WTiN Textile Economics

Executive Market Report Summary 28 October 2019

Cost summary	25-Oct-19	
	US$/kg	Change on Week
Polyester		
China PSF 1.4 den	0.99	-2.52%
China FDY 50 den/24f	1.14	-3.09%
China DTY 150den/48f	1.24	-1.76%
Viscose		
China VSF 1.5 den, 38mm	1.55	1.40%
Polyamide		
China FDY 70 den/24f	2.30	-1.30%
Cotton		
Cotlook A Index	1.66	-0.27%
Wool		
AWEX EMI	10.29	0.00%
Yarn		
China Cotton combed 32s (weaving)	2.98	-0.08%
China Cotton combed 40s (weaving)	3.34	-1.75%
Indian cotton carded 30s (weaving)*	2.58	0.00%
Indian cotton combed 40s (weaving)*	2.96	0.00%
Taiwan p/c 45s*	4.60	0.00%
WTI Oil $ per Barrel		
WTI Crude Oil Price- 27-Sep	55.95	
WTI Crude Oil Price- 04-Oct	52.84	
WTI Crude Oil Price- 11-Oct	54.76	
WTI Crude Oil Price- 18-Oct	53.75	-1.84%

MMF market

- Textile fibre markets in grip of poor demand

Cotton market

- Cotton futures dip on poor US export numbers

Fibre raw material market

- PTA prices ease further / MEG edge upwards

Filament market

- PFY prices slid under falling cost and demand

Wool & Speciality Fibres

- Australian wool prices up but markets remain disoriented
- New Zealand wool price up as market mirrors Australia
- South African wool price up despite strong currency

Trade

- USDA's Weekly Export Sales Report of week ending 17 October

Weekly Market Review – from the analyst desk

Manufacturing at seven-year low in Eurozone opening Q4

Manufacturing activity in the Eurozone began Q4 2019 much as it ended the Q3, with deep contraction seen in factory output during October. The fall was for the ninth successive month. Manufacturing in the Eurozone accounts for between 10% and 20% of GDP, depending on the country.

The Purchasing Manager's Index (PMI) for the month was flat, with September at 45.7 points, remaining at a seven-year low – which hasn't been seen since the height of the sovereign debt crisis in the 19-country currency area.

The Eurozone economy started Q4 close to stagnation, with the flash PMI pointing to a quarterly GDP growth rate of just under 0.1%, according to IHS Markit, which compiles the Index.

The manufacturing downturn remains the fiercest since 2012, and continues to infect the service sector, where October saw the smallest increase in new work for almost five years.

By country, business activity fell for a second successive month in Germany to mark the worst period of decline since 2012. In contrast, business activity picked up in France, registering the third-largest expansion of output over the past 11 months.

Exports were the key divergence between France and Germany, with the former recording modest growth in new business from abroad, while Germany's exports remained in steep decline.

The survey also indicated that Mario Draghi's tenure at the helm of the European Central Bank ends on a note of near-stalled GDP, slower jobs growth, near-stagnant prices and growing pessimism about the outlook. This is piling pressure on the incoming chief, Christine Lagarde, to drive new solutions to the Eurozone's renewed malaise. Lagarde is the former International Monetary Fund head and will take over from 1 November.

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Price movement key: Increase Unchanged Decrease

MMF market

Man-Made Fibre Prices (ex-works) in Eastern China						
Date		25-Oct		18-Oct		
Intermediates	yuan/tonne	US$/Kilogram	yuan/tonne	US$/Kilogram	Yuan Price change (%)	US Dollar Price Change (%)
PX (FOB South Korea)		0.796		0.787		1.12
PTA	4,990	0.705	4,990	0.706	0.00	-0.08
MEG	4,680	0.661	4,650	0.658	0.65	0.56
Caprolactam	11,500	1.625	11,900	1.683	-3.36	-3.44
Acrylonitrile	10,900	1.541	11,100	1.570	-1.80	-1.88
PET	6,300	0.890	6,425	0.909	-1.95	-2.03
Polyester filament						
FDY 50 den/24f	8,050	1.138	8,300	1.174	-3.01	-3.09
DTY 50 den/72f	7,650	1.081	7,950	1.125	-3.77	-3.85
DTY 150 den/48f	8,800	1.244	8,950	1.266	-1.68	-1.76
POY 150 den/48f	7,550	1.067	7,850	1.110	-3.82	-3.90
FDY 150 den/96f	7,250	1.025	7,450	1.054	-2.68	-2.77
Polyamide 6 filament						
FDY 70 den/24f	16,250	2.297	16,450	2.327	-1.22	-1.30
Staple fibre						
Polyester 1.4 denier 38 mm	7,000	0.989	7,175	1.015	-2.44	-2.52
Viscose 1.5 denier, 38mm	10,960	1.549	10,800	1.528	1.48	1.40
Acrylic 1.5 denier, 38 mm	14,900	2.106	14,900	2.108	0.00	-0.08

