17 January 2015

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# 1. Executive Summary

## Weekly Market Watch Price Index – Key Products



## Major Market Trends

# Crude Oil

## Market Insight

*Qatar Petroleum and Royal Dutch Shell Plc called off plans to build a $6.5 billion petrochemical plant in the emirate as oil producers accelerate cuts to global investment plans.*

* + - After dropping by half in 2014, Brent Crude oil prices are already down 17% for the year, as robust global supply growth continues to outpace demand. The OPEC chose not to lower its production quota in November, that put more pressure on non-OPEC producers; the U.S. and Canada to bring down the output.
    - Some of the world's largest oil traders have this week hired supertankers to store crude at sea, marking a milestone in the build-up of the global glut.
    - Trading firms including Vitol, Trafigura and energy major Shell have all booked crude tankers for up to 12 months, freight brokers and shipping sources told Reuters
    - Brent LCOc1 hit a 5 1/2-year low of $49.66 a barrel on 7th January. It was trading around $51 a barrel next day.

Figure 1: Crude Oil Price Averages during the same period Y-o-Y (Dated Brent)



* Back in June 2014, the price of Brent crude was up around $112 per barrel. As of January 5, 2015, it had fallen by more than 50% to about $52 per barrel.

## Week over week comparison

Crude oil prices declined continuously in the second week of January 2015 and recorded their lowest in the last five years owing to fears of a supply glut.

Crude oil prices declined during 1st week of January and were triggered by the fuel inventory report brought out by the U.S.A (EIA) which stated that Crude oil inventories increased by 3 million barrels. Average Crude oil prices went down hugely by 4.99 percent during the 1st week of January 2015

Figure 2: Crude oil Prices Week over week Comparison



* The price of oil is falling at the moment, but instability in Libya, Iraq, or Nigeria could trigger a recovery in coming days. Also, if North American oil producers pull back sharply in response to lower prices, these prices will eventually stabilize and rebound.

# Naphtha

## Market Insight

*Average price of Naphtha CFR SE Asia year on year has dropped drastically, a steep drop of 53 percent*

* + - Like all other downstream products of Crude Oil Naphtha too has suffered from the epic fall in last few weeks.
    - Naphtha price from an average of US$528 in December has fallen by close to 20% as we entered the second week of the new year in South East Asia.
    - Though more than a 100 US Dollars; this fall is still lesser than the November-December plunge.

Figure 3: Naphtha Price Averages during the same period Y-o-Y



## Week over week comparison

The average price of Naphtha in first week was US$460.9 per ton in Far East Asia, US$10 higher in South East Asia, and a further ten dollars more in the Europe.

Week two saw Naphtha price plunge further as the Crude oil prices succumbed to lowest in last five years or so. While Asian market saw a drop of US$ 45 in average price in week two, the European market suffered by more than 90 US Dollars as compared to first week average

Figure 4: Naphtha Prices Week over week Comparison



* Price of Naphtha for general use in Mumbai was INR 42,108 per ton on 7th of January.
* Feedstock naphtha prices have fallen in line with crude’s plunge, dipping to an average of $413/ton CFR Japan on 9th January, down by almost 30% from 5 December 2014.
* Naphtha prices have fallen by more than 45% and it was trading at around US$480 per ton in international market in the first week of the month, waiting to crash further in week two.

# Polyester Chain

## Paraxylene

## Market Insight

*Paraxylene market plunged alongside the crashing Crude oil prices and market sentiment continued to be weak.*

* + - The Paraxylene prices have continued to fall in the new year as well to touch US$769 per ton in the second week of the new year; a fall of 44.86% from US$1,395per ton in July last year.
    - In the first week, Paraxylene price seemed settling around US$830 as it recovered from US$822 per ton during the end of the first week. Later in the second week of January prices went down significantly by 7% closed at a weekly average of US$769 per ton for FOB Korea.
    - Polyester plant operating rate may slip with the Chinese Lunar New Year approaching, but the impact on Paraxylene supply and demand may be limited.

Figure 5: Paraxylene Price Averages during the same period Y-o-Y



## Week over week comparison

During the course of 1st week, Paraxylene prices nosed up by 1% in Asian market, whereas in the Europe and the U.S.A PX prices were up marginally by 0.55%. Paraxylene prices increased due to limited product availability during the first week.

After opening up at slight surge, Paraxylene prices went down drastically during 2nd week by 8% in all major regions due to weak upstream energy values coupled with sluggish demand.

