

# **Challenges to Cotton - Inter-Fiber Competition and Beyond**

75th Plenary Meeting of the ICAC

30 October, 2016 - 04 November, 2016

Islamabad, Pakistan

# Agenda

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## 1. Introduction

2. World Fiber Market

3. Challenges from Raw Materials

4. Challenges from Prices

5. Summary and Outlook

## Introduction

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- Almost a quarter of a century in textile industry
- 18 years with international textile machinery manufacturing companies like Barmag, Saurer and Oerlikon
- Since end of 2010, founder & general manager of The Fiber Year GmbH
- Location:  
The Fiber Year GmbH  
Hauptstrasse 19  
CH - 9042 Speicher, Switzerland  
E-mail: [info@thefiberyear.com](mailto:info@thefiberyear.com)



## Agenda

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1. Introduction

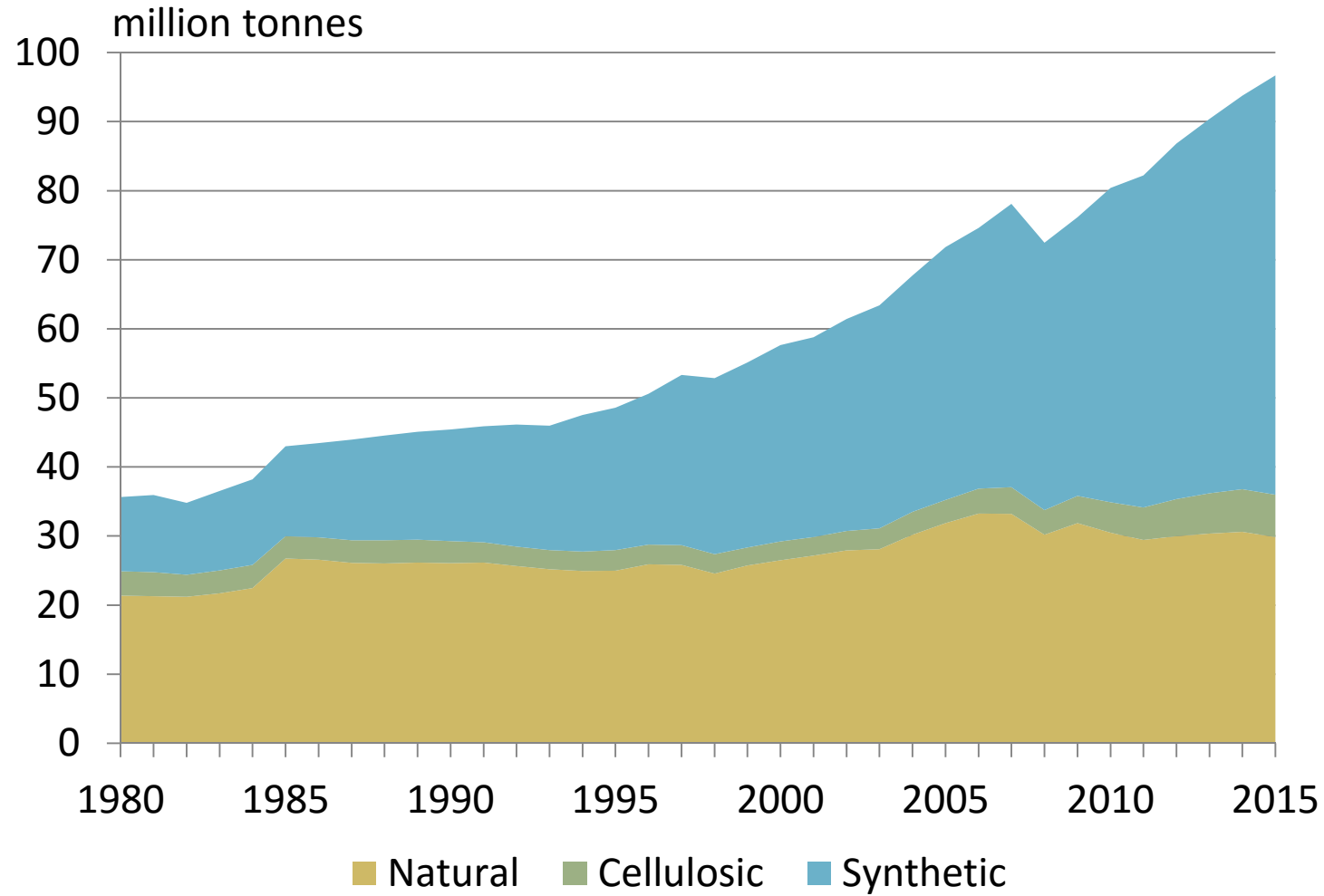
**2. World Fiber Market**

3. Challenges from Raw Materials

4. Challenges from Prices

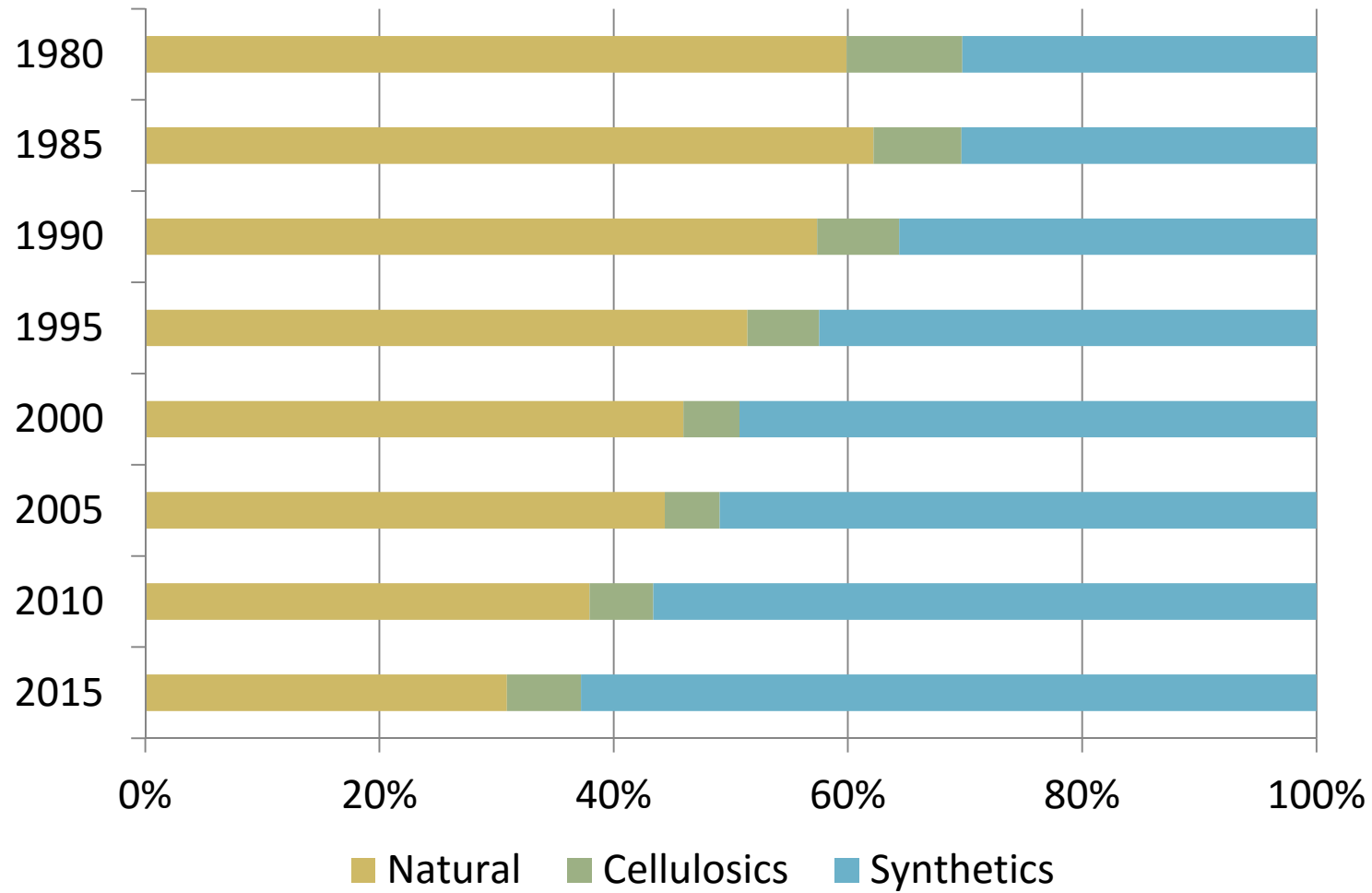
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# World Fiber Market



