian and Shandong at US$1.33-1.36 a kg, down US cents 7-8. Export offers also declined by another US cents 5 to around US$1.25-1.28 a kg FOB China.

In Pakistan, the polyester fibre market mired in weakness, while mainstream offers for 1.4D were reduced sharply by 5.4% on the week. 1.4D PSF producers' offers were reduced by PakRs11 to PakRs.194-196 a kg (US$1.45-1.46 a kg, down US cents 9).

In India, producers cut down offers for November last week but sentiment continued to remain soft. November offers were stable at 1.2D at INR98.25 a kg (US$1.34 a kg) and 1.4-2D to INR97.50 a kg or US$1.35 a kg.

Nylon

In China, nylon staple fibre 1.5D prices were up at 19.50-20.50 Yuan a kg (US$2.781-2.96 a kg, up US cents 7).

Acrylic

Acrylic staple fibre prices rolled over in Asian markets, though there was a sharp markdown in upstream acrylonitrile prices. In China, acrylic fibre producers mainly focused on production cut or plant shutdown instead of cutting offers. The industry run rate dropped to 39% during the week, indicating cutting supply, as many units remained idled, while some others reduced production. With prices coming to a turning

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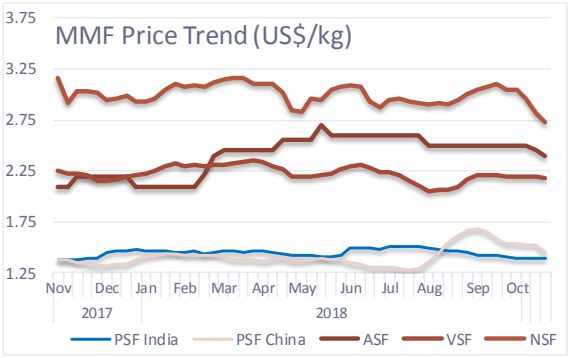
point, downstream yarn mills are unlikely to replenish in the near future. With acrylonitrile prices almost touching the bottom, the acrylic fibre market received no cost support and thus will be heading for a downward trend. Looking forward, downstream players will adopt a wait and watch stance as a guidance to future buying.

Taiwan origin 3D bright ASF tow offers rolled over at US$2.40-2.45 a kg, while offers in China for medium-length and cotton-type acrylic fibre remained unchanged at 20.50-21.90 Yuan a kg (US$2.96-3.02 a kg). In India, producers' offers for November were steady at INR187.50-199.00 a kg (US$2.58-2.74 a kg, up US cent 1 due to strong INR). In Pakistan, 1.2D ASF prices rolled over in Karachi market at PakRs.345 a kg (US$2.57 a kg, down US cent 1 due to weak currency).

Viscose

Viscose staple fibre markets extended the downward movement in China while they were steady in India and Pakistan. In China, some medium-end producers were planning for maintenance, which failed to boost the sentiment. Facing limited bullish factors, viscose fibre prices declined rather sharply during the week. Downstream mills generally talked down prices on the back of high fabric inventories and heavy capital pressure. Thus, monthly settlement prices were more sought after. Thus, market discussions for medium-end and high-end goods moderated, representing the lower end of the market. Overall, market expectation weakened, so monthly settlement prices may dominate, if no clear guidance is provided. Producers may resort to production cuts to maintain the prices, or wait for the market to bottom out when they could effectively liquidate their stocks at low prices.

In China, offers for medium-end viscose declined to 14.20-14.50 Yuan a kg (US$2.05-2.09 a kg, down US cents 9) and those for high-end goods fell to 14.50-14.60 Yuan a kg (2.09-2.11 a kg, down US cents 4) from previous week. In spot, 1.5D VSF offers moderated to 14.61 Yuan a kg (US$2.11 a kg, down US cents 4) and 1.2D to 14.77 Yuan a kg (US$2.13 a kg, down US cents 5). In India, 1.2-2.0D VSF prices remained unchanged at INR150-200 a kg (US$2.06-2.75 a kg). In Pakistan, offers for 1.5D VSF were steady at PakRs270-273 a kg (US$2.02-2.04 a kg) in Karachi.



