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INTERNATIONAL NEWS

Euro area & EU's industrial producer prices rise 0.8% in July 2024

Industrial producer prices in both the euro area and the European Union (EU) increased by 0.8 per cent in July 2024 compared to the previous month, according to first estimates from Eurostat, the statistical office of the EU. This follows a 0.6 per cent rise in June 2024 for both regions.

However, on an annual basis, industrial producer prices showed a significant decline. Compared to July 2023, prices fell by 2.1 per cent in the euro area and by 1.9 per cent in the EU.

In the euro area, industrial producer prices for July 2024 saw mixed results across sectors when compared to June 2024. Prices for intermediate goods decreased slightly by 0.1 per cent, while energy prices saw a sharp increase of 2.8 per cent, as per Eurostat

Durable and non-durable consumer goods both experienced price declines of 0.1 per cent. As a result, prices in total industry excluding energy fell by 0.1 per cent. Similarly, in the EU, prices for intermediate goods remained stable, while energy prices rose by 2.5 per cent. Durable consumer goods saw a minor decrease of 0.1 per cent, and non-durable consumer goods prices remained stable. Overall, prices in total industry excluding energy in the EU also declined by 0.1 per cent.

Among EU member states, the highest monthly increases in industrial producer prices were recorded in Bulgaria, with a rise of 3.6 per cent, followed by Greece with an increase of 2.9 per cent, and Romania, where prices grew by 2.7 per cent. In contrast, Sweden saw the largest decrease in producer prices, falling by 0.9 per cent, followed by Finland with a 0.7 per cent drop, and Austria with a 0.2 per cent decline.

When comparing July 2024 to July 2023, the euro area saw a decrease in prices across several sectors. Prices for intermediate goods fell by 1.2 per cent, while energy prices dropped significantly by 6.9 per cent. However, durable consumer goods prices increased by 0.3 per cent, and non-durable consumer goods prices rose by 1 per cent. In total industry excluding energy, prices showed a modest increase of 0.2 per cent.

In the EU, similar trends were observed. Intermediate goods prices declined by 1.2 per cent, and energy prices fell by 5.9 per cent. However, durable consumer goods prices increased by 0.2 per cent, and non-durable consumer goods rose by 0.9 per cent. Prices in total industry excluding energy saw an increase of 0.2 per cent.

On an annual basis, the largest decreases in industrial producer prices were recorded in Slovakia, which experienced a significant 18.9 per cent drop, followed by Luxembourg with a 6.7 per cent decrease, and Latvia with a 6.0 per cent decline. On the other hand, Ireland saw the highest annual increase in producer prices, rising by 6.1 per cent, followed by Romania with a 2.7 per cent increase, and Portugal, where prices grew by 2 per cent.

Source: fibre2fashion.com– Sep 04, 2024

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US Aug logistics manager's index slightly down from Jul reading

The US logistics manager's index (LMI) was 56.4 in August this year, down slightly from July's reading of 56.5. The overall index has now increased for nine consecutive months.

The index has been remarkably consistent, reading in at 55.6, 55.3, 56.5 and 56.4 over the last four months as the logistics industry has continued its slow, steady expansion, an official release from the agency said.

Researchers at Arizona State University, Colorado State University, Florida Atlantic University, Rutgers University, University of Nevada, Reno, and the Council of Supply Chain Management Professionals (CSCMP) issued the LMI report recently.

August inventory levels, which were up by 6.1 points to 55.7, broke the streak of contraction that was observed over the previous three months. This suggests that after running inventories down, firms are building them back up again in anticipation of the fourth quarter (Q4) this year, the release noted.

This also suggests a return to traditional patterns of seasonality that have not been seen since pre-COVID times.

This build-up of inventories is somewhat tempered by increases in both warehousing capacity (plus 5 points) and transportation capacity (plus 5.8 points).

Transportation prices read in at 61.6, implying prices have increased in seven of the last eight months as well as in the last four consecutively. The prices are still nowhere near the highs of 2020-2021, but it is a marked shift from the 18 consecutive months of contraction from July 2022 till December 2023.

The signs of new life in the freight market, along with anticipation of the traditional jump in demand that follows the Labour Day holiday, are likely causing some of the capacity that had been sidelined over the past two years to re-enter the market, accounting for the mild increase in available capacity, the release said.

Warehousing capacity increased in the month, at least partly because downstream inventory levels were still decreasing at 46.3. Warehousing prices were still up (plus 2.8) to 63.1, with more of the cost increase coming from downstream respondents.

Respondents continued to be largely optimistic about the future of the logistics industry, predicting an overall growth rate of 62.4 which is up slightly (plus 0.4) from July's future prediction of 62 and is 7 points higher than the current reading of 55.4.

The LMI score is a combination of eight unique components that make up the logistics industry, including: inventory levels and costs, warehousing capacity, utilisation and prices, and transportation capacity, utilisation and prices. Any reading above 50 indicates that logistics is expanding; a reading below that is indicative of a shrinking logistics industry.

Source: fibre2fashion.com– Sep 05, 2024

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SE Asia's economies remained resilient in Q2 2024: McKinsey

Southeast Asian nations remained resilient and delivered credible economic performance in the second quarter (Q2) this year, offering hope economic growth will continue there, according to McKinsey, which recently said growth outlook will, however, remain subject to both external and domestic risk considerations.

