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Currency Watch			
USD	EUR	GBP	JPY
84.19	90.36	108.40	0.55

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INTERNATIONAL NEWS

US manufacturing in contraction in Oct; some signs of downturn easing

Although the US manufacturing sector remained in contraction territory as the final quarter (Q4) this year began, there were some signs of the downturn easing, according to S&P Global Ratings.

Uncertainty ahead of the presidential election was cited as a key reason for new orders continuing to fall, but the pace of decline eased and production was scaled back to the smallest degree in three months.

Manufacturers continued to reduce employment and purchasing activity, however.

Inflationary pressures softened, with input costs increasing at the slowest pace in almost a year and output price inflation also easing.

Meanwhile, suppliers' delivery times lengthened for the first time in three months amid delays widely linked to hurricane-related disruption, a release from S&P Global said.

The seasonally-adjusted S&P Global US manufacturing purchasing managers' index (PMI) posted 48.5 in October, up from 47.3 in September, but below the 50 no-change mark for a fourth consecutive month.

The latest reading indicates that US business conditions deteriorated modestly, albeit to the least extent since July. New orders decreased for the fourth month running in October, and at a solid pace.

Respondents indicated that uncertainty around the Presidential Election had been a common cause of a drop in new orders as customers hesitated before committing to new projects.

New export orders were also down, albeit only slightly and to a much lesser degree than total new business. Demand weakness was especially evident in Europe.

Falling sales led manufacturers to reduce output for the third consecutive month, but the rate of contraction was the weakest in this sequence and only slight.

There was increasing confidence that output will expand over the coming year, with sentiment rising for the second month running to the highest since May, a release from S&P Global said.

In a number of cases, optimism reflected expectations that business would revive following the election. Higher sales and falling interest rates also supported confidence. While US business sentiment strengthened, current muted demand conditions meant that firms continued to lower their staffing levels and purchasing activity as October began.

Employment was down for the third month in a row, albeit only modestly. Meanwhile, the rate of contraction in purchasing PMI input prices activity accelerated to a marked pace that was the steepest since June 2023.

The latest fall in purchasing was linked to lower new orders and efforts to cut inventories accordingly. Indeed, stocks of inputs were reduced to the largest extent in 14 months.

Firms purchasing inputs during the month were faced with lengthening supplier lead times for the first time in three months. Delivery delays in part reflected the impact of recent hurricanes, but also capacity issues at suppliers and issues with freight.

Some US firms also reported delays in shipping finished products to clients, contributing to a further build-up in post-production inventories. US Manufacturers continued to deplete outstanding business, however, given ongoing reductions in new orders.

The rate of input cost inflation slowed for the second month running and was the weakest since last November. Where input prices increased, panellists reported higher costs for raw materials. Rising prices for freight were also mentioned. Similarly, output prices increased at a slower pace in October, after inflation had hit a five-month high in the previous month.

Source: fibre2fashion.com– Nov 05, 2024

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Glimpses of recovery in Sub-Saharan Africa's Q4 economic outlook: DNB

Sub-Saharan Africa's economic outlook for the fourth quarter (Q4) this year shows glimpses of recovery amid ongoing volatility and persistent challenges, according to Dun & Bradstreet (DNB) Global Economy Outlook October 2024.

Growth is expected to be driven by a revival in private consumption as inflation eases, improving household purchasing power. This recovery has been pivotal in the turnaround of policy rates, allowing for a relatively dovish monetary policy stance.

However, economic recovery is not uniform across the region.

Western Africa, particularly the countries affected by coups, is struggling to revive consumption under pressure and teeters on the edge of a second wave of inflation.

Similarly, Central Africa continues to experience inadequate economic recovery. In nations like Angola and Ghana, inflation remains persistently high, delaying the inflection point for rate cuts, the DNB document observed.

East African economies are expected to sustain high growth rates, with Kenya projected to regain its position as one of the largest economies in the region.

Although the short-term outlook for Southern African countries has improved due to easing inflation, they continue to face low growth owing to structural issues such as high unemployment and energy shortages.

