WTiN Textile Economics

Executive Market Report Summary 19 November 2018

Cost summary	16-Nov-18	
	US$/kg	Change on Week
Polyester		
China PSF 1.4 den	1.28	-2.75%
China FDY 50 den/24f	1.58	-2.66%
China DTY 150den/48f	1.66	-0.87%
Viscose		
China VSF 1.5 den, 38mm	2.02	-4.18%
Polyamide		
China FDY 70 den/24f	3.33	-2.12%
Cotton		
Cotlook A Index	1.90	-2.32%
Wool		
AWEX EMI	12.93	-0.12%
Yarn		
China Cotton combed 32s (weaving)	2.90	0.00%
China Cotton combed 40s (weaving)	3.85	-0.20%
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- 19-Oct	69.16	
WTI Crude Oil Price- 26-Oct	67.58	
WTI Crude Oil Price- 02-Nov	63.12	
WTI Crude Oil Price- 09-Nov	60.19	-4.64%

MMF market

- PSF prices decline low buying appetite and fading cost support

Cotton market

- Cotton Futures down on weak export demand

Fibre raw material market

- Acrylonitrile prices continue to plunge weak upstream and downstream sectors

Filament market

- Polyester filament extends decline on plunging cost

Wool & Speciality Fibres

- EMI lifts for first time in over a month
- NZ Coarse Crossbred Indicator stays firm
- Slightly weaker rand pushes market up by 0.7%
- Rare and speciality fibre prices monthly round-up – September-October 2018

USDA report

- USDA's Weekly Export Sales Report of week ending 8 November

Weekly Market Review – from the analyst desk

Petrochemical production in China rises despite environment curbs

Key petrochemicals production in China continues to rise amid a slew of new capacities, and appears to shore up its economy, following its trade war with the US, by softening environmental restrictions on polluting industries on the other side.

Despite the environmental curbs, which are apparently less stringent in 2018, production of primary feedstock and petrochemicals, including naphtha, benzene, toluene, styrene, propylene and the major plastics, was up in January-September 2018 against the same period of last year. Higher production can partly be attributed to new plants starting from late 2017 and also because China adopted measures to shore up its economy, including liquidity injection, tax cuts and easing of anti-pollution policies to ward off the adverse impact on growth from its trade war with the US.

The government has pursued and enforced strict environmental measures since 2016 to improve air quality, water pollution and ground contamination. Many petrochemical plants and derivative units had to stop production.

Last month, the Chinese government announced the easing of some environmental measures that came into force for winter production starting from October and ending in March 2019. Although, the impact on overall production will be known later, the first nine months of 2018 showed output of several major petrochemicals rise year-on-year.

Nitin Madkaikar
Price Analyst

Analyst
Nitin Madkaikar - nmadkaikar@wtin.com
Production
Jessica Holgate - design@wtin.com
Sales Manager
Alex Norbury - sales@wtin.com
Managing Director
Mark Jarvis - mjarvis@wtin.com

Executive Market Report
is published by
World Textile Information Network Ltd.
West One, 114 Wellington Street,
Leeds, West Yorkshire, LS1 1BA
Tel: +44 (0)113 819 8155
Fax: +44 (0)113 819 8156
Web: www.wtin.com

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Price movement key: Increase Unchanged Decrease

MMF market

Man-Made Fibre Prices (ex-works) in Eastern China						
Date		16-Nov		9-Nov		
Intermediates	yuan/tonne	US$/Kilogram	yuan/tonne	US$/Kilogram	Yuan Price change (%)	US Dollar Price Change (%)
PX (FOB South Korea)		1.114		1.132		-1.63
PTA	6,903	0.994	6,935	0.999	-0.47	-0.48
MEG	5,355	0.771	5,475	0.788	-2.19	-2.20
Caprolactam	16,300	2.347	16,300	2.347	0.00	-0.01
Acrylonitrile	11,750	1.692	11,300	1.627	3.98	3.97
PET	10,830	1.560	11,180	1.610	-3.13	-3.14
Polyester filament						
FDY 50 den/24f	11,000	1.584	11,300	1.627	-2.65	-2.66
DTY 50 den/72f	15,750	2.268	16,050	2.311	-1.87	-1.88
DTY 150 den/48f	11,505	1.657	11,605	1.671	-0.86	-0.87
POY 150 den/48f	8,930	1.286	9,230	1.329	-3.25	-3.26
FDY 150 den/96f	9,460	1.362	9,560	1.377	-1.05	-1.06
Polyamide 6 filament						
FDY 70 den/24f	23,150	3.334	23,650	3.406	-2.11	-2.12
Staple fibre						
Polyester 1.4 denier 38 mm	8,865	1.277	9,115	1.313	-2.74	-2.75
Viscose 1.5 denier, 38mm	14,020	2.019	14,630	2.107	-4.17	-4.18
Acrylic 1.5 denier, 38 mm	20,500	2.952	20,500	2.952	0.00	-0.01