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ICE futures (New York)				ZCE futures			
No.2 contract (US cents/lb)				No. 1 contract (RMB/tonne)			
	9-Nov	2-Nov	Change		9-Nov	2-Nov	Change
Dec	78.09	78.79	0.70	Nov	14,620	14,675	-55
Mar	79.86	80.31	0.45	Jan	15,015	15,070	-55
May	81.25	81.56	0.31	Mar	15,405	15,455	-50
Jul	82.45	82.51	0.06	May	15,770	15,810	-40
Oct	79.44	79.43	0.01	Jul	15,995	16,045	-50
Dec	78.29	78.31	0.02	Sep	16,285	16,320	-35

Cotlook A Index (US cents per lb)			Pakistan Spot Rate (Rs/maund)		
Midd., 1-3/32" (CFR Far Eastern Ports)			Grade 3, 1-1/16" (ex-gin)		
9-Nov	2-Nov	Change	9-Nov	2-Nov	Change
88.35	88.60	-0.25	8,900	8,650	250

China Cotton Index			Cotton Association of India (Rs/Candy)		
Type 3128B (delivered mill, China)			Delivery at upcountry Spot markets ex-gin, 29mm Gujurat (Rs/Candy)		
9-Nov	2-Nov	Change	9-Nov	2-Nov	Change
15,606	15,671	-65	46,000	46,700	700

CEPEA/ESALQ Cotton Price Index (Brazil US Cents per lb)		
Type 6 Fiber 30/32mm (trades in Brazilian Markets, Prompt delivery prices paid to producer)		
9-Nov	2-Nov	Change
78.05	78.10	-0.05

NQ = not quoted N = nominal
Sources: InterContinental Exchange (ICE), Zhengzhou Commodity Exchange (ZCE), Cotlook Ltd, WTiN, Karachi Cotton Association, Beijing Cotton Outlook,CEPEA/ESALQ

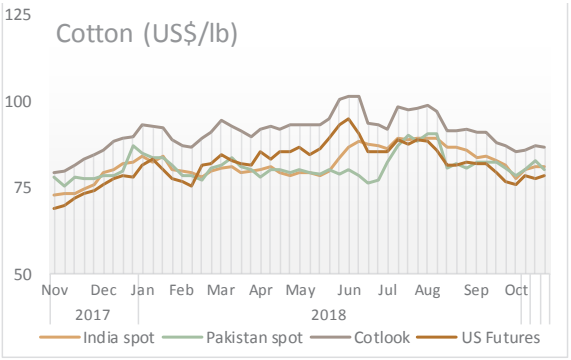
Cotton Yarn export quotations (week ended 2 November)								% change on Week						
		India		Bangladesh		Pakistan		India		Bangladesh		Pakistan		
		Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	
Open-end	10s			1.77		1.72				0.0		0.0		
	12s			1.84		1.78				0.0		0.0		
	16s	1.85		2.00		1.91		0.0		0.0		0.0		
	21s	1.98						0.0						
Carded	20s	2.53	2.57					0.0	0.0					
	30s	2.80	2.70		2.84	2.81		0.0	0.0		0.0	0.0		
	40s	2.95						0.0						
Combed	20s		2.77		2.87				0.0		0.0			
	26s		2.85		2.99				0.0		0.0			
	30s		2.90		3.03				0.0		0.0			
	34s		3.03		3.16				0.0		0.0			
	40s		3.25		3.36				0.0		0.0			
Compact combed	30s	3.08		3.14	3.04			0.0		0.0	0.0			
	40s	3.30		3.44	3.39	3.36		0.0		0.0	0.0	0.0		
	60s	3.90		4.50	4.50	4.40		0.0		0.0		0.0		
	80s			5.40	5.40	5.30				0.0		0.0		

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Cotton Futures rises on bullish USDA crop report

Cotton US Futures hit a seven-week high in response to bullish estimates from USDA and speculators were mostly buyers. The USDA has cut estimates, larger-than-expected, for the US and world output. Demand was also trimmed, but not as much as production, so ending stocks were lower. US cotton production is estimated at 18.408 million bales, fell 1.355 million bales from the October forecast and 12% below previous season. Acreage fell 160,000 to 10.37 million acres, reflecting abandonment of 3.67 million acres or 26%. Yields are estimated to average 852 pounds per acre. Export sales for the last few weeks have been poor and showed no signs of improvement. So the market needs new demand for exports to improve and prices to rally significantly this year. However, any increase in demand has to come with no purchases from China for a while.



