

**IBTEX No. 37 of 2017**

**Feb 18, 2017**

USD 67.07 | EUR 71.19 | GBP 83.25 | JPY 0.59

**Cotton Market Update (17-02-2017)**

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

Rs./Bale	Rs./Candy	USD Cent/lb
20389	42650	81.11

**Domestic Futures Price (Ex. Gin), March**

Rs./Bale	Rs./Candy	USD Cent/lb
20870	43655	83.02

**International Futures Price**

NY ICE USD Cents/lb ( March 2017)	75.71
ZCE Cotton: Yuan/MT ( May 2017)	16,125
ZCE Cotton: USD Cents/lb	<b>88.47</b>
<b>Cotlook A Index - Physical</b>	<b>85.8</b>

**Cotton & currency guide:**

Cotton price traded mixed to sideways on Thursday's trading session. This has been 12 consecutive trading sessions both spot and futures price of cotton in India has been trading in a very tight range.

Cotton witnessed a flat trend to average between Rs 42,550-44,250/candy across major markets in thin trade activity. Market players were awaiting fresh cues to take on the driver's seat as price remained stable on account of lean business activity. Further, they were observing the trend in the global market which was range bound and securing their position.

Fundamentally, steady demand and supply was supporting price during the day with need based buying by small mills on account of good demand from yarn market on the retail level. Cotton eased Rs 100-200/candy on account of limited demand.

**DISCLAIMER:** The information in this message may be privileged. If you have received it by mistake please notify "the sender" by return e-mail and delete the message from "your system". Any unauthorized use or dissemination of this message in whole or in part is strictly prohibited. Any "information" in this message that does not relate to "official business" shall be understood to be neither given nor endorsed by TEXPROCIL - The Cotton Textiles Export Promotion Council.

Prices slipped Rs 200-300/candy in the late evening session on weak global cues. Cotton arrivals in Gujarat were at 42,000 bales; lower by 3,000 bales from February 15.

Coming to global front the US cotton futures on the ICE fell for the third straight session on Thursday on technical selling ahead of the first notice day for the March contract due next week.

The March cotton contract settled down about 1 percent at 75.01 cents per lb on Thursday ahead of first notice day which is due on February 22. Short term uptrend led to some profit booking by speculators while the market was on a temporal pull back towards 74-75 cents in May. The benchmark May cotton contract on ICE Futures U.S. settled down 0.51 cent, or 0.66 percent, at 76.77 cents per lb. It traded within a range of 76.76 and 77.44 cents a lb.

**Compiled By Kotak Commodities Research Desk , contact us :  
[research@kotakcommodities.com](mailto:research@kotakcommodities.com), Source: Reuters, MCX, Market source**

## NEWS CLIPPINGS

<b>INTERNATIONAL NEWS</b>	
<b>No</b>	<b>Topics</b>
1	US Takes in Even More Apparel Imports from Vietnam
2	USA: Finally, Apparel Prices Rise
3	Dhaka set to revive FTA talks with Ankara in March
4	International yarn & fabric show underway in Bangladesh
5	Pakistan: Cotton arrivals up 10.63pc to 10.634 million bales
6	Chinese exhibitor numbers jump 83% at Yarn Expo
7	What's behind positive moves in cotton price?
<b>NATIONAL NEWS</b>	
1	India-MERCOSUR pact: Second round of talks on expansion soon
2	Move for technical textile cluster in Tamil Nadu
3	Textiles Department Working on branding of handicrafts items
4	Buyers sellers meet organised to boost textile sector
5	Genetically modified Bt Cotton: Africa's Burkina Faso sets an example to follow
6	'Modest growth is expected in Indian exports'
7	Govt to help Surat textile cluster improve energy efficiency
8	Exports won't be impacted in the short term due to Trump policy

Exhibit your company at [www.texprocil.org](http://www.texprocil.org) at **INR 990** per annum  
[Please click here to register your Company's name](#)

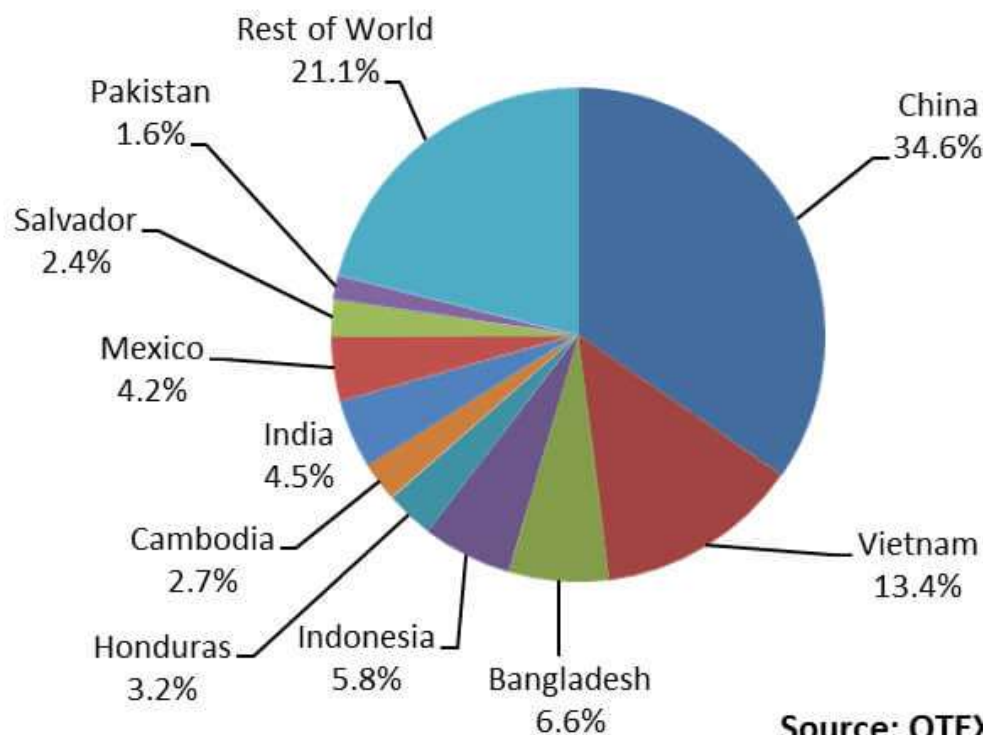
## INTERNATIONAL NEWS

### US Takes in Even More Apparel Imports from Vietnam

U.S. apparel imports decreased in 2016 as retailers tightened inventory levels and prices trended downward.