Source: The Fiber Year 2016

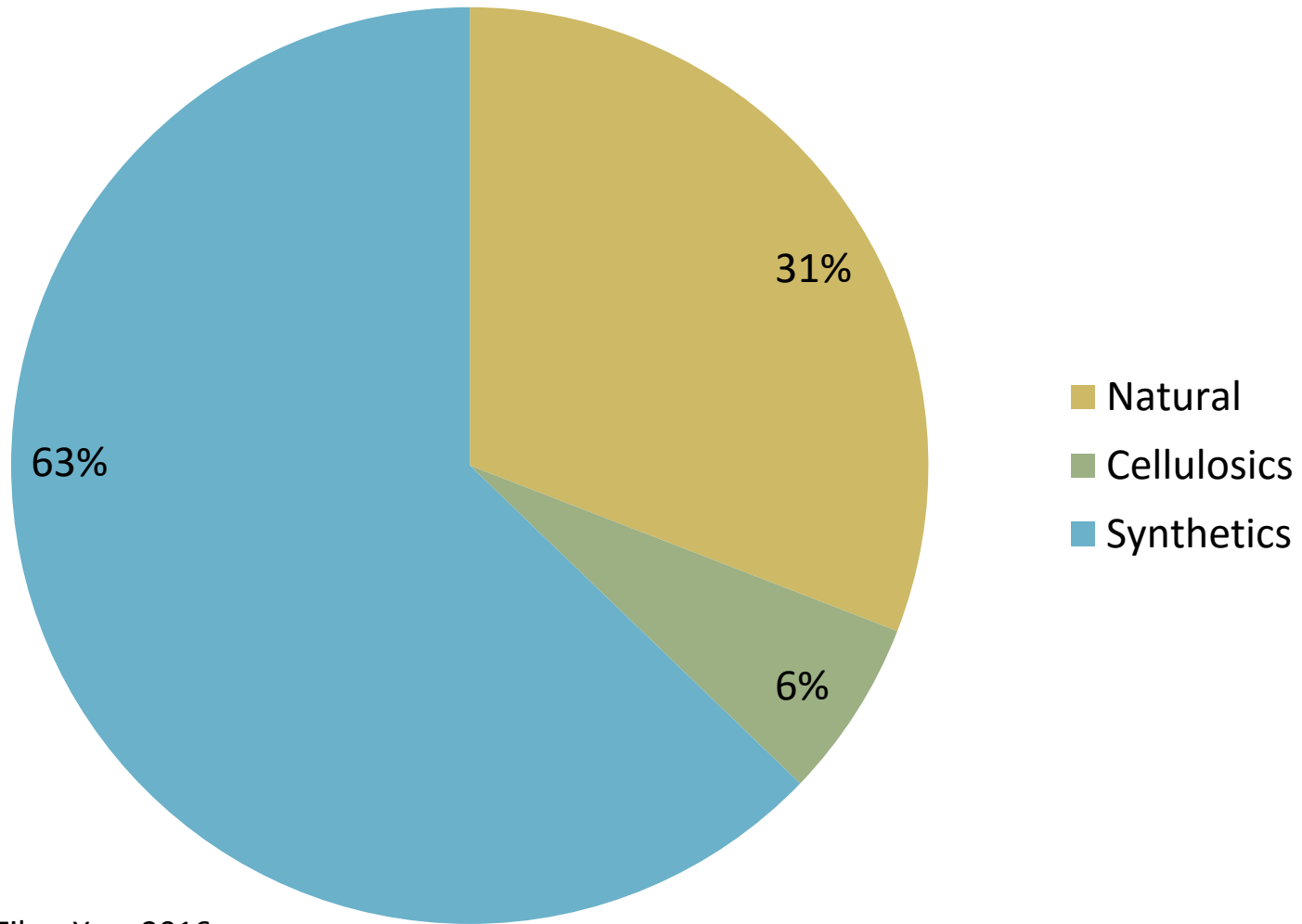
## Market Share of Major Fiber Types



Source: The Fiber Year 2016

## World Fiber Market 2015

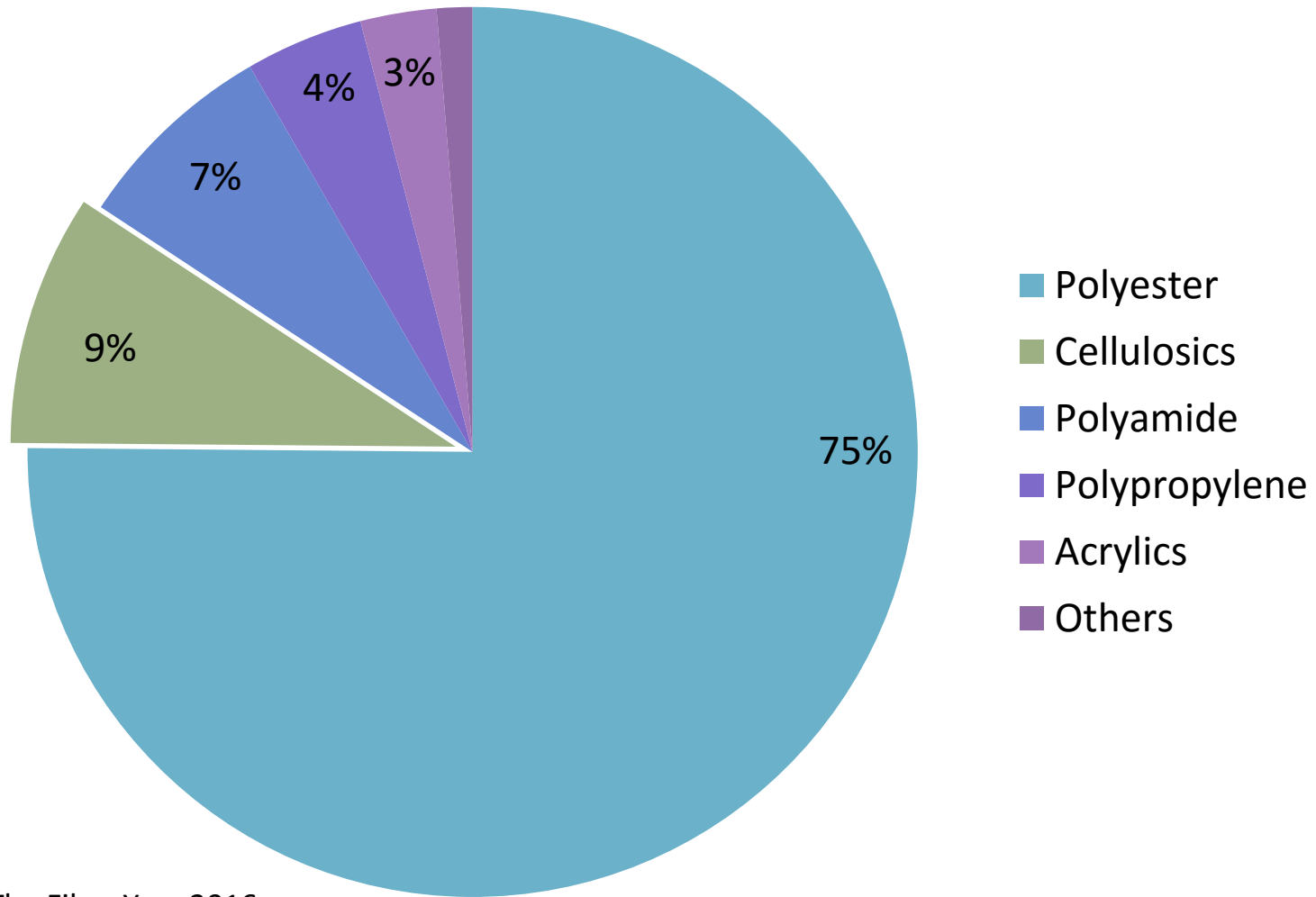
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Source: The Fiber Year 2016

