WTiN Textile Economics

Executive Market Report Summary 07 October 2019

Cost summary	04-Oct-19	
	US$/kg	Change on Week
Polyester		
China PSF 1.4 den	1.02	-1.03%
China FDY 50 den/24f	1.25	0.00%
China DTY 150den/48f	1.31	-0.54%
Viscose		
China VSF 1.5 den, 38mm	1.51	0.00%
Polyamide		
China FDY 70 den/24f	2.37	0.00%
Cotton		
Cotlook A Index	1.59	1.55%
Wool		
AWEX EMI	10.15	-6.76%
Yarn		
China Cotton combed 32s (weaving)	2.98	0.00%
China Cotton combed 40s (weaving)	3.35	0.00%
Indian cotton carded 30s (weaving)*	2.60	0.00%
Indian cotton combed 40s (weaving)*	2.96	-0.67%
Taiwan p/c 45s*	4.60	0.00%
WTI Oil $ per Barrel		
WTI Crude Oil Price- 06-Sep	56.45	
WTI Crude Oil Price- 13-Sep	54.76	
WTI Crude Oil Price- 20-Sep	57.92	
WTI Crude Oil Price- 27-Sep	55.95	-3.40%

Weekly Market Review – from the analyst desk

Petrochemical supply to rise after Golden Week

Supply of some petrochemicals will rise after the Golden Week holidays (1-7 October) in the key market of China. However, overall demand is deemed weak as a result of the ongoing US-China trade war, notwithstanding improving economic indicators in China, the number two economy after the US.

The general manufacturing purchasing managers' index rose to 51.4 in September from 50.4 in August amid a rise in overall orders, while the country's official manufacturing PMI rose to 49.8 in September from 49.5 in August.

The Asian paraxylene market is unlikely to elude a longer supply going forward as demand will stay weak, while new capacities are due to come on stream before the end of the year. Downstream, production margins of purified terephthalic acid are being squeezed, prompting several producers in China to shut their facilities for upcoming maintenance.

Meanwhile, ethylene supply in Japan and China could remain ample as the ongoing production issues at some downstream plants are expected to persist until at least the end of October or early November. Earlier concerns on mono ethylene glycol supply disruption from the Middle East were dispelled by a sooner-than-expected recovery in Saudi feedstock supply, although a major Middle East producer was heard to still supply minimum contract volumes to its customers. The upcoming start-ups of two major MEG plants in the US and Malaysia also weighed on the market sentiment as a total of 1,500 kilo tons a year of new MEG capacities will come on stream in October.

Nitin Madkaikar
Price Analyst

MMF market

- Polyester fibre cheaper in China / Pakistan

Cotton market

- Cotton Futures inch up on weather concerns

Fibre raw material market

- European PTA contract down for September

Filament market

- PFY market sentiments stable amid holidays

Wool & Speciality Fibres

- A roller coaster week for Australian wool
- New Zealand market eases despite lower volume
- South African wool market down 3%
- UK prices ease as clearance rate falls

Trade

- USDA's Weekly Export Sales Report of Week ending 26 September

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Price movement key: Increase Unchanged Decrease

MMF market

Man-Made Fibre Prices (ex-works) in Eastern China						
Date		4-Oct		27-Sep		
Intermediates	Yuan/tonne	US$/Kilogram	Yuan/tonne	US$/Kilogram	Yuan Price change (%)	US Dollar Price Change (%)
PX (FOB South Korea)		0.798		0.798		0.00
PTA	5,130	0.725	5,060	0.715	1.38	1.38
MEG	5,120	0.724	5,130	0.725	-0.19	-0.19
Caprolactam	12,800	1.810	12,800	1.810	0.00	0.00
Acrylonitrile	12,550	1.774	12,550	1.774	0.00	0.00
PET	6,725	0.951	6,725	0.951	0.00	0.00
Polyester filament						
FDY 50 den/24f	8,850	1.251	8,850	1.251	0.00	0.00
DTY 50 den/72f	8,450	1.195	8,450	1.195	0.00	0.00
DTY 150 den/48f	9,250	1.308	9,300	1.315	-0.54	-0.54
POY 150 den/48f	8,350	1.181	8,350	1.181	0.00	0.00
FDY 150 den/96f	7,950	1.124	7,950	1.124	0.00	0.00
Polyamide 6 filament						
FDY 70 den/24f	16,750	2.368	16,750	2.368	0.00	0.00
Staple fibre						
Polyester 1.4 denier 38 mm	7,225	1.021	7,300	1.032	-1.03	-1.03
Viscose 1.5 denier, 38mm	10,700	1.513	10,700	1.513	0.00	0.00
Acrylic 1.5 denier, 38 mm	14,900	2.107	14,900	2.107	0.00	0.00