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
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
14-Nov	1.30	1.65	1.80	1.90

PSF prices decline low buying appetite and fading cost support

Polyester staple fibre markets in Asia succumbed to a persistent fall in raw material costs but were seen going steady on the weekend as feedstock markets rebounded marginally. In China, polyester prices declined in the first half of the week, but the sentiment appeared mixed later as major producers hiked offers tentatively but trading prices remained flat. The polyester market in Shandong and Hebei were stable amid range-bound discussions. In Fujian, producers moved sideways and offers and deals were discussed separately. Offers for 1.4D direct-melt PSF fell to 8.95-9.15 Yuan a kg (US$1.29-1.32 a kg, down US cents 4) in Jiangsu and Zhejiang while the same in Fujian and Shandong were US$1.30-1.33 a kg, down US cents 3-4.

In Pakistan, producers reduced offers for the second straight week on falling raw material costs, while imported goods turned a bit cheaper as the currency weakened further. 1.4D PSF producers' offers were further cut by PakRs10 to PakRs.184-186 a kg (US$1.37-1.38 a kg, down US cents 8).

In India, prices for the second half of November were reduced on weak feedstock and despite stronger currency. Offers were cut INR 6 with 1.2D at INR92.25 a kg (US$1.28 a kg) and 1.4-2D to INR91.50 a kg or US$1.27 a kg, both down US cents 7.

Nylon

In China, nylon staple fibre 1.5D prices were down to 19-20.50 Yuan a kg (US$2.74-2.96 a kg, down US cents 8).

Acrylic

Acrylic staple fibre markets in Asia were quiet and prices stable despite a heavy decline in upstream acrylonitrile prices. However, seeing the slowing downtrend in upstream, acrylic producers lowered offers, while downstream users largely adopted a wait-and-see stance. In China, the acrylic fibre industry run rate dropped to 33% during the week, indicating a cut in supply, as many units remained idle, and

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Price movement key: Increase Unchanged Decrease

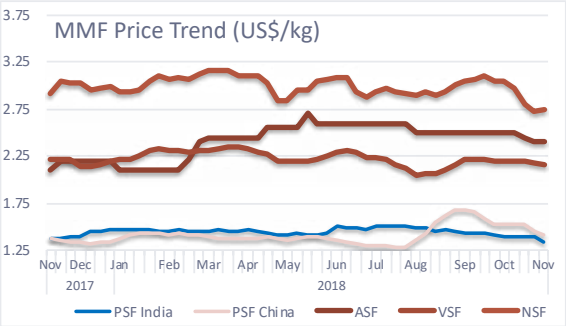
some reducing production. Demand was weak as the acrylic fibre market entered a sensitive period where sharp decline loomed, and downstream yarn mills showed no buying interest. In India, producers' offers remained unchanged after they were revised down for November. In Pakistan, too, prices rolled over taking cue from other Asian markets. With acrylonitrile market settling down and downside range still exist, acrylic fibre prices will mainly follow the trend gradually in coming weeks.

Taiwan origin 3D bright ASF tow offers remained unchanged at US$2.40-2.45 a kg while offers in China for medium-length and cotton-type acrylic fibre rolled over at 20.50-21.90 Yuan a kg (US$2.95-3.01 a kg). 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). In India, producers' offers for November were steady at INR187.50-199 a kg (US$2.58-2.74 a kg, up US cents 3-4 due to strong INR).

Viscose

Viscose staple fibre markets in China witnessed active trading atmosphere by the weekend after prices started falling sharply day-on-day and having lost more than 4% week-on-week. Seeing massive liquidity at low levels, downstream mills in China started stocking up materials, with the volume at around 30 days' worth. Viscose fibre producers finished their sales mostly and were engaged in fund realization. In Pakistan, viscose fibre prices did not move in the Karachi market, but may take cues from falling prices in China soon. In India, producers' offers remained unchanged for viscose fibre based on still high cost.

In China, offers in the spot markets tumbled week on week with 1.5D VSF at 14 Yuan a kg (US$2.02 a kg, down US cents 9) and 1.2D at 14.10 Yuan a kg (US$2.03 a kg, down US cents 10). In Pakistan, offers for 1.5D VSF were unchanged at PakRs270-273 a kg (US$2.01-2.03 a kg) in Karachi. In India, 1.2-2.0D VSF prices rolled over at INR150-200 a kg (US$2.09-2.79 a kg, up US cents 4 due to stronger INR).



