



BANGLADESH

Short supply of raw jute

The Bangladesh Jute Spinners Association (BJSa) expressed its concern over the low supply of raw jute. They requested the government to continue with the export ban on raw jute and to initiate necessary steps disabling the dealers to stock above 1,000 maunds of raw jute for over a month.

BJSa Chairman Ahmed Hossain apprehended that, if the export ban on raw jute is removed, it would once again lead to intensified supply problem for the domestic mills, resulting in further rise in the prices of their basic raw materials and due to this many jute mills may have to pull down the shutters.

He also directed the Jute Department to intensify its check over hoarding by unauthorized traders. While speaking on shortfall in the supply, he said that, the 178 jute mills of the country require minimum 1.3 million bales of raw jute to carry on their production during this period.

Against their yearly requirement of 4.2 to 4.5 million bales, both private and state-managed mills were able to acquire only 2.9 million bales of raw jute by January 2010. Hossain also informed that generally, 1.8 to 2.0 million bales of raw jute is exported every year.

Owing to the short supply situations, unusual hike has been noticed in the prices of raw jute, with fibre being traded at Tk 2000 to Tk 2100 per maund. As a result, the production costs of the domestic jute mills have increased significantly. Considering these extremes, the government imposed a ban on export of all sort of raw jute from December 7, 2009.

Many machines remain inoperative in RMG sector

There are around 6,000 garment factories in Bangladesh RMG industry, which directly or indirectly employ about 3 million people. Bangladeshi apparel industry is facing acute manpower dearth, which has become a troubling issue for the industry as it leaves over 30% of production capacity inoperative. Due to the impact of economic slowdown, RMG industry of the country, which is the highest foreign currency generator industry, is still witnessing negative export trend.

Number of sewing machine operators is decreasing, against the number of

machines in RMG factories, owing to which large number of sewing machines which remain idle.

BGMEA President Abdus Salam Murshedy said labour shortage is a common problem for every factory. In some cases some workers leave a factory to raise pay by only Tk 100. As per the factory owners, manpower shortage has become an enduring problem for these factories as every month around 30% of the factory workers shift to other factories looking for salary hike.

In addition to this, limited number of training institutes for garment factories offer fewer skilled and semi skilled workers each year, against the requirement of large number of workers.

The highest foreign currency earning industry is still experiencing negative export performance as the globe is yet to come out from the effect of financial recession.

During the July-December period of the current fiscal year export earnings from knitwear, woven garments, home textile and textile fabrics registered fall by 5.66%, 7.86%, 16.48% and 18.16% respectively compared to corresponding period of previous fiscal. The overall export of the country experienced 7.70% fall in December, 2009.

The government targeted to export woven garment products worth \$6.69 billion and knitwear worth \$7.30 billion for the current fiscal year. The export of woven and knitwear items contributes more than 80% in the total export volume of Bangladesh



BRAZIL

Texbrasil strategic programme for exports to UAE and Saudi Arabia

Brazilian textile companies are eyeing growth in exports to the UAE and Saudi Arabia. Brazilian textile companies are targeting the UAE and Saudi Arabian as part of a \$572 million fashion exports campaign in 2010. The Texbrasil strategic programme, involving 1,174 small and medium Brazilian companies, is targeting the growing demand for clothing, bed, bath and linen products in both countries.

The Gulf nations, as well as Egypt, have been short listed by the project as part of a total of 38 markets worldwide.



CHINA

Major textile markets: USA, EU and Japan

The textile industry of China starts to recover, as Jiangsu exports of textile and garment have been rebounding since March 2009 now the trend has stabilized.

The United States, the EU and Japan remained to be the major markets of Jiangsu textile and apparel exports, these three together accounted for 52.8% of the total textile and garment export value of Jiangsu ports.

Over the same period, exports to emerging markets such as African market and the ASEAN also achieved growth; exports to the two markets indicated US \$170 million and US \$100 million, respectively, realizing an increase of 0.2% and 6.7%, respectively.