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
11-Sep-19	1.05	1.40	1.55	1.90
18-Sep-19	1.05	1.40	1.55	1.90
25-Sep-19	1.00	1.35	1.50	1.85
2-Oct-19	1.00	1.35	1.50	1.85

Summary
MMF market
Cotton market
Fibre raw material market
Filament market
Wool & Speciality Fibres
Trade

Price movement key: Increase Unchanged Decrease

Polyester fibre cheaper in China / Pakistan

POLYESTER

Polyester staple fibre markets in China eased on the eve of National Day holidays, while later they were dominated by a sidelined stance. Prices had edged down before the holidays. In Pakistan, PSF prices moved down this week after rising in mid-September as the cost was relatively lower and import offers from China receded at the same time. The currency also weakened against the US dollar. In India, polyester fibre producers kept their October offers steady as pressure from the purified terephthalic acid market was lean. Thus, no revision was proposed for October prices as upside potentials appear limited.

In China, offers for 1.4D direct-melt PSF edged down to 7.15-7.30 Yuan a kg (US$1.01-1.03 a kg, down US cent 1) in Jiangsu and Zhejiang, while the same in Fujian and Shandong were also down US cent 1 to US$1.02-1.04 a kg. In Pakistan, 1.4D PSF offers were cut PakRs3 to PakRs.187-189 a kg (US$1.19-1.20 a kg, down US cents 2). In India, producers' offers were stable at INR86.50 a kg (US$1.22 a kg) for 1.2D and 1.4-2D at INR85.75 a kg (US$1.21 a kg), for September.

NYLON

Demand for nylon staple fibre was muted amid lukewarm sales. 1.5D offers were unchanged at 15.30-16.00 Yuan a kg (US$2.16-2.26 a kg).

ACRYLIC

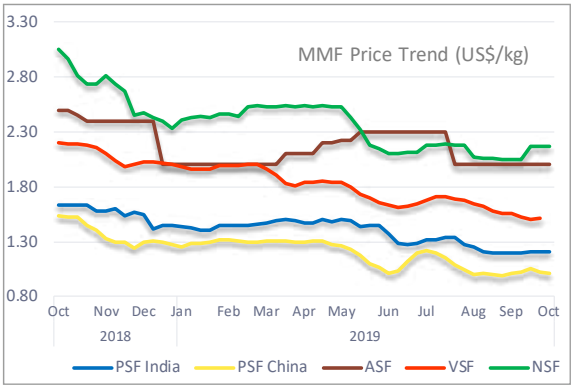
Acrylic staple fibre markets were quiet this week in Asia amid the week-long holidays in China. Thus, prices notionally rolled over for the week in China. Despite firm feedstock cost, industry looked weak after bouts of hikes, despite replenishing interest from downstream mills being lifted recently, considering the moderate performance in the end-use market. Given the firmness in the acrylonitrile cost, Indian ASF makers lowered offers for October, after a marginal hike in September, implying they are unable to pass on the cost. Demand may improve as the country embraces the winter season in the next couple of months. In Pakistan, ASF prices rolled over after they were lifted in mid-January.

Taiwan-origin 3D bright acrylic fibre tow offers were steady over the week at US$2.00-2.10 a kg. In China, medium-length and cotton-type acrylic fibre prices rolled over at 14.90-15.20 Yuan a kg (US$2.11-2.15 a kg). In Pakistan, 1.2D ASF offers remained unchanged in the Karachi market at PakRs.380 a kg (US$2.42 a kg). In India, producers lowered their offers for October by INR3.50, pegging values at INR161.50-162.00 a kg (US$2.28-2.29 a kg, down US cents 5).

VISCOSE

Viscose staple fibre markets changed a little ahead of the holiday in China, and producers had less confidence to maintain prices, citing low demand. Thus, actual discussions dropped a bit. However, some units in Shandong were shut in the short run and overall supply decreased slightly, easing the pressure somewhat. Thus, attention will be on downstream follow-ups after the holidays. In Pakistan, offers for overseas goods were stable while producers' offer in India remained unchanged. Overall, viscose fibre markets are expected to remain range-bound before and during the week-long holiday.

