

Textile Briefs International

- ❖ The retail demand for clothing in Brazil is forecast to grow by 7% per annum between 2010 and 2015. As a result, demand will be stronger than France and Germany and on a par with Japan by the end of this period. Brazil's domestic market has opened up massively to international brands in recent years and several international retailers have set up operations in Brazil to take advantage of its fast growing economy. This has spurred the Brazilian textile industry to spend US\$13 billion on modernization with the aim of improving quality and competitiveness and adding value to its products.
- ❖ Kenya's small scale cotton farmers will be able to boost their cotton production as the European Union (EU) plans to invest a sum of US\$ 2.457 million to boost Kenya's cotton production. A number of research institutions from Kenya including Common Funds for Commodity and Kenya Agricultural Research Institute will participate in the EU-sponsored projects aimed at enhancing Kenya's domestic cotton production.
- ❖ India increased its cotton output estimate for this crop year by 4.1% as farmers have started releasing held-over stocks, raising the prospects of more shipments from the world's second-largest producer and exporter, said Textile Commissioner A.B. Joshi. The country's cotton output is likely to be 32.5 million bales, up from an earlier estimate of 31.2 million bales.
- ❖ According to Confederation of Indian Textile Industry, spinning mills have invested more than Rs 40,000 crore during the last ten years in capacity building and modernisation. This would mean that about Rs 5,000 crore per annum will have to repay to banks. The interest payment on these loans, would amount to another Rs 2,000 crore. Thus Rs 7,000 crore will have to be paid by the spinning mills to banks during the current year.
- ❖ Retail demand of textile products in Saudi Arabia is set to grow by over 12% per annum between 2010 and 2015, making this one of the fastest growing major markets behind China. Significantly, several international brands, including Adidas, Gap, Jaeger, Nike and New Look are setting up operations in the country through distribution agreements and by opening stores with the help of franchise partners and strategic partners.
- ❖ According to Union government India Bt cotton is being cultivated on 98.5 lakh hectares of land, constituting nearly 90% of the total area of 111.42 lakh hectares of land under cotton cultivation, according to the department of Agriculture and Cooperation.
- ❖ According to statistics, Bangladesh imported 278 million kgs of yarn and fabric from January to June of 2011, which is 25% higher comparing with the volume of import during the same period last year. The BTMA leaders also urged the government to take necessary steps immediately to save the hundreds of thousands of people, involved directly and indirectly with the sector.
- ❖ The United Arab Emirates has shown keenness to invest in Bangladesh's textile industry, as part of developing trade relations between the two countries. Bangladesh has cheaper labour market, which makes it attractive for investors. Also, being a least developed country, Bangladesh enjoys a facility to export goods at zero-duty to the European Union, China, and other developed countries. In 2009-10, the two-way trade between UAE and Bangladesh was nearly US\$ 500 million.
- ❖ Mill-use of cotton has drastically decreased in European countries. Yarn, cloth and other textile manufacturing has shifted to Eastern countries specially China, India, Pakistan, Bangladesh, Indonesia, Vietnam and Sri Lanka where labour cost is lower and first three countries have their own cotton crops. Although, domestic cotton consumption has reduced from 11.39 million bales (1997-98) to 3.3 million bales (2010-11) but US is maintaining its production level between 15.0 and 18.0 million bales and would maintain it till 2019-20 season.
- ❖ India has been losing out to Bangladesh in apparel exports since 2009. Today, Bangladesh apparel exports are growing at 16% while India's apparel exports in 2010-11 grew by 4% only. Premal Udani, Chairman, AEPC said apparel industry feels that there is no level playing field between the Indian and Bangladesh industry with regard to taxes, fiscal incentives for the sector, priority status, labour laws and wage rate, failing which India is losing out to Bangladesh and manufacturing is moving to Bangladesh.
- ❖ Guatemala, whose apparel and textile production is the third largest in the region, saw only a 6.5% increase in exports, which totalled \$1.2 billion. The majority of Guatemala's apparel exports are T-shirts destined for retailers such as Kohl's, Target and Walmart.
- ❖ The Agriculture Ministry of Mexico has announced that it plans to significantly increase the area under cotton to 300,000 hectares by 2016 from the currently estimated 175,000 hectares, i.e. by 71%. The Ministry forecasted that the country's cotton output will rise from the current 0.62 million bales to 2.4 million bales during the next five years.◆