According to data released last week by OTEXA, the International Trade Administration's Office of Textiles and Apparel, apparel imports fell 5.2% on an MFA basis in 2016, to \$80.7 billion.

**U.S. Apparel Imports By Country of Origin (Dollar Volume)  
FY 2016**

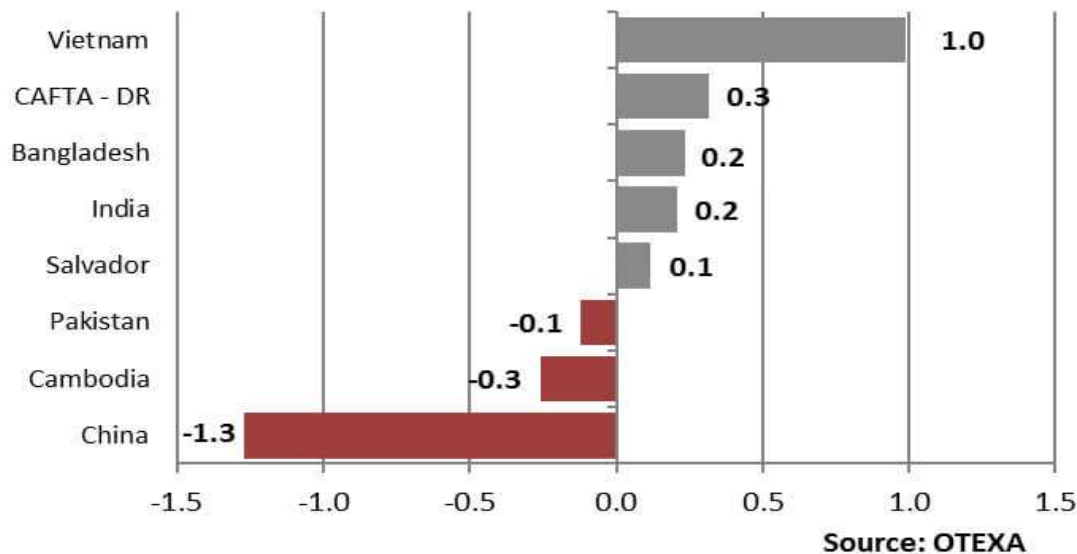


On a square meter equivalent (SME) basis, imports dipped 1.1%, indicating a shift toward cheaper goods compared to last year. The average cost per unit of an imported garment fell by 4.2%.

Vietnam was the only trading partner among the top 10 to grow their imports to the U.S. El Salvador, India and Bangladesh suffered the smallest declines, while apparel imports from Cambodia, Pakistan and China decreased the most.

China's dollar share of U.S. apparel imports, which peaked in 2010 at more than 39 percent and has been on a slow decline ever since, dropped by 1.3 percentage points in the year, to 34.6%. Imports of manmade fiber apparel from China fell by almost 6 percent to \$15.1 billion, while those of cotton

**US Apparel Import Share Shifts By Top Country/Region  
FY 2016 vs. 2015**



apparel fell by 11 percent to \$10.7 billion.

<b>Apparel Imports: FY 2016</b>					
<i>MM Dollars and Units</i>					
<b>APPAREL</b>	<b>Dollars</b>	<b>SME</b>	<b>% Chg</b>	<b>% Chg</b>	<b>% Chg</b>
	<b>Millions</b>	<b>Millions</b>	<b>Dollars</b>	<b>SME</b>	<b>\$/SME</b>
<b>World</b>	<b>80,714</b>	<b>26,927</b>	<b>-5.2</b>	<b>-1.1</b>	<b>-4.2</b>
China	27,922	11,175	-8.6	-1.9	-6.8
Vietnam	10,808	3,352	2.3	6.9	-4.3
Bangladesh	5,306	1,862	-1.8	-0.4	-1.3
Indonesia	4,706	1,268	-4.7	0.3	-5.0
Honduras	2,554	1,081	-4.5	-3.0	-1.6
Cambodia	2,144	903	-13.6	-14.1	0.5
India	3,640	1,044	-0.7	2.0	-2.6
Mexico	3,402	880	-4.4	-2.0	-2.4
Salvador	1,941	825	-0.5	1.5	-1.9
Pakistan	1,262	535	-11.9	-9.5	-2.7
CBI	852	336	-5.2	-0.6	-4.6
CAFTA - DR	8,165	3,098	-2.2	1.6	-3.7
W-Hemi	13,778	4,453	-3.2	0.5	-3.7
ASEAN	20,043	6,250	-3.2	-0.1	-3.1
OECD	3,104	273	-4.8	-2.3	-2.6
rest of world	17,029	4002	-5.2	-1.6	-3.6

Apparel imports from Vietnam increased in 2016 by 2.3% year-over-year, to \$10.8 billion. Though a distant number two source of U.S. apparel imports, its 13.4% share represents a gain of 1 percentage point.

Imports of cotton apparel from Vietnam fell by 1.4%, but those of manmade rose by 5.3%. Women's manmade fiber

knit tops and pants were the biggest import categories, and both grew significantly during the year at the expense of their cotton counterparts.

Apparel imports from Bangladesh fell by 1.8% to \$5.3 billion, but remained virtually flat on a unit basis.

Imports from Cambodia fell by 13.6% to \$2.1 billion.