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Cotton market

ICE futures (New York)				ZCE futures			
No.2 contract (US cents/lb)				No. 1 contract (RMB/tonne)			
	16-Nov	9-Nov	Change		16-Nov	9-Nov	Change
Dec	76.12	78.09	(1.97)	Nov	14,445	14,620	-175
Mar	78.29	79.86	(1.57)	Jan	14,990	15,015	-25
May	79.55	81.25	(1.70)	Mar	15,330	15,405	-75
Jul	80.71	82.45	(1.74)	May	15,645	15,770	-125
Oct	77.85	79.44	(1.59)	Jul	15,880	15,995	-115
Dec	77.21	78.29	(1.08)	Sep	16,140	16,285	-145

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)		
16-Nov	9-Nov	Change	16-Nov	9-Nov	Change
86.30	88.35	-2.05	8,800	8,900	-100

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)		
16-Nov	9-Nov	Change	16-Nov	9-Nov	Change
15,582	15,606	-24	46,000	46,000	0

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)		
16-Nov	9-Nov	Change
78.72	78.05	0.67

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 16 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			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 down on weak export demand

Cotton Futures were a little lower after trading both ways of unchanged. Speculators were on both sides of the market as farmers continued to work on harvesting. Reports indicated good harvest conditions in most areas. Cash market conditions were weak, and ICE-certified stocks have been increasing in the last couple of weeks at a rapid pace. The USDA report showed that bolls are finally about to open, and harvest was moving slightly slower than average. The market needs fresh demand as export sales have been poor for the last few weeks and showed no real signs of improvement at the moment. Export orders need to increase soon for prices to gain significantly traction this year, but such increase needs to come from outside China. India is bagging all Chinese business and therefore prices are much stronger.

Nearby December contracts moderated US cents 1.97 week-on-week to close at US cents 76.12 per pound, while March was down US cents 1.57 to close at US cents 78.29, widening the premium over the month to US cents 2.17. December 2019 also edged down US cents 1.08 to close at US cents 77.21 per pound.

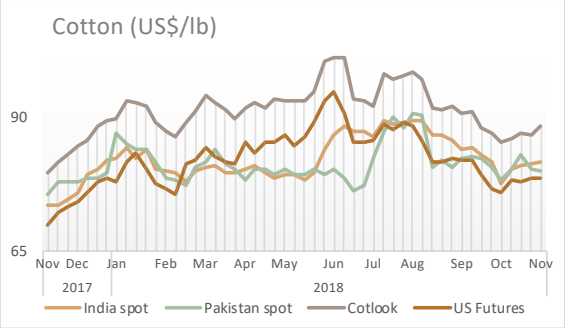
Global spot benchmark, the Cotlook A Index, also edged down by US cents 2.05 week-on-week to close at US cents 86.30 per pound.

In China, the cotton spot market was stable, with ginneries less willing to sell at lower prices. Mechanically-harvested Northern-Xinjiang-origin materials were quoted at 15.80-15.90 Yuan a kg (US cents 103-104 per pound), self-lifting. Buyers were cautious on their purchases and stocking. Meanwhile, the China Cotton Index continued to slip this week by 24 Yuan, to close at 15,582 a ton (US cents 102 a pound).

In Pakistan, cotton trading volume expanded in the local market as current rates attracted mills ahead of the Pakistan Cotton Ginners' Association fortnightly report. The official spot rate moderated PakRs100 on the week to PakRs8,960 per maund ex-Karachi. Reports showed that mills indulged in fresh buying of lint as there were rising anticipations that cotton arrivals may be lower, a factor that propelled buyers to conclude deals over the current levels. According to market experts, a certain type of uncertainties prevailed in the market. Like other commercial centres across the globe, the local cotton market was moving but cautiously.

Cotton prices in India started marching up after reports said that output may decline 11% this year on drought in major growing states of Gujarat and Maharashtra. The second and third pickings may be adversely impacted and cotton price may swing in coming weeks. Experts have pegged total cotton output estimate at 32.5-33 million bales (of 170 kg each) for the crop year 2018-19, down from 36.5 million bales in 2017-18. The Cotton Association of India, however, forecast output at 34.3 million bales in its October estimates for the current season.