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
2-Oct-19	1.00	1.35	1.50	1.85
9-Oct-19	1.00	1.35	1.50	1.85
16-Oct-19	1.00	1.35	1.50	1.85
23-Oct-19	1.00	1.35	1.50	1.85

Summary
MMF market
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Trade

Price movement key: Increase Unchanged Decrease

Textile fibre markets in grip of poor demand

POLYESTER

Polyester staple fibre markets were in grip of lackluster downstream demand, though the downtrend in feedstock markets eased somewhat. In China, offers fell after midweek and were held mostly stable later in Jiangsu and Zhejiang, while in Shandong and Hebei markets were range bound amid modest trading. In Fujian, offers fell first and then went stable with discounts available and each deal discussed separately.

In India, producers' offers were stable for the month but are poised to be revised downwards for November due to lean season and easing of upstream cost. Spinners were less inclined to replenish due to fading demand. In Pakistan, producers' offers were stable at the lower end but a hike was seen at the upper end of the price range, although downstream demand was still uncertain.

In China, offers for 1.4D direct-melt PSF fell to 6.95-7.05 Yuan a kg (US$0.98-1.00 a kg, down up US cents 1-4) in Jiangsu and Zhejiang while the same in Fujian and Shandong were down US cent 3-4 at US$0.99-1.00 a kg. Export prices of 1.4 D also dipped US cent 1 to US$0.94-0.95 a kg FOB NE Asia. In Pakistan, 1.4D PSF offers rolled over at eh lower end but were up PaKRs2 at the upper end at PakRs.187-191 a kg (US$1.20-1.22 a kg, up US cent 1). In India, producers' offers rolled over for the month 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).

NYLON

Nylon staple fibre 1.5D offers did not change and were at 15.00-15.50 Yuan a kg (US$2.12-2.19 a kg).

ACRYLIC

Acrylic staple fibre prices were lowered in Asian markets of Taiwan and Pakistan and remained unchanged in China and India. The drop reflects the falling cost of acrylonitrile which has dipped 5.5% or US$90 a ton between last weeks of September and October in key Asian market of Far East Asia.

In China, domestic reference prices for cotton-type acrylic staple fibre, tow and top were range bound and producers held stable offers on quiet sentiment. Downstream bought hand-to-month volumes and were on the sidelines. In Pakistan, acrylic fibre prices were reduced, after a flat run since mid-June, on easing cost support. In India, acrylic fibre producers retained their offers flat until the end of October.

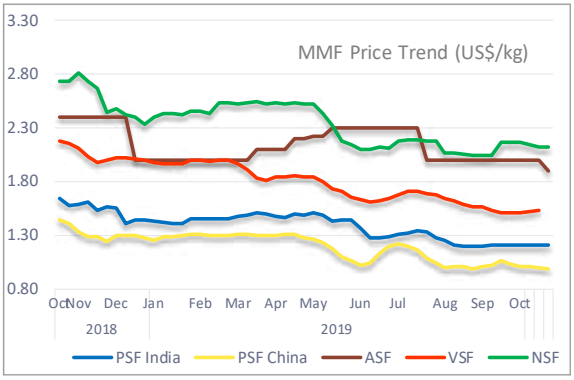
Offers for Taiwan origin 3D bright acrylic fibre tow were lowered by US cents 10 on the week to US$1.90-2.00 a kg. In China, medium-length and cotton-type acrylic fibre prices rolled over at 14.90-15.20 Yuan a kg (US$2.11-2.15 a kg). In Pakistan, 1.2D ASF offers in Karachi market fell PakRs20 to PakRs.360 a kg (US$2.30 a kg, down US cents 13). In India, producers retained their offers for until October end at INR161.50-162.00 a kg (US$2.27-2.28 a kg).

VISCOSE

Viscose staple fibre markets were insipid in Asia this week. In China, some producers raised offers resorting to production cuts, due to continuous losses. However, actual deals were still hard to conclude at high levels, given no improvement in market confidence. This also indicated poor effect or resistance to the price hikes. Meanwhile, inventory at producers continued to pile up.

