WTiN Textile Economics

Executive Market Report Summary 10 June 2019

Cost summary	07-Jun-19	
	US$/kg	Change on Week
Polyester		
China PSF 1.4 den	1.04	-4.10%
China FDY 50 den/24f	1.25	-0.07%
China DTY 150den/48f	1.33	-1.15%
Viscose		
China VSF 1.5 den, 38mm	1.64	-2.03%
Polyamide		
China FDY 70 den/24f	2.39	-1.56%
Cotton		
Cotlook A Index	1.75	-1.24%
Wool		
AWEX EMI	13.02	-0.29%
Yarn		
China Cotton combed 32s (weaving)	3.23	-0.52%
China Cotton combed 40s (weaving)	3.66	-0.47%
Indian cotton carded 30s (weaving)*	2.85	0.00%
Indian cotton combed 40s (weaving)*	3.42	0.00%
Taiwan p/c 45s*	4.65	0.00%
WTI Oil $ per Barrel		
WTI Crude Oil Price- 10-May	61.65	
WTI Crude Oil Price- 17-May	62.77	
WTI Crude Oil Price- 24-May	58.40	
WTI Crude Oil Price- 31-May	53.49	-8.41%

MMF market

- PSF slumps on easing cost and lull season

Cotton market

- Cotton slumps as market expects bigger harvest

Fibre raw material market

- Fibre intermediates retreat sharply easing cost pressure

Filament market

- Filament prices firmly flat despite raw material easing

Wool & Speciality Fibres

- Australian wool market could not sustain previous gains
- NZ wool prices down on smaller offering
- South African wool prices flat in the last sale of this season

Trade

- USDA's Weekly Export Sales Report of week ending 30 May

Weekly Market Review – from the analyst desk

IMF predicts slower growth for China over next two years

The International Monetary Fund (IMF) expects economic growth in China to moderate to 6.2% in 2019 and further to 6.0% in 2020, as uncertainty surrounds trade tensions and risks are tilted to the downside. Expected growth for 2019 is lower than the previous forecast of 6.3%, but within China's own target of 6.0-6.5%.

According to the first deputy managing director David Lipton, after a slow 2018, economic growth in China stabilised in early 2019, reflecting a wide range of policy support. However, renewed trade tensions represent a significant source of uncertainty which is weighing on sentiment. "Growth is expected to gradually slow to 5.5% by 2024 as the economy moves towards a more sustainable growth path," adds Lipton. "Headline inflation is projected to rise to 2.3% in 2019, reflecting higher food prices."

The US and China are at loggerheads in a trade war since July 2018, which escalated recently following an apparent collapse of high-level negotiations between the world's two biggest economies. The country needs to further open up and pursue other structural reforms that promote competition, IMF said.

In order to boost productivity and promote longer-term growth, further efforts are needed to reform state-owned enterprises, open up the service sector, and modernise policy frameworks, the IMF opined.

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Price movement key: Increase Unchanged Decrease

MMF market

Man-Made Fibre Prices (ex-works) in Eastern China						
Date		7-Jun		31-May		
Intermediates	yuan/tonne	US$/Kilogram	yuan/tonne	US$/Kilogram	Yuan Price change (%)	US Dollar Price Change (%)
PX (FOB South Korea)		0.859		0.853		0.70
PTA	5,480	0.795	5,625	0.816	-2.58	-2.65
MEG	4,210	0.611	4,370	0.634	-3.66	-3.73
Caprolactam	11,700	1.697	11,800	1.713	-0.85	-0.92
Acrylonitrile	14,250	2.067	14,550	2.112	-2.06	-2.13
PET	6,625	0.961	6,675	0.969	-0.75	-0.82
Polyester filament						
FDY 50 den/24f	8,600	1.247	8,600	1.248	0.00	-0.07
DTY 50 den/72f	8,150	1.182	8,150	1.183	0.00	-0.07
DTY 150 den/48f	9,150	1.327	9,250	1.343	-1.08	-1.15
POY 150 den/48f	8,050	1.168	8,050	1.168	0.00	-0.07
FDY 150 den/96f	7,750	1.124	7,750	1.125	0.00	-0.07
Polyamide 6 filament						
FDY 70 den/24f	16,500	2.393	16,750	2.431	-1.49	-1.56
Staple fibre						
Polyester 1.4 denier 38 mm	7,150	1.037	7,450	1.081	-4.03	-4.10
Viscose 1.5 denier, 38mm	11,275	1.635	11,500	1.669	-1.96	-2.03
Acrylic 1.5 denier, 38 mm	17,200	2.495	17,000	2.467	1.18	1.10

