Executive Market Report Summary 26 November 2018

Cost summary	26-Nov-18	
	US$/kg	Change on Week
Polyester		
China PSF 1.4 den	1.28	0.00%
China FDY 50 den/24f	1.56	0.00%
China DTY 150den/48f	1.64	0.00%
Viscose		
China VSF 1.5 den, 38mm	1.96	0.00%
Polyamide		
China FDY 70 den/24f	3.26	0.00%
Cotton		
Cotlook A Index	1.91	0.52%
Wool		
AWEX EMI	13.48	4.27%
Yarn		
China Cotton combed 32s (weaving)	2.90	0.00%
China Cotton combed 40s (weaving)	3.85	0.00%
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	67.58	
WTI Crude Oil Price- 26-Oct	63.12	
WTI Crude Oil Price- 02-Nov	60.19	
WTI Crude Oil Price- 09-Nov	56.49	-6.15%

MMF market

- Acrylic fibre prices plunge as cost eases dramatically

Cotton market

- Cotton Futures down on stronger US$ and weak equity

Fibre raw material market

- Caprolactam spot and contract prices moderate, nylon prices down

Filament market

- Polyester filament prices decline as PTA cost plunges

Wool & Speciality Fibres

- Australian wool market sees big lift as recovery continues
- Coarse Crossbred Indicator stays firm again
- SA wool market lifts by 1.9% despite stronger rand
- Mohair market indicator gains 1.5%
- British wool prices ease on limited demand

USDA report

- USDA's Weekly Export Sales Report of week ending 15 November

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Price movement key: Increase Unchanged Decrease

Weekly Market Review – from the analyst desk

Manufacturing expansion in Eurozone slumps to 30-month low

The manufacturing sector's growth rate in the Eurozone hit a 30-month low in November, according to a flash purchasing managers' index (PMI) from IHS Markit last weekend. According to the reading, based on 85% of usual monthly replies, manufacturing PMI fell to 51.5 points in November, the lowest level seen since May 2016 and down from 52.0 points in October.

Responses pointed towards subdued global demand, rising political and economic uncertainty, trade wars and especially sluggish car sales as the drivers behind the slower growth. The sector also posted a decrease in new orders for the second month running and the sharpest fall in work-in-hand since January 2015, while employment growth stood at a 26-month low.

Germany was a key area of concern, with business activity slowing to a near four-year low, while manufacturing output remained stagnant, its weakest performance since April 2013.

UK petrochemicals braces for multiple Brexit scenarios

In more than two years after the Brexit vote and less than four months before the UK is set to quit the European Union, one word continuously makes the rounds post-Brexit – uncertainty.

However, lack of clarity over Brexit weighed on the value of the pound sterling and confusion on long-term trade agreements has made it difficult for businesses to plan firm strategies beyond 29 March 2018. The petrochemical industry is not an exception given that in EU it is the most important trading partner for chemicals, accounting for 60% of UK chemical industry exports and 75% of imports.

British companies are currently preparing themselves against the various scenarios likely to unfold in the final months before the UK officially breaks away.

Nitin Madkaikar
Price Analyst

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MMF market

Man-Made Fibre Prices (ex-works) in Eastern China						
Date		23-Nov		16-Nov		
Intermediates	yuan/tonne	US$/Kilogram	yuan/tonne	US$/Kilogram	Yuan Price change (%)	US Dollar Price Change (%)
PX (FOB South Korea)		1.035		1.114	-	-7.06
PTA	6,558	0.945	6,903	0.994	-5.00	-4.97
MEG	5,185	0.747	5,355	0.771	-3.17	-3.15
Caprolactam	15,300	2.204	16,300	2.347	-6.13	-6.11
Acrylonitrile	11,400	1.642	11,750	1.692	-2.98	-2.95
PET	10,830	1.560	10,830	1.560	0.00	0.03
Polyester filament						
FDY 50 den/24f	10,800	1.556	11,000	1.584	-1.82	-1.79
DTY 50 den/72f	15,550	2.240	15,750	2.268	-1.27	-1.24
DTY 150 den/48f	11,405	1.643	11,505	1.657	-0.87	-0.84
POY 150 den/48f	8,730	1.257	8,930	1.286	-2.24	-2.21
FDY 150 den/96f	9,260	1.334	9,460	1.362	-2.11	-2.09
Polyamide 6 filament						
FDY 70 den/24f	22,650	3.263	23,150	3.334	-2.16	-2.13
Staple fibre						
Polyester 1.4 denier 38 mm	8,865	1.277	8,865	1.277	0.00	0.03
Viscose 1.5 denier, 38mm	13,620	1.962	14,020	2.019	-2.85	-2.83
Acrylic 1.5 denier, 38 mm	17,500	2.521	20,500	2.952	-14.63	-14.61

