

Textile Briefs International

- ❖ Tunisia is the 5th largest supplier of the European Union (EU). Some 1000 foreign companies are currently operating in the textile and clothing sector in Tunisia. It is also ranks as 3rd EU supplier of jeans, the 4th supplier of pants and the 5th in ready to wear garments.
- ❖ India has the advantage with respect to the availability of fibres such as cotton, silk, man-made fibres and is catching up fast in the area of fashion and design fields. However, the trump card of the Indian textiles industry is a strong raw material supply base supported by a skilled labour-force. The industry which is multi-fibre-based using cotton, jute, wool, silk and synthetic fibres, accounts for 4% of the GDP and 22% of the foreign exchange.
- ❖ The Head of the Turkish Clothing Manufacturers Association (TGSD) projected year-end ready-to-wear exports around US \$14 billion, and textile exports around US \$6 billion. Turkey earned US \$5.5 billion from textile and raw material exports and US \$13.2 billion from ready-to-wear exports in 2009.
- ❖ Nearly half of India's exports to the 25-nation European Union (EU) entered at either zero duty or at reduced rates of duty during the last year, says an official report. Indian exports, valued at 10 billion euro, were entitled to such preferential access to the EU market under the EU's generalized system of preferences (GSP). Some 40% of its textile and clothing exports, worth just over 3 billion euro, out of total exports of 4.8 billion euro, benefited from the GSP scheme.
- ❖ Thailand's exports expected to rise this year by 5%-10%, while fashion and textile shipments should expand by 9%-13%, driven by global economic recovery and free trade agreements, said Supapat Ongsangkoon, Director of the International Trade Training Institute. Exports by the country's fashion and textile industries grew by only 2% last year to \$17 billion.
- ❖ A stronger dollar helped to pull down prices at North and South Island wool sales. The New Zealand dollar rose by more than 1% against the main wool trading currencies. Wool Services International says the higher dollar combined with finely balanced supply and demand and limited shipping space meant buying activity and prices fell for most of the wools on offer. Fine crossbred wools, bought mainly for the Chinese market were up to 2% cheaper.
- ❖ According to the International Cotton Advisory Committee (ICAC), Global cotton prices have shot up nearly 14% to 85.5 cents per pound (Rs 30,908 per candy) in March, 2010 due to tight world supplies and recovery in demand. ICAC noted that a possible 15% drop in global cotton stocks due to lower global output and rebound in demand are weighing on prices.
- ❖ Textile producer SRC Brasa (Iraq) has received new orders from the Swedish market, where the company is seeking to specialize in military-style and outdoor clothing and accessories. At present 5% of its export volume goes to Sweden, but in the future this will be increased, said SRC Brasa Director Olegs Krauja.
- ❖ The Indian government has decreased the Technology Upgradation Funds for the textile industry by 22% to Rs 2267.50 crore (Rs 22.67 billion) for 2010-11 as against Rs 2890 crore (Rs 28.9 billion) in the corresponding previous year. The fund allocation for Cotton Technology Mission has been substantially increased by 182% to Rs 141 crore (Rs 1.41 billion) in 2010-11.
- ❖ The Indian Jute Mills Association (IJMA) has urged the government to impose a ban on the import of jute goods, which does not indicate any quantitative figure. However, the imports of jute goods are a miniscule proportion of domestic production.
- ❖ The impact of Indian Union Budget 2010-11 is positive on the textile sector. The extension of 2% interest subvention on pre and post shipment export credit till March 31, 2011 will help exporters reduce interest costs. The excise duty on man-made fibers and yarns has been raised to 10% from 8%. This will increase polyester prices by Rs. 1.5-2 per kg, but it will not affect demand, as polyester continues to be cheaper than cotton.
- ❖ The government had directed the Vietnam Textile and Garment Corp. (VINATEX), the industry's largest player, to go public and cooperate with foreign investors to raise funds for expansion. Last year the textile industry earned some \$2.7 billion from exports to the US, around 3.8% of total US textile and garment imports.
- ❖ Cotton production is expected to increase in India next season, as there is an expansion in sown cotton areas. Intensified use of genetically modified seeds is also supporting production. Prices would not decline, however, with exports possibly increasing and spun yarn output is also rising significantly.
- ❖ The Indian Jute Manufacturers Development Council (JMDC) is eyeing the African, East European and Canadian markets to promote and make people aware of jute products. The jute promotion council has recently also visited South American countries like Brazil, Argentina and Peru.
- ❖ Egyptian textiles company Arab Cotton Ginning posted net profit of 18.5 million Egyptian pounds for July-December 2009, said the stock exchange. The firm posted net profit of 17.35 million Egyptian pounds for the same period a year earlier.
- ❖ The knitwear exporters of Tamil Nadu's Tirupur- India are happy with Finance Minister Pranab Mukherjee's Rs.200-crore grant for setting up a common effluent treatment plant there. 'The textile cluster for knitwear in Tirupur in Tamil Nadu is a major contributor to the country's hosiery exports. ◆