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
15-May-19	1.20	1.55	1.70	1.95
22-May-19	1.20	1.55	1.70	1.95
29-May-19	1.20	1.55	1.70	1.95
5-Jun-19	1.20	1.55	1.70	1.95

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Price movement key: Increase Unchanged Decrease

PSF slumps on easing cost and lull season

POLYESTER

Polyester staple fibre prices slumped in China on the back of recent declines in raw material cost and lukewarm demand. Export offers also reduced after crude oil prices lost ground. Losses in feedstock purified terephthalic acid further exerted downward pressure on polyester fibre prices. Demand remained lacklustre during the seasonal lull for the fibre. Holidays in the Middle East also slowed down buying activity. In Pakistan, the polyester fibre market was largely stable with thin liquidity after offers were cut last week. In India, amid poor buying sentiment, polyester fibre makers held stable offers, with each deal discussed separately.

In China, offers for 1.4D direct-melt PSF plunged to 7.00-7.30 Yuan a kg (US$1.02-1.06 a kg, down US cents 5) in Jiangsu and Zhejiang while the same in Fujian and Shandong were down US cents 4-5 at US$1.02-1.06 a kg. Export offers were also down to US$0.98-1.00 a kg FOB China. In Pakistan, 1.4D PSF offers were flat at PakRs.185-187 a kg (US$1.24-1.26 a kg, down US cent 1 due to weak currency). In India, producers' offers for 1.2D were not revised and were at INR102.50 a kg (US$1.48 a kg) and 1.4-2D at INR101.75 a kg (US$1.48 a kg).

NYLON

Nylon staple fibre offers were lowered at the high end for wool-like items and those used in core-spinning traded at the low end. Suppliers stuck to offers as they could merely make thin margins. 1.5D were cheaper at 14.50-16.00 Yuan a kg (US$2.10-2.32 a kg, down US cents 5 at the lower end).

ACRYLIC

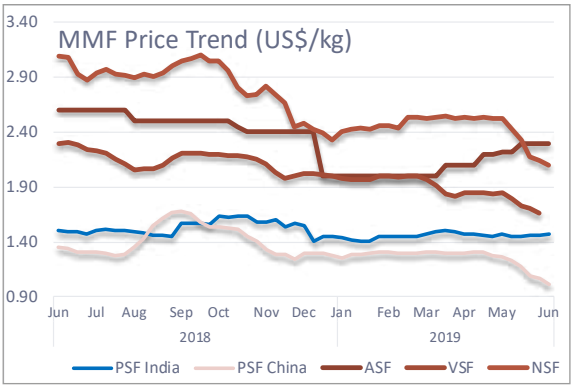
Acrylic staple fibre markets in Asia were quiet and prices generally rolled over despite the retreating raw material cost. In China, acrylic fibre supply and demand were basically balanced, leading to a stable price movement, while players were focused on the performance in upstream as acrylonitrile prices were moving on a downward trajectory. The industry run rate was stable at 46% during the week, and supply was short, with units either under limited production or idled. Acrylic fibre prices were also stable in Pakistan and India as there was no sign of pickup in demand, while downstream yarn mills expressed limited appetite for materials. Going ahead, with the slump in feedstock prices, cost pressure on acrylic producers eased somewhat and they may lower offers amid off season in a bid to push sales later in the peak period.

Taiwan origin 3D bright acrylic fibre tow offers were steady at US$2.30-2.35 a kg, a flat three-week run. In China, medium-length and cotton-type acrylic fibre prices were unchanged at 17.20-17.70 Yuan a kg (US$2.49-2.57 a kg). In Pakistan, 1.2D ASF prices did not change in the Karachi market at PakRs.345 a kg (US$2.32 a kg, down US cents 3 due to weak currency). In India, producers' offers were stable at INR170.50-182.00 a kg (US$2.46-2.63 a kg, up US cents 2 due to weak US$).

VISCOSE

Viscose staple fibre market sentiment went soft and prices moderated slightly in China. Amid high run rates, viscose fibre producers in China were keen to liquidate volumes at low prices and continuously lowered prices, even seeing negative margins. However, as prices reached the week's bottom, no large-volume deals were heard. Meanwhile, players were generally on the sidelines in such a mixed situation. Prices in India and Pakistan generally rolled over with no major development reported. Going ahead, market sentiment will continue weakening, and players will wait for the bottom to reach.

