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EUR	90.01
GBP	101.81
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INTERNATIONAL NEWS

Most global textile companies report avg inventory levels: ITMF Survey

When asked about how they would rate their current inventory level, most textile companies across the world reported average inventory levels. Around 25 per cent of respondents answered 'high', 58 per cent 'average', and 18 per cent 'low', as per an International Textile Manufacturers Federation (ITMF) survey.

The number of companies that reported high inventory levels is greater on average in Asia and Europe—up to 37 per cent in South-East Asia. African and North American companies reported having quite normal inventory levels (i.e., were more likely to choose 'average' as an answer) and South America registered the lowest score with almost 60 per cent of respondents deeming inventory level as 'low', according to the 19th ITMF Global Textile Industry Survey (GTIS).

Company size also influences this indicator. The results showed that smaller companies (i.e., with a turnover lower than $50 million) have lower inventory levels. No significant difference can be observed between companies with turnovers between 50 and 200 million, 200 million and 1 billion, or over 1 billion.

The share of companies that reported high inventory levels is very similar for upstream segments, from spinners to finishers, including textile machinery producers. Those with low inventory levels in this group are rather concentrated in fibre producing, spinning, and textile chemical producing. The share of companies that reported high inventory level is the smallest for garment producers and the highest for home textile producers.

Source: fibre2fashion.com – April 25, 2023

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Fibre & yarn industry to gather at Yarn Expo Autumn 2023 in Shanghai

Asia's leading comprehensive yarn and fibre trade fair, Yarn Expo Autumn, is set to make a comeback in China after the easing of COVID-19 restrictions. Key industry players will gather at the Yarn Expo Autumn 2023, which will take place at the National Exhibition and Convention Centre in Shanghai, China from August 28–30, 2023. Suppliers from Asian and European countries will get to showcase their latest collection of natural and blended yarns including cotton, wool, flax/regenerated flax, and man-made fibres and yarns, as well as specialty products including elastic, fancy, and blended yarns at the event, event organiser Messe Frankfurt said.

Garment manufacturers, trading companies, import and export corporations, wholesaler agents, department stores, retailer/chain stores, trade associations, organisations, textiles institutes press, home textiles related companies, and designers are highly recommended to visit the fair. The timings of the expo are from 9:00 to 18:00. Concurrent events at Yarn Expo Autumn 2023 will be the Intertextile Shanghai Apparel Fabrics – Autumn edition, PH Value, and CHIC. Fringe events at the 2023 edition are going to be a trend forum, fancy yarn vision, fashion show, seminar, product presentation, and an online and tailor-made business matching programme.

"Yarn Expo is an ideal trade fair at which we have been exhibiting for many years. It not only provides us with opportunities to obtain new customers and orders, but meet and maintain our relationships with old customers as well," said Kyle Guo, senior executive, yarn, Texperts India Private Limited. Yarn Expo Autumn is jointly organised by Messe Frankfurt (HK) Ltd; The Sub-Council of Textile Industry, CCPIT; China Cotton Textile Association; China Wool Textile Association; China Chemical Fibres Association; China Bast and Leaf Fibres Textile Association; and China Textile Information Centre.

Yarn Expo Autumn 2021 had attracted 429 domestic and international exhibitors and 13,037 professional visitors from around the world.

Source: fibre2fashion.com – April 25, 2023

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Average hourly wages in EU jump 4.4% to €22.9 in 2022

In 2022, the average hourly wages and salaries in the whole economy were estimated to be €22.9 in the Europe Union (EU) and €25.5 in the euro area. Compared with 2021, they increased by 4.4 per cent in the EU and by 4.0 per cent in the euro area.

Within the euro area, hourly wages and salaries grew among all members. They increased the least in Italy, Malta, and Finland at 2.3 per cent each and the most in Lithuania at 13.4 per cent, Estonia at 8.8 per cent, and Croatia at 8.7 per cent, according to Eurostat, the statistical office of the EU.

For EU countries outside the euro area, the hourly wages and salaries expressed in national currency also increased in all countries. They increased the least in Denmark at 2.2 per cent and Sweden at 3.0 per cent, and the most in Hungary at 16.4 per cent, Bulgaria at 15.5 per cent, Romania at 12.3 per cent, and Poland at 11.7 per cent.

In 2022, compared with 2021, hourly wages and salaries in the euro area rose by 2.9 per cent in the (mainly) non-business economy and by 4.4 per cent in the business economy including by 3.9 per cent in industry. In the EU, hourly wages and salaries grew by 3.2 per cent in the (mainly) non-business economy and by 4.9 per cent in the business economy including by 4.6 per cent in industry.

Source: fibre2fashion.com– April 25, 2023

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China's job market improves in Q1 2023, GDP grows by 4.5% YoY

A stable improvement was witnessed in China's job market in the first quarter (Q1) this year as labour demand grew stronger amid a robust economic recovery.

A gradual improvement in employment situation was witnessed and it largely remained stable due to a smooth shift in COVID-19 response and effective policies to stabilise the economy, Chen Yongjia, an official of the ministry of human resources and social security, told a recent press conference.

Ministry data showed the urban unemployment rate dropped to 5.3 per cent in March, down from 5.6 per cent in February and also lower than 5.8 per cent a year ago, and the number of new jobs created in the first three months stood at 2.97 million, up by 120,000 year on year.

China aims to add 12 million jobs in cities this year and keep its jobless rate at around 5.5 per cent, a state-controlled news outlet reported..

China's economy started well this year as the gross domestic product grew by 4.5 per cent year on year in Q1, picking up pace from 2.9 per cent in Q4 2022 and 3 per cent for 2022.

Manufacturing activity kept expanding for three consecutive months by March this year, according to the latest purchasing managers' index published by the National Bureau of Statistics.

Market confidence remarkably improved, with optimism shared by all surveyed industries.

Source: fibre2fashion.com – April 24, 2023

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China's exports shifting from West to Global South

Central Asian countries increased imports from China in March by 55% over the year-earlier month, beating the 35% jump in Chinese shipments to Southeast Asia reported previously.

Former Soviet republics as well as Turkey and Iran all contributed to a near-record gain in Chinese exports to the region, a focus of Beijing's Belt and Road Initiative.

China's exports to the region have nearly tripled since 2018. The chart below includes Turkey and Iran in the Central Asian total.

Several factors contributed to the export boom, which included every country in the region.

China is investing heavily in energy, mineral resources and rail transport across the Asian continent, including a new rail line between China, Kyrgyzstan and Uzbekistan scheduled to start construction next year.