## World Manmade Fiber Market 2015 by Fiber Type

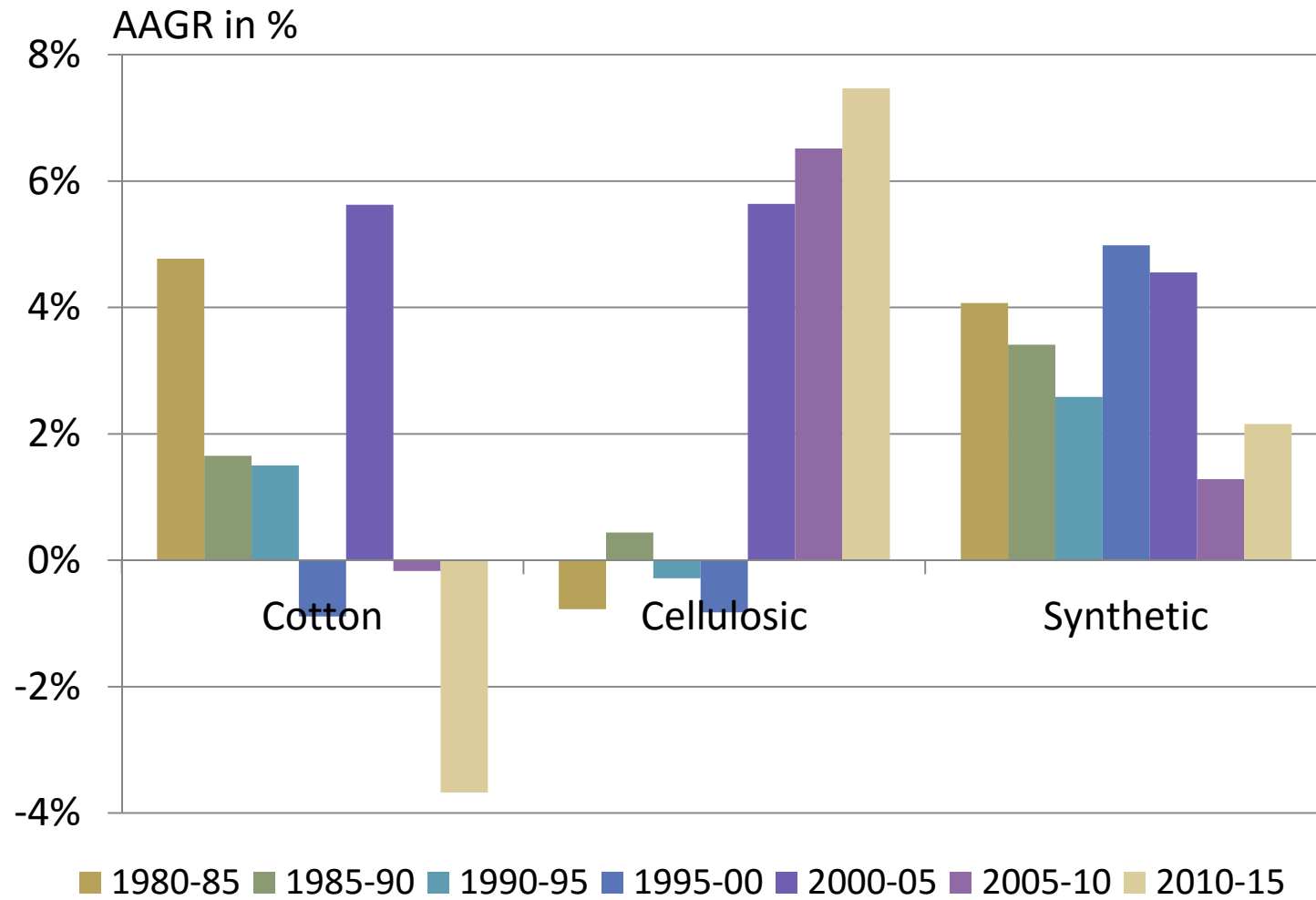
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Source: The Fiber Year 2016