In December 2009, textile and garment exports from Jiangsu ports registered US \$160 million, though still down 8.1% year on year, but achieving an increase of 5.6% from the previous month. Exports done by foreign-invested enterprises accounted for half of the total exports from Jiangsu province, exports by private sector slightly declined.

In 2009, textile and apparel exports in general trade from Jiangsu ports recorded US \$1.13 billion, accounting for 60.2% of the total export value of textile and garment from Jiangsu. Over the same period, textile and garment exports in processing trade from Jiangsu ports completed US \$720 million.

Textile apparel industry expects 2% growth in 2010

According to customs statistics, in 2009, China's textile and apparel exports amounted to US \$171.332 billion, down 9.65% year on year, the industry's exports hovered at a low level of about 11% in the first 11 months, export decline narrowed 1.56 percentage points in November, but the recovery rate was slow.

Vice president of China Textile Industry Association Xu Kunyuan recent gave an analysis of 2009 economic operation of the textile industry; says that 2009 exports of textile industry demonstrated the most significant decline in recent years, due to the influence of demand downturn in international market. It is predicted that export growth of the industry will remain sluggish in 2010.

China's textile industry is expected to achieve about 4% growth in exports in 2010. China Textile Industry Association said that China's textile and apparel exports to the United States slightly increased 1.53% year on year to US \$25.34 billion; China's textile and apparel exports to Japanese market slightly rose 0.26% year on year to reach US \$20.1 billion.

Chinese apparel exporters worry diversion of orders to competitors

Zhong Hao Sen Assistant General Manager of Guangdong Textile Import & Export Co., Ltd., said that clothing orders for the first quarter of this year has increased by 20%-30% compared with same period last year, but prices are generally not good.

Some customers have transferred orders to Bangladesh, as garment exports from Bangladesh to the United States and Canada can enjoy tax exemptions, at tariff cost which is at least 17% below Chinese products, and in addition, Bangladesh has advantage in production cost. Therefore, Chinese garment industry has to maintain 2009 price level under such a situation.

China's textile exports achieved a positive growth of 25.2% in December last year, but apparel exports indicated a reduction of 4.8% year on year, not escaping from "negative growth" yet. Although orders show a growing trend, some apparel companies dare not to lift prices at will, as they worry that customers will therefore transfer orders to Southeast Asia and other regions. With the rise in raw material prices, even a marginal increase in price tempts many customers to transfer their orders to Vietnam, Indonesia and Southeast Asian areas.



Government grant to encourage textile exports

A Fiji government grant of \$300,000 for marketing textiles, apparel and footwear internationally has encouraged the textile industry, which experienced a 25% reduction in exports during 2009. Fiji's 35 export-oriented textile businesses employ an estimated 4,000 and support more than 8,000 who live under the poverty line in the island nation. Future plans include targets of \$150 million in exports in 2010, employment of 6,000 workers and a stronger presence in Australia, New Zealand and U.S. markets.



Global retail firms diversify into Indian market

While China has remained a preferred supplier so far, global firms are also becoming increasingly interested in India. both to reduce risk through diversification and because of the growing perception of India as a competitive clothing supplier with domestic sources of fabric.

Global retail giants like Wal-Mart, JC Penney, Gap and branded apparel marketers such as Calvin Klein, Lacoste and Sara Lee are among the major companies which have been attracted to India because of its potential to provide one-stop shopping.

While, Wal-Mart has expressed willingness to buy goods worth \$7-\$10 billion from India over the next 2 years, JC Penny also plans to make India an important sourcing hub for apparel and recently expressed its intention to buy \$2 billion worth of products annually.

Foreign firms are likely to play a key role in the future growth of the Indian cotton and textile industries with the emergence of the country as a competitive clothing supplier in the global arena, according to a report released by US Department of Agriculture's Economic Research Service.

Plans to upgrade power loom sector

The Central government with an investment of Rs 35,000 crore, plans to install 90,000 shuttle less looms by 2010 as part of the technological up-gradation of the power loom sector project, said Textiles Minister Shankersinh Vaghela.