GDP grew in all economies, with Malaysia, the Philippines, Thailand and Vietnam recording the fastest rate of year-on-year (YoY) growth over the past four quarters.

Indonesia experienced a growth plateau and Singapore grew by 0.1 per cent slower in Q2 2024 the quarter compared to Q1.

Growth drivers were nuanced in every Southeast Asian economy, across a combination of strong consumption, output expansion and higher exports, following an improvement in global demand.

The fragile external environment continues to provide mixed signals and various ongoing challenges, including geopolitical conflicts, could pose challenges to Southeast Asia's growth momentum, the company said in an insights piece on its website.

The Philippines and Vietnam continued as the region's top two performing economies in Q2 2024, growing at 6.3 per cent and 6.9 per cent respectively, with Malaysia coming in at third, having expanded by 5.9 per cent.

Having turned a corner in the previous quarter, trade activities held up strongly in the second quarter 2024. Exports in all ASEAN countries saw accelerated growth in the quarter, except for the Philippines and Vietnam, where growth moderated.

Indonesia's exports growth jumped from 1.37 per cent in Q1 2024 to 8.28 per cent in Q2, while Malaysia's exports growth more than doubled from 2 per cent in Q1 to 5.8 per cent in Q2.

Thailand saw a turnaround from a 1.1 per cent contraction in exports in Q1 2024 to achieve a strong 4.5 per cent growth in Q2, while Vietnam attained a double-digit growth of 12.5 per cent in Q2.

While Indonesia and the Philippines saw a moderation in industrial output growth in Q2, there were positive performances that came from the rest of the region. Malaysia's output growth more than doubled in Q2 on the back of strong performance from both domestic and exports producing sectors, while Thailand marked the first quarter of output expansion, having contracted for the past six quarters.

Vietnam's industrial output continued to expand at a faster pace, while Singapore saw a smaller contraction of 1 per cent this quarter.

Source: fibre2fashion.com– Sep 06, 2024

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Retailers Are Going Back to Basics for a Tough Holiday Season

Back-to-school has brought a back-to-basics vibe back to fashion.

As kids everywhere shake off the months of idleness with "What I did this summer" essays, retailers are going through a similar exercise. But instead of detailing beach outings, chief executive officers (and C-suites) are out talking to Wall Street, playing up how hard at work they've been — executing on strategy, controlling the controllables, taking their cues from consumers and so on.

The stakes are high, but expectations are low.

Research and consulting firm Customer Growth Partners pegs holiday retail sales for an increase of 2.5 and 3.5 percent this year—with most or all of that increase coming from inflation. It's been a tough stretch for retail with shoppers growing more cautious and buying closer to need, a dynamic that bodes ill for the holiday rush, which is starting earlier and earlier, but this year is also complicated by the election.

And retailers, who in the recent past have leaned into flashy tech to try to connect with shoppers and drive growth, are now getting back to roots and pushing retail basics. Technology, of course, is not going away, but consumer savvy companies are now looking all the more to get digital in ways that support what have long been viewed as business fundamentals in fashion.

Exhibit one is Abercrombie & Fitch Co., which—as GlobalData's managing director Neil Saunders pointed out in an analysis—pushed second-quarter sales up 40.9 percent over the past two years.

And those were two tough years for retail.

"The key to this success isn't complicated to explain, although it is way more difficult to execute," Saunders said. "At its heart is a complete focus on the customer aligned with operational flexibility to respond to changes and shifts in the market. A great example of this is the way the company has made its supply chains nimbler so that it can chase and quickly respond to emerging fashion trends. This ensures that assortments always look fresh, but more importantly that they are relevant to shoppers. In turn, this drives sales and helps other dynamics such as visit frequency to stores and online."

Abercrombie might have set the bar impossibly high for the rest of retail, but there are others who have had to rejigger some and are now working their way back with some retail 101 energy.

Target Corp. returned to growth in the second quarter with a 2 percent increase in comparable sales, which chair and CEO Brian Cornell described as "the very top end of our guidance range."

That comp was driven entirely by the most basic of retail basics: traffic.

Target is getting people into its stores and to its website and, for the first time in a while, getting them to buy more apparel, where comps grew by more than 3 percent in the second quarter, a 5 percent swing for the better when compared with the first quarter.

"Our apparel team has done a fantastic job of incorporating great design, newness and value throughout their assortment, most notably in our All in Motion brand, which delivered growth in the low teens," Cornell told analysts.

Design, newness and value are all retail classics.

At Gap Inc.—where president and CEO Richard Dickson is working to turn the ship and is touting six consecutive quarters of market share gains—brand is very much in focus.

"We remain focused on driving relevance and revenue by executing on our brand reinvigoration playbook," Dickson said. "We are building stronger brand identities, supported by trend-right products, amplified through more compelling storytelling with an innovative media mix that is translating to greater cultural relevance."

The retail challenges of 2024, it seems, require not necessarily a whole new set of skills, but modern updates of the skills that were well honed by 2004.

Fashion is finding its roots just as it heads into a make or break holiday season, which will be something like a game of chicken between consumers and retailers.

There are only 27 days between Thanksgiving and Christmas, five fewer than last year—a tough set up given that, while shoppers have showed up for holiday shopping, many are also waiting until the very last minute to make many purchases. How that collides with a holiday season that is starting earlier than ever, remains to be seen this year.

Calvin McDonald, CEO of Lululemon Athletica Inc., told analysts that, "Our full-year revenue guidance acknowledges the uncertainty around the shorter holiday shopping season and the U.S. election in quarter four."