Nearby December contracts lost US cent 0.70 week-on-week to close at US cents 78.09 per pound, while March was down US cent 0.45 to finish at US cents 79.86, widening the premium over front month to US cents 1.77. December 2019 also edged down US cent 0.02 to close at US cents 78.29 per pound.

Global spot benchmark, the Cotlook A index, also moderated by US cents 0.25 on the week to close at US cents 88.35 per pound, having remained flat on the weekend.

China, which canceled orders for some US cotton bought earlier for this season and rolled some into next season, was still the second-largest US customer for 2018-19, purchasing 1.602 million running bales. It has booked 914,000 RB for next season, accounting for 49% of US 2019-20 export commitments. Meanwhile, the China Cotton Index continued to slide this week by 65 Yuan, to close at 15,606 a ton (US cents 102 a pound).

In Pakistan, cotton prices firmed up, but trading volume declined considerably as buyers preferred to stay on the sidelines. Prices increased throughout the week and the KCA rate gained PaRs250 to PakRs9,060 per maund ex-Karachi. However, there was some respite from buyers who want to see the rates roll back before further buying was committed. The market was evaluating new developments including expected market access from China for Pakistan textile goods as well as the government's commitment over reduction in gas tariffs for the export-oriented industry. Some millers remained focused on quality cotton and continued to replenish stocks at a lower level. Meanwhile, ginners have started operating their units after the government assured withdrawal of SRO-188, which imposes Sales Tax on oilseed cake.

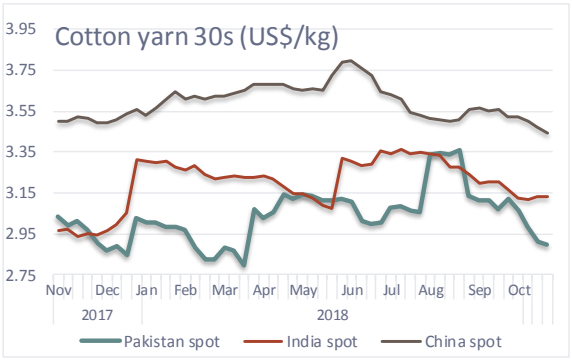
In India, cotton prices softened slightly, but were still firmer on higher minimum support prices. The new cotton season has commenced this year with prices up despite new arrivals, an unusual trend. Since 1 October, over 20 lakh bales have arrived in the market. The main reason is the hike in minimum support price of 26-28% this season, depending on the variety. Various trade associations have varying estimates for cotton production this year, with expectations ranging from 343 lakh bales to 380 lakh bales. The daily arrivals of cotton have already crossed one lakh bales now and are expected to go up. With the spot moderating this week, prices are above the MSP by just 1-1.5%.

Cotton yarn

Cotton yarn prices moved down in line with falling cotton fibre prices in China this week, while they rolled over in India amid higher costs of cotton. Pakistan yarn markets were mixed as yarn prices sobered despite rising cotton cost. In China, prices of cotton yarn were adjusted downwards further, and deals were mainly seen for 32s and 40s combed yarn. Major producers in Shandong offered 21s and 32s carded yarn at a reduction from last week. 32s cotton yarn prices eased to 23.70 Yuan a kg (US$3.42 a kg) while 40s fell to 24.70 Yuan a kg (US$3.56 a kg) both down US cent 1-3. Coarser yarn prices of 16s were flat at 15.20 Yuan a kg (US$2.19 a kg) while 21s moderated to 19.10 Yuan a kg (US$2.76 a kg, down US cents 3).