In China, offers for medium-end goods edged down to 10.60-10.70 Yuan a kg (US$1.50-1.51 a kg, down US cent 1) while high-end goods were stable at 11.00-11.10 Yuan a kg (US$1.56-1.57 a kg). In spot markets, 1.5D VSF rolled over at 10.70 Yuan a kg (US$1.51 a kg) and 1.2D was at 11.10 Yuan a kg (US$1.57 a kg). In Pakistan, offers from overseas suppliers remained unchanged for 1.5D VSF in Karachi markets at PakRs275-278 a kg (US$1.75-1.77 a kg). In India, producers offer for 1.2-1.5D rolled over at INR195-197 a kg (US$2.75-2.78 a kg).



Summary
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Wool & Speciality Fibres
Trade

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Cotton market

ICE futures (New York)				ZCE futures			
No.2 contract (US cents/lb)				No. 1 contract (RMB/tonne)			
	4-Oct	27-Sep	Change		4-Oct	27-Sep	Change
Oct	60.59	59.82	0.77	Jan	12,085	12,205	-120
Dec	61.67	60.90	0.77	Mar	12,245	12,355	-110
Mar	62.42	61.63	0.79	May	12,530	12,625	-95
May	63.26	62.41	0.85	Jul	12,620	12,720	-100
Jul	63.95	63.04	0.91	Sep	12,925	13,085	-160
Oct	64.21	63.46	0.75	Nov	11,740	11,875	-135

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)		
4-Oct	27-Sep	Change	4-Oct	27-Sep	Change
72.25	71.15	1.10	8,700	8,650	50

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)		
4-Oct	27-Sep	Change	4-Oct	27-Sep	Change
12,599	12,812	-213	41,600	41,600	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)		
4-Oct	27-Sep	Change
60.30	59.12	1.18

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

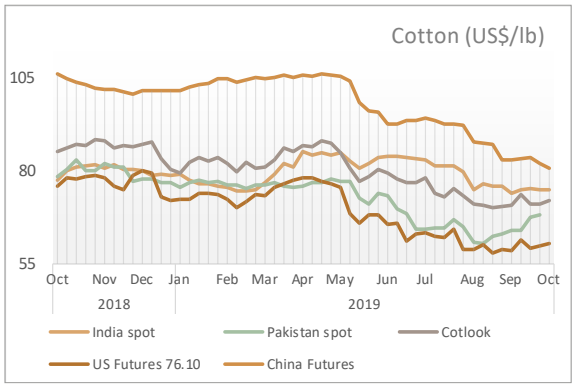
Cotton Yarn export quotations (week ended 4 October)								% change on Week					
		India		Bangladesh		Pakistan		India		Bangladesh		Pakistan	
		Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting
Open-end	10s			1.71		1.70				0.0		0.0	
	12s			1.77		1.76				0.0		0.0	
	16s	1.78		1.90		1.82		-1.1		0.0		0.0	
	21s	1.90						-1.0					
Carded	20s	2.30	2.30					-0.9	-1.3				
	30s	2.48	2.40		2.57	2.57		-0.8	-1.2		0.0	0.0	
	40s	2.63						-0.8					
Combed	20s		2.43		2.58				-1.6		0.0		
	26s		2.50		2.67				-0.4		0.0		
	30s		2.58		2.73				-0.8		0.0		
	34s		2.68		2.81				-0.7		0.0		
	40s		2.88		3.02				-0.7		0.0		
Compact combed	30s	2.70		2.78	2.75			-0.4		0.0	0.0		
	40s	3.08		3.08		3.19		-0.6		0.0		0.0	
	60s	3.53			3.90	4.03		-0.6			0.0	0.0	
	80s				5.18	4.75					0.0	0.0	

Summary
MMF market
Cotton market
Fibre raw material market
Filament market
Wool & Speciality Fibres
Trade

Price movement key: Increase Unchanged Decrease

Cotton Futures inch up on weather concerns

Cotton Futures were a bit higher but closed closer to the lows after reaching a three-week high in the early session, on concerns about weather in Texas, a major US growing state, while the market awaited the Sino-US trade talks and a federal crop report.



There are not many reports on yield, but variable yields are expected due to uneven growing conditions in cotton areas. Chinese companies can buy US pork and soybeans, but no mention has been made about US cotton and no one else has been showing much interest in US cotton as there are plenty of origins to choose from across the world. Demand remains poor. Production in the US remains elevated despite bad weather in Texas Panhandle. The weather in Texas has shown a little improvement and this was reflected in the crop conditions this week. Producers in the Southeast have been getting hot and there is no real rain in sight and crop conditions showed deterioration. The harvest will increase in the next couple of weeks, so there are not many reasons to look for much upside in prices for some time. The active December contract settled at US cents 61.67 per pound, up US cents 0.77 or 1.3% week on week, while nearby October settled at US cents 60.59 per pound, also up US cents 0.77, or 1.3%, in similar comparison.