The rail project, which will link China to European markets, has been planned since 1997 but only won approval in 2022, after Russia backed the venture. Russia's need for Chinese support in the Ukraine war outweighed longstanding strategic rivalries between the two powers.

"The CKU railway is crucial to China for two interconnected purposes—to advance its geopolitical interests and to secure favorable relations with Central Asian elites for their support over Chinese legitimacy in Xinjiang (East Turkestan)," Niva Yau Tsz Yan wrote in a March 2023 commentary for the Foreign Policy Research Institute.

"Russia's war in Ukraine has made new trade routes bypassing Russia more profitable, and a new Uzbek government is looking to expand regional and international engagement," Yan wrote.

Iran's imports from China had fallen to just US$800 million a month during 2019-2022 from a 2014 peak of $2.8 billion a month. But seasonally-adjusted Chinese shipments to Iran more than doubled to $1.7 billion in March.

Chronically short of cash, Iran depends on trade credits from China, by far its largest trading partner. The March increase evidently reflected more Chinese financing, and came after Iran accepted Chinese mediation in restoring diplomatic relations with its regional arch-rival Saudi Arabia. A reasonable inference is that Iran was being rewarded for good behavior.

China's exports to Russia continued to rise sharply, along with exports to Turkey, which acts as an intermediary for Chinese trade with Russia. China has avoided direct violation of American sanctions on Russia, but Turkey and former Soviet republics have resold sanctioned goods to Moscow. The sharp increase in China's exports to Kazakhstan probably reflects this intermediation.

Reuters reported on March 27 that Kazakhstan "would require exporters to file additional documents when sending goods to Russia, following reports that Russian companies have been using local intermediaries to bust Western sanctions… After the West barred sales of thousands of goods to Moscow over its invasion of Ukraine, some Kazakh businesses started purchasing such items and reselling them to Russian firms."

China's export prowess isn't entirely free of tensions, though. In March, Turkey imposed a 40% tariff on imports of Chinese electric vehicles (EV's), hoping to protect a local manufacturer. The Turkish automaker Togg plans to release its first EV later this year with a sticker price of $50,000.

A comparable Chinese model, for example, BYD's Song sedan, sells for $27,500 in China—which means that BYD would still undercut Togg's price despite the 40% surcharge. Meanwhile, BYD has just released its $11,300 Seagull subcompact, which has no competitor in the price range anywhere in the world.

In the kaleidoscope of Central Asian politics, a myriad of local factors explains the jump in China's influence in the region. But all of them line up like iron filings before a magnet. China's capacity to provide physical and digital infrastructure as well as affordable consumer goods, and its capacity to finance trade and investment out of its current account surplus, explain its economic power and political influence in the region.

There's another geopolitical consequence of China's export prowess in Central and Southeast Asia: China's exports to the Global South and BRICS countries in March reached a seasonally-adjusted annual rate of $1.6 trillion a year.

That’s nearly four times China’s exports to the United States and more than the combined total of China’s exports to the US, Europe and Japan, which reached a seasonally-adjusted annual rate of $1.38 trillion in March.

That represents a geopolitical point of no return of sorts, the moment when China’s economic dependence on the United States in particular and developed markets in general slipped behind its economic standing in the developing world.

Source: asiatimes.com – April 25, 2023

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An expensive conflict

Five years into a once-unthinkable trade war with China, US treasury secretary Janet Yellen chose her words carefully on April 20. In a wide-ranging speech, she reversed the terms of US engagement with China, prioritising national-security concerns over economic considerations. That formally ended a 40-year emphasis on economics and trade as the anchor to the world's most important bilateral relationship. Yellen's stance on security was almost confrontational: "We will not compromise on these concerns, even when they force trade-offs with our economic interests."

Yellen's view is very much in line with the strident anti-China sentiment that has now gripped the United States. The "new Washington consensus," as Financial Times columnist Edward Luce calls it, maintains that engagement was the original sin of the US-China relationship, because it gave China free rein to take advantage of America's deal-focused naiveté. China's accession to the World Trade Organization in 2001 gets top billing in this respect: the US opened its markets, but China purportedly broke its promise to become more like America.

Engagement, according to this convoluted but widely accepted argument, opened the door to security risks and human-rights abuses. American officials are now determined to slam that door shut.

There is more to come. President Joe Biden is about to issue an executive order that will place restrictions on foreign direct investment (FDI) by US firms in certain "sensitive technologies" in China, such as artificial intelligence and quantum computing. The US rejects the Chinese allegation that these measures are aimed at stifling Chinese development. Like sanctions against the Chinese telecoms giant Huawei and those being considered against the social-media app TikTok, this one, too, is being justified under the amorphous guise of national security.

The US case rests not on hard evidence but on the presumption of nefarious intent tied to China's dual-purpose military-civilian fusion. Yet the US struggles with its own security fusion—namely, the fuzzy distinction between America's under-investment in innovation and the real and imagined threats of Chinese technology.

Significantly, Yellen's speech put both superpowers on the same page. At the Communist Party's 20th National Congress last October, Chinese President Xi Jinping's opening message also stressed national security. With both countries equally fearful of the security threat that each poses to the other, the shift from engagement to confrontation is mutual.

Yellen is entirely correct in framing this shift as a tradeoff. But she only hinted at the economic consequences of conflict. Quantifying these consequences is not simple. But the American public deserves to know what is at stake when its leaders rethink a vitally important economic relationship. Some fascinating new research goes a long way toward addressing this issue.

A just-published study by the International Monetary Fund (summarised in the April 2023 World Economic Outlook) takes a first stab at identifying the costs. IMF economists view the problem through the lens of "slowbalisation": the reduction of cross-border flows of goods and capital, reflected in geostrategic strategies of "reshoring" (bringing offshore production back home) and what Yellen herself has called "friend-shoring" (shifting offshore production from adversaries to like-minded members of alliances).

Such actions result in "dual bloc" FDI fragmentation. The IMF estimates that the formation of a US bloc and a China bloc could reduce global output by as much as 2% over the longer term. As the world's largest economy, America will account for a significant share of foregone output.

European Central Bank president Christine Lagarde recently stressed a different channel through which an escalating US-China conflict could adversely affect economic performance. Drawing on research by ECB staff, she focuses on the higher costs and inflation resulting from supply-chain disruptions implied by conflict-driven FDI fragmentation. The ECB study concludes that geostrategic conflict could boost inflation by as much as 5% in the short run and around 1% over the longer term. Collateral effects on monetary policy and financial stability would follow.

