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TEXPROCIL NEWS CLIPPINGS

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IBTEX No. 74 of 2017 Apr 13, 2017

USD 64.28 | EUR 68.61 | GBP 80.77 | JPY 0.59

Cotton Market

Spot Price (Ex. Gin), 28.50-29 mm

Rs./Bale	Rs./Candy	USD Cent/lb
20318	42500	**84.33**

Domestic Futures Price (Ex. Gin), May

Rs./Bale	Rs./Candy	USD Cent/lb
20930	43781	**86.87**

International Futures Price

NY ICE USD Cents/lb (May 2017)	74.73
ZCE Cotton: Yuan/MT (July 2017)	15, 580
ZCE Cotton: USD Cents/lb	**86.07**
Cotlook A Index – Physical	**85.90**

Cotton guide:

Three days past this week cotton at ICE for May contract traded positive. Due to a single day positive move the change in the price is perceived to be positive over the last week however in rest two days market traded in a very sideways to bearish tone. In fact on Wednesday the contract ended at 74.73 cents per pound. The nearby July contract traded similar to the May contract and ended the session at 76.23 cents per pound. Today is the fourth day for a large long-only fund to move positions from May into July, indicating the large decrease in May open interest. The May '17 contract will see its first notice day on April 24. Total open interest decreased by 1,111 contracts to 250,988.

May contract open interest decreased by 10,698 contracts to 60,258 while both July and December interest increased by 7,645 and 1,743 contracts respectively, to 95,571 and 83,797. Certificated stocks were last reported at 325,062 bales. The CFTC report will be released today for the last week and believe shall give better picture about the total long/short positions in the market and behavior of unfixed on call sales positions.

Until we expect cotton market to remain sideways with selling on rise could be noticed. However, while we assess the technical chart for May contract market is expected to move in the range of 74.20 to 75.50 cents on today's trading session.

Before we comment on the spot market of cotton in India it is clear indication that the spot price of cotton and the global market continues to remain divergent. We have been noticing the spot price this week initially traded steady while there has been slight drift in the price. As per the latest update spot price of S-6 is quoted at Rs. 43,600 per candy, ex-gin. However, the future contracts of cotton have declined more than the spot market as the former has been also taking cues from the ICE price movement.

We believe now the disconnect is apparent and likely to follow the trend in the near term. By which we expect spot cotton price may continue to trade in the range of Rs. 43300 to Rs. 43800 per candy while the future contract for April may remain under stress. From the technical perspective we see April to trade in the range of Rs. 2850 to Rs. 20600 and break below 20,600 would prong the correction to Rs. 20450 levels.

More on the physical front the arrivals have been tight. As per the latest report, nationwide, daily seed cotton arrivals are estimated at roughly 84,000 lint equivalent bales, including 24,000 from Gujarat and 33,000 from Maharashtra.

Further the Cotton Association of India (CAI) has released its March estimates of the cotton crop for 2016-17season. CAI has reduced its production number to 34,050,000 bales (previous estimate was 34.1 million bales). Consumption has been increased to 30 million bales while imports have increased to 2.5 million. Total cotton supply is therefore estimated at 41.05 million bales, with a total available surplus of 11.05 million, before exports are taken into account.

Compiled By Kotak Commodities Research Desk , contact us : research@kotakcommodities.com, Source: Reuters, MCX, Market source

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INTERNATIONAL NEWS

UK textiles reshoring is 'real and growing'

The value of UK clothing and textile production increased by 2.5% to £9.1bn between 2014 and 2016, but new investment could offer even greater potential as Brexit looms, interim findings of the Textiles Growth Programme has found.

The value of UK clothing and textile production increased by 2.5% to £9.1bn between 2014 and 2016, but new investment could offer even greater potential as Brexit looms, interim findings of the Textiles Growth Programme has found.

The programme received £27m via the government's Regional Growth Fund in 2012 and attracted a further £123m from the private sector through the support of 340 British manufacturers.

Source: tvcnews.tv - Apr 12, 2017

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Over 1200 exhibitors visit Saigon Tex fair in Vietnam

The Vietnam Saigon Textile and Garment Industry/Fabric and Garment Accessories Expo (Saigon Tex) attracted over 1,200 exhibitors from 23 countries and regions.

The event held in Ho Chi Minh City played host to a range of equipment and machinery meant for the textile and apparel industry. It was spread across an area of 35,000 square metres.

A number of seminars focusing on the value of Vietnamese textile products, global fashion market, trade barriers owing to the FTA between EU and Vietnam and investment opportunities in the textile sectors were held during the expo.

Phan Chí Dung, director, ministry of industry and trade's light industry department of Vietnam said during the opening ceremony that textiles and apparel contribute the most towards the country's exports.

He said that a supply chain for the industry has not been developed. Saigon Tex 2017 can give the textile sector of Vietnam a chance to build relations with foreign companies and look at new investment opportunities. It can also help Vietnamese companies improve the quality of their products, said Vietnamese media reports quoting Dung.

The textile and apparel industry of Vietnam made $28.5 billion from exports last year, increasing by 5.2 per cent compared to 2015. The largest buyers of Vietnamese textiles were the US, Japan, EU and South Korea.