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
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
21-Nov	1.30	1.65	1.80	1.90

Acrylic fibre prices plunge as cost eases dramatically

Polyester staple fibre markets were quiet across China, India and Pakistan this week, with no change in pricing reported despite sharp fall in raw material cost. However, run rates were still high and with tepid demand, fundamentals lacked strength. In China, on the back of lower PTA and plunging crude oil, the PSF market was stable to soft and some makers cut down high-end offers. However, mainstream offers and discussions for 1.4D direct-melt-spun PSF in Jiangsu and Zhejiang remained changed. In Pakistan, the polyester fibre market in Karachi was stable to soft and producers' offers generally rolled over after the past two straight weeks of reduction of more than 10%. In India, the polyester fibre market turned soft to stable after prices were cut for remaining November. Given the sharp fall in cost, polyester fibre makers are likely to make a supplementary price cut in the coming week.

In China, offers for 1.4D direct-melt PSF rolled over at 8.95-9.15 Yuan a kg (US$1.29-1.32 a kg) in Jiangsu and Zhejiang, while the same in Fujian and Shandong were US$1.30-1.33 a kg. Export offers also declined by another US cents 5 to around US$1.20-1.23 a kg FOB China. In Pakistan, 1.4D PSF producers' offers were steady at PakRs.184-186 a kg (US$1.37-1.38 a kg). In India, PSF offers rolled over with 1.2D at INR92.25 a kg (US$1.28 a kg) and 1.4-2D at INR91.50 a kg or US$1.27 a kg, both up US cent 1 due to stronger currency.

Nylon

In China, nylon staple fibre 1.5D prices were also down to 18.50-20.00 Yuan a kg (US$2.67-2.89 a kg, down US cents 7).

Acrylic

Acrylic staple fibre prices declined sharply after 19 weeks of steady run in China although the falls were mixed, as markdowns varied among producers. Shanghai

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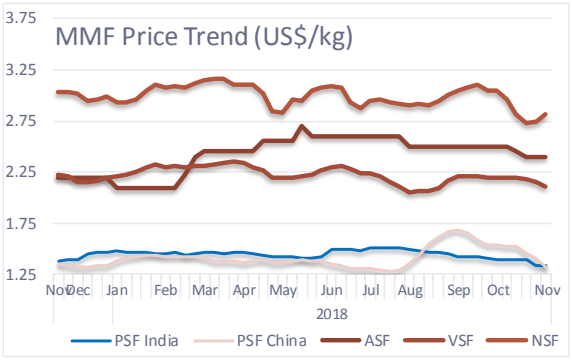
Petrochemical announced a relatively small price cut. Supply was shrinking as the industry run rate remained at 33% during the week, as many units remained idled. Demand was withering with the considerable cut in offers, downstream yarn mills began to conclude deals slowly. As prices dropped to an expected level of end users, demand is expected to warm up in coming weeks. Prices in India and Pakistan remained unchanged at the moment, but given the sharp fall in China, these markets may follow through. Overall, with acrylonitrile cost fluctuating at lower levels and acrylic fibre prices declining rapidly, markets will focus on feedstock performance 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 declined sharply to 17.50-18.00 Yuan a kg (US$2.53-2.60 a kg, down US cents 43). In Pakistan, 1.2D ASF prices were flat in Karachi market at PakRs.345 a kg (US$2.57 a kg). In India, producers' offers for November rolled over at INR187.50-199.00 a kg (US$2.63-2.80 a kg, up US cents 2 due to strong INR).

Viscose

Viscose staple fibre markets in China saw previous low prices gradually march down further this week, following the massive transactions last week. Currently, offers for medium-end and high-end goods moved down, but fresh deals appeared to be limited. Producers were mainly engaged with fund reclamation and others had finished their business for the month. Inventory at producers were liquidated effectively, and offers may start to rally in coming weeks, seeing some mills oversell many materials. After touching the bottom, prices are expected to tick up mildly in the short run. In Pakistan and India prices remained unchanged during the week.