The new cotton season started with a marginal 1.5 million bales of opening stock compared to 2.3 million bales last year. And the likelihood that demand from China is set to rise following the US-China trade war implies that India's cotton exports will remain firm this year. Rising demand



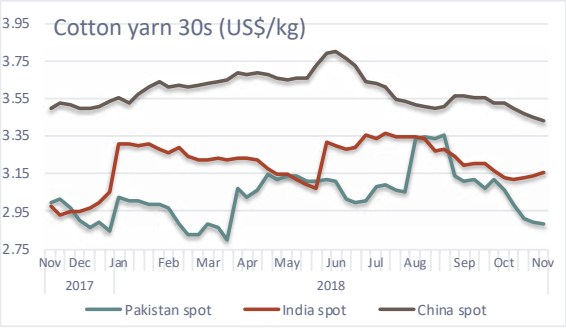
and lower output may trigger sharp price rises this year which may dent domestic textile mills' margin. Benchmark Gujarat Shankar-6 was traded at INR46,000 per candy unchanged from last week while other varieties were dearer by INR100-700 per candy during the week.

Cotton yarn

Cotton yarn prices were seen moderating briskly in China and Pakistan this week as cotton fibre prices sustained the declining trend. Cotton Futures were lower, spot benchmark eased and the China Cotton Index continued to fall, albeit slowly. In China, prices of cotton yarn of individual varieties continued to range bound with a drop, while demand for 32s and 40s was good and sold well. Major trading prices in Jiangsu and Zhejiang markets were seen falling more than 1% week-on-week. 32s cotton yarn prices edged down to 23.60 Yuan a kg (US$3.40 a kg) while 40s fell to 24.60 Yuan a kg (US$3.55 a kg) both down US cents 2. Coarser yarn prices of 16s declined faster to 15.00 Yuan a kg (US$2.16 a kg) while 21s moderated to 18.90 Yuan a kg (US$2.72 a kg) both down US cents 3.

In Pakistan, cotton yarn markets of Karachi and Faisalabad were under correction this week, as prices started to go down in line with cotton fibre cost and receding demand. 30s carded prices in Karachi fell to PakRs172-178 per pound (US$2.82-2.92 a kg, down US cents 6), while 32s cone in Faisalabad eased PakRs8-10 to PakRs158-170 per pound (US$2.59-2.79, down US cents 14).

In India, cotton yarn prices remained unchanged as the cotton buying season was progressing with firming prices. 30s carded cotton yarn for knitting remained unchanged at INR230 a kg (US$3.20 a kg, up US cents 4 due to strong INR) in Coimbatore while export offers were flat 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"
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
16/11/2018	9.322	5.715	7.984	4.450	4.720

Acrylonitrile prices continue to plunge weak upstream and downstream sectors

Polyester input: MEG

Mono ethylene glycol prices tumbled in Asian market to an 18-month low midweek amid bearish market sentiment due to lack of support from either upstream or downstream. Supply was ample with the startup of two new coal-based MEG plants in October. However, markets rebounded at the weekend amid healthy transaction and improved buying interest, which helped post a small weekly gain. Inventories along east China decreased 4.5% to 661 kilo ton. Earlier in the week, MEGlobal announced its December Asian contract price down from November nomination, citing lukewarm downstream and bearish sentiment on China's economy. MEG spot prices inched up US$4 week-on-week with CFR China at US$722-727 a ton and CFR South East Asia at US$734-755 a ton. In China, major offers for nearby-month cargoes were above US$720 a ton and bids around US$715 a ton, with discussions below US$720 a ton.

In Europe, the October MEG contract confirmation continued to be severely delayed, while spot prices remained on downward trajectory. Settlements have been delayed since June, which has created administrative difficulties for the wider market. Buyers and sellers were at odds with pricing expectations for November. While a decrease for November is expected, given the weakness in Asia and slipping spot prices. Bulk prices were assessed at Euro25 down on the low end and Euro10 lower at the upper end, bringing prices in the range of Euro745-760 a ton CIF NWE. Truck prices were assessed down Euro10 at both ends, to Euro820-840 ton FCA NWE.

Polyester input: PTA

Purified terephthalic acid markets continued to remain in correction in Asia and prices easily fell as difficulty to rise in recent time was strong amid bearish trend in paraxylene markets. In China, the futures market was under slightly fluctuation retreating after rushing higher earlier after upstream market improved slightly. Offers for bonded goods were adjusted and discussions for nearby-month cargoes rebounded slightly. PTA markers the CFR China edged down US$10 on the week to US$910-912 a ton, while offers from Taiwan/Korea fell to US$920-950 a ton. In China, offers for bonded goods were adjusted to US$910-945 a ton and discussions for nearby-month cargoes were at US$890-900 a ton.

