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NEWS CLIPPINGS

Currency Watch	
USD	82.42
EUR	80.12
GBP	92.07
JPY	0.55

INTERNATIONAL NEWS

No	Topics
1	US cotton production may fall by 3.7 mn bales in MY 2022-23: Report
2	Ethiopia Sourcing Just Got a Little More Attractive
3	Euro area's industrial production up by 1.5% MoM, 2.5% YoY in Aug 2022
4	Germany foresees recession, rising inflation in 2023: Economy minister
5	North Sea freight volumes in Sept 2022 higher than in 2021
6	Turkish Aug textile-apparel-footwear retail sales volume up 12.6% YoY
7	Japanese August imports up 15 per cent
8	Sri Lankan apparel sector faces hiked taxes
9	Cambodia govt signs MoU with GMAC, ILO to extend BFC programme 2023-27
10	For $100 billion garment export, Bangladesh needs to explore multiple fronts
11	Dhaka's over-reliance on RMG to be key barrier to sustaining growth

NATIONAL NEWS	
No	**Topics**
1	Goods exports in September rise 4.82% to $35.45 b
2	Despite global headwinds, Indian economy will stay on course: FM Sitharaman
3	India unlikely to be hit as hard by global recession as other countries: SBI chairman
4	Matter best left to trade Ministers, says Ministry of External Affairs on UK pact
5	Centre moving towards second phase of National Single Window System
6	Bureau of Indian Standards celebrates World Standards Day
7	Slowing textile exports spark fears of job losses
8	Cotton yarn imports increase
9	Festival cheer September retail sales up 21% over pre-Covid period
10	South Indian cotton yarn market sees mixed trend; prices up in Mumbai
11	90 countries, 3,000 exhibitors at 54th IHGF Delhi Fair

INTERNATIONAL NEWS

US cotton production may fall by 3.7 mn bales in MY 2022-23: Report

Cotton production in the US in 2022-23 is forecast to fall by 3.7 million bales from the previous marketing year (MY) to 13.8 million bales, the lowest production level in seven years. This will result in US cotton exports for MY 2022-23 to fall at 12.5 million bales, down by 100,000 bales from the previous month's forecast and 14 per cent lower than MY 2021-22, according to the US department of agriculture (USDA).

High temperatures and drought in Texas, where 40 per cent of US cotton production occurs, have slashed production and exportable supplies.

Global trade is down by nearly a million bales from the previous month's forecast. Despite that, the United States remains the leading global exporter of cotton.

If realised, MY 2022-23 ending stocks would be at their lowest level since MY 2016-17 at 2.8 million bales, with the United States now exporting more than three-fourths of its crop.

The ratio of shipments and sales to the projected US crop in MY 2022-23 is at the highest level in over 10 years and has supported a strong projected US farm price.

Global production is down slightly to 118.1 million bales, but this change is more than offset by larger beginning stocks. Consumption is down by 3 million bales to 115.6 million with lower projected use across major consuming countries and the largest monthly downward revision since May 2020, USDA said in a note.

Global cotton trade is down and attributed to declining imports and demand amid major macroeconomic concerns, which include higher interest rates from the US Federal Reserve and lower global economic growth forecast for 2022 and 2023 by the International Monetary Fund in its October Outlook, USDA noted.

Global ending stocks are projected at 87.9 million bales, more than 3 million bales higher relative to last month.

Global cotton prices fell significantly since September world agricultural supply and demand estimate (WASDE) with India witnessing the largest fall.

Indian spot prices fell by 30 cents but remain the highest among the observed origins. This is contrary to last year when India prices were the lowest among major producers; far lower supplies in the country relative to the previous year are supporting the stronger basis, USDA added.

Source: ccfgroup.com - Oct 14, 2022

HOME

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Ethiopia Sourcing Just Got a Little More Attractive

Expanding its logistics capabilities, A.P. Moller-Maersk has opened new freight transfer facilities in the United States and Ethiopia.

Maersk and Ethiopian partner Freighters International announced the opening of a consolidation center in Modjo Dry Port, Ethiopia.

Maersk said the multi-purpose facility will help to simplify and optimize apparel and lifestyle customers' supply chains, saving costs, significantly reducing their speed to market and making them more competitive.

"Our integrated logistics offering is all about creating value for our customers," Carl Lorenz, managing director for Eastern Africa Area for Maersk, said. "The new consolidation center in Modjo Dry Port saves our customers time and cost through consolidation, synergies and providing a single point of contact with greater visibility. Ultimately, the new facility will help to make Ethiopia a more attractive and competitive destination for sourcing goods for the apparel and lifestyle industries–key industries for job creation and growing the Ethiopian economy."

A hub for export or import cargo in Ethiopia, Maersk's new consolidation center offers a range of warehousing and distribution services that address supply chain issues customers may face. With direct links from Modjo Dry Port to Djibouti Port and industrial parks, the facility offers customers first mile delivery, consolidation, cargo fulfilment and supply chain management solutions.

Decarbonization is an integral part of Maersk's strategy and the rail service that connects all the container freight stations to Djibouti Port runs fully on hydroelectric power, the company noted.

Chicago Air Freight Gateway

In the U.S., Maersk has inaugurated a new Chicago Air Freight Gateway near O'Hare Airport designed to offer direct planeside recovery with immediate transfers to the new facility.

The company noted that 70 percent of the U.S. is within an overnight truck drive, enabling important shipments from Asia and Europe to speed to their destination when timing is essential. The new facility also serves

Maersk's air cargo hub in Illinois' Rockford International Airport–a 24/7, fast-growing air cargo hub.

