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INTERNATIONAL NEWS

China lifts ban on Australian timber imports in another sign of improving bilateral relations

China opened its doors on May 18 to Australian timber imports for the first time in more than two years, in another sign that the tattered bilateral relationship is being repaired.

Timber was on a list of Australian exports subjected to official and unofficial Chinese trade barriers imposed in 2020 after Australia called for an independent inquiry into the origins of the COVID-19 pandemic.

The list that included coal, wine, barley, beef, seafood, cotton and copper was estimated to cost Australian exporters \$14 billion a year.

But relations have improved since the centre-left Labour Party came to power a year ago, ending nine years of conservative rule in Australia. Australian coal, cotton and copper exports to China have recently resumed.

Chinese Ambassador to Australia Xiao Qian said the timber ban had been lifted from May 18 because Australian exporters had satisfied China's quarantine concerns. The Australian government was officially informed on May 17.

“So from today on, the Australian timber is going back to China,” Mr. Xiao told reporters.

The breakthrough came after Trade Minister Don Farrell visited Beijing last weekend seeking to lift trade barriers especially on Australian wine and barley.

Foreign Minister Penny Wong welcomed the return of the timber trade with China. It had been worth \$1 billion a year before the ban.

“We are pleased with this development,” Mr. Wong said during a joint press conference with her Philippine counterpart Enrique Manalo during a visit to Manila.

“We do believe that removal of these trade impediments benefits both parties,” she added, referring to China and Australia.

Treasurer Jim Chalmers said China's decision on timber was a step toward his government's objective to stabilise the economic relationship with China.

“It's a crucially important market for us and we want to stabilise the relationship and any progress in lifting these trade restrictions is welcome,” Chalmers told reporters.

The Australian Forest Products Association, which represents a range of forestry and paper industries, also welcomed China's decision.

“When the ban came into effect more than two years ago, it caused a great deal of upheaval and uncertainty for many timber exporters and the broader forest sector and this resolution is welcomed,” the association's chief executive Joel Fitzgibbon said in a statement.

China is Australia's biggest trading partner, with two-way trade totalling \$287 billion last year.

In April, Australia suspended a complaint to the World Trade Organisation in a bid to reopen the Chinese market to Australian barley.

In return, China has agreed to review its decision to impose an 80% tariff on the grain. Australia hopes that China will agree within months to lift tariffs on both Australian barley and wine.

Source: thehindu.com– May 18, 2023

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China's fibre imports from Australia tumble, apparel exports rise

Geo-political tension has impacted China's import of fibre (predominantly cotton) from Australia, but Chinese exports of apparel to Australia have remained strong in recent years despite diplomatic issues. Trade data analysis reveals a 41 per cent reduction in fibre imports from Australia over the last four years, whereas apparel exports from China increased by 44 per cent in 2022 compared to 2018.

In 2018, China imported \$3.177 billion worth of fibre from Australia, but this figure fell by 41 per cent to \$1.860 billion in 2022, according to Fibre2Fashion's market insight tool TexPro. There was a steep fall in imports during the pandemic, with figures dropping from \$2.592 billion in 2019 to \$1.441 billion in 2020. However, a slight recovery occurred in 2021 with imports valued at \$1.971 billion, before declining again to \$1.860 billion in 2022. In the first quarter of 2023, China imported fibre worth \$374.693 million.

In terms of volume, China's fibre import was 591.499 kg during 2018 which came down to 539.079 million in 2019. During Covid year 2020, the import halved to just 250.601 million kg. It further eased to 216.051 million kg and 199.652 million kg in 2021 and 2022 respectively. The import stood at 50.583 million kg in January-March 2023.

TexPro data shows a significant increase in Chinese apparel exports to Australia following the disruptions caused by COVID-19. Exports stood at \$3.837 billion in 2018 and rose to \$5.530 billion in 2022. Despite a downturn in 2019 and 2020, with export values recorded at \$3.700 billion and \$3.636 billion respectively, a recovery was observed in 2021 with exports bouncing back to \$4.784 billion and then rising to \$5.530 billion in 2022. The outbound shipment value was recorded at \$1.526 billion in the first quarter of the current year.