In Europe, November contract decreased month-on-month as the settlement moved alongside upstream paraxylene contract for November. The domestic PTA market shifted from tight, to balanced, to long in matter of weeks, as downstream polyethylene terephthalate entered the low season and buyers held back, expecting cheaper PET imports. PTA production problems at Poland's PKN Orlen led to difficulty sourcing prompt product in the region, and there were signs that the market was tightening again. November PTA contract price was down Euro52 on either end of the range to reach Euro837-871 ton FD NWE. In the US, October prices were assessed at US cents 60.10 per pound DEL USG.

Nylon input: Caprolactam

Caprolactam markets in Asia were quiet and prices remained range-bound as the feedstock benzene market dipped early in the week, only to rebound somewhat later. In China, mainstream prices for liquid and flake goods rolled over on the week. Demand remained flat as run rates at polymerization units averaged 75% with inventory worth 5 days. Nylon yarn makers were running at 80%, but inventory was high at 19 days' worth. With benzene weakening and caprolactam supply likely to decrease in coming weeks, the markets will be cautious, and prices will remain range bound. Asian caprolactam prices were flat on the week with SE and FE Asia markers at US$2,080-2,100 a ton. In China, spot prices for liquid goods were at 16,000-16,500 Yuan a ton (US$2,305-2,380 a ton) while flake goods were at 16,500 Yuan a ton (US$2,380 a ton).

In Europe, no discussions were reported in caprolactam market as the low water levels of river Rhine disrupted proceedings. Meanwhile, pre-cursor cyclohexane supply was lengthy, with demand increasing for second half of November due to continued issues with Rhine water levels delaying deliveries. These constraints were also disrupting in entire polyamide chain. If conditions do not improve by year-end, the river is likely to contribute to negotiations for Q1 contract price.

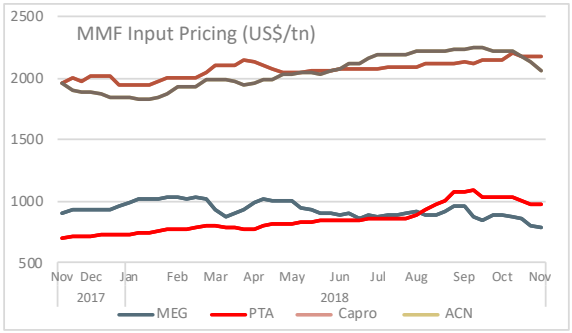
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Acrylic input: Acrylonitrile

Acrylonitrile prices in Asian markets plunged to a low level during the week, though the downward momentum moderated in the closing weekend. Sellers mostly rolled over offers, while a few kept liquidating at low price level. Market was dominated by wait-and-see sentiment. End users had poor appetite for acrylonitrile as acrylamide maker ran at less than 60% capacity while ABS market was on a weak note. Acrylic yarn makers operated at just 33% run rate, with poor need for raw material. Acrylonitrile marker the Far East CFR marker plunged US$250 to US$1,749-1,751 a ton while CFR China was down sharper by US$350 at US$1,650-1,750 a ton. In China, self-lifting values at Lianyungang port, however, regained US$55 to US$1,700-1,730 a ton.

In Europe, acrylonitrile spot prices declined sharply, pressured by bearish Asian market. Contract talks were expected to take longer, as the gap between selling and buying targets was wider in some cases. Spot prices pummeled US$150 to US$1,648-1,652 a ton CIF Mediterranean.



In the US, spot export acrylonitrile offers decreased steeply following declines in Asia and Europe. Spot prices were holding against the global downtrend due to limited availability and expectations that demand will snap back. However, prices are still at their lowest levels since May. Export prices were nosedived US$330 to US$1,670-1,680 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
	16-Nov		9-Nov			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Polyester 32s	13,700	1.973	14,400	2.074	-4.86	-4.87
Viscose 30s	19,480	2.805	19,980	2.877	-2.50	-2.51
Poly/cotton 32s	18,800	2.707	18,900	2.722	-0.53	-0.54
Poly/viscose 40s	19,900	2.866	20,000	2.880	-0.50	-0.51
Prices from Anhui					% Change in Yuan	% Change in US Dollar
	16-Nov		9-Nov			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Cotton carded 32s	23,650	3.406	23,750	3.420	-0.42	-0.43
Cotton combed 32s	23,650	3.406	23,650	3.406	0.00	-0.01
Cotton carded 40s	25,000	3.600	25,100	3.615	-0.40	-0.41
Cotton combed 40s	26,750	3.852	26,800	3.860	-0.19	-0.20