Source: sourcingjournalonline.com– Feb 17, 2017

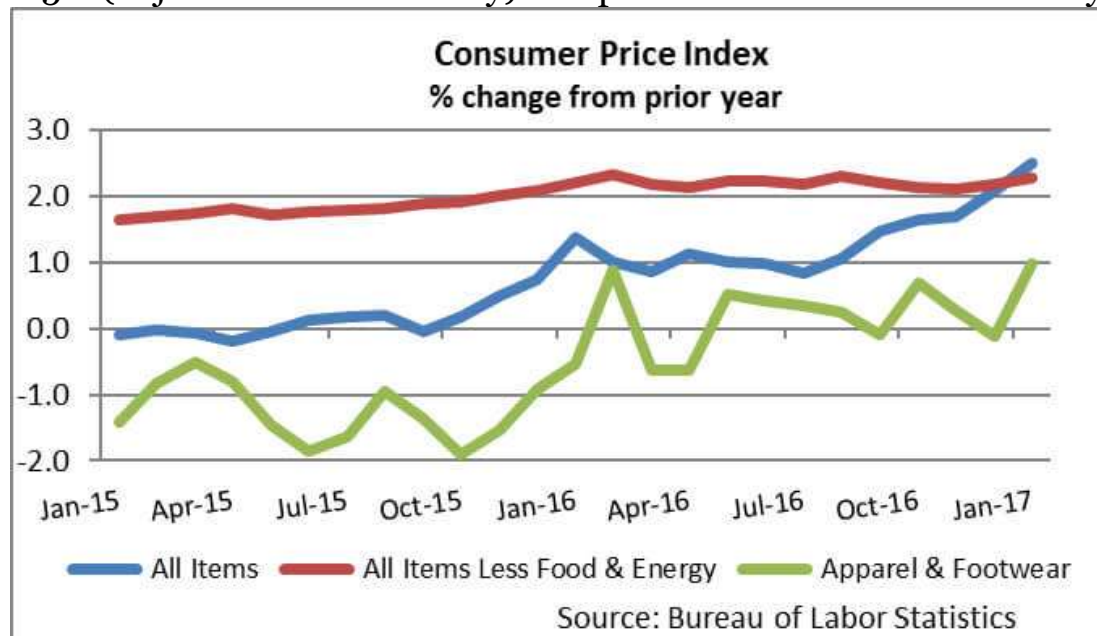
[HOME](#)

\*\*\*\*\*

## USA: Finally, Apparel Prices Rise

Inflation continued to edge higher in January, lifted by higher costs for housing, gasoline and medical services. Food prices may have remained flat, but apparel prices had their biggest monthly average increase in more than two and a half years.

According to Consumer Price Index (CPI) data released Wednesday by the U.S. Department of Commerce, prices for all goods and services rose by 2.5% (adjusted for seasonality) compared to the same month last year.

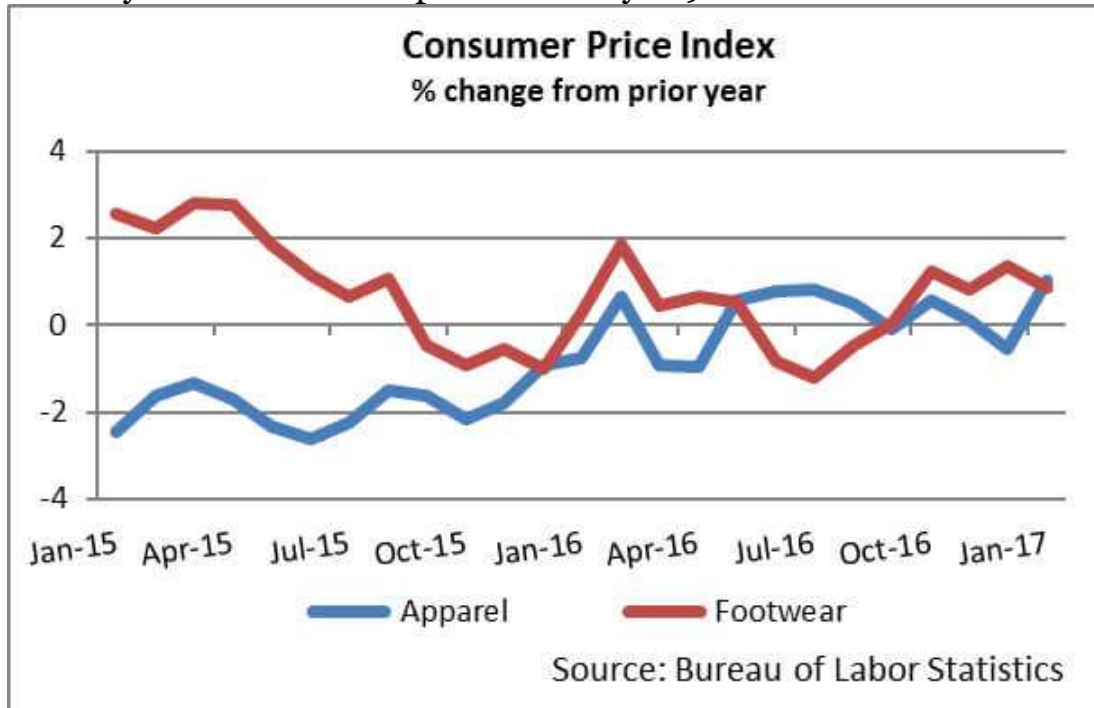


That was the biggest jump in inflation in almost four years, with the core rate of inflation—which excludes food and energy price moves—rising 2.3%.

