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C. ITOH & CO., LTD.

Weekly Market Report

FOREIGN TRADE LIAISON DEPT.

No. 161

During Sept. 7—12, 1953.

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STATINTL

EXPORTS:

Cotton Yarns & Textiles:

The Sampin Exchange cotton yarn market registered a very narrow range of fluctuations, without any further advance, and the present market price level is expected to continue for the time being.

Cotton yarns—Some considerable business was booked with Pakistan in 32s and 40s; with Burma in 20s. The results of the tender held by the Burmese government on Sept. 7 are still unknown.

Cotton textiles—Indonesian government's suspension of her import licences, it is feared, will affect our cotton goods business very much, and big expectations cannot be entertained of the business from there. Activity was displayed by the Philippines, Hongkong, Singapore, Thailand, and Burma, resulting in considerable business.

Although it was reported that Pakistan would grant import licences in the very near future, no concrete actions have so far been taken.

Persian Gulf countries, South Africa, and West Africa were also in the market, booking some very limited business.

				Sampin Exchange Sept. 12 closing
Grey Cotton Yarns 20s	(per lb.)	FOB.	¢ 53.75	¥ 255.00
Swatch 2003	(per yd.)	"	¢ 17.00	
Swatch 2023	(")	"	¢ 17.40	
White 16000	(")	"	¢ 20.50	

Spun Rayon:

Although it was reported at last week-end that the Indonesian government suspended import licences for Japanese goods, spun rayon cloth business would not be affected very much, because inquiries for the cloth had been very few for the last one or two months.

As for spun rayon yarns, however, we are afraid the new act would have some effect on its business.

Export shipments of spun rayon goods and output of staple fibre during August were announced by the Ministry of Finance and MITI as follows:

Export shipments in August:

		July
Spun Rayon Yarns	1,995,000 lbs.	2,403,000 lbs.
Spun Rayon Cloth	13,363,000 s'yds.	12,973,000 s'yds.

Output of Staple Fibre in August :

		July
Staple Fibre	31,236,000 lbs.	30,015,000 lbs.
Viscose	30,796,000 "	29,561,000 "
Acetate	439,000 "	454,000 "
Synthetic Fibre	1,153,000 lbs.	1,037,000 lbs.
Nylon	806,000 "	322,000 "
Vinyon	746,000 "	675,000 "

As shown above, output of viscose staple fibre amounted to more than 30,000,000 lbs., and the total exports of January-August aggregated 222,000,000 lbs; thus it is expected that at the year-end the figure will exceed the biggest export record of 340,000,000 lbs. attained in 1938.

Staple Fibre, Bright, Bleached 1.5D×1½"	(per lb.)	FOB.	¢ 33
Spun Rayon Yarn Bright 40/2	(")	"	¢ 58½
Dyed Spun Rayon Muslin	(per yd.)	"	¢ 17-¾

Osaka Synthetic Exchange
Sept. 12 closing

Spun Rayon 30/1	¥ 173.00
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Rayon & Silk :

Speculative buying, made actively in the domestic market in reflection of inflationary mood here, subsided at the mid-week and the market gradually declined.

As for export business, too, overseas inquiries from Indonesia, where issuance of import licences is reported suspended, and other markets were on the whole dull. It is expected that the market will remain unchanged with weak undertone for some time to come.

On and after October 1 pulp and rayon goods link system will be adopted and juridical person taxes will be deducted from export profits; as a result export prices will become lower than domestic prices on account of dual prices to be applied to the domestic market and the overseas market.

Rayon yarns—Scattering business was booked with Karachi and other Pakistani market, but on the whole the rayon yarn business was tapering off.

MA 120 29" Bleached	(per yd.)	FOB.	¢ 15½
Satin 3600 Dyed 36"	(")	"	¢ 19½
B/B G/C Dyed 44"	(")	"	¢ 31
120 Dr. A Vis Lady	(per lb.)	"	¢ 59½

Woolen & Linen :

Hongkong sent active inquiries continually resulting in business.

Scattering inquiries from India and South Africa did not materialize into business.

India showed some interest in woolen yarns, but business seemed infeasible owing to price disparity.

Korea was rather quiet this week.

Worsted Weaving Yarn 2/64	(per lb.)	FOB.	\$ 2.50
Worsted Plain Serge	(per yd.)	"	\$ 2.50
Hessian Cloth 40"×10 oz.	(")	"	¢ 12.5

Textile Sundry Goods :

Overseas markets for textile sundry goods were as a whole sluggish after one round of purchase was made by overseas buyers, but Manila showed much buying interest in fishing net. Very limited business was also booked with Djakarta in bleached mosquito netting; Hongkong rayon handkerchief material; South Africa printed muffler material and towels; West Africa mosquito nettings.

Though generally a withholding attitude is kept, U. S. A. booked table cloth and Canada resumed buying interest, sending inquiries for table cloth.

K350 Jacquard Blanket	(per pc.)	FOB.	\$ 1.20
30s Bleached Hosiery Fabrics	(per lb.)	"	\$ 0.87
Rayon Handkerchief	(per doz.)	"	\$ 0.54

Steel Goods :

It is worth noting that after a long silence, South East Asian countries came into the market, sending inquiries though for very small quantities.

Non-ferrous Metals :

Demand season setting in, the market became firm, especially lead ingots sharply advancing.

Overseas inquiries were however very inactive except from Brazil.