Source: fibre2fashion.com- Apr 12, 2017

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Cotton Incorporated pushing for cotton's leadership in textile diaspora

It's always a tough challenge for cotton as it competes with synthetic fibers, and, for the past several years, cotton has been much more expensive than other fibres, points out Mark Messura, Senior Vice President – Global Supply Chain Marketing, Cotton Incorporated.

In order to create an awareness of cotton fibres, Messura says, there have to be technologies and other things to make sure that retailers and brands, in particular, understand they can offer great cotton products in the kinds of styles and performance features they want with other fibers.

Brands and retailers didn't know when the price of cotton went to $2 if it was going to $3, said Berrye Worsham, President & CEO, Cotton Incorporated. There was just so much uncertainty in the market, and that changed everything. Worsham noted cotton accounted for more than 60 per cent of the market in women's apparel in the first quarter of 2011.

Today, cotton accounts for about 40 per cent of that market segment. The good news is that for the last seven or eight quarters things have started changing for good. The cotton industry is trying to sell into a consumer market that is much more demanding than it was a few years ago. This time the fight is complicated by new trends in products such as active wear and terms like sustainability.

Positive initiatives

One of the areas Cotton Incorporated has been working on is how can cotton compete with synthetics in the performance market. The company has been taking major initiative in the last couple of years in active wear sector. The company is making sure cotton can compete as best they can at a price they can afford with technologies in this market.

As a part of the initiative, Cotton Incorporated has developed a number of new technologies such as Storm Cotton, a waterproofing technology; TransDry, a moisture transfer technology; Wicking Windows, another moisture transfer feature; and Tough Cotton, which is an abrasion resistance technology.

In many cases, retailers and brands adopt the technology and give it their own name. It's all part of the process of making sure that cotton is top of mind for every step in the supply chain, says Kim Kitchings, Senior Vice President – Consumer Marketing, Cotton Incorporated.

Knowing the right approach to accomplish that takes research across all segments of the supply, and that's what the Consumer Marketing Division at Cotton Incorporated is trying to do at a time the cotton industry has been struggling to regain markets from cheaper synthetic fibres.

The environmental profile of cotton matters to groups like millennials. That makes sustainability and environmental footprints more important to marketing specialists at CI.

It has also changed the way Cotton Incorporated is delivering the message about touch and feel of cotton, leading to a much greater emphasis on social media messaging and less reliance on traditional print and radio and TV advertising, according to Kitchings.

Source: fashionatingworld.com - Apr 12, 2017

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Belgium: FTA advocates for a smart Brexit process

Foreign Trade Association (FTA), the Belgium based business association of global commerce that promotes the values of international trade and sustainable supply chains, is advocating for a smart Brexit process that safeguards open markets and business interests. The organisation is pushing for a sound strategy to mitigate negative impacts of Brexit.

Last month, the British government activated Article 50 of the Lisbon Treaty to formally launch the negotiations which will determine the conditions of the United Kingdom to leave the European Union (EU). It is the first time that a member state has opted to leave the EU, and Brexit clearly has the potential of having a considerable – negative – effect on the business sector, according to the FTA.

The possible effects of Brexit include imposition of tariffs and border checks in the future bilateral trade relations. It might also negatively impact economic growth – and consequently consumption – in the UK, the EU and the world.

Further, as the EU will lose a liberal voice, there might be a shift towards a more 'defensive' EU trade policy. Also, Brexit will result in decrease in the influence of the EU, potentially leading to more market fragmentation.

To limit the impact of Brexit process, FTA director general Christian Ewert underlines the priorities of the international trade sector in these divorce talks: "We need to invent a magic formula which will guarantee the highest possible level of market integration while avoiding a domino effect triggering similar leave requests from other EU member states.

At the same time, we need to leave the door open for the British government to exit Brexit, as the political mood in the UK might change again."

Pushing for a sound strategy to mitigate negative impacts, promote possible opportunities and effectively represent the interest of FTA members, Ewert says, "The upcoming talks should be conducted in a spirit of fairness, trust and partnership to make sure the negotiations advance quickly, create legal clarity soon and prevent major business disruption."

FTA represents more than 1,900 retailers, importers and brands to promote and defend international trade and supports their business by providing information and practical solutions towards sustainability in the global supply chain.

Source: fibre2fashion.com - Apr 13, 2017

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Cotton prices remain firm on Karachi exchange

The cotton prices remained firm on Karachi cotton exchange on Tuesday, while the market witnessed less activity.

Reduced demand for cotton from the textile sector that is facing liquidity crunch and stiff competition in the world market from regional countries owing to increasing production cost contributed majorly towards market slowdown.

Spot rate at KCA was Rs 6,750 per maund and spinners from Sindh and Punjab opted for better cotton grades at Rs 6,775 per maund. Mills made forward deals for lint between Rs 6,725 and Rs 6,750 per maund. All grades of lint were sold by the sellers at prices ranging between Rs 5,975 and Rs 6,800 per maund.

Major deals included 400 bales at Rs 6,900 per maund from Rahimyar Khan and 1,000 bales at Rs 7,000 from Yazman.

Source: fibre2fashion.com- Apr 12, 2017

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USA: Cotton can compete with synthetic fibres: UGA survey

Cotton crop, once called 'king' in Georgia, has the potential to compete with synthetic fibres and will continue to be economically and environmentally feasible in the future, according to a new University of Georgia survey. The survey was intended to find out current status of cotton production and whether its impact on environment can be minimised.

