

Textile Briefs International

- ❖ According to Asian Development Bank forecast, Bangladeshi apparel exports should slowdown in the current year, due to the global recession and the reduction in prices. Clothing exports continue accounting for 75% of total Bangladeshi sales to foreign countries with about 90% being shipped to EU and US. Bangladesh may however take advantage of relatively strict monetary policy with inflation not exceeding 7% this year.
- ❖ The Indian textile industry is one of the largest and most important sectors in the economy in terms of output, foreign exchange earnings and employment in India. It contributes 20% of industrial production, 9% of excise collections, 18% of employment in the industrial sector, nearly 20% to the country's total export earnings and 4% to the GDP, said Textiles Minister Shankersingh Vaghela.
- ❖ Indonesia, Vietnam and Thailand – three big textile and garment exporters in Southeast Asia region -- planned to establish an ASEAN trade service alliance by the end of this year to boost the regional textile and garment trade and to provide a better service for buyers from outside the region, said Indonesian Employers Association (APINDO). Total textile and garment exports from the region stood at over \$30 billion last year, including \$10.8 billion from Indonesia, \$9.3 billion from Vietnam, about \$8 billion from Thailand and \$2.5 billion from Cambodia.
- ❖ Cambodia's garment industry imported US\$1 billion in raw materials last year, according to the Garment Manufacturers Association of Cambodia, leading to calls for more local production to cut costs and improve access to Western markets, said Kaing Monika, External Affairs Manager at GMAC.
- ❖ Vietnam is one of the fastest growing economies of the South-East Asian countries. Acquisition of WTO membership by Vietnam has boosted up the growth prospects for its textile and apparel industry. Increasing fashion consciousness of the Vietnam consumers also boost the market of branded apparel. A recent research report of the country's retail industry scenario states that Vietnam apparel market is estimated to grow at a CAGR of 15% by 2012.
- ❖ The jute sector has seen better days and was one of the most vibrant sector in the post independence period in India and in Bangladesh, what was know then as East Pakistan. Millions of people including farmers, jute mill workers etc received their sustenance from this industry. But government apathy in both the countries led to the gradual downfall of what is called the yellow and golden fibre, said Mr. Shabbir Yusuf, Chairman of Bangladesh Jute Spinners Association (BJSa).
- ❖ Bangladesh in apparel exports during the year 2009 is growing at good pace. By contrast, apparel exporters more resisted the economic recession, especially knitwear producer benefiting from a duty free access on EU's market. The shift to lower-priced clothing at European and US retail was another advantage for Bangladeshi exporters as Chinese prices sharply rose at the end of last year.
- ❖ As cotton prices are rising on the world markets, yarn makers in China, India and Pakistan are confronted with very different market situations. China has a clear advantage in local currency terms but is losing its competitiveness on the international market, according to statistical analysis in both domestic currency and US\$ terms.
- ❖ Polyester intermediate prices again rose in Asia, in line with a new jump of paraxylene prices. The current lack of PX is limiting the PTA production and therefore boosting prices in the polyester chain. With demand from the textile industry at a seasonal high, prices may further rise or stabilize at their new level during May, before possibly retreating in June or July.
- ❖ The Indonesian textile industry may benefit from the global crisis as buyers from US, EU and Japan relocate US\$648 million of orders from China, said Indonesian Textile Association (API) Deputy Chairman Ade Sudrajat. He said that relocated orders could amount to a total of US\$648 million -- equivalent to about 6 % of RI's \$10.8 billion total textile exports in 2008.
- ❖ According to a survey conducted by the Confederation of Indian Textile Industry (CITI), after the abolition of quota regime, majority of composite mills had initiated expansion, modernization and capacity building plans. These companies would make major investment in spinning, home textiles, processing and garments.. Of the \$490 million to be invested in the spinning sector, 65% will go into capacity building; 25% and 4% will be for modernization and forward integration, respectively, the survey predicted.
- ❖ India emerged the biggest exporter of handmade carpets in the world beating traditional powerhouse Iran and China. The country has grabbed 35.5% of the US\$ 2.6 billion export market, according to the data available with the Carpet Export Promotion Council (CEPC).
- ❖ The Bangladesh government considers a further cut in bank interest rates, especially for small and medium enterprises (SMEs) including textiles to help the sector grow faster, said the Commerce Minister. The government is also considering a special package for the SME sector in the next budget for fiscal 2009-10.
- ❖ Wool prices further soared during May 2009 in Australia and New Zealand, reflecting the continued lack of supply. Activity remains heavily depressed in the wool pipeline, in line with lower sales at retail. The current rise in wool prices will certainly not boost wool clothing consumption in the near term. ◆