The Minister also clarified that sector produces 62% of the total cloth used in the country and is one of the largest employment generating sub-sectors of the textiles industry.

Of the 19.30 lakh power looms in the country, only 35,000 are shuttle less looms; whereas China has 3.15 lakh power looms, of which 2.17 lakh are shuttle less. He further said that government is setting up 25 integrated textile parks; whereas the Technology Up gradation Fund Scheme is already operational.

Vaghela also stressed to increase the growth of power loom sector from 10% to 14% so that this sector could achieve a level of 26 billion sq. mtr additional fabric production by 2010 as the present level of fabric production is 29 billion sq. mtr.

Ban Chinese textiles to USA boosts Indian exports

The severe clamp down on the Chinese textile shipments by the US and EU (European Union) last year has given a boost to Indian textile exports during 2009-10. According to John Whalley of the University of Ontario, India has done quite well on the export front. Clearly and apparently, in the area of ethnic garments and high quality fashion textile products, India has a clear-cut edge over China which continues to dominate the global textile market. Yet another plus point of the Indian textiles export venture is the modest successes of the trendy garments, designed by the Indian fashion creators for the high end West European market.

While China finds it difficult to meet the smaller, custom made requirements, India is well-equipped to provide fashion driven products on a small scale. Further, the Indian handloom products known for their striking and rich designs and excellent finish are slowly finding favour with a section of high end buyers in West Europe and North America.

India has the advantage with respect to the availability of fibres such as cotton, silk, man made fibres to outsmart China. The industry occupies a significant position in the Indian economy and accounts for 14% of the total industrial production in the country. India is the largest exporter and largest producer of cotton yarn in Asia. Further, spinning facility in India is one of the largest with quality and cost effective production infrastructure.

Textile industry giants consider investment

Textile giants in India are planning to invest huge amount of Rs 5600 crore in next three years.

Encouraged by sizeable profits and increasing opportunities in market, Mahavir Spinning plans to invest Rs. 1665 crore in spinning and weaving, while Alok Industries is expected to put in Rs. 1080 crore. Raymond Textiles mulls over an investment of Rs. 250 crore to expand its denim and apparel business. Wellspun is also to inject Rs. 500 crore for capacity expansion. NIEL has initiated an expansion plan investing Rs. 800 crore.

Vardhman Spinning is redesigning its export policy to generate revenue of Rs. 500 crore. It has already earned Rs. 450 crore from exports. RSWM plans to insert significant capacities in its current plants to strengthen its position as market leader in yarn business.

India approves export of Bt cotton seeds to Pakistan

The Associated Press of Pakistan reports that the Genetic Engineering Approval Committee (GEAC), India's regulatory agency for genetically modified crops, has approved the export of Bt cotton seeds to Pakistan.

This follows a report by the Hindustan Times that the GEAC, under the direction of India's environment and forestry ministry, gave permission in September 2009 to several major seed producers to export genetically modified cotton seeds to Pakistan for use in field trials. Monsanto, Bayer Hybrid Seeds and Nath Biogene were among the seed producers who received that permission.

Bt cotton has been used to great success in India, including regions bordering Pakistan. The country has doubled its cotton production since 2002, in large part due to Bt cotton. Because Pakistan has similar soil and geographical terrain as India, seed company officials believe that results from India can be replicated across the border. Pakistan will officially launch genetically modified (BT) cotton cultivation from kharif season next year.

Textile and apparel special economic zone in Karnataka

A textile and apparel special economic zone is planned with an export potential of Rs 2,500 crore. The special Economic Zone (SEZ) is expected to attract investment worth Rs 1,250 crore from manufacturers from different parts of the country. Gokaldas Exports will be the lead promoter of the SEZ, which will have 50 textile and apparel units with an employment potential of 50,000. Mr Rajendra J. Hinduja, Executive Director, Gokaldas Exports, said his company will be setting up a unit with an investment of Rs 100 crore.