Lululemon is expecting revenue growth of about 6 percent to 7 percent this year, excluding an extra week in the fiscal calendar, on par with performance in the second quarter. And while that's not the growth that the market had come to expect from Lululemon, McDonald said the company is still on target to double its top line between 2021 and 2026, growing to $12.5 billion.

"We plan for our penetration of newness to improve in the second half of 2024, and we expect to be back to our historical levels of newness as we start 2025," the CEO said.

Newness, that age-old virtue of retail, is new again.

Source: fibre2fashion.com– Sep 04, 2024

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The unstoppable rise of casualwear, as a global fashion phenomenon

In the ever-evolving world of fashion, one trend is dominating the global landscape: the undeniable preference for casualwear. From the bustling streets of New York to the vibrant markets of Mumbai, people everywhere are embracing comfort and versatility in their everyday attire. This trend is not merely a passing fad but a fundamental change in how consumers express their style, with 'comfort' now a key consideration alongside aesthetics.

Trend forecasting, a casual future

Leading trend forecasting agencies unanimously predict the continued dominance of casualwear in the coming years. WGSN, a renowned fashion authority, points to the "casualization" of fashion, driven by factors such as the rise of remote work, the desire for sustainability, and a growing emphasis on self-expression.

The Future Laboratory further highlights the blurring of lines between formal and casual wear, with a growing demand for "hybrid" garments that can be dressed up or down. This trend reflects the evolving needs of the modern consumer, who seeks both comfort and style in their clothing choices. Fashion Snoops echoes this sentiment, foreseeing a continued focus on "cozycore" and "comfort dressing," with an emphasis on versatility and functionality.

Consumer trends driving the casualwear revolution

The casualwear boom can be attributed to several interconnected factors:

Remote work and hybrid lifestyles: The shift towards remote work has revolutionized wardrobes worldwide. Traditional work wear has taken a backseat, paving the way for comfortable yet presentable clothing options.

Emphasis on wellness: The pandemic has underscored the importance of physical and mental well-being. Consumers are gravitating towards clothing that supports an active and mindful lifestyle. Digital connectivity: The ubiquity of social media and video calls has increased the focus on personal appearance, even in casual settings. This has fueled the demand for stylish and versatile casualwear options.

Sustainability concerns: The growing awareness of the fashion industry's environmental impact has prompted many consumers to opt for durable, timeless pieces that transcend fleeting trends.

Emerging regional patterns

The US market is a major driver of the casualwear trend, with athleisure brands like Nike and Lululemon experiencing significant growth. American consumers are increasingly embracing a 'dressed-down' aesthetic, opting for comfortable yet stylish clothing that reflects their active lifestyles. European consumers too are also adopting casualwear, with Scandinavian minimalism and French nonchalance serving as inspiration. Sustainable and ethically produced clothing is gaining traction, particularly among younger generations.

In Asia, China, the casualwear market is booming, driven by a growing middle class with increased disposable income. Domestic brands are thriving, offering affordable and trendy casualwear that caters to the preferences of Chinese consumers. The Indian market is experiencing a similar shift towards casualwear, fueled by a growing youth population and the influence of global fashion trends. Traditional Indian clothing is also being reinterpreted in a more casual and contemporary context.

The global preference for casualwear highlights a fundamental shift in consumer behavior and fashion culture. This trend has got a boost from a desire for comfort, versatility, and sustainability, as well as a growing emphasis on self-expression. With forecasting agencies predicting continued growth of this trend, casualwear is poised to shape the future of fashion for years to come.

Source: fashionatingworld.com– Sep 06, 2024

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Vietnam expected to establish trading exchange for Fashion industry in 2025

Vietnam is expected to establish a trading exchange for raw materials and accessories for the fashion industry in 2025.

Emphasizing the importance of this initiative, Deputy Minister of Industry and Trade Phan Thi Thang said “We cannot keep outsourcing forever; the textile and footwear industry needs to take control of the sources of raw materials and the design stages... Thus, the establishment of a trading exchange for raw and auxiliary materials for the Vietnamese fashion industry is truly necessary."

During a trade promotion event in August, Deputy Head of the Ministry of Industry and Trade’s Industry Agency Pham Tuan Anh highlighted that textiles and footwear are Vietnam’s two key export sectors, with export revenue consistently growing over the years, achieving an average growth of over 10% per year.

According to reports from the World Trade Oraganization and the World Footwear magazine, Vietnam is currently the second-largest exporter of footwear and the third-largest exporter of textiles in the world.

In the first two quarters of 2024, despite significant impacts from the global economic downturn, the total export value of these two sectors reached nearly $30 billion, accounting for nearly 16% of Vietnam’s total exports and creating about 5 million jobs, which represents 22% of the industrial workforce in Vietnam.

Although the export revenue of the textiles and footwear sector accounts for a high proportion of the country's total import-export revenue, the value contributed by domestic enterprises remains limited. Over 60% of the textile export value comes from FDI enterprises, despite only representing 24% of the number of enterprises. Meanwhile, in the footwear sector, FDI enterprises account for nearly 80% of export revenue and only around 30% in terms of the number of enterprises.

The reality shows that Vietnam’s textiles and footwear industry remains focused on contract manufacturing, resulting in low added value. The sources of raw materials and accessories are primarily imported from foreign markets, mainly from China, South Korea, and other ASEAN countries.