Source: fibre2fashion.com – May 18, 2023

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Bangladesh lifts fumigation requirements on US cotton

A Cotton Council International (CCI)-sponsored Bangladesh ministry of agriculture delegation's US visit from October 30-November 5, 2022, coupled with indispensable efforts by the US Department of Agriculture's (USDA) Foreign Agricultural Service (FAS) office in Dhaka, ultimately convinced the Bangladesh government to relax its nearly-five-decade-long fumigation requirement on US cotton imports.

This shift will remove a significant export barrier for the US cotton to Bangladesh, as well as saving Bangladeshi mills time and money as they look to the US to fill their cotton fibre import needs. Bangladeshi mills have been paying over a million dollars annually to cover unnecessary fumigation costs imposed on cotton imported from the US.

US exporters will continue to use APHIS-generated phytosanitary certificates, but under the new regulation the certificate will have additional language confirming no live boll weevils are in US baled cotton. APHIS will issue revised instructions for exporters.

Bangladesh's agricultural and commerce ministries' decision to lift the fumigation requirements on US cotton came after six members of the Bangladesh ministry of agriculture delegation joined a CCI-sponsored US cotton tour. Due to the coordination with the National Cotton Council (NCC), the Bangladesh ministry of agriculture delegation conducted cotton meetings in Tennessee, Mississippi and Texas. They met with the cotton industry representatives and visited cotton fields, gins and warehouses, and the USDA Agricultural Ginning Research Laboratory in Stoneville, the CCI said in a press release.

The delegation learned why the US cotton bales do not harbour live boll weevils, including a review of the US cotton industry's successful Boll Weevil Eradication Programme and its modern cotton harvesting and standardized ginning techniques. Additional discussion topics included the phytosanitary inspection and certification process with APHIS during Zoom calls at the NCC headquarters in Cordova and during a meeting with the Texas Boll Weevil Eradication Program in Abilene, Texas.

In Mississippi, the Bangladesh ministry of agriculture delegation members met with Staplcotn—a US cooperative and leading exporter of US cotton to Bangladesh—and toured a gin and warehouse. US cotton grower Sledge Taylor gave the group a tour of his family’s cotton farm and gin operations, as well as an overview of the sustainable cotton production practices that cotton growers in the US follow.

Bangladesh presently ranks as the No. 2 global importer of cotton, according to the USDA FAS’s global market analysis in May 2023. Although there is some domestic cotton produced in Bangladesh, it accounts for 1 per cent or less of total demand.

Bangladesh was a top 10 export market for US cotton in 2022, with exports valued at \$477.07 million.

Source: fibre2fashion.com– May 17, 2023

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Australia's seasonally-adjusted unemployment rate rises to 3.7% in Apr

Australia's seasonally-adjusted unemployment rate rose by 0.1 percentage point to 3.7 per cent in April this year, according to data released by the Australian Bureau of Statistics (ABS).

Employment dropped by around 4,000 and the number of unemployed increased by 18,000, Bjorn Jarvis, ABS head of labour statistics, said. "The small fall in employment followed an average monthly increase of around 39,000 people during the first quarter of this year," he was quoted as saying by an ABS release.

Similarly, the employment-to-population ratio fell by 0.2 percentage points to 64.2 per cent and the participation rate decreased by 0.1 percentage point to 66.7 per cent.

"Even with these falls, both indicators were still well above pre-COVID-19 pandemic levels and close to their historical highs in 2022," Jarvis said. The seasonally-adjusted underemployment rate fell by 0.1 percentage point to 6.1 per cent, following a 0.4 percentage point increase in March.

"The underemployment rate is still low in historic terms, around 2.6 percentage points lower than before the pandemic, and underpinned by faster growth in hours worked than employment," Jarvis said.

The underutilisation rate, which combines the unemployment and underemployment rates, rose slightly to 9.8 per cent, and remained 4.2 percentage points lower than in March 2020.