In Pakistan, reports suggest that cotton yarn markets were currently faced with a supply glut. Furthermore, the textile industry in Punjab has taken a cautious approach following the gas subsidy and bills issue. Yarn prices in Karachi markets were steady, while they were seen easing in Faisalabad. 30s carded prices in Karachi were stable at PakRs175-180 per pound (US$2.89-2.97 a kg), while 32s cone in Faisalabad edged down PakRs8-9 to PakRs166-180 per pound (US$2.73-2.96, down US cents 15).

In India, high costs of cotton supported yarn markets to rollover prices. 30s carded cotton yarn for knitting rolled over at INR230 a kg (US$3.16 a kg) in Coimbatore, while export offers rolled over at US$2.90 a kg.



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Fibre raw material market

Yuan/mt	China Grey Fabric				
	CGOE10 Denim 10*10 72*40 59"/60" Indigo	CG C32 Cotton Twill 32*32 130*70 47"	CG JC40 Combed Cotton 40*40 133*72 67"	CG R30 Rayon 30*30 68*68 63"	CG T/C45 Polyester/Cotton (65:35) 45*45 110*76 63"
21/09/2018	9.322	5.715	7.984	4.450	4.720
28/09/2018	9.322	5.715	7.984	4.450	4.720
05/10/2018	9.322	5.715	7.984	4.450	4.720
12/10/2018	9.322	5.715	7.984	4.450	4.720
19/10/2018	9.322	5.715	7.984	4.450	4.720
26/10/2018	9.322	5.715	7.984	4.450	4.720
02/11/2018	9.322	5.715	7.984	4.450	4.720
09/11/2018	9.322	5.715	7.984	4.450	4.720

Acrylonitrile prices plunge on weak demand

Polyester input: MEG

Mono ethylene glycol prices fluctuated in weakness amid a moderate trading sentiment this week in Asian markets. In China, November H2 and December deliveries were higher than spot numbers, while the spot market saw moderate buying interest for low-priced goods. Meanwhile, inventories along East China increased 15% 692 kilo ton. The control measures over ship movement on Huangpujiang River weighed on offtake, thereby piling inventories. MEG spot prices declined sharply by US$50-67 week-on-week with CFR China at US$718-723 a ton and CFR South East Asia at US$730-750 a ton. In China, major offers for nearby-month cargoes were around US$730 a ton, with counter offers closer to US$720 a ton, and discussions were at US$725 a ton.

In Europe, contracts for October and November were still not concluded, and the delay was weighing on the market. An initial October number was agreed, but was unconfirmed, while spot prices remained unchanged. Bulk range was assessed in the range of Euro 800-806 a ton CIF NEW while truck spot prices were at Euro 850-870 a ton FCA NWE.

In the US, MEG markets were experiencing downward pressure as supply was long and demand soft during the off-peak season. Reports noted that a good volume of material was available, including a large bulk material. October contracts prices settled at US cents 40.5-46.5 per pound FOB. Domestic spot MEG was quoted in the mid-US cents 30s per pound (US$661 a ton).

Polyester input: PTA

Purified terephthalic acid prices did not move in Asian markets as downstream demand remained stagnant and upstream paraxylene cost continued to retreat. In China, the PTA Futures contract retreated further while some deals were done at a high level and some deals were flat. Markets are expected to continue to soften, but there is possibility for a slight technical recovery. PTA markers CFR China rolled over on the week at US$920-922 a ton while offers from Taiwan/Korea were at US$970-990 a ton. In China, offers for bonded goods fell to US$950-970 a ton, and discussions for nearby-month cargoes were at US$880-900 a ton.

In Europe, availability of spot goods declined, just as the Asian market became more bearish and the regional market shifted from tight to long in a matter of weeks. Downstream PET entered the low season and buyers held back, expecting deliveries of cheaper imports. Some participants started to feel the effects of PTA production problems, but other units were running well, as the impact of a problem in PNK plant in Poland may not reach the broader market. Contracts were stable at Euro 889-923 a ton FD NWE.