Collectively, these model-based calculations of the costs of conflict imply a stagflationary combination of lower output and higher inflation—hardly a trivial consideration in today's fragile economic climate. And they dovetail with economic theory. Countries trade with others to reap the benefits of comparative advantage. Both inward and outward flows of foreign investment seek to achieve similar benefits, offering offshore efficiencies for multinational corporations that face higher costs in their home markets and attracting foreign capital to support domestic capacity expansion and job creation. Regardless of their different political systems and economic structures, this is true for both America and China. It follows that conflict will reduce these benefits.

Yet there is an important twist for the US: a chronic shortfall of domestic saving casts the economic consequences of conflict with China in a very different light. In 2022, net US saving—the depreciation-adjusted saving of households, businesses, and the government sector – fell to just 1.6% of national income, far below the longer-term 5.8% average from 1960 to 2020. Lacking in saving and wanting to invest and grow, the US takes full advantage of the dollar's "exorbitant privilege" as the world's dominant reserve currency and freely imports surplus saving from abroad, running a massive current-account and multilateral trade deficit to attract foreign capital.

As such, the economic interests of saving-short America are tightly aligned with its outsize imbalances of trade and capital flows. Barring a highly unlikely resurgence of domestic US saving, compromising those flows for any reason—say, security concerns over China—is not without meaningful economic and financial consequences. The research cited above suggests those consequences will take the form of slower economic growth, higher inflation, and possibly a weaker dollar.

This is hardly an ideal outcome for a US economy that is already at a precarious point in the business cycle. The tradeoff for national security should not be taken lightly. Nor should the US penchant to over-hype the security threat be accepted on blind faith.

Source: financialexpress.com– April 26, 2023

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US apparel industry seeks changes amid FTC ‘Green Guides’ review

The FTC is currently undertaking a review of its Guides for the Use of Environmental Marketing Claims (‘Green Guides’), which it plans to update for the first time in ten years.

The aim of the Guides is to help marketers determine if environmental claims would mislead consumers, and the FTC is seeking industry comment.

The American Apparel & Footwear Association (AAFA) yesterday (24 April) submitted its comments to the FTC, backing the review of the Green Guides, which it said is “needed”.

The AAFA states survey data which mentions that consumers are interested in companies’ sustainability efforts and want to make purchases that minimise their impact on the planet. However, as companies increasingly try to communicate their efforts to reduce their impact on the environment, accusations that those claims are misleading consumers, for instance, “greenwashing” has also increased, it says.

As a result, some companies have chosen to disclose less about their sustainability efforts and their understanding of their products’ environmental impacts, lest they be accused of greenwashing. This new phenomenon- also known as “greenhushing” – is frustrating for consumers and is misleading in its own right, the AAFA adds.

The US industry body believes FTC’s Green Guides are “indeed needed”, and the organisation said it looks forward to updated guidance.

The AAFA, however, raises questions about claim substantiation, express interest in mechanisms to ensure adherence to the guidelines, and asks for changes to labelling rules that would facilitate making clear and substantiated claims.

The association recommends the FTC allow qualified environmentally “sustainable” product-level claims if two conditions are met:

1. The claim does not imply the product or component is wholly environmentally sustainable; and

2. A statement immediately preceded or follows the environmentally "sustainable" claim that includes specific information about the environmental impact(s) that underly the "sustainable" claim.

Addressed this way, the AAFA believes the universe of claims would become clearer and more specific.

The AAFA also hopes that there will be additional opportunities to engage with the FTC as the Guides are under review and that the Guides will be updated more frequently in the future. In several areas, discussions regarding the latest science, appropriate terminology, and best practices are all rapidly evolving.

As first steps, the AAFA suggests that setting clear requirements for "sustainable" and other vague claims, providing realistic conditions for recycling and compostable claims, and restricting confusing climate change-related claims will improve the Guides. Addressing concerns about claim substantiation and accountability for non-compliance is also necessary, it adds.

The FTC is requesting general comments on the continuing need for the guides, their economic impact, their effect on the accuracy of various environmental claims, and their interaction with other environmental marketing regulations. The Commission also seeks information on consumer perception evidence of environmental claims, including those not in the guides currently.

"Consumers are increasingly conscious of how the products they buy affect the environment, and depend on marketers' environmental claims to be truthful," said Bureau of Consumer Protection Director, Samuel Levine. "We look forward to this review process, and will make any updates necessary to ensure the Green Guides provide current, accurate information about consumer perception of environmental benefit claims. This will both help marketers make truthful claims and consumers find the products they seek."

Source: just-style.com– April 25, 2023

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Philippines-Australia textile trade picks up, garment exports rising

Textile trade between Australia and the Philippines has picked up in recent years, with the Philippines' garment exports consistently growing in previous years. The latest data shows that cotton imports from Australia also multiplied during 2022. The Philippines is one of the world's significant garment exporting countries, while Australia is a major cotton-producing and exporting country.

The Philippines' garment exports to Australia jumped 20 per cent to reach $7.711 million during 2022. The trade has registered consistent growth during the last five years except for 2020. The export value rose to $4.441 million in 2019 from the preceding year's shipment, which was noted at $1.662 million, according to Fibre2Fashion's market insight tool TexPro.

Due to disruptions in trade and economic activities caused by COVID-19, the export value decreased to $3.553 million in 2020. It then bounced back, reaching $6.406 million in 2021 and $7.711 million in 2022.

The Philippines' cotton (HSN Code 5201) imports reached $10.822 million during 2022. The inbound trade was negligible in 2021, recorded at $1.845 million. TexPro data shows that the Philippines is emerging as an important market for Australian cotton.

Price dynamics play an important role in the trade of raw materials. Due to geopolitical tension with China, Australia needed to explore new markets for its cotton crop.

Source: fibre2fashion.com– April 25, 2023

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What's Next for Bed Bath & Beyond?

How much are Bed Bath & Beyond and Buybuy Baby worth?

Sources said the more valuable Buybuy Baby banner has a better chance of attracting a buyer who wants to keep it up and running. It could have fetched $630 million and $910 million last summer but Bed Bath & Beyond's bankruptcy filing this week will likely attract "bottom feeders" interested in paying pennies on the dollar.

Tight-fisted Sycamore Partners' name has come up in Buybuy Baby conversations. The private equity giant has made a habit of talking and walking during its pursuit of Ted Baker and Victoria's Secret when it wanted to shave down their asking price

Bed Bath & Beyond could hold some value even if someone wants to get rid of its expensive stores. That's what happened with Linens 'N Things, though that company is hardly a recipe for success.