Figure 6: *Paraxylene Prices Week over week Comparison*



* + - JX Nippon Oil & Energy announced its January Paraxylene contract prices for Asian markets at US$880 per ton which were lesser by US$90 per ton to that in December.
    - Idemitsu Kosan announced its January Paraxylene contract prices for Asian markets at US$870 per ton which witnessed a plunge of US$210 per ton as compared to December.
    - ExxonMobil nominated its January Paraxylene contract prices for Asian markets at US$835 per ton which witnessed a declined of US$245 per ton as compared to December.
    - S-oil declared its January Paraxylene contract prices for Asian markets at US$1,070 per ton which witnessed a declined of US$45 per ton as compared to December.
    - Sinopec settled its Paraxylene contractual price at RMB 6,265 per ton for December delivery, an increase of RMB 735 per ton from November level.

## Purified Terephthalic Acid (PTA)

## Market Insight

*Artlant PTA (Sines, Portugal) has once again postponed restarting its PTA plant to September.*

*The 700,000 MT/year of PTA plant has been off-line since April last year. It had began production in March 2012.*

* + - PTA prices fell to US$614 per ton in the 2nd week of the new year.
    - Compared to December 2014, the average price during the review period has seen a decline of 35 percent.
    - In the previous week, Purified Terephthalic Acid price settled in CFR SE Asia at US$648 per ton. It opened with surge and reached at US$653 per ton during the 1st week of January 2015 and, went down significantly by US$39 per ton and closed at US$ 614/ton during the 2nd week of January 2015.

Figure 7: PTA Price Averages during the same period Y-o-Y



## Week over week comparison

1st week of January saw ten dollars per ton of increase in the PTA prices from beginning to end in the Asian markets due to bullish regional buying sentiments coupled with improved downstream demand trends.

Average PTA prices went down by close to US$40 per ton in CFR SE Asia, CFR FE Asia & China, and CNF India during the 2nd week of January as compared to the first week.

Figure 8: PTA Prices Week over week Comparison



* + - In European market, selling offers for PTA continued to be stable and were in the range of US$830/ton to US$835/ton.
    - In the U.S.A, selling offers for PTA declined by 4.00 cents per pound and were in the range of 43.00 cents/pound to 43.50 cents/pound.
    - Sinopec nominated its PTA contractual price at RMB 5,200 per ton for January delivery, roll over from December level.

## Ethylene

## Market Insight

*Ethylene prices remained steady in the FOB Korea and Japan whereas declined marginally in CFR SE Asia and Indian market.*

* + - The Ethylene prices have witnessed downward trend constantly from September 2014 to January 2015. Ethylene prices went down from US$1,490 per ton in last September to US$890 per ton in the 2nd week of January 2014, which is a fall of 37.10 percent.
    - In the FOB Japan market, Ethylene monthly average price declined by 7.69% in last fortnight compared to previous month.

Figure 9: Ethylene Price Averages during the same period Y-o-Y



## Week over week comparison

In the European markets experienced a decrease significantly by US$ 35per ton from during the week from start to the end; FD US Gulf prices in the US increased by a Cent per pound.

Ethylene prices declined in Global market during 2nd week of January 2015. Price declined due to dull demand coupled with mute buying sentiments.

Figure 10: Ethylene Prices Week over week Comparison



## Mono Ethylene Glycol (MEG)

## Market Insight

* + - The MEG prices have kept on falling in the new year as well to an average US$721 per ton in the 2nd week of January 2015.

*Globally the MEG prices fell by close to 40 US$ per ton in the second week of the New Year.*

* + - In the CNF SE Asia market, MEG monthly average price declined as compared to previous month, a fall of 9 percent compared to previous month.
    - MEG weakened during this 2nd week. Crude oil slump triggered panic selling early in the week. In the International market, the prices were sharply down by US$40 per ton in the 2nd week of January 2015.

Figure 11: MEG Price Averages during the same period Y-o-Y



## Week over week comparison

MEG CNF prices declined by close to 40 US$ per ton in Asia during the 2nd week of January 2015 mainly due to ample product availability.

During the last week, selling offers for MEG declined by 4 percent in Asian market due to bearish feedstock prices coupled with weak buying trend. Price remained steady in Europe and U.S.A market.