In China, offers in the spot markets declined on the week with 1.5D VSF at 13.74 Yuan a kg (US$1.98 a kg, down US cents 6) and 1.2D to 13.97 Yuan a kg (US$2.02 a kg, down US cents 4). In Pakistan, offers for 1.5D VSF were flat 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$2.11-2.81 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)			
	23-Nov	16-Nov	Change		23-Nov	16-Nov	Change
Dec	74.92	76.12	(1.20)	Nov	14,605	14,445	160
Mar	77.22	78.29	(1.07)	Jan	14,905	14,990	-85
May	78.49	79.55	(1.06)	Mar	15,215	15,330	-115
Jul	79.71	80.71	(1.00)	May	15,435	15,645	-210
Oct	77.15	77.85	(0.70)	Jul	15,710	15,880	-170
Dec	76.55	77.21	(0.66)	Sep	15,990	16,140	-150

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)		
23-Nov	16-Nov	Change	23-Nov	16-Nov	Change
86.75	86.30	0.45	8,800	8,800	0

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)		
23-Nov	16-Nov	Change	23-Nov	16-Nov	Change
15,508	15,582	-74	44,900	46,000	(1,100)

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)		
23-Nov	16-Nov	Change
76.38	78.72	-2.34

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 stronger US$ and weak equity

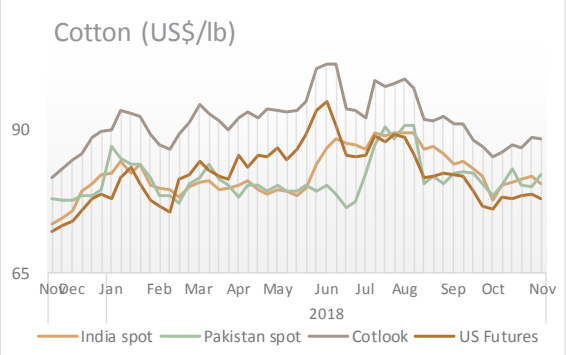
Cotton Futures were lower again this week on the stronger US$ and weaker equity stock market. Speculators were the best sellers as farmers continued harvesting. Reports indicate good harvest conditions in most areas, although progress has been slow. The harvest in only four states has progressed ahead of the five-year averages: Missouri (89%); North Carolina (74%), Tennessee (79%); and Virginia (80%). Only two of 15 reporting states the harvest was below the halfway mark: in Texas (47%); and Kansas (25%). Spot market conditions were weak, and ICE-certified stocks increased in the last couple of weeks at a rapid pace. USDA showed that the harvest is still moving much slower than average. Thus, the market needs fresh demand. Export sales for the last few weeks were poor and showed no signs of improvement. Midweek had seen gains, influenced by positioning ahead of December deliveries and outside markets.

Nearby December contracts moderated US cents 1.20 week-on-week to close at US cents 74.92 per pound, while March was down US cent 1.07 to close at US cents 77.22, widening the premium over front month to US cents 2.30. December 2019 edged down US cent 0.66 to close at US cents 76.55 per pound.

Global spot benchmark, the Cotlook A index, inched up US cent 0.45 week on week to close at US cents 86.75 per pound. In China, spot cotton market was weak as most players retreated to the sidelines given tumble in futures market. Spot market was at a stalemate and Futures trading increased due to wider price spread. The China Cotton Index continued to recede this week by 74 Yuan, to close at 15,508 a ton (US cents 102 a pound).

In Pakistan, trading activity on the cotton market remained selective on grade issue and few bales changed hands. The Karachi Cotton Association (KCA) spot rate stood unchanged at PakRs 8,960 per maund ex-Karachi. Reports indicate that most buyers made deals for second grade of lint on bargaining prices during the week. Meanwhile, downstream textile mills consolidated their long positions, while the market remained on steadier tones. However, due to liquidity crunch, mills were stuck at reclaiming funds and slow arrival of better cottonseed at ginneries remained thin. In domestic market, mills and spinners would remain keeping an eye on better lint on the back of production of better-quality cloth and yarn.