In China, offers for medium-end goods were down at 11.10-11.30 Yuan a kg (US$1.61-1.64 a kg, down US cents 3) while high-end goods were traded at 11.40-11.70 Yuan a kg (US$1.65-1.70 a kg, down US cents 3). In spot markets, prices for 1.5D VSF edged down to 11.28 Yuan a kg (US$1.64 a kg) and 1.2D to 11.70 Yuan a kg (US$1.70 a kg), both down US cents 2. In Pakistan, overseas offers for 1.5D VSF rolled over in Karachi markets at PakRs270-273 a kg (US$1.82-1.84 a kg, down US cents 2 due to weak currency). In India, prices for 1.2-2.0D remained unchanged at INR147-197 a kg (US$2.12-2.84 a kg, up US cents 1-2 due to weak US$).



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Cotton market

ICE futures (New York)				ZCE futures			
No.2 contract (US cents/lb)				No. 1 contract (RMB/tonne)			
	7-Jun	31-May	Change		7-Jun	31-May	Change
Jul	65.59	68.08	-2.49	Jan	13,500	14,005	-505
Oct	65.88	67.77	-1.89	Mar	13,625	14,170	-545
Dec	65.51	67.07	-1.56	May	13,835	14,400	-565
Mar	66.14	67.74	-1.60	Jul	12,645	13,220	-575
May	67.11	68.69	-1.58	Sep	12,965	13,510	-545
Jul	67.81	69.35	-1.54	Nov	13,215	13,735	-520

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)		
7-Jun	31-May	Change	7-Jun	31-May	Change
79.35	80.35	-1.00	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)		
7-Jun	31-May	Change	7-Jun	31-May	Change
14,092	14,581	-489	45,600	45,800	-200

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)		
7-Jun	31-May	Change
72.55	72.73	-0.18

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 7 June)								% change on Week					
		India		Bangladesh		Pakistan		India		Bangladesh		Pakistan	
		Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting
Open-end	10s			1.95		1.92				0.0		2.1	
	12s			2.03		2.00				1.0		2.0	
	16s	2.06		2.14		2.12		0.0		-0.9		2.4	
	21s	2.19						0.0					
Carded	20s	2.60	2.60					0.0	0.0				
	30s	2.80	2.80		2.87	2.84		0.0	0.0		0.0	0.7	
	40s	3.10						0.0					
Combed	20s		2.93		2.87				0.0		0.0		
	26s		2.95		2.97				0.0		0.0		
	30s		3.00		3.03				0.0		0.0		
	34s		3.15		3.18				0.0		0.0		
	40s		3.30		3.35				0.0		0.0		
Compact combed	30s	3.14		3.15	3.06			0.0		0.0	0.0		
	40s	3.42		3.49		3.47		0.0		0.3		1.5	
	60s	4.05			4.32	4.32		0.0			0.5	-0.2	
	80s				5.63	5.62					0.0	-0.7	

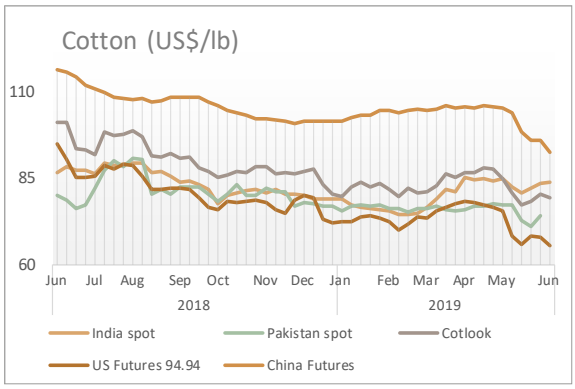
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Price movement key: Increase Unchanged Decrease

Cotton slumps as market expects bigger harvest

US cotton futures dropped 3.7% on the week, logging their lowest settlement in nearly a month. Markets were concerned about demand from Mexico for US cotton. Although there were reports that the US President was considering delaying plans to implement tariffs on Mexico goods, talks between the two continued until the weekend.

Meanwhile, US cotton planting progress was good as the progress was on par with the five-year average and talks of large crops kept prices weaker. There were some concerns that the cold May weather from Texas to the East Coast may adversely impact yields. Also pressuring the market were forecasts for big production around the world. But if the monsoon in India gets off to a slow start, it may impact production potential in India as well as in Pakistan. It has been dry so far and is turning hotter, but this is considered pre-monsoonal weather.



The most active US cotton contract on ICE Futures, July settled down US cents 2.49 to US cents 65.59 per pound from last week while December settled at US cents 65.51 per pound, down US cents 1.56 on the week.

Global spot benchmark, the Cotlook A index, edged down US cent 1 at US cents 79.35 per pound, having lost US cent 0.25 on weekend.