"We want to expand our air freight presence and logistics services in key locations and today's Chicago inauguration is an important step in our integrated offering to customers," Mike Meierkort, regional head of Maersk North America Logistics and Services, said. "We want to create more routing options and flexibility for customers looking to improve their air cargo supply chains. Our new Chicago Air Freight Gateway offers an integrated supply chain solution to time critical shipments and order fulfillment deadlines."

The new facility is a Bonded Container Freight Station (CFS) with U.S. Customs and operates as a U.S. Transportation Security Administration (TSA) Certified Cargo Screening Facility (CCSF) to ensure timely, secure handling of air freight. This enables priority handling and sorting of import and export cargo.

For import cargo, the time taken from arrival at gateway to being ready for delivery is within 24 hours, pending customs clearance. For export cargo, the time taken from arrival at Gateway to tender and carrier is no longer than 24 hours, pending carrier booking.

The Chicago Air Freight Gateway news comes on the heels of Maersk's recent acquisition of Senator International, which added Transatlantic experience and assets to integrate into Maersk's North America Air Freight service to customers.

Source: sourcingjournal.com - Oct 14, 2022

HOME

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Euro area's industrial production up by 1.5% MoM, 2.5% YoY in Aug 2022

In August 2022, industrial production rose by 1.5 per cent in the euro area and by 1.1 per cent in the European Union (EU) month-on-month (MoM), according to estimates from Eurostat, the statistical office of the EU. In the same month, industrial production increased by 2.5 per cent in the euro area and by 3.5 per cent in the EU year-on-year (YoY).

In July 2022, industrial production decreased by 2.3 per cent in the euro area and by 1.5 per cent in the EU. In the euro area in August 2022, compared with July 2022, production of durable consumer goods rose by 0.9 per cent and non-durable consumer goods by 0.7 per cent, while production of intermediate goods fell by 0.5 per cent and energy by 2.1 per cent. In the EU, production of non-durable consumer goods rose by 0.9 per cent and durable consumer goods by 0.3 per cent, while production of intermediate goods fell by 0.4 per cent and energy by 2.0 per cent.

Among member states for which data are available, the highest monthly increases were registered in Ireland (+16.6 per cent), Estonia (+5.0 per cent), and Denmark (+4.3 per cent). The largest decreases were observed in Sweden (-7.0 per cent), Belgium (-6.1 per cent), and the Netherlands (-1.5 per cent). In the euro area in August 2022, compared with August 2021, production of durable consumer goods rose by 7.0 per cent, and non-durable consumer goods by 0.4 per cent, while production of intermediate goods fell by 0.5 per cent and energy by 2.9 per cent, said Eurostat.

In the EU, production of durable consumer goods rose by 4.2 per cent, non-durable consumer goods by 3.2 per cent, and intermediate goods by 0.1 per cent, while production of energy fell by 0.5 per cent.

Among member states for which data are available, the largest annual increases were registered in Bulgaria (+16.5 per cent), Lithuania (+14.4 per cent), and Denmark (+14.1 per cent). The largest decreases were observed in Belgium (-10.3 per cent), Luxembourg (-2.5 per cent), and Slovakia (-2.0 per cent).

Source: fibre2fashion.com- Oct 15, 2022

HOME

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Germany foresees recession, rising inflation in 2023: Economy minister

As Germany witnesses rising energy prices after Russia's gas shutdown, it will see its output contracting by 0.4 per cent in 2023 and inflation is expected to hit 7 per cent, the government recently said. "We are currently experiencing a serious energy crisis, which threatens to become an economic and social crisis," cautioned economy minister Robert Habeck.

Inflation will be 8 per cent this year, the government projected.

The minister released the official autumn economic forecasts, which said its economy is set to register a growth of 1.4 per cent this year after having enjoyed a post-pandemic rebound earlier in the year.

The key reason for the downgrade from earlier forecasts was ‘the halt to Russian gas supplies’.

High energy prices are acting as ‘a brake on industrial production—above all in energy-intensive sectors’. The economy will return to growth with expansion of 2.3 per cent in 2024, the forecasts said.

The government recently unveiled a €200-billion fund to shield consumers and businesses from surging prices, including a cap on energy costs. Consumer prices would be much higher next year without that cap, the forecasts said.

Habeck, however, said he was ‘convinced’ that Russian President Vladimir Putin will "fail in this attempt to destabilise the basic economic and political order", according to global newswires.

Source: fibre2fashion.com- Oct 15, 2022

HOME

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North Sea freight volumes in Sept 2022 higher than in 2021

North Sea freight volumes in September 2022 were above those in 2021 despite a negative impact from a strike in Felixstowe port as volumes to a large extent were diverted to the Immingham port instead. Volumes in the Mediterranean network continued to grow driven by Turkish industrial production and exports.

Due to lower volumes on the Dover Strait and on the Baltic Sea, total volumes in September 2022 were 7.5 per cent below 2021, according to a press release by Danish international shipping and logistics company DFDS. Freight volumes were above 2021 in all other regions.

Channel's volumes were below 2021 following lower activity on the Dover Strait on account of a decrease in total market volumes and addition of capacity by a third ferry operator. Channel's year-to-date volumes were 0.3 per cent above 2021. Baltic Sea's volumes were below 2021 due to the war in Ukraine, although to a lower extent than in previous months.

For the last twelve months 2022-21, the total transported freight lane metres decreased 1.5 per cent to 43.1m from 43.8m in 2021-20, added the release.

DFDS reports monthly ferry volumes for freight and passengers to provide insight into the development of volume trends in DFDS' European route network.