In the US, demand for PTA continued to soften amid seasonal downturn in the polyester chain. October prices were assessed at US cents 60.10 per pound DEL USG.

Nylon input: Caprolactam

Caprolactam markets in Asia were quiet in the week, amid uncertainty and volatile prices in domestic China. With a major Asian producer expected to release its offers soon, spot markets were range bound and given the lower feedstock benzene cost and thin demand. Market sentiment was still bearish. Spot prices declined, with SE and FE Asia markers down US$100 at US$2,080-2,120 a ton. In China, spot prices for liquid goods were at 16,000-16,500 Yuan a ton (US$2,310-2,380 a ton, down US$25) while flake goods were at 16,500 Yuan a ton (US$2,380 a ton).

European October contract discussions were concluded down last week on lower October benzene costs. Discussions were reportedly extensive with suppliers aiming for stability, despite lower feedstock costs. Worries about weaker automotive demand including the nylon 6 market, along with concern of outlook due to macroeconomic and political uncertainty. Precursor, cyclohexane contract price for November have softened double-digits, implying limited room for caprolactam to go up. In the US, the cyclohexane November contract settled at a decrease on the back of a reduction in benzene costs. October contract prices were in the range of Euro2,264-2,417 a ton FD NWE while cyclohexane November contract settled at Euro858 a ton ex-works.

Acrylic input: Acrylonitrile

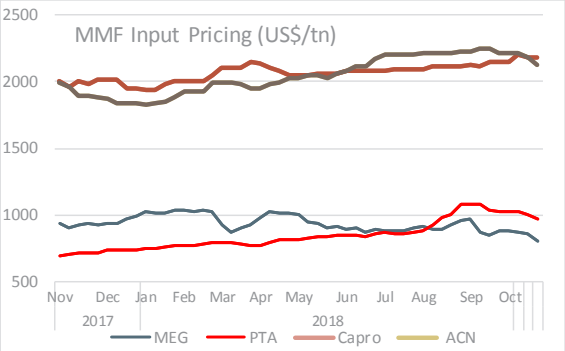
Acrylonitrile spot prices witnessed sharp decline across regions during the week. In China, though the downward

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momentum moderated at the closing weekend, prices still collapsed more than 20% at Lianyungang port self-lifting. Traders were looking to unload material at low prices in order to reduce inventories before the year-end, but liquidity remained thin. Acrylonitrile markers, Far East CFR marker, plunged US$70 to US$1,999-2,001 a ton, while CFR China was steady at US$2,000-2,050 a ton. In China, self-lifting values at Lianyungang port tanked US$450 to US$1,645-1,660 a ton.

In Europe, spot prices fell on the week, pressured by downstream production cuts and steep drops in the Asian market. Usually European spot prices are a discount and tend to follow movement of Asian ranges. Regional downstream acrylic fibre sector run rates were down to an average of 70-80%. Meanwhile, Ineos' acrylonitrile plant in Seal Sands will go offline for maintenance starting mid-November for about 2-3 weeks. Spot prices declined US$40 to US$1,798-1,802 a ton CIF Mediterranean.



In the US, acrylonitrile export spot prices fell to their lowest levels since May as Asian prices plunged. US prices are slower to fall than Asia since spot selling is less of a concern as players were building inventories for Q1 2019. Spot export prices were down US$45 at US$2,000-2,010 a ton FOB USG.

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Filament market

Chinese Spun Yarn Prices (ex-warehouse terms)						
Qianqing Raw Materials Market					% Change in Yuan	% Change in US Dollar
	9-Nov		2-Nov			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Polyester 32s	14,400	2.0738	15,000	2.1592	-4.00	-3.95
Viscose 30s	19,980	2.8774	20,180	2.9048	-0.99	-0.94
Poly/cotton 32s	18,900	2.7219	19,000	2.7350	-0.53	-0.48
Poly/viscose 40s	20,000	2.8803	20,000	2.8789	0.00	0.05
Prices from Anhui					% Change in Yuan	% Change in US Dollar
	2-Nov		26-Oct			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Cotton carded 32s	23,750	3.4204	24,000	3.4547	-1.04	-0.99
Cotton combed 32s	23,650	3.4060	24,050	3.4619	-1.66	-0.61
Cotton carded 40s	25,100	3.6148	25,400	3.6562	-1.18	-1.13
Cotton combed 40s	26,800	3.8596	27,000	3.8865	-0.74	-0.69

