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Currency Watch			
USD	EUR	GBP	JPY
83.35	90.92	105.37	0.56

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INTERNATIONAL NEWS

OECD projects a decline in global economic growth to 2.7% in 2023

The global economic outlook, as projected by the Organization for Economic Cooperation and Development (OECD), looks challenging. Ongoing wars, coupled with rising inflation and high interest rates, are anticipated to lead to a decline in global economic growth from 2.9 per cent this year to 2.7 per cent in 2024.

Two of the world's largest economies, the US and China, are expected to experience stagnation in growth next year, with rates dropping from 2.4 per cent in 2023 to 1.5 per cent. The OECD also foresees a decrease in US inflation rates from 3.9 per cent in the current year to 2.8 per cent in 2024 and further down to 2.2 per cent in 2025.

China's economic growth is projected to slow down from 5.2 per cent in 2023 to 4.7 per cent in 2024. Factors contributing to this decline include China's real estate crisis, rising unemployment, and a slowdown in exports. Consumer consumption in China is expected to decrease due to rising unemployment levels and increased uncertainty, leading to a decline in discretionary purchases.

In the Eurozone, consisting of 20 countries sharing the euro currency, collective growth is predicted to marginally increase to 0.9 per cent in the coming year from 0.6 per cent in the current year. The region's growth will be influenced by factors such as rising energy prices and surging interest rates. These challenges collectively contribute to a complex economic landscape with potential implications for various regions and sectors.

Source: fashionatingworld.com– Nov 30, 2023

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APAC growth engine to shift from China to S Asia, SE Asia: S&P Global

China's gross domestic product (GDP) growth will slow to 4.6 per cent in 2024 from 5.4 per cent this year, edge up to 4.8 per cent in 2025, and return to 4.6 per cent in 2026, S&P Global Ratings projects. The rating agency sees India, Vietnam, the Philippines and Indonesia reaching growth rates of 7 per cent, 6.8 per cent, 6.4 per cent and 5 per cent respectively in 2026.

With Asia-Pacific central banks likely to keep interest rates high, the region's borrowers will see costlier debt servicing. Concurrently, a widening conflict in the Middle East could drag global supply chains and raise energy costs, fanning inflation.

The Asia-Pacific's growth is susceptible to energy shocks and slower global demand, S&P Global said in a release. It lowered its projection for the region's growth (ex-China) next year from 4.4 per cent to 4.2 per cent. The prospects for industries also differ, with export-centric manufacturing faring worse.

Asia-Pacific interest rates are likely to stay high as the US Federal Reserve will maintain tight monetary policy to rein in inflation to target. Meanwhile, gaps in policy rates between global and regional central banks could intensify capital outflows and domestic currency depreciation.

For borrowers with impending or sizable refinancing needs, high borrowing costs and tighter credit availability from lenders are prominent risks. While onshore funding remains accessible, often cheaper than offshore, these too could turn selective. A soft landing is anticipated in the United States and Europe landing in 2024.

The net energy-importing status of Asia-Pacific underlines its susceptibility to high energy prices due to geopolitical tensions. Climate change and rapid technological advancements are disrupting business models. To prepare for these risks, businesses are incurring higher capex investments, leading to rising debt leverage, S&P Global added.

Source: fibre2fashion.com– Dec 01, 2023

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Turkiye, Vietnam agree to raise two-way trade to \$4 bn

Turkish vice president Cevdet Yilmaz and visiting Vietnamese Prime Minister Pham Minh Chinh recently agreed in Ankara to expand economic cooperation to raise two-way trade to \$4 billion.

This can be achieved by opening up markets for agricultural products and goods, signing a free trade agreement and increasing the frequency of flights between the two countries, the Vietnamese government said on its website.

Both the leaders witnessed the signing of a memorandum of understanding on bilateral cooperation in agriculture and forestry.

Turkey considers Vietnam one of its priority partners in the Association of Southeast Asian Nations (ASEAN) region, particularly in economy, trade, investment, defense and security, and tourism, Yilmaz affirmed.