Sub-Saharan Africa's recovery will be contingent on the future trajectory of commodity prices, with climate change and geopolitical risks shaping a cautiously optimistic outlook for the region, DNB noted.

Inflation across sub-Saharan Africa is showing signs of easing; however, it is also susceptible to climate-related risks and the subdued recovery of commodity prices. Extreme weather events and concerns over food insecurity are expected to keep prices high in Eastern Africa, including in Ethiopia and Malawi.

Interest rates across sub-Saharan Africa are inching down as recovery prospects allow for a more accommodative monetary policy, providing relief from previously stringent measures. Except for Nigeria, the region is moving towards relative stability, with interest rates peaking in major economies.

Despite this easing, interest rates remain significantly high, keeping borrowing costs and debt burdens unsustainably elevated.

Over half of sub-Saharan African countries are grappling with unsustainable debt, with many nations dedicating over 45 per cent of their revenues to debt servicing last year.

Source: fibre2fashion.com– Nov 05, 2024

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A Year Later, Houthis Show No Sign of Curbing Red Sea Attacks

Any forthcoming return of container shipping to the Suez Canal seems even more unlikely.

After orchestrating a year's worth of missile and drone attacks on ships sailing through the Red Sea, the Houthis have vowed to maintain the onslaught until Israel ends its military offensive against Hamas and Hezbollah.

Referring to the attacks as part of a wider naval blockade, Houthi armed forces spokesperson Yahya Saree said in a televised address that the Yemen-based militant group will "target all ships belonging to, or linked to, or heading to [Israel], and that this blockade will continue until the aggression stops and the siege on the Gaza Strip is lifted and the aggression on Lebanon stops."

The lack of a timetable tied to the conflict has given the container shipping industry plenty of incentive to stay away from the region entirely for as long as possible. Maritime research consultancy Drewry isn't expecting full-scale Suez Canal transits to resume until 2026.

As part of their upcoming vessel-sharing alliance, Maersk and Hapag-Lloyd are already putting off any return to the Red Sea for their Asia-to-Europe network. The ocean carriers will opt to continue rerouting ships around southern Africa's Cape of Good Hope for their primary voyage when their cooperation officially kicks into gear in February. Maersk said it sees no return to the Suez until "well into 2025."

According to "intelligence information" gathered by the Houthis, Saree claimed that many Israeli-affiliated shipping companies are trying to sell assets, transfer their properties to other companies or register them in the names of new parties to avoid getting attacked.

In response, Saree said the Iran-backed rebel group will not recognize any ownership or flag changes, warning that all vessels affiliated with Israel will be subject to more attacks.

While the Yemeni faction has long claimed that the attacks are in protest of the Israel-Hamas war, the assault has been largely indiscriminate—reaching vessels unaffiliated with Israel. This has led some members with ties to the U.S. Department of Defense to believe that the attacks are unrelated to the Middle Eastern conflict, bringing into question whether the Houthis would stop their assault if Israel called for a ceasefire.

The Houthi spokesperson's message came shortly after a Wall Street Journal report said the group had been supplied with targeting data—and later satellite data—from the Russians. According to that report, U.S. officials have raised concerns that Russia could provide the Houthis with anti-ship or anti-aircraft missiles.

As of Nov. 4, there have been 129 reported maritime incidents in the waters surrounding the Arabian Peninsula since the first Houthi attack last November, according to the United Kingdom Maritime Trade Operations (UKMTO)

The ongoing attacks have harmed the economy of Egypt, with foreign minister Badr Abdel Aati telling International Maritime Organization secretary-general Arsenio Dominguez that the Red Sea crisis has cost the country $6 billion in revenue.

In July, the Suez Canal Authority (SCA) had revealed that it saw revenue dip more than $2 billion in the 2023-2024 fiscal year.

As of late October, container shipping consultancy Clarksons said there was a 70 percent drop in Suez traffic in gross tonnage compared to 2023 average levels. This drop is even further exacerbated in container shipping, which saw a 90 percent decline.