Source: fibre2fashion.com- Oct 14, 2022

HOME

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Turkish Aug textile-apparel-footwear retail sales volume up 12.6% YoY

Turkiye's retail sales volume with constant prices (2015=100) increased by 9 per cent in August this year compared with the same month last year and by 3.7 per cent month over month (MoM). Retail sales volume of textile, apparel and footwear increased by 12.6 per cent year on year (YoY) and 3.2 per cent MoM in August. Retail turnover rose by 128.8 per cent YoY in the month.

Retail turnover in August increased by 7.6 per cent MoM, according to Turkish Statistical Institute.

Non-food sales (except automotive fuel) in the month increased by 12.8 per cent year on year (YoY) and by 3.8 per cent MoM.

Source: fibre2fashion.com- Oct 13, 2022

HOME

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Japanese August imports up 15 per cent

Japan's textile and apparel imports in August 2022 were up 15 per cent year-on-year and 25 per cent month-on-month.

The import volume from China increased by 13 per cent year-on-year and 29 per cent month-on-month.From January to August, Japan's textile and apparel imports increased three per cent year-on-year and a decrease of 0.5 per cent over the same period in 2019.The growth rate of apparel imports exceeded 30 per cent for four consecutive months.

In recent years, the proportion of import volume and value of Japan's textile and apparel imported from China in total imports had a certain seasonal rule, accounting for the largest share in September or October every year, then gradually falling back to a relatively low level in April or May of the next year, and then fluctuating. Japan's textile and apparel imports growth hit a new-2022 high because of the low base in the same period of 2020.

Japan is a sophisticated market, leaning towards small-lot and short cycle delivery of supply. Consumption is diversified and quality expectations are very high. High quality and expensive Indian garments are gaining popularity in Japan. Customers like selecting garments that have a different character when compared with dresses and kimono worn at such occasions as weddings and parties.

Source: fashionatingworld.com- Oct 14, 2022

HOME

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Sri Lankan apparel sector faces hiked taxes

Sri Lanka's apparel sector is coming under increased taxation.

The standard corporate income tax rate has been increased to 30 percent from 24 percent. The sector feels the additional rate of taxation will make the apparel industry very uncompetitive when compared with regional peers. Manufacturers fear the resulting consequences will be dire and may have disastrous outcomes for an industry that is striving to increase export income, local value addition, foreign direct investments, sustaining employee security, and economic growth.

Sri Lanka's apparel sector is currently witnessing a significant decline in orders. The decline comes after impressive growth was seen in the first eight months of the year 2022. The country's apparel industry is already confronting a 25 percent decline in its order books for the fourth quarter of 2022 due to rising inflation in the biggest export markets, disruptions in global supply chains, and geopolitical tensions.

For the period of January 2022 to August 2022, Sri Lanka's merchandise exports increased by 12 per cent. Apparel and textile exports increased by 19 per cent Except made-up clothing accessories, knitted fabrics, yarn and textile floor coverings, exports of other sub categories of the apparel and textiles sector increased.

Source: fashionatingworld.com- Oct 14, 2022

HOME

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Cambodia govt signs MoU with GMAC, ILO to extend BFC programme 2023-27

The Royal Government of Cambodia through the Ministry of Commerce (MOC) and Ministry of Labour and Vocational Training (MLVT) has signed a Memorandum of Understanding (MoU) with the Garment Manufacturers Association in Cambodia (GMAC) and the International Labour Organization (ILO) to continue the Better Factories Cambodia (BFC) programme for another five years from January 2023 to December 2027.

BFC, which is part of the Better Work programme, is intended to boost economic growth in the country via the clothing, travel goods, and footwear sectors by improving working conditions in factories and other workplaces across the industry to increase productivity and encourage competition since 2001.

The new MoU for 2023-2027, which is the eighth agreement regarding the BFC programme, was signed to modify the terms of execution of certain projects by extending the implementation period from 3 to 5 years to safeguard the project's sustainability and feasibility.

"Fully supported by the Royal Government of Cambodia through the MLVT and MOC, the Better Factories Cambodia programme has been running smoothly for the past 21 years," MLVT minister Ith Samheng was quoted as saying in a Cambodia People's Party (CPP) press release. Samheng emphasised that "the success of this project in Cambodia has become a model for countries in the region through the creation of the Better Work programme." "Thanks to the policy of linking trade with labour standards, Cambodia has built more trust among famous brand buyers to add orders for key products like clothing, textiles, footwear, and bags from Cambodia," said MOC minister Pan Sorasak.

"According to the commerce minister, in the first nine months of this year, Cambodia's exports under the preferential trade system to foreign markets totalled $17,578 million, a year-on-year increase by 24.23 per cent. The exports of garments and textiles rose by 23.16 per cent and travel goods and bags by 36.31 per cent," added the release.

Source: fibre2fashion.com- Oct 13, 2022

HOME

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For $100 billion garment export, Bangladesh needs to explore multiple fronts

2022 hasn't been a year of cheer for Bangladesh and its apparel export business. The traditional importers of Bangladesh's garment products have primarily been the US, Germany, the UK, Spain, France, Italy, the Netherlands, Canada, and Belgium. The pandemic and the ongoing economic crises looming across the Western world has affected the volume of Bangladesh's export to the point the nation faces a foreign exchange reserve crisis.

Moreover, its focus on manufacturing and exporting cotton-fibre based garments may have given it an established market in the West, but now is stagnating due to lack of diversification. Bangladeshi manufacturers of RMG contribute around a fifth of its gross domestic product and 82% of its export earnings. The shrinking of demand from the West has become a grave concern.