Pakistan: Karachi Cone Cotton Yarn Market (Wholesale price)						
Cone	Friday, November 16, 2018		Friday, November 09, 2018		PKR % change	USD % change
	Mean PKR per 10lb	US$ per kg	Mean PKR per 10lb	US$/kg		
Carded 10/1	1,310	2.148	1,375	2.262	-4.73	-5.05
Carded 40/1	2,200	3.608	2,200	3.620	0.00	-0.33
Carded 22/1	1,510	2.476	1,555	2.558	-2.89	-3.22
Carded 30/1	1,765	2.894	1,785	2.937	-1.12	-1.45
Combed 20/1	1,588	2.603	1,620	2.665	-2.01	-2.33
Combed 40/1	2,300	3.772	2,400	3.949	-4.17	-4.49
Source: Brecorder , X-Rates						

Polyester filament extends decline on plunging cost

Polyester

Polyester filament yarn markets in China extended the declines of the previous weekend, opening this week as prices fell sharply but remained steady in the later part of the week. The weekend saw PTA futures boosting local sentiment, although offers remained unchanged. Downstream mills increased buying to some extent but adopted a wait-and-see stance towards market future. In Pakistan, offers for imported goods fell and local offers were revised at par. Local sentiment warmed up slightly as producers focused on liquidity. In India, the POY market sentiment was stalemated and offers were reduced further, with deals negotiable based on volumes. Downstream mills remained production-steady with promotions continuing but were narrow.

In China, POY offers declined by US cents 4 in Shengze, with 75/72 at US$1.37-1.38 a kg and 75/36 to US$1.35-1.37 a kg. In India, POY offers were cut INR 4, with 115/108 at INR90.50 a kg or US$1.26 a kg and 130/34 POY at INR92 a kg or US$1.28 a kg, both down US cents 4. In China, 75/72 intermingled DTY prices fell US cents 6 to US$1.84-1.86 a kg and 75/36 to US$1.83-1.84 a kg. In Pakistan, selling indications for local and imported goods were down for 300/96 DTY intermingled at PakRs118 a kg (US$1.93 a kg) and imported goods to PakRs116 (US$1.90 a kg). In China, FDY offers fell US cents 4 for 50/24 at US$1.50-1.51 a kg and by US cents 2 for 150/96 FDY at US$1.31-1.33 a kg.

Nylon

Nylon filament yarn prices dipped as the caprolactam spot market was insipid and contract prices fell, while nylon chip prices trended downwards. Demand was hard to improve since textile producers operated at low run rates. The purchase of FDY, DTY and POY were based on rigid demand, while warp knitting and covering mills ran at 60% run rates. Circular knitting and lacing mills were operating at 40% run rates. Nylon FDY prices dipped on softening chip market and modest downstream demand while nylon DTY market was weak on low feedstock cost and tepid downstream demand. Falling chip markets will weigh on the yarn market as run rates of yarn makers was below 80%, keeping supply thin. Buying appetite was somewhat prudent and thus, nylon filament prices may dip further in coming week.

In China, offers for nylon FDY70D/24F SD fell to

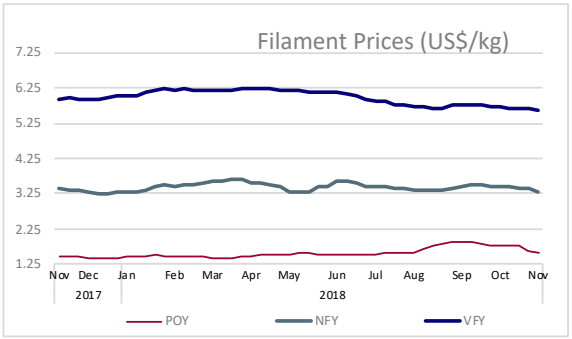
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22-23 Yuan a kg (US$3.17-3.32 a kg, down US cents 8), while DTY70D offers declined to 23.00-24.50 Yuan a kg (US$3.32-3.53 a kg, down US cents 12). Cord fabric 1,260D offers were flat at 26.50-27.50 Yuan a kg (US$3.82-3.96 a kg) while mono filament 30D prices rolled over at 23-23.50 Yuan a kg (US$3.32-3.46 a kg). In India, 20 SD filament prices were stable on the week at INR310 a kg (US$4.32 a kg) in Surat market.