In Pakistan, offer for overseas viscose fibre eased in Karachi market after a stability since late August. This also reflects marginal or no improvement in demand of over the period. In India, offers from viscose fibre producers remained unchanged despite weakening demand in domestic as well as export markets. Overall, the probability of any uptrend in prices is far away, as improvement in downstream demand remains a key factor.

In China, offers for medium end fibre inched up to 10.80-11.00 Yuan a kg (US$1.53-1.55 a kg, up US cents 2) while high end goods were raised to 11.10-11.20 Yuan a kg (US$1.57-1.58 a kg). In spot markets, 1.5D VSF prices were up at 10.96 Yuan a kg (US$1.55 a kg, up US cents 2) while 1.2D was up at 11.18 Yuan a kg (US$1.58 a kg, up US cent 1). In Pakistan, offers from overseas suppliers, particular Indonesia were reduced in Karachi markets with 1.5D VSF down at PakRs260-265 a kg (US$1.66-1.70 a kg, down US cents 9). In India, producers offer remained unchanged for 1.2-1.5D at INR195-197 a kg (US$2.76-2.78 a kg).



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Cotton market

ICE futures (New York)				ZCE futures			
No.2 contract (US cents/lb)				No. 1 contract (RMB/tonne)			
	25-Oct	18-Oct	Change		25-Oct	18-Oct	Change
Dec	64.90	65.16	-0.26	Jan	12,745	12,680	65
Mar	65.83	65.81	0.02	Mar	12,935	12,840	95
May	66.65	66.35	0.30	May	13,225	13,115	110
Jul	67.06	66.76	0.30	Jul	13,390	13,235	155
Oct	66.86	66.81	0.05	Sep	13,665	13,565	100
Dec	67.12	66.88	0.24	Nov	12,355	12,315	40
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)			
	25-Oct	18-Oct	Change		25-Oct	18-Oct	Change
	75.25	75.45	-0.20		9,100	8,950	150
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)			
	25-Oct	18-Oct	Change		25-Oct	18-Oct	Change
	12,791	12,766	25		41,200	41,200	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)							
	25-Oct	18-Oct	Change				
	61.96	61.07	0.89				

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

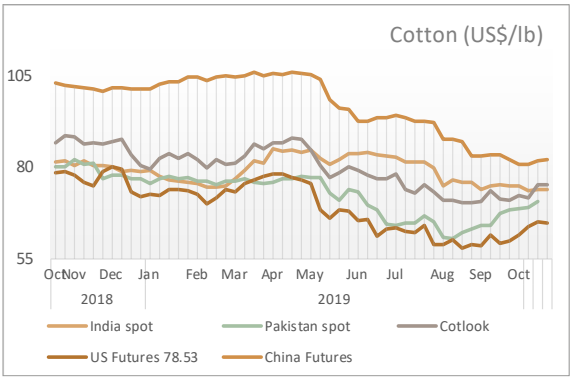
Cotton Yarn export quotations (week ended 25 October)								% change on Week					
		India		Bangladesh		Pakistan		India		Bangladesh		Pakistan	
		Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting	Weaving	Knitting
Open-end	10s			1.71		1.70				0.0		0.0	
	12s			1.77		1.76				0.0		0.0	
	16s	1.78		1.90		1.82		0.0		0.0		0.0	
	21s	1.90						0.0					
Carded	20s	2.30	2.30					0.0	0.0				
	30s	2.48	2.40		2.57	2.57		0.0	0.0		0.0	0.0	
	40s	2.63						0.0					
Combed	20s		2.43		2.58				0.0		0.0		
	26s		2.50		2.67				0.0		0.0		
	30s		2.58		2.73				0.0		0.0		
	34s		2.68		2.81				0.0		0.0		
	40s		2.88		3.02				0.0		0.0		
Compact combed	30s	2.70		2.78	2.75			0.0		0.0	0.0		
	40s	3.08		3.08		3.19		0.0		0.0		0.0	
	60s	3.53			3.90	4.03		0.0			0.0	0.0	
	80s				5.18	4.75					0.0	0.0	

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

Price movement key: Increase Unchanged Decrease

Cotton futures dip on poor US export numbers

US cotton futures were a little lower in response to another poor weekly export sales report. Export sales data from the USDA showed net sales slipped 32% from the previous week, while exports were down 2%. Demand remains a big issue for the market as the harvest proceeds. Export demand for US cotton overall is not very strong but has been strong enough to keep prices somewhat firmer.