Commenting on the current scenario in Bangladesh, Shahidullah Azim, vice president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) said, "Most factories are getting orders of less than 30% of their capacity for the next winter season amid record inflation rates across Europe and the US.

To cope with the ongoing turbulence on the global economic and political fronts, we have started looking for [nearer] destinations to export to." Bangladesh cannot afford to slack off and has to quickly reclaim lost grounds as it grapples with dangerously low foreign exchange reserves. Sheikh Haseena's government recently applied for a USD 4.5 billion loan from the IMF to help bring down the risk of the kind of instability that has swamped its neighbors Sri Lanka and Pakistan.

Eastward bound

It was only the logical way forward for Bangladesh to realise it needed market diversification and the East offered less crisis-related issues than the currently beleaguered West. Azim said, "We are going to hold garment expositions in Japan and Korea individually in October this year to attract more retailers and brands from these countries."

Bangladesh has been eyeing the tiny but lucrative Singaporean market where its garment exports have been nominal as it does not have the advantage of being an ASEAN member like fellow competitor Vietnam. However, since the end of 2021, Bangladesh and Singapore have been working towards an FTA which might add an advantage to the South Asian nation. However, the best deal so far has been China agreeing to raise duty-free access to 98% of goods imported from Bangladesh.

Diversifying beyond cotton

Product diversification seems the way out of this situation and Bangladesh is eagerly embracing working with man-made fibres to enable them to enter trending niches such as athleisure, sports apparel and technical-textile made garments. Kutubuddin Ahmed, chairman of Envoy Textiles said, “In view of the prevailing situation, we are now focusing more in research and development to produce more low-cost fabric and man-made fabric, as people's buying capacity is going down due to inflation. Such a switch could also help clothing makers deal with soaring input costs. Raw material prices have hiked, so we are thinking how we can make our production cost effective.”

Bangladesh knows the importance of exporting garments which yielded rich results for its economy and made it the poster boy of under-developed nations who are on their way to becoming developing nations. Tipu Munshi, Minister of Commerce explained, “We’re planning an export target of 80 billion US dollars by 2024 and 100 billion US dollars in 2026.”

Source: fashionatingworld.com- Oct 14, 2022

HOME

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Dhaka's over-reliance on RMG to be key barrier to sustaining growth

The over-reliance on apparel exports may prove to be a major hindrance to sustaining Bangladesh's economic growth in the next 10 years, according to a recent research report by consulting firm Lightcastle Partners, which said new challenges will emerge as the country will cease to benefit from trade benefits accrued to its least development country (LDC) status.

The report, titled 'Bangladesh Economic Update-2022', suggested the government offer policy support and facilitate investments for diversifying the export basket.

"Economists are predicting a gradual reversal of trade liberalisation as the geopolitical fault lines are increasingly becoming more pronounced, leading to de-globalisation," the report was quoted as saying by Bangladeshi media reports.

It suggested the policymakers undertake a series of policy reforms and reduce red-tape, primarily to facilitate ease of doing business.

International investors will have to be wooed as well to create jobs and facilitate technology transfer, it said.

Large-scale investment in education will also be required for improving the overall skillset of the working population and contribute to growing human capital, it said.

Aa a notable percentage of the economically vulnerable population has slid back to poverty, comprehensive social safety net arrangements and livelihood projects have to be implemented by the government and development agencies to reduce inequality, the report suggested.

The depleting foreign reserve has to be made a priority in the short-and medium-term and adequate steps in maintaining a healthy reserve have to be explored continuously, the report added.

Source: fibre2fashion.com- Oct 15, 2022

HOME

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NATIONAL NEWS

Goods exports in September rise 4.82% to $35.45 b

India's goods exports continued its slow growth in September 2022, increasing 4.82 per cent (year-on-year) to $35.45 billion, as prospects for world trade in 2023 and the second half of 2022 turned shaky.

Imports in September 2022 rose 8.66 per cent to $61.16 billion, widening the trade deficit during the month by 14.42 per cent to $25.71 billion, per quick estimates for trade data for September 2022 released by the Commerce & Industry Ministry on Friday.

Exports of goods in September 2022, with the exclusion of non-petroleum and non-gems & jewellery, registered a fall of 4.58 per cent to $ 24.22 billion, according to the data.

Items which posted a decline in exports in September 2022 include engineering goods, readymade garments, cotton yarn & fabrics, plastic and iron ore.

Sectors that registered increased exports during the month included petroleum products, gems & jewellery, electronic products, drugs & pharmaceuticals and chemicals, the data showed.
6-month trade data

Goods exports in April-September 2022 increased 16.96 per cent to $231.88 billion. Imports in the six-month period increased 38.55 per cent to $380.34 billion resulting in a near-doubling of the trade deficit to $148.46 billion.

Earlier this month, the WTO estimated that world merchandise trade volume growth was likely to slow to 1 per cent in 2023, down from the previous forecast of 3 per cent made in April this year, mainly due to the Ukraine war, high energy prices, inflation, and monetary tightening in major economies. It also predicted that global trade in goods in 2022 would grow at 3.5 per cent--better than the 3 per cent estimated in April--but it was expected to lose momentum in the second half of 2022.

In India, while exports posted robust growth in the first quarter of the current fiscal, a slowdown has set in since July 2022.

Challenging period

Exporters' body FIEO said that the coming few months would be "quite challenging" unless the geopolitical situation improved drastically. However, the decline in imports is encouraging despite the huge jump in import of coal and transport equipment, it added in a statement.

Non-petroleum, non-gems & jewellery (gold, silver & precious metals) imports in September 2022 increased 20.64 per cent to $37.71 billion. Gold imports in September 2022 declined 24.62 per cent to $3.8 billion.