Air travel, for now, could see impacts from the ongoing chaos in the Red Sea. Air France suspended flights over the waterway after one of its flight crews from Paris to Madagascar reported a "luminous object at high altitude" while flying near Sudan.

On Sunday, a bipartisan group of six U.S. senators led by Marco Rubio (R-Fla.) and Jacky Rosen (D-Nev.), wrote a letter to Secretary of State Antony Blinken urging him to immediately re-designate the Houthis as a foreign terrorist organization (FTO).

The group has been listed as a specially designated global terrorist (SDGT) since January in the wake of the attacks, three years after the militant group's FTO status was first revoked in 2021.

The senators argue that designating the Houthis as an FTO would impose meaningful costs on them and degrade their ability to commit acts of terrorism.

"Relisting the Houthis as an FTO would make individuals or entities providing material support to the group liable for criminal prosecution and considered Tier III terrorists subject to sanctions and a travel ban, open up economic tools to target the Houthis' weapons procurement networks and manufacturing capabilities, provide a legal right of action to U.S. victims of Houthi terrorism, and ban Houthi members from obtaining a visa or entering the United States," said the letter. "Moreover, relisting the Houthis as an FTO would not inherently disrupt the delivery of international aid to Yemeni civilians."

Source: sourcingjournal.com– Nov 05, 2024

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Staying Compliant Under Extended Product Responsibility (EPR) Policies

With only 1 percent of the world's textiles recycled into new products, the fashion industry wants to reduce waste and increase recycling, but who's actually responsible for the management of a product throughout its entire lifecycle? According to Extended Product Responsibility policies (EPR), it's the producers who are responsible, even after that product is used by consumers.

EPR is a sustainability initiative that encourages companies to design products and processes that are more recyclable and sustainable. And while Europe is further along than North America in this journey, there's a lot to know for brands that sell to both continents. First, it helps to understand all the acronyms, and where they apply, from Corporate Sustainability Due Diligence Directive (CSDDD) to France's anti-waste law (AGEC) to the EU's Digital Product Passports (DPPs) and the Ecodesign for Sustainable Products Regulation (ESPR).

"[In North America] there are two main commonalities in EPR legislation, but there is nothing at the federal level," said Kelly West, manager of business development for North America of Trimco Group, in a fireside chat with Lauren Parker, director, Sourcing Journal and Fairchild Studios. "The first being registered to a PRO or a producer responsibility organization. Reporting is the second commonality. Each state requires reporting to be filed, and there's a phased approach … so I encourage companies to research and find out where you fall, and then what key deadlines apply to them and when."

Claire Piccinno, sustainability advisor and ProductDNA team leader of Trimco Group, based in France (a country that started EPR for textiles in 2009 and packaging in 1993), shared the global perspective.

"The objectives of each country's EPR are similar from one EU country to another. The difference is the maturity of the EPR scheme," she said. "Very recently, we've seen an explosion of EPR schemes for packaging across Europe. Now, all European countries have one in place. Those regulations are not coming from nowhere. They reflect the objectives of the European Union to fulfill the EU Green Deal."

Looking ahead, she pointed out how the industry expects to have EPR schemes for textile across Europe in 2025, including ESPR for textiles, in addition to the deployment of the Digital Product Passport. “So that’s going to be a big change.”

Source: sourcingjournal.com– Nov 05, 2024

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Heimtextil 2025 to focus on upcoming and international designers in contract textiles

The upcoming Heimtextil exhibition will focus on international exhibitors and upcoming designers in contract textiles.

To be held from Jan 14-17, 2025in Franfurt, Heimtextil will offer architects, interior designers and hospitality experts,the entire spectrum of textile furnishings in one place,along with an informative comprehensive program, design and trend inspiration. The exhibition will also feature latest products incontract textiles ranging from wallpapers, curtains and sun protection, upholstery and outdoor fabrics, bedding, bed linen, bathroom textiles, mattresses and sleeping systems, fibres and yarns to carpets.