Reports on the US and China trade talk stating to be were close to a partial deal that would allow agricultural exports to flow to China in exchange for a truce in the tariff increases continued to provide some background support. Cotton growers hope that China will buy some cotton from the US, but China was not seen doing this. In fact, overall demand has been bad for US cotton and in the end was a factor to send the market down again this week.

The front-month December contract fell 0.4% to US cent 0.26 to US cents 64.90 per pound. It posted its first decline after four straight weekly gain. The nearby March contract settled at US cents 65.83 per pound, up US cent 0.02 or 0.03% in similar comparison.

In China, spot cotton markets were driven by reports of lower production, and ginneries rushing to purchase seed cotton, pushing trading values gradually higher. Grade-3128 machine-harvested with 40% lint percentage edged up to 5.20 Yuan a kg (US cents 33.35 per pound) in Kuitun.

Imported cotton prices were almost flat with offers for US-origin EMOT SM November/December loading were at 14.83 Yuan a kg (US cents 95.09 a pound), and at 13.80 a kg (US cents 88.53 a pound) under 1% in-quota tariff. Meanwhile, the China Cotton Index gained 25 Yuan this week, to close at 12,791 a ton (US cents 82.03 a pound, down US cent 2.88 from previous week due to weak US$).

In Pakistan, buyers continued to chase quality cotton which further pushed prices higher early in the week. Trading featured a sudden rise in the price of premium quality cotton to a record high. This indicated that textile spinning mills were in a hurry to replenish stock from domestic cotton. A huge gap between demand and supply due to short crop sent panicked textile industry on buying spree since imports from India were not possible and procuring from far off markets implied increased freight charges and longer delivery time.

The official KCA spot rate was up PakRs150 on the week at PakRs9,260 per maund ex-Karachi. According to reports, persisting for better quality lint will help rates to move up with gradual pace. Private estimates pegged cotton crop size to be not more than nine million bales while, according to the USDA report, Pakistan was the second-biggest importer of American cotton.

In India, spot cotton prices were flat to down this week as arrivals started to pick up pace while imports were said to be on the rise. Notably, prices have as usual started dipping ahead of full-fledged of arrivals. Spot prices were down INR300-500 per candy while benchmark Gujarat Shankar-6 was traded flat at INR41,200 per candy week on week.

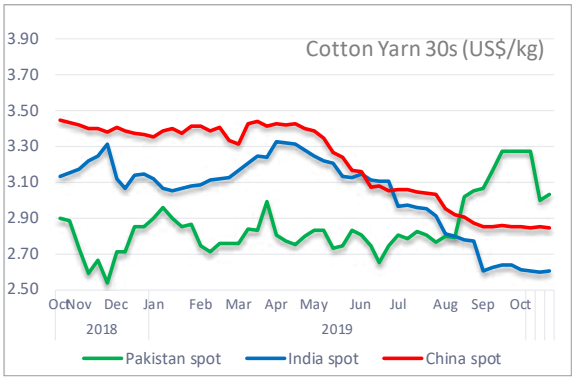
Amid uncertainty on the crop condition and fearing a strong market reaction to trade-sensitive numbers, the Cotton Association of India refrained from announcing its crop numbers. Lack of clarity on cotton crop size was keeping trade puzzled and may push CCI procurement operations, which may result into increased cheap imports. Market players believe that a good monsoon across the cotton growing regions has brightened the prospects for a good crop for the 2019-20 season. Meanwhile, the USDA has projected India's cotton crop at a record 390 lakh bales (170 kg), way above last year's output of 312 lakh bales.

COTTON YARN

Cotton yarn prices were under correction in China, reflecting the sluggishness in cotton fibre markets. Most deals were concluded for popular counts such as 32s and 40s. Large discounts were available for the discussions of firm deals, but overall transactions were relatively poor. Markets were more worried about earlier Spring Festival in 2020, which will adversely impact market sentiment. After all, the number of fresh orders in October was lower than in September.

In Pakistan, cotton yarn prices were seen rising both in Karachi and Faisalabad yarn markets this week and most hikes were due to surging cotton prices. Spinners were keener to replenish quality lint from domestic supply because import consignment would take 2-3 months to reach Karachi port. In India, cotton yarn prices remained unchanged at the moment as movement in cotton prices will be decided by arrivals in coming months.