In China, cotton markets were quiet after cotton future values reached a record low. On-call sales also halted as buyers retreated to the sidelines, waiting for clear signs to emerge after the Dragon Boat Festival public holiday. Prices of cotton (length 28 mm, tenacity 26 GPT) sold on an on-call base was in the range of 13.90-14.00 Yuan a kg (US cents 91.47-92.13 per pound). Imported cotton was dearer with offers for US-origin EMOT SM June/July loading at 14.60 Yuan a kg (US cents 96.08 per pound), and at 13.45 Yuan a kg (US cents 88.49 per pound) under 1% in-quota tariff. Meanwhile, the China Cotton Index plunged 489 Yuan this week, to close at 14,092 a ton (US cents 92.74 a pound, down US cents 3.15 from a week ago).

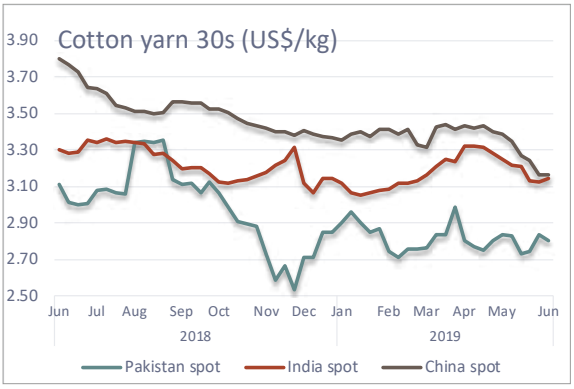
In Pakistan, cotton prices remained stable due to long Eid holidays this week. The KCA spot rate rolled over PakRs8,960 per maund ex-Karachi. Meanwhile, reports indicated that situation of new cotton crop was satisfactory in Sindh while it was unsatisfactory in Punjab due to rains and hailstorm. There was concern over achieving the production target this year. In the previous week, overall prices remained stable and mills were seeking good quality cotton.

In India, cotton prices fell in line with US futures, down around 1-2% on the week. In spot, Gujarat Shankar-6 prices fell INR200 to INR45,600 per candy while other varieties were cheaper by INR200-2,000 per candy. However, low opening stock and uncertainty over the monsoon may invite pressure on cotton prices in the coming weeks. The CAI has estimated the 2018-19 season to close with stock of 13 lakh bales of 170 kg each as against the 28 lakh bales for 2017-18. Meanwhile, IMD has maintained normal monsoon prediction, but the onset is delayed. However, reports stated that farmers were wary of undertaking sowing operations early, which might affect productivity at the later stage.

COTTON YARN

Cotton yarn prices adjusted downwards for some individual specs in China while demand for 32s and 40s combed was relatively better. Major producers reported piling inventories as markets saw moderate transactions. Some individual players reported poor sales and a slight drop in prices and they believe that the market sentiment will remain bearish for some more time. In Pakistan, cotton yarn markets in Karachi and Faisalabad were lusterless as most players were on long Eid holidays. Reports stated that the government has announced to take back the energy package from textile sector. Moreover, it will impose a 17% sales tax on industries, leading to makers feeling perturbed and warning the government that the move will affect exports badly. In India, cotton yarn prices once again rolled over with no factors moving the markets on either side.

In China, cotton yarn prices for 21s combed yarn prices moderated to 21.00 Yuan a kg (US$3.05 a kg, down US cents 3), while 32s eased to 22.30 Yuan a kg (US$3.23 a kg, down US cents 2). Carded 32s prices were flat at 21.80 Yuan a kg (US$3.16 a kg). 40s fell to 22.80 Yuan a kg (US$3.31 a kg, down US cents 3). In Pakistan, 30s carded prices in Karachi rolled over at PakRs185-190 per pound (US$2.74-2.82 a kg, down US cents 3 due to weak currency), while 32s cone in Faisalabad were at PakRs189-197 per pound (US$2.80-2.92 a kg, down US cents 3). In India, 30s combed yarn for knitting was stable at INR218 a kg (US$3.14 a kg) in Ludhiana and the same in Tirupur was at INR220 a kg (US$3.17 a kg), both up US cents 3. Export offers were also stable at US$3.00 a kg.



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Fibre raw material market

Fibre intermediates retreat sharply easing cost pressure

POLYESTER INPUT: PTA

Purified terephthalic acid prices declined 3.2% opening the week amid bearish sentiment, following the slump in feedstock paraxylene market. In China, the futures market moved down in line with crude oil prices midweek, while the price spread between spots and futures remained firm. The average operating rate of plants in China dropped to 81% in the week ended, implying that supply will reduce in the coming weeks leaving limited room for prices to go down in the short run. However, since there appears to be in demand from end users, the market is very likely to witness an increase in inventory levels in June. As sentiment will remain bearish in the near future and uncertainties over macroeconomic situations will continue, producers will operate prudently. In Europe and the US, no development was reported from purified terephthalic acid markets following May contracts settlement in the previous week.

