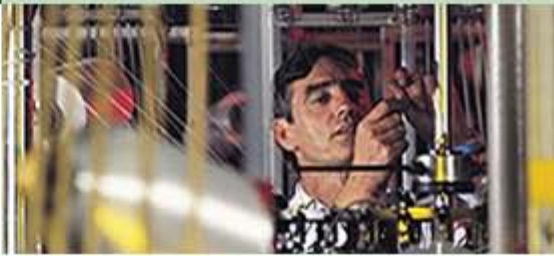




American Textile, LLC

3235 Satellite Blvd
Building 400 Suite 300
Duluth, GA 30096
United States
770.291.2226 Phone
678.547.3179 Fax
sales@americantextilellc.com



April 15, 2010

Number 1

Greetings Colleagues

The first quarter of 2010 has come to a close - and an interesting quarter it was. On the chemical front, the first three (3) months of 2010 was a period characterized by tight supply for a wide range of chemicals. On the ocean freight front, this quarter saw significantly reduced vessel rotation.

Tight supply chemical supply for acrylic acid, methacrylic acid, propylene, epichlorohydrin, acrylonitrile, butadiene and maleic anhydride - just to mention a few - caused difficulties for many of us. Tight supply was driven by plant outages, turnarounds and problems with feedstock supplies. Extremely tight supply of acrylic acid resulted in implementation of allocation by North American producers. The ultimate result of the tight supply situation was escalating prices. In several cases, producers of the mentioned chemicals increased prices three (3) or more times during the three month time frame. It has been quite some time since we have seen such a situation.

These raw material price increases translated into increased costs and prices for many polymers used in textile sizing, preparation, dyeing, printing and finishing - also into increased costs for polymer used garment wet processing. In many instances, the increased costs have been rather dramatic. To date, these increases have not retreated.

If you would like more specific information related to cost / price changes for the chemicals mentioned, please let us know. We would be pleased to share data, charts and graphs with you.

On the ocean freight front, reduced vessel rotation has pushed prices higher and stretched bookings into the three (3) to six (6) weeks range. As the steamship lines continue losing money - we do not predict freight rates to come down soon. Likewise, global trade has continued its recovery after two (2) very difficult years. This recovery should increase cargo space demand - thereby bolstering support for higher freight prices.

Advanced Chemistry for a Modern Textile Industry