Exports posted an increase of over 40 per cent in 2021-22 to touch an all-time high of $422 billion. In 2022-23, the government is aiming for exports worth $460-480 billion.

Source: thehindubusinessline.com- Oct 14, 2022

HOME

****

Despite global headwinds, Indian economy will stay on course: FM Sitharaman

The Indian economy will stay on course despite global headwinds and is projected to grow at seven per cent in fiscal 2022-23, Finance Minister Nirmala Sitharaman has said, attributing this to the conducive domestic policy environment and focus on key structural reforms.

Sitharaman's remarks came during her intervention at the plenary session of the international Monetary Finance Committee (IMFC) on Friday.

The meeting itself, she said, is being held at a juncture when the global economic outlook is clouded by key downside risks: growth slowdown in major economies, cross-border effects due to the ongoing geopolitical situation, inflationary pressures led by escalating food and energy prices that have adversely impacted vulnerable economies.

"Despite global headwinds, the Indian economy will stay on course and is projected to grow at seven per cent in FY 2022-23. This is an outcome of the conducive domestic policy environment and the government's focus on key structural reforms to boost growth," she said.

She told members of the IMFC that the Indian Government has taken initiatives to protect growth while pursuing inflation management. The government has ensured the availability of free food grains to more than 800 million vulnerable families for the past 25 months, through the country's massive public distribution network, she said.

Last-mile delivery of financial services to the poor has been a key priority of the government and this has been aided by India's digital public good infrastructure.

"Today, India is leading the world in terms of digital payments innovations with our transaction cost being the lowest in the world," Sitharaman said.

Of the view that the IMF needs to increase resources available for emerging and low-income countries to safeguard the global financial system, Sitharaman underscored that concluding the 16th General Review of Quotas (GRQ) by December 15th, 2023 is vital for increasing the voting rights of emerging market economies (EMES) in line with their relative positions in the world economy.

India's quota in the IMF, which determines voting shares in the multi-lateral lending agency, is 2.75 per cent. China's quota is 6.4 per cent and that of the US is 17.43 per cent.

A general review allows the IMF to assess the adequacy of quotas in relation to both the members' balance of payments in financing needs and the Fund's ability to help meet those needs.

Observing that a key downside risk to global recovery is the exacerbated debt distress in many low-income countries, Sitharaman said it is therefore important that the IMF provides the necessary support to deal with the balance of payments-related vulnerabilities.

As such she welcomed IMF's recent initiative of a new food shock window to help countries address food insecurity.

On climate change, she emphasised the importance of a multilateral approach with the principles of equity and common but differentiated responsibilities and respective capabilities.

India has set out an ambitious climate action path through its updated Nationally Determined Contributions that demonstrates India's commitment at the highest level to decoupling economic growth from greenhouse gas emissions.

"Transfer of climate finance and low-cost climate technologies from developed to developing countries has assumed critical significance," Sitharaman said.

Source: economictimes.com- Oct 15, 2022

HOME

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India unlikely to be hit as hard by global recession as other countries: SBI chairman

The impact of a global recession, which is increasingly being feared by the International Monetary Fund and the World Bank, is unlikely to be as pronounced in India as compared to other countries, State Bank of India Chairman Dinesh Khara said. With a projected growth rate of 6.8 per cent and inflation "much under control", India is doing reasonably well, Khara told PTI in an interview on the sidelines of the annual meeting of the International Monetary Fund and the World Bank here on Friday.

"Majorly, it (India) is an inward-looking economy in terms of demand because a significant component of the GDP is essentially addressed to the domestic economy. So, from that point of view, I think it (global recession) will have an impact but it won't be as pronounced as perhaps (it will be on) other economies which are fully coupled with the globe," he said.

"If we look at the beta factor, perhaps the Indian economy's beta factor would be much lower as compared to some of the other larger economies that have a significant component of export," he said. Considering the current situation of the global economy, Khara said, India is doing reasonably well given its projected growth rate of 6.8 per cent and inflation "much under control" despite the global headwinds.

The primary cause of inflation is not demand-led. It is essentially supply-side inflation, he said. "If we really look at the supply-side aspect of inflation, we've got a situation where capacity utilisation is just about 71 per cent. To that extent, there's elbow room available for improving the capacity. So essentially, supply chain disruption, which has happened on account of the global headwinds, and... its impact on crude prices is one of the contributing (factors)...," he added.

Overall, all economies across the globe are going through a rough patch, Khara said, adding that the government is focused on dealing with these factors.

India's growth prospects are expected to improve going forward, he said.

Source: economictimes.com- Oct 15, 2022

HOME

****

Matter best left to trade Ministers, says Ministry of External Affairs on UK pact

The MEA has India and UK are conducting negotiations over the proposed FTA and the matter is best left to the two Trade Ministers. "Ongoing negotiations...best matter is left to trade ministers of the two countries", MEA spokesperson told reporters on India UK FTA that has hit roadblock among other issues over UK Home Secretary's remarks over illegal migrants. There were earlier plans by PM Narendra Modi to travel to the UK if the trade pact is sealed around Diwali and this seems a challenging task currently.

Last week, the Indian-origin Home Secretary said that she feared a trade deal with India would increase migration to the UK when Indians already represented the largest group of visa overstayers. This has riled Indian policymakers. "I have concerns about having an open borders migration policy with India because I don't think that's what people voted for with Brexit," Braverman told 'The Spectator' weekly news magazine.

Asked about visa flexibility for students and entrepreneurs under an India-UK FTA, she said: "But I do have some reservations. Look at migration in this country - the largest group of people who overstay are Indian migrants."