Viscose

Viscose filament yarn offers were stable to down in China on the whole, but actual trading prices fell slightly given weaker buying interest of downstream converters who faced tight capitals towards the year end. Reportedly, some mainstream producers enjoyed passable liquidity, but inventory at some others increased a bit. Price-wise, offers for first-class, second-class and third-class VFY 120D were seen inching down a bit and trading prices eased, due to slow liquidity. In India, viscose filament prices rolled over on the week. Given the approaching year-end, demand for viscose filament appears weak, resulting in slow liquidity. Thus, prices are expected to remain range bound on a weak note in coming weeks.



In China, offers for viscose filament 120D bright were down at 38.80 Yuan a kg (US$5.59 a kg), and dull at 38.45 Yuan a kg (US$5.54 a kg). 300D bright prices moderated to 29.20 Yuan a kg (US$4.21 a kg) and dull to 25.70 Yuan a kg (US$3.70 a kg). All quotes were down US cents 4 on the week. In India, VFY prices remained unchanged in INR and up US cents 4-7 in US$ terms, with 100D bright VFY at INR388 a kg (US$5.40 a kg) and 450D at INR 225 a kg (US$3.13 a kg).

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Wool & Speciality Fibres

Wool							
Australia				**South Africa**			
AWEX EMI (cents/kg)				Cape Wools Merino Indicator (cents/kg)			
	15-Nov	8-Nov	change		6-Nov	6-Nov	change
A$	17,781	1,776	901.18%	Rand	20,614	20,468	0.71%
US$	1,295	1,293	0.15%	US$	1,433	1,464	-2.12%
New Zealand				**United Kingdom**			
NZ Wool Services Indicators	Coarse Crossbred (cents/kg)			British Wool Fleece Indicator (clean)			
	15-Nov	25-Oct	change		6-Nov	18-Oct	change
NZ$	287	287	0.00%	pence/kg	141	160	-11.88%
US$	195	195	0.00%	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		
	1-Nov	19-Nov
Chinese Cashmere (dehaired)		
White		
Hosiery 38mm	141.00	140.00
Weaving 32mm	129.00	134.00
Brown		
Hosiery 38mm	135.00	130.00
Weaving 32mm	126.00	126.00
Mongolian Cashmere (dehaired)		
Brown	113.00	108.00
Light Grey	114.00	108.00
Afghan/Iranian Cashmere (dehaired)		
White	110.00	101.00
Fawn	109.00	99.00
Dark Brown	109.00	99.00
Alpaca Tops		
White		
Baby (BL)	36.00	NQ
Fine Spinning (FS)	32.00	NQ
Adult (AG)	19.00	NQ
Camel Hair (dehaired)		
Super-baby	54.00	49.00
Medium baby	50.00	NQ
Adult	40.00	47.00
Silk		
Mulberry Sliver	48.50	47.00
Mulberry Noil	19.50	24.00
Tussah Sliver	37.50	33.50
Tussah Noil	17.00	23.00
Source: The Schneider Group		

EMI lifts for first time in over a month

By Jonathan Dyson

The Australian wool market had a relatively stable week as the Australian Wool Exchange (AWEX) Eastern Market Indicator (EMI) recorded an increase for the first time in over a month. More

NZ Coarse Crossbred Indicator stays firm

By Jonathan Dyson

The New Zealand wool market stayed firm this week after the dramatic decline experienced last week. At the South Island sale held on 15 November, the Coarse Crossbred Indicator remained unchanged on 287 cents, and in US dollar terms gained 1 cent to finish on 195 US cents. More

Slightly weaker rand pushes market up by 0.7%

By Jonathan Dyson

The South African wool market traded higher at this week's auction, held on 13-14 November, with the Cape Wools Merino Indicator increasing by 146 points (0.7%) to close at a value of R206.14/kg (clean). The Cape Wools All Wool Indicator increased by 0.5%. More

Rare and speciality fibre prices monthly round-up – September-October 2018

By Jonathan Dyson

China: cashmere The price and production of cashmere kept quite stable over September and October. Limited availability of raw material supported the high prices that we've seen in the last three months and kept the market quiet. More

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USDA's Weekly Export Sales Report of week ending 8 November

According to the latest USDA's Weekly Export Sales Report of week ending 8 November, net sales of 67,600 RB for 2018-19 were down 26% from the previous week, but up noticeably from the prior 4-week average.

Increases were reported for Pakistan (24,500 MT, including decreases of 2,000 RB), Vietnam (23,300 RB, including 6,200 RB switched from South Korea, 6,000 RB switched from Pakistan, 3,300 RB switched from Japan, 2,500 RB switched from Indonesia, 600 RB switched from Taiwan, and decreases of 13,000 RB), Malaysia (12,300 RB), Mexico (6,900 RB), and Turkey (5,600 RB). Reductions were reported for China (7,000 RB), Japan (4,100 RB), Thailand (3,300 RB), and South Korea (2,200 RB).