Both sides agreed to continue consolidating and promoting relations and cooperation.

Yilmaz accepted Vietnam's invitation to pay an official visit to the latter next year.

Source: fibre2fashion.com– Nov 30, 2023

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US consumers break records in Thanksgiving weekend shopping spree

A record-breaking 200.4 million consumers in the US engaged in shopping over the Thanksgiving weekend, stretching from Thanksgiving Day through to Cyber Monday, according to the annual survey released by the National Retail Federation (NRF) and Prosper Insights & Analytics. This figure surpasses the previous year's record of 196.7 million and exceeds the NRF's initial forecast of 182 million by a significant margin of over 18 million.

The shopping frenzy was not limited to online platforms, as 121.4 million people visited physical retail locations, maintaining a similar level to 2022's 122.7 million. However, it was the online sector that saw an increase, with 134.2 million shoppers compared to 130.2 million in the previous year.

Clothing and accessories emerged as the top gift choices, purchased by 49 per cent of the surveyed shoppers, highlighting the enduring popularity of these items as holiday gifts, as per the survey.

Black Friday retained its position as the most popular day for in-store shopping, attracting 76.2 million shoppers, an increase from 72.9 million in 2022. In contrast, the Saturday following Thanksgiving witnessed a slight decrease in in-store shopping, with 59 million consumers, down from 63.4 million last year. Notably, 78 per cent of Saturday's shoppers participated in Small Business Saturday, mirroring last year's trend.

The online shopping landscape also saw Black Friday as the busiest day, with approximately 90.6 million consumers, an increase from 87.2 million in 2022. Cyber Monday, while still significant, experienced a slight decline in online shoppers, with about 73 million compared to 77 million the previous year.

Desktop and laptop computers remained popular for Cyber Monday online shopping, with around 44 million users. Mobile devices saw a slight decrease in usage with 40.5 million shoppers, down from the record 45.7 million in 2022 but still significantly higher than pre-pandemic levels.

Shoppers frequented a variety of destinations, with online stores (44 per cent), department stores (40 per cent), and clothing and accessories stores (36 per cent) being the top choices.

Interestingly, 95 per cent of shoppers made holiday-related purchases during the weekend, a slight decrease from 97 per cent in the previous year but aligning with historical trends. On average, consumers spent \$321.41 on these items, comparable to last year's \$325.44, with about 70 per cent (\$226.55) of this spending directed specifically towards gifts.

Source: fibre2fashion.com– Nov 30, 2023

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Global women's sportswear segment to cross \$1 bn in 2024: Deloitte

Deloitte foresees global revenues from women's sportswear to exceed \$1 billion in 2024. Within this estimate, a substantial surge is expected in revenues from football-related apparel, reaching \$555 million out of the projected total of \$1.28 billion.

Despite the expansion of women's sportswear market in Europe, more than 50 per cent of the total revenue is anticipated from North America, highlighting the region's significant market presence. Jennifer Haskel, Lead-Insights at Deloitte's Sports Business Group, notes a remarkable and exponential growth in women's sportswear globally, drawing increased attention and investments from stakeholders.

The growing popularity of women's sports is predicted to result in more prominent broadcasting slots during prime time and increased visibility on streaming platforms. While commercial income still constitutes over 50 per cent of the total revenue, this percentage is gradually diminishing due to larger broadcast deals and increased attendances on match days.

Source: fashionatingworld.com– Nov 30, 2023

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Global air freight forecast to stabilise in 2024: Xeneta

Though the global air freight market has been on a rollercoaster ride of late, next year could see a return of ‘classic seasonality’, according to Oslo-based ocean and air freight rate benchmarking and intelligence platform Xeneta.

The company’s chief airfreight officer Niall van de Wouw said in its 2024 Air Freight Outlook released recently that 2024 could be an opportunity for shippers to catch their breath after the volatility of the past few years.