In seasonally-adjusted terms, full-time employment in the country decreased by 27,100 to 9,726,500 and part-time employment rose by 22,800 to 4,155,600.

Source: fibre2fashion.com– May 18, 2023

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Vietnam's textile & garment exports fall 18.1% to \$9.7 bn Jan-Apr 2023

Vietnam's textile and garment exports experienced a decline of 18.1 per cent, reaching \$9.720 billion, during the period of January to April 2023, as per preliminary data from the customs IT and statistics department of the general department of customs under Vietnam's ministry of finance. In April 2023, exports dropped by 3.3 per cent to \$2.540 billion compared to the previous month.

During the period of January to April 2023, Vietnam's yarn exports decreased by 32.9 per cent to \$1,297.751 million in comparison to the same period of the previous year. In terms of volume, Vietnam exported 518,035 tons of yarn, representing an 11.7 per cent decline compared to the exports during the same period last year. In April 2023, yarn exports fell by 5.2 per cent to \$356.713 million, and the quantity of yarn exports decreased by 4.7 per cent to 144,166 tons during the review period.

The US accounted for a significant share of 42.89 per cent in Vietnam's textile and garment exports, amounting to \$4.159 billion during the first four months of this year. Japan and South Korea were also major destinations, with exports of \$1,129.441 million and \$990.407 million, respectively.

In terms of yarn exports, China alone received 47.03 per cent of Vietnam's exports, totalling \$610.604 million. India was also a major market for Vietnamese yarn exports, with shipments amounting to \$12.400 million during the first four months of 2023.

In 2022, Vietnam's textile and garment exports grew by 14.7 per cent year-on-year, reaching \$37.5 billion, falling short of the target of \$43 billion. In 2021, Vietnam's textile and garment exports amounted to \$32.750 billion, a growth of 9.9 per cent compared to the previous year's exports of \$29.809 billion. Yarn exports in 2022 increased by 50.1 per cent to \$5.609 billion from \$3.736 billion in 2020.

According to the Vietnam Textile and Apparel Association (VITAS), in the case of a positive market scenario, Vietnam has set an export target of \$48 billion for textiles, garments, and yarn in 2023.

Source: fibre2fashion.com– May 19, 2023

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How Egyptian luxury brands are harnessing traditional craftsmanship from jewellery to carpet weaving to bring the country's ancient cultural riches to the world.

Egyptian luxury brands are harnessing traditional craftsmanship from jewellery design to carpet weaving to bring the country's ancient cultural riches to the world.

Experts in the sector say the global appeal of Arab and Islamic designs from other countries shows Egypt could do more to promote its rich, millennia-old artistic heritage.

One pioneer has been master jeweller Azza Fahmy, whose signature Islamic art-inspired pieces have graced the world's rich and famous including US pop star Rihanna and Jordan's Queen Rania.

Fahmy, who started off in an Old Cairo workshop about 50 years ago, said her focus has been designs that "resonate with Egyptian identity".

Artists and artisans in Egypt, the Arab world's most populous country, draw from a history that spans ancient Pharaonic times, the Mamluk, Ottoman and modern eras.

"We are lucky to be able to draw on 6,000 years of history," said textile designer Goya Gallagher, founder of Cairo-based Malaika Linens, which makes high-end household pieces.

"The main challenge is making sure our pieces are timeless, that they're very well made and always hand-made," she said at the company workshop on the western outskirts of Cairo.

- Myriad Challenges -

But while Egypt boasts some business success stories, many more luxury goods makers say they labour against myriad odds to eke out a market both locally and internationally.

In the era of global mass production, Egypt's once expansive pool of skilled artisans has shrunk, with many young people turning their backs on family skills passed down through the ages.

As businesses struggle to fill the talent gap, they also face the headwinds of a painful economic crisis that has tanked the local currency and restricted raw material imports.

The state's efforts to support the handicrafts sector, meanwhile, have been "limited and sporadic", says the United Nations Industrial Development Organization.