## Dynamics of Main Staple Fiber Production



Source: The Fiber Year 2016

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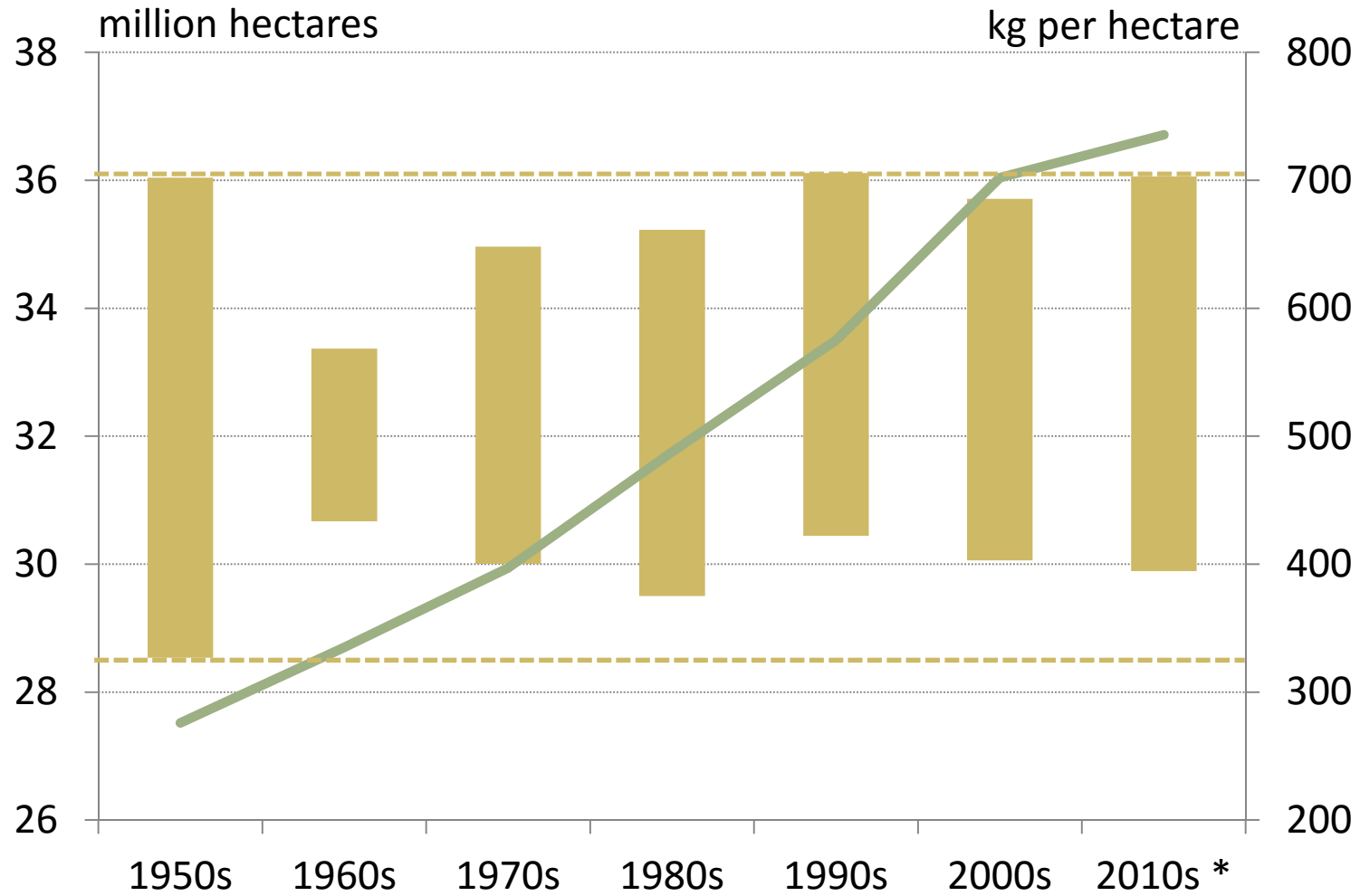
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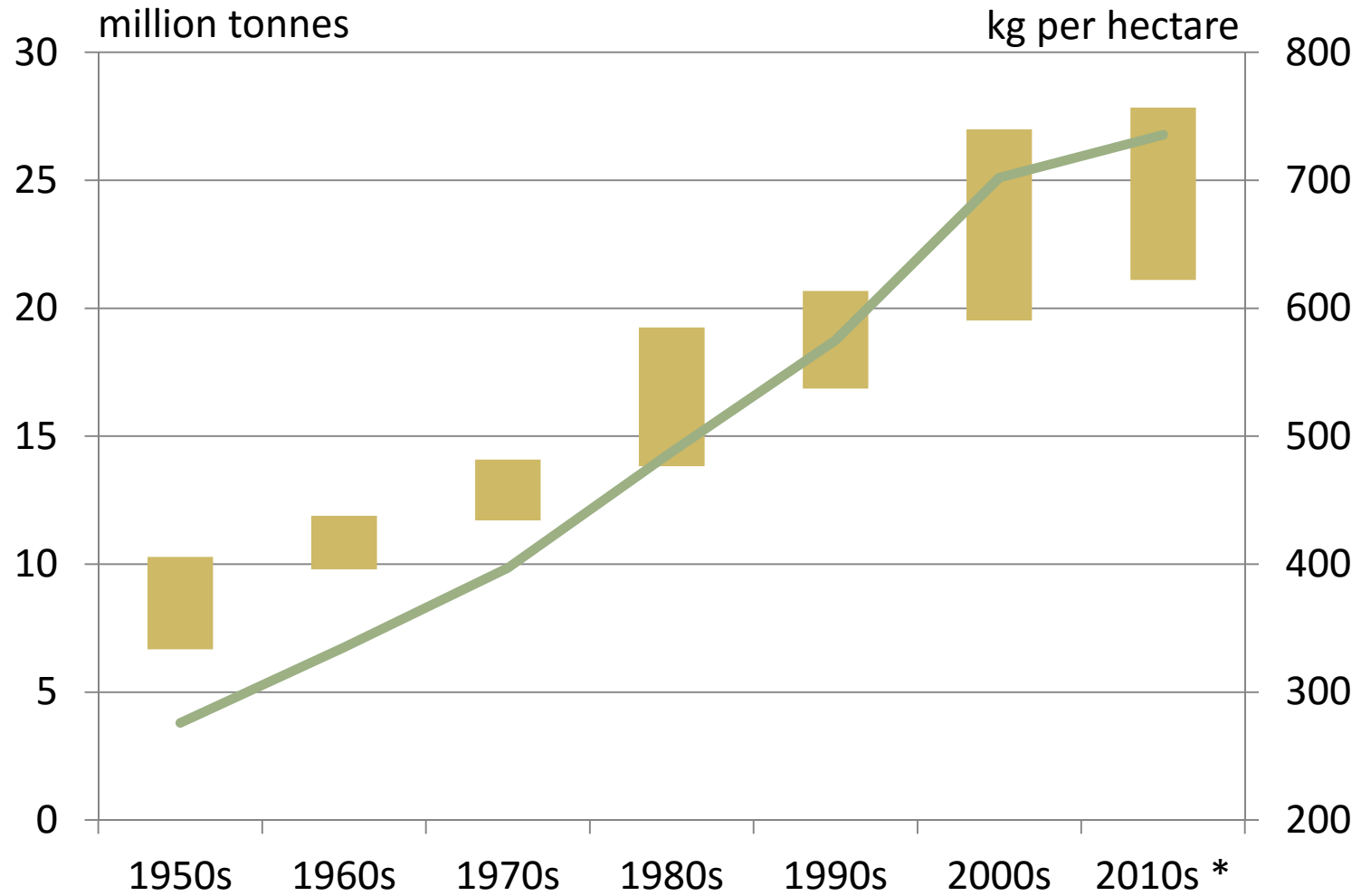
## World Cotton Area and Yields