A champion league of home textiles, contract textiles cater to the highest demands in terms of quality, functionality, safety and design. Exhibitors launch innovative products in this field every year alongwith the latest development in functionality.

The exhibition will feature products from exhibitors including Atenzza Outdoor (Spain), Aydin Tekstil, Barine (Turkey), Bedding House (Netherlands), Cabanes & Ortuno (Spain), Elastron Portugal, Englisch Dekor (Austria), Futura Leathers (Italy), Gebrüde rMunzert, Höpke Textiles (Germany), Indetex (Belgium), Indorama Ventures Fibers Germany, Kücüker Tekstil (Turkey), Lameirinho (Portugal), Marburger Tapetenfabrik (Germany), Martinelli Ginetto (Italy), Mundotêxtil (Portugal), OBB Oberbadische Bettfedern fabrik (Germany), Têxteis J.F. Almeida (Portugal), Textil Blanca 1941 (Spain) and The Wallfashion House (Belgium), etc.

It will also include a program tailored to the needs of architects, interior designers and hospitality experts. The program will comprise lectures and guided tours on topics such as AI and sustainability as well as unique special presentations. Some of the major attractions of the exhibition include the Interior. Architecture Hospitality Library in Hall 4.0, the Trend Arena in Hall 3.0 and the 'among-us' installation by Patricia Urquiola in Hall 12.0.

Source: fashionatingworld.com– Nov 05, 2024

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Turkish Oct clothing-footwear CPI up 31.37% YoY, 14.32% MoM: Turkstat

Turkish consumer price index (CPI) increased by 48.58 per cent year on year (YoY) and 2.88 per cent month on month (MoM) in October this year, according to Turkstat.

It rose by 39.77 per cent on the December 2023 figure and by 62.02 per cent on the twelve-months moving averages basis in the month.

In October, transportation was the main group that indicated the highest monthly CPI decrease. On the other hand, clothing and footwear (plus 14.32 per cent) was the main group where the highest monthly increase was seen. The CPI for clothing and footwear increased by 31.37 per cent YoY in October.

The country's domestic producer price index (D-PPI) increased by 32.24 per cent YoY and 1.29 per cent MoM in October. It increased by 27.17 per cent on the December 2023 figure and by 43.93 per cent on the twelve-months moving averages basis in the month.

D-PPI for manufactured products increased by 32.85 per cent YoY and by 1.61 per cent MoM in the month.

Source: fibre2fashion.com– Nov 06, 2024

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ICE cotton gains slightly amid rising crude prices, weaker dollar

ICE cotton closed with modest gains across most contracts yesterday, supported by rising crude oil prices and a weaker US dollar. However, uncertainty persisted in the market, influenced by broader market sentiment ahead of the US presidential election.

Yesterday, the ICE cotton December contract settled at 69.95 cents per pound (0.453 kg), a slight increase of 0.02 cents. The March contract also closed at 72.27 cents, up by 3 points.

The rise in crude oil prices by $2.20 per barrel provided support for US cotton, as higher crude oil costs increased production expenses across the polyester value chain. The declining US dollar index also played a supportive role, making cotton purchases more affordable for international buyers.

On Friday, ICE cotton stocks remained steady at 174 certified bales. The National Agricultural Statistics Service (NASS) reported that the US cotton harvest had reached 63 per cent completion as of November 3, 9 per cent ahead of the five-year average.

Currently, the ICE cotton December 2024 contract is trading at 69.95 cents per pound (up 0.02 cents). Cash cotton is trading at 65.68 cents (up 0.01 cent). The March 2025 contract stands at 72.30 cents per pound (up 0.03 cents), the May 2025 contract at 73.80 cents (up 0.04 cents), the July 2025 contract at 74.95 cents (down 0.08 cent), and the October 2025 contract at 74.98 cents (up 0.23 cents). Several contracts have seen no movement today, remaining at their previous closing levels.