Global spot benchmark, the Cotlook A Index, also gained and was up US cents 1.10, or 1.6% week on week, at US cents 72.25 per pound.

In China, the spot cotton market extended weakness ahead of National Day, seeing trading values for seed cotton partly edge lower. The last trading values before the holidays for Kuitun-origin grade-3128 machine-harvested seed cotton with 39% lint percentage were in the range of 4.5-4.8 Yuan a kg (US cents 29-31 per pound). Meanwhile, the China Cotton Index declined 213 Yuan this week, to close at 12,599 a ton (US cents 80.82 a pound).

In Pakistan, activity in the cotton market improved following fears of short crops in the near future. The official spot rate was PakRs50 higher week on week at PakRs8,860 per maund ex-Karachi. According to reports, lower than expected production created uncertainties among buyers, so they continued purchasing fine quality cotton. Discouraging news such as untimely rains with thunderstorms and attacks of some viruses on standing cotton crop were an alarming situation for the genuine buyers. The Cotton Crop Assessment Committee, in its first appraisal of the crop production, has estimated about 10.2 million bales of cotton for the current year. The output is just 3.4% higher than the previous fiscal year despite a 14.2% increase in cultivation area. Lower output implies that the country will need to import about 4.5 million bales of cotton to meet domestic demand.

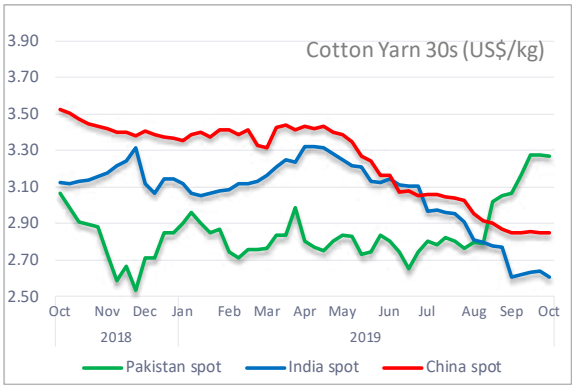
In India, spot cotton prices continued to decline as new crop started arriving for the 2019-20 marketing season. However, only a few varieties of new crop, mostly coarser ones, were available including Bengal Deshi, J-34, LRA-5166 and H-4/ MECH-1. Spot prices declined INR100-1,700 per candy week on week while the benchmark Gujarat Shankar-6 traded flat at INR41,600 per candy or US cents 74.90 per pound. Meanwhile, CCI is all set to purchase as many as 100 lakh bales from farmers during 2019-20 cotton season after Diwali. Prices are expected to fall after Diwali when arrivals pick up. Current arrivals are negligible and did not meet the quality parameters of the agency of 12% moisture.

COTTON YARN

Cotton yarn markets in China were steady during the week-long National Day holiday, and the transaction was muted. Prices are notionally rolled over. Conventional varieties like 21s, 32s and 40s saw limited demand during the week since players had restocked inventories before the holidays.

In India, cotton yarn prices moderated, yielding to a drop in cotton prices and weakening demand. In Pakistan, cotton yarn prices were flat in Karachi but moved down in the Faisalabad market for some specs, in line with demand supply fundamentals and despite firming cotton fibre prices. Export offers also moved due to lower demand from the Far East and China where customers were in holiday mode.

In China, 32s cotton combed yarn prices remained unchanged at 21.10 Yuan a kg (US$2.98 a kg) while carded 32s rolled over at 20.15 Yuan a kg (US$2.85 a kg). 40s combed was stable at 23.70 Yuan a kg (US$3.35 a kg) and carded at 21.30 Yuan a kg (US$3.01 a kg). Carded 10s and 16s were also stable at 13.30 Yuan a kg (US$1.88 a kg) and to 13.60 Yuan a kg (US$1.92 a kg). In Pakistan, 32s cone in Faisalabad remained unchanged at PakRs233-259 per pound (US$3.27-3.64 a kg) while 30s yarn offers in Karachi were steady at PakRs180-185 per pound (US$2.53-2.60 a kg). In India, 30s combed yarn for knitting eased INR2 to INR185 a kg (US$2.61 a kg, down US cents 3) in the Ludhiana market.