"We even reached an agreement with the Indian government last year to encourage and facilitate better cooperation in this regard. It has not necessarily worked very well." Braverman was referencing the Migration and Mobility Partnership (MMP) clinched by her predecessor in the Home Office, former Home Secretary Priti Patel.

The Indian High Commission in London responded by pointing out that action had been initiated on all cases referred to it under the MMP. The Department for International Trade (DIT) reiterated the UK stance that it would not sacrifice quality for speed.

Source: economictimes.com- Oct 15, 2022

HOME

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Centre moving towards second phase of National Single Window System

The government is moving towards the second phase of the National Single Window System, envisioned as a one-stop shop for all regulatory approvals and services, and is focusing on creating a single business ID to make things seamless for existing as well as new businesses, Department for Promotion of Industry & Internal Trade Secretary Anurag Jain has said.

Jain said the government wanted to create a single business ID, which will be the Permanent Account Number (PAN), to make it a seamless experience for operation of all businesses by December 2023, according to a press statement issued by the CII

"We are committed to enhance EoDB all across India for the industry and MNCs," Jain said at the National Conference on MNCs 2022, organised by CII on Friday.

The DPIIT Secretary observed that at the moment the single window was positioned for new investments as it facilitated approvals to start a business. In Phase-II, facilitation would also be extended to existing businesses with facilities such as filing all returns on the single window.
Gati Shakti plan

On the PM Gati Shakti National Master Plan for multi-modal connectivity, Jain said it will provide integrated and seamless connectivity for movement of human capital, goods, and services from one mode of transport to another. It will facilitate the last-mile connectivity of infrastructure and also reduce travel time, he said.

PM Gati Shakti is a digital platform to bring 16 Ministries, including Railways and Roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects.

Source: thehindubusinessline.com- Oct 14, 2022

HOME

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Bureau of Indian Standards celebrates World Standards Day

Standards are the new patents and those who control standards, control markets, prices, processes, manufacturing and innovations, said Shri Piyush Goyal, Union Minister of Consumer Affairs, Food & Public Distribution, Textiles and Commerce & Industry, said in his message on World Standards Day celebration organized at Bureau of Indian Standards (BIS) headquarters here today.

The Union Minister said that under the leadership of Prime Minister, standards are considered as a key pillar of growth. He mentioned that Hon'ble Prime Minister gave the world the mantra of LIFE i.e 'Lifestyle for Environment'. When a nation sets benchmark for standards, it's a reflection upon its strong foundation and potential he added.

He said that BIS should become a benchmark for quality control, quality assessment and quality assurance. He further said that BIS, as the National Standards Body should act as a facilitator for the industry by formulating Standards that support Zero defect, Zero effect and should emerge as a global player and pioneer in the field of standardization. He encouraged all concerned to pledge to make India a quality conscious nation and make Indian quality a matter of pride for every Indian.

He mentioned that the theme of the World Standards Day shares India's vision for a better world with focus on standards and sustainable development, as the country is also striving to become a quality conscious nation with an emphasis on sustainability.

Shri Goyal said that with the mantra of quality and sustainability, India can create brand value for Indian products across the world. He opined that BIS must revise and add sustainability in the existing standards for the new standards they create as a part of National Action Plan.

He asked BIS to facilitate businesses and industries by ensuring safety, quality and cost competitiveness and liability of products. BIS should aim to be pioneer in the global world and beat out foreign and non-standard products, Shri Goyal added. In his message on further improvement in the functioning of BIS, the Minister said that BIS must look at the analysis and setup additional labs across the country and modernize the existing labs.

He said that such mapping of labs has been done in past and he is confident that in next few months, BIS will ensure high quality modern labs for both the industry and consumers. The inaugural function was presided over by Shri Ashwini Kumar Choubey, Hon'ble Minister of State, Ministry of Consumer Affairs, Food & Public Distribution & Environment, Forest & Climate Change wherein he appreciated the efforts made by BIS to involve stakeholders from government, industry, standard developers, academia, consumer groups etc in framing the comprehensive strategy document on national standardization i.e. Standards National Action Plan (SNAP) 2022-27 which is an action plan identifying emerging areas of standardization that support Government's initiatives in the fields of Digital India, Smart Agriculture, Smart cities etc. He expressed hope that SNAP 2022-27 would have a forced multiplier effect on the national growth.

World Standards Day was celebrated in the Headquarters as well as in the 5 regional and 41 branch offices by organizing various activities such as Manak Manthan, Quality Walk and Quality Connect programmes, targeted to reach out to more than one lakh households with the message of quality consciousness. To commemorate the special occasion, BIS offices across the country were lit up in vibrant colours of the National Flag.

During the programme, insights on SNAP 2022-27 were shared by some eminent industry representatives. Further, representatives of eminent Educational Institutions such deliberated on the importance of standards in technical education. Technical Experts were also felicitated for their contribution in the field of standardization.

The theme for this year's World Standards Day is 'Shared Vision for a Better World' with reference to the Sustainable Development Goals. Technical sessions on Standards for Sustainable Communities were held in the afternoon wherein presentations were made by experts and eminent personalities on topics of Circular Economy, Recycling of Plastics and Bio-degradable Plastic, Green Mobility, AYUSH Systems for good Health and Well-Being, Sustainable Cities and Communities, Sustainable Agricultural Practices, Sustainable Cooling and Affordable and Clean Energy.