Source: ICAC

\* up to 2016/17 season

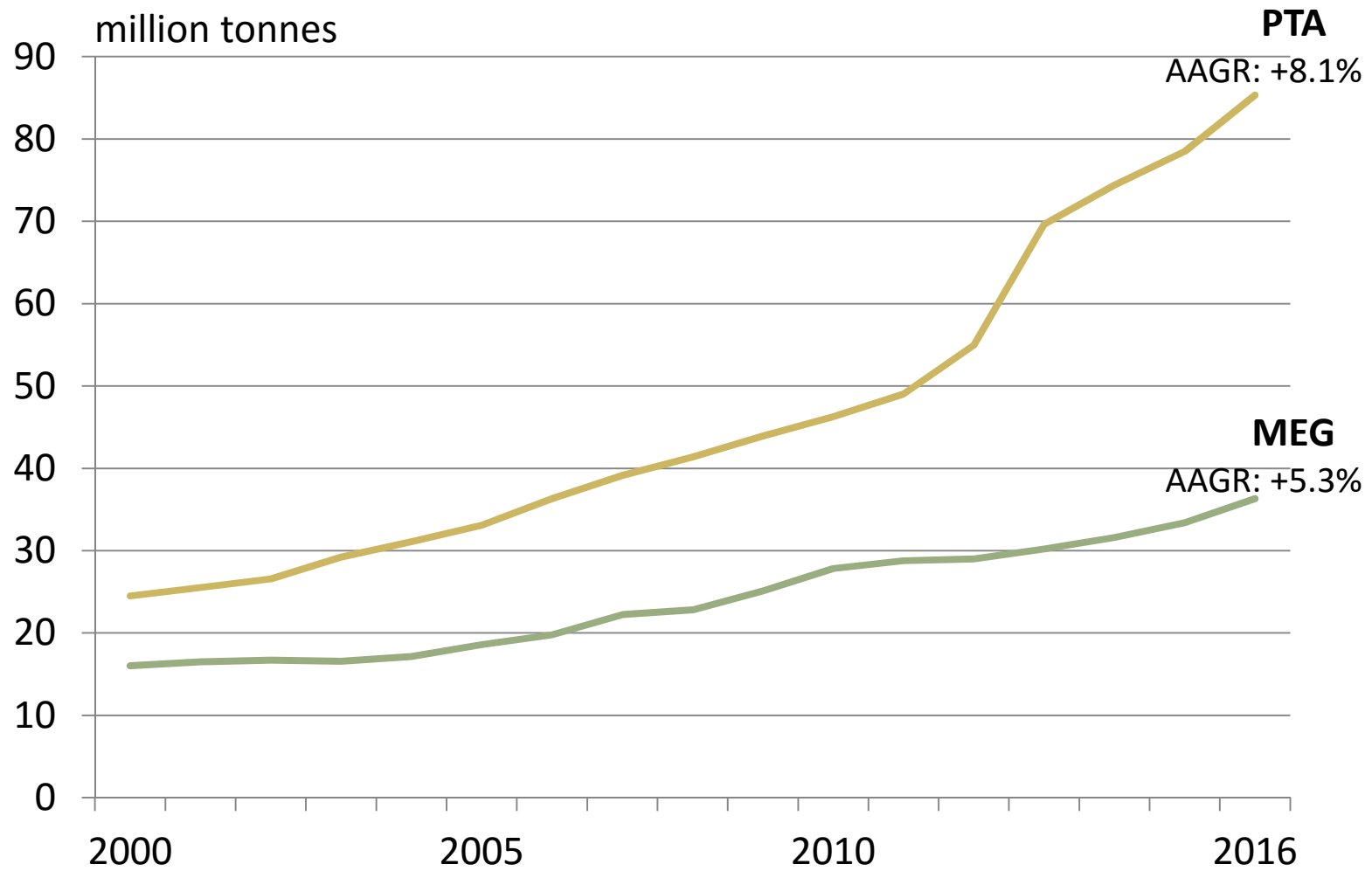
# World Cotton Production



Source: ICAC

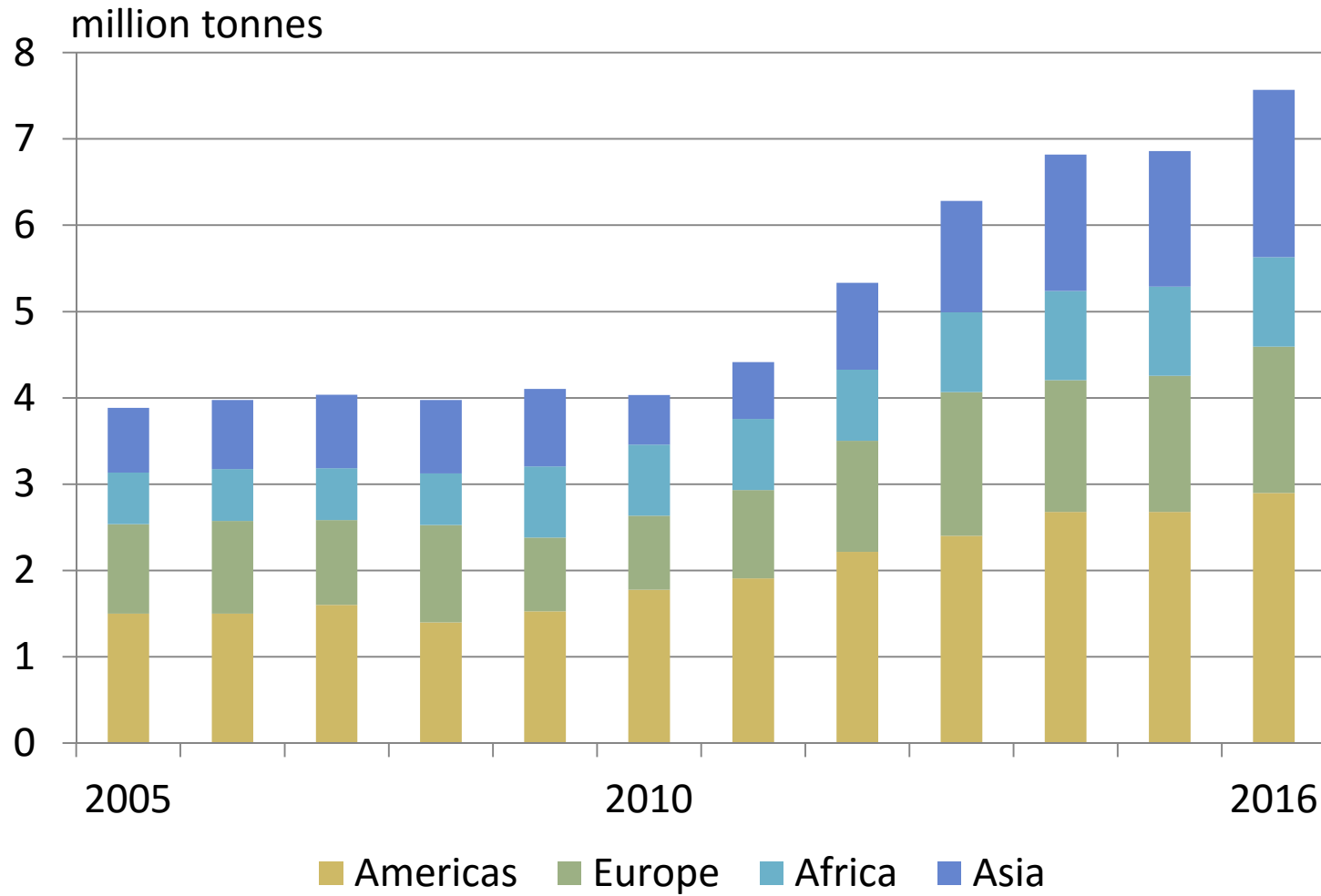
\* up to 2016/17 season

## World Polyester Feedstocks Capacity



Source: The Fiber Year 2016