M. S. Billet 100 mm.	(per M/T)	FOB.	\$ 90.00
M. S. Round Bar ½"	(")	"	\$ 108.00
G. I. Sheet U. S. G. 26	(")	"	\$ 210.00
G. I. Wire B. W. G. 8	(")	"	\$ 132.00
C. W. Nail	(per 100 lbs.)	"	\$ 6.05
Virgin Alumi Ingot	(per lb.)	"	\$ 0.27
Alumi Sheet 0.8 mm.	(per M/T)	"	\$ 700.00
Copper Sheet 0.8 mm.	(")	"	\$ 1,100.00

Sundry Goods :

Paper—Inquiries for transparent paper were continuously sent from Indonesia and South America.

Timber—Interest was shown in plywood by Holland, Belgium, Cape Town, and U. S. A.

Rubber goods—Auto tyres are under negotiation with Bangkok and Burma.

Cement—Rangoon showed activity for cement.

Porcelain & Enamelled wares—With restrictions recently imposed on import licences by the Indonesian government, business outlook with South East Asia is not prospective and the market trend was easy.

Newsprinting Paper	(per lb.)	FOB.	¢ 8.5
— ditto — (Senka Paper)	(")	"	¢ 7.5
Woodfree Printing Paper, 31" x 43" 50 lbs. per ream of 500 sheets	(")	"	¢ 13.6
Transparent Paper, Non-moisture proof, 90 cm. x 100 cm. Colourless, No. 300, 500 sheets per ream	(per ream)	"	¢ 13.2

Oak Lumber, Plain Sawn Planks, FAS grade, 1" thickness	(per c'ft.)	FOB. £ 0-16-10
Lauan Plywood, 6'x3', 4 ⁷ / ₈ , Type 3, No-joint, 1st quality	(per 100 sq. ft.)	" \$ 5.30
Rubber Transmission Belting	(per inch ply)	" ¢ 1.5
Canned Sardines, in tomato sauce, Fancy Grade, 48/15 oz.	(per case)	" \$ 8.00
Canned Mandarin Oranges, in light syrup Fancy Grade, 48/15 oz.	(")	" \$ 5.00
Green Tea, Chun Mee, Medium	(per lb.)	" ¢ 30.00
Agar Agar, Strip, Kobe No. 1	(")	" \$ 1.90
Ordinary Portland Cement, BSS 12/1947	(per M/T)	" \$ 22.00

IMPORTS :

Raw Cotton :

The New York Cotton Exchange—On Sept. 8, the U. S. government announced its second crop estimate at 15,149,000 bales, which is 500,000 bales more than the last estimate, but the market registered only narrow fluctuations, closing at ¢ 33.30 for Oct. delivery, 5 points below last week, and at ¢ 33.57 for December, 3 points down.

Fund allocation—This week there was no fresh allocation. Allocations to be made soon, however, are (1) for 30,000 bales of Brazilian cotton in open account, (2) for 3,000 bales of Egyptian cotton, and (3) for 113,000 bales in Free Dollar.

Business done at this end—Of the fund earmarked for the coming October-to-December period, a free dollar fund for 100,000 bales was decided to be allocated earlier than scheduled. Accordingly this invited increasing interest in American and Mexican cottons.

As for American cotton, Orl/Tex. and Arizona growths were continuously inquired for and booked.

As regards Mexican cotton, Sinaloa and Mexicali growths were scatteringly bought in view of a downward trend of the basis.

Regarding Brazilian cotton, with the fund allocation for 30,000 bales to be expected next week, it was reported several thousand bales were booked this week.

As regards Pakistani cotton, a few spinners bought several thousand bales of old crops, but others' interest in old crops is tapering off as they had no fund in hands.

Their attentions for new crops, on the other hand, have been gradually enhanced, but it was reported a wait-and-see attitude so far prevailed on the whole market with almost none of fresh business.

Raw Wool :

Though two weeks have already elapsed since the resumption of Australian wool sale, the activity of Japanese mills was rather dull because of their insufficient foreign exchange funds, especially of the dearth of Sterling fund allocation for wool for the second half year (Oct. '53—March '54) as was the case with the last season. They were reluctant to follow this week's market prices because they considered them casual as a result of Russian heavy buying, and their limits were generally too low to complete their orders.

Wool Shoddies and Rags :

For the time being we can import wool shoddies and rags under A. A. system if we want. Consequently, many inquiries and contracts were made for them. It is reported that quite a lot of white or light coloured shoddies were bought from Holland and other countries holding the clearing account with Japan. But it becomes very difficult to buy them at favorable prices because of small quantities offered on the market.

Abaca :

The market at the producing centres continued firm with unchanged prices. Davao Hemp I \$ 64.00, J1 \$ 61.50, G \$ 53.00, Non-Davao Hemp G \$ 46.00, J2 \$ 42.50, K \$ 37.00.

Domestic market continued very quiet on account of withholdings by both buyers of rope and paper mills.

Jute :

The raw jute market was on a downward tendency last week in sympathy with the easy tone of the jute goods market.

Quotation :

Calcutta,	Firsts	Spot	Rs. (I)	150.00
		September	"	155.00
		October	"	155.00
Pakistan,	First	Spot	Rs. (P)	114.00
		September	"	115½
		October	"	115½

The domestic mills here were withholding due to the poor prospect for domestic jute goods and downward tendency of the raw jute market. Nominal quotation, L. J. A. Firsts ¥ 16,300—16,800 per bale.

Ramie :

Though increased production in Formosa, the Philippines and other producing countries was reported, the quotation was around ¢ 34.

The domestic mills were very slow in making purchases.

Rubber :

The market remained unchanged with very narrow fluctuations; the domestic market was the same.

Kobe Exchange	Highest	Lowest
September	¥ 76.90	¥ 76.40
February	¥ 77.10	¥ 76.20