“The rapid rate decline, which started earlier this year, has calmed down in recent months. It seems to be the market has a new baseline, from which I expect classic seasonality patterns to emerge,” he was quoted as saying in a company release. The industry saw the cost of transporting goods by air skyrocket during COVID-19 before plummeting back down again this year, albeit they are still 32 per cent up on pre-pandemic levels.

The Xeneta Air Freight Outlook 2024 highlights muted consumer spending as a key factor for the year ahead. Demand for air freight in 2023 remains down by 8 per cent compared to pre-pandemic and is only predicted to grow by 1-2 per cent next year. Supply is expected to grow by 2-4 per cent in 2024.

“The key indicators are not great from a demand point of view. It’s muted and there’s a lot of uncertainty in the world,” Van de Wouw said. Xeneta data reveals an increasing trend for longer term contracts, but Van de Wouw believes this presents a potentially perilous situation for freight forwarders in 2024.

“The problem is freight forwarders are selling long term contracts but buying the majority of volume from carriers on the short term spot market. If the rates go up, there is a serious issue,” he noted. The Outlook also highlights the continued recovery of capacity putting downward pressure on rates as a key theme for 2024, along with environmental sustainability and improving schedule reliability in ocean freight shipping.

Source: fibre2fashion.com– Nov 30, 2023

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Global denim jeans market to grow at 6.3% CAGR from 2022-30: Report

A new report 'Denim Jeans-Global Strategic Business Report' by ResearchAndMarkets states, global denim jeans market will grow at a CAGR of 6.3 per cent from 2022-2030.

Currently worth \$70 million, the market will reach \$114.6 million by 2030. Most of this growth will be dominated by online sales that increase at 12 per cent during the analysis period. The offline channel, on the other hand, will grow by a 4.2 per cent CAGR to reach \$77 million.

The growth in the global denim jeans market during the analysis period will be dominated by China that will grow at a 8.9 per cent CAGR to \$25.9 per cent in 2030. Japan is forecasted to grow at 3.4 per cent while Canada will grow by 5.1 per cent over the 2022-2030 period. The growth in Europe will be dominated by Germany, which will grow at approximately 3.9 per cent CAGR.

Source: fashionatingworld.com– Nov 30, 2023

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Vietnam's VITAS targets \$44 bn from textile-apparel exports in 2024

The Vietnam Textile and Apparel Association (VITAS) aims to earn \$44 billion from textile and apparel exports next year amid positive developments witnessed in the last quarter this year.

The export revenue this year is estimated to top \$40 billion, about 9.2 per cent less than that of last year's, VITAS chairman Vu Duc Giang told a recent press conference.

Vietnamese textile and garment products were exported to a record 104 countries and territories this year, he said.

The United States remained the biggest importer of Vietnamese textile and apparel, with a turnover of over \$11 billion by the end of September this year. It was followed by Japan (about \$3 billion), South Korea (\$2.43 billion) and the European Union (\$2.9 billion).

Vietnam's exports to the EU, however, failed to meet expectations with the first nine month's revenue dropping by 13 per cent, a news agency reported.

There is a need for the country to focus on developing the fashion industry, building domestic brands and then making them globally known, Giang added.

Source: fibre2fashion.com– Nov 30, 2023

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Pakistan: Record cotton exports likely this season

Pakistan has exported at least 125,000 cotton bales this season and the quantum is set to improve further during the current crop season.

The cotton consignments are being destined for China, Vietnam and Indonesia and a significant point is that all these export deals have been clinched by only one cotton ginner from Sindh, Dr Jasso Mal, Dawn has learnt.

It is hoped that a similar quantity of cotton bales will be exported during the remaining period of the season. Cotton exports could not enter six digits since 2017-18 when the exports stood at 207,424 bales.

The country exported just 4,900 bales in 2022-23, 16,000 bales in 2021-22 and 70,200 bales in 2020-21. Ginners say a better quality of lint and bullish international markets are attracting foreign buyers towards Pakistani cotton.