In India, cotton prices moderated as arrivals increased this week. Benchmark Gujarat Shankar-6 traded at INR44,900 per candy, down INR1,100 week-on-week. Other varieties were cheaper by INR300-1,200 per candy. Daily arrivals although averaged 1.52 lakh bales were still below the normal of 1.70 bales in this time of the marketing year. Arrivals generally peak to more than 2 lakh bales in December/January and taper off by March. Meanwhile, cotton procurement in Telangana, started last week, and has gathered momentum as prices in some areas eased to touch the minimum support price. The government has fixed minimum support price for the medium-staple variety of cotton at INR5,150 per quintal, and that for long staple at INR5,450 per quintal. Even in the peak arrivals season, prices remained elevated due

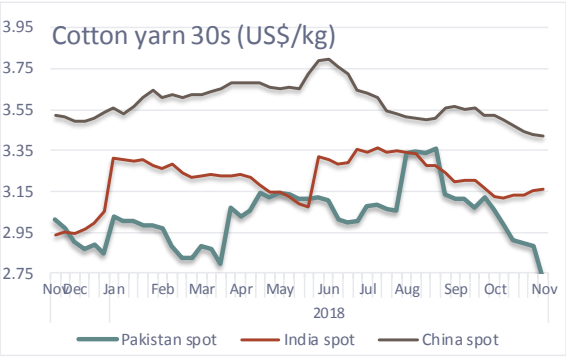


to delay in new crop by almost a month and concerns over the crop size due to drought in top two states Maharashtra and Karnataka.

Cotton yarn

Cotton yarn prices were seen easing in China and Pakistan for select specs but remained unchanged in India as the currency gained against the US$. In China, prices of cotton yarn in some individual varieties went down, and cotton 32s and 40s sold well despite some price moderation. In Pakistan, cotton yarn prices were stable to soft in Karachi yarn market while they mostly sobered in Faisalabad market at the either end of the price range. However, the declines were sharper and not in line with cotton fibre prices, implying weak demand. In India, cotton prices rolled over as cotton prices had been volatile both ways despite the ongoing cotton marketing season. Overall, cotton yarn markets will remain in correction in coming week, and prices may continue to moderate slightly for now.

In China, 32s cotton yarn prices edged down to 23.55 Yuan a kg (US$3.40 a kg) while 40s were flat at 24.60 Yuan a kg (US$3.55 a kg). Coarser yarn prices of 16s declined to 14.70 Yuan a kg (US$2.12 a kg, down US cents 4) while 21s moderated to 18.80 Yuan a kg (US$2.71 a kg down US cent 1). In Pakistan, 30s carded prices in Karachi were stable at PakRs172-178 per pound (US$2.82-2.92 a kg), while 32s cone in Faisalabad eased PakRs13 at the lower end to PakRs145-170 per pound (US$2.38-2.79, down US cents 21). In India, 30s carded cotton yarn for knitting rolled over at INR230 a kg (US$3.23 a kg, up US cents 3 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"
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
23/11/2018	9.322	5.715	7.984	4.450	4.720

Caprolactam spot and contract prices moderate, nylon prices down

Polyester input: MEG

Mono ethylene glycol prices in Asia declined sharply due to weak market sentiment, dampened by recent losses in crude oil values and slow polyester sales. Major Chinese producer Sinopec also reduced its November settlement prices in east China, in line with the declining spot values. Meanwhile, inventories in east China increased 2.3% week-on-week to 676 kilo ton – which weighed on the spot markets. SABIC and Shell nominated their December contract prices at more than US$100 lower than November numbers. In Europe, November contract was fully confirmed at a drop compared to October following an initial November settlement, which emerged alongside the full confirmation of October contracts earlier in the week. Spot prices were on a downward trajectory, along with continued weakness in Asian market, as players often look at Asia for direction. In the US, contract prices remained unchanged for the moment while spot numbers rolled over.

MEG spot benchmark fell US$50 week-on-week with CFR China at US$672-677 a ton and CFR South East Asia down US$34 at US$700 a ton. SABIC and Shell have nominated their December Asia contract price more than US$100 below their November nominations. SABIC nominated at US$940 a ton CFR Asia, down US$140 from the month ago, while Shell nominated at US$900 a ton, down US$170 over the month. In Europe, bulk prices were at Euro745-760 a ton CIF NEW and truck prices at Euro820-840 ton FCA NWE. November contract was fully confirmed at Euro925 a ton, down Euro 74 compared to October, while October contract was fully confirmed at Euro 999 a ton, a decreased of Euro 13 from September. In the US, MEG contracts prices were stable at US cents 40.5-46.5 per pound FOB.