The survey of the cotton industry was carried out by Shannon Parrish, a former graduate student at the UGA Tifton campus, for her master's degree thesis. Parrish wanted to gauge whether growers can improve the crop and minimise its impact on the environment.

"Cotton is a major commodity crop in the US. I don't really ever see cotton not being grown here," said Parrish, who studied under George Vellidis, a professor in the crop and soil sciences department in UGA's College of Agricultural and Environmental Sciences. The research was prompted by global consumer concern over cotton's environmental sustainability, according to Don Shurley, UGA Cooperative Extension cotton economist, who worked with Parrish on the project.

"Over the past 10 years or more, we've lost market share in cotton to man-made fibres. Some people believe that loss in market share is, in part, due to the fact that there are consumers out there who think cotton production is not environmentally friendly," Shurley said.

With funding from the Georgia Cotton Commission, Parrish met with cotton producers across the state and gathered information about their management practices. She calculated data in the field to market Fieldprint calculator, which assigns a sustainability rating for a specific field based on seven different metrics. Everything is based on a scale from 0 to 100, where 0 is the most sustainable, and 100 is the least sustainable.

Once she had the sustainability ratings, she compared them to the national and state benchmarks.

Results show that Georgia cotton is less resource intensive than the national benchmarks.

"You consider all the elements that make up cotton farming: a producer's land use; their energy use; their greenhouse gas emissions; if they're irrigating; their water use; their water quality; soil conservation; soil carbon. That's essentially what the calculator looks at," Parrish said.

The second part of her research was to fit producer management practices to the university's cotton production budget, changing only what the producer told her they were doing in the field.

For example, Parrish learned of the farmers' pesticide sprays and fertiliser applications and changed those elements in the budget to determine if a relationship existed between profitability and the field print metric scores. She also explored the impact of tillage methods, variable costs, and fixed costs on profit.

"Based on the numbers we have, I don't feel like you could necessarily say cotton is not sustainable. Cotton is competing with synthetic fibres, so what's to say production of synthetic fibres is 100-percent sustainable?" Parrish said.

Cotton production in the US has dropped in recent years. Cotton was planted on 8.56 million acres in 2015, down 22.5 per cent from 2014 and the lowest level in 33 years, according to the UGA Extension 2016 Georgia Cotton Production Guide.

It also reported Georgia's cotton acreage dropped 19 per cent in 2015. Georgia cotton was worth $713.1 million in farm gate value in 2015, according to the UGA Center for Agribusiness and Economic Development.

Source: fibre2fashion.com – Apr 12, 2017

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WTO eyes feeble global trade recovery in 2017

The World Trade Organization said Wednesday it expected global trade to rebound slightly in 2017 but warned the threat of protectionism and other uncertainties risked hampering the recovery.

The organisation forecast that global trade would expand by 2.4 percent in 2017, up from just 1.3 percent last year.

But it cautioned that "the unpredictable direction of the global economy in the near term and the lack of clarity about government action on monetary, fiscal and trade policies raises the risk that trade activity will be stifled", acknowledging that trade growth this year could fall anywhere between 1.8 and 3.6 percent.

Among the "policy shocks" that could easily send trade growth to the lower end of that range, it said, was the potential effect of Britain´s decision to leave the European Union, and a growing trend towards protectionist policies, including in the United States.

"Trade has the potential to strengthen global growth if the movement of goods and supply of services across borders remains largely unfettered," WTO chief Roberto Azevedo said in the statement.

But he warned: "If policymakers attempt to address job losses at home with severe restrictions on imports, trade cannot help boost growth and may even constitute a drag on the recovery."

The WTO, which sets the rules of global commerce, has long been sounding the alarm over the "threat of creeping protectionism", exemplified in a steady flow of protectionist rhetoric from US President Donald Trump´s administration.

Trump, who kicked off his presidency in January vowing to put "America First" and has blamed globalised trade for US economic woes and lost industrial jobs, has promised a more aggressive approach to open up foreign markets to US companies and has threatened to slap import duties on certain goods.

The US also refused at a G20 meeting in March to renew a long-standing anti-protectionist pledge, to the dismay of the group of top developed and developing nations. Azevedo declined Wednesday to comment directly on the US position, saying he was waiting for Washington to appoint a new representative to the WTO to launch a dialogue.

"We have to be patient and wait," he told reporters. The WTO chief did acknowledge that "trade does cause some economic dislocation in certain communities." But he stressed that "its adverse effects should not be overstated, nor should they obscure its benefits in terms of growth, development and job creation".

"We should see trade as part of the solution to economic difficulties, not part of the problem," he said. The sluggish trade growth last year -- the weakest since the financial crisis -- was in part due to slower economic activity overall, "but it also reflected deeper structural changes in the relationship between trade and economic output," the WTO report said.

It pointed out that slumping investment spending in the United States and China´s shifting focus from investment to consumption had significantly dampened import demand. WTO´s trade growth forecast for this year meanwhile looks more promising, even better for next year, when the Geneva-based body forecasts growth of between 2.1 and 4.0 percent.

But WTO stressed that its more promising forecasts were predicated on a number of assumptions, including on anticipated economic growth this year of 2.7 percent and next year of 2.8 percent, up from 2.3 percent GDP growth in 2016. Trade is a key measure of the health of the global economy, which it both stimulates and reflects.