Therefore, the development of raw materials and accessories for these two sectors is essential, said Mr. Anh.

In December 2023, Vietnam Leather, Footwear and Handbag Association and Vietnam Textile & Apparel Association requested permission from the Ministry of Industry and Trade to establish a trading exchange for raw materials and accessories for the fashion industry.

The move aligns with the development orientation of the supply of raw materials and accessories for the textile, garment, leather and footwear industries as stated in the Prime Minister's Decision No 1643/QĐ-TTg dated December 29, 2022, which approves the Strategy for the Development of the Textile, Garment, and Footwear Industry until 2030 with a vision to 2035; and the Government's Resolution No 115/NQ-CP dated August 6, 2020 on solutions to accelerate the development of the supporting industry.

Source: vneconomy.vn– Sep 05, 2024

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Bangladesh: RMG work orders shifting to India amid unrest in BD

A latest spate in labour unrest in Bangladesh's readymade garment factories prompted global apparel brands to shift work orders to neighbouring India.
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The unrest follows Sheikh Hasina government's fall in a student movement.

Factory owners and labour leaders allege that the unrest, apparently created at the instigation of outsiders, has forced hundreds of their units to close for the last couple of days.

As a result, the buyers were reportedly shifting their orders to India, they said.

In addition to the closed ones, hundreds of garment factories suspended their operations for the last four days, beginning from Monday over the worker protests.

The Economic Times of India on Thursday reported that the Tiruppur knitwear export hub has swung export orders worth 4.50 billion rupees in the last two weeks from Bangladesh due to the political unrest there.

Quoting KM Subramanian, president of Tirupur Exporters' Association (TEA), it also noted that global apparel brands like KiK from Germany, Zeeman from Netherlands, and Pepco of Poland, among others, placed orders to be delivered before the Christmas and New Year and the average price of the garment ordered is to the tune of $3.0 per piece.

According to another report by Times of India, Raymond Ltd Chairman and Managing Director Gautam Singhania said on Tuesday last that the company has been receiving "massive inquiries" for garments supply after the political crisis erupted in Bangladesh over the last two months.

"Bangladesh has no fabric capacity... Fabric goes from India to Bangladesh. With the current crisis in Bangladesh, if a customer comes to us, we are giving them integrated supply, both the fabric and the garment, thus saving time.

"The perception has changed against Bangladesh. This is the time when we are getting massive inquiries. We invested 2.0 billion rupees last year to increase our capacity, which has come online and is available," the report quoted Singhania.

Global Data, a leading data and analytics company, on August 19 revealed that the ongoing political and economic instability in Bangladesh, a global hub for textile and apparel manufacturing, became the focal point of discussion among the industry experts and influencers on social media platform "X".

Influencers highlight that the disruption in Bangladesh's textile sector offers India a chance to capitalise on the potential shift in global apparel manufacturing.

They believe India's market share in apparel exports could increase as global brands seek to diversify their supply chains, revealed the Social Media Analytics Platform of Global Data.
GlobalData's Social Media Analytics Platform captured a few popular influencer opinions in this regard.

"Someone's crisis is someone else's opportunity. Bangladesh has been a major exporter of textiles. Now that Bangladesh is going through huge instability, India should make use of the opportunity to bring that business to our country. More so, Tamilnadu should use this opportunity as the state with the number one share of textile exports," GlobalData statement quoted D Muthukrishnan, a certified financial planner.

"India's market share in apparel exports has been 3.0 per cent for a long time. Disruption in Bangladesh along with wage revision is making global labels think of diversification... Lot of Indian companies could be benefitted inking term," it quoted Gurmeet Chadha, chief investment officer at Complete Circle Wealth.

"Bangladesh's loss (textiles) will be Bihar's gain," said Saurav Jha, founder and director of Delhi Defence Review.

Prashant Nair deputy executive editor at CNBC-TV18 was quoted as saying: "A quick point on textile stocks rallying - while the Bangladesh situation may benefit Indian mills. I reckon it will be a temporary bump. Textile exports are Bangladesh's mainstay. Whoever takes charge won't let it slip."

Shreyasee Majumder, Social Media Analyst at GlobalData, commented: "Influencers express a mix of optimism and caution regarding the potential benefits for India's apparel industry amid the Bangladesh's textile sector disruptions."

There is a widespread perception that this is a promising short-term opportunity, predicting a rally in textile stocks and an increase in India's market share, she said.

Many believe that Bangladesh, given the critical importance of textiles to its economy, will prioritise restoring its industry, potentially reclaiming its position sooner than anticipated, she added.

Source: thefinancialexpress.com.bd– Sep 05, 2024

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Source: vneconomy.vn– Sep 05, 2024

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Bangladesh: German factory orders rise but outlook stays gloomy

German industrial orders rose for a second consecutive month in July, official data showed Thursday, but analysts said it wasn't enough to brighten the outlook for struggling Europe's top economy.

New orders, closely watched as an indicator of future business activity, climbed 2.9 percent month-on-month, according to federal statistics agency Destatis, following an upwardly revised increase of 4.6 percent in June.

But the July rise was driven by large orders, notably an 86.5-percent jump in orders for planes, ships and trains.

Without those big-ticket items, orders for July would have been down 0.4 percent. Germany's crucial manufacturing sector has been hit hard by higher energy costs in the wake of Russia's war in Ukraine and cooling demand from abroad, contributing to a wider downturn that saw the country's economy shrink in 2023.