Polyester input: PTA

Purified terephthalic acid prices continued to downtrend in Asian markets due to weaker downstream demand. Prices declined close to 8% week-on-week. A weak global macroeconomic environment, coupled with slower sales in the downstream polyester markets curbed buying interest, and exerted a downward pressure on the raw material prices. Sales in the polyester sector in key China markets have resulted in a bearish market sentiment. According to reports, sales-to-output ratio in polyester sectors has trended below the 100% healthy level for many weeks and showed no signs of improvement. In Europe, purified terephthalic acid market was calm and quiet as Rhine river logistics continued to impact both upstream and downstream businesses.

Asian PTA markers the CFR China plunged US$70 on the week to US$840-842 a ton while offer from Taiwan/ Korea fell to US$850-880 a ton. In China, offers for bonded goods were trimmed to US$870-820 a ton and discussions for nearby-month cargoes were still lower. Yisheng Petrochemical's daily prices fell to US$910 a ton while that of Hengli Petrochemical's fell to US$870 a ton. In Europe, November PTA contract price were in the range of Euro837-871 ton FD NWE. In US, October prices were assessed at US cents 60.10 per pound DEL USG.

Nylon input: Caprolactam

Caprolactam prices dipped in the Asian market following a sharp drop in feedstock benzene cost and long supply amid thin demand. Sinopec settled its November contract price sharply down from its nomination while Japan's Sumitomo Chemical announced its November contract price lower than the previous month. Falling upstream values and bearish sentiment in downstream markets are expected to support its offer. Downstream demand was hard to improve since run rates of polymerization units are steady at 75% and inventory worth five days. Nylon yarn makers were also running steady at 79% with inventory of 20 days' worth. With benzene market weakening, and caprolactam supply increasing, market participants appear cautious and prices are likely to drop further. In Europe, discussions for November caprolactam contracts were difficult, with an expected reduction in the monthly benzene contract adding to buyers' arguments for decreases.

Asian caprolactam prices declined US$50-80 on the week with SE and FE Asia markers at US$2,000-2,050 a ton. In China, spot prices for liquid goods fell to 15,000-16,000 Yuan a ton (US$2,165-2,210 a ton, down US$140) while flake goods fell to 16,000 Yuan a ton (US$2,310 a ton, down US$70). Sinopec settled November contract price at 16,300 a ton (US$2,350 a ton) while Fibrant nomination was at 17,300 Yuan a ton (US$2,495 a ton). Japan's Sumitomo Chemical announced its November contract price at US$2,150 a ton CFR NE Asia, US$100 lower than the

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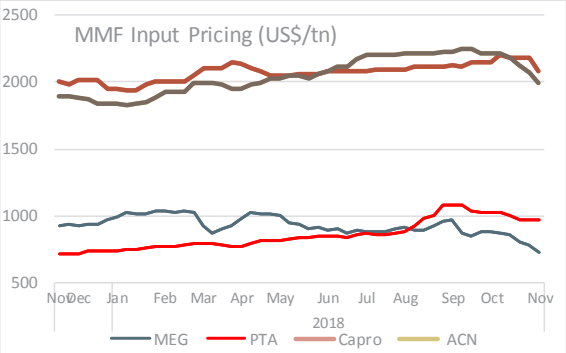
Price movement key: Increase Unchanged Decrease

previous month. In Europe, October contract prices were settled in the range of Euro2,264-2,417 a ton FD NWE and cyclohexane November contract settled at Euro858 a ton ex-works.

Acrylic input: Acrylonitrile

Acrylonitrile prices in Asia declined for the fifth consecutive week as demand waned rapidly and most participants were taking a wait-and-see stance ahead of the announcement of monthly settlements, while upstream propylene continued to trend downwards. Major producers in China reduced their November prices sharply from their respective October levels. In Europe, acrylonitrile spot prices fell sharply for another week with pressure largely coming from persistent downtrend in Asian market. Meanwhile, November contract prices also fell on the month on the back of lower raw material costs and improving market balance. In the US, spot export prices fell to its lowest level since mid-April amid falling prices in Asia and seasonal downturn in acrylic fibre and ABS demand. Snug supply continued to limit incentive for producers to sell material in spot market versus rebuilding inventories for 2019, when demand is expected to be stronger.