A big-box rival to Bed Bath & Beyond, Linens 'N Things liquidated stores after filing for Chapter 11 bankruptcy in May 2008 in the wake of private equity firm Apollo's $1.3 billion leveraged buyout. It emerged from bankruptcy with a digital-only reboot, eventually selling to Galaxy Brand Holdings in December 2013 before shutting down in 2018.

The IP was picked up by Retail Ecommerce Ventures (REV), the holding company Alex Mehr and Tai Lopez founded in 2019 to buy distressed brands and revive them exclusively online. REV operates websites for Dressbarn, Modell's Sporting Goods, Radio Shack, Stein Mart and Pier 1 Imports. Last month, however, it said it might have to file or bankruptcy. REV's last deal came in September when it led a $32 million arrangement with Florida-based Ayon Capital for Tuesday Morning, the off-price home goods retailer that went bankrupt in March for the second time in as many years.

Even if REV is no longer in a position to buy, others could still step up to the plate. A report from CNBC in February suggested that brand management firm Authentic Brands Group could be interested in how the Bed Bath & Beyond brands complement the Thomasville, Henredon and Drexel Brands that make up its home furnishings portfolio. And many of Authentic's fashion and apparel brands could be licensed in the soft home goods sector where the products could be Bed Bath & Beyond exclusives should the brand manager kick the tires again.

Meanwhile, Bed Bath & Beyond store closing sales start Wednesday. All sales are final, and purchases made prior to April 23, 2023 are eligible for returns and exchanges. The retailer will honor gift cards, gift certificates and loyalty certificates through May 8, 2023.

Inventory has long been a sore spot for Bed Bath & Beyond, though its heavily private-label stock seemed to be in decent shape through June 2022, according to DataWeave president and chief operating officer Krish Thyagarajan. June was when the retailer reported a dismal first quarter that likely spooked jittery vendors. At the time, S&P credit ratings described how the company burned through nearly $500 million in Q1 alone.

Even a changing of the guard with Sue Gove coming aboard as the new CEO did little to inspire support from suppliers concerned about getting paid for their shipments. Some vendors even stopped dispatching their goods to Bed Bath & Beyond as the holiday season approached.

Some believe it was only a matter of time before Bed Bath & Beyond filed for bankruptcy with one financial and operational misfire after another.

“Bed Bath & Beyond’s probable liquidation is due to the company’s ongoing weak operations and cash drain, which would have likely continued even with a lower interest burden after shedding debt in bankruptcy,” David Silverman, senior director at ratings firm Fitch Ratings, said. “The company’s limited chances for a turnaround have left it unable to find financing sources to support the company on an ongoing basis until sales and cash flow improve.”

Source: sourcingjournal.com– April 25, 2023

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High Cost of Hemp and its Potential to Transform the Fashion and Textile Industry

Hemp is one of the oldest crops cultivated by humans, dating back to 8,000 BCE. It also known as industrial hemp, a versatile plant that has been used for thousands of years to produce a wide range of products, including textiles, paper, and heavy-duty products.

In recent years, there has been a resurgence of interest in hemp as a sustainable and versatile textile fibre in fashion and textile industry. However, despite its many benefits, hemp is still relatively expensive in India compared to other cellulosic fibres such as cotton, linen, rayon etc. In this article, we will see the reasons behind the high cost of hemp in India and the capability of hemp to change the fashion and textile industry of the country.

Why is hemp expensive in India compared to other cellulosic fibres?

There are various factors that contribute to the high cost of hemp in India compared to other cellulosic fibres.

- One of the main factors is mass hemp cultivation is banned in India. Although hemp has been grown in India for centuries, its cultivation is restricted to certain states due to legal and regulatory barriers. While it is often confused with marijuana, hemp is a distinct variety of the same plant species, Cannabis sativa and contains only trace amounts of THC (Tetrahydrocannabinol), the psychoactive compound found in marijuana. This causes limited supply of hemp in India, so mostly hemp-based businesses are run by importing hemp yarns, fabrics or hemp extracts from other countries like China, Italy, the US etc. Hence, the cost increases as the raw materials are imported.

- The absence of processing infrastructure also contributes to the high price of hemp. To transform hemp into useful fibres, yarns, and fabrics, specialised machinery and knowledge are needed. However, India’s existing lack of infrastructure for processing and producing hemp products can drive up production and distribution costs.

- Additionally, the cost of hemp products increases due to the need for certifications and conformity with international standards. For instance, hemp products must adhere to tight criteria for THC levels and other quality indicators in order to be exported to the EU or the US. This requires additional testing and certification procedures, raising the production cost.

How can hemp change the fashion and textile industry of India?

Despite the high cost of hemp in India, the use of this eco-friendly and sustainable fibre can have a transformative impact on the fashion and textile industry of the country. Here are some ways in which it can change the industry:

- Sustainability: Hemp is a highly sustainable crop that can grow in a variety of climates and soil types. It requires less water and can be grown without the use of pesticides or herbicides. In contrast, cotton requires a lot of water and is often heavily sprayed with pesticides and herbicides to control pests and weeds. It is also biodegradable, making it an eco-friendlier alternative to synthetic fibres such as polyester. As hemp fibre is naturally resistant to mildew, mould, and pests, it is an ideal choice for organic farming practices. Hemp is a carbon negative fibre because it absorbs more carbon than it produces while cultivating.

- Versatility: Hemp fabric can be used for a variety of applications, from clothing and accessories to home textiles and upholstery. Hemp fabric has a unique texture and appearance that sets it apart from other natural fibres. It can be made into a wide range of weights and textures, from lightweight, breathable fabrics to heavy-duty canvases. Due to its high absorbent property, hemp is highly used to make towels. It can be blended with other fibres such as cotton, linen and silk to create unique fabrics with a range of properties.

- Additional properties: Hemp textile fibre is hypoallergenic and has natural antimicrobial properties, making it an excellent choice for individuals with sensitive skin. Hemp fabric is also highly breathable, which can help regulate body temperature and keep the wearer cool and comfortable in the Indian climate. Hemp fibres are known for their durability and strength, making them ideal for use in products that require high durability and resistance to wear and tear.

- Economic benefits: The cultivation and processing of hemp can provide economic benefits, as India’s climate is very much suitable for its cultivation. If hemp farming is made legal and it is commercialised all over India, then it will open a huge scope for the Indian textiles and fashion industry in domestic as well as global fashion marekts. In addition to the fashion industry, pharmaceutical, construction etc industries too will be benefitted as the hemp plant has no wastes. The whole plant is useful for making different products from cosmetics and medicines to geotextiles. Rural communities in India will also benefit as it will create new job opportunities and generate income for farmers, weavers and artisans.