With a hoped-for recovery yet to materialise, incoming orders were "likely to remain a lonely island in a sea of weak data", said LBBW economist Jens-Oliver Niklasch.

The economy ministry was equally gloomy. Recent data pointed to continued "weak foreign demand", it said in a statement, while confidence indicators in the manufacturing sector "recently deteriorated again".

"Industrial activity is therefore likely to remain subdued in the coming months," the ministry added.

The German government has forecast 0.3 percent growth this year but that figure is looking increasingly ambitious. The Ifo economic institute on Thursday lowered its full-year outlook for the country. It now expects the German economy to stagnate in 2024, after previously predicting 0.4 growth.

Source: thedailystar.net– Sep 06, 2024

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Pakistan: Declining trade share

Pakistan made up around 0.13 per cent of global trade in 2022, showing a gradual decline from previous decades. In contrast, the trade share of its neighbouring economies, India and Bangladesh, has been steadily increasing.

India held a larger share, about 2.5 per cent, in 2022, reflecting its rapidly growing economy and global presence. Bangladesh also saw an increase, reaching 0.24 per cent of global exports in 2022, driven largely by its dominant textile industry.

Looking at the historical progression of global trade shares for these countries, it is notable that in 1990, Pakistan's share was around 0.16 per cent, India's was 0.5 per cent, and Bangladesh's was about 0.06 percent. By 2000, Pakistan's trade share remained similar, while India's share grew to approximately 0.7 per cent and Bangladesh saw a slight increase. In 2010, India's trade share surged to over 1.5 per cent, while Pakistan experienced minimal growth, and Bangladesh continued its ascent, particularly in textile exports.

By 2020, India's trade share expanded further to nearly 2.2 per cent, Bangladesh exceeded 0.2 per cent, while Pakistan's share remained stagnant. The latest data for 2023 shows India's trade share at 2.5 per cent, Bangladesh at 0.24 per cent, and Pakistan's at around 0.13 per cent.

India's significant rise can be attributed to its diversified economy, while Bangladesh's growth is largely export-driven through textiles. Pakistan, however, has struggled to maintain a strong global trade presence due to flaws in its economic policies.

The country has been losing its share in global markets due to a limited product range and dependence on a few markets, leading to a constant decline in its global trade share. Successive governments in Pakistan have prioritized public-pleasing policies over prudent economic reforms.

The private sector, dominated by textile tycoons, has preferred investment in the low-value-added spinning sector rather than advancing into apparel. Yarn has a ready domestic and global market that requires minimal marketing or effort, whereas the apparel sector demands significant hard work and patience. Wealthier individuals opted for the easier path, while small entrepreneurs, despite their success, lacked the capital to achieve real economies of scale.

At one time, textiles dominated Indian exports, but the sector now accounts for only 6.0 per cent of global trade. India's leap forward came with diversification into software, pharmaceuticals, auto parts, and gems and jewellery, establishing it as an emerging player in global markets. In contrast, Pakistan has failed to diversify its exports across different sectors.

Our pharmaceutical and software exports have progressed only through the efforts of individual entrepreneurs. Even in textiles, our product range is limited, and we have missed out on the blended textile market. More than 50 per cent of our exports go to the US and the EU, and we have not explored new markets, even in textiles. Bangladesh, a late entrant in textiles, serves many more destinations than Pakistan.

This poor export performance has significant implications for Pakistan's economy, as sustained high growth rates are difficult to achieve without rapidly increasing exports. Ideally, export growth should be double the GDP growth rate. We have been focusing our efforts on trade with India, which is practically impossible without improved relations. We have neglected neighbouring countries like Iran, Bangladesh and Sri Lanka, where our trade share is even lower than our current trade with India.

Source: thenews.com.pk– Sep 04, 2024

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NATIONAL NEWS

India's own body size chart for clothes soon: Giriraj Singh

India will soon roll out INDIAsize, its own sizing system for clothes instead of sizes based on those of the UK and the US, to better suit the Indian body types, textiles minister Giriraj Singh said Thursday.

At present, international and domestic brands available in India use measurements from the US or the UK for garments, having small, medium and large sizes. However, Western body types differ from Indians in terms of height, weight, or specific measurements of body parts, which sometimes lead to fitting issues.

"On IndiaSIZE, I'm trying to get the Prime Minister to inaugurate it; it should be launched soon," Singh said while launching VisioNxt Fashion Forecasting Initiative' of National Institute of Fashion Technology (NIFT).

VisioNxt is India's first-ever initiative that combines artificial intelligence (AI) and emotional intelligence (EI) to generate fashion trend insights and forecasts.

"Its mission is to identify, map, and analyse geo-specific trends, reflecting the positive plurality, cultural diversity, and socio-economic nuances of India while collating comprehensive trends and insights," textiles ministry said in a statement.

India's entry into the forecasting space offers multiple advantages. Besides reducing dependence on global forecasting agencies, it provides unique insights into Indian fashion consumers, integrates India's strength in information technology with textiles and combines artificial and human intelligence.

"A pioneering AI deep learning model developed in-house, identifies over 60 Indian wear and 40 western wear categories through computation with mandated accuracy, facilitating machine learning applications—a first in India," the ministry said.

The initiative also involved creating a comprehensive dataset of more than 70,000 primary apparel images, along with above 2.8 lakh secondary image data, to identify patterns in key apparel attributes, including style, color, and regional accents.