Asian acrylonitrile Far East CFR marker further plunged US$50 to US$1,699-1,701 a ton, while CFR China was flat



at US$1,650-1,750 a ton. In China, self-lifting values at Lianyungang port however, lost US$40 to US$1,660-1,670 a ton. Sinopec Anqing Petro settled its November price at 11,600 Yuan a ton (US$1,674 a ton), 6,400 Yuan (US$923 ton) lower from October while PetroChina Jilin sharply decreased its prices by US$216.5 to 13,000 Yuan a ton (US$1,875 a ton) ex-warehouse. In Europe, spot prices declined US$28 to US$1,620-1,624 a ton CIF Mediterranean. Contract prices were agreed in the range of Euro2,160-2,228 a ton FD NWE. In the US, spot export prices pummeled US$50 to US$1,60-1,630 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
	23-Nov		16-Nov			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Polyester 32s	13,800	1.9878	13,700	1.9728	0.73	0.76
Viscose 30s	19,180	2.7627	19,480	2.8052	-1.54	-1.51
Poly/cotton 32s	18,800	2.7080	18,800	2.7072	0.00	0.03
Poly/viscose 40s	19,700	2.8376	19,900	2.8656	-1.01	-0.98
Prices from Anhui					% Change in Yuan	% Change in US Dollar
	23-Nov		16-Nov			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Cotton carded 32s	23,600	3.3994	23,650	3.4056	-0.21	-0.18
Cotton combed 32s	23,450	3.3778	23,650	3.4056	-0.85	-0.82
Cotton carded 40s	25,000	3.6010	25,000	3.6001	0.00	0.03
Cotton combed 40s	26,700	3.8459	26,750	3.8521	-0.19	-0.16

Pakistan: Karachi Cone Cotton Yarn Market (Wholesale price)						
Cone	Friday, 23 November 2018		Friday, 16 November 2018			USD % change
	Mean PKR per 10lb	US$ per kg	Mean PKR per 10lb	US$/kg		
Carded 10/1	1,310	2.1502	1,310	2.1481	0.00	0.09
Carded 40/1	2,200	3.6110	2,200	3.6076	0.00	0.09
Carded 22/1	1,510	2.4784	1,510	2.4761	0.00	0.09
Carded 30/1	1,765	2.8970	1,765	2.8942	0.00	0.09
Combed 20/1	1,585	2.6015	1,588	2.6032	-0.16	-0.06
Combed 40/1	2,300	3.7751	2,300	3.7715	0.00	0.09
Source: Brecorder , X-Rates						

Polyester filament prices decline as PTA cost plunges

Polyester

Polyester filament yarn offers moved down in China this week in tandem with the plunge of crude oil and PTA cost, while trading atmosphere was kept thin, seeing bearish mood of downstream mills. Overall sales-to-output ratio slowed to 40-50%, compared to 60% last week. In Shengze, producers lowered prices for some POY and FDY specs, while indications for DTYs were lowered marginally. In Zhejiang, given the poor raw material markets, PFY offers were kept stable to lower as trading atmosphere was dull, and participants lacked confidence about market future, and largely consumed their stocks. In Pakistan, offers for some DTYs were adjusted down in local markets to remain at par with imported goods. In India, POY sentiment changed little, with stable trading prices. Trading volume improved a bit, as the producers focused on liquidity. Selling indications for POYs were cut for H2 November last week.

In China, POY offers eased US cents 3 in Shengze with 75/72 at US$1.34-1.36 a kg and 75/36 to US$1.33-1.34 a kg. In India, POY offers were flat, with 115/108 at INR100 a kg or US$1.40 a kg and 130/34 POY at INR92 a kg or US$1.29 a kg, both up US cent 1 due to strong INR. In China, 75/72 intermingled DTY prices fell US cent 1 to US$1.83-1.85 a kg and 75/36 to US$1.82-1.83 a kg. In Pakistan, selling indications for local and imported goods were down PakRs1.50-3.00 or US cents 2-5 for 300/96 DTY non-intermingled to PakRs112 a kg (US$1.84 a kg) and imported goods to PakRs114 (US$1.87 a kg). In China, FDY offers fell US cents 3 for 50/24 at US$1.47-1.49 a kg and 150/96 FDY to US$1.28-1.30 a kg.