Summary
MMF market
Cotton market
Fibre raw material market
Filament market
Wool & Speciality Fibres
Trade

Price movement key: Increase Unchanged Decrease

Fibre raw material market

European PTA contract down for September

POLYESTER INPUT: PTA

Purified terephthalic acid markets in Asia were calm during this Golden Week while China remained closed for the week-long National Day holidays. Before closing, futures were higher, and the atmosphere of market talks was slightly warmer. However, some operators had already withdrawn from the market due to the holiday. There were no substantial transactions during the week. In the US, purified terephthalic acid contracts for September decreased, tracking the fall in paraxylene contracts for the month. The majority of players were expecting a decline along the PET value chain following extremely slow demand from the bottling sector this summer.

Asian marker, the CFR China, rolled over on the week at US$650-652 a ton, while offers from Taiwan/Korea were steady at US$680-690 a ton. Suppliers maintained their offers for bonded goods on a one-day trip at US$680 a ton, while those for nearby-month cargoes were around US$640 a ton. In Europe, September contract prices were down €9 at both ends pegged in the range of €630-664 a ton FD NWE. In the US, August contract prices were at US cents 46.43 per pound (US$1,024 a ton) DEL.

POLYESTER INPUT: MEG

Mono ethylene glycol prices remained unchanged in Asian markets, while upstream ethylene costs remained flat on the week. The market was characterised as balanced amid tight supply and bearish demand due to the bearish downstream polyester market. With the week-long National Day holiday in China this week, demand is expected to pick up after the holidays due to restocking. Early in the week, Sinopec hiked its list prices for October in east China. In Europe, mono ethylene glycol prices continued to uptrend, but beyond October, it appears unclear. Truck prices spiked, with offers rising throughout the week. Demand from the antifreeze market has increased as the winter season approaches. Supply is considered snug, but this is said to be a short-term situation. In the US, the ethylene glycol market continued to monitor Middle East production as the region returns to normality. Demand from antifreeze blenders picked up although the season started late.

Asian benchmark, the CFR China, remained flat on the week at US$593-598 a ton while the CFR Southeast Asia values were at US$600-605 a ton. Sinopec increased its list prices for October by 300 Yuan to 5,500 Yuan a ton (US$780 a ton, up US$45). In Europe, truck spot prices were assessed €55 up at the low end and €45 up at the high, pegging prices at €550-585 a ton FCA NWE, while bulk spot prices were assessed at €10 increase at both ends, bringing prices to €515-520 a ton CIF NWE. In the US, September contract prices were steady at US cents 22.5-28.5 per pound (US$496-628 a ton) FOB US Gulf.

NYLON INPUT: CAPROLACTAM

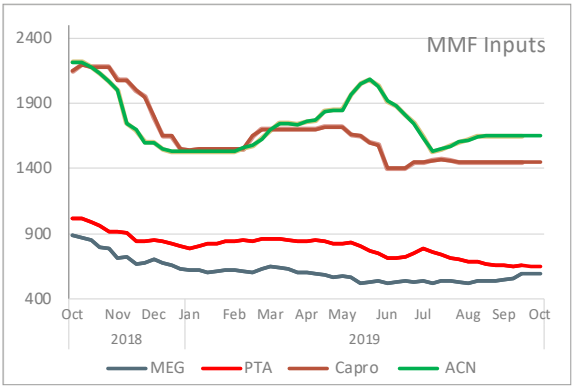
Caprolactam prices remained unchanged in Asian markets during the week-long holiday, while benzene prices softened further on weak crude oil. Prices are expected to rise after the holidays in China and Taiwan as demand will firm up. In Europe, caprolactam contract prices for September rolled over, driven by weak demand in contrast to the price hike for feedstock benzene. Suppliers struggled to pass down any increase in the cost of benzene. Downstream nylon 6 also settled at rollovers to slight decreases for September. Market players expect consumption in Q4 to remain stable to low. Meanwhile, the cyclohexane October contract price fell following decreases in the benzene contract and the CX Q4 delta contract price. In the US, cyclohexane contracts firmed for October on the back of higher benzene and natural gas costs.

Asian caprolactam prices rolled over on the week at US$1,450-1470 a ton CFR SE and FE Asia. In China, spot offers for liquid goods were at 12,800-13,200 Yuan a ton (US$1,810-1,865 a ton) while flake goods were stable at 13,000-13,500 Yuan a ton (US$1,835-1,910 a ton). In Europe, September caprolactam contract prices were rolled over at €2,101-2,225 a ton FD NEW, and cyclohexane October contract prices fell €68 to €852 a ton ex-works NWE. In the US, cyclohexane contracts settled at US cents 268 a gallon FOB US Gulf, up US cents 6 from the previous month.