Figure 12: MEG Prices Week over week Comparison



* In Europe, selling offers for MEG remained steady and were in the range of US$845/ton to US$850/ton.
* In the U.S.A, selling offers for MEG remained stable and were in the range of 38.50 cents/pound to 39.00 cents/pound.
* SHELL announced its January MEG contract prices for Asian markets at US$940/ton which were lesser by US$60/ton to that in December.
* SABIC announced its January MEG contract prices for Asian markets at US$950/ton which witnessed a plunge of US$50/ton as compared to December.
* MEGlobal nominated its January MEG contract prices for Asian markets at US$940/ton which witnessed a declined of US$80/ton as compared to December.

## Polyester Chips

## Market Insight

PET Chips prices went down due to bearish petrochemical sector coupled with pessimistic market fundamentals during 2nd week of January.

* + - PET chips market showed weak appearance and prices went down due to subdued demand in the Chinese domestic market during this fortnight.
    - The PET Chips CFR NE Asia prices went down continuously from July 2014 to January 2015, the average price in January 2015 as compared to that in July 2014 has fallen by more than 30 percent.
    - In the international market, Polyester chips prices went down due to weakening upstream energy value coupled with dull demand sentiments in the region market and were in the range of US$890-895 per ton in FOB North East Asia level during 2nd week of January.
    - The average fortnight CNF NE Asia price of PET Chips was US$912 per ton during January 2015.
    - PET chips continued dipping down this week. Market players’ mood appeared pessimistic, along with lower polyester cost as well as softer end-user demand.

Figure 13: Polyester Chips Price Averages during the same period Y-o-Y



## Week over week comparison

PET Chips prices went down due to bearish petrochemical sector coupled with pessimistic market fundamentals during 2nd week of January.

PET chips market sentiments continued downward trend due to weak support from the downstream buyers and poor market fundamentals.

* + - Average prices of semi dull chips were around RMB 6,080 per ton and super bright chips were around RMB 6,080 per ton. CDP chips prices were around RMB 9,000 per ton during the period in the Chinese domestic market.
    - PET bottle grade chips export market continued to soften in tandem with weak market fundamental during the period. Mainstream offers were around US$900-910 per ton FOB CMP level and traded prices were around US$895-900 per ton FOB basis.
    - In Europe, contract prices of PET bottle grade chips went down to €970 per ton FD NWE and spot prices also declined to €880 per ton FD NWE mark.

Figure 14: Polyester Chips Prices Week over week Comparison



## Polyester Staple Fibre

## Market Insight

*The second week of the New Year saw the average price of PSF for FOB NE Asia dip below US$1 per kg for the first time in months*

* + - Polyester staple fibre market presented weak performance and prices went down due to subdued demand from the downstream market during this fortnight.
    - Polyester staple fibre market remained lackluster and prices went down in tandem with weak feedstock market during the 1st week of January.
    - In the international market, prices for 1.4 Den PSF went down by 7.41 percent compared to last month December 2014. Prices declined due to sluggish demand from the downstream buyers and were around US$ 0.98-0.99/Kg FOB N.E. Asia basis during 2nd week of January 2015.
    - Spot prices for Polyester staple fibre FOB NE Asia declined by 2.5 percent and were offered at US$980 per ton to US$985 per ton.

Figure 15: Polyester Staple Fibre Price Averages during the same period Y-o-Y



## Week over week comparison

Polyester staple fibre market consolidated as downstream buyers followed thin trading activity amid continuous downward feedstock prices. PSF Price declined by 7.4 percent compared to average price of December 2015.

Polyester staple fibre markets maintained weak appearance and prices went down by US$1.00 per kg to US$ 0.98 per kg in line with dull buying sentiments during 2nd week of January.

Figure 16: Polyester Staple Fibre Prices Week over week Comparison



* + - In the International market, prices for 1.4 Den PSF went down compared to last fortnight due to pessimistic market fundamental. Prices were around US$ 0.98-1.00 per Kg FOB NE Asia basis throughout this fortnight.
    - Mainstream offers for 1.4 Den PSF hovered around RMB 7,200 per ton in the Chinese domestic market.
    - Current prices of 1.5 Den PSF of Taiwan origins were offered at US$ 1.20-1.24 per Kg, European origin PSF were offered at US$ 2.15-2.25 per Kg and of US origin, were offered at US$ 2.20-2.30 per Kg respectively. The prices of 1.5 Den PSF of China origin for domestic and export market were offered at US$ 1.17-1.20 per Kg and US$ 0.98-1.00 per Kg, respectively.