Nylon

Nylon filament yarn prices trended down in line with softening of spot and contract caprolactam values and slightly weak nylon chip markets. Downstream textile producers operated at low run rates thus limiting purchasing volume of FDY, DTY and POY due to rigid terminal demand. Warp knitting mills and covering mills were running at 60% run rates, and circular knitting and lacing mills at 40%. Nylon-6 FDY prices dipped on softening chip market and thin demand from terminal sectors. Nylon-6 DTY market was weak on low feedstock cost and tepid downstream demand. In India, nylon filament prices generally rolled over on cost support at

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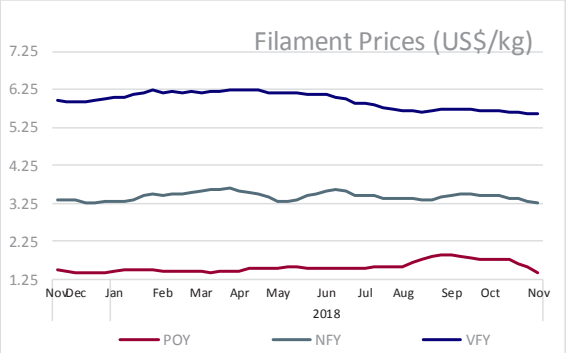
Price movement key: Increase Unchanged Decrease

the moment while downstream converters kept operating rates low in wait of new orders. Overall, nylon filament yarn prices may still touch the bottoms given the easing cost support.

In China, offers for nylon FDY70D/24F SD declined to 21.50-22.50 Yuan a kg (US$3.10-3.25 a kg, down US cents 7), while DTY70D offers fell at the upper end to 23.00-24.20 Yuan a kg (US$3.32-3.49 a kg, down US cents 4). Cord fabric 1,260D offers were down at 26.00-27.00 Yuan a kg (US$3.75-3.90 a kg, down US cents 7) while mono filament 30D prices rolled back to 22.80-24.00 Yuan a kg (US$3.29-3.46 a kg, down US cents 3). n India, 20 SD filament prices rolled over on the week at INR310 a kg (US$4.36 a kg, up US cents 4 due to weak US$) in the Surat market.

Viscose

Viscose filament yarn prices were largely stable in China and market liquidity was still modest, since downstream converters purchased small lots. Weak buying interest amid certain pressure from fund flow characterised the markets this week. Price-wise, offers for first-class, second-class and third-class VFY 120D were seen rolling over but slightly stronger Yuan pegged values up in US$ terms. However, trading prices partly eased, due to slow liquidity. In India, viscose filament prices did not



change this week. Overall, given the approaching year end, demand for viscose filament was apparently weak, resulting in slower 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 stable at 38.80 Yuan a kg (US$5.60 a kg), and dull at 38.45 Yuan a kg (US$5.55 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$3.71 a kg). All quotes were up US cent 1 on the week due to slightly stronger currency. In India, VFY prices rolled over in INR and up US cents 3-5 in US$ terms, with 100D bright VFY at INR388 a kg (US$5.45 a kg) and 450D at INR 225 a kg (US$3.16 a kg).