Culture consultant Dina Hafez agreed that Egypt offers little in the way of formalised arts and crafts training.

"The training of artisans is still essentially based on informal education and networks of apprenticeship," said Hafez.

"The sector lacks any structure. We need a real ecosystem. But for the moment, it's all based on personal initiatives."

She said Egypt could learn from Turkey and Morocco, "where the opportunities and obstacles look a lot like Egypt", but which had managed to launch "their designs onto the international scene".

- 'Soft Power' –
Still, change is afoot.

Fahmy, the jewellery designer, said there is always space in the market for works made by skilled artisans and "good designers with creative minds and quality education".

Many designers hope to benefit from government initiatives to draw in investment and tourism revenue from its ancient wonders.

At the Grand Egyptian Museum at the foot of the Giza pyramids, Egyptian luxury stores enjoy pride of place.

Although its official opening has been long delayed, the museum offers limited tours and events, and the shops already "showcase the best of Egyptian crafts", said the owner of one, Mohamed al-Kahhal.

In Cairo's historic centre, linen company Malaika trains women from marginalised backgrounds in embroidery and sells the wares to its customers and to other fashion and textile brands.

Carpet maker Hend al-Kahhal works in the same spirit, of bringing Egyptian identity to global frontiers.

Standing on the factory roof, where wool and silk creations hung out to dry, Kahhal said the family business works with designers "to give a contemporary touch to Pharaonic and Mamluk motifs".

The Egyptian Handicrafts Export Council, under the trade and industry ministry, has long been working to showcase such Egyptian creations internationally.

But Hafez, the culture consultant, said she hopes for more progress in future, as often "budget constraints, red tape and customs regulations don't exactly make things easier".

The question, she said, is whether Egyptian "authorities are really aware of the soft power these creators can have".

Source: economictimes.indiatimes.com – May 18, 2023

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NATIONAL NEWS

PM Modi leaves for Japan in first leg of three-nation visit

Prime Minister Narendra Modi on Friday, May 19, 2023, embarked on a tour of Japan, Papua New Guinea and Australia to attend three key multilateral summits including that of the G7 grouping and Quad.

In the first leg of his trip, Mr. Modi is visiting the Japanese city of Hiroshima from May 19 to 21 primarily for the annual summit of the G7 advanced economies in which he is expected to speak on challenges facing the globe, including food, fertiliser and energy security.

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From Japan, Mr. Modi will travel to Port Moresby in Papua New Guinea where he will host the third summit of the Forum for India–Pacific Islands Cooperation (FIPIC) on May 22 jointly with Prime Minister James Marape. In the third and final leg of the trip, Modi will visit Australia from May 22 to 24.

The Quad summit was originally scheduled to be held in Sydney but it will now take place in Hiroshima as US President Joe Biden postponed his visit to Australia to focus on crucial debt-ceiling talks in Washington.

“PM @narendramodi embarks on a visit to Japan, Papua New Guinea & Australia.

First leg of the visit takes him to Japan for the @G7 Summit. An opportunity to engage with important partners in multilateral and bilateral formats,” External Affairs Ministry spokesperson Arindam Bagchi tweeted.

In a departure statement, Mr. Modi said his presence at the G7 summit would be particularly meaningful in view of India's G20 presidency.

"My presence in this G7 summit is particularly meaningful as India holds the G20 presidency this year. I look forward to exchanging views with the G7 countries and other invited partners on challenges that the world faces and the need to collectively address them," Mr. Modi said.

"I would also be holding bilateral meetings with some of the leaders attending the Hiroshima G7 summit," he said.

Mr. Modi's visit to Papua New Guinea will be the first ever by any Indian Prime Minister.

"I am grateful that all 14 Pacific Island Countries (PIC) have accepted the invitation to attend this important summit (FIPIC)," Modi said.

FIPIC was launched during his visit to Fiji in 2014.

"I look forward to engaging with the PIC leaders on issues that bring us together, such as climate change and sustainable development, capacity building and training, health and well-being, infrastructure and economic development," Mr. Modi said.