## Polyester Filament Yarn

## Market Insight

*Average price of PFY year on year has dropped drastically, a drop of 28.73 percent for POY 150 Denier & 25.78 Percent for DTY150 Den*

* + - Polyester filament yarn market continued to follow a downward trend and prices went down due to lack of buying intentions of downstream buyers, they preferred to stay away from the market during this fortnight January 2015.
    - The Polyester Filament market is feeling indirect pressure from Crude oil prices and feedstock prices.
    - During 2nd week of January, prices for DTY 150 Denier went down from US$1.21 per Kg to US$1.18 per Kg, falling by almost 2.5%; prices declined from US$0.98 per Kg to US$0.93 per Kg for POY 150 Denier, declined by more than 5 percent during the 2nd week of January 2015.

Figure 17: Polyester Filament Yarn Price Averages during the same period Y-o-Y



## Week over week comparison

Polyester filament yarn prices remained steady due to downstream buyers showed no buying indications and preferred to stay away from the market during 1st week of January 2015.

Polyester filament yarn market sentiments remained dull and prices declined due to lack of support from the downstream market and unfavorable market fundamentals during the 2nd week of January 2015.

* Prices for Polyester filament yarn went down in the international market due to weak market fundamentals during this fortnight.
* Average prices for DTY 150 Den/48 F were around RMB 9,185 per ton. Average prices for POY 150 Den/48 F were around RMB 7,330 per ton. Mainstream traded prices for FDY 68 Den/24 F were around RMB 7,250 per ton.
* Prices for DTY 150 Den/48 F were around US$ 1.18-1.21/kg and POY 150 Den/48 F were around US$ 0.93-0.98/kg FOB CMP basis by the end of the last fortnight.
* Current prices of PFY DTY150 Den of China origin for domestic and export market were offered at US$ US$ 1.37-1.40/Kg and US$ 1.18-1.21/Kg, respectively. While, in Taiwan origin PFY DYT 150 Den offered at US$ 1.40-1.44/Kg, Europe origin witnessed at US$ 2.21-2.34 and US origin products available at US$ 3.00-3.10/Kg.

Figure 18: Polyester Filament Yarn Prices Week over week Comparison



# Acrylic Chain

## Propylene

## Market Insight

*During the 2nd*

*Week of January, average price of*

*Propylene year on year has dropped*

*Significantly, a steep drop of more than 52 percent*

* + - The Propylene prices have witnessed a steep downward trend continuously from then onwards to touch the year’s lowest of US$657 per ton in the 1st week of January 2015.
    - In the FOB Korea market, Propylene monthly average price declined by 3.78% in last fortnight compared to previous month.

Figure 19: Propylene Prices Week over week Comparison



## Week over week comparison

Propylene prices surged in Asian market by 4.85 percent during the 2nd week of this current month compared to 1st week. Propylene price went down by 2.49 percent in the Europe

During 1st Week of January 2015, Propylene price increased by 17 percent due to tight product availability in FOB Korea, decreased by 4% in Europe and by 1% in the US. Price declined due to dull demand coupled with pessimistic market fundamental.

Figure 20: Propylene Prices Week over week Comparison



## Acrylonitrile

## Market Insight

* + - Average Acrylonitrile prices witnessed downward correction from US$1,838 per ton to US$1,820 per ton during the 2nd week of this month.

*Acrylonitrile price year on year has moved downward marginally, a fall of 4.96 percent in the 2nd week of January*

* + - The current spot offer prices for ACN to SE Asian market remained steady at US$1,820 per ton. Compared to December 2014, the average price during last fortnight has seen a decline of 1 percent.
    - In Europe, selling offers for ACN went down by US$25 per ton compared to earlier fortnight, ranging between US$1,640 to 1,645 per ton.
    - In the U.S.A., selling offers for ACN declined by US$ 30 per ton due to bearish demand, ranging between US$1,670 to 1,630 per ton.

Figure 21: Acrylonitrile Price Averages during the same period Y-o-Y



## Week over week comparison

During 1st week of January ACN prices remained steady in Asia, whereas in US and European market prices declined by US$25 to US$30 per ton.

ACN prices remained stable in Asian, European and the US market during 2nd week of January.