ACRYLIC INPUT: ACRYLONITRILE

Acrylonitrile prices in Asia were seen unmoved amid the week-long national holidays in China. However, supply constraints and a firm cost continued to exert pressure on suppliers while they were looking to hike offers, but buyers adopted a 'wait-and-watch' stance. In Europe, INEOS' potential closure of its acrylonitrile Seal Sands plant may prompt market participants to change as they look at requirements for the year ahead. Some were mulling alternate contract pricing mechanisms. If a closure is finally decided, the absence of this site would take a little over 30% production out of the market. In the US, spot export acrylonitrile was flat this week as the market digested news that INEOS was mulling the closure of its Seal Sands. Demand for spot export goods was healthy, buoyed by tight global supply. Domestic supply was improving since INEOS Nitriles' Green Lake, Texas, plant began ramping up earlier in the quarter.

Asian acrylonitrile markers, the Far East CFR, was steady on the week at US$1,649-1,651 a ton while CFR China was flat at US$1,600-1,650 a ton. In India, prices remained unchanged at US$1,650-1,700 a ton CFR. In Europe, spot prices were firm on the week at US$1,648-1,652 a ton CIF Mediterranean. In the US, spot export prices rolled over at US$1,565-1,575 a ton FOB US Gulf. Domestic contracts were at US cents 63.07-68.07 per pound DEL basis.



Summary
MMF market
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Trade

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Filament market

Chinese Spun Yarn Prices (ex-warehouse terms)						
Qianqing Raw Materials Market					% Change in Yuan	% Change in US Dollar
	4-Oct		27-Sep			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Polyester 32s	11,700	1.654	11,700	1.654	0.00	0.00
Viscose 30s	15,400	2.177	15,400	2.177	0.00	0.00
Poly/cotton 32s	16,100	2.276	16,100	2.276	0.00	0.00
Poly/viscose 40s	18,200	2.573	18,200	2.573	0.00	0.00
Prices from Anhui					% Change in Yuan	% Change in US Dollar
	4-Oct		27-Sep			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Cotton carded 32s	20,150	2.849	20,150	2.849	0.00	0.00
Cotton combed 32s	21,100	2.983	21,100	2.983	0.00	0.00
Cotton carded 40s	21,300	3.011	21,300	3.011	0.00	0.00
Cotton combed 40s	23,700	3.351	23,700	3.351	0.00	0.00

Pakistan: Karachi Cone Cotton Yarn Market (Wholesale price)						
Cone	Friday, October 04, 2019		Friday, September 27, 2019		PKR % change	USD % change
	Mean PKR per 10lb	US$ per kg	Mean PKR per 10lb	US$/kg		
Carded 10/1	1,440	2.032	1,440	2.034	0.00	-0.08
Carded 40/1	2,250	3.176	2,250	3.178	0.00	-0.08
Carded 22/1	1,675	2.364	1,675	2.366	0.00	-0.08
Carded 30/1	1,832	2.585	1,832	2.587	0.00	-0.08
Combed 20/1	1,750	2.470	1,750	2.472	0.00	-0.08
Combed 40/1	2,340	3.303	2,340	3.305	0.00	-0.08
Source: Brecorder , X-Rates						

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PFY market sentiments stable amid holidays

POLYESTER

Polyester filament yarn market sentiments were stable and quiet in China in the week-long holiday as downstream mills maintained short-covering activities. In Shengze, producers maintained stable offers for DTYs, FDYs and POYs at the previous week's levels. In Pakistan, selling indications for DTYs were held stable by local producers while imported material offers moved up for some specs during the week. The trading atmosphere was passable, as downstream mills purchased from hand-to-mouth volume. In India, offers from major producers were rolled over amid limited downstream demand.

In China, POY prices have been notionally rolled over for 75/36 at US$1.17-1.19 and 75/72 at US$1.19-1.20 a kg in Shengze. In India, POY offers were steady for 115/108 at INR100 a kg, or US$1.41 a kg, and 130/34 POY at INR92 a kg, or US$1.30 a kg. Offers for DTYs 75/36 and 75/72 intermingled were at US$1.48-1.50 a kg in Shengze, while in Pakistan offers for 300/96 intermingled DTY imported goods were stable at PakRs129 a pound (US$1.81 a kg) and local goods at PakRs109 per pound (US$1.53 a kg). Imported 150/48 intermingled DTY were up PakRs3 at PakRs137 a pound (US$1.92 a kg, up US cents 4) while local offers were at PakRs115 per pound (US$1.62 a kg). In China, FDY offers were at US$1.30-1.31 a kg for 50/24 and 150/96 FDY at US$1.12-1.13 a kg.