## Dissolving Pulp Capacity by Region



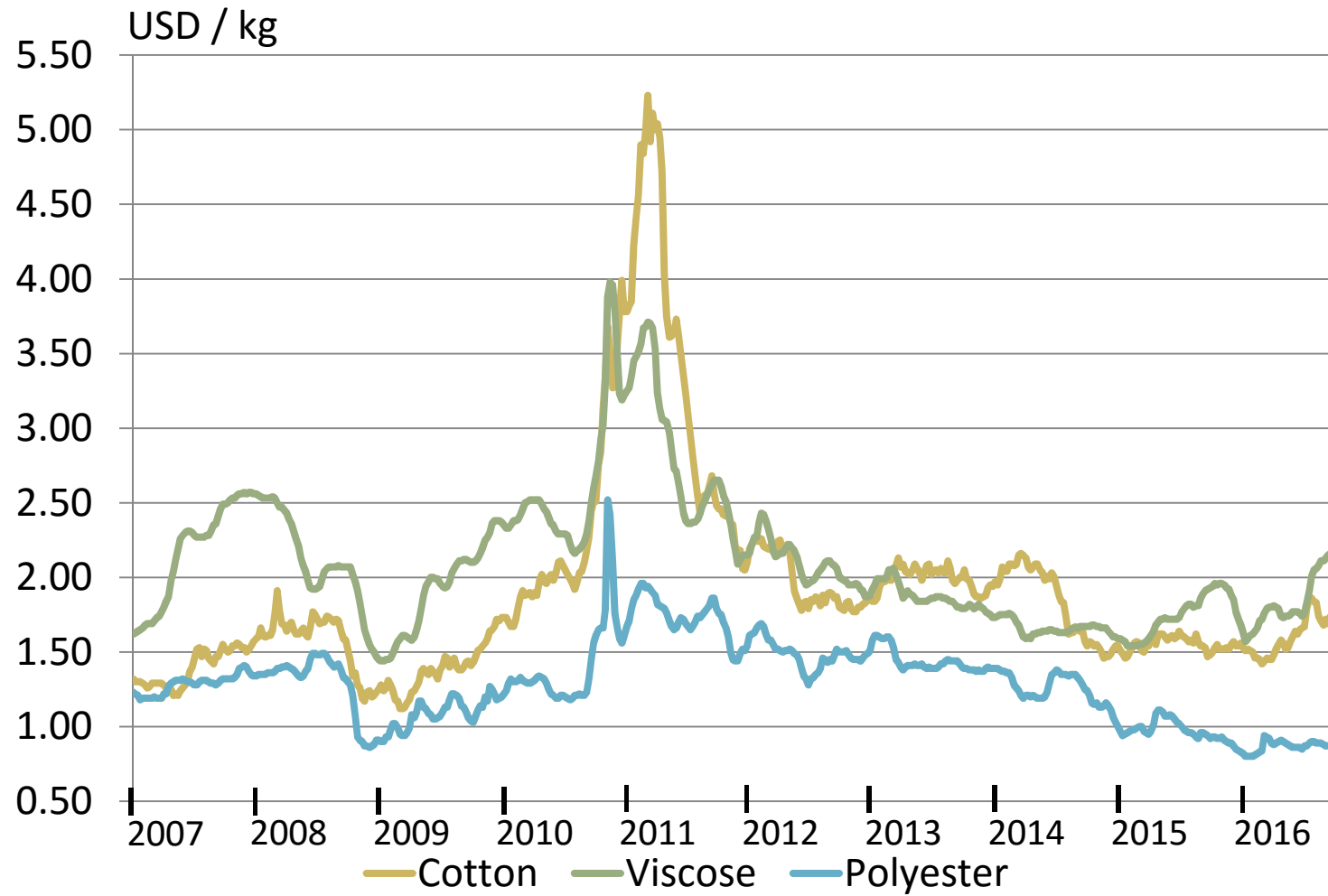
Source: The Fiber Year 2016

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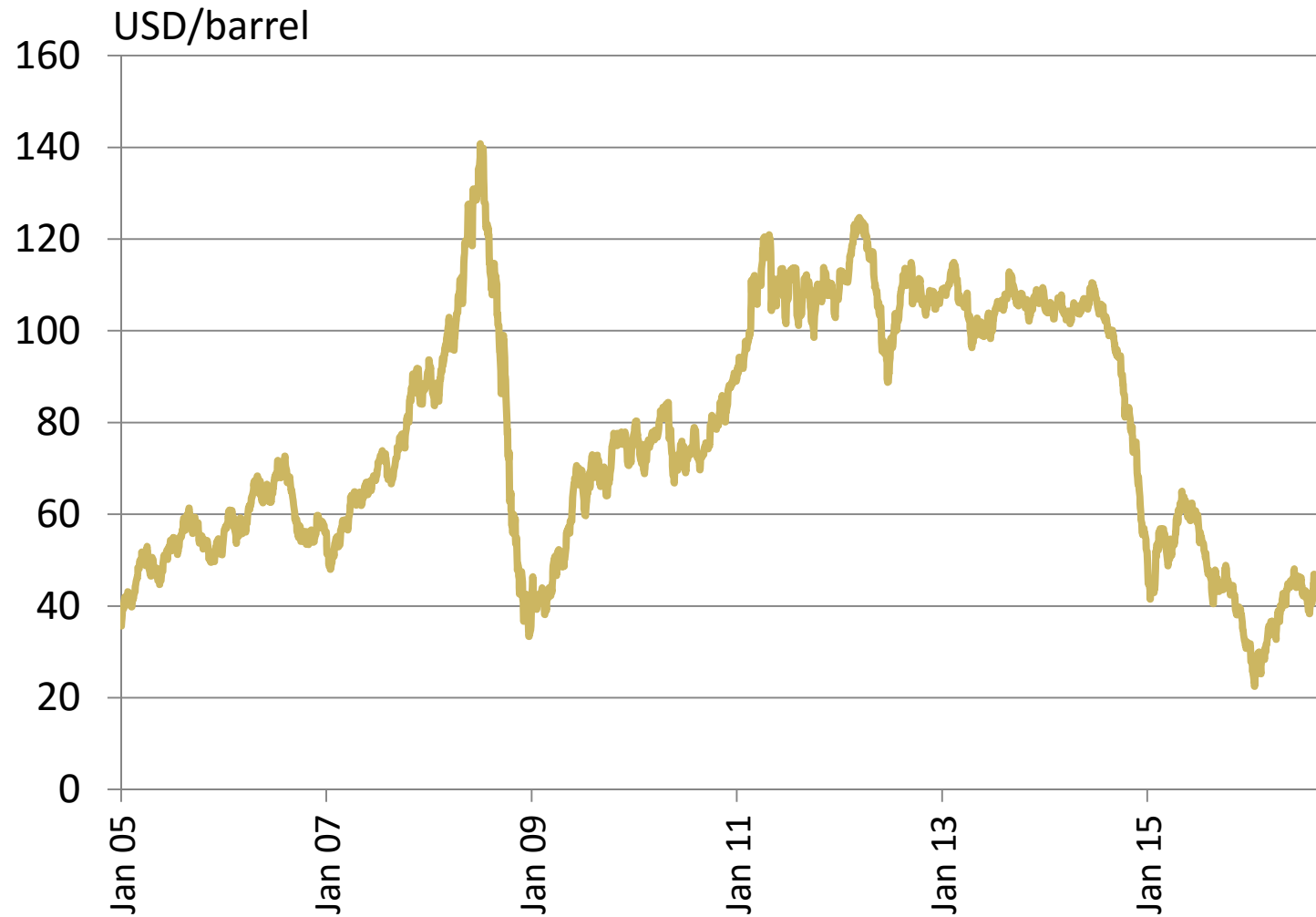
## Staple Fiber Net Prices