In China, 32s cotton combed yarn prices rolled over at 21.10 Yuan a kg (US$2.98 a kg) and carded at 20.15 Yuan a kg (US$2.85 a kg). 40s combed was cheaper at 23.60 Yuan a kg (US$3.34 a kg, down US cents 6) while carded was stable at 21.20 Yuan a kg (US$3.00 a kg). In Pakistan, 32s cone in Faisalabad were up PakRs2-3 to PakRs215-237 per pound (US$3.03-3.35 a kg, up US cents 3-5) while 30s yarn offers in Karachi were steady at PakRs180-185 per pound (US$2.54-2.61 a kg). In India, offers for 30s combed yarn for knitting were stable at INR185 a kg (US$2.61 a kg) in Ludhiana market.



Summary
MMF market
Cotton market
Fibre raw material market
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Trade

Price movement key: Increase Unchanged Decrease

Fibre raw material market

PTA prices ease further / MEG edge upwards

POLYESTER INPUT: PTA

Purified terephthalic acid prices eased further, marking six weeks of a straight drop in Asian markets. Buying interest was weak as many participants have adopted a wait-and-see stance in anticipation of the fresh supply from Zhejiang Xinfengming's 2,200 kilo ton a plant, which is scheduled to start up by the end of October. As supply lengthens, inventory pressure will mount if downstream demand remains lukewarm, and PET producers will curtail operating rates as a result.

Some players expect orders in preparation for the holidays as the Chinese New Year will start earlier, in late January 2020. Producers' margins have fallen in China to a year-to-date low amid slumping prices. Some players believed that domestic prices will not decrease significantly in the short-term on squeezed margins. No development was reported from purified terephthalic acid markets in Europe and the US.

Asian marker, the CFR China, moderated US$13 on the week at US$630-632 a ton, while offers from Taiwan/Korea were down US$30-50 at US$630-660 a ton. Suppliers' offers for bonded goods on one-day trip were down to US$S640 a ton and discussions for nearby-month cargoes stood at US$615-620 a ton. In Europe, September contract prices were in the range of Euro630-664 a ton FD NWE. In the US, August contract were at US cents 46.43 per pound (US$1,024 a ton) DEL.

POLYESTER INPUT: MEG

Mono ethylene glycol discussions edged up this week in Asia, supported by rising naphtha prices and MEG futures in China. The narrowing spread between naphtha and MEG prices prompted sellers to firm up their offers. Buyers and end-users also actively restocked cargoes as they deemed prices to have reached the bottom. Meanwhile, inventories along east China decreased 4.9% to 578 kilo ton, due to high offtake rate.

Supply is expected to rise in the near-term from start-ups of new plants at a time when demand is slowing down. In the US, mono ethylene glycol demand from the antifreeze sector was slower than expected, because of mild weather across much of the US. US players continued to monitor Asian port inventories since if it continue to fall could indicate a supply issue. As a result of the oversupply for the US, buyers were in no hurry to negotiate, as they wait for prices to soften. October contracts are expected to settle next week.

Asian benchmark, the CFR China inched up US$1 week on week to US$541-546 a ton while the CFR South East Asia values were flat at US$550-555 a ton. Sinopec released its October settlement prices in east China at a decrease of 210 Yuan to 4,970 Yuan a ton (US$702 a ton, down US$30) from September. In the US, antifreeze grade MEG spot prices were steady at US cents 23-24 per pound (US$507-529 a ton) FOB USG.

NYLON INPUT: CAPROLACTAM

Caprolactam markets were subdued by weak demand and easing cost support from upstream benzene markets. Sellers lowered their offers to stimulate buying as demand in China markets but failed due to lacklustre downstream nylon sales. Caprolactam producers were not keen to maintain high inventories toward the end of the year. Buyers remained cautious amid high nylon inventories. Run rates of polymerization units dropped to 65-67% with inventory worth eight days. Yarn makers were running at stable 70-72% with inventory level at about 27 days' worth. Meanwhile, Japan's Ube Industries settled its October contract price higher from September values.

In Europe, caprolactam markets continued to face demand constraint, particularly from nylon makers catering to the automobile industry.