Historically, the volume of world merchandise trade has tended to grow about 1.5 times faster than global economic growth, but since the 2008 financial crisis the ratio of trade growth to GDP growth has fallen to around 1:1, WTO said.

Last year marked the first time since 2001 that trade grew at a slower pace than the economy, with the ratio dipping to 0.6:1, it said.

Source: wto.com - Apr 12, 2017

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DCCI invites Malaysian investors to launch joint venture in Bangladesh

Dhaka Chamber of Commerce and Industry (DCCI) leaders during their meeting with a 40-member trade delegation from Kuching Chinese General Chamber of Commerce and Industry (KCGCCI) invited Malaysian investors to launch joint venture in Bangladesh.

Malaysian Assistant Minister for Agriculture, Sarawak Government, Malaysia YB Encik Malcolm Mussen and Chairman for Commerce Committee, KCGCCI, Christopher Ngui Siew Ling led the Malaysian delegation.

DCCI projected that Bangladesh has the potential to become 30th largest economy by the year 2030.

Bangladesh has a largely untapped market where Bangladeshi and Malaysian entrepreneurs can jointly explore the potentials. Malaysian businessmen were invited to import Bangladeshi best quality jute and jute goods.

There is a huge potential for expansion of bilateral trade and investment between Malaysia and Bangladesh is far below the potentials.

Assistant Minister for Agriculture, Sarawak Government, and Malaysia YB Encik Malcolm Mussen said that there is a huge demand of Bangladeshi jute and jute goods in Malaysia. However, export diversification will help Bangladesh get competitiveness in export to Malaysia.

In order to increase the bilateral trade to the expected level and reduce trade deficit, a comprehensive free trade agreement (FTA) between the two countries needs to be inked.

Source: yarnsandfibers.com - Apr 12, 2017

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Romanian businessmen invited to invest in Karachi

Sindh Governor Mohammad Zubair on Tuesday talking to a 12-member delegation of the Pakistan Romania Business Council, which met him at the Governor House on Tuesday said that Karachi an economic hub of Pakistan and owing to its peculiar important location in the region has always been attractive to prospective foreign investors to lunch business ventures.

He said that on the completion of the China-Pakistan Economic Corridor (CPEC) would usher in an era of immense prosperity not just in Pakistan but also in the entire region.

Stabilization of peace, proper planning to carry out development and consistency in economic policies had accelerated the process of attracting foreign investment in the region.

It is a positive sign that Romania has taken interest in the CPEC. The completion of the corridor would create thousands of employment opportunities for the people of the region. It should be considered as the game-changer for the entire region.

As a number of countries have shown their willingness to participate in the CPEC, it has increased the importance of the project. The trade and economic ties between Romania and Pakistan had always been important for the latter.

The volume of trade between Romania and Pakistan has reached 300 million dollars, and that showed ample signs of the maturity of their bilateral relations. The role of the Pak-Romania Business Council helps in strengthening economic ties between the two countries. Pakistan had been exporting textile, leather products and cotton to Romania.

The prosperity and development in Karachi meant prosperity of the entire country. Karachi has become an ideal destination for prospective foreign investors and companies, especially after the restoration of peace.

The governor urged that prospective foreign investors from Romania should also be informed about the improved environment in Pakistan for making investments and launching new businesses.

The Government of Pakistan has been providing utmost assistance, support and security to foreign investors coming to Pakistan.

Source: yarnsandfibers.com - Apr 12, 2017

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First African Asian cotton B2B meeting took place in Bangladesh

First African-Asian Cotton B2B Meeting event as part of Cotton Development and Partnership programme being organized in Bangladesh by the International Islamic Trade Financing Corporation (ITFC), member of the Islamic Development Bank (IDB) Group emphasizing on the development of the Bangladesh textile industry.

Bangladesh textile industry is the source of employment and export earnings for its economy. Currently, Bangladesh is the largest cotton importing country in the world.

Bangladesh finance minister AMA Muhith who inaugurated the programme said that demand for cotton in the local textile sector to stay as RMG will lead their export sector for another twenty to twenty five years.

Bangladesh spends more than $3 billion to import cotton a year of which more than half of it comes from India.

The meeting witnessed the attendance of West African cotton producers, the African Cotton Association, the Bangladesh Textile Mills Association, the Bangladesh Cotton Association, and Bengali Spinning/Textile Mills.

This meeting opened doors to their cotton importers to build new opportunities with the African suppliers. With the current challenging economic environment and the increasing competition, ITFC had given them the chance to reach out to new destinations.

The meetings focused on the longstanding and strategic partnership between ITFC and the Peoples' Republic of Bangladesh, especially in supporting Bangladesh's energy sector in addition to the opportunities in supporting the agricultural sector.

ITFC, as the trade finance and trade development arm of the IDB Group, brings businessmen together from its member countries and provide them with the platform as such today to develop new business partnership to benefit from direct trade linkages between cotton exporting countries and Bangladeshi textile industry.

ITFC was able to bridge between the Asian countries, specifically Bangladesh and Indonesia, to reach out and develop new business partnerships with African cotton suppliers.

Eng. Hani Salem Sonbol, CEO ITFC expressed his special thanks to the President of African Cotton Association, Baba Berthe and CEOs, representatives of West African Cotton Ginning companies for being part of this B2B Meeting, which ITFC is co-hosting with the Bangladesh Textile Mill Association and Bangladesh Cotton Association. The event took place on Monday in the Westin Hotel, Dhaka.