Source: fibre2fashion.com– Nov 05, 2024

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B2C e-com export revenue of ASEAN-6 may reach $30.4 bn in 2028: Report

The ASEAN-6 countries—Singapore, Malaysia, Thailand, Vietnam, Indonesia and the Philippines— have the potential to substantially expand their e-commerce exports by 2028, according to a recent report by Amazon Web Services (AWS) and public policy consultancy Access Partnership.

Assuming the current pace of e-commerce adoption and export, the countries' business-to-consumer (B2C) e-commerce export revenue is projected to reach $30.4 billion in 2028, with micro, small and medium enterprises (MSMEs) capturing 48 per cent of this value.

These nations are positioned well for this due to their manufacturing capabilities, strategic geographic location and integration into a dynamic trading bloc, the report noted.

Trade agreements like the Regional Comprehensive Economic Partnership (RCEP), shifts in consumer behaviour after the COVID-19 pandemic and technological advancements have created a favourable environment for ASEAN-6 businesses to thrive in the e-commerce sector.

The B2C e-commerce export revenue of the ASEAN-6 countries was estimated at $18.9 billion last year. However, only 38 per cent of this revenue was generated by MSMEs, despite these enterprises constituting 99 per cent of all businesses in the region.

This wide gap highlights a lucrative opportunity: with targeted support, MSMEs could dramatically increase their share of the global e-commerce market, driving economic growth and job creation, the report observed.

Access Partnership's survey of 700 MSMEs in ASEAN-6 countries reveals that 90 per cent believe they would not have been able to export without e-commerce, and 46 per cent report that over half of their B2C e-commerce sales come from overseas markets.

MSMEs value the access to digital tools, the ease of connecting with foreign customers and the access to diverse markets provided by e-commerce marketplaces. Additionally, they benefit from the logistics support and payment solutions these marketplaces offer.

Currently, MSMEs in ASEAN-6 prioritise China, the United States, Japan and other Southeast Asian countries as key export markets, with expectations to maintain this focus over the next five years.

However, the United Kingdom and the European Union (EU) are emerging as increasingly important destinations, the report remarked.

To leverage the full potential posed by the growth in e-commerce, ASEAN-6 will need to help MSMEs overcome a range of challenges, which include a lack of understanding of import regulations in foreign markets, high costs of cross-border logistics, the inability to partner with manufacturers and a variety of knowledge gaps impeding MSMEs' ability to engage in cross-border e-commerce, the report added.

Source: fibre2fashion.com– Nov 06, 2024

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Reserve Bank of Australia holds cash rates steady at 4.35%

The Reserve Bank of Australia (RBA) Board announced today that it will maintain the cash rate target at 4.35 per cent and the interest rate on Exchange Settlement balances at 4.25 per cent. This marks a steady approach amid ongoing efforts to balance inflation control with economic stability. Recent data indicates that annual headline inflation fell to 2.8 per cent in the September quarter, down from 3.8 per cent in the June quarter. However, this decline was partly attributed to temporary reductions in fuel and electricity prices, offering short-term cost-of-living relief, the Reserve Bank Board said in a statement.

Underlying inflation, as measured by the trimmed mean, still stood at 3.5 per cent over the year to September—above the RBA's target range. Projections from today's Statement on Monetary Policy indicate that inflation is not expected to reach the 2.5 per cent target midpoint until 2026. Australia's economic growth has been described as weak, weighed down by past reductions in real disposable incomes and the continued impact of restrictive financial conditions on household spending. Despite this, aggregate consumer demand has shown resilience, supported by spending from temporary residents, including students and tourists.

The labour market remains tight, with employment growing robustly in recent months. The unemployment rate rose to 4.1 per cent in September, up from a historic low of 3.5 per cent in late 2022, while the participation rate remains at record levels. Wage growth has moderated but labour productivity remains at 2016 levels, despite some improvement over the past year. The RBA noted that global economic conditions contribute to a highly uncertain outlook. While most central banks are cautiously easing policy, citing progress towards inflation targets, they remain alert to potential risks such as weakening labour markets and resurgent inflation.