Pakistan: Karachi Cone Cotton Yarn Market (Wholesale price)						
Cone	Friday, 2 November 2018		Friday, 26 October 2018		PKR % change	USD % change
	Mean PKR per 10lb	US$ per kg	Mean PKR per 10lb	US$/kg		
Carded 10/1	1,375	2.2623	1,400	2.3065	-1.79	-1.92
Carded 40/1	2,200	3.6197	2,200	3.6245	0.00	-0.13
Carded 22/1	1,555	2.5585	1,555	2.5619	0.00	-0.13
Carded 30/1	1,785	2.9369	1,785	2.9408	0.00	-0.13
Combed 20/1	1,620	2.6654	1,620	2.6690	0.00	-0.13
Combed 40/1	2,400	3.9487	2,400	3.9540	0.00	-0.13
Source: Brecorder , X-Rates						

Polyester filament prices plummet in China on easing cost and demand

Polyester

Polyester filament yarn prices declined sharply in China, pressured by the poor performance of crude oil and PTA and MEG price. Producers were eager to offload goods due to rising inventory pressure while downstream mills mainly covered shorts. Prices of POYs and DTYs were seen falling faster while the pace of decline was slower in the case of FDYs. In Zhejiang, transaction was insipid, and inventory kept rising, as downstream mills just stood on the sidelines. PFY sales were thin in Jiangsu and Zhejiang, while sales/production ratios were at 40-60%. POY offers declined sharply by US cents 17 in Shengze with 75/72 at US$1.41-1.43 a kg and 75/36 at US$1.40-1.41 a kg. 75/72 intermingled DTY prices fell US cents 17-19 at US$1.90-1.92 a kg and 75/36 to US$1.89-1.90 a kg. FDY offers fell US cents 10 for 50/24 at US$1.54-1.56 a kg and by US cents 7 for 150/96 FDY at US$1.33-1.34 a kg.

In Pakistan, DTY market sentiment was dismal, seeing thin transactions and overall demand withering. Selling indications for DTY intermingled were heard rolling over and at par with imported goods. Selling indications for local goods were stable for 300/96 DTY intermingled at PakRs120 a kg (US$1.97 a kg) and imported goods at PakRs118 (US$1.94 a kg).

In India, due to the weakness of crude oil and PTA, local POY prices remained unchanged amid muted trading atmosphere. POY offers were flat, with 115/108 at INR94.50 a kg or US$1.30 a kg and 130/34 POY at INR96 a kg or US$1.32 a kg.

Nylon

Nylon filament yarn prices dipped this week as the upstream caprolactam market was insipid and contract prices were high, while nylon chip price movements were divided. Demand was rigid as textile producers operated at low run rates. Purchasing volume of FDY, DTY and POY were need based. Warp knitting mills and covering mills ran at 65% run rates, and circular knitting and lacing mills run at 45%. Nylon FDY prices dipped on softening chip market and thin demand from terminal sectors. The nylon DTY market was weak on low feedstock costs, while demand was tepid. Prices of cord fabric and monofilament yarn declined, while prices of staple fibre rose at the lower end amid passable demand. Overall, buying appetite for nylon filament was somewhat prudent,

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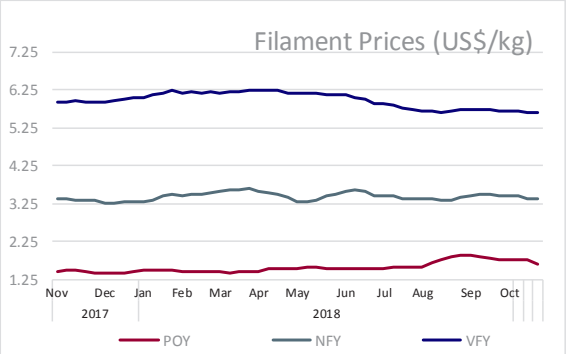
Price movement key: Increase Unchanged Decrease

thus prices may dip in the coming week.