On his visit to Australia, the Prime Minister said he was looking forward to meeting his Australian counterpart Anthony Albanese.

"I look forward to our bilateral meeting, which will be an opportunity to take stock of our bilateral ties and follow up on our first India-Australia annual summit held in New Delhi in March this year," Modi said.

"I will also interact with Australian CEOs and business leaders and meet the Indian community in Sydney at a special event," he said.

Source: thehindu.com- May 19, 2023

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India, UK still far apart on free trade deal - sources

India and Britain are struggling to make progress in free trade talks due to differences on some key tariff lines and investment protection rules, making a deal unlikely during Prime Minister Narendra Modi's second term ending next year, Indian sources said.

The two nations are unable to agree on concessions on duties levied by India on car and liquor imports, a government official with direct knowledge of the matter said.

Besides tariffs, Britain is also pushing India to agree on strong investment-protection provisions either as part of the deal or in a parallel investment treaty, according to a second government official.

"Britain has insisted on investor protection if it were to proceed with a final deal," said the person who has direct knowledge of the talks.

A deal between India and the United Kingdom is crucial for New Delhi, which hopes to become a bigger exporter, while the UK would get wider access for its whisky, premium cars and legal services.

Both countries are aiming to double bilateral trade by 2030 via such a deal. For India, a deal with the UK would be its first with a developed country after it signed an interim trade pact with Australia last year. It comes at a crucial time for Modi, who is looking to solidify India's business-friendly image in the run up to national elections next year.

Britain, on the other hand, has prioritised a deal with India as part of its Indo-Pacific foreign policy tilt aimed at enhancing ties with the region's fast-growing economies.

The main disagreement on the investment protection provisions is Britain's insistence that its companies be allowed to seek international arbitration should a dispute arise without going to Indian courts first, said the second government official who is directly involved.

This would be a marked departure from India's present provision that calls on companies to exhaust local remedies first, and is not agreeable to the Indian government, said a third senior government official.

"We had kept November as another soft deadline. But does not look like this is going to work out till at least next year. Maybe after the general elections in India," a fourth government official told Reuters.

Both nations are set to hold general elections next year where India's Modi will seek a rare third term while British Prime Minister Rishi Sunak faces a stiff test of electoral popularity after a choppy term for the Conservative Party.

As of the end of April the countries were unable to complete discussions on any more chapters than they had in December. They have agreed on terms of 13 out of 26 chapters that constitute the pact.

The two countries have also ruled out the possibility of an interim pact, two of the sources said.

All officials spoke to Reuters on the condition of anonymity as negotiations over the trade agreement are private.

India's ministries of trade, finance and external affairs did not respond to a request for comment.

A spokesperson for the UK's Department of Business and Trade said the two countries are "committed to working towards the best deal possible for both sides."

"We are clear that we will only sign when we have a deal that is fair, balanced, and ultimately in the best interests of the British people and the economy," the person said.

Sunak's approach to focus on quality over speed of the deal is in contrast to Boris Johnson, who as prime minister had set a deadline of Diwali last October for a deal, which was then missed under the tenure of his successor Liz Truss.

Source: [economicstimes.indiatimes.com](https://www.economicstimes.indiatimes.com) - May 18, 2023

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India looks to build consensus at WTO to block non-trade issues

India is pushing for forging consensus with like-minded countries at the World Trade Organization (WTO) to prevent entry of non-trade issues such as environment and sustainability into the trade negotiations.

"Brazil, China, Thailand and South Africa are some of the countries which could get affected and we will try to build a consensus with them," said a government official, who did not wish to be identified.

The move by advanced economies to impose green taxes has already made the developing and emerging economies wary of such moves.

The US recently approved the Inflation Reduction Act to establish green technology industries and the European Union has unveiled the Carbon Border Adjustment Mechanism, under which tax is levied on certain imports into the region. It also has a law for deforestation-free products.

"These developments are not good as there is a growing tendency among developed countries to bring non-trade issues. We need to deliberate on this collectively at the upcoming ministerial meeting," said another official.