Figure 22: Acrylonitrile Prices Week over week Comparison



* + - In Europe, selling offers for ACN went down by US$25 per ton compare to earlier fortnight, ranging between US$1,640 to 1,645 per ton.
    - In the U.S.A., selling offers for ACN declined by US$ 30 per ton due to bearish demand, ranging between US$1,670 to 1,630 per ton.

## Acrylic Staple Fibre (ASF)

## Market Insight

Acrylic staple fibre market prices were relatively stable as downstream buyers showed mute buying intentions during 2nd week of January

* + - Acrylic staple fibre market showed soft appearance and prices remained stable due to subdued demand from the downstream buyers in the Chinese domestic market during last fortnight.
    - Acrylic staple fibre market maintained weak and prices were relatively stable due to lack of support from the downstream buyers and weak market fundamentals.
    - Acrylic Staple Fibre prices have continued to remain steady from August 2014 to January 2015.
    - Spot price of Acrylic staple fibre CIF NE Asia for January 2nd week was quoted at US$2.52 per kg.

Figure 23: Acrylic Staple Fibre Price Averages during the same period Y-o-Y



## Week over week comparison

Acrylic staple fibre market showed modest outlook and prices remained stable due to subdued demand from the downstream buyers during the 1st week of January.

During 2nd week of January, Acrylic staple fibre market weakened and prices were relatively stable as downstream buyers showed limited buying intentions.

Figure 24: Acrylic Staple Fibre Prices Week over week Comparison



* + - Acrylic staple fibre market followed soft outlook and prices were relatively weak as downstream demand remained sluggish during this fortnight in the Chinese domestic market.
    - Spot prices of ASF 1.5 Den were offered around RMB 16,500-16,800/ton. ASF 3.0 Den however was offered at RMB 16,550-16,950/ton.
    - Prices remained stable in international based market; ASF 3.0 Den was around US$ 2.44 - 2.48/kg and ASF 1.5 Den were at US$ 2.49 to 2.53/kg level.

## Polypropylene (PP)

## Market Insight

*Average price of Polypropylene year on year has declined by more than 24 percent*

* + - Polypropylene prices for CNF SE Asia varied finely from January 2014 to November 2014. Polypropylene prices declined significantly during the first fortnight of January 2015 due to weak energy market amid ample of product availability in the region.
    - Compared to December 2014, the average price during the January, 2015 has seen a decline of 11.26 percent.

Figure 25: Polypropylene Price Averages during the same period Y-o-Y



## Week over week comparison

In the 2nd week of January PP prices continued downward trend due weak downstream demand coupled with bearish in feedstock price.

During 1st week of January Polypropylene price went down in Asian market due to weak energy market amid bearish in buying activity in the region.

Figure 26: Polypropylene Prices Week over week Comparison



# Nylon Chain

## Benzene

## Market Insight

Average price of Benzene in January 2015; year on year, has dropped significantly, a steep drop of more than 50.0 percent.

* + - Benzene prices continued downward trend that began in July this year when the FOB Korea prices touched the highest of the year 2014 US$1,370 per ton; falling to US$604 in the 2nd week January 2015.
    - The Current spot offer prices for Benzene to FOB Korea market at US$585 per ton. Compared to December 2014, the average price during the January, 2015 has seen a decline of 7.37 percent.

Figure 27: Benzene Price Averages during the same period Y-o-Y



## Week over week comparison

Benzene prices declined significantly in Global market, declined by 10% in Asia, 13.8% in Europe and 6.88% in U.S.A. during the 2nd week of January 2015 mainly due to bearish buying sentiments.

During the last week, selling offers for benzene surged marginally by 2 percent in Asian market and 0.30 percent in European market due to tight product availability in the region. Price declined by 0.74% in the U.S.A.

Figure 28: Benzene Prices Week over week Comparison



## Caprolactam

## Market Insight

*Caprolactam price in North*

*East Asia has seen a year on year decline of more than 24.26 % in January 2015*

* + - CPL prices went down in line with weak feedstock market and unfavourable market fundamentals during last fortnight.
    - CPL market maintained a weak consolidation as downstream buyers showed no enthusiasm in buying amid uncertain market outlook in the Chinese domestic market during last fortnight.
    - After a stagnant average of US$2,250 per ton in August and September last year; the Caprolactam prices in China continued to fell in January as well. The 2nd week of the January has seen a new lowest of weekly average at US$1,765 per ton.
    - Compared to December 2014, the fortnightly average price for January 2015 declined from US$1,929 per ton to US$1,780 per ton, witnessing a fall of 7.7%.