The RBA will continue to use updated data and risk assessments to inform future policy decisions. While growth in household consumption is expected to improve later this year as income growth picks up, there remains a risk of slower-than-anticipated recovery, which could impact economic output and labour market conditions, the statement added.

Source: fibre2fashion.com– Nov 06, 2024

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NATIONAL NEWS

Businesses with turnover over Rs 10 cr cannot report e-invoices older than 30 days from April 1, 2025

New Delhi: From April 1, 2025 onwards, businesses with Aggregate Annual Turnover (AATO) greater than Rs 10 crore will not be allowed to report e-invoices older than 30 days on the date of reporting under the goods and services tax (GST).

The reform will ensure on-time tax payment and will regulate the delays in reporting of tax invoices, streamlining the GST ecosystem as a whole.

Earlier this time limit restriction was applicable for taxpayers with AATO greater than or equal to 100 crores.

"From 1st April 2025, taxpayers with an AATO of 10 crores and above would not be allowed to report e-Invoices older than 30 days from the date of reporting on IRP portals," said an advisory issued late Tuesday, by the GST e-invoice systems.

The e-Invoice System is for GST-registered people for uploading all the business-to-business (B2B) invoices to the Invoice Registration Portal (IRP).

The IRP generates and returns a unique Invoice Reference Number (IRN), digitally signed e-invoice and QR code to the user.

The advisory clarified that this restriction will apply to all document types for which IRNs are to be generated, including the Credit, Debit note.

The advisory added that the April 1 deadline is to provide sufficient time for taxpayers to comply with this requirement.

The government had earlier imposed the time limit for business with turnover above Rs 100 crore, effective November 2023.

Source: economictimes.com– Nov 05, 2024

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India needs $6.5 billion funds to reduce carbon emissions in T&A sector by 2030: Report

India needs $6.5 billion funds to reduce carbon emissions by 45 per cent in the textile and apparel sector by 2030, as per a recent report from the Apparel Impact Institute (Aii) and Development Finance International Inc (DFI).

As per the report, India currently has funds worth $2.5 billion. However, it still requires substantial financingworth $4 billion. Titled,'Landscape and Opportunities to Finance the Decarbonisation of India's Apparel Manufacturing Sector,' the report has been developed in collaboration with HSBC.

India's position as one of the world's largest apparel producers makes it a key target for effective decarbonisation, aligning with global climate goals set by the Fashion Industry Charter for Climate Change, led by the United Nations. The charter aims to reduce absolute emissions by 50 per cent by 2030, requiring a combination of renewable energy and energy efficiency initiatives.

Outlining the available financial resources, the report reveals, India currently has $1.3 billion funds from credit lines and revolving funding schemes.It anticipates an additional $1.2 billion funds from International Financing Institutions, governments, and NGOs. It identifies six essential interventions to bridge the financing gap, emphasising urgent capital mobilisation and collaboration across the apparel value chain.

Emphasising on the report's practical approach, Lewis Perkins, President, Aii, says, this report provides a clear path forward to close the climate finance gap and ensure decarbonisation solutions receive critical funding.

Noting the importance of decarbonising Indian apparel industry, Emilio Bunge, President and CEO, DFI, highlight its significance in the global supply chain and future competitiveness.

India's established energy efficiency market positions it well for rapid decarbonisation. However, the report emphasises on the need for increased access to funding, particularly through blended finance models, to make these investments more feasible. Expanding accessible finance can help manufacturers tackle sustainability challenges, including risk constraints, financing difficulties, and infrastructure limitations.

The report urges policymakers, financiers, and industry stakeholders to take urgent action to boost India's energy efficiency and renewable energy initiatives, emphasising the apparel sector's essential role in achieving both national and global climate targets.

Source: fashionatingworld.com– Nov 05, 2024

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India's home textiles industry to see 6-8 pc growth this fiscal

New Delhi: India's home textile industry is set to witness 6-8 per cent growth this fiscal, riding on resilient demand from the US and expansion in the domestic market, according to a report on Tuesday.