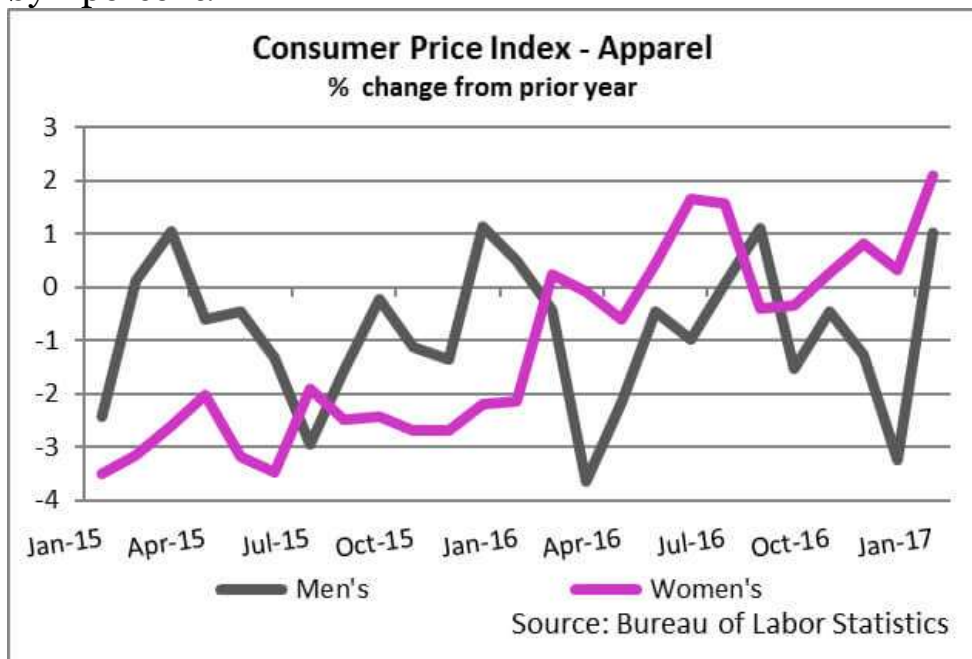


The index for apparel and footwear, reversing its recent downward trend, increased by 1 percent.

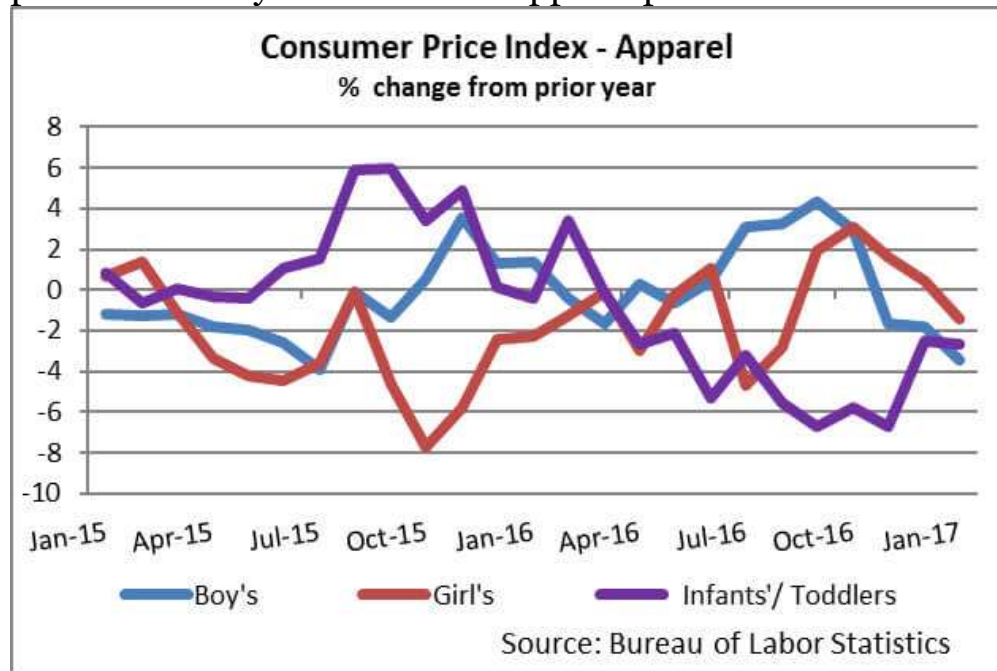
Apparel prices (excluding footwear) also rose 1 percent compared to January 2016. Footwear prices rose by 0.9%.



Womenswear prices increased by 2.1% in the month, while menswear rose by 1 percent.



Children's apparel suffered a 2 percent price decline, driven by downward pressure on boys' and infant's apparel prices.



Source: sourcingjournalonline.com– Feb 16, 2017

[HOME](#)

\*\*\*\*\*

## **Dhaka set to revive FTA talks with Ankara in March**

Dhaka is set to revive talks with Ankara regarding signing of a free trade area (FTA) deal which was virtually put on hold for months following a diplomatic rift centering war crimes trial, officials said.

A Turkish delegation comprising officials from its ministry of economy is scheduled to visit Bangladesh next month to discuss signing of the proposed pact, they added.

"Turkish officials had invited us to visit Ankara for the talks, but we decide to host this round of negotiation in Dhaka. The last round of talks was held in Ankara," a senior trade official told the FE.

In mid-May last year, Turkish ambassador to Dhaka Devrim Öztürk left the country following execution of a Jamaat Islami leader Motiur Rahman Nizami. Before that, Turkey on several occasions strongly condemned the



executions. However, the ambassador came back to Dhaka three months later in August last year.

A senior official at the ministry of commerce (MoC) told the FE Friday over phone that Bangladesh is very much positive in signing FTA deal with several countries including Turkey, Sri Lanka, South Africa, and Myanmar.

"If we can get duty-free access to Turkey, our exports to the Eurasian country will increase manifold," he said adding that apparel exports have a significant potential to grow there.

Replying to another query, he said Bangladesh has reservation in signing FTA with China and India since a study by Bangladesh Tariff Commission finds opening of the market for these developing countries will be disastrous both in terms of revenue as well as for local industries.

According to trade officials, Dhaka for the first time opted for signing FTA deal with Ankara following imposition of 17 per cent additional duty on import of textile and garment items from Bangladesh in June 2012. Other Bangladeshi exports enjoy zero-duty benefit in the Turkish market.

In calendar year 2013, Bangladesh's export to Turkey crossed US\$1.0 billion while import was \$195 million. However, as 17 per cent duty was slapped on apparel, Dhaka's export to Turkey dropped to \$767 million in the following year.

The officials said apparel products account for over 75 per cent of Bangladesh's total export to Turkey. Imposition of additional duty came as a serious blow to Bangladesh's apparel export to Turkey.

They said in the last talks on FTA deal, Turkey proposed that both the parties would open 50 per cent tariff lines of agriculture products and 100 per cent tariff lines of industrial products under the agreement. Once opened, these products of both countries will be able to enter each other's market without paying any duty.

But the Bangladesh Tariff Commission opined for opening 50 per cent of agricultural tariff lines and 80 per cent of industrial products in FTA with Turkey.

However, businesses are of the opinion to open 50 per cent of industrial tariff lines and 80 per cent tariff lines of agriculture products.