- Cultural significance: Hemp has a great cultural and historical value in India because it has been grown and used here for thousands of years. This cultural history can be conserved and honoured by using hemp in the fashion and textile business.

In Summary

While hemp is currently more expensive compared to other cellulosic fibres, its application has the potential to fundamentally change India’s fashion and textile position. India can take benefit of its cultural and economic potential to develop a more sustainable and ethical fashion business by raising awareness of and investing in the production and processing of hemp.

Source: fibre2fashion.com– April 25, 2023

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Pakistan's export competitiveness hindered by lack of diversity, infrastructure, and productivity

Pakistan's lack of diversity in exports, inadequate infrastructure, and low productivity are hindering its competitiveness in the global market.

These factors make the country more susceptible to external shocks and reduce its ability to generate foreign currency and employment. The challenges facing Pakistan's export sector include inadequate infrastructure, unfavorable trade policies, limited access to finance, and a lack of skilled workers.

However, Pakistan has a number of opportunities to increase its export competitiveness, including regional integration, developing markets, policy reforms, and human capital development.

The implementation of policy initiatives such as infrastructure improvements, trade policy liberalization, access to financing, and skill development can help Pakistan improve its export competitiveness, generate foreign currency, and create job opportunities.

Pakistan must also study the international markets and their demands to enhance its export competitiveness.

Source: fashionatingworld.com– April 25, 2023

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Pakistan: Why country's exports are declining?

Export data for July-March 2023 released by the Pakistan Bureau of Statistics (PBS) as opposed to July-March 2022 shows a reversal in the trend when measured in rupees as against dollars: in rupees exports rose from 4,018,757 million to 4,952,237 million (provisional) while in dollar terms exports decline from 23,350 million in July-March 2021-22 to 21,051 million (provisional) during the period under review.

Thus depreciation played a major role in showing a rise in exports in rupee terms; however, given that export earnings form the basis of desired foreign exchange earnings for the country, the focus must remain on the reasons why there was a decline in dollar terms rather than on the rise in rupee terms.

A look at the components of the decline in exports in dollar terms would exacerbate unease amongst domestic economists. Textile exports, Pakistan's single largest export group, earned 1.2578 billion dollars in March 2023 while in March 2022 exports amounted to 1.6252 billion dollars — a decline of nearly 23 percent.

Two factors account for this decline — (i) three items under this category rose in quantity exported notably cotton yarn, knitwear and art silk/synthetic textiles while all others itemised under this head witnessed a decline in the quantity of exports; and (ii) in spite of this increase total dollars earned declined — from 92.38 million dollars in March 2022 to 68.069 million dollars in March 2023 for cotton yarn, 425 million dollars in March 2022 to 311.4 million dollars for knitwear in March 2023 and 344.8 million dollars in March 2022 to 276.4 million dollars in March 2023 for art silk items.

Thus empirical evidence suggests that not only did the quantity exported decline other than under the three heads cited but the products for exports were commanding a much lower price in the international market, leading to lower earnings in dollars in spite of a rise in quantity of exports.

Food group exports showed a rise in both rupee and dollar terms — from 92,099 million in March 2022 to 164,972 million in rupees in March 2023 and from 512,751 thousand dollars in March 2022 to 588,760 thousand dollars in March 2023.

Rice and fish preparations rose in quantity and netted higher export earnings while fruits and vegetable exports were almost halved this year in March attributable no doubt to the devastating floods last summer. Sugar exports were zero this year against 62 million dollars earned in March last year.

Other manufactured items (including sports goods, carpets and leather items) witnessed a rise in rupee earnings — from 61,686 million rupees in March 2022 to 91,576 million rupees in March 2023 while there was a decline in dollars terms - from 343,431 thousand dollars in March 2022 to 326,621 thousand dollars in March 2023.

There was continuing containment of imports, no doubt due to the ongoing exchange restrictions — from 58,859 thousand dollars July-March 2021-22 to 43,934 thousand dollars in March 2023 (negative 25.36 decline), which lowered the trade deficit from negative 35,509 thousand dollars in March 2022 to negative 22,883 thousand dollars in the comparable period of this year though the devastating effect of import containment of raw materials and intermediate products by pushing the large-scale manufacturing sector further into the negative territory cannot and must not be understated.

There is, therefore, little optimism on the horizon for any imminent improvement in the state of the economy as there appears to be no policy under implementation with the capacity to take the economy towards sustainability through providing more job opportunities to the increasing number of unemployed who are at the same time grappling with a very high rate of inflation.

Source: brecorder.com– April 26, 2023

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NATIONAL NEWS

Shri Goyal says ONDC poised for rapid growth in months ahead, invites all e-commerce companies to join

Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, Shri Piyush Goyal said that the Open Network for Digital Commerce (ONDC) of tomorrow will be a transformational engine across the world and not only in India during his address at "Enabling Bharat 2.0", a one-day workshop conducted by ONDC today in New Delhi. The Minister said that he is optimistic about a significant growth of ONDC in the next few months. He invited all e-commerce companies, big and small, to join ONDC and be part of this new bazaar that reimagines digital commerce.

He mentioned that ONDC will promote local languages, products, and cultural heritage, and create opportunities for small businesses. He said that small artisans and workers can offer better quality through ONDC and also earn better without having to pay commission for their products. He emphasized that ONDC will foster healthy competition, benefit consumers and contribute to the overall growth of the digital commerce ecosystem in India.

He said that the Prime Minister believes that our ability to develop depends on our ability to leverage technology. He said that monolithic e-commerce platforms will never be able to provide the services of the kind that a network of platforms like ONDC can offer. The Minister highlighted the various sectors that may benefit from ONDC like farmers who can access bigger markets and demand better prices for their products, students who can compare prices of books and online courses, people who can avail health services at the best prices, etc.

He emphasized on the need to create systems that benefit everyone and create opportunities for all. He said that the efforts are being undertaken to ensure that e-commerce becomes an engine of growth that empowers both buyers and sellers. The Minister highlighted that ONDC will unlock doors of opportunities in an inclusive manner for both big and small businesses, benefitting the entire value chain of commerce.

He said that ONDC will provide a much larger market for sellers, without any preferred or priority sellers, ensuring equitable and fair treatment for all stakeholders. He said that ONDC will foster economies of scale, competition, and better pricing and quality, ultimately benefiting consumers. He said that ONDC is customer-centric, keeping in line with the vision of Mahatma Gandhi, where the customer is king.