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Wool & Speciality Fibres

Wool							
Australia				**South Africa**			
AWEX EMI (cents/kg)				Cape Wools Merino Indicator (cents/kg)			
	22-Nov	15-Nov	change		21-Nov	6-Nov	change
A$	1,858	1,781	4.32%	Rand	21,012	20,468	2.66%
US$	1,347	1,295	4.02%	US$	1,500	1,464	2.46%
New Zealand				**United Kingdom**			
NZ Wool Services Indicators		Coarse Crossbred (cents/kg)		British Wool Fleece Indicator (clean)			
	15-Nov	15-Nov	change		20-Nov	6-Nov	change
NZ$	287	287	0.00%	pence/kg	139	141	-1.42%
US$	196	195	0.51%	US cents/kg	179	185	-3.24%
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		
	19-Nov	26-Nov
Chinese Cashmere (dehaired)		
White		
Hosiery 38mm	140.00	140.00
Weaving 32mm	134.00	134.00
Brown		
Hosiery 38mm	130.00	130.00
Weaving 32mm	126.00	126.00
Mongolian Cashmere (dehaired)		
Brown	109.00	108.00
Light Grey	109.00	108.00
Afghan/Iranian Cashmere (dehaired)		
White	102.00	101.00
Fawn	101.00	99.00
Dark Brown	101.00	99.00
Alpaca Tops		
White		
Baby (BL)	NQ	NQ
Fine Spinning (FS)	NQ	NQ
Adult (AG)	NQ	NQ
Camel Hair (dehaired)		
Super-baby	49.00	49.00
Medium baby	NQ	NQ
Adult	47	47
Silk		
Mulberry Sliver	47	47
Mulberry Noil	24	24
Tussah Sliver	33.5	33.5
Tussah Noil	23	23
Source: The Schneider Group		

Australian wool market sees big lift as recovery continues

By Jonathan Dyson

The Australian wool market continued its recent recovery this week following the signs of improvement seen midway through last week's sales. More

Coarse Crossbred Indicator stays firm again

By Jonathan Dyson

The New Zealand wool market stayed firm for a second successive week. More

SA wool market lifts by 1.9% despite stronger rand

By Jonathan Dyson

The South African wool market traded higher at this week's auction, with the Cape Wools Merino Indicator increasing by 398 points (1.9%) to close at a value of R210.12/kg (clean). More

Mohair market indicator gains 1.5%

By Jonathan Dyson

The penultimate winter sale of the 2018 mohair season took place on 20 November with a relatively small offering of 70,417 kg. More

British wool prices ease on limited demand

By Jonathan Dyson

The ninth sale of the British wool season, held on 20 November, saw limited demand, which led to prices easing for the majority of types. More

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USDA's Weekly Export Sales Report of week ending 15 November

According to the latest USDA's Weekly Export Sales Report of week ending 15 November, net sales of 210,500 RB for 2018-19 – a marketing-year high – were up noticeably from the previous week and from the prior 4-week average. Increases were reported for Vietnam (44,800 RB), including 9,400 RB switched from China, 1,000 RB switched from South Korea, 400 RB switched from Taiwan, and decreases of 1,800 RB), Pakistan (40,200 RB), Turkey (23,600 RB), Peru (18,300 RB), and Guatemala (15,800 RB). Reductions were reported for Japan (2,500 RB).
For 2019-20, net sales of 31,700 RB were reported for China (15,800 RB), Guatemala (11,900 RB), and Mexico (4,000 RB). Exports of 150,800 RB were up 34% from the previous week and 18% from the prior 4-week average. Exports were primarily to Vietnam (45,800 RB), Mexico (20,400 RB), China (20,000 RB), Thailand (10,800 RB), and Bangladesh (10,800 RB).
Net sales of Pima totaling 25,900 RB for 2018-19 – a marketing-year high – were up 60% from the previous week and 74% from the prior 4-week average.
Increases were reported for China (13,300 RB), India (6,800 RB, including decreases of 400 RB), Thailand (2,200 RB), and Peru (2,100 RB). Exports of 5,200 RB were up 59% from the previous week and 26% from the prior 4-week average. The destinations were China (2,100 RB), India (1,700 RB), Pakistan (600 RB), Egypt (400 RB), and Vietnam (400 RB).

Optional origin sales

For 2018-19, options were exercised to export 900 RB to Vietnam from other than the United States. The current outstanding balance of 900 RB is for Vietnam.

Exports for own account

Exports for own account to China totaling 400 RB were applied to new or outstanding sales. The current exports for own account outstanding balance is 4,500 RB, all China.

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

U.S. Export sales week ending 15 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	7,115.2	7,292.1	1,927.9	940.5	299.8	362.6	27.6	19.7
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	7,115.2	7,292.1	1,927.9	940.5	299.8	362.6	27.6	19.7
Optional Origin	0.9	16.5	0.0	0.0	0.0	0.0	0.0	0.0
Accumulated Exports	2,401.4	2,077.5			81.1	76.1		
Exports For Own Acct	6.8	59.3			0.0	0.0		
Net Change In Sales	210.5	357.0	31.7	43.1	25.9	17.5	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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