Cotton Ginners Forum Chairman Ihsanul Haq says that the lack of rains traditional in most of the cotton growing areas helped to improve the crop quality and this was supported by a record devaluation of the rupee making the local cotton cheaper on the world markets.

He says that the cotton exports may have set a record had there not been a drop in the lint yield in Punjab because of a severe whitefly attack, while there were also negative impacts of the environmental pollution.

He urges the government to desist from levying heavy taxes on the textile sector under pressure from the International Monetary Fund as the sector is already reeling under unprecedented gas and electricity tariffs as well as mark-up rates.

He claims that around 60pc of textile mills in the country have become dysfunctional because of the issues and it is feared that the local industry will fail to consume even nine million bales of cotton.

Source: dawn.com– Nov 30, 2023

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NATIONAL NEWS

Texprocil to use blockchain tech for certifying Kasturi cotton

The Cotton Textiles Export Promotion Council has rolled out a blockchain-based technology to enable traceability of garments and fabrics made of Kasturi cotton using QR code.

The government has appointed Cotton Corporation of India and Texprocil as the nodal agency to promote Kasturi as the premium cotton brand from India.

Texprocil has registered 300 ginners on its platform that certifies the premium 29-30 mm cotton with trash content of 2 per cent and other defined matrix. The Kasturi cotton will fetch a premium price of 5-6 per cent for farmers.

Lalit Kumar Gupta, Chairman and Managing Director, CCI, said the industry expects an output of 300 quintals of Kasturi cotton in the first year of production.

The quantity will increase in the coming years as the farmers realise the benefit of growing cotton that meets the specification to be branded as Kasturi cotton, he added at the event to announce the 81st plenary meeting of the International Cotton Advisory Committee in Mumbai.

Brand promotion

Roop Rashi, Textile Commissioner, said the event which is themed as “Cotton Value chain: Local innovations for global prosperity” would serve as a platform for sharing good practices and experiences across the globe on productivity, climate resilience and circularity for a vibrant cotton economy.

In a bid to promote Kasturi cotton among global audience, she said textile minister Piyush Goyal will launch a logo and stamp of the cotton brand Kasturi.

Siddhartha Rajagopal, Executive Director, Texprocil, said CCI will identify the farmers who want to sell cotton that meets Kasturi specification and the Council will certify the cotton bales after doing the due diligence.

Once the cotton is certified, a specific QR code will be generated and it will be updated as it changes hands from ginners, spinners and weavers. The final garment made of Kasturi cotton will have a QR code which can be used to trace back the ginner, he said.

Going ahead, he added there are plans to register the farmers who sell Kasturi cotton so that the tracking can be from field to garment.

Source: thehindubusinessline.com– Nov 30, 2023

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Indian economy to exceed growth estimates after strong Q2 beat: economists

The Indian economy is projected to grow at a 6.7 per cent -7 per cent rate in the fiscal year ending March 31, 2024, several economists said, upping their projections after the country blew past growth estimates for the July-September quarter.

The country's economy expanded 7.6 per cent in the July-September quarter, trouncing estimates of a 6.8 per cent rise, data released on Thursday showed.

Stronger-than-expected growth in the first half of the year, along with continued government spending and some revival in private investment has prompted economists to raise their growth forecast to higher than the government's estimate of 6.5 per cent.

"With 7.7 per cent real GDP growth in the first half of 2023-24, the overall growth for full fiscal would be around 7 per cent...though there are chances that it may cross the 7 per cent mark," said Saumya Kanti Ghosh, chief economist at State Bank of India. He had an earlier forecast growth at 6.7 per cent.

The government stuck to its 6.5 per cent growth forecast for the year, but chief economic advisor V. Anantha Nageswaran said he was "more comfortable with an upside to this projection than before".

Citigroup revised its growth forecast for the financial year upwards by 50 basis points to 6.7 per cent citing a pick-up in investment activity.

Gross fixed capital formation, an indicator of investment, rose 11 per cent in the July-September quarter.