Asian marker, the CFR China, declined further US$40 on the week to US$710-712 a ton while the offer from Taiwan/Korea fell US$70 to US$730-760 a ton. In China, offers for bonded goods on one-day trip fell to US$760 a ton and discussions for nearby-month cargoes were in the range of US$720-730 a ton. Hengli Petrochemical adjusted its daily prices to US$760 a ton. In Europe, May contract was at Euro735-769 a ton FD NWE while in the US, May contract prices were revised to US cents 50.70 per pound (US$1,118 a ton DEL.

POLYESTER INPUT: MEG

Mono ethylene glycol spot prices slumped in Asian markets following heavy losses in the upstream crude market midweek and amid ongoing concerns over the US-China trade spat. Concerns linger that the unresolved trade war between the world's two biggest economies would further slowdown global growth. Meanwhile, inventories along east China fell 1.4% on the week to 1,300 kilo ton due to a better offtake rate. In Europe, mono ethylene glycol market was slowly moving in favour of buyers. A widening gap between spot and contract continued to divide buyers and sellers due to mounting production costs, ample supply and challenging regional downstream demand conditions.

Asian benchmark, the CFR China, fell US$18 on the week to US$523-528 a ton while the CFR Southeast Asia values were down US$10 at US$535-540 a ton. In Europe, trades were heard concluded at Euro540 a ton CIF Antwerp for July shipment. Bulk spot range was between Euro565-580 a ton CIF NEW while truck prices were between Euro580-595 a ton FCA NEW, assessed flat on the week. In the US, May contracts were assessed at US cents 25.5-31.5 per pound (US$562-694 a ton) FOB.

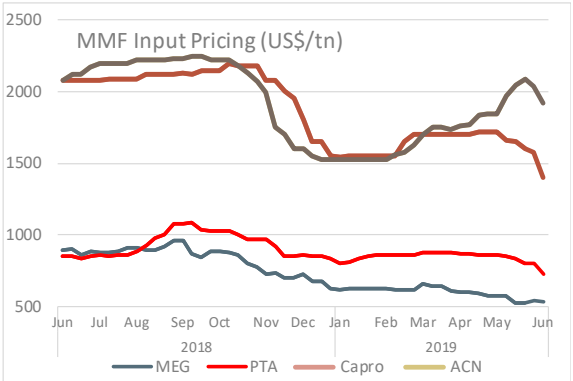
NYLON INPUT: CAPROLACTAM

Caprolactam prices plunged in Asian markets amid range bound benzene market and on sluggish demand. The benchmarks, SE and FE were down 11% on the week. In China, mainstream prices for domestic liquid and flake material moved down with the latter falling rather sharply. In contracts, June nominations were lowered by Sinopec while Fibrant nomination was much lower. Demand weakened as run rates at polymerisation units fell to 62% and that of yarn makers was at 70%, with inventory at around 30 days' worth. In Europe, May caprolactam contract prices increased slightly, after complicated and lengthy negotiations as feedstock rise was offset by weak demand. Demand was low but stable across all downstream nylon 6 applications. Players expect eventual improvement but, as summer is a seasonally low period for demand, this may not happen until September or next year. In the US, cyclohexane contracts for June increased on another rise in benzene costs.

Asian caprolactam prices plunged dramatically by US$180 on the week with SE and FE Asia markers at US$1,400-1,500 a ton. In China, spot liquid goods prices fell to 11,700-12,100 Yuan a ton (US$1,700-1,755 a ton, down US$15), while flake goods eased to 11,800-12,200 Yuan a ton (US$1,710-1,770 a ton, down US$75). Sinopec lowered its June contract price to 12,500 Yuan a ton (US$1,815 a ton, down US$45 from previous week) while Fibrant pegged June at 12,700 Yuan a ton (US$1,840 a ton). In Europe, May caprolactam contracts increased between Euro15-20 and Euro2,141-2,275 a ton FD NWE. In the US, June cyclohexane contracts were hiked US cent 1 from May to US cents 249 a gallon FOB US Gulf.