Officials also said Turkey has proposed that both sides aim to achieve a comprehensive and high-level FTA being consistent with relevant provisions of the WTO (World Trade Organisation) agreement, in particular Article XXIV of GATT (General Agreement on Tariffs and Trade).

It also proposed that no non-tariff and para-tariff barriers should remain for products of both countries while entering each other's market.

The Turkish side wants signing of a full-fledged FTA both for goods, services, and investment.

They also want both the countries to follow environmental requirements and relevant rules of the International Labour Organisation to ensure labour rights in factories.

Another senior MoC official told the FE earlier Bangladesh wants to move forward towards future deals taking into consideration its graduation to lower middle-income country.

"We are taking necessary preparations so that such bilateral FTAs can help when we lose zero tariff facilities after graduating to next stage," he said.

Bangladesh's major exports to Turkey include apparels and clothing accessories, textile yarn and related products, non-metallic mineral products, tobacco and tobacco manufactures, and leather and leather goods.

On the other hand, Bangladesh's imports from Turkey include edible vegetable and certain roots, salt, sulphur, earths and stone, plastering materials, lime, cement, products of chemical and allied industries, plastic and articles thereof, cotton, cotton yarn, and cotton fabrics, iron and steel.

Source: thefinancialexpress-bd.com– Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **International yarn & fabric show underway in Bangladesh**

The 11th edition of the Dhaka International Yarn & Fabric Show 2017 - Winter Edition (Winter DIFS 2017) and Dhaka International Denim Show 2017 twin fairs are currently going on in Bangladesh.

The four-day exhibition aims to promote communication and business cooperation between textile and apparel companies of China, Bangladesh and other countries.

Organised by Conference & Exhibition Management Services Ltd (CEMS) and China Council for the Promotion of International Trade (CCPIT-TEX), the exhibition is meant for the RMG sector of Bangladesh.

The Winter DIFS 2017 is a one-stop biggest marketplace of Bangladesh for textile business as well as presenting the latest fabrics and trends.

Over 300 exhibitors from around the world are presenting their up-to-date fabrics, which are ready-to-use for garments, accessories, industrial use and various applications, according to the organisers.

The Winter DIFS 2017 is fully equipped with all ranges of textile products enhanced with the latest technology. It is setting a new definition of smart fabrics in order to satisfy the growing demand of the buyers.

CEMS Global has launched its own denim exhibition for the first time to meet the needs of a demanding and versatile industry.

The denim show is a great avenue for drawing huge visitors from the ever expanding denim industry of Bangladesh.

The Winter DIFS 2017 is a part of a series of exhibitions being organised by CEMS-Global in Bangladesh, Brazil, India, Indonesia, Singapore and Sri Lanka.

Source: fibre2fashion.com – Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **Pakistan: Cotton arrivals up 10.63pc to 10.634 million bales**

Textile mills bought around 9.515 million cotton bales during the fortnight in February as compared to 8.390 million bales a year earlier, official data showed on Thursday.

Around 202,356 cotton bales were sold to cotton exporters during this period. Cotton arrival in the local markets witnessed year-on-year 10.63 percent increase to 10.634 million bales, said the Pakistan Cotton Ginners' Association.

Till February 1, cotton arrival from the Punjab rose 16.94 percent to more than 6.849 million bales. The crop arrival from Sindh was recorded at more than 3.784 million bales, registering an increase of 0.79 percent.

Around 9.717 million cotton bales were so far sold in the local markets as against 8.390 million bales a year ago. Local crop arrival increased in February as compared to the last year despite torrential rains and flash floods in some cotton growing areas in the country.

Source: thenews.com.pk– Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **Chinese exhibitor numbers jump 83% at Yarn Expo**

The number of Chinese exhibitors has jumped 83 per cent over the prior edition to 275 exhibitors at Messe Frankfurt organised Yarn Expo, which runs from March 15-17, 2017 in Shanghai.

Along with exhibitors from 10 countries and regions, the fair will see over 360 exhibitors, who will display the world's highest quality yarn and fibre products.

Yarn and fibre products on display include natural and blended yarns including cotton, wool, flax, regenerated flax, silk, manmade fibres and yarns, as well as specialty products including elastic, and fancy and blended yarns.

Yarn Expo will have five distinctive display zones, which includes Fancy Yarn Zone, where nearly 50 exhibitors will show the latest collections of creative and trendy fancy yarns. There will be around 100 Chinese companies in the Natural Cotton Zone, who will exhibit high-end cotton yarns as well as new imitation varieties, such as vortex spinning and differentiated yarns.

The Colourful Chemical Zone will have four theme areas and will host the foremost Chinese fibre brands with a wide spectrum of innovative and eco-friendly low carbon fibres, while the Quality Wool Zone and Green Linen Zone, will be the focal point for wool and linen yarns and fibres.

Source: fibre2fashion.com– Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **What's behind positive moves in cotton price?**

If you're looking for a reason to be optimistic, look to cotton.

"Cotton is a lot easier topic this year," said Jeff Johnson, Allenberg Cotton Company, at the Feb. 8 Agribusiness Conference at Arkansas State University. "I've been praying for the last three or four days that the market wouldn't come down before this presentation. Opportunity is everything — if you're involved in cotton today, I know you're as happy as me. We have some opportunity back in our commodity."

The market has been "on a pretty good run lately. It's in the mid-70s for old crop. The issue for us is the demand for U.S. cotton is booming. This year, we have the fourth fastest sales pace since 2005. So far, in week 26, we're already at 10.2 million running bales. That's because the competitors we normally face at this time of year — African, Brazilian, Australian, even Indians — are just not available."

During the second week of February 2016, "we were at 6 million bales. We didn't make 10 million bales in the entire 2015 crop year."

## **Speculators**

Cotton has also attracted speculators. "We've been fortunate to have excellent participation by these guys over the last six months. The total

open interest, the number of futures contracts outstanding in cotton, is 280,000, which comprises 28 million bales of open interest in our futures market. That's odd because our entire crop is only 16 million bales. That gives you some perspective on the kind of participation we're getting from speculative interests.