"This reaffirms our view of sustained investment recovery," the Wall Street bank's chief India economist Samiran Chakraborty said in a note.

"While the 13.3 per cent growth in construction gross value added indicates public infrastructure/residential capex led investment growth – such strong gross fixed capital formation data might also suggest an element of private capex recovery," Chakraborty said.

DBS now sees growth in the current financial year at 6.8 per cent from 6.4 per cent earlier.

"There was a broad-based improvement in investments, reflecting higher state and centre spending alongside recovery in the real estate sector and inventory demand ahead of festivities," said economist Radhika Rao in a note.

"This made up for the softness in consumption spending and a negative contribution by net exports".

Consumption remained weak, growing just 3.1 per cent in the second quarter of the year signalling that parts of the economy are still to recover. "Rural demand remains weak, reflecting low real wage growth and uneven monsoon," said Gaura Sen Gupta, economist at IDFC First Bank Economics Research, which has upped its growth forecast for the year to 6.7 per cent from 6.2 per cent earlier.

Source: thehindubusinessline.com– Dec 01, 2023

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Government cracks the code to track recycled textiles trade

India will soon start keeping a record of its export and import of recycled textiles, as the government plans to track the trade of products made from regenerated fibres and measure the growth of the circular textile economy.

The textiles ministry has kick-started the process to create separate tariff codes - called HSN (harmonised system of nomenclature) codes in trade parlance - as the existing ones do not account for recycled textile products and they are exported and imported in existing yarn, fabric, garment and waste codes.



Vikash

India's exports of worn clothing and rags in 2022-23 amounted to \$134.7 million and imports were \$381.71 million. Almost half the imports came from Bangladesh.

"We are trying to capture the trade of recycled textiles as some countries ban or restrict their trade," said an official, who did not wish to be identified.

Separate HSN codes for recycled textiles will help customs authorities, policymakers and trade organisations to better regulate and manage the trade of these products, besides facilitating compliance with sustainability standards and certifications.

The ministry is already assessing pre-and post-consumer waste generation and its source identification to get an estimate of such waste generated in the country.

"The recycled varieties of yarn, fibre and fabric are there and we want to make HSN codes at six-eight digit levels," the official said, adding that India will devise a way first to quantify the trade before taking up this issue with other countries.

The move is in line with the EU's new Circular Economy Action Plan, 2020 which has included textiles as one of the key product value chains facing multiple sustainability challenges.

At present, only four-five companies are being captured which deal with recycled textiles, according to the official.

As per IMARC Group, India's textile recycling market size was \$308.7 million in 2022 and is expected to reach \$375 million by 2028, with a compound annual growth rate of 3.4% in 2023-2028.

"It is an emerging area and identification of recycled textiles will be important. It will give identity to the recycling segment," said Chandrima Chatterjee, secretary general, Confederation of Indian Textile Industry.

"Fashion waste and brands' dead stock is the highest of the lot," said an industry representative, who did not wish to be identified, adding that the HSN classification will help identify and track their trade and aid transparency in the supply chain.

Source: economictimes.com– Dec 01, 2023

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Indian economy expected to sustain strong growth amid global gloom

India consolidated its position as the fastest-growing major economy globally as the Government's Statistics office on Thursday released the Gross Domestic Product (GDP) data for second quarter spanning July to September months of the financial year 2023-24.

The data showed that Indian economy has grown by 7.6 per cent during Q2 FY24 mainly on account of strong performance by industries. It is much higher than the projection of the Reserve Bank of India's Monetary Policy Committee (MPC) last month. Economic growth rate based on changes in GDP was 7.8 per cent in April-June quarter (Q1 of FY24) and 6.3 per cent of July period of FY23.

The government said it will stick to its full year projection of 6.5 per cent for now but indicated there could be an upward revision. "The GDP growth numbers for Q2 display the resilience and strength of the Indian economy in the midst of such testing times globally. We are committed to ensuring fast paced growth to create more opportunities, rapid eradication of poverty and improving 'Ease of Living' for our people," Prime Minister Narendra Modi said in a tweet.