NYLON

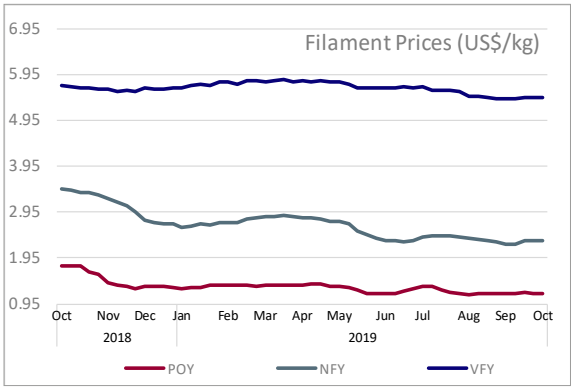
Nylon filament yarn prices remained firm and flat on stable nylon chip and caprolactam costs in the week-long national holidays in China. Demand for FDYs and DTYs was muted while turning modest before the holidays. Downstream woven fabric makers showed sluggish interest in buying, while demand from wool-spinning mills was lukewarm. Producers ran with about 80% capacity amid persistently high cost pressure. Converters reported some losses amid high feedstock costs, while demand from lacing and circular-knitting mills stabilised. Overall, nylon yarn prices may firm up after the holiday on firm chip prices this week. FDY market sentiment will firm up strong feedstock while demand from the weaving sector may pick up, leading to tight supply. The nylon DTY market will remain firm due to the higher cost and improving demand, although mills rate has weakened somewhat.

In China, offers for nylon FDY70D/24F SD rolled over at 16.50-17.00 Yuan a kg (US$2.33-2.40 a kg), while DTY70D offers were stable at 18.00-18.80 Yuan a kg (US$2.54-2.66 a kg). Cord fabric 1,260D offers were stable at 21.50-22.50 Yuan a kg (US$3.04-3.18 a kg) while mono filament 30D prices were at 18.50-19.50 Yuan a kg (US$2.62-2.76 a kg. In India, 20 SD filament prices rolled over at INR296 a kg (US$4.18 a kg) in the Surat market.

VISCOSE

Viscose filament yarn prices remained range-bound in the holiday week, with China on its week-long Golden Week national holidays. Prior to the holidays, prices for 120D first-class, second-class and third-class goods were pegged stable at the previous week's levels in China. Prices may remain firm after the week-long holiday. In India too, VFY prices generally rolled over amid weak demand.

In China, viscose filament offers rolled over in Yuan and US dollar terms. 120D bright offers were at 38.50 Yuan a kg (US$5.44 a kg), and dull at 38.25 Yuan a kg (US$5.41 a kg). 300D bright prices were steady at 28.80 Yuan a kg (US$4.07 a kg) and dull at 25.40 Yuan a kg (US$3.59 a kg). In India, viscose filament prices were steady both in INR and US dollar terms, with 100D bright VFY at INR388 a kg (US$5.47 a kg) and 450D at INR 225 a kg (US$3.17 a kg).



Summary
MMF market
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Fibre raw material market
Filament market
Wool & Speciality Fibres
Trade

Price movement key: Increase Unchanged Decrease

Wool & Speciality Fibres

Wool							
Australia				**South Africa**			
AWEX EMI (cents/kg)				Cape Wools Merino Indicator (cents/kg)			
	3-Oct	26-Sep	change		2-Oct	26-Sep	change
A$	1,511	1,609	-6.09%	Rand	16,760	17,231	-2.73%
US$	1,015	1,087	-6.62%	US$	1,095	1,148	-4.62%
New Zealand				**United Kingdom**			
NZ Wool Services Indicators Coarse Crossbred (cents/kg)				British Wool Fleece Indicator (clean)			
	3-Oct	26-Sep	change		1-Oct	17-Sep	change
NZ$	271	278	-2.52%	Pence/kg	137	140	-2.14%
US$	172	175	-1.71%	US cents/kg	169	173	-2.10%
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		
	20-Sep	27-Sep
Chinese Cashmere (dehaired)		
White		
Hosiery 38mm	127.00	126.00
Weaving 32mm	117.00	116.00
Brown		
Hosiery 38mm	113.00	112.00
Weaving 32mm	110.00	110.00
Mongolian Cashmere (dehaired)		
Brown	102.00	101.00
Light Grey	102.00	101.00
Afghan/Iranian Cashmere (dehaired)		
White	98.00	97.00
Fawn	96.00	95.00
Dark Brown	96.00	95.00
Alpaca Tops		
White		
Baby (BL)	NQ	NQ
Fine Spinning (FS)	NQ	NQ
Adult (AG)	NQ	MQ
Camel Hair (dehaired)		
Super-baby	49.00	49.00
Medium baby	NQ	NQ
Adult	45	45
Silk		
Mulberry Sliver	44.5	45
Mulberry Noil	20	20
Tussah Sliver	29	29
Tussah Noil	17	17
Source: The Schneider Group		