VisioNxt positions India globally among countries that predict fashion trends, increasing the visibility of Indian fashion vocabulary and identity while reducing dependence on international trend agencies, according to the statement.

Source: economictimes.indiatimes.com– Sep 05, 2024

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Union Minister of Textiles Shri Giriraj Singh launches India's first fashion forecasting initiative 'VisioNxt'

Union Minister of Textiles, Shri Giriraj Singh today launched the 'VisioNxt Fashion Forecasting Initiative' of National Institute of Fashion Technology (NIFT), a bilingual web portal and the India-specific Fashion Trend Book 'Paridhi 24x25'. The event was also graced by the Union Minister of State for Textiles and External Affairs, Shri Pabitra Margherita and Textiles Secretary, Smt. Rachna Shah.

In his address, Shri Giriraj Singh stated that the VisioNxt project has been launched under the visionary leadership and guidance of the Prime Minister, Shri Narendra Modi. Shri Giriraj Singh said that after 2014, India began prioritizing indigenous design and manufacturing and VisioNxt is a result of this shift.

In this era of fast fashion, VisioNxt initiative will foster healthy global competition and elevate Indian culture and design to new heights on the global stage, Shri Singh said. He noted that the fashion industry will benefit from Artificial Intelligence (AI) and Emotional Intelligence (EI) based trend insights offered by VisioNxt. This service will establish India as a leader in the global fashion sector, he added.

At the Global Textile Summit in 2017, the Prime Minister highlighted the gap in the availability of India-specific real-time trend insights for industry stakeholders. Recognizing the necessity for a tech-enabled trend prediction system, India aims to engage in a dynamic dialogue—drawing inspiration from within while projecting its influence outward—to understand the mindsets and aspirations of Indian citizens.

In response, VisioNxt—a Trend Insights and Forecasting Initiative—was conceived and established at NIFT Delhi (Creative Lab) and NIFT Chennai (Insights Lab), with the support of the Ministry of Textiles, Government of India, in 2018.

The initiative, now centralized in Chennai, focuses on delivering trend insights and forecasting for the Indian fashion and retail market. It also offers various trend related consultancy services, academic courses, workshops etc.

NIFT VisioNxt is India's first-ever initiative that combines AI and EI to generate fashion trend insights and forecasts. Its mission is to identify, map, and analyse geo-specific trends, reflecting the positive plurality, cultural diversity, and socio-economic nuances of India while collating comprehensive trends and insights. India's entry into the forecasting space offers multiple advantages: it reduces dependence on global forecasting agencies, provides unique insights into Indian fashion consumers, integrates India's strength in information technology with textiles, and combines artificial and human intelligence.

To support weavers, manufacturers, retailers, domestic businesses, homegrown designers, and fashion brands, this report is available in Hindi and English through the VisioNxt portal (www.visionxt.in). The initiative empowers users to design, produce, and launch consumer-focused, targeted collections for this diverse nation 'Paridhi' will mark the launch of the first inclusive fashion trend forecast by VisioNxt, along with a web portal to disseminate India-specific fashion trends.

VisioNxt has achieved this through the development of a unique prediction model known as "DeepVision," designed to decode patterns and interpret fashion trends in India. This model identifies product specifics, such as whether an item is a Kurta or Kurti, red or yellow, plain or striped, short or long, among other attributes, using convolutional neural network architecture at the Insights Lab of VisioNxt. These insights are then converted into comprehensive reports with design and color directions.

A pioneering AI deep learning model developed in-house, identifies over 60 Indian wear and 40 western wear categories through computation with mandated accuracy, facilitating machine learning applications—a first in India. The initiative also involved creating a comprehensive dataset of more than 70,000 primary apparel images, along with 280,000+ secondary image data, to identify patterns in key apparel attributes, including style, color, and regional accents.

VisioNxt positions India globally among countries that predict fashion trends, increasing the visibility of Indian fashion vocabulary and identity while reducing dependence on international trend agencies.

Source: pib.gov.in– Sep 05, 2024

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7% growth for FY25 looks more reasonable: State Bank of India

The State Bank of India (SBI) believes that India's gross domestic product (GDP) growth for this fiscal (FY25) will be a tad lower than the Reserve Bank of India's (RBI) estimate and 7 per cent growth looks more reasonable.

The economy expanded by 6.7 per cent in the first quarter (Q1) this fiscal—higher than the average decadal growth of 6.4 per cent in Q1—and by more than 7 per cent in the preceding four quarters.

Nominal GDP, however, grew by 9.7 per cent in Q1 FY25—higher than the 8.5-per cent growth seen in Q1 FY24.

The gross value added (GVA) grew by 6.8 per cent and the gap between GDP and GVA shrank to merely 19 basis points (bps) in Q1 FY25 compared to 122 bps in preceding three quarters.

SBI believes that this GDP-GVA gap will likely converge in FY25 as against 93 bps gap in FY24, it said in the August 30 issue of its newsletter ECOWRAP.

The expenditure side or the general demand shows largely positive picture with all heads except valuables showing positive growth in Q1 FY25.

Private consumption grew by a robust 12.4 per cent in current prices. Investments also registered a health growth of 9.1 per cent in current prices. But investment rate was flat at 31 per cent.

Government expenditure registered a growth of 4.1 per cent, which was slower, keeping in view that Q1 was also the general elections period.