"This is second-highest open interest since March 3, 2008. The cotton people remember that date when, on an unchanged balance sheet, the market went from 68 cents to \$1.08 and back to 38 cents in the course of about three weeks all on speculative interest.

"What drives these guys to our market is the quest for yield. They're looking for a higher return in commodities; it's better than fixed income, better than equities to some extent, is less risky and, especially in an inflationary environment, it's the place to be. We've been lucky to have them."

### **'Other'**

The market is also experiencing the highest non-U.S. participation in history. "That's known as 'other' in the spec/hedge report and you can track it easily. The (Chinese) market, the CCE, closes about midnight (here), then they spill over into ICE futures. They trade the two markets against each other as an arbitrage. Their participation is big, focused and well-funded.

"Small markets like ours — cotton is a very small market in terms of total dollars — with flat board structure, allows them to invest in cotton and roll their long position forward. They go from the March contract to the May contract to the July contract.

When the market structure is flat, they get free time value — they get to hang around for free. In the old days, ... there were big carries and it was hard for a speculator to be invested and roll his long position forward because he was giving up 2 cents every roll."

Don't let an opportunity pass you by, said Johnson. "Cotton prices are up since mid-December by 700 points. If you have old crop, that's free money and I urge you to take advantage."



## **Area/ending stocks drop**

In addition, the market is up “because the world cotton area is starting to do its work. Since 2011-12, we’re down 22 percent in world area. Most of that has been because of China, which is down 46 percent. Separate the two and the world is down 8 percent.”

The world is consuming more cotton than it’s growing. “In 2015-16, we grew 14 million bales less than we consumed.”

The world ending stocks are also headed in the right direction, said Johnson. “If you look back at the pre-reserve days, from 2000 through 2008 or 2009, you’ll see the world is comfortable with 40 million, 50 million, and even 60 million bales of ending stocks. That went out the window with the Chinese reserve buying and the world carryout was driven up to 110 million bales in 2014.”

World surplus, down from 90 million bales, “doesn’t have to reach 30 million for prices to react. What we need to do is get world stocks down to around 60 million bales.”

## **Reserve**

“Obviously, the Chinese reserve is still the issue. ... Last year, ending in September, the reserve auctioned off 12.2 million bales of stock. Their total volume was around 50 million when they started. Now, it’s around 37.8 million bales.”

While the Chinese stopped the auctions last September, “they will start again on March 6 of this year. They made the window so they don’t compete with their own growers. If they auction another 12.2 million bales, we’ll have the reserve stocks in September down to 25.6 million bales. One more auction of 12.2 million in 2018 and the reserve problem will be solved.

“The Chinese growers were paid \$1.20 per pound of cotton during the reserve buying days. Even then, their acreage was falling. In 2012, the Chinese planted about 12 million acres and had a nice crop with 34 million bales. This year, they planted 6.5 million acres and were down to a 22 million-bale crop.

“They’re moving people to the cities. The urbanization plan published in 2012 says the Chinese government wants 100 million farmers to move into metro areas by 2020. They want to move 250 million farmers by 2025.”

Why the exodus from farms?

“Farmers on the farm aren’t consumers. Farmers in the city are consumers and the manufacturing sector wants to be dependent on their own middle class. So, they plan to move folks off the farm to cities and make consumers of them.”

Source: [deltafarmpress.com](http://deltafarmpress.com)– Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## NATIONAL NEWS

### **India-MERCOSUR pact: Second round of talks on expansion soon**

The second round of talks for the expansion of the India-MERCOSUR preferential trade agreement (PTA) is slated to take place in New Delhi on February 27. The expansion of the agreement will be of strategic importance to boost trade relations between the countries involved, with the trade volume target set at \$30 billion in 2030.

Confirming this, highly-placed government source told FE, “We are keen on fast-tracking the process on the expansion of the PTA and negotiations on margin of preference (MoP) on the tariff lines to be offered by each side will be discussed later this month.”

“The forthcoming negotiations will review the demands of the grouping and will be an opportunity for India to weigh its options before taking any decision related to cutting down duties,” the source added. On whether the expansion of the grouping will also be discussed, the source pointed out, “The expansion of the grouping was not on the agenda. The MERCOSUR secretariat is the decision-making body.”

All South American countries are linked to MERCOSUR, either as member states or associate members. Chile, Peru, Colombia and Ecuador are associate members, in addition to Guyana and Suriname, which acquired this status in July 2013.

In December 2012, with the signing of the protocol of accession of Bolivia to MERCOSUR, the accession process as a member state has started; however, no firm decision has been taken regarding its full membership to the grouping.

As reported by FE earlier, both sides have already exchanged lists of items where each side is seeking greater market — India has exchanged a wish list of 4,836 tariff lines at an 8-digit code with MERCOSUR (Brazil, Argentina, Paraguay and Uruguay) in July last year and the MERCOSUR grouping has exchanged their wish list of 3,358 tariff lines at an 8-digit HS code.

In order to deepen and widen the scope of the existing agreement, the PTA is being proposed to be expanded as substantial scope exists for India and MERCOSUR to explore complementarities and benefits from increased bilateral trade.

MERCOSUR stands to benefit from India's worldclass capabilities in the software and pharmaceutical industries, and exports of agricultural products like soybean and corn. On the other hand, India can secure its oil and other natural resource needs by partnering with the grouping's member countries.

"In the expanded PTA, not only will the number of items covered be greater, the margin of preference will be much more," the source added.

The process of expansion was started earlier and the wish lists were also exchanged between India and MERCOSUR in 2010. However, the process of expansion could not proceed further. India had earlier exchanged its wish list containing around 1,287 tariff lines at an 8-digit code at HS 2007 nomenclature.

India has offered tariff concessions on meat and meat products, organic and inorganic chemicals, dyes and pigments, raw hides and skins, leather articles, wool, cotton yarn, glass and glassware, articles of iron & steel, machinery items, electrical machinery and equipment.

And MERCOSUR has offered tariff concession relate to food preparations, organic chemicals, pharmaceuticals, essential oils, plastics& rubber products, tools & implements, machinery items, electrical machinery and equipment.

If taken as a whole, MERCOSUR would be the fifth-largest economy in the world, with a GDP of \$ 3.32 trillion.