The textile and apparel SEZ was among the eight such proposals approved by the high-level committee. SEZ would be located on Kanakpura Road on a 400-acre land, the zone would enjoy a 15-year tax holiday and other concessions announced by the Central Government, with common infrastructure, which includes an effluent treatment plant, container freight station and independent apparel training centre and a laboratory for testing of fabrics and raw materials.

Textile Ministry suspend loans under TUF scheme

The Textile Ministry has suspended the sanction of loans under the technology up gradation fund (TUF) scheme.

According to a circular issued by the office of the Textile Commissioner, all agencies and banks are to suspend the sanction of fresh loans under the TUF. This is mainly due to a fund crunch as the Finance Ministry has been unable to process requests for additional funds made by the Textile Ministry.

The industry considers this move as a major setback as it comes at a time when the industry is heavily banking on capacity expansion and technology up gradation to meet global competition. Industry bodies like the Tirupur exporters' association (TEA) and Confederation of Indian Textile industry (CITI) expressed disappointment over the circular.

The TUF scheme which was launched by the government in 1999 provides a 5% interest subsidy for modernization and expansion across the textile value chain, with a repayment period of 10 years. The government had set up a corpus of Rs 25,000 crore for the fund.



Denizli textile firms turn to alternative markets

Denizli has evolved as the textile capital of Turkey over the past 50 years. At present, 36% or 266 companies of Denizli Chamber of Commerce (DTO) are textile and madeup manufacturers. Denizli-based textile firms currently export their products to more than 120 countries.

According to Necdet Özer, President of the DTO, our members were saved from the worst effects of the global downturn because of our earlier withdrawal from U.S. markets a few years ago.

Textile companies in Denizli, Turkey's leading textile-producing town have started diversifying their customer portfolios, looking beyond European Union countries toward Central Asia and the Middle East.

The number of jobs in Denizli's textile sector declined 9.9% in the first 11 months of 2009, while exports declined by 22% over December in comparison with the same month the previous year, but now there is some improvement both in terms of new orders and jobs.

Zafer Katrancı, owner of Ozanteks, said his firm has started selling its products in Azerbaijan and is eyeing opportunities in Russia and Iraq. Ozanteks produces bathrobes and towels mainly for export and had a turnover of \$130 million in 2008. In December its exports were down 20% compared to the same month in 2008.

Ilhan Ya ar, chairman of Turkuaz Tekstil, noted that Denizli's textile sector was lucky to have orientated itself away from U.S. markets three to four years ago because of transport issues and increasing competition from Indian and Pakistani firms. Turkuaz Tekstil produces a wide selection of towels and bathrobes for some 30 customers in Europe and had a turnover of 24.7 million euros in 2008.

China is not really affecting our business, but Pakistan and India compete against Turkish products in the States. If Turkey had still been as focused on the U.S. market, the effects of the global downturn would have dealt Denizli a much heavier blow.

Local manufacturing continued its transition from commodity textile production to technology-driven operations in automotive, electronics and chemicals, although innovative textile products became a much larger part of the equation.



Italian technology for technical textiles and nonwovens

Italy's textile-machinery association, ACIMIT, is to hold a technology symposium for technical-textile and nonwoven producers in Brazil.

ACIMIT says these two sectors are growing rapidly in Brazil. According to a recent survey conducted by IEMI, a Brazilian consulting firm, they account for well over 200 companies, employing around 40,000 people. Total estimated production for 2008 amounted to 462,000 tonnes, for a value of 3.9 billion Brazilian Reals and in that same year, over 160 million Reals were invested in modernization or acquiring new machinery. Exports by these two sectors in 2008 were worth US\$269 million.

In an effort to capitalise on this trend, ACIMIT and the Italian Trade Commission (ICE) have organized a technology symposium, to be held in Sao Paolo from March 4-5, 2010. About fifteen Italian textile-machinery manufacturers will present their latest technology.



Apparel exports continued to rise in 2009

Thailand apparel exports continued to resist competition from other Asian countries during last year. Thai fall of the baht helped in stimulating sales while large availability of domestic textile materials remained a very strong advantage for Thai producers.