Bank credit growth appears to be moderating after staying strong in recent years. SBI expects credit growth may grow in the range of 12-13 per cent and deposits will grow 10-11 per cent in FY25.

Source: fibre2fashion.com– Sep 06, 2024

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Switzerland govt submits EFTA-India trade agreement to Parliament

The Swiss government has submitted a 'dispatch' on the free trade pact between India and the European Free Trade Association (EFTA) to the Parliament, as a first step towards ratifying the ambitious deal that could open up the Indian market to Swiss exports.

Besides Switzerland, the EFTA nations also include Iceland, Norway, and Liech-tenstein.

"On September 4, the Federal Council adopted a dispatch on the free trade agreement between the EFTA states and India... In its dispatch, the Federal Council commends and sets out the content of the agreement and places it in the overall context of Switzerland's relations with India. Parliament is expected to debate the dispatch in the upcoming winter or spring sessions," a press statement from the Swiss government said.

However, a Swiss official said that before the Parliament approval, the trade deal will now be open for public consultation involving cantons, civil society and business communities. An association of citizens or a political party can ask for a referendum during the public consultation if they could collect 50,000 signatures.

In 2018, after EFTA and Indonesia signed a free trade agreement (FTA), a Swiss non-government organisation Public Eye highlighted deforestation in Indonesia for palm tree cultivation as well as the death of orangutans. These concerns triggered a nationwide referendum in Switzerland which the government managed to win by 51 per cent votes. However, the referendum delayed the implementation of the FTA between both sides until late 2021.

After 16 years of negotiations, Switzerland and the other EFTA states succeeded in becoming the first European partners to conclude an FTA with India in March this year.

"When the agreement comes into force, 94.7 per cent of Switzerland's current exports to India will enjoy tariff relief, in some cases with transitional periods. This will strengthen the competitiveness of Swiss exports in India," the Swiss release said.

According to the trade deal, the EFTA bloc “shall aim to increase” FDI from investors of the EFTA states in India by $50 billion within 10 years of this agreement taking effect and an additional $50 billion in the next five years, failing which India can partially withdraw tariff concessions.

“EFTA is also the first partner with which India has agreed a comprehensive and legally binding chapter on trade and sustainable development. This chapter includes, among other things, a commitment not to deviate from applicable environmental and labour standards. It also establishes a specific sub-committee on trade and sustainable development,” the press statement said.

India has promised to reduce tariffs to zero on 80-85 per cent of goods from EFTA countries while receiving duty-free market access for almost 99 per cent goods, including rice. Both sides have excluded most of the agri and dairy products from duty concession to protect their farmers.

India has also refused to reduce effective tariffs on gold, jewellery, dairy, cheese and automobiles. About 82 per cent of India’s import from EFTA countries, especially from Switzerland, is gold. India has only agreed to reduce the bound rate for gold to 39 per cent from 40 per cent, while the applied rate is already at 6 per cent at present.

Source: business-standard.com– Sep 05, 2024

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India-UK FTA talks delayed as new British govt yet to form negotiation team

The UK-India free trade agreement (FTA) appears to be on hold for now. The newly elected United Kingdom (UK) government is yet to form a team to negotiate the 14th round of FTA talks with India. However, this process is likely to be finalised shortly, according to a report by Moneycontrol.

The UK-India FTA, aimed at providing Britain with access to Indian markets while opening the British market to Indian businesses, was initiated in January 2024. There were hopes of completing the agreement before both countries faced general elections. So far, 13 rounds of talks have been completed by 2023, but the 14th round was halted, largely due to election schedules.

The FTA talks have yet to resume because the UK has not yet appointed its negotiating team, the report added. Negotiations were initially set to continue in July, following elections in both nations, but delays have persisted.

In the UK, the Labour Party won, ending 14 years of Conservative rule. During his first visit to India in July, UK Foreign Secretary David Lammy emphasised the importance of securing the FTA with India.

The trade agreement was featured in the manifestos of both major UK political parties.

While many aspects of the deal have been settled, some key issues remain unresolved. The Indian delegation last visited the UK in April to address some of these matters.

A major point of contention has been localisation rules for British car manufacturers seeking benefits. Another area still under discussion is the import of whiskey from the UK.

India-UK trade has declined over the years

The UK's share of India's trade has seen a decline over the last decade. In the financial year 2023-24 (FY24), the two countries traded goods worth $21.3 billion, representing 1.9 per cent of India's overall trade, down from 2.1 per cent in FY14.

While India's total trade grew at an annualised rate of 3.8 per cent between FY14 and FY24, trade with the UK lagged, growing at only 3 per cent annually.

In addition to the FTA, the two countries are collaborating on research. During his visit to India, Lammy announced the Technology and Security Initiative, which aims to promote cooperation on critical minerals, advanced materials, health tech, artificial intelligence, and semiconductors.

This initiative is a part of the UK-India 2030 roadmap, signed by both nations in 2021.

Source: business-standard.com– Sep 05, 2024

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Exporters compile traceability proofs of land to comply with EU's new deforestation regulation

Indian exporters are putting together traceability proofs such as geolocation coordinates of plots of land and details of their entire supply chain as they gear up to comply with the European Union's new regulation on deforestation.

The EU Deforestation Regulation (EUDR) requires firms to ensure that products exported to the EU have been grown on land which has not been deforested after December 31, 2020.

The regulation has implications for India's coffee, cocoa, soya, wood products, rubber and its products and leather goods exports. It prescribes fines up to 4% of a firm's annual turnover in the EU and confiscation of products and revenues gained from a transaction for non-compliance.