Following a 9-10 per cent rebound in revenue growth last fiscal, the credit profiles of home textile companies will remain stable, supported by healthy cash accrual and moderate capital expenditure (capex) plans on the back of deleveraged balance sheets, according to the report by Crisil Ratings.

The home textile industry derives 70-75 per cent of its revenue from exports - the US alone accounts for 60 per cent - and the remaining 25-30 per cent from the domestic market.

According to Mohit Makhija, Senior Director, CRISIL Ratings, three factors will drive growth of the home textiles industry this fiscal.

"One, resilient consumer spending and normalised inventory levels at major retailers in the US will spur exports, though container availability bears watching. Two, the industry's continued focus on expanding domestic presence will aid growth," he mentioned.

Third, the domestic prices of cotton, the key raw material, are likely to remain close to international levels, resultantly retaining the competitiveness of domestic companies, said Makhija.

Therefore, for the home textiles exported by India, the country's share in US imports will remain steady this fiscal. In January-August 2024, it was 30 per cent, same as in calendar year 2023.

With domestic raw material prices remaining close to international prices, the operating margin is likely to remain stable at 14-15 per cent this fiscal, in line with last fiscal.

The margin will remain insulated from the recent volatility in freight cost as most exports are on a free-on-board basis, said the report.

While most companies are now looking to optimise utilisation this fiscal, a few large ones are planning capex, but on deleveraged balance sheets.

According to Pranav Shandil, Associate Director, CRISIL Ratings, with steady operating performance and moderate capex in fiscal 2025, the interest coverage for home textile companies should remain stable at 5-6 times.

Source: economictimes.com– Nov 05, 2024

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Trade barriers could rise if Trump wins

NEW DELHI: The US election results could have a far reaching impact on global trade if Donald Trump emerges victorious on November 12, the election results day. Trump, who has been raising the issue of high tariffs levied by India on US goods, has promised retaliatory action if he gets elected.

The US is the biggest destination of Indian exports with the country accounting for 18% of India's exports. India exported $77.5 billion worth of goods in 2023-24. The US also accounts for almost 80% of the IT exports from India.

As per Ajay Shrivastava, founder of Global Trade Research Initiative (GTRI), if Trump wins, he may extend tariffs beyond China to include India and other countries.

"His America First agenda would likely push for protective measures such as reciprocal tariffs on Indian goods, potentially adding barriers for key Indian exports like automobiles, wines, textiles, and pharmaceuticals. These increases could make Indian products less competitive in the US, impacting revenue in these sectors," warns Shrivastava.

Experts say IT sector exports could also get impacted if Trump wins in and implement his policies against outsourcing. H-1B visa policies are crucial for the movement of skilled professionals, especially from India's IT sector. As per experts, Trump's stricter immigration stance could lead to changes in visa rules, impacting Indian IT professionals and raising costs for Indian IT companies.

Manoranjan Sharma, chief economist at Infomerics Ratings, says sectors with significant exposure to US policies -- IT services, pharmaceuticals, and textile sectors could need a re-orientation because of changes in trade policies.

However, he feels the bonhomie and the personal chemistry between the Indian PM and the US President could significantly help smoothen ruffled feathers. Sharma is of the view that should Trump romp home, India's domestic growth path could get an impetus because of Trump's focus on keeping oil prices low and stable.

IT sector exports could get impacted if Trump wins

According to experts, IT sector exports could also get impacted if Donald Trump wins in and implement his policies against outsourcing. H-1B visa policies are crucial for the movement of skilled professionals, especially from India's IT sector.

Source: newindianexpress.com– Nov 06, 2024

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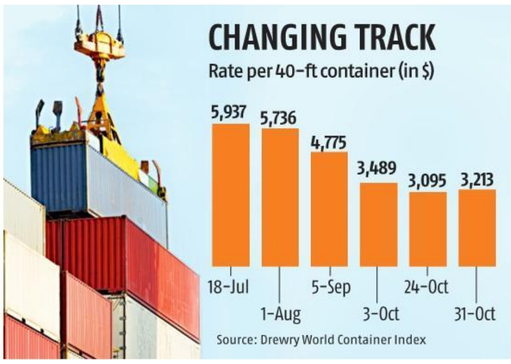
Ocean freight rates increase for first time since July, shows data

Ocean freight rates across major container trading routes rose for the first time since July as the movement of goods surged ahead of the Christmas and New Year season, data shows.

