

Textile Briefs International

- ❖ Bangladesh's garment manufacturing industry, accounting for 80% of overall exports and 40% of the country's industrial jobs fetched US \$9.3 billion out of a total \$12.18 billion in export earnings in the last financial year to June 2007. Bangladesh's garment exports grew strongly on the back of hefty exports to major markets in Europe and the United States, signalling a recovery by the vital industry, as the exports grew by 58% in January 2008 to \$957 million from the same month a year earlier.
- ❖ India's current season cotton production was around 27 million bales while consumption was 23.5 million bales, leaving a surplus of 3.5 million bales, but India exported 4.5 million bales, said Paramananda Nayak, Director (Market Research), Textiles Committee.
- ❖ The European Union removed anti-dumping duties on Polyester Staple Fibers (PSF) from India, Indonesia, Thailand and Australia. This should result in higher sales on the European market, helping to absorb excess capacities in Asia. EU still maintains anti-dumping duties on PSF from China, Korea, Belarus and Saudi Arabia.
- ❖ Taiwan's exports of Polyester Staple Fibers (PSF) more strongly declined in the last year due to a continued fall in sales to China and Vietnam. Anti-dumping duties imposed by the European Union also depressed shipments before they were eliminated in June 2007. Sales to the U.S. market surged, while also strongly increasing to Turkey and Russia.
- ❖ The Indian National Manufacturing Competitive Council (NMCC) expects the textile growth from a total value of US \$36 billion to US \$ 85 billion over the next 6 years. Investment in the Indian textile industry over the spectrum of spinning; weaving; knitting; dyeing & finishing; and garment confection sectors will amount to US \$ 31 billion over the next 6 years. About 36% of this investment will take place in the dyeing & finishing sector.
- ❖ South Koreans, encouraged by better quality of Bangladesh's readymade garments (RMG) and availability of cheap labour, are contemplating doubling investment, said Hanil Kim Director of Korea Trade-Investment Promotion Agency (KOTRA). He said the quality of Bangladesh RMG products and lower labour cost compared to Vietnam and Cambodia would attract more Korean investment in the RMG sector.
- ❖ U.S. cotton denim fabric imports slightly increased in the last year, reflecting a surge in Italian shipments but also a jump in imports from Turkey. The U.S. denim apparel industry is clearly shifting to higher-quality fabrics with Japan maintaining its market share. Imports from China and Mexico also rose in 2007, indicating that low-cost apparel production did not totally disappear.
- ❖ US imports of cotton bed sheets were much less strong in the last year with Pakistan losing ground on the lower end of the market to the benefit of China. Imports of higher-priced sheets continued to rise sharply, especially from India. A shift by Indian suppliers to relatively higher-quality products clearly protected them from the rise in the rupee.
- ❖ Textile quota fill rates are heavily falling in US categories of products from China at the start of the New Year. With imports falling in most important categories and quotas rising 14% to 17% in 2008, there is no surprise in lower fill rates. Imports soared in textile categories with fill rates however remaining at a low level.
- ❖ Unit prices of U.S. apparel imports slightly declined in most important cotton categories in the second month of the year while rising in man-made fiber categories. Unit values of products from China were significantly raised while also increasing from Vietnam. However, unit prices of Indonesian products were lower from the same period.
- ❖ U.S. apparel imports from India slightly declined in the last year. The setback was not only due to the rise in the rupee, but also to more direct competition from China after its exporters raised their prices. India had difficulties with cotton woven shirts and man-made apparel in the last years while being more successful with cotton trousers.
- ❖ Cotton prices by the end of March further surged on the international market. Speculative buying by hedge funds pushed up New York and physical prices above 80 cents per pound. Such a rise is only based on speculation while physical demand remains relatively low. Unable to raise their prices accordingly, yarn makers started limiting production and may now increasingly shift to polyester fibers.
- ❖ Polyester intermediate prices strongly rose in the last week of March, being pushed up to higher levels by a surge in crude oil prices and a declaration of "force majeure" by Indonesian paraxylene producer TPPI. PTA prices rose to US\$945 per tonne, now heading to US\$1,000. Intermediate prices are also stimulated by stronger demand from polyester producers, in line with a rebound in fiber prices.
- ❖ According to Rajendra Hinduja, Executive Director, Gokaldas, India's apparel exports which were projected to touch \$ 9.5 billion this fiscal year could fall short by a wide margin with the industry now estimating that this figure would be around \$8.5 billion, a decline of 10%.
- ❖ India enjoying 60% of India's worsted fabric market share, Raymond – the world leader in worsted fabric is taking several steps to emphasize its global dominance. With a total investment of Rs 40 crores, Raymond is setting-up a new suit and formal trouser manufacturing facility at Bangalore (Karnataka) with an annual capacity of 5 lakh suits and 10 lakh trousers.
- ❖ President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Anwar-Ul-Alam Chowdhury said that 99% garment factories have been paying their workers minimum wage, 83% owners have given the appointment letters to the workers and maternity leave has been ensured in 98% garment factories. ◆