India fears that there may be a renewed push for bringing environment and sustainability into trade negotiations by the developed countries at the ministerial level, especially in the backdrop of these measures.

The 13th ministerial conference (MC13) of the WTO is scheduled early next year.

In February, India submitted at the WTO that carbon border measures are being selectively applied to "trade-exposed industries" such as steel, aluminium, chemicals, plastics, polymers, chemicals and fertilisers, reflecting the underlying competitiveness concerns driving such measures.

India said WTO rules mandate non-discriminatory treatment for products, irrespective of their production methods and discriminatory measures in the form of border measures can lead to "behind-the-border" protectionist practices.

Source: economictimes.indiatimes.com- May 18, 2023

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India to standardise cotton trade in new season; challenges loom

India is set to standardise its cotton trade strictly following the specifications of Indian Standard IS 12171: 2019 from September 2023, barring any governmental extension. The Bureau of Indian Standard (BIS) has been coordinating with ginners, traders, and other relevant stakeholders throughout the country to ensure a smooth implementation of the associated Quality Control Order (QCO). However, uncertainties persist within the industry, as some participants remain unprepared and unaware of the changes, potentially causing disruptions in the country's cotton trade.

The ministry of textiles issued a notification on February 28, 2023, with a grace period of 180 days. Consequently, the regulations will take effect on September 1, 2023, coinciding with the new cotton season's launch in parts of the country. The new marketing season, however, begins on October 1, 2023, indicating the government's intention to apply the new quality standards to all cotton bales produced in the upcoming crop. These standards will apply to domestic trade, while export-quality cotton will be exempt from the QCO.

The latest cotton bale specifications, revised thrice, stipulate that trash should not exceed 4 per cent in medium and short-staple cotton, including Bengal Deshi. However, certain varieties such as CJ-73, V-797, Kalagin, Waghad, and similar closed boll cotton, can contain up to 6 per cent trash, regardless of staple length. Extra-long staple, long and superior medium-staple cotton may contain up to 3 per cent trash. Moisture content of the ginned cotton in a pressed bale should not exceed 8 per cent upon testing. These specifications also detail other aspects of cotton quality and packaging.

BIS officials have been conducting nationwide meetings to encourage ginners to register and prepare for the standard implementation. They have been attempting to gather basic data from the ginners, but the process has met resistance due to uncertainties and existing challenges. Chetan Bhojani, a ginner from Gujarat, told Fibre2Fashion, "Numerous cotton varieties grown in the country have a very high trash percentage, with some reaching 12 per cent. We lack the necessary machinery to reduce trash and maintain other specifications, and there's no guarantee of higher profits from investing in new equipment."

A representative from the Cotton Association of India (CAI) said the importance of cotton quality standardisation and the industry's agreement to its implementation from prior meetings. However, he acknowledged potential initial implementation hurdles.

Satish Sharma, a Bathinda-based cotton trader, added that the industry is currently ill-prepared for the new standards. Industry experts have suggested that the government may need to delay implementation to prevent disruptions that could negatively impact cotton farmers—an outcome the government cannot afford.

Source: fibre2fashion.com - May 18, 2023

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Sluggish demand in north India leads to decline in cotton yarn prices

The demand for cotton yarn in north India remains weak, particularly from the weaving industry. This, coupled with limited export orders, poses a significant challenge to the textile industry. Cotton yarn prices have seen a drop of up to ₹7 per kg in Delhi, while the prices remain relatively stable in Ludhiana. The situation has prompted spinning mills to halt production two days a week, traders said. On a positive note, the recent surge in ICE cotton prices could potentially stimulate export demand for cotton yarn from India.

The Delhi market has suffered losses of up to ₹7 per kg, with no signs of improvement in demand from the weaving industry. A trader from the Delhi market expressed his concerns to Fibre2Fashion, stating, "The lack of demand from the weaving industry is indeed a cause for concern. Exporters are struggling to secure orders from international buyers. However, the recent surge in ICE cotton has given Indian cotton an edge. If Indian cotton continues to be more affordable than its global counterparts, we might witness a revival in cotton yarn exports."