ACRYLIC INPUT: ACRYLONITRILE

Acrylonitrile prices in Asian markets fell for the second week after a long rally since mid-January. The markets were weighed down by weak performance of downstream markets, despite supply expected to be limited by ongoing and upcoming plant turnarounds. Several downstream ABS producers have cut their operating rates by 10-20% due to squeezed margins caused by high feedstock cost. Prices were also pushed down sharply by the sluggish acrylic fibre demand. Thus, overall demand is expected to stay weak amid an economic slowdown in China and the ongoing US-China trade war. In Europe, spot acrylonitrile prices rolled over after having come off the highs seen in recent months. Although the market turned slightly, there are some supply issues and allocations in place. In the US, export prices retreated this week but supply is expected to remain tight in H2 2019, following unexpected shutdown and force majeure. INEOS



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Nitriles will restart its Green Lake plant in mid-July, but will remain on force majeure until the supply chain stabilises.

Asian acrylonitrile marker, the Far East CFR, plunged US$115 on the week to US$1,919-1,921 a ton, while CFR China rolled over at US$2,100-2,200 a ton. In China, self-lifting values at Lianyungang port declined US$45 to US$2,060-2,075 a ton. Shanghai SECCO dropped its weekly price to 15,100 Yuan a ton (US$2,188 a ton, down US$65). In Europe, spot prices rolled over at US$1,888-1,892 a ton CIF Mediterranean. In the US, spot export prices retreated US$45 to US$2,245-2,255 a ton FOB US Gulf.

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Filament market

Chinese Spun Yarn Prices (ex-warehouse terms)						
Qianqing Raw Materials Market					% Change in Yuan	% Change in US Dollar
	7-Jun		31-May			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Polyester 32s	12,200	1.770	12,300	1.785	-0.81	-0.88
Viscose 30s	16,700	2.422	16,800	2.438	-0.60	-0.67
Poly/cotton 32s	16,700	2.422	16,800	2.438	-0.60	-0.67
Poly/viscose 40s	19,200	2.785	19,300	2.801	-0.52	-0.59
Prices from Anhui					% Change in Yuan	% Change in US Dollar
	7-Jun		31-May			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Cotton carded 32s	21,800	3.162	21,800	3.164	0.00	-0.07
Cotton combed 32s	22,300	3.234	22,400	3.251	-0.45	-0.52
Cotton carded 40s	22,800	3.307	23,000	3.338	-0.87	-0.94
Cotton combed 40s	25,200	3.655	25,300	3.672	-0.40	-0.47

Pakistan: Karachi Cone Cotton Yarn Market (Wholesale price)						
Cone	Friday, June 07, 2019		Friday, May 31, 2019		PKR % change	USD % change
	Mean PKR per 10lb	US$ per kg	Mean PKR per 10lb	US$/kg		
Carded 10/1	1,465	2.180	1,465	2.129	0.00	2.40
Carded 40/1	2,350	3.497	2,350	3.415	0.00	2.40
Carded 22/1	1,725	2.567	1,725	2.507	0.00	2.40
Carded 30/1	1,878	2.795	1,878	2.729	0.00	2.40
Combed 20/1	1,800	2.678	1,800	2.616	0.00	2.40
Combed 40/1	2,350	3.497	2,350	3.415	0.00	2.40
Source: Brecorder , X-Rates						

Filament prices firmly flat despite raw material easing

POLYESTER

Polyester filament yarn prices were generally stable across China, India and Pakistan this week despite weak crude oil and PTA spot prices. In China, local offers were stable, supported by pre-holiday short-covering. However, the cautious mood persisted, and the overall transaction remained muted. In Shengze, producers lowered prices for some specs while selling indications did not change. In Pakistan, offers for DTYs in Karachi market were flat after they were raised in the previous week. However, the weak currency pegged values down in US$ terms. In India, POY market sentiment was poor, with some price cut by traders as pessimistic mood prevailed. However, the transaction was sparse amid weak demand.

In China, POY offers rolled over with 75/36 at US$1.16-1.17 a kg and 75/72 to US$1.17-1.19 a kg in Shengze. In India, POY offers did not change, with 115/108 at INR100 a kg or US$1.44 a kg and 130/34 POY at INR92 a kg or US$1.33 a kg. In China, DTY prices were flat in Shengze with 75/36 at US$1.57-1.58 a kg and 75/72 intermingled at US$1.58-1.60 a kg. In Pakistan, 300/96 intermingled DTY were stable at PakRs112 a pound (US$1.66 a kg) for imported and local goods at PakRs111 per pound (US$1.65 a kg). Imported and local 150/48 intermingled DTY were at PakRs118 a pound (US$1.75 a kg). All quotes were down US cents 2 due to weak PakRe. In China, FDY offers rolled over, with 50/24 at US$1.31-1.32 a kg and 150/96 FDY at US$1.12-1.13 a kg.