Source: yarnsandfibers.com - Apr 12, 2017

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NATIONAL NEWS

Appreciating rupee erodes margins of textile exporters

The currency has appreciated more than 5% against the US dollar in 2017, much more than some of its competing peers. In a four-part series, Business Standard looks at the impact of a strong rupee on India's key export-oriented sectors, starting with textiles and apparels

The rupee's appreciation by over 5 per cent against the dollar in 2017 is hurting exporters even as competition from Bangladesh, Vietnam and China has over the last several years subdued growth of Indian textile and apparel exports.

Exporters said the rupee's strength had shrunk their margins and they were worried about further declines if the trend continued.

"Since this seems a temporary phase, we should be able to bear the impact. We will be able to calculate the effect on our margins if the rupee appreciation continues for some time," says OP Lohia, chairman and managing director, Indo Rama Synthetics. Exports constitute 20 per cent of the company's Rs 2,100 crore annual revenue.

The dearer rupee also makes yarn, fabric and garment imports cheaper, hurting local manufacturers. India's textile exports are worth $50 billion, of which almost 70 per cent is dollar denominated.

Meanwhile, currency depreciation in some of India's competitor nations like China, Vietnam and Bangladesh make their exports more competitive

The apparel industry has hardly seen any growth in its $17 billion exports. Export margins in apparels tend to be 2-4 per cent in dollar terms, and the rupee appreciation has almost washed these away, say exporters.

"Exports are becoming uncompetitive and imports from Bangladesh and other competing countries are becoming cheaper. The impact on revenue will become critical in a month or so," says Rahul Mehta, president of the Clothing Manufacturers' Association of India.

In the knitwear hub of Tirupur in Tamil Nadu, exporters fear they may lose orders to neighbouring countries. Tirupur is a sourcing hub for Walmart, Ralph Lauren, Diesel, Tommy Hilfiger, H&M and Marks & Spencer.

"We are at a 10-12 per cent price disadvantage. With the rupee appreciating this gap has widened by another 4-5 per cent," says Raja M Shanmugham, president, Tirupur Exports Association. An exporter supplying to one of the top three retailers in the US says his buyer prefers cheaper Bangladeshi textiles. "I have let go of my margins but I am still unable to compete with Bangladesh's manufacturers," he says.

With government support on all fronts, says another Tirupur exporter, apparel units in Bangladesh are doing everything to arrest the outflow of orders.

Indian textile companies have been caught off guard by the rupee appreciation and most of them have large exposure to dollar-based trade.

"The cost of production, including minimum wages, has gone up by 15-20 per cent, making our exports uncompetitive," Mehta adds.

Shanmugham says the goods and services tax, which is expected from July 1, will have a further impact on exports as duty drawbacks will be curtailed, adding more pressure on the textile industry.

Balancing Act

Rupee appreciation by 6-7% will shave off export margins of 4-5%With imports getting cheaper, domestic textile industry too becoming uncompetitive Apparel exports have more or less remained stagnant at $17 billion Price disadvantage of 10-12% worsens with rupee appreciation Over 70% of textile exports are in dollars Rising cost of production makes exports in euro and other currencies too uncompetitive

Source: business-standard.com- Apr 13, 2017

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Technical textile market to grow at 12% CAGR: FICCI

India's technical textiles market, currently estimated at Rs 1 lakh crore, is expected to grow at 12 per cent per annum, according to a study.

The size of technical textiles market is currently estimated at Rs 1 lakh crore and it is expected to grow at 12 per cent per annum.

The country is expected to play a key role in shaping the future of the sector by diversifying towards non-woven technical textiles and forging global partnerships with counterparts, said the report by top industry body FICCI.

An international conference on technical textiles, `Technotex-2017', began here today. The three-day meet has been organised by Federation of Indian Chambers of Commerce & Industry (FICCI) and Ministry of Textiles.

"Technical textile offers immense potential and has been termed as a sunrise industry in India. With sufficient investments into the technology, the industry would grow exponentially.

"Karnataka and Maharashtra governments have put in ample efforts to utilise their resources and unleash the potential in the textiles sector," Karnataka minister for textiles Rudrappa Lamani said at the meet.

The conference-cum-exhibition this year has drawn in more than 165 exhibitors, who are showcasing a varied collection of technical textiles.

The meet, where 22 countries are participating, has pavilions of China and Taiwan.

Exploring bigger business opportunities with India, eight Taiwanese companies producing high-end innovative technical, functional, performance and industrial textiles and accessories showcased their products at the exhibition.

"Taiwan's textile sector is the leader in technology innovations and manufacturing in the world and it can fulfil India's requirements.

"We are confident that collaborations between Taiwan and Indian companies will lead to better trade relations," Taiwan Textile Federation Vice-President Judy Yang said.

Source: dnaindia.com- Apr 12, 2017

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Booming Denim Market Brings First Denims and jeans Show to India

According to Research, India to Overtake US as Jeans Consumer, as the Indian Denim Market Grows Exponentially Denim has been one of the main booming textile segments in India in the past decade Where the capacity of Indian mills to produce denim fabrics was only about 300 million meters in 2005, it has risen over 300%, reaching about 13 billion; making India stand second only to China globally.