The traded prices for 30 count combed yarn ranged from ₹260-273 per kg (GST extra), 40 count combed at ₹290-300 per kg, 30 count carded at ₹238-245 per kg, and 40 count carded at ₹268-275 per kg, as per Fibre2Fashion's market insight tool TexPro.

The Ludhiana market is also experiencing a downward trend, with cotton yarn prices remaining steady. The demand from the weaving industry is low, owing to the uncertainty in domestic and export apparel demand. "Small mills have started taking additional holidays to reduce production amidst weak purchasing. The mills are reportedly suffering significant losses due to the current slump in the market," a local trader told F2F.

In Ludhiana, the sale price of 30 count cotton combed yarn was at ₹270-280 per kg (GST inclusive), with 20 and 25 count combed yarn trading at ₹260-265 per kg and ₹265-270 per kg, respectively. The carded yarn of 30 count was listed at ₹250-260 per kg, with cotton yarn prices dropping by ₹5 per kg in the market, according to data obtained from TexPro.

Panipat's recycled yarn market is also observing a downward trend. The prices for recycled yarn, cotton comber, and recycled polyester fibre have decreased by ₹2-5 per kg. The slower demand from the downstream industry has alleviated the shortage of cotton comber, leading to a drop in prices. According to trade sources, exporters are having difficulty securing orders from international buyers, and domestic demand is insufficient to support market sentiment.

The 10s recycled PC yarn (grey) was traded at ₹80-85 per kg (GST extra), while the 10s recycled PC yarn (black) went for ₹50-55 per kg. The 20s recycled PC yarn (grey) traded at ₹95-100 per kg, and the 30s recycled PC yarn (grey) at ₹140-150 per kg. The prices for comber were reported at ₹130-132 per kg. Recycled polyester fibre (made from PET bottles) was noted at ₹69-70 per kg.

North Indian cotton prices have dropped due to low demand from spinners. Despite the season's limited cotton arrivals, buyers are scarce due to the pessimistic mood in the downstream industry. There's no interest in stockpiling for the next 3-4 months. The cotton arrival was noted at 5,200 bales of 170 kg. Cotton was traded at ₹6,000-6,100 per maund in Punjab, ₹5,950-6,050 per maund in Haryana and ₹6,230-6,330 per maund in upper Rajasthan and at ₹58,500-59,500 per candy of 356 kg in lower Rajasthan.

Source: fibre2fashion.com - May 18, 2023

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Textile exports affected due to cotton price increase, recessionary trend in global economies

The entire textile value chain's exports have suffered as a result of a global trend towards recession and a rise in cotton prices.

Confederation of Indian Textile Industry (CITI) statistics shows that in April of this year, compared to the same month last year, textile exports decreased by 20 per cent and apparel exports by 23 per cent. According to CITI, India's textile exports decreased to US \$ 1,540 million in April 2023 from US \$ 1,942 million, while clothing exports decreased to US \$ 1,210 million from US \$ 1,574 million. During the same time period, exports of all textile products decreased by 12.69 per cent.

Fresh orders haven't been placed due to declining demand in both the domestic and global markets, and as a result, manufacturers are struggling with a liquidity crisis and an uptick in inflationary pressures.

"The overall economic scenario across the globe has weakened prospects for exports from India for both apparel and textiles. As the demand is less, fresh orders are not being placed. Moreover, fluctuation in cotton prices has also affected the industry in terms of increasing production costs," said a senior member of Clothing Manufacturers' Association of India (CMAI).

There's a huge inventory pile-up, say yarn makers. Besides, price fluctuations in cotton have affected demand from textile industry players. Gaurang Bhagat, president of Maskati Cloth Market Mahajan, the apex body of textile traders of Ahmedabad, said that due to the high cost of cotton, textile exports have suffered over the past year. Although there is a good cotton crop, the slow arrival of cotton makes it more expensive than what is offered on the global market.

Source: apparelresources.com - May 18, 2023

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