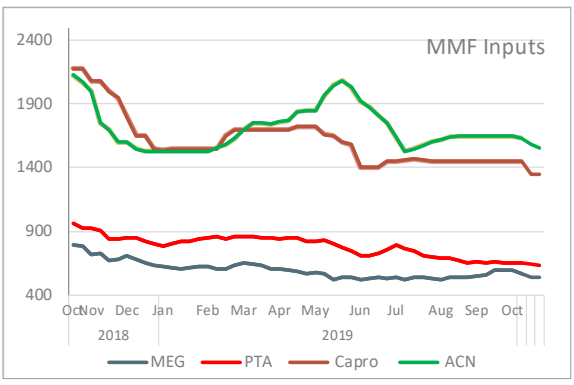
Asian caprolactam markers declined US$0 at the upper end week on week pegging values in the range of US$1,350-1400 a ton CFR SE and FE Asia. In China, spot offers for liquid goods were down to 11,500-11,800 Yuan a ton (US$1,625-1,670 a ton, down US$60) while flake goods declined to 11,800-12,300 Yuan a ton (US$1,670-1,740 a ton, down US$30). October contract nomination from Sinopec was lowered to 12,200 Yuan a ton (US$1,725 a ton). Ube Inds settled its October contract price at US$1,480 a ton CFR NE Asia, US$30 higher from September.

ACRYLIC INPUT: ACRYLONITRILE

Acrylonitrile market sentiment in Asia was hit by the recent significant decrease in prices in the China due to increased supply. Any import discussion were difficult amid a wide buy-sell gap. Buyers in China largely bought from the domestic market where materials were amply available at lower cost compared with import materials. Meanwhile, the export window was open for Chinese material amid rising domestic supply, which increased competition between sellers for Asia.

In the US, INEOS Nitriles will lift the force majeure on acrylonitrile at its Texas, plant on 1 November. The lifting will be a welcome news to market participants who have been challenged by unexpected and prolonged supply issues for major part of 2019. The market continued to gauge supply levels, with the potential closure of INEOS' UK Seal Sands plant and new and upcoming new capacity in Asia in 2019 and 2020.

Asian acrylonitrile markers, the Far East CFR fell US$20 on the week to US$1,559-1,561 a ton while CFR China was flat at US$1,600-1,650 a ton and Indian prices unchanged at US$1,650-1,700 a ton CFR. In Europe, spot prices rolled over on the week at US$1,633-1,637 a ton CIF Mediterranean. In the US, spot export prices remained unchanged at US$1,540-1,555 a ton FOB US Gulf.



Summary
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Filament market

Chinese Spun Yarn Prices (ex-warehouse terms)						
Qianqing Raw Materials Market					% Change in Yuan	% Change in US Dollar
	25-Oct		18-Oct			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Polyester 32s	11,500	1.625	11,500	1.627	0.00	-0.08
Viscose 30s	15,100	2.134	15,200	2.150	-0.66	-0.74
Poly/cotton 32s	16,100	2.276	16,100	2.278	0.00	-0.08
Poly/viscose 40s	18,000	2.544	18,100	2.560	-0.55	-0.64
Prices from Anhui					% Change in Yuan	% Change in US Dollar
	25-Oct		18-Oct			
	yuan/tonne	US$/kg	yuan/tonne	US$/kg		
Cotton carded 32s	20,150	2.848	20,150	2.850	0.00	-0.08
Cotton combed 32s	21,100	2.982	21,100	2.985	0.00	-0.08
Cotton carded 40s	21,200	2.997	21,200	2.999	0.00	-0.08
Cotton combed 40s	23,600	3.336	24,000	3.395	-1.67	-1.75

Pakistan: Karachi Cone Cotton Yarn Market (Wholesale price)						
Cone	Friday, October 25, 2019		Friday, October 18, 2019		PKR % change	USD % change
	Mean PKR per 10lb	US$ per kg	Mean PKR per 10lb	US$/kg		
Carded 10/1	1,440	2.038	1,440	2.036	0.00	0.09
Carded 40/1	2,250	3.184	2,250	3.181	0.00	0.09
Carded 22/1	1,675	2.370	1,675	2.368	0.00	0.09
Carded 30/1	1,832	2.592	1,832	2.590	0.00	0.09
Combed 20/1	1,773	2.508	1,750	2.474	1.29	1.38
Combed 40/1	2,340	3.311	2,340	3.308	0.00	0.09
Source: Brecorder , X-Rates						

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

Price movement key: Increase Unchanged Decrease

PFY prices slid under falling cost and demand

Polyester filament yarn markets were mixed under pressure of weak upstream feedstock and dripping demand. In China, most producers focused on liquidating volumes, while downstream mills moderately increased procurement, although cautiously. In Shengze, producers intended to raise prices for POYs but was not considered by downstream in Zhejiang, PFY prices were mainly down on the back of weak raw material while trading atmosphere was fair, seeing some downstream mills purchase at low prices, although cautious mood still existed.