NYLON

Nylon filament yarn markets were steady to soft amid slow liquidity. Suppliers were aggressive given flat chip costs and negative margin, while trading prices lagged behind given lukewarm buying interest from downstream mills. Nylon-6 DTY prices were mixed but weak as feedstock costs were low and buying interest lusterless. Nylon-6 FDYs were cheaper as sentiment was stable-to-soft on less active downstream demand. Demand from lacing and warp-knitting mills was unforthcoming, and feedstock market performed less satisfactory. Cord fabric sentiment went flat as demand from the tyre sector was stable. Overall, nylon filament yarn markets are expected to remain flat until buying interest from end-users strengthens.

In China, offers for nylon FDY70D/24F SD were lowered to 16.00-17.00 Yuan a kg (US$2.32-2.47 a kg, down US cents 7), while DTY70D offers were dropped to 17.80-19.50

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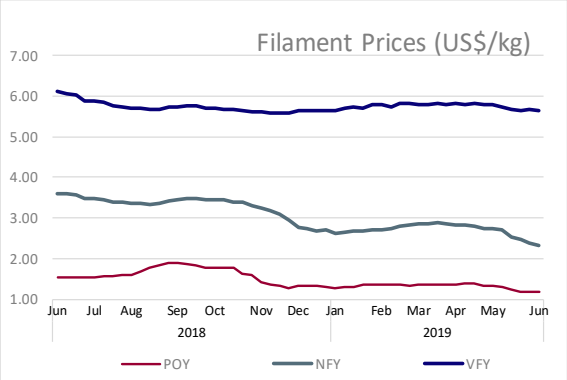
Price movement key: Increase Unchanged Decrease

Yuan a kg (US$2.58-2.83 a kg, down US cents 3). Cord fabric 1,260D offers rolled over at 22.00-23.50 Yuan a kg (US$3.19-3.41 a kg) and mono filament 30D prices were stable at 19.50-20.50-Yuan a kg (US$2.83-2.97 a kg). In India, 20 SD filament prices rolled over this week at INR296 a kg (US$4.27 a kg, up US cents 3 due to weak US$) in the Surat market.

VISCOSE

Viscose filament yarn market sentiment was relatively soft in China and India, seeing prices across specs trend flat to lower. In China, producers faced heavy pressure from liquidity, reflecting piling inventories. Price-wise, offers for first-class, second-class and third-class VFY 120D were seen unchanged on the week, the 16th straight week of price stagnation. In India, viscose filament prices rolled over but a weak US$ pegged values up in US$ terms. Overall, viscose filament prices are expected to remain weak due to low demand and no factor boosting sentiment.

In China, viscose filament offer rolled over across specs both in Yuan and US$ terms. 120D bright were at 39.00



Yuan a kg (US$5.66 a kg), and dull at 38.75 Yuan a kg (US$5.62 a kg). 300D bright prices were at 29.40 Yuan a kg (US$4.26 a kg) and dull at 25.90 Yuan a kg (US$3.76 a kg). In India, viscose filament prices rolled over in INR terms and up US cents 2-4 due to weak US$, with 100D bright VFY at INR388 a kg (US$5.60 a kg) and 450D at INR 225 a kg (US$3.25 a kg).

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Price movement key: Increase Unchanged Decrease

Wool & Speciality Fibres

Wool							
Australia				**South Africa**			
AWEX EMI (cents/kg)				Cape Wools Merino Indicator (cents/kg)			
	6-Jun	30-May	change		5-Jun	29-May	change
A$	1,864	1,887	-1.22%	Rand	20,607	20,598	0.04%
US$	1,299	1,307	-0.61%	US$	1,401	1,391	0.72%
New Zealand				**United Kingdom**			
NZ Wool Services Indicators Coarse Crossbred (cents/kg)				British Wool Fleece Indicator (clean)			
	6-Jun	23-May	change		21-May	24-Apr	change
NZ$	284	288	-1.39%	pence/kg	157	152	3.29%
US$	188	187	0.53%	US cents/kg	199	196	1.53%
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		
	17-May	29-May
Chinese Cashmere (dehaired)		
White		
Hosiery 38mm	134.00	134.00
Weaving 32mm	123.00	123.00
Brown		
Hosiery 38mm	120.00	120.00
Weaving 32mm	116.00	116.00
Mongolian Cashmere (dehaired)		
Brown	106.00	107.00
Light Grey	106.00	107.00
Afghan/Iranian Cashmere (dehaired)		
White	98.00	99.00
Fawn	96.00	97.00
Dark Brown	96.00	97.00
Alpaca Tops		
White		
Baby (BL)	NQ	NQ
Fine Spinning (FS)	NQ	NQ
Adult (AG)	NQ	NQ
Camel Hair (dehaired)		
Super-baby	50.00	50.00
Medium baby	NQ	NQ
Adult	46	46
Silk		
Mulberry Sliver	47	46.5
Mulberry Noil	24	22
Tussah Sliver	32.5	31.5
Tussah Noil	22	20
Source: The Schneider Group		