Figure 29: Caprolactam Price Averages during the same period Y-o-Y



## Week over week comparison

The 1st week average price of Caprolactam in China fell by US$35 as compared to the previous week and settled at US$1,795/ton

During 2nd week of January Caprolactam prices continued falling, a drop of 1.5% over the previous week. Caprolactam price declined due to unfavorable market fundamental

Figure 30: Caprolactam Prices Week over week Comparison



## Nylon Chips

## Market Insight

* + - The Nylon Chips CIF China prices continued downward trend in last three month of the year 2014 as well reaching a low of US$2,140 per ton in January 2015. During this fortnight, Nylon chips prices declined in Asian market due to bearish feedstock price coupled with weak buying sentiments.

*Nylon chips price in North*

*East Asia has seen a year on year decline of more than 19.33% in January 2015*

* + - The average monthly CIF price of Nylon Chips in China was US$2,170 per ton. Compared to December 2014, the monthly average price of Nylon Chips in China witnessed a fall of 6.80 percent.
    - Selling offers for Nylon chips opened with softening trend during the 1st week of January 2015 and went down continuously during the 2nd week of January. Nylon chips prices went down in Asian market due to ample availability in the region. Prices of high speed spinning semi dull textile grade Nylon Chips was downward trend and in the range of RMB 15,800/ton to RMB 15,900/ton during the 2nd week of January 2015.

Figure 31: Nylon Chips Price Averages during the same period Y-o-Y



## Week over week comparison

The fall in Nylon Chips prices continued in the 2nd week of January 2015, reaching a low of US$2,140/ton a fall of 2.7% as compared to previous week

During 1st week Nylon Chips prices in China went down due to pessimistic market fundamental. This week experienced a drop of 4.1% over the previous one.

Figure 32: Nylon Chips Prices Week over week Comparison



## Nylon Filament Yarn (NFY)

## Market Insight

Nylon Filament Yarn price in North East Asia has seen a year on year decline of more than 12% in January 2015

* + - Nylon filament yarn market showed weak outlook and prices remained stable due to subdued demand from the downstream buyers in the Chinese domestic market during last fortnight. Nylon filament yarn market sentiments remained dreary and buying activities were thin during the last fortnight in the Chinese domestic market.
    - The average monthly FOB NE Asia prices for 70 denier of Nylon filament yarn was US$3.27 per Kg during 2nd week of January 2015. Compared to December 2014, the monthly average price of Nylon filament yarn in FOB NE Asia witnessed a fall of 5.76 percent.

Figure 33: Nylon Filament Yarn Price Averages during the same period Y-o-Y



## Week over week comparison

During the second week of the month, NFY prices in NE Asia for 70 denier yarn declined by 1.8 percentage change from the previous week.

Nylon filament yarn market prices declined by 4.9 percent due to bearish buying sentiments and unfavorable market fundamentals during the 1st week of January.

Figure 34: Nylon Filament Yarn Prices Week over week Comparison



* In the international export markets, prices for FDY 70 Den/12F went down and were around US$ 3.24-3.30 per kg for FOB NE Asia.
* Among the major varieties, average prices for FDY 70 Den/24F were around RMB 19,500-20,300 per ton. Mainstream prices for POY 70 Den/24F were around RMB 19,250-20,450 per ton. DTY 70 Den/24F semi-dull higher grade was traded in a price range of RMB 21,400-22,500 per ton in the Chinese domestic market.
* Current prices of NFY 70 Den FDY for China market and Taiwan market were at US$ 3.46- 3.48 per Kg and US$ 3.52-3.55 per Kg, respectively.

# Viscose Chain

## Cotton Linters & Pulp

## Market Insight

**Cotton linter market:-**

* + - Cotton linter market improved marginally and prices were relatively stable to firm due to strong support from the downstream buyers in the Chinese domestic market.
    - Cotton linter market showed sign of improvement and prices were relatively increased during the 2nd week of January 2015.
    - Cotton linter market remained warmed up and trading sentiments recovered somewhat during this fortnight.
    - Mainstream trading prices for cotton linter were around RMB 2,285-2,290/ton
    - Mainstream traded prices of Cotton pulp were around RMB 5,970/ton level during the period in the Chinese domestic market.