In China, offers for nylon FDY70D/24F SD drifted to 22.50-23.50 Yuan a kg (US$3.25-3.39 a kg, down US cents 7), while DTY70D offers fell at the upper end to 23.80-24.80 Yuan a kg (US$3.43-3.58 a kg, down US cents 3). Cord fabric 1,260D offers were down at 26.50-27.50 Yuan a kg (US$3.82-3.97 a kg, down US cents 7) while mono filament 30D prices declined similarly to 23.00-23.50 Yuan a kg (US$3.32-3.46 a kg). In India, 20 SD filament prices were flat on the week at INR310 a kg (US$4.26 a kg) in the Surat market.

Viscose

Viscose filament yarn offers were largely stable. As the year end draws closer, downstream mills and end users were facing heavy pressure from inventory and capitals. Hence, they were actively destocking materials. However, buying interest was weak, and consumers mainly bought volume on need-to basis. Price-wise, offers for first-class, second-class and third-class VFY 120D were seen stable while coarser yarns were cheaper. However, trading prices partly eased, due to slow liquidity. In India, viscose filament prices remained unchanged on the week. Overall, with year ending approaching, demand appears weak, resulting in slow liquidity. Thus, prices are expected to remain range bound on a weak note in coming weeks.



In China, viscose filament offers for 120D bright were stable at 39.00 Yuan a kg (US$5.63 a kg), and dull at 38.65 Yuan a kg (US$5.58 a kg). 300D bright prices moderated to 29.42 Yuan a kg (US$4.257 a kg) and dull to 25.92 Yuan a kg (US$3.74 a kg), both down US cents 2. In India, VFY prices rolled over in INR and up US cent 1 in US$ terms, with 100D bright VFY at INR388 a kg (US$5.33 a kg) and 450D at INR 225 a kg (US$3.09 a kg).

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Wool & Speciality Fibres

Wool							
Australia				**South Africa**			
AWEX EMI (cents/kg)				Cape Wools Merino Indicator (cents/kg)			
	8-Nov	1-Nov	change		6-Nov	31-Oct	change
A$	1,776	1,854	-4.21%	Rand	20,468	21,780	-6.02%
US$	1,293	1,322	-2.19%	US$	1,464	1,480	-1.08%
New Zealand				**United Kingdom**			
NZ Wool Services Indicators		Coarse Crossbred (cents/kg)		British Wool Fleece Indicator (clean)			
	25-Oct	25-Oct	change		18-Oct	18-Oct	change
NZ$	287	314	-8.60%	pence/kg	141	160	-11.88%
US$	195	206	-5.34%	US cents/kg	185	210	-11.90%
Dates shown represent the latest auction in each country versus week-earlier result. Sources: Australian Wool Exchange, Cape Wools SA, NZ Wool Services International, British Wool Marketing Board.							

Speciality Fibres		
Quotations for the following fibres and tops are average prices in US$/kg, FOB		
	25-Oct	1-Nov
Chinese Cashmere (dehaired)		
White		
Hosiery 38mm	141.00	141.00
Weaving 32mm	129.00	129.00
Brown		
Hosiery 38mm	135.00	135.00
Weaving 32mm	126.00	126.00
Mongolian Cashmere (dehaired)		
Brown	113.00	113.00
Light Grey	114.00	114.00
Afghan/Iranian Cashmere (dehaired)		
White	110.00	110.00
Fawn	109.00	109.00
Dark Brown	109.00	109.00
Alpaca Tops		
White		
Baby (BL)	36.00	36.00
Fine Spinning (FS)	32.00	32.00
Adult (AG)	19.00	19.00
Camel Hair (dehaired)		
Super-baby	54.00	54.00
Medium baby	50.00	50.00
Adult	40.00	40.00
Silk		
Mulberry Sliver	48.50	48.50
Mulberry Noil	19.50	19.50
Tussah Sliver	37.50	37.50
Tussah Noil	17.00	17.00
Source: The Schneider Group		