A roller coaster week for Australian wool

By Nitin Madkaikar

It was a roller coaster week for the Australian wool markets, subdued by negative global events. More

New Zealand market eases despite lower volume

By Nitin Madkaikar

The New Zealand wool market was subdued in tandem with Australia and against a 2% depreciation of the Rand against the US Dollar and a 1.8% depreciation against the Euro. More

South African wool market down 3%

By Nitin Madkaikar

The fourth wool sale of the 2019-20 season was held on 2 October with 8,034 bales on offer, of which, 87.7% was sold. More

UK prices ease as clearance rate falls

By Nitin Madkaikar

The wool sale held on 1 October saw prices ease with clearance rate disappointing at 60% down from 64% in the previous sale held on 17 September. 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"
16/08/2019	9.322	5.715	7.984	4.450	4.720
23/08/2019	9.322	5.715	7.984	4.450	4.720
30/08/2019	9.322	5.715	7.984	4.450	4.720
06/09/2019	9.322	5.715	7.984	4.450	4.720
13/09/2019	9.322	5.715	7.984	4.450	4.720
20/09/2019	9.322	5.715	7.984	4.450	4.720
27/09/2019	9.322	5.715	7.984	4.450	4.720
04/10/2019	9.322	5.715	7.984	4.450	4.720

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USDA's Weekly Export Sales Report of Week ending 26 September

According to the USDA's Weekly Export Sales Report of 26 September, cotton net sales of 177,800 RB for 2019-20 were up 15% from the previous week and 49% from the prior four-week average. Increases were primarily for Pakistan (62,900 RB), Vietnam (24,000 RB, including 300 RB switched from Japan), Indonesia (21,500 RB, including 400 RB switched from Japan, 400 RB switched from China, and 300 RB switched from Vietnam), Turkey (18,200 RB), and Bangladesh (11,200 RB, including decreases of 1,100 RB). Reductions were for El Salvador (600 RB).

For 2020-21, net sales of 7,500 RB were reported for Bangladesh (6,600 RB) and Indonesia (900 RB). Exports of 154,700 RB were down 12% from the previous week and 16% from the prior four-week average. Exports were primarily to Vietnam (38,700 RB), Mexico (21,800 RB), Bangladesh (18,200 RB), Turkey (11,600 RB), and China (10,700 RB).

Net sales of Pima totalling 3,800 RB were down 63% from the previous week and 51% from the prior four-week average. Increases were primarily for El Salvador (1,600 RB), India (700 RB), Pakistan (400 RB), Bangladesh (400 RB), and Thailand (300 RB). Exports of 12,500 RB were up noticeably from the previous week and from the prior four-week average. The primary destinations were China (4,400 RB), India (3,100 RB), Bangladesh (1,700 RB), and Ethiopia (1,300 RB).

Exports for own account:
For 2019-20, new exports for own account totalling 1,000 RB were to Vietnam. Exports for own account totalling 1,000 RB to Vietnam were applied to new or outstanding sales. The current exports for own account outstanding balance of 4,300 RB is for China (2,300 RB), India (1,000 RB), and Vietnam (1,000 RB).

U.S. EXPORT SALES WEEK ENDING 26 September 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	6,984.2	7,631.3	701.4	1,570.2	123.4	226.1	0.0	25.3
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	6,984.2	7,631.3	701.4	1,570.2	123.4	226.1	0.0	25.3
Optional Origin	0.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0
Accumulated Exports	1,756.1	1,393.9			65.0	51.8		
Exports For Own Acct	4.2	7.4			0.0	0.0		
Net Change In Sales	177.8	21.8	7.5	91.1	3.8	3.2	0.0	0.0

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