In Pakistan, DTY demand was generally passable, but diverged somewhat between producers. In India, POY market sentiment was generally stable, seeing producers roll over offers. However, downstream mills were buying hand-to-mouth volume but may slightly increase procurement in coming weeks.

In China, POY prices fell US cents 4 with 75/36 at US$1.06-1.07 and 75/72 to US$1.07-1.09 a kg in Shengze. In India, POY offers rolled over 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 moderated US cent 2-3 to US$1.44-1.48 a kg in Shengze, while in Pakistan, offers for 300/96 intermingled DTY imported goods were steady at PakRs129 a pound (US$1.82 a kg) and local goods at PakRs109 per pound (US$1.54 a kg). 150/48 DTY intermingled were at PakRs138 a pound (US$1.95 a kg) and local offers at PakRs116 per pound (US$1.64 a kg).

In China, FDY offers eased US cents 3-4 to US$1.19-1.20 a kg for 50/24 and at US$1.02-1.03 a kg for 150/96 FDY.

NYLON

Nylon filament yarn markets inched down further in Asia, as feedstock costs dropped a bit and weakening demand. The overall global economic slowdown has led to a decline in the apparel industry, reducing booking volumes for nylon yarn, which traditionally sees higher bookings during autumn as apparel factories ramp up operating rates to meet demand for winter wear.

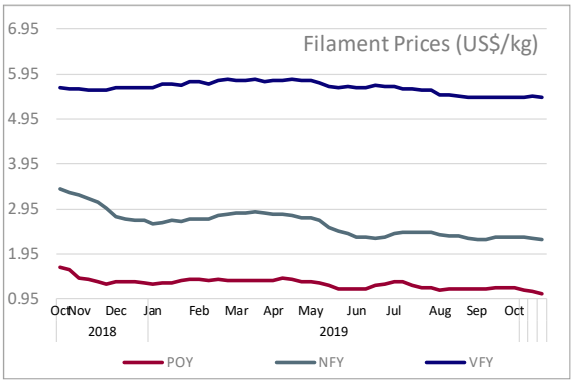
Downstream warp knitting and covering mills operated at 70% run rates, while circular-knitting and lacing mills at 40% run rates. Overall buying interest was lukewarm, with some bargain-hunting reported. However, on the back of low supply nylon yarn prices may roll over at low levels in the coming weeks, until feedstock values bottom out and procurement begins substantially.

In China, offers for nylon FDY70D/24F SD eased to 16.00-16.50 Yuan a kg (US$2.26-2.33 a kg, down US cents 3), while DTY70D offers were down to 17.40-18.30 Yuan a kg (US$2.46-2.59 a kg, down US cents 2-3). Cord fabric 1,260D offers fell to 20.50-22.50 Yuan a kg (US$2.90-3.18 a kg, down US cents 7) while mono filament 30D prices rolled over at 18.50-19.00 Yuan a kg (US$2.61-2.69 a kg). In India, 20 SD filament prices rolled over at INR287 a kg (US$4.04 a kg) in Surat market.

VISCOSE

Viscose filament yarn markets were quiet and prices generally rolled over in China and India. In China, producers could hardly balance sales and production, citing limited fresh order intakes due to poor demand. Thus, VFY market sentiment was insipid. Price-wise, offers for first-class, second-class and third-class VFY 120D were seen rolling over on the week. In India, no change was reported in viscose filament prices this week. Overall, as market sentiment was soft at the moment, buyers will have larger say while negotiating firm deals. Thus, prices may tend to soften under pressure, but will remain flat as producers may resist any downfall.

In China, viscose filament offers were stable both in Yuan and US$ terms. 120D bright offers were at 38.50 Yuan a kg (US$5.45 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$3.59 a kg). In India, viscose filament prices remained unchanged in INR and up US cent 1 in US$ 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).