Source: The Fiber Year 2016

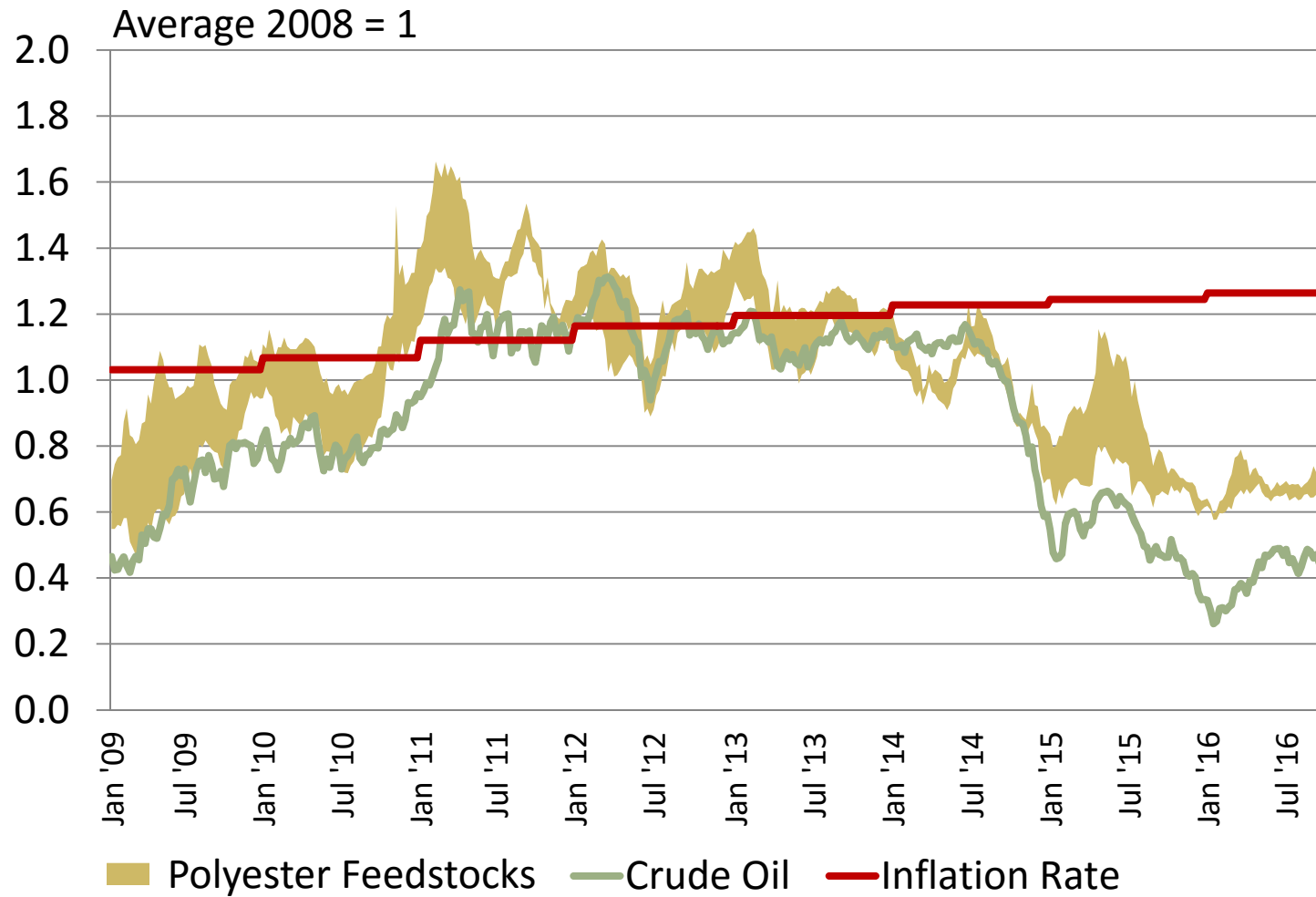


## OPEC Reference Basket (ORB)



Source: OPEC

# Polyester Feedstock Prices vs Crude Oil

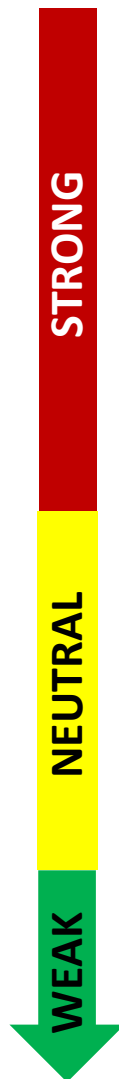


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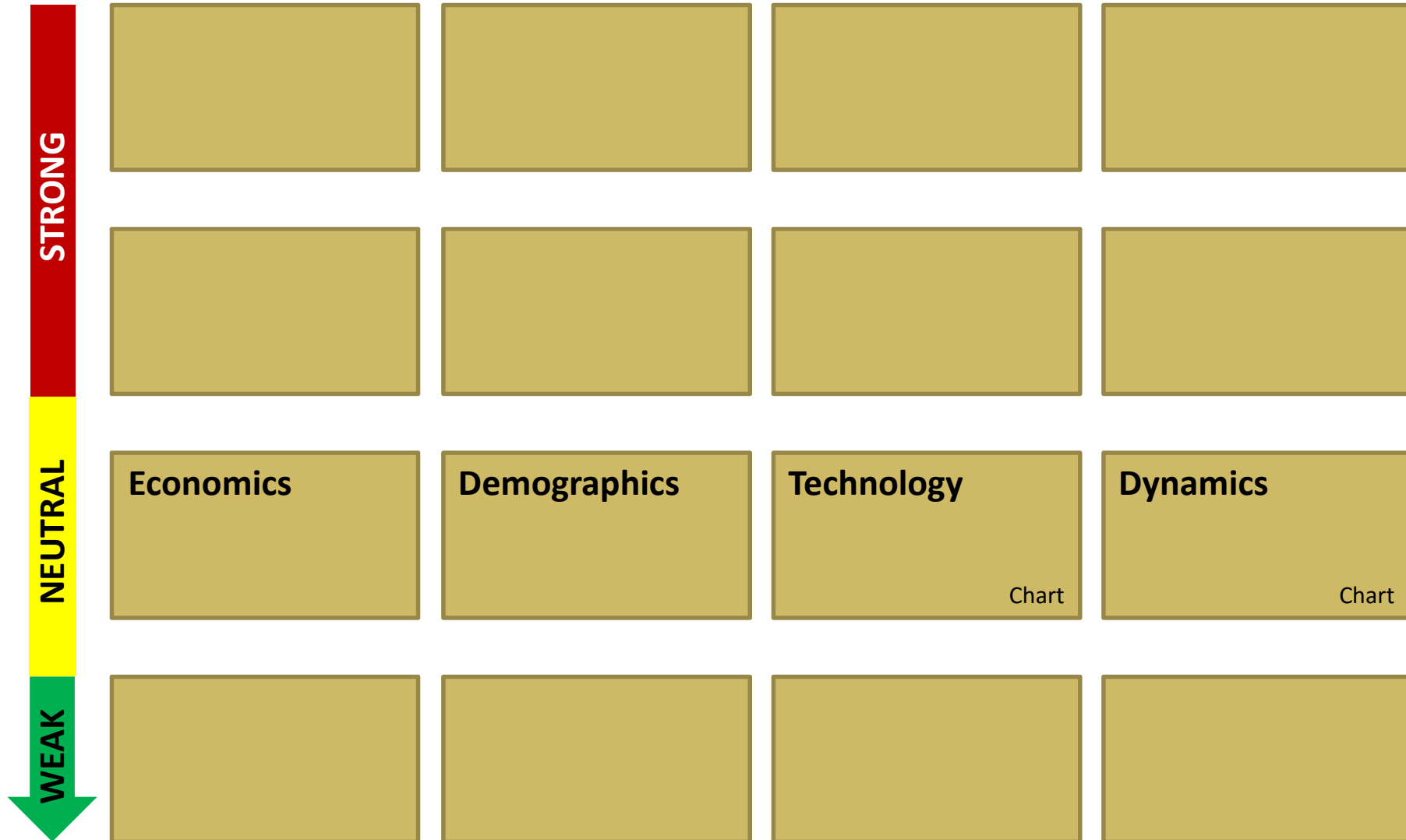
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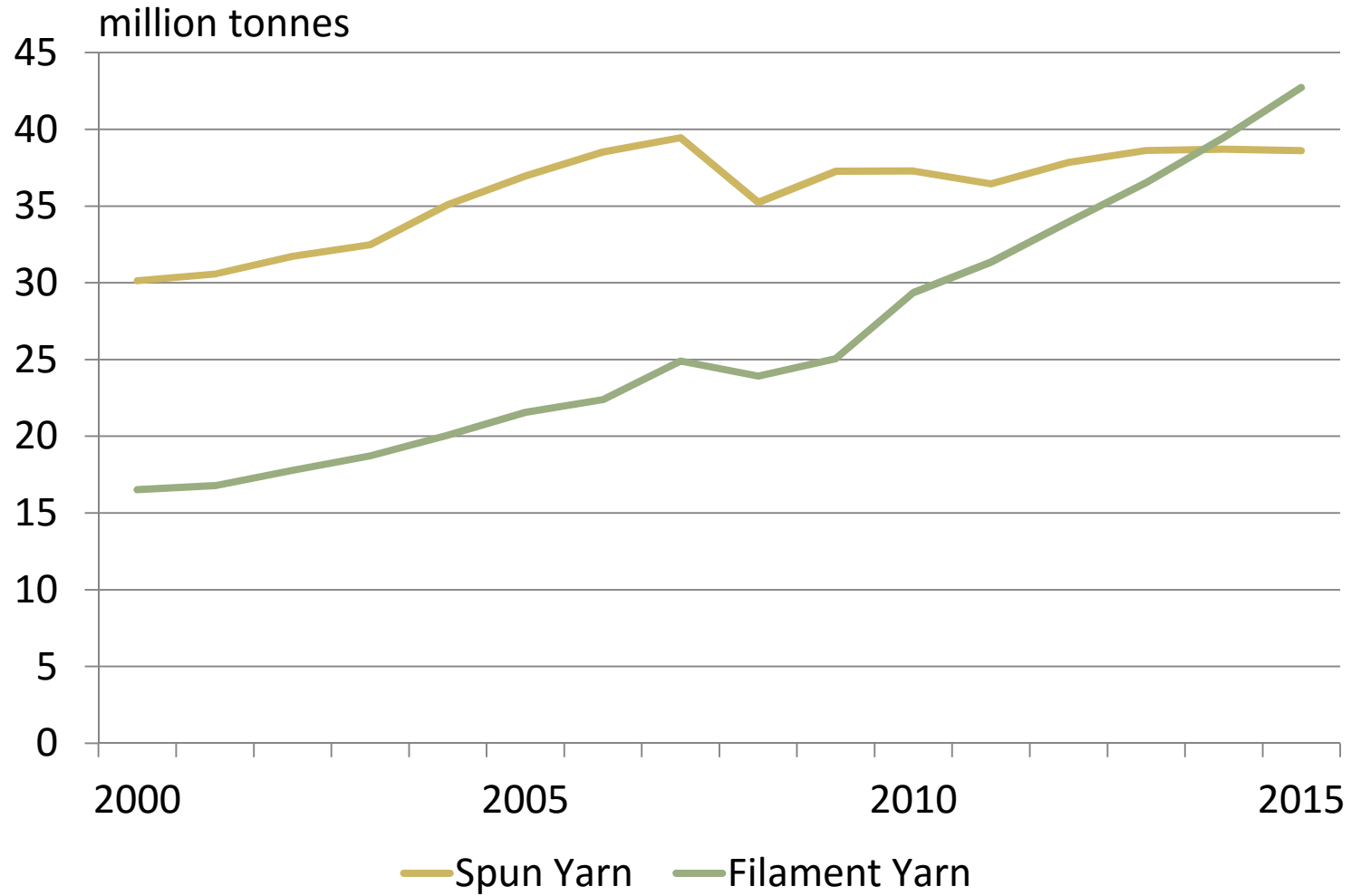
## Challenges and Influence of Cotton Value Chain

				
	<b>Raw Materials &amp; Excess Capacity</b>	<b>Leader in the Textile and Apparel Field: PR China</b>	<b>Quality Standard of Cotton Ready-Made Garments</b>	<b>...</b>