The bloc constitutes a privileged space for investments through purchase, share control, and association of companies from member states.

Source: [financialexpress.com](http://financialexpress.com)- Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **Move for technical textile cluster in Tamil Nadu**

The Federation of Indian Export Organisation (FIEO) is in talks with various agencies to set up a technical textile cluster in Tamil Nadu, where common facilities, including R&D, could be provided for start-ups, A Sakthivel, Regional Chairman, FIEO (Southern Region), said.

Stating that very few are into export of technical textiles at present, he said the potential is immense, but exporters would have to look at product diversification to achieve higher growth.

India's export performance data for January 2017 has been positive and has been so the last five months of the current fiscal after two years of continuous negative growth.

After lowest growth during 2016, world trade is expected to be better during 2017 and 2018 atleast in emerging economies.

But the prices of all products have started to slide globally and this could pose a huge challenge for the product manufacturing sector in India

“Commerce Ministry should consider the present market situation and extend better facilities to the exporters in its mid-term review of Foreign Trade Policy,” Sakthivel said.

Source: thehindubusinessline.com- Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **Textiles Department Working on branding of handicrafts items**

The Department of Textiles is working on branding of handicraft items which will be introduced to the market very soon, a top Textile Ministry official said today.

The branding exercise is very similar to that of handloom items which has been launched recently.

It will also generate better quality assurance and certification and selling of handicrafts products in the International markets, Rashmi Verma, Secretary (Textiles), Ministry of Textiles said today at the inaugural session of the 5-day handicraft and gift fair 'IHGF- Delhi Fair Spring 2017' at India Expo Centre & Mart, Greater Noida.

"Artisans and manufacturers of Indian handicrafts at craft clusters are to be guided for creating new products to be competitive and EPCH is already playing key role in providing platform and hand holding at IHGF-Delhi Fair to products being made by artisans, craftpersons and upcoming entrepreneurs from different craft clusters to interact directly with the International buyers."

"Through this direct buyer-seller meet Indian handicrafts can grow further not only in terms of exports but can further enhance the image of brand India in the market of home, fashion, lifestyles and textiles across the world," she said.

She expressed satisfaction that VRIKSH certificate for wooden items has been accepted worldwide.

Rakesh Kumar, ED - EPCH said buyers from renowned International buying companies having large number of stores such as New Edition Home BV Netherlands, TOK & Stok, Brazil, E&L, Australia, ROOST, USA, Accent Decor Inc, USA, Two's Company Inc., USA, MOE's Home, Canada, Kangaroo GmbH, Germany, Kopyko, Venezuela are visiting this edition of the show.

Apart from overseas buyers, domestic volume retail buyers from many leading retail chains of India and e-commerce companies have become regular visitors to the fair and home, lifestyles, fashion and textile products have attained sizeable place in every Indian chain stores such as Good Earth, Furniture Republic, Fab India, West Side, Archies, DLF brands Ltd, @home, Shoppers Stop, Lifestyles group, Urban Ladder, Pepperfry. Ajio, FabFurnish and Shopclues.

Source: business-standard.com- Feb 16, 2017

[HOME](#)

\*\*\*\*\*



## Buyers sellers meet organised to boost textile sector

In order to encourage textile industry and to encourage sale of powerloom clothes of different states, a buyers and sellers' meet from February 16 to 18 at Gujarati Mandal, Sardar Vallabh Bhai Bhawan, Civic Centre, on Thursday. The program is being organised by the Regional Office Indore and Power loom Service Centre, Jabalpur, Textile Commissioner, Ministry of Textile, Government of India.

In this exhibition cum sale the dress material including Saris, Bed sheets, Towels, Gamcha, Gaadipaath, Shirting Bags, Shirting, Garment, Carpet, Mat, Ladies Suit, etc by the power loom entrepreneurs of Uttar Pradesh, Gujarat, Maharashtra, Chhattisgarh states. Around 30 stalls have been put-up in the exhibition offering extensive and wide collection of designer and exclusive material.

Shrayansh Jain, Managing Director, Jabalpur Garment and Fashion Design Cluster opened the meet. Ravi Gupta, Chairman, Mahakoshal Chamber of Commerce and Industry presided over the program. On this occasion Madhya Pradesh State Power loom Association, Burhanpur, Director, Alok Tiwari, Garment manufacturing Association, President, Sujeet Jain, Textile Commissioner, Indore Office Incharge, Pranav Parasher, General Manager, District Trade and Industry Centre, Devbrat Mishra along with representatives of different industries of Textile related works were present. Program commenced with recitation of Saraswati Vandana and dance performance by a child artist Lakshita gathered appreciation.

Organiser, Textile Commissioner Regional Office, Indore and Power loom Service Centre, Jabalpur officials have appealed the residents of the city to visit the exhibition to choose the power loom made textile material of their choice directly from the entrepreneurs running powerlooms in different states of the country.

Source: thehitavada.com- Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **Genetically modified Bt Cotton: Africa's Burkina Faso sets an example to follow**

As the debate over the Genetically Modified crop, Bt Cotton rages in India, Burkina Faso, a small West African nation has completely phased out the cultivation of Bt Cotton which once occupied close to 2.8 lakh hectares in the country. In India, Bt Cotton occupies close to 95 per cent of the 105 lakh hectares under cotton cultivation.

Speaking to media in Hyderabad on Thursday, a group of agricultural activists from Coalition for the Protection of African Genetic Heritage (COPAGEN) explained how the turnaround came about in the African nation.

Kadidja Kone, Regional Focal Point for COPAGEN said like India even in Burkina Faso Bt Cotton had a grand welcome in 2003 as it proved to be a better seed than local varieties. By 2012 close to 70% of land under cotton was occupied by Bt Cotton. However, as the years progressed, she said, farmers started realising that Bt Cotton yields were falling and the input costs rising drastically.

A research commissioned in Burkina Faso involving 202 cotton farmers, modelled on lines of Telangana based Deccan Development Society threw out some shocking results including the fact that while Bt Cotton priced 30 times higher than local varieties of cotton seeds, its yields were 7% lower.

Kone said that when the cotton farmers were made aware of this data they themselves started showing less interest in cultivating it which started getting slowly phased out.