Source: pib.gov.in- Oct 14, 2022

HOME

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Slowing textile exports spark fears of job losses

If India's textile exports continue their sharp decline, domestic textile manufacturers, who employ a lot of people, fear losing their jobs

Domestic manufacturers of the labour-intensive textile sector have expressed fear of job loss if the sharp decline in exports of textile products from India continues. Exports of cotton yarn and handloom products registered a 40% slump in September to $767.50 million compared to $1,310.49 million last year.

Due to rising input costs and weak demand -- both in the domestic and foreign market -- textile hubs in Surat and Andhra Pradesh have cut short the number of working days sparking fears of job loss in one of India’s largest employment-generating sectors.

Queries sent to the ministry of commerce and industry & textile ministry on Tuesday remained unanswered till press time.

The textile hub in Tiruppur which is home to nearly 6 lakh semi-skilled textile workers is the hardest hit as it is dependent on the demand from the US and European market,said Raja M Shanmugam former president of the Tirupur Exporters‘ Association (TEA).

“Right now there are not enough orders to employ the entire workforce who are dependent on textile manufacturing units in Tiruppur. So instead of running for 6 or 7 days a week, units are operating for 4 to 5 days a week so that at least everyone is employed and at least survival is ensured. If the war continues and demand slows down further, the number of operating days will fall further," Shanmugam added.

Demand from both the western markets are down by almost 50% down and large companies such as H&M, GAP, Tommy Hilfiger are placing sharply lower order despite the peak season and Tirupur houses MSME units and the labour intensive industry could soon be forced to cut jobs, Shanmugam rued.

“There used to be an apparel business of about ₹16,000 crore in the Diwali season alone. This time around, it has not even touched ₹8,000 crore. The industry would wait for the festive season to get a boost but ever since covid-19 the demand has never really revived," Champala Bothra, General Secretary, Federation of Surat Textile Traders Association told Mint.

There are structural issues at play for small textile manufacturers, demand is not the only concern at the moment, Bothra said, adding that large traders are refusing to work with medium-scale enterprises because of Input tax credit (ITC) related concerns.

“Export has slowed sharply. The numbers that you see are yarn export numbers, if you look into the actual export of clothes, the numbers are much worse. Exports of finished goods have suffered more. Ever since e-commerce/ online sales rose, small manufacturers are getting marginalized," Bothra added.

Chandrima Chatterjee, Secretary General of the Confederation of Indian Textile Industry (CITI), warned that the slump in the western market is going to impact everyone and apparel would be the first to take the hit.

“Our export market share in Europe and the US is about 55% and we will always rely on exports to the western market. If the upcoming trade numbers in the month of October also show a decline, we would have officially entered a difficult situation," Chatterjee added.

She further explained that October to March is a good period for garments with regard to the seasons that we operate. Chatterjee opined that India’s domestic demand remains in a much better position.

“From December onwards textile exports could jump because generally in August-September, the volume comes down. And there was pent-up demand so the apparel sector was on a higher base. Demand in western countries is also slowing but we are not in the luxury segment of exports. So hopefully it should not affect us much," said Ajay Sahai, Director-General and CEO of FIEO.

Textile sales have always slowed during recessionary trends because people tend to pause buying clothes unlike other everyday use items and currently global cues are disturbing and after covid-19, recovery could not really happen, said Vijay Kalantri, President, of All India Association of Industries (AIAI).

“Demand slowdown in the west will have a very adverse impact on the domestic market. For now, the purchasing power in the domestic market is intact. Job loss is a possibility but hopefully, things will stabilize. It is good time for capacity building," Kalantri added.

Source: livemint.com- Oct 15, 2022

HOME

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Cotton yarn imports increase

'Indian cotton yarn prices were not only high but also volatile. This resulted in uncertainty for weaving units. The units imported yarn whenever it was cheaper than domestic yarn'

Increase in imports of cotton yarn since June this year has raised concerns among the domestic textile mills.

According to available data, cotton yarn imports in June this year had almost trebled over the year-earlier period. It was several fold higher in July as against July 2021. The imports stood at 1.15 million kg in June this year (0.44 million kg) and 4.54 million kg in July (0.17 million kg).

Indian textile units generally import speciality yarns. The recent hike in cotton yarn imports are said to be largely from Vietnam. There are multiple factors for the increase in imports. Indian cotton and yarn prices went up since November last year and this was one of the reasons, said Siddhartha Rajagopal, Executive Director of Cotton Textiles Export Promotion Council.

However, cotton yarn importers need to be cautious as the U.S. has banned textiles that contain cotton originating from the Xinjiang province of China. The yarn imports are likely to reduce now as Indian cotton prices have declined, he added.

According to M.A. Ramasamy, president of Powerloom Development and Export Promotion Council, Indian cotton yarn prices were not only high but also volatile. This resulted in uncertainty for weaving units. The units imported yarn whenever it was cheaper than domestic yarn.

Ravi Sam, chairman of Southern India Mills' Association, said India produced almost 340 million kg of cotton yarn a month and imports are relatively less. Yet, it is a matter of concern and the government should remove the import duty on cotton so that both, cotton and yarn prices are under control, he said.

Source: thehindu.com- Oct 14, 2022

HOME

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Festival cheer September retail sales up 21% over pre-Covid period

With the onset of festival season in September, retailers across the country saw a strong boost in sales. According to estimates of a survey by the Retailers Association of India (RAI), there was a 21 per cent growth in retail sales in September over the pre-pandemic levels.

This is sequentially higher than the growth of about 15 per cent seen in August. Strong double-digit growth was noticeable across all regions. Sales were up 23 per cent in the south, 21 per cent each in the east and north, and 17 per cent in the west, over September 2019 levels.