Chief Economic Advisor V Anantha Nageswaran said that these numbers impart a certain upside to the 6.5 per cent estimate for real GDP growth in the current financial year. "We will have to work the numbers to see what kind of upside the current numbers impart for the full year estimate. Until then, we will keep the estimate at six and a half per cent except we are signaling that we are now probably more comfortable with this number than we were before," he said.

Agri, services

However, data showed that agriculture and services have slowed down. Uneven movement of monsoon could be responsible for the slowdown in the farm sector.

Explaining the trend, Sunil Kumar Sinha, Principal Economist & Paras Jasrai, Senior Analyst with India Ratings & Research, said that agricultural sector witnessed the slowest growth in 18 quarters in 2QFY24

indicative of the lacklustre kharif sowing season which was impacted by the advent of El-Nino.

The below par growth in the agriculture sector implies that the rural demand is under stress which is preventing the consumption demand to be broad-based. “The growth of the trade, hotels, transport, communication and services related to broadcasting (4.3 per cent y-o-y) and financial services (6 per cent y-o-y) pulled down the services sector growth to a six-quarter low in 2QFY24,” said Sinha in a note.

Moderation seen

Economists predicted some moderation in the next quarters while still holding yearly growth to be higher. DK Srivastava, Chief Policy Advisor, EY India, said: “The 2QFY24 real GDP growth at 7.6 per cent confirms that the Indian economy is well on course to meet, if not exceed, the annual growth target for FY24 at 6.5 per cent as projected by the RBI earlier in October 2023.”

Swati Arora, Economist with HDFC Bank, said, “heading into October-March (H2 FY24), we expect GDP growth to moderate on an annualised basis due to waning support from favourable base. However, on a sequential basis, we expect an uptick both in Q3 and Q4.” Further, she said she expects the RBI to sound hawkish in its upcoming policy and revise up GDP growth by 20-30 bps for FY24.

Dharmakirti Joshi, Chief Economist with Crisil, said he expects growth to moderate in the second half due to multiple factors – deepening global slowdown; the lagged impact of domestic rate hikes manifesting fully through the second half of this fiscal; and erratic weather and an El Niño event creating some downside to agricultural growth prospects.

The advance estimates from Ministry of Agriculture peg kharif production at 4.6 per cent lower than last year. “Despite moderation in the second half, India is expected to outperform other large economies this fiscal year,” he said.

Source: thehindubusinessline.com– Nov 30, 2023

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Indian e-commerce companies sold 23% more this Black Friday: Report

The Indian e-commerce ecosystem is estimated to have posted about 23 per cent increase in sales over the Black Friday weekend compared to last year's Black Friday weekend, with fashion and beauty products 'dominating' sales, according to ecommerce enablement platform Unicommerce.

Websites run by individual brands saw order volumes rising by 28 per cent during the weekend, while marketplaces saw their order volumes expand 19 per cent, Unicommerce data showed. "While during the Diwali festive sales, marketplace growth outpaced D2C (direct-to-consumer) brands, the trend was reversed during the Black Friday weekend," it said in a statement.

Unicommerce said the sale period also saw increased activity from beyond metro cities in India. While Tier-III towns saw the highest growth of all geographies with a 43 per cent surge, Tier-II towns saw a 16 per cent growth and Tier-I cities saw a 19 per cent growth.

There was a "noticeable uptick" in categories such as fast moving consumer goods (FMCG) and eyewear during the sale, it said. Customers extended their post-Diwali shopping spree" to continue buying during the Black Friday and Cyber Monday sales, the firm added.

Over 8.5 million order items demand received on the Unicommerce platform during the 2023 Black Friday sale weekend.

"Unicommerce received an average of 1500 orders of item demand every minute. More than 10 sellers received demand for over 100,000 orders items during the four-day weekend, and over 100 sellers received demand for more than 10,000 orders items through the platform," said the platform.

Source: thehindubusinessline.com– Nov 29, 2023

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