Thai clothing exports will face economic crisis, while the elimination of US quotas is dramatically depressing sales to the U.S. market. Thailand's apparel exports were not significantly affected by the economic crisis in the last year but may now be threatened by a serious slowdown.

According to Thai official data, apparel exports continued rising 7% in December last year from the same period last year at US\$263 million. Exports were clearly weaker over the fourth quarter, however, with a mere 0.62% rise at US\$742 million. Shipments had previously increased by 3% in the second quarter and even 6% in the third quarter.

Although generally experiencing higher labour costs than most other sup-

pliers in Asia, Thailand's apparel industry resisted foreign competition over the past four years.

Apparel exports did not really decline, only losing 2% from 2005 to 2009, at US\$3.1 billion. Exports of yarns and fabrics also remained healthy over the years, reflecting Thailand's main advantage in the textile-apparel market.

With quality fabrics widely available at home in large varieties of fibers, clothing producers may offer more sophisticated products while keeping costs at a reasonable level. The level in textile exports reflects the quality of Thai products. On a total of US\$7.27 billion in textile and clothing exports in 2009 (including home textiles), apparel only accounted for 42%.



NEW ZEALAND

Companies promote wool to US market

New Zealand sheep farmers who took part in the launch of a new wool carpet brand in the United States have come away feeling optimistic about the outlook for strong wool. The farmers were part of the

Elders Primary Wool team that unveiled the 'Just Shorn' brand at a carpet retailers' convention in Las Vegas.

Hamish de Lautour from Hawke's Bay says there was a highly enthusiastic response to the promotional focus on the natural qualities of wool and its sustainability.

Howie Gardner from South Otago is confident that the new range of 'Just Shorn' carpets and rugs to be released in the US later this year will bring better returns to the growers. Meanwhile the competing New Zealand carpet wool marketing venture, Wool Partners International, has also been busy in Las Vegas.

On the other hand wool exporters from New Zealand are confident they are seeing a sustained recovery in wool prices. While a surge in demand since New Year has overcome the depressing effect of a strong New Zealand dollar on export wool.

The biggest exporter, Wool Services International, says the lift at auctions has been most pronounced for the strong, carpet style wools which make up 70% of the clip. Better carpet wools edged up a little more and lamb's wool, which is also in demand. ♦

Second hand machines

TEXTILMASCHINEN

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Please find an excerpt below.

4120 – 1 air-stream 140/2	360 kg	4031 – 1 roto-stream 140/1	180 kg	4024 – 1 NT Jigger 2300/1800	
4291 – 1 air-stream 140/2	360 kg	4217 – 1 roto-stream 140/1	160 kg	4025 – 1 NT Jigger 2300/1800	
4253 – 1 eco-soft 103/2 DS	500 kg	4241 – 1 roto-stream 140/1 PL	200 kg	4026 – 1 NT Jigger 2800/1000	
4093 – 1 eco-soft 103/3	750 kg	4212 – 1 roto-stream 140/1 PL	200 kg	4018 – 1 NT Jigger 2800/3200	
4246 – 1 eco-soft 140/1	30 kg	4260 – 1 roto-stream 140/2	320 kg	4290 – 1 wash-blue X 1250	250 kg
4032 – 1 eco-soft 140/2 DS	640 kg	4229 – 1 roto-stream 140/2	320 kg	4296 – 1 pressure dryer Type800	360 kg
4033 – 1 eco-soft plus 140/3	540 kg	4281 – 1 roto-stream 140/2 PL	400 kg	4115 – 1 pressure dryer Type1400	360 kg
4004 – 1 eco-soft 95/1	1000 kg	4284 – 1 roto-stream 140/2 PL	400 kg	4289 – 1 pressure dryer Type1500	450 kg
4279 – 1 Luft-roto 140/3	540 kg	4272 – 1 roto-stream 140/3	480 kg		
4250 – 1 Luft-roto 140/4	1000 kg	4008 – 1 roto-stream 140/3 PL	600 kg		
4010 – 1 mini-soft 140/1	120 kg	4002 – 1 soft-TRD Sill 140/2	300 kg		

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