EMI drops again as all types suffer

By Jonathan Dyson

The Australian wool market continued its recent decline this week with another sharp drop as all diameters and wool types suffered. More

Market sees dramatic fall with clearance rate just 23%

By Jonathan Dyson

The New Zealand wool market experienced a dramatic decline this week, despite a significantly weaker local currency. More

Stronger rand and softer demand push market down by 6%

By Jonathan Dyson

The South African wool market traded lower at this week's auction, with the Cape Wools Merino Indicator decreasing by 1,312 points (6%) to close at a value of R204,68/kg (clean). The Cape Wools All Wool Indicator fell by 5.9%. More

Average mohair price drops 1% despite strong competition

By Jonathan Dyson

The fifth sale of the 2018 winter season took place on 6 November with 83,438 kg on offer and 93.8% of the offering sold. More

UK prices continue to soften

By Jonathan Dyson

The eighth sale of the season, held on 6 November, saw a continuation of the price softening seen in the previous sales. Whilst there was good demand for the Hill/Mountain grades, very selective bidding for the fine and medium types led to a clearance of just below 50%. More

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USDA's Weekly Export Sales Report of week ending 1 November

According to the latest USDA Weekly Export Sales Report of week ending 1 November, net sales of 91,000 RB for 2018-19 were up noticeably from the previous week and from the prior 4-week average.

Increases were reported for Vietnam (87,400 RB, including 4,500 RB switched from South Korea, 900 RB switched from Indonesia, 600 RB switched from China, and 400 RB switched from Taiwan), Pakistan (17,200 RB), Japan (14,400 RB, including decreases of 900 RB), Bangladesh (9,700 RB), and Turkey (8,300 RB). Reductions were reported for China (58,000 RB) and South Korea (4,400 RB).

For 2019-20, net sales of 15,500 RB were reported for China (7,900 RB), Pakistan (4,400 RB), Thailand (1,800 RB) and Japan (1,400 RB).

Exports of 151,000 RB were up 38% from the previous week and 2% from the prior 4-week average. Exports were primarily to Vietnam (38,900 RB), China (29,600 RB), Mexico (17,700 RB), Pakistan (14,500 RB), and Taiwan (10,000 RB).

Net sales of Pima totaling 6,200 RB for 2018-19 were down 76% from the previous week and 54% from the prior 4-week average.

Increases were reported for Peru (2,500 RB), China (2,400 RB, including decreases of 400 RB), Pakistan (900 RB), and India (600 RB, including 300 RB switched from Thailand and decreases of 100 RB). Reductions were reported for Thailand (300 RB).

Exports of 3,400 RB were down 30% from the previous week and 21% from the prior 4-week average. The primary destinations were India (2,700 RB), Pakistan (300 RB), and Taiwan (100 RB).

Optional origin sales

For 2018-19, the current outstanding balance of 1,800 RB is for Vietnam.

Exports for own account

The current exports for own account outstanding balance is 7,200 RB, all China.

U.S. Export sales week ending 18 October 2018

	ALL UPLAND 1404				PIMA 1301			
	Current MY		Next MY		Current MY		Next MY	
	This week	Year ago	This week	Year ago	This week	Year ago	This week	Year ago
Outstanding Sales								
Known	7,100.9	6,608.1	1,850.3	897.2	266.3	345.0	27.6	19.7
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	7,100.9	6,608.1	1,850.3	897.2	266.3	345.0	27.6	19.7
Optional Origin	1.8	16.5	0.0	0.0	0.0	0.0	0.0	0.0
Accumulated Exports	2,137.6	1,897.7			72.6	58.2		
Exports For Own Acct	7.2	61.6			0.0	0.0		
Net Change In Sales	91.0	205.3	15.5	31.2	6.2	13.4	0.0	0.0

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