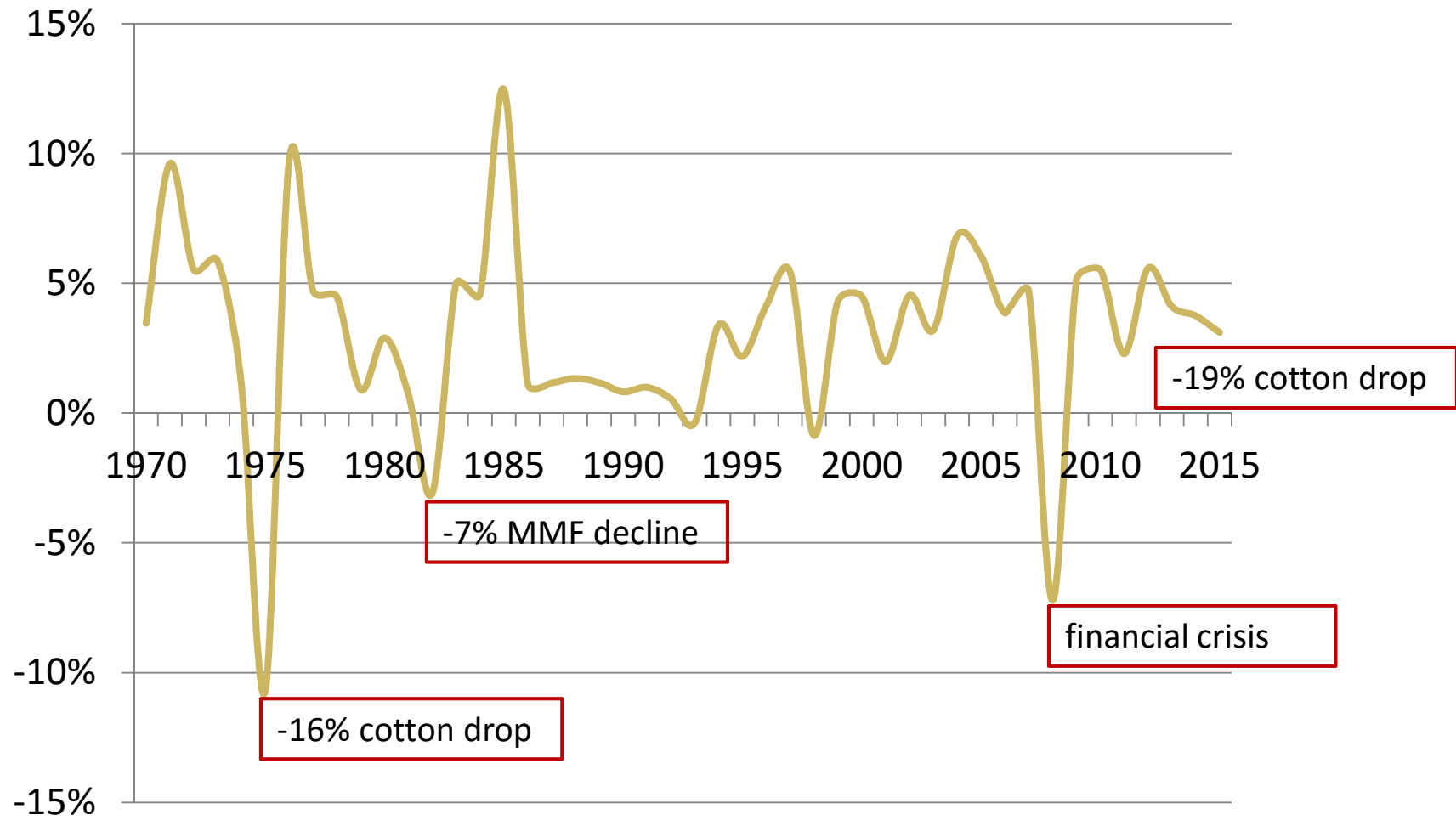
## Challenges and Influence of Cotton Value Chain



## Filament and Spun Yarn Production



## Annual Dynamics in Fiber Consumption



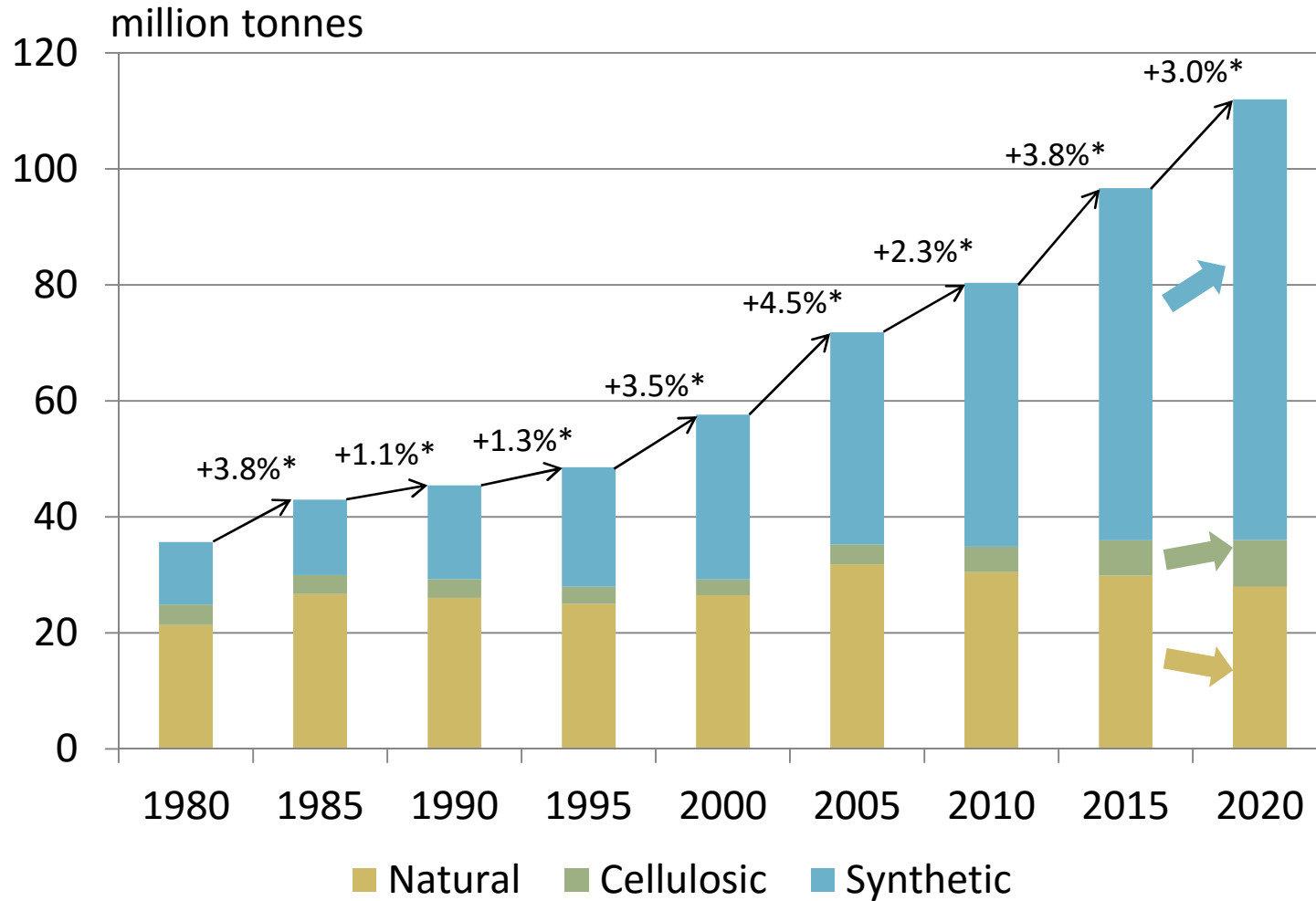
Source: The Fiber Year 2016

## Challenges and Influence of Cotton Value Chain

<b>STRONG</b>	Politics	Employment	Importance for Agricultural Economy	Safety & Protective Regulations, Labor Standards
	Fiber Prices	Sustainability	Pesticides & Chemical Ingredients	Alliances
<b>NEUTRAL</b>				
<b>WEAK</b>				



# World Fiber Market Potential 2020



Source: The Fiber Year 2016

\* Average Annual Growth Rate



**Let's join hands  
to tackle upcoming challenges!**