A major part of this production is consumed locally Over 500 million jeans are being sold in India itself; which is a little more than the approximate 490 million jeans sold in US currently This gives India the distinction of being the second largest consumer of denim apparel after China India is set to get a big lead over US and EU in coming years, as its consumption increases in Tier-2 and Tier-3 cities

This is what inspired Denimsanjdeans.Com, the pioneers of denim exhibition in Bangladesh and Vietnam, to launch their first Indian Denim Show on September 25-26, 2017 at the Silicon Valley of India, Bengaluru. The show will be held at 'The Lalit Ashok Bangalore' and will be the first-of-its-kind show in India. It will be the first denim-focused show, which will bring some of the most reputed denim mills including top local and international garment manufacturers, together on one platform and provide a great opportunity to source denim fabrics and apparel.

Rising government focus and favorable policies is leading to growth in the textiles and clothing industry of India. The Union government also recently announced a Rs. 6,000 crore special package for the textile and apparel sector. This package will bring forth significant flexibility in labor laws, boost exports and generate employment.

Source: outlookindia.com- Apr 12, 2017

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Trade through Attari border hit due to rising tension between the India and Pakistan

The rising tensions between India and Pakistan after a Pakistani military court sentenced Kulbhushan Jadhav to death on charges of spying, has hit the trade between the neighbouring countries through the Attari-Wagah land route near Amritsar.

The traders in the region allege that following the issue, Pakistan has not been importing tomatoes, garlic and soybean from India in the past three months. Additionally, China has blocked the import of dry fruits and dates from Afghanistan, hitting the trade here badly.

“Since the beginning of this year, our export of tomatoes, garlic and soya bean to Pakistan has been hit badly. For last two months, the Pakistani authorities did not unload 43 trucks of garlic sent from here.

The crop was lying at the Integrated Check Post (ICP) at Attari. Such is the condition of hundreds of trucks of soya bean that were refused by the health authorities of Pakistan citing that these were not fit for consumption,” said president Karyana and Dry Fruit Association (Amritsar) Anil Mehra told the New Indian Express.

“Now they are not allowing tomatoes from here citing the same reason. Tomato prices in Pakistan have gone as high as Rs 150 per kg. The Pakistani authorities have even issued TV advertisements recommending the use of curd instead of tomatoes while cooking,” he added.

The issue has also affected the 35-year-old trade relation between Afghanistan, from where India imports dry fruits and dry dates regularly. India gets only cement and gypsum from Pakistan and Afghanistan now, Mehra said.

If Pakistan does not want to continue trade relations with India due to pressure from its radicals, India should withdraw the status awarded to Pakistan as it’s most favoured trading partner.

“The negative sentiment between both the countries is not good for trade. There is a possibility of a decline in the trade relations between the countries in the coming days.

Pakistan has already stopped importing perishable goods from us," said Rajdeep Singh Uppal a leading exporter and former chairman of Confederation of Indian Industry (Amritsar Zone).

India mainly imports cement, gypsum, dry fruits, rock salt from Pakistan while it exports meat, vegetables, soya meal, raw cotton, yarn to Pakistan.

Source: newindianexpress.com - Apr 12, 2017

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Handloom directory to capture the condition of handloom sector

Handlooms and Textiles Minister K.T. Rama Rao directed the officials of the concerned department to prepare a handloom directory with complete details on the condition of handloom weavers and the sector itself.

The Minister held a review meeting with the officials here on Wednesday and said the government made the highest ever budgetary allocation to the handloom sector for the first time in the State.

But officials should ensure that all the benefits reached the handloom workers without any pilferages while subsidy should be extended to the weavers by linking it to their Aadhaar and biometric identity. Policies should be formulated to see that the subsidy benefits were directly credited to the accounts of the handloom weavers.

Elaborating on the handloom directory, Mr. Rama Rao said it was Chief Minister K. Chandrasekhar Rao's idea to have a detailed document, including the number of handlooms, handloom weavers and workers, production capacity etc., with full capacity and estimates. Based on this, special policies would be formulated for handlooms, powerlooms and textile sectors, he said.

As per the available survey, there were 17,000 handlooms in the State and 14,300 were geo-tagged. The objective of the government's handloom policy was to protect the existing handloom workers and if some workers wanted to shift to other sectors, the government would extend cooperation to them. The government was considering extending loan with special subsidy to those contemplating to shift to other remunerative sectors.

Mr. Rama Rao instructed the officials to gather data on how many weavers were weaving silk, cotton and grey cloth and explore the marketing facilities to purchase their products. Opportunities should also be provided to the handloom weavers to sell their products not only to the government, but the outside market.

The State government should play the role of a master weaver to benefit small handloom workers. At present, the government was extending 50% subsidy on yarn to the handloom weavers. The meeting also discussed setting up State's own handloom depots in addition to the National Handloom Development Corporation yarn depots to provide more benefits to the weavers.

Industry Principal Secretary Jayesh Ranjan, Textiles Director Sailaja Ramaiyar and other officials attended the meeting.

Source: thehindu.com- Apr 12, 2017

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India's trade kink

The trade numbersfor2016-17will be released in the next week or so. They will show total merchandise exports atabout$270billion. This is against a backdrop of exports topping $305 billion in 2oll-12, and staying above the 300-mark for the next three years before dropping off sharply in 2015-16.