Australian wool market could not sustain previous gains
By Nitin Madkaikar
The Australian wool market could not sustain the strong gains posted last week, as the auctions regressed this week to post losses across most offerings. More

NZ wool prices down on smaller offering
By Nitin Madkaikar
Wool sales held on 6 June in New Zealand's North Island saw prices down both in domestic currency terms as well as in US dollar terms. More

South African wool prices flat in the last sale of this season
By Nitin Madkaikar
The 34th sale of the 2018-19 wool season held on 5 June saw 12,437 bales on offer, of which 91.3% were sold. More

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Fabric

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"
19/04/2019	9.322	5.715	7.984	4.450	4.720
26/04/2019	9.322	5.715	7.984	4.450	4.720
03/05/2019	9.322	5.715	7.984	4.450	4.720
10/05/2019	9.322	5.715	7.984	4.450	4.720
17/05/2019	9.322	5.715	7.984	4.450	4.720
24/05/2019	9.322	5.715	7.984	4.450	4.720
31/05/2019	9.322	5.715	7.984	4.450	4.720
07/06/2019	9.322	5.715	7.984	4.450	4.720

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USDA's Weekly Export Sales Report of week ending 30 May

The USDA weekly export sales report of 23 May showed that cotton net sales of 182,300 RB for 2018-19 were down 37% from the previous week and 36% from the prior 4-week average. Increases were reported for India (144,900 RB, including 6,400 RB switched from China and decreases of 300 RB), Bangladesh (14,100 RB, including decreases of 200 RB), Vietnam (11,700 RB, including 2,900 RB switched from China, 1,400 RB switched from South Korea, 400 RB switched from Japan, and decreases of 500 RB), Indonesia (8,500 RB, including 400 RB switched from Japan), and Turkey (6,100 RB, including decreases of 300 RB).

Reductions were primarily for China (9,000 RB), Mexico (4,100 RB), South Korea (1,500 RB), and Nicaragua (1,100 RB).

For 2019-20, net sales of 51,600 RB reported for Mexico (34,800 RB), Bangladesh (8,000 RB), Peru (3,900 RB), Guatemala (3,100 RB), and Thailand (2,600 RB), were partially offset by reductions for Nicaragua (5,200 RB).

Exports of 308,600 RB were down 25% from the previous week and 18% from the prior 4-week average. Exports were primarily to Vietnam (66,000 RB), Turkey (59,300 RB), China (32,700 RB), India (29,800 RB), and Pakistan (28,400 RB).

Net sales of Pima totaling 2,000 RB were primarily for Turkey (1,300 RB), Japan (300 RB), and Italy (200 RB). For 2019/2020, total net sales of 300 RB were reported for India. Exports of 14,100 RB were down 56% from the previous week and 34% from the prior 4-week average. The destinations were primarily to China (4,900 RB), Vietnam (4,300 RB), and India (4,200 RB).

EXPORT OF OWN ACCOUNT

For 2018-19, new exports for own account totaling 1,800 RB were to South Korea (1,300 RB) and India (500 RB). Exports for own account to India totaling 500 RB were applied to new or outstanding sales. Decreases of 500 RB were reported for Vietnam. The current exports for own account outstanding balance of 9,300 RB is for Vietnam (4,900 RB), China (2,300 RB), South Korea (1,300 RB), Taiwan (500 RB), and Thailand (300 RB).

U.S. EXPORT SALES WEEK ENDING 30 May 2019

	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	4,804.6	4,294.1	3,689.3	4,594.9	176.3	114.3	50.8	66.3
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	4,804.6	4,294.1	3,689.3	4,594.9	176.3	114.3	50.8	66.3
Optional Origin	0.0	8.4	0.0	0.0	0.0	0.0	0.0	0.0
Accumulated Exports	10,288.6	11,968.6			534.5	512.2		
Exports For Own Acct	9.3	15.7	XX	XX	0.0	0.0		
Net Change In Sales	182.3	6.8	51.6	106.8	2.0	13.2	0.3	14.5

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