As part of the process, exporters are putting together traceability proofs for land and establishments associated with raising cattle, details of the entire supply chain, forest-related rules and land use information for the last five years to ensure smooth transition and continued market access.

"We have been working on the traceability software on sourcing hides and it should be ready by December. We have been preparing for almost a year," said Rafeeque Ahmed, chairman of Farida Group, one of India's largest shoe manufacturers and exporters, adding that the estimate of the additional costs of compliance would become clear in sometime.

The EUDR, which aims to curb international deforestation by imposing strict compliance requirements on goods imported into the bloc, is expected to hit India's agricultural exports worth $1.3 billion, according to think-tank Global Trade Research Initiative (GTRI).

As per the regulation, operators in third countries, including smallholders, could face costs to develop or implement systems to allow EU operators to comply with the new requirements, where they do not already have systems in place.

Further, additional costs in producing countries to ensure compliance with the regulation would be any costs of switching to production practices compliant with the "deforestation-free definition". India's total exports to the EU were $75.9 billion in FY24. "Even oilseeds will be covered under this regulation but many agricultural products are not ready for it because it is a big task. It is not easy to implement the traceability because of small land holdings," said an official.

Exports of wooden items are already subject to Vriksh-a standard for audit and traceability created by Indian industry in 2013. There are 700 exporters audited in the Vriksh scheme. "We comply with all the norms and are conducting country-wise programmes with buyers and overseas clients and educating trade to minimise their troubles," said O P Prahladka, chairman, Hitaishi KK Manufacturing, an exporter of wooden goods.

The Export Promotion Council for Handicrafts is hand-holding new and unorganised exporters for the upcoming regulation.

Even if exporters are certain that a product is not grown on the deforested land, they still have to follow all elaborate compliance requirements.

Source: economictimes.com– Sep 06, 2024

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Board of Trade to meet in Mumbai to discuss ways to boost exports on Sept 13

The Board of Trade meeting to be chaired by Commerce and Industry Minister Piyush Goyal is likely to be held on September 13 in Mumbai. Headed by the minister, the board includes participants from various states, Union territories, and senior officials from the public and private sectors.

In the meeting, representatives of export promotion councils present their views on the export sector.

Talking about the meeting, Goyal said, "Export-related matters will be discussed".

He also announced the launch of an open video link for stakeholders to raise their issues and resolve grievances.

The initiative aims to promote ease of doing business and "no one should have to go to a government office for any work".

"Export promotion is not the only responsibility of the Centre. Both centre and state have to work together in boosting exports as it will help in the creation of jobs also," Goyal said here.

He was addressing state industry ministers and senior officials.

The minister suggested the states study best practices and industrial policies of other regions and then accordingly frame their respective policy.

"Following best practices will help in pushing the country's economic growth, manufacturing and exports," he said, urging them to support and handhold industries.

He added that only subsidies will not help the industry and the states have to provide a business-friendly environment, single window system clearances and time-bound approvals.

The Board of Trade provides an opportunity to have regular discussions and consultations with trade and industry and advise the government on policy measures on foreign trade policy to achieve the objective of boosting India's trade.

It also provides a platform for state governments and Union territories to articulate their perspective on trade policy and also for the central government to apprise them about international developments affecting India's trade potential and opportunities.

After remaining in the positive zone for three months, India's exports contracted 1.5 per cent to USD 33.98 billion in July, while the trade deficit widened to USD 23.5 billion.

Exports during April-July this fiscal year surged 4.15 per cent to USD 144.12 billion, and imports grew 7.57 per cent to USD 229.7 billion.

India is targeting USD 2 trillion worth of goods and services exports by 2030.

Source: economictimes.com– Sep 05, 2024

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Amazon to surpass $13 billion in cumulative e-commerce exports from India by 2024 end

MUMBAI: Amazon is on track to surpass $13 billion in cumulative e-commerce exports from India by the end of 2024, the company said on Thursday. A widening base of sellers who are also expanding their selection of products is fueling the company's exports growth from the market, said Bhupen Wakankar, director, global trade at Amazon India.

The Seattle-based firm has set a target of enabling $20 billion in cumulative exports from India by 2025, which Wakankar said should be achievable.“The first $8 billion cumulative exports took eight years and we reached $13 billion this year. Considering the trajectory that we are on, we feel we are going to hit the $20 billion number in 2025,” Wakankar told TOI.

Scores of small and medium sellers have been tapping into Amazon's global selling programme launched in 2015 to sell in international markets. The US, UK and Canada are the top export markets for local sellers. “We started with 100 sellers when as of today, we have over 150,000 sellers who drive exports on the Amazon global selling platform. The number stood at 125,000 last year,” Wakankar said.

With the rapid adoption of e-commerce, helped by accessible technology, sellers from areas like Gujarat's Anand, Tamil Nadu's Karur and Uttar Pradesh's Moradabad are today selling via Amazon globally. Beauty, health and personal care, toys and home are among the fastest growing categories, Wakankar said.

Amazon which competes with Walmart's Flipkart and local players like Meesho in the India has spent billions of dollars in the market, building infrastructure, equipping sellers and adding more categories. Last year, CEO Andy Jassyannounced an additional investment of $15 billion into India which will take the company's total India investments to $26 billion by 2030.

Source: timesofindia.com– Sep 05, 2024

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