‘Cheer season’

Kumar Rajagopalan, CEO, RAI, said, “This festival season is expected to be a return to cheer season. There is a sense of thankfulness and well-being and also a sense of fulfilment of aspirations and luxurious cravings. Since consumers can finally do unrestricted shopping as well as socialise with relatives and friends after the pandemic, almost all categories are showing good growth.”

“Business is also expected as customers are travelling during holidays. Another good trend visible is that people are not only shopping for themselves but also to gift. Omni-channel retail has increased the capability for consumers to shop — when they want and where they want,” he added.

While food and grocery sales were up 56 per cent compared to pre-Covid levels, QSRs (quick service restaurants) reported a growth of 48 per cent. Festival-related categories of consumer durables (30 per cent), apparels (25 per cent), footwear (22 per cent) and jewellery (11 per cent), too, garnered double-digit growth. Sales of sports goods were up nearly 36 per cent while beauty & personal care and furniture & furnishing were up 5 per cent and 4 per cent, respectively.

Huge turnover

Meanwhile, the Confederation of All India Traders (CAIT), too, estimates that there will be an infusion of ₹2.5-lakh crore in the markets through the sale of goods and services during the festival season. Praveen Khandelwal, Secretary General, CAIT, said after two years, Diwali will be celebrated without any Covid restrictions and consumers are thronging the markets.

He pointed to factors such as good agricultural crop, hike in DA for Central government employees, productivity-linked bonus for non-gazetted railway employees and strong gifting trends that are expected to boost spends.

While the Diwali festivity business is expected to generate a turnover of about ₹1.5-lakh crore, another ₹1-lakh crore worth of spends are expected to be made on travel and other services pertaining to Diwali, Khandelwal added.

Source: thehindubusinessline.com- Oct 14, 2022

HOME

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South Indian cotton yarn market sees mixed trend; prices up in Mumbai

South Indian yarn market witnessed a mixed trend today as production cut in mills supported yarn prices in Mumbai, but the same factor did not work in Tiruppur where buying was weak. A downward trend in cotton prices is a much-needed comfort for the downstream industry. The weaving industry is still uncertain about demand in the absence of market direction.

The Mumbai market witnessed an increase of ₹3-7 per kg in cotton yarn prices. Buyers turned up in the market after the production halt and partial cuts in yarn production by spinning mills. Central India is performing better than the other regions. “Buyers felt that lower production may increase prices from the current level. The prices are already coming down to very attractive levels,” a trader from Mumbai market told Fibre2Fashion.

In the Mumbai market, 60 count carded cotton yarn of warp and weft varieties were traded at ₹1,650-1,690 and ₹1,590-1,650 per 5 kg (GST extra) respectively. 60 combed warp was priced at ₹375-385 per kg. 80 carded (weft) cotton yarn was sold at ₹1,580-1,630 per 4.5 kg. 44/46 count carded cotton yarn (warp) was priced at ₹320-325 per kg. 40/41 count carded cotton yarn (warp) was sold at ₹305-310 per kg and 40/41 count combed yarn (warp) was priced at ₹315-325 per kg, according to Fibre2Fashion’s market insight tool TexPro.

In the Tiruppur market, cotton yarn lost ₹5-10 per kg despite production cuts by spinning mills. Many mills in southern India and the other parts of the country have halted production temporarily or are running at partial capacity. But lower production also failed to support yarn prices in the market. A trader from Tiruppur told Fibre2Fashion, “Demand did not improve as weaving industry does not expect immediate improvement in buying from garment industry. Garment imports from China will also hurt domestic industry sentiments.”

Today, 30 count combed cotton yarn was traded at ₹315-320 per kg (GST extra), 34 count combed at ₹320-327 per kg and 40 count combed at ₹330-340 per kg in the Tiruppur market. Cotton yarn of 30 count carded was sold at ₹290-295 per kg, 34 count carded at ₹295-305 per kg and 40 count carded at ₹305-315 per kg, as per TexPro.

In Gujarat, cotton prices decreased by ₹3,000-3,500 per candy of 356 kg in the last couple of days as arrival increased in most of the mandis of Gujarat. Shankar-6 cotton was traded at ₹68,500-69,500 per candy.

According to market sources, clear weather in the states increased picking of cotton ball. Seed cotton arrival also increased in many mandis and ginning mills are getting seed cotton in higher quantities. Daily cotton arrival was noted at 20,000-25,000 bales of 170 kg each.

Source: fibre2fashion.com- Oct 14, 2022

HOME

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90 countries, 3,000 exhibitors at 54th IHGF Delhi Fair

Over 90 countries and 3,000 exhibitors have pre-registered for the 54th edition of IHGF Delhi Fair organized by the Export Promotion Council for Handicrafts (EPCH)

The fair, which is being held from October 14-18 in Greater Noida, is a one stop sourcing desitnation for retailers, importers, wholesalers and design professionals.

It features exhibitors for home, lifestyle, fashion, textiles and furniture, who are displaying their products in 12 well-defined categories. Regional fares and artisan crafts also are on display.

“This is the largest business-to-business event of its kind in Asia that comprises a grand spectrum of Lifestyle, Home Décor, Furniture, Furnishings and Accessories from several renowned export houses across India,” said Raj Kumar Malhotra, Chairman, EPCH.

IHGF Delhi Fair is exhibiting over 2,000 new product expressions and more than 300 design developments across the product categories.

Rakesh Kumar, Director General, EPCH said that the fair will also feature discussions on topical issues of trade importance such as lifestyles and trends, branding, sustainable ZED Certification benefits, effective organizational communications and forex solutions.

Handicrafts exports during FY22 were $4.5 billion, up 28.9% over the previous year.

Source: economictimes.com- Oct 15, 2022

HOME

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