TEXPROCIL NEWS CLIPPINGS
An ISO 9001:2015 CERTIFIED COMPANY
TEXTILE INTELLIGENCE CENTRE
IBTEX
INFORMATION BUREAU TEXPROCIL
The Cotton Textiles Export Promotion Council (TEXPROCIL)
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai 400004. Maharashtra State. INDIA
W. www.texprocil.org E. ibtex@texprocil.org T. +91-22-23632910 to 12 F. +91-22-23632914

IBTEX No. 176 of 2024 November 11, 2024

Currency Watch			
USD	EUR	GBP	JPY
84.38	90.43	108.97	0.55

INTERNATIONAL NEWS	
No	Topics
1	Cotton Highlights From November 2024 WASDE Report
2	EURATEX & AMITH sign MoU to strengthen Euro-Mediterranean partnership
3	New govt's tariff policy to be a challenge if campaign vows kept: AAFA
4	Xinjiang harvest breaks China's cotton yield record
5	German exports down 1.7% MoM, 0.2% YoY in Sept 2024: Destatis
6	Retail trade volume up 0.5% MoM in euro area, 0.3% MoM in EU in Sept
7	Turkiye positive on export target, expects lower tariffs under Trump
8	What helps Vietnam - US trade reach 100 billion USD?
9	Bangladesh: BGMEA eyes more Taiwanese investment in RMG sector
10	Bangladesh: Powered by apparel, exports rise 21% in Oct
11	Bangladesh: Govt to take more time to decide on LDC graduation

12	Pakistan: Weekly Cotton Review: Overall stability observed in prices
13	Pakistan: Exports to EU states rise 8pc in first quarter

NATIONAL NEWS	
No	**Topics**
1	India's decision to opt out of RCEP agreement strategically sound: GTRI
2	MSMEs will get collateral free loans of upto Rs 100 cr through a new credit assessment model by PSU banks: FM
3	CBIC relaxes norms for Customs Cargo Service Providers
4	Better Cotton, TEXPROCIL partner to promote Indian cotton globally
5	Rail freight grows 1.5% in October to 131 million tonnes, shows data
6	Can India's garments industry benefit from Bangladesh's turmoil?
7	Powerloom weavers urge Tamil Nadu CM to take up the issue of QCOs on textiles with the Central government

INTERNATIONAL NEWS

Cotton Highlights From November 2024 WASDE Report

USDA has released its November 2024 World Agricultural Supply and Demand Estimates (WASDE) report. Here's this month's summary for cotton, showing lower production and export numbers for the U.S., as well as lower production, consumption, and trade numbers globally.

The U.S. cotton balance sheet for 2024/25 shows marginally lower production, lower exports, and higher ending stocks. NASS revised its estimate for U.S. all-cotton production downward by 10,000 bales to just below 14.2 million in its November Crop Production report. The Georgia crop is raised about 200,000 bales, offset by a similar reduction in the Texas crop with assorted small changes elsewhere. The national all-cotton yield estimate is unchanged from last month at 789 pounds per harvested acre.

With global consumption and imports reduced, U.S. exports are reduced 200,000 bales to 11.3 million. Ending stocks are raised 200,000 bales to 4.3 million for a stocks-to-use ratio of about 33%. The 2024/25 season average upland farm price is unchanged at 66 cents per pound. There are no revisions to the 2023/24 U.S. cotton balance sheet.

World production, consumption, beginning and ending stocks, and trade are all reduced in the 2024/25 global balance sheet. Production is lowered by 460,000 bales, with the largest reductions for Pakistan and Turkmenistan. Consumption is reduced by 515,000 bales, primarily due to decreases for Turkey and Pakistan. Ending stocks are lowered by 574,000 bales with large reductions for India, Turkmenistan, and Pakistan more than offsetting increases for the United States and Uzbekistan.

Reduced imports by Turkey, offset to a degree by higher imports by Uzbekistan and Egypt, lead to a 295,000-bale reduction in world trade. In the 2023/24 global balance sheet, historical revisions to production result in lower ending stocks.

Source: cottongrower.com– Nov 10, 2024

HOME

****

EURATEX & AMITH sign MoU to strengthen Euro-Mediterranean partnership

EURATEX (the European Apparel and Textile Confederation) and AMITH (Association Marocaine des Industries du Textile et de l'Habillement) signed a Memorandum of Understanding (MoU) during the 21st edition of Maroc in Mode (MIM 2024) in Casablanca. This MoU aims to foster deeper collaboration and mutual growth within the European and Moroccan textile and clothing (T&C) industries.