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Wool & Speciality Fibres

Wool							
Australia				**South Africa**			
AWEX EMI (cents/kg)				Cape Wools Merino Indicator (cents/kg)			
	24-Oct	17-Oct	change		23-Oct	17-Oct	change
A$	1,545	1,517	1.85%	Rand	16,987	16,907	0.47%
US$	1,058	1,030	2.72%	US$	1,163	1,139	2.11%
New Zealand				**United Kingdom**			
NZ Wool Services Indicators Coarse Crossbred (cents/kg)				British Wool Fleece Indicator (clean)			
	24-Oct	10-Oct	change		15-Oct	1-Oct	change
NZ$	279	276	1.09%	Pence/kg	133	137	-2.92%
US$	179	174	2.87%	US cents/kg	170	169	0.89%
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		
	27-Sep	11-Oct
Chinese Cashmere (dehaired)		
White		
Hosiery 38mm	126.00	126.00
Weaving 32mm	116.00	116.00
Brown		
Hosiery 38mm	112.00	112.00
Weaving 32mm	110.00	110.00
Mongolian Cashmere (dehaired)		
Brown	101.00	101.00
Light Grey	101.00	101.00
Afghan/Iranian Cashmere (dehaired)		
White	97.00	97.00
Fawn	95.00	95.00
Dark Brown	95.00	95.00
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	45	45.00
Silk		
Mulberry Sliver	45	45.50
Mulberry Noil	20	20.00
Tussah Sliver	29	29.50
Tussah Noil	17	17.00
Source: The Schneider Group		

Australian wool prices up but markets remain disoriented

By Nitin Madkaikar

The Australian wool market saw positive price movement across the entire offering this week. More

New Zealand wool price up as market mirrors Australia

By Nitin Madkaikar

The New Zealand wool market was once again in line with the Australian markets, with prices up compared to the last sale. More

South African wool price up despite strong currency

By Nitin Madkaikar

The eighth sale of the 2019-20 South African wool season held on 23-24 October saw the market finish 0.5% (80 points) up at R169.87 a kg clean, with the Cape Wools All Wool Indicator also closing 0.5% higher. 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"
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
11/10/2019	9.322	5.715	7.984	4.450	4.720
18/10/2019	9.322	5.715	7.984	4.450	4.720
25/10/2019	9.322	5.715	7.984	4.450	4.720

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USDA's Weekly Export Sales Report of week ending 17 October

The USDA's weekly export sales report of 17 October showed cotton net sales of 140,500 RB for 2019-20 were down 32% from the previous week and 23% from the prior 4-week average. Increases primarily for Vietnam (45,900 RB, including 1,200 RB switched from Japan), Pakistan (44,000 RB, including decreases of 2,900 RB), Turkey (11,700 RB), Indonesia (8,200 RB, including 300 RB switched from China), and Thailand (8,000 RB), were partially offset by reductions for Japan (300 RB) and Mexico (100 RB).

For 2020-21, net sales of 8,400 RB were primarily for Pakistan (5,300 RB) and Guatemala (2,100 RB). Exports of 148,600 RB were down 2% from the previous week and 6% from the prior 4-week average. Exports were primarily to Vietnam (44,800 RB), Mexico (16,300 RB), South Korea (13,700 RB), China (13,400 RB), and Pakistan (12,200 RB).

Net sales of Pima totaling 7,000 RB were up 53% from the previous week, but down 1% from the prior 4-week average. Increases were primarily for China (2,200 RB), India (1,800 RB, including decreases of 100 RB), Pakistan (1,600 RB, including decreases of 300 RB), and Bangladesh (1,000 RB, including 100 RB switched from Switzerland).

Exports of 11,100 RB were up 85% from the previous week and 39% from the prior 4-week average. The primary destinations were India (6,100 RB), Pakistan (1,500 RB), Thailand (900 RB), Turkey (800 RB), and Bangladesh (800 RB).

EXPORTS FOR OWN ACCOUNT

For 2019-20, new exports for own account totaling 6,100 RB were to Pakistan (2,700 RB), Vietnam (1,900 RB), South Korea (1,100 RB), and Japan (300 RB). Exports for own account totaling 6,500 RB to Vietnam (3,500 RB), Pakistan (2,700 RB), and Japan (300 RB) were applied to new or outstanding sales. Decreases were reported for India (2,700 RB) and Vietnam (2,200 RB). The current exports for own account outstanding balance of 41,000 RB is for India (35,900 RB), China (2,300 RB), Vietnam (1,700 RB), and South Korea (1,100 RB).

U.S. EXPORT SALES WEEK ENDING 17 October 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	7,070.7	7,319.7	704.6	1,741.9	117.2	242.8	0.0	27.6
Unknown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	7,070.7	7,319.7	704.6	1,741.9	117.2	242.8	0.0	27.6
Optional Origin	0.0	1.8	0.0	0.0	0.0	0.0	0.0	0.0
Accumulated Exports	2,205.4	1,876.8			92.3	64.3		
Exports For Own Acct	41.0	7.4			0.0	0.0		
Net Change In Sales	140.5	40.6	8.4	4.6	7.0	11.4	0.0	0.0

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