The Minister emphasized that India can only be defined as Bharat, as it thrives in villages and small habitations across the country. He mentioned that ONDC is targeting this 'Bharat' for inclusive growth, ensuring that the benefits of e-commerce reach every corner of the country. He said that the Prime Minister Shri Narendra Modi firmly believes in solving challenges the Indian way and trusts the people of India to come up with innovative solutions.

He said that ONDC was born in such a manner when the e-commerce sector was grappling with multiple challenges and small businesses were under threat. He highlighted the need for alternate ways to address these challenges of the e-commerce ecosystem, while balancing the interests of small retailers and businesses led to the evolution of ONDC.

The Minister outlined the unique features of ONDC, which aims to provide a win-win solution for both buyers and sellers. He said that ONDC, with its concept of using interfaces between various platforms, will open up more options for buyers, enhance price discovery and market opportunities for sellers, and also empower consumers to make informed choices. He said that this will result in more competition in the market and will not be limited through algorithms. He emphasized that ONDC will enable speedy, efficient, and real-time settlement of transactions, catering to hyperlocal and global needs simultaneously.

During his address, the Minister said that 'Enabling Bharat 2.0' converges with the commitment of making India a developed nation by 2047 and it is desirable to plan for the future. He said that digital public infrastructure is the need of the hour.

He said that all the efforts of the government have been citizen centric as was evident during the COVID pandemic with the development and production of vaccines and the launch of Co-WIN Vaccinator App to monitor the distribution of vaccines to everyone in the country.

He cited the success of initiatives like the Unified Payments Interface (UPI) in the financial services sector, which has brought about a transformational journey and encouraged hundreds of fintech companies to innovate and promote financial inclusion. He said that UPI has brought about innovation in the fintech sector at a pace never seen before and promoted startups and unicorns through socialising valuation.

He drew parallels with ONDC, which is based on a similar concept of interoperable interface, opening up more options for buyers and creating more competition, while providing ease of operation for sellers across multiple platforms and also providing them a bigger market.

The 'Enabling Bharat 2.0' workshop has been organized to find potential synergies and deepen collaboration among the various open protocol-enabled initiatives and generate awareness amongst multiple stakeholders.

Source: pib.gov.in- April 25, 2023

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Union Finance Minister Smt. Nirmala Sitharaman chairs review meeting with Central Board of Direct Taxes

Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman chaired a periodic review meeting with Central Board of Direct Taxes (CBDT), here today. The review meeting was attended by the Revenue Secretary; Chairman, CBDT; and all the Members of CBDT.

Inter alia, the Finance Minister reviewed the following subjects:

- Efforts for increasing tax payer base
- Pending disciplinary proceeding cases
- Disposal of applications for condonation of delay and grant of exemptions under certain sections of the Income Tax Act, 1961

During the review meeting, the Finance Minister was apprised about the impact of the following initiatives:

Introduction of new data sources in Statement of Financial Transactions (SFT) like Dividend and Interest; Securities; Mutual Funds and information from GSTN in recent years has led to 1118% increase in reported information. This has resulted in addition of information of about 3 crore persons.

Introduction of new TDS codes, which have almost doubled from 36 to 65 in last eight years, led to increase in total reported transaction in FY 2021-22 to 144 crore as compared to total reported transaction in FY 2015-16 of 70 crore. This has resulted in increase in number of unique deductees — almost doubled from 4.8 crore (in F.Y. 2015-16) to 9.2 crore (in F.Y. 2021-22).

Smt. Sitharaman was also apprised of the fact that the Personal Income Tax (PIT) to GDP ratio has been steadily increasing from 2.11 in F.Y. 2014-15 to 2.94 in F.Y. 2021-22.

The Finance Minister also reviewed the pending disciplinary proceeding cases against employees/officers and observed that administrative and procedural delays should be minimised. Smt. Sitharaman also directed CBDT to take prompt action in finalisation of such proceedings.

The Finance Minister emphasised that CBDT should ensure timely and appropriate actions on all applications filed by tax payers and desired a reasonable time frame for disposal of such applications.

The Finance Minister exhorted CBDT to expand and strengthen its efforts to increase tax payers' awareness regarding the provisions of the direct tax laws and compliance thereof.

Source: pib.gov.in- April 25, 2023

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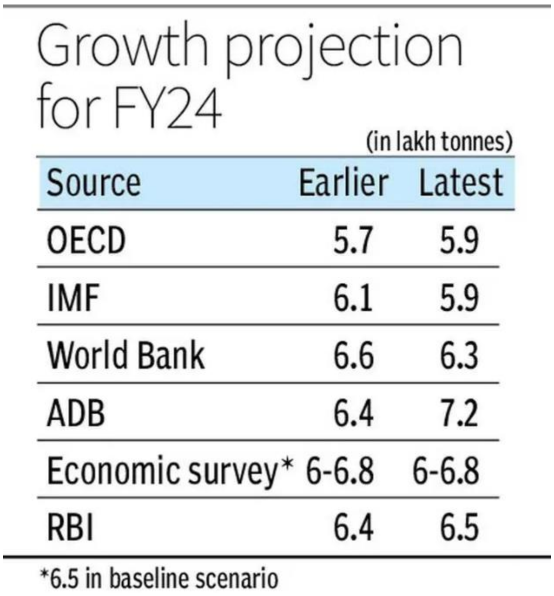
'FY24 growth may be hit by global financial issues, risks to farm output from rains failure'

A Finance Ministry report on Tuesday reiterated that downside risks to official forecast of 6.5 per cent for real GDP (Gross Domestic Products) growth in FY2023-24 dominate upside risks.

"OPEC's surprise production cut has seen oil prices rise in April, off their lows of low-Seventies per barrel in March. Further troubles in the financial sector in advanced nations can increase risk aversion in financial markets and impede capital flows. Forecasts of El Nino, at the margin, have elevated the risks to Indian monsoon rains," Monthly Economic Review (MER), prepared by Economic Affairs Department of the Finance Ministry said.



Growth projection for FY24

(in lakh tonnes)

Source	Earlier	Latest
OECD	5.7	5.9
IMF	6.1	5.9
World Bank	6.6	6.3
ADB	6.4	7.2
Economic survey*	6-6.8	6-6.8
RBI	6.4	6.5

*6.5 in baseline scenario

These remarks have been made nearly a fortnight after, the International Monetary Fund (IMF) lowering its growth forecast for India by 20 basis points to 5.9 per cent for the current fiscal.

Earlier this month, two multilateral agencies, World Bank and the Asian Development Bank (ADB), cut their growth forecast for FY24 by 30 basis points and 80 basis points, respectively.