**Dissolving pulp market:-**

* + - Imported dissolving pulp market showed dull demand and prices declined marginally due to pessimistic market fundamental during this fortnight.
    - Imported dissolving pulp market followed downward trend buyers showed no interest in buying during this fortnight.
    - In the Imported dissolving pulp market, trades mostly concluded around US$ 805-808/ton.

Figure 35: Cotton Linters & Pulp Prices Week over week Comparison



## Current Dissolving Pulp Price (CIF China)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Product Name | Specification | Price US$/Ton | Source | Remarks |
| Dissolving Pulp | Staple grade | 830 - 840 | US | Jan ref price |
| Dissolving Pulp | Staple grade | 810 - 830 | Europe | Jan ref price |
| Dissolving Pulp | Staple grade | 800 - 810 | Sweden | Jan ref price |
| Dissolving Pulp | Staple grade | 750 - 780 | Canada | Jan ref price |
| Dissolving Pulp | Staple grade | 800 - 805 | South Africa | Jan ref price |

## Viscose Staple Fibre

## Market Insight

* + - The Viscose staple fibre FOB SE Asia prices went down continuously with minor fluctuation from January 2014 to January 2015, the average price in January 2015 as compared to that in January 2014 has fallen by more than 12.78 percent.
    - Viscose staple fibre market presented soft performance and prices were relatively stable due to subdued demand from the downstream buyers during this fortnight.

Figure 36: Viscose Staple Fibre Price Averages during the same period Y-o-Y



## Week over week comparison

Viscose staple fibre market remained mediocre and prices were relatively stable as downstream buyers showed no high enthusiasm in buying amid unfavorable market fundamentals during the 1st week of January

Viscose staple fibre market remained lackluster and trading atmosphere was bearish as demand failed to improve during the 2nd week of January.

Figure 37: Viscose Staple Fibre Prices Week over week Comparison



* Viscose staple fibre market consolidated and trading activities muted due to weak support from the downstream market in the Chinese domestic market during this fortnight January 2015.
* Majority Viscose staple fibre suppliers kept stable offers during the period. On the other side, downstream buyers were still cautious and kept wait-and-see stance during that period.
* In the USD based export market, Viscose staple fibre prices went down marginally and prices were around US$ 1.56-1.58 per kg.
* Mainstream offer prices for VSF 1.5 Den were at RMB 11,530 per ton and 1.2 Den were at RMB 11,720 per ton.

## Viscose Filament Yarn (VFY)

## Market Insight

* + - VFY 133.3 dtex/30F Bright prices since May 2014 for FOB Korea; India; and in Turkey have remained constant till January 2015.
    - Viscose filament yarn market showed modest appearance and prices remained stable due to moderate demand from the downstream buyers in the Chinese domestic market during last fortnight.
    - Viscose filament yarn market improved somewhat but prices remained unchanged as downstream demand remained flat January 2015.

Figure 38: Viscose Filament Yarn Price Averages during the same period Y-o-Y



Figure 39: Viscose Filament Yarn Prices Week over week Comparison



* Viscose filament yarn market continued to maintain modest performance and prices remained stable in International market, with current offer prices of 133.3 dtex/30 F Bright VFY around US$ 5.70-5.74 per kg in Korea, US$ 5.74-5.79 per kg in India and US$ 5.76-5.81 per kg in Turkey.
* Mainstream offer prices for 333.3 dtex/30 F Bright VFY were US$ 5.09-5.14 per kg, in Korea.
* Average offer prices for VFY 120 Den were around RMB 35,060 per ton and for VFY 300 Den prices were around RMB 26,120 during last fortnight.

# Spandex

## Market Insight

* + - During the entire fortnight, traders were cautious for any further purchases which led to weakened trading activity. Spandex producing plants ran at 60 percent capacity facing inventory pressure.
    - In the 2nd week of January 2015, selling offers for coarser counts like 20 D were steady in the range of US$ 8.40/Kg to US$ 9.20/Kg, while the deals were mainly quoted in the range of US$8.35/Kg to US$9.15/Kg.
    - Selling offers for 30 D was in the range of US$7.40/Kg to US$7.90/Kg, but the deals were mainly concluded in the range of US$7.35/Kg to US$7.85/Kg.
    - Selling offers of 40D Spandex remained unchanged and were in the range of US$7.00/Kg to US$7.80/Kg but again deals were mainly offered in the range of US$6.95/Kg to US$7.75/Kg.
    - During the last fortnight 2015, Chinese domestic market selling offers for 20 D were in the range of RMB 58,000/ton to RMB 60,560/ton. For 30 D, selling offers in the range of RMB 50,700/ton to RMB 52,700/ton. For 40 D were in the range of RMB 45,120/ton to RMB 47,680/ton and selling offers for finer yarn 70 D were in the range of RMB 44,600/ton to RMB 44,640/ton.