The Drewry World Container Index — a global benchmark measuring weekly ocean freight rates across eight major east-west routes — rose 4 per cent from the previous week to $3,213 for a 40-foot container (40-foot equivalent unit).

Drewry World Container Index up 4% ahead of Christmas, New Year rush



According to Drewry, freight rates from China to Europe increased by 8 to 11 per cent between October 24 and 31. Freight rates from Shanghai to Genoa rose to $3,213 per container, while rates to Rotterdam increased to $3,396 per container. The most price spikes were seen for Asia-Europe transit, with Shanghai-Los Angeles freight rates increasing only 1 per cent week-on-week.

Freight rates have been volatile since the Covid-19 pandemic, which disrupted global logistics. The current container index level is 69 per cent below the pandemic peak of $10,377 in September 2021, but 126 per cent higher than the 2019 pre-pandemic average of $1,420.

After major disruptions due to geopolitical tensions in West Asia, container rates had been in freefall since July, dropping from nearly $6,000 per 40-foot container to $3,095 in late October. The market intelligence firm, along with maritime experts, expects rates on most routes will continue to rise as the Christmas rush intensifies global trade.

Due to the ongoing conflict in Israel, shipping lines have incurred additional war risk premiums on maritime insurance. Following increased violence by Houthi militants, shipping lines have also decided to entirely avoid the Red Sea and instead navigate around the Cape of Good Hope, extending transit times by 12–14 days and increasing costs.

With the US maintaining tariffs on Chinese imports, repositioning empty containers remains a challenge, keeping global container availability in flux. Any sudden disruptions change the network and cost dynamics for loading empty containers, as some regions, such as South Asia, are export-heavy, while others, like Europe, are import-heavy.

Any increase in container capacity is unlikely in the short term, and the supply chain is expected to remain under pressure going forward, a government official said.

Last month, the central government introduced relief measures to protect traders and shippers from rising costs due to the container crisis. These included augmenting container vessel capacity by six vessels through the Shipping Corporation of India and providing concessions on certain charges by the Container Corporation of India.

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

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Uttar Pradesh government to set up 11 new private textile parks, first to come up in Shamli

The Yogi Adityanath government will set up 11 private textile parks across the state, with the first park being developed in Shamli district with an investment of ₹726 crore.

Out of the 11 parks proposed by the state government, six will come up in Gorakhpur, Mau, Bhadohi, Aligarh, Baghpat, and Shamli.

Alok Kumar, principal secretary of Handloom and Textiles, stated that with the establishment of 11 private textile parks in the state will boost local production and reduce reliance on China for raw materials.

Additionally, a PM Mitra Park will be developed in Lucknow on 1,000 acres, he added.

Under the Uttar Pradesh Textile and Garmenting Policy-2022, the Government Approval Committee, led by Alok Kumar, has granted in-principle approval to Lonex Textile Park Private Limited to develop a park in Shamli.

The investor plans to develop the necessary infrastructure at a cost of about ₹126.61 crore. The park is expected to be operational by December next year, with a total investment of ₹600 crore, creating both direct and indirect jobs for around 5,000 people.

The proposed textile park will be spread over 26.75 acres in Jhinjhana village, Kairana tehsil of the Shamli district, with a total of 17 production units, including weaving, dyeing, printing, and garmenting.

It will feature essential amenities such as an administrative building, a bank/ATM, a training and testing centre, a rest house, a canteen, and a first aid centre.

It will also implement a zero liquid discharge system and a combined effluent treatment plant (CETP), along with a boiler, water and steam distribution systems, power distribution systems, and a weighbridge.

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