Another reason behind the wipe out is the centralised seed distribution and cotton procurement in the country. Kone said there are three main cotton companies there which sell seeds and buy produced cotton. The companies started realising that fibre of Bt Cotton is of poorer quality and is fetching a very low price.

As a result, the cotton companies stopped promoting Bt Cotton.

The three companies have filed a court case asking for 74 million Euros as compensation from the seed company Monsanto.

Source: newindianexpress.com- Feb 17, 2017

[HOME](#)

\*\*\*\*\*

### **‘Modest growth is expected in Indian exports’**

Trade deficit in January stayed stable at USD10 billion, the same as in the previous month, with oil deficit deteriorating but non-oil balance improving. Barring engineering goods, which are showing good traction, helped by a favourable base, several other categories, such as leather goods, garments, gems and jewellery moderated during the month.

These are the primary observations of a research note from Edelweiss. Meanwhile, non-oil/non-gold imports maintained pace at 6% year-on-year. Going ahead, Edelweiss expects trade balance to hover around current levels. Recovery in the global economy is a boost to exports, but base effect is turning adverse. Thus, stable to modest improvement is the most likely scenario for exports.

A similar trend was observed in imports. Overall, imports growth improved to 7% in January 2017, compared to 6% in December 2016. Non-oil and non-gold imports showed a similar pattern.

Just as with exports, base effect and rebound in global commodity prices seems to be at play. Specifically in January, gold imports were flat at USD2 billion, while crude oil imports jumped, reflecting rising prices.

Edelweiss observe that it is worth noting that while global industrial activity has picked up, one is yet to see visible pick up in global trade volumes.

If one looks at global trade, it has recovered in nominal terms in the past 3-4 months, but world trade volumes have barely improved.

Source: moneylife.in- Feb 16, 2017

[HOME](#)

\*\*\*\*\*

## **Govt to help Surat textile cluster improve energy efficiency**

Energy Efficiency Services Limited (EESL) will sign a memorandum of understanding (MoU) with two Surat based textile fabric processing units for installing energy efficient equipments. EESL will install the programmable logic controller (PLC) at these two facilities as well at the caustic recovery plant at the nearby Common Effluent Treatment Plant (CETP).

Energy Efficiency Services Limited (EESL) is a company operating under the union power ministry. The South Gujarat Textile Processors Association (SGTPA) will be suggesting the names of the fabric processors taking part in the initial trials.

"EESL will choose two model units for improving energy efficiency in their plants in Surat," a leading daily quoted the chief general manager of EESL, S P Garnaik as saying at a workshop in Surat. "The main aim is to expand production and at the same time save energy."

Once EESL achieves success with these trials, other fabric processors will be encouraged to join the project.

The project will be funded by the United Nations Industrial Development Organisation (UNIDO) with support from the Global Environment Facility (GEF)

Source: fibre2fashion.com- Feb 17, 2017

[HOME](#)

\*\*\*\*\*

## **Exports won't be impacted in the short term due to Trump policy**

EEPC India, an initiative of the Union Ministry of Commerce and Industry, which recently celebrated its 60th anniversary has been pushing for higher exports of Indian machinery and engineering solutions in markets as far-flung as Vietnam to Iran. B Sarkar, executive director, talks to TOI about EEPC's policy and outlook for 2017. Excerpts:

Will the Trump regime throw hurdles in the way of India's exports to the US?

We are seeing no immediate, short term impact, but there are long-term grave implications with a protectionist regime. Castings, valves, forgings, are heavily imported by US companies from Indian makers.

Now, Trump can talk of 'Make American, Buy American,' but ultimately it will result in higher labour costs, tighter environment laws and heavier clearance for manufacturing industrial equipment. Industries there will also have to contend with a stronger union and cannot really make their products with a competitive edge.

### **With the recent slump in the export market, how does 2017 look?**

While it is true that the engineering export slumped to \$56 billion in 2016 from \$70 billion in 2015, we expect the market to rebound. In the March quarter alone we are expecting a growth of 15%.

With Chinese products flooding the market, how are Indian companies trying to be competitive?

While China can produce products in mass, Indian companies offer innovation and smart solutions. For instance, if asked to produce 2,00,000 pieces of industrial valves they would surpass us in offering a superior product at a cheaper price.

But when asked to custom-make an order for Siberia, withstanding high temperature, high pressure, Indian companies have the upper hand.

We are a country high on innovation. For instance there is 2 HP light, compact tractor, we have designed, that is a best-seller in Bangladesh, Myanmar. That is because, we have accounted for the small-scale agriculture, lack of organised farming in these countries. Large tractors, traditional auto players have not make a dent, even as our tractors are selling like hotcakes.

### **Have our foreign policies impacted Indian exports?**

More than our foreign policies, it is US foreign policy that is impacting trade. Iran is a natural ally and ports like Chabahar will prove immensely beneficial.

Yet because of US sanctions, we are facing great difficulty in overseas remittances and cross-border trade. Because of cheap oil and a lot of old cars on their roads, Iran has a huge auto maintenance market. We can really deliver there and in agricultural equipment, food-processing machines — provided the foreign policy climate improves.

**In the last decade, Indian exports have improved with which countries?**

We have really improved our relationship with SAARC nations. Apart from that we are being welcomed in countries like Vietnam, Cambodia, which have an inherent anti-China bias.

They also appreciate that India provides quality over quantity in our textile machinery and other exports — unlike China. Kenya is another country, where we have made great strides in selling our food processing units. We have devised low cost ovens, dough mixture machines that help small entrepreneurs there make cookies, biscuits and special, made-to-order cakes.

**With an increasing protectionist policy in the US, Britain, what should be India's response?**

Protectionist policies don't help anyone. Neither does mixing politics with religion. We ought to think of free trade and competitive pricing to drive economic growth worldwide.

Protectionist policies will only increase the cost of manufacturing, hiring local talent and result in higher prices for the end-consumer. India's focus now is on quality; on competitive pricing; on providing end-to-end solutions. That we feel will prove a differentiating factor and make the country stand out in the world market.

Source: timesofindia.com- Feb 18, 2017

[HOME](#)

\*\*\*\*\*