Figure 40: Spandex Prices Week over week Comparison



# Cotton

## Market Insight

* + - After the initial rise in the first week, the cotton prices declined marginally in the second week.
    - Compared to December 2014, the average price during the review period decreased from US$68.29 cents per pound to US$69.71 cents per pound in January 2015, witnessing a fall of 2.08 percent.
    - International cotton market showed strong outlook and prices went up due to improved downstream demand and bullish market fundamentals during last fortnight.
    - China cotton market remained lacklustre and prices went down due to New Year holidays and bearish market outlook.
    - In India, Cotton market remained mediocre amid weak buying activities as downstream buyers kept wait-and-see stance with the expectation of decline in prices in the short run during last fortnight.

Figure 41: Cotton Price Averages during the same period Y-o-Y



## Week over week comparison

During 1st week of January, international cotton market followed upward trend and prices increased by 1.8 percent due optimistic market fundamental.

International cotton market showed weak outlook and prices went down due to weak demand from the downstream buyers and poor market fundamentals during 2nd week of January.

Figure 42: Cotton Prices Week over week Comparison



# Spun Yarn Export Prices



# Wool

## Market Insight

* + - Eastern Market Indicator: 1094 (Australian cents/kg)
    - Wool market showed varied trend in Australian market during last fortnight.
    - The AWEX Eastern Market Indicator (EMI) remained steady 0¢ (0.0%), ending at 1059/kg. This reflected a surge at 6¢ (0.6%) in the North and kept steady at 0¢ (0.0%) in the South, with their corresponding regional Indicators finishing at 1084¢ and 1047¢, respectively. The Western Indicator decreased by 15¢ (1.5%), ending at 1094¢/kg.
    - When looked at other currencies, the AWEX EMI went up by 23¢ in US Dollar terms in comparison to last time.
    - In New Zealand, Wool Testing Services International quoted “fine” crossbred firm to 2.0 to 3.0% Cheaper (33.5 and 34 micron).

Figure 44: Wool Prices Week over week Comparison



Figure 45: Wool Prices Week over week Comparison



# News Headlines

**Indonesian cotton imports dip 3.24% in Jan-Nov ‘14**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News\_id=169811**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News_id=169811)

**Portuguese textile & apparel exports continue growth trend**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News\_id=169835**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News_id=169835)

**KPIC begins commercial production of EG at new plant**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News\_id=169882**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News_id=169882)

**Nan Ya to carry maintenance at 2 MEG lines this year**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News\_id=169894**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News_id=169894)

**US textile & apparel imports up 2.58% in Jan-Nov ‘14**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=169940**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=169940)

**Bangladesh’s garment exports increase marginally in H1**

[**http://www.fibre2fashion.com/news/apparel-news/newsdetails.aspx?news\_id=169976**](http://www.fibre2fashion.com/news/apparel-news/newsdetails.aspx?news_id=169976)

**DSM Fibre plans maintenance shutdown of ACN lines**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News\_id=170007**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?News_id=170007)

**MoAF restores local cotton variety farming in Oman**

[**http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news\_id=169831**](http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news_id=169831)

**Zimbabwe steps up support to cotton farmers**

[**http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news\_id=169844**](http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news_id=169844)

**‘Nigerian cotton fetches lower price in global market’**

[**http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news\_id=169896**](http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news_id=169896)

**Brazilian cotton quotes lower than govt floor price**

[**http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news\_id=169921**](http://www.fibre2fashion.com/news/cotton-news/newsdetails.aspx?news_id=169921)

**Hong Kong emerges as second biggest investor in Vietnam**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=170017**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=170017)

**India’s apparel production grows at 19.8% in Nov ‘14**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=170009**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=170009)

**Telangana govt to develop Warangal as textile hub**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=169997**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=169997)

**Haldia Petro may restart as lenders agree to infuse funds**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=169955**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=169955)

**Mexico announces measures to curb unfair textile imports**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=169926**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=169926)

**Indian govt to help develop Afghan textile industry**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=169923**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=169923)

**Sarlux acquires Versalis petrochemical facility from Eni**

[**http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\_id=169912**](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=169912)

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