The fall is explained in part by the drop in oil prices since 2014. Consequently, the export of petroleum products has shrunk in value. Even allowing for this, though, the picture is one of stagnant exports over the last five years.

You could argue in defence of this performance that world exports show a similar trend. Global merchandise exports in2016 may not have been very different from the 2015 figure of $16.5 trillion - winch was down by about 10 per cent from $18.2 trillion in 2oll. In percentage terms, this broadly matches the shrinkage in India's exports relative to 2oll-12.

As a consequence, the country's share of global exports has remained more or less unchanged since 20ll, at aboutl.7 percent It bears pointing out, though, that prior to this period India had been steadily improving its share of world merchandise exports, from 0.8 per cent in 2004.

Perhaps more importantly, the two major reasons for the lack of momentum in world exports do not affect India One is the growing energy self-sufficiency of the US, winch has sharply reduced its energy imports. The other is the enormous success that China has had in import substitution - supplanting imports from East Asian countries with domestic inputs into the manufacturing supply chain.

By one count, domestic value addition has gone up from3.5 percent to 60 percent Neither of these two factors has affected India's trade prospects, except perhaps through limited second-round effects. Lf we are to look for the reasons behind the country's stagnant exports, we have to look elsewhere.

Some would argue that we don't need to look beyond China which single-handedly accounts for about half the trade deficit India-China trade is one of the most unbalanced anywhere, with an export-import ratio of about 1:5. But would imports come down if China were removed from the map, or would other countries replace China as a supplier-of everything from mobile phones to domestic electrical gadgets, and from solar panels to plain steel? Given that India runs a trade deficit with about two thirds of its most important trading partners, the problem is at home, not abroad.

A few commentators have argued in recent months that India's exports are concentrated in too few products and too few markets, making the country vulnerable to negative swings in world trade. This argument is contra-indicated by the country's score on the Economic Complexity Index, which gives India a 2014 rank of 45 in a list of124 countries; this is substantial improvement from the rank of61 for 1995.

The index measures two broad metrics: The diversity of the export basket (greater diversity reflects more broad-based capacities in the system)and the knowledge content of the basket (exports with greater knowledge content are more sustainable and also have greater potential for growth).

India scores relatively well on both metrics; its 2014 rank is better than for all Brics countries except China (ranked 20th). and better also than for all its South Asian neighbours, including Sri Lanka.

The heart of the problem is not world trade stagnation, or China mercantilism, or a narrow export base-though all of them are contributory factors.

The nub of the issue is the all-too familiar failure to develop an efficient manufacturing base. India has a surplus in services trade, it even has a surplus in the agricultural goods trade(being the sixth largest exporter), and it has a surplus in transfer payments (remittances come in from non-residents, and go out as dividend or royalty payments. among other things).

The only sector where it does not have a surplus is in manufacturing-whose share of the total trade in goods and services combined has been declining steadily. Since space has run out, exploration of this manufacturing failure - and for pessimism about the prospect of change- must wait for another weekend.

Source: business-standard.com - Apr 10, 2017

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Profitability of Indian yarn spinners may face pressure

Profitability of Indian yarn spinners may come under pressure due to various challenges like high raw cotton prices, while demand for cotton yarn is expected to remain moderate.

Under the circumstances, spinners may opt to reduce capacity utilisation or contribution. Hence, their profitability is likely to remain under pressure in the near future.

"Other than profitability pressures, higher cotton prices will lead to higher working capital requirements and in turn higher borrowings," a news agency informed quoting an ICRA report.

"cotton prices remained high due to low domestic availability in the first half of 2016-17 and also due to higher volume of exports.

In the last quarter of fiscal 2016-17, domestic cotton prices averaged at Rs 120 per kg, up 29 per cent year over year," the ratings agency said.

"The improved competitiveness of polyester fibre as against cotton fibre resulted in a 5 per cent year on year growth in synthetic yarn production in fiscal 2017," the report observed.

Source: fibre2fashion.com- Apr 13, 2017

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Indian online economy to touch $250 bn by 2020: Report

An explosive growth in online data consumption and a strong addition in internet users will result in the Indian internet economy reaching $250 billion by 2020, says a report.

The online economy is likely to grow from $100-$130 billion (5 per cent of GDP) to $215-$265 billion (7.5 per cent of GDP) by 2020 owing to growing e-commerce and financial services.

A BCG-TiE report titled 'The $250 Billion Digital Volcano: Dormant No More' says that financial and e-commerce services are likely to comprise $40-$50 billion, while the share of e-commerce products will be $45-$50 billion. Digital media and advertising are expected to be at $5-$8 billion.

India's mobile internet user base will grow from 391 million users to 650 million users by 2020. Data consumption will also witness a rise of 10-14 times, with every user projected to use 7-10 GB data per month by 2020, adds the report.

The average time spent on the internet will also increase by 3-4 times due to high-speed internet adoption by 2020, said media reports quoting the BCG-Tie analysis.

Source: fibre2fashion.com - Apr 13, 2017

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Weavers shift to silk handloom weaving

Poor wages, uncertain employment prospects and stiff competition from power looms have forced many cotton handloom weavers in and around Musiri to shift to silk handloom weaving due to assured orders and steady wages.

Also, efforts made by the Department of Handlooms some five years ago to infuse new life into cotton handloom trade did not yield the desired results due to financial problem. Introduction of modifications meant additional expenditure and space constraint was another problem. So, a growing number of traditional handloom weavers, who have been engaged in producing cottons saris and dhoties for more than five decades, are shifting to the silk handloom sector.