The World Bank has revised its FY24 GDP forecast to 6.3 per cent, as against its December projection of 6.6 per cent while ADB s cut its growth projection to 6.4 per cent from 7.2 per cent (as announced in December) for FY24. Meanwhile, RBI bucked the trend and raised the forecast to 6.5 per cent from 6.4 per cent.

Meanwhile, the review report said that FY23 has been strong for India's economy despite the tailwind of the pandemic and the headwind of the geo-political conflict intertwining to escalate global economic uncertainty.

The strength seen in the economy, estimated to grow at 7 per cent, is higher than the trend rate and the growth of the other major economies.

Growing macroeconomic stability as seen in the improved current account deficit, easing inflationary pressure, and a banking system strong enough to survive the hardening rates, has made the growth rate further sustainable.

“With the April 2023 update of the WEO projecting India to be the fastest-growing economy in FY24, it is likely to be underpinned by even more robust stability in the macroeconomic variables,” MER said. Further. It highlighted that the Economic Survey 2022-23 and RBI also project Indian economy to register a real GDP growth rate of 6.5 per cent in 2023-24.

“It is important, however, to be vigilant against potential risks such as El Nino conditions creating drought conditions and lowering agricultural output and elevating prices, geopolitical developments and global financial stability. All these three could affect the favourable combination of growth and inflation outcomes currently anticipated,” added the report.

Quoting IMF’s World Economic Outlook (WEO), released earlier this month, the MER observed that elevated inflation and financial tightening, which have weakened the growth process, are expected to weigh on global economic activity for at least three years since the armed conflict broke out between Russia and Ukraine in February 2022.

The slowing of global growth, accompanied by pressures from de-globalisation and supply chain disruptions, has also moderated global trade. IMF projects the increase in global trade volume to fall from 5.1 per cent in 2022 to 2.4 per cent in 2023 before slightly improving to 3.5 per cent in 2024.

Source: thehindubusinessline.com- April 25, 2023

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Get real with targets

The Union government's latest foreign trade policy, announced late last month, has received wide-ranging comments from experts and the exporting community. However, an important aspect of the new policy that has not yet received adequate attention pertains to the aspirations that the government believes the new policy should help exporters realise in the next few years.

The new policy has set a target of achieving exports of goods and services worth $2 trillion by 2030. Measured by any yardstick, this is an ambitious goal. The government estimates exports of merchandise goods and services in 2022-23 at $770 billion. Meeting the 2029-30 target of $2 trillion would imply a compound annual growth rate (CAGR) of 14.61 per cent during this seven-year period. In other words, the share of goods and services exports in India's gross domestic product (GDP) is expected to see a steep increase from 23 per cent in 2022-23 to over 28 per cent in 2029-30, on the assumption, made by senior government officials, that India's GDP would reach $7 trillion by 2030.

Now, the CAGR for exports of goods and services in the last 10 years was a little less than 6 per cent. While it's true that the Covid outbreak badly hurt exports at least for two years during this period, it is also a fact that exports saw a sharp recovery in the two years after Covid in 2021-22 and 2022-23. Despite this recovery, CAGR in the last decade was only 5.61 per cent.

If you break the exports performance down into merchandise goods and services, you will see how the task appears even more daunting. Merchandise goods exports saw a CAGR of 4 per cent in the last 10 years, but the target for the next seven years would be over 12 per cent. The scenario for services exports looks no less challenging with their 2029-30 target assuming a CAGR of 17.5 per cent for 2029-30, whereas the performance in the last decade was a little over 8 per cent.

It's true that India has recorded a healthy rate of growth in services exports in the last two years, clocking an annual increase of between 21 and 29 per cent. But the growth in services exports was quite tepid in the previous few years. Hence, the CAGR for services exports in the last decade was about 9 per cent.

As for merchandise goods exports, their performance improved significantly in 2021-22, with an increase of 44 per cent, but the following year saw growth decelerate to just about 6 per cent. Worse, exports from more than a dozen sectors (including engineering goods, gems and jewellery, cotton and man-made fabrics, carpets, plastics, iron ore and cashew) declined in 2022-23. So, why would the government set a double-digit exports growth target for the next seven years?

The government's argument here could be that there is nothing wrong in setting targets that are aspirational. But then aspirations must be set in the context of past performance. To be sure, the previous policy, announced in 2015, had also set a highly aspirational exports target based on healthy growth in the past few years.

The foreign trade policy in 2015 had set a target of 11.6 per cent CAGR from $466 billion (merchandise goods and services) in 2013-14 to $900 billion 2019-20. This target was set in the context of a healthy CAGR of about 14 per cent in both merchandise goods and services exports from 2004-05 to 2014-15. But the actual performance during the period of the 2015 policy was a disaster, with exports between 2014-15 and 2019-20 showing a CAGR of just 2 per cent.

Clearly, the government did not draw the right lessons from experience. The more important question that also did not get answered was whether there was any need for setting an exports target. A commerce minister of an earlier government had convincingly argued that the government should not be in the business of setting exports targets.

His argument was that exports were not undertaken by the government, but by companies. The government's job should be to create a conducive environment for higher exports through a supportive policy. After that, it should let exporters or different sectoral export promotion councils focus on how to raise exports of goods and services.

An exports target can hardly be compared with the government setting its fiscal deficit target. A fiscal deficit target is all about how the government goes about raising its revenues and spending on various schemes and projects. Thus, the government should set a fiscal deficit target and should be held accountable for meeting it.

However, exports have to be achieved by exporters and hence the job of meeting a target should be seen as a success or failure on the part of the exporting community. If the government's help is needed in framing supportive policies, agencies entrusted with the responsibility of promoting exports or exporters themselves should discuss the relevant issues with the government and persuade it to take proper and corrective action. But the idea of the government spearheading the campaign on setting an exports target appears to be an example of a misplaced policy priority.

Setting such a target is also a relatively easy policy option for the government. Nobody was held accountable for the failure of the foreign trade policy of 2015 in meeting the exports target of $900 billion to be achieved by 2019-20. No action plan was considered when the actual performance of exports of goods and services was only $526 billion, a shortfall of 58 per cent over the target. It is reasonably certain that, unless there is a huge turnaround in the global demand for goods and services, the target of $2 trillion would remain elusive seven years later. But then nobody will perhaps remember in 2030 to hold this government accountable for having failed to meet a target set in 2023.

A way out for the government is not to worry too much about setting a target for exports. If at all a target needs to be set, it should not be for a period of five or seven years. It could set annual targets, which could be monitored at the end of the year and based on the performance, the goals could be revisited.

