

Polyester costs to rise on input hike

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Manufacturing polyester has just become more expensive, with the prices of raw materials such as Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG) moving northwards in the past few days.

Currently, international PTA prices are at \$950 a tonne compared to \$850 a tonne in March. Similarly, MEG prices have moved up to \$940 a tonne from \$850 a tonne

in February.

However, polyester prices have not moved up in tandem. Polyester Staple Fibre prices have stayed at \$1250 a tonne during the last four months impacting some stand-alone manufacturers like Indo Rama Synthetics, the country's largest dedicated polyester manufacturer, who depend on imports for raw materials like PTA and MEG. Reliance, being a fully integrated company, is insulated from this.

The appreciating rupee

provided only some comfort. After a long gap, the producers are raising the prices of texturised yarns with increasing demand. Reliance Industries and Indo Rama Synthetics have increased the prices twice in last one week.

Indo Rama has raised price of all denierage and fine counts by Re 1 this week and last week respectively. In course counts, prices were increased by 50 paise.

A trader said that tex-

turised yarn prices have gone up by Rs 3-4 in last few weeks in some of the counts. Preference for brighter yarns is fading and till recently semi-dull yarns were preferred. But buyers are switching over to full dull yarns as prices of this variety has fallen by over 9 per cent in the last one month.

Most running variety in this category is 130/72. Facing stiff competition, Reliance has reduced the price of this material by Rs 2.50 from Rs 74.50 to Rs 72.