For instance, M. Thangavel of Manamedu, a hamlet about five km from Musiri, is fully trained in weaving cotton saris and dhoties for the past 25 years. But his talent neither fetched him adequate wages nor orders. So, he and his wife Parameswari underwent a four-month intensive training in weaving silk goods.

“We get assured orders from the master weavers of Salem, who supply the raw materials to us. We then weave the dhoties or saris,” he says. “The monthly wages in cotton goods was just ₹ 3,000, but I can now get ₹ 10,000 a month making silk shawls, dhoties and saris.”

Echoing the same sentiments, a cross-section of weavers in Manamedu say the master weavers from Salem ensured an assured income for their community in Musiri and Thathaiengarpet. Manamedu alone accounts for about 6,000 weavers attached to six weavers societies.

“Initially, Sarvodaya in Thanjavur ensured assured wages in silk products. But, we had to go there to get the raw materials from the Sarvodaya unit there. On the other hand, the master weavers from Salem reach our village and distribute the raw materials. They collect the finished goods within the stipulated time,” they point out.

Source: thehindu.com - Apr 13, 2017

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Cotton comes under pressure on higher arrivals, sufficient stocks

Cotton prices have come under pressure since the second half of March 2017. The pressure in cotton prices built after the reports of higher arrivals and sufficient stocks position in the country following a good production outlook in current as well as coming season and much improved import data coupled with lower than anticipated exports potential from the country during the present cotton year, which started in October 2016.

On the MCX, the cotton April delivery contract has tumbled 5% from its March high of Rs 21,740 to the current levels of Rs 20,690. The most active April delivery contract has been trading below its 20-day moving average of Rs 21,191. "This level may act as a good resistance and restrict the upside in the contract in the near to medium term," Mr. Ritesh Kumar Sahu (Fundamental Analyst – Agri Commodities), Angel Commodities Broking.

The rally on cotton price since the start of the current calendar year halted at around Rs 21,740 per bale in the third week of March. After consolidating at this level for some time, prices have started to decline since March. Weak demand from cattle feed traders, coupled with an increase in the supply, pushed the price lower.

The monthly data released by the U.S. Department of Agriculture (USDA) showed estimated India stocks ending 2016/17 at 2.72 lakh tonnes (160 lakh bales of 170 kg each) as against an outlook of 2.59 lakh tonnes (52.4 lakh bales) in its report last month.

The USDA raised imports projection by 129,412 bales to 29.47 lakh bales, which is 4.6% higher on month and 115% higher compared to than the last year imports. On the other hand, the exports from the country are revised downwards by 11.12% on month to 51.2 lakh bales (170 kg each). Last year. India exported about 73.8 lakh bales.

According to USDA forecast the production in India is pegged at 345 lakh bales, thus the available stocks for the current season is above 500 lakh bales after adding carryover stocks and imports. The domestic use and exports during the current cotton season will be about 355 lakh bales.

As per the latest press release by Cotton Association of India (CAI), cotton crop estimate for the ongoing cotton season at 340.50 lakh bales of 170 kgs each and with carryover stocks of 70 lakh bales the total availability will be around 410.50 bales. The domestic consumption is estimated at 300 lakh bales which leaves available surplus at 110.5 lakh bales. The exports and import estimates not given by CAI.

CAI further added that “the arrivals of cotton have accelerated their pace during the month of March 2017. The arrivals during March 2017 are higher than that of the corresponding month during last year and the gap of arrivals as compared to last year has narrowed down further.

The other factors which will impact on the cotton prices in coming months is the monsoon forecast in the sub-continent and weather during the US planting season. The USDA’s crop planting forecast for 2017, released March 31, projects a 21% jump in U.S. cotton acreage to about 12.2 million acres.

Similarly, as per the International Cotton Advisory Council (ICAC), India’s production is projected to grow by 2% to 5.9 million tons (347 lakh bales of 170 each) while production in China could reach 4.8 million tons in 2017/18 due to expected increase in area in both countries. Moreover, World cotton production is forecast to grow by 1% to 23.1 million tons in 2017/18 as high prices in 2016/17 encourage farmers to plant cotton.

In India, the minimum support price (MSP) recommendation for cotton in 2017/18 by Commission for Agricultural Costs and Prices (CACP) has been increase to Rs. 4,020 per quintal, an increase of Rs, 160 or 4%. Higher MSP proposal may attract farmers to plant more cotton this season compared to last year.

Source: economictimes.com - Apr 13, 2017

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Growth in kids' wear

Many clothing brands that are hitherto not doing any business in kids clothing are likely to enter the industry in view of its bright growth prospects. Their entry means this market would become more competitive, with companies engaging more in promotional and marketing activities and producing better quality clothes, according to Ken Research.

The market research firm singles out the Asia-Pacific region for high growth prospects. The countries in this region are expected to prosper economically which would push the demand for quality kids clothing in the global market.

Therefore, India and China remain top destinations to invest in the region. According to Ken Research, to sell in India and China, global players in the industry will have to tailor their products to suit the culture of these countries.

The kids clothing markets in the US and Europe, though quite developed in comparison to those in the developing countries, have scope for further development.

Source: business-standard.com - Apr 13, 2017

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