For 2019-20, net sales of 45,900 RB were primarily reported for China (22,000 RB), Vietnam (11,000 RB), South Korea (4,000 RB), Thailand (3,500 RB), and Mexico (3,100 RB).

Exports of 113,000 RB were down 25% from the previous week and 16% from the prior 4-week average. Exports were primarily to Vietnam (39,900 RB), Mexico (14,800 RB), Pakistan (13,000 RB), Bangladesh (8,900 RB), and Thailand (6,400 RB).

Net sales of Pima totaling 16,200 RB for 2018/2019 were up noticeably from the previous week and up 34% from the prior 4-week average.

Increases were reported for China (12,000 RB), India (2,900 RB), and Pakistan (1,200 RB). Exports of 3,300 RB were down 3% from the previous week and 33% from the prior 4-week average. The destinations were India (3,000 RB), Peru (100 RB), Turkey (100 RB), and Malaysia (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.

• ***Please see more tables on the next page***

U.S. Export sales week ending 8 November 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	7,055.6	7,020.6	1,896.2	897.3	279.2	356.6	27.6	19.7
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	7,055.6	7,020.6	1,896.2	897.3	279.2	356.6	27.6	19.7
Optional Origin	1.8	16.5	0.0	0.0	0.0	0.0	0.0	0.0
Accumulated Exports	2,250.6	1,991.9			75.9	64.6		
Exports For Own Acct	7.2	63.4			0.0	0.0		
Net Change In Sales	67.6	506.7	45.9	0.2	16.2	18.1	0.0	0.0

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U.S. Cotton Supply and Use[1/]				
	2016-17	2017-18 Est.	2018-19 Proj.	2018-19 Proj.
			Oct	Nov
	Million Acres			
Planted	10.07	12.61	14.04	14.04
Harvested	9.51	11.10	10.53	10.37
	Pounds			
Yield per Harvested Acre	867.00	905.00	901.00	852.00
	Million 480 Pound Bales			
Beginning Stocks	3.80	2.75	4.30	4.30
Production	17.17	20.92	19.76	18.41
Imports	0.01	-	0.01	0.01
Supply, Total	20.98	23.68	24.07	22.71
Domestic Use	3.25	3.23	3.40	3.30
Exports, Total	14.92	15.85	15.50	15.00
Use, Total	18.17	19.07	18.90	18.30
Unaccounted [2/]	0.06	0.30	0.17	0.11
Ending Stocks	2.75	4.30	5.00	4.30
Avg. Farm Price [3/]	68.00	68.60	69.00 - 77.00	71.00 - 77.00

[1/] Upland and extra-long staple; marketing year beginning August 1. Totals may not add due to rounding.
[2/] Reflects the difference between the previous season's supply less total use and ending stocks.
[3/] Cents per pound for upland cotton.

World and U.S. Supply and Use for Cotton[1]									
Million 480-lb Bales									
			Opening stock	Output	Import	Domestic use	Export	Loss [2]	Ending stock
World	2016-17		90.33	106.66	37.70	116.17	37.90	0.21	80.40
	2017-18 (Est.)		80.40	123.70	40.98	123.28	40.94	0.47	80.39
	2018-19 (Proj.)	Oct	80.89	121.66	41.44	127.76	41.45	0.33	74.45
		Nov	80.39	119.39	41.11	126.88	41.13	0.27	72.61
United States	2016-17		3.80	17.17	0.01	3.25	14.92	0.06	2.75
	2017-18 (Est.)		2.75	20.92	[3/]	3.23	15.85	0.30	4.30
	2018-19 (Proj.)	Oct	4.30	19.76	0.01	3.40	15.50	0.17	5.00
		Nov	4.30	18.41	0.01	3.30	15.00	0.11	4.30
Other than US	2016-17		86.53	89.49	37.69	112.92	22.99	0.15	77.65
	2017-18 (Est.)		77.65	102.77	40.98	120.05	25.09	0.17	76.09
	2018-19 (Proj.)	Oct	76.59	101.89	41.43	124.36	25.95	0.16	69.45
		Nov	76.09	100.98	41.11	123.58	26.13	0.16	68.31

[1/] Marketing year beginning August 1. Totals may not add exactly and trade may not balance due to rounding and other factors.
[2/] Generally reflects cotton lost or destroyed in the marketing channel; for Australia, Brazil, China, and the United States, reflects the difference between implicit stocks based on supply less total use and indicated ending stocks.
[3/] Less than 5,000 bales

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