More important than setting these targets is to focus on how domestic policies are framed to make exports more competitive, how the exchange rate policies are geared to help exporters by aligning them closer to the real effective exchange rate and on how import duties are brought down suitably to reduce the cost for exporters. Finally, a foreign trade policy that could be summed up in just three or five pages, as was the dream of the commerce minister in the early days of reforms of the 1990s, would go a long way in promoting exports.

Source: business-standard.com- April 25, 2023

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Indian apex exporters body sign MoU with Business Russia to promote trade & FDI

Indian Apex exporters body FIEO has announced that it has signed an MoU with Business Russia to promote trade and investments between the two countries.

It said the two organizations will cooperate to arrange exhibitions, buyers-sellers' meetings, workshops, seminars and encourage enterprises to work in tandem with their counterparts for joint ventures. The Memorandum of Understanding (MoU) was inked during a visit of a 50-member delegation of the agro and food processing sector to Moscow.

The delegation is "exploring opportunities in diverse business ventures such as ready-to-eat meals, fish meal, animal feed, soyabean apart from conventional products," said N K Kagliwal, Board Member of FIEO (Federation of Indian Export Organisations).

Kagliwal is leading the business delegation.

He added that exporters are looking to increase agro and processed food exports from about $750 million to over $3 billion in the next three years. About the rupee-ruble trade mechanism, he said it is "moving forward, but the pace is slow".

FIEO Director General Ajay Sahai said that exporters, importers and bankers on both the sides have to do a little extra work to resolve the issues.

A direct exchange rate between rupee and ruble will help streamline the process in a big way," Sahai said. He added that huge trade deficit is a concern, but it is also an opportunity to push exports from India to Russia.

"We have to diversify exports to automobiles and auto components, electronics, medical devices, solar cells, textile, food and agriculture etc," he said.

Source: economictimes.com- April 25, 2023

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India's mall operators to see revenue rise by 7-9% this fiscal: CRISIL

Buoyant retail sales and improved rental yields are expected to lift the revenue of mall operators in India by 7-9 per cent this fiscal. That would be tantamount to around 125 per cent of pre-pandemic or fiscal 2020 revenue, as per credit rating agency CRISIL.

Notably, this will be on a high base of fiscal 2023, when a return to social normalcy after mobility curbs were lifted led to substantial growth in footfalls and a robust 60 per cent rise in revenue to approximately 116 per cent of the pre-pandemic level. Additionally, high occupancy levels, solid profitability backed by cost-optimisation measures, and strong balance sheets will keep the credit risk profiles of mall operators healthy this fiscal, according to a CRISIL Ratings analysis of 28 malls in the country.

The exceptional revenue growth last fiscal was on a significantly weak base. In fiscals 2021 and 2022, revenue stood at 55 per cent and 74 per cent of the pre-pandemic level, respectively, as mall operators had waived off rent and allowed flexible payment terms to tenants in a bid to prevent any major decline in occupancy. As the impact of COVID-19 waned and occupancy increased, average per square feet leasing rate jumped 12-14 per cent in fiscal 2023.

The benefits of healthy occupancy and better leasing rates will continue this fiscal as well. The pandemic also goaded mall operators to reduce costs through efficient manpower planning and optimisation of overheads. That should continue this fiscal as well, added CRISIL.

Low debt level will translate to comfortable debt to earnings before interest, taxes, depreciation, and amortisation (EBITDA) of around three times, and healthy debt service coverage ratio (DSCR) of 1.7-1.8 times this fiscal (similar to fiscal 2023 but a significant improvement from around 1.2 times in fiscal 2022).

Considering the healthy performance of the sector, capex is expected to pick up over the near to medium term. While a sizeable part of it may be funded by equity from global investors, large debt contracted for new developments will bear watching.

On the flipside, the impact of slowdown in advanced economies, and the manifestation of the lagged effect of repo rate hikes of the past can curtail discretionary spending, including retail sales. This aspect will, therefore, be monitorable.

“Robust retail sales will help mall operators increase revenue in two ways. One, occupancy of around 95 per cent will translate to better rental rates for new leases. Two, 10-15 per cent of the revenue of mall operators is linked to retail sales via revenue share income, which will increase this fiscal. Additionally, operators will get contractual rent escalations of 4-5 per cent as well,” said Mohit Makhija, senior director, CRISIL Ratings.

“Cost efficiency measures taken during the pandemic are likely to help improve profitability. Operating margin is expected at approximately 70 per cent this fiscal compared with the pre-pandemic level of 65-68 per cent. Further, improvement in leverage through equity infusion will keep credit risk profiles stable. Continued investor interest in the sector through platforms such as real estate investment trusts (REITs) also bode well,” said Anand Kulkarni, director, CRISIL Ratings.

Source: fibre2fashion.com- April 26, 2023

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Supima to unveil platform for U.S.-grown Pima cotton

Supima, the marketing brand for American-grown Pima cotton, will introduce AQRe Project, a platform assuring authenticity, quality, and responsibility of the American-grown cotton variety used in garments, in July, said Marc Lewkowitz, President and CEO.

As many as 40 Indian textile mills have registered on the platform, according to Mr. Lewkowitz. Mr. Lewkowitz, who was here in connection with a seminar organised by Cotton USA on Monday, told *The Hindu*, that globally 130 spinners had registered on the platform so far. With garment buyers in several countries looking at sustainability and traceability, the platform uses blockchain-based traceability and forensic science-based technology for authentication of the PIMA cotton used.

There are almost 550 licencees globally for Supima, including 60-70 in India some of which are domestic brands. Supima website says it will be transitioning its licensing programme to a digital and forensically-verified platform. “This revolutionary platform will be a standard-setting industry benchmark for combining digital traceability and transparency with physical authentication, providing an unrivaled level of confidence in both the content and provenance of Supima products.”

According to Mr. Lewkowitz, the U.S. is traditionally the largest producer of extra-long staple (ELS) variety PIMA cotton, and almost 95% of its production is exported. India is its top buyer, procuring 35-45 % of the cotton. PIMA production for 2023-2024 crop year (August to July) is expected to be 2.5 lakhs-3 lakh bales compared to 4.74 lakh bales in 2022-2023 and 3.4 lakh bales in 2021-2022. The floods in California were affecting the current production. However, the current price was lower than the cost of production, he added.

William Bettendorf, Director - Supply Chain South Asia, of Cotton Council International, said that the U.S. cotton production in 2022 was 14.6 million bales of approximately 220 kg each as against 17.5 million bales the previous year.

Source: thehindu.com- April 25, 2023

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