The MoU underscores shared priorities, including aligning industry practices with European sustainability and circularity standards, addressing customs and regulatory challenges, and strengthening the investment and business climate between the two regions. The agreement highlights EURATEX and AMITH's commitment to advancing competitiveness in the global textile market, supporting a seamless and cohesive approach to trade under the revised rules of the Pan Euro Med Convention, which enter into force on 1 January 2025.

This partnership also opens new avenues for information exchange on industrial technology, cross-border business initiatives, and collaborative skill development projects. By enhancing cooperation in these areas, EURATEX and AMITH are working to create a sustainable, resilient, and globally competitive Euro-Mediterranean textile industry.

"The EU-Morocco textile connection has vast untapped potential," said Mario Jorge Machado, EURATEX president. "Through our collaboration with AMITH, we aim to fortify both regions' textile sectors, embracing sustainability and competitiveness as core values. This MoU is a meaningful step toward our shared vision of a thriving Euro-Mediterranean textile ecosystem."

"This Memorandum of Understanding is important for AMITH as it will help achieving our mission: drive the continuous development of the Moroccan industry and help companies rise to new levels of excellence and sustainability" commented El Ansari Anass, AMITH president. The MoU represents a pivotal commitment to a sustainable and collaborative future for the European and Moroccan textile industries, paving the way for new opportunities under the PEM Convention framework.

Source: fibre2fashion.com– Nov 11, 2024

HOME

****

New govt's tariff policy to be a challenge if campaign vows kept: AAFA

Tariff policy under the Donald Trump administration will indeed be a challenge and will trigger new inflationary cycles if campaign proposals are fully enacted, making apparel more expensive for Americans, according to the American Apparel and Footwear Association (AAFA).

“The Section 301 tariffs that took hold in 2018 under President Trump's first term have also remained in place, driving 40-year high inflation for clothes and shoes. Tariffs are taxes paid by US-based businesses and American consumers, not on China or other supplier countries. These tariffs disproportionately harm lower income American consumers and female consumers with higher tariffs on lower priced products and on women's clothes and shoes,” said AAFA president and chief executive officer Steve Lamar in a statement.

"We will continue to push Congress and the Administration to renew expired and expiring programmes, such as the African Growth and Opportunity Act (AGOA), the Generalised System of Preferences (GSP), and the Haiti HELP/HOPE preference programme,” he said.

“Immediate and long-term renewal of these measures, combined with a revived trade agreement programme, will create predictable opportunities for our industry to diversify and invest, creating American jobs and supporting the provision of affordable and sustainable fashion for American families,” he said.

“We also look forward to initiatives to protect our shipping channels and ports, put a stop to the influx of counterfeit goods across third-party e-commerce platforms, and drive other policies that are not just well-meaning but well-crafted, implementable, practical, harmoniszed, and ultimately—successful,” he added.

Source: fibre2fashion.com– Nov 10, 2024

HOME

****

Xinjiang harvest breaks China's cotton yield record

A vast cotton field in northwest China's Xinjiang Uygur Autonomous Region has broken the country's large-scale mechanical harvest cotton yield record.

The new record of 11,154 kilograms per hectare was set in a 7.1-hectare cotton field in the Mongolian Autonomous Prefecture of Bortala.

Harvesting and output data were monitored and evaluated by the Xinjiang regional department of agriculture and rural affairs, alongside experts from the National Agro-Tech Extension and Service Center, the Chinese Academy of Agricultural Sciences, the Xinjiang Academy of Agricultural Sciences and Shihezi University.

Wang Daguang, an agro-tech extension and services researcher in Bortala's Jinghe County, said that the average local cotton yield was just 4,500 kilograms per hectare in the 1990s.

The new record will encourage cotton growers to introduce more science and technology to their agricultural development.

This year, Bortala has 92,667 hectares of cotton fields, making it one of Xinjiang's leading cotton-producing areas.

Source: news.cgtn.com– Nov 08, 2024

HOME

****

German exports down 1.7% MoM, 0.2% YoY in Sept 2024: Destatis

German exports were down by 1.7 per cent month on month (MoM) and imports were up by 2.1 per cent MoM in September this year on a calendar- and seasonally-adjusted basis, according to provisional data from the Federal Statistical Office (Destatis).

Exports decreased by 0.2 per cent year on year (YoY) and imports rose by 1.3 per cent YoY in the month.

After calendar and seasonal adjustment, Germany exported goods worth €128.2 billion and imported goods to the value of €111.3 billion in September this year. The foreign trade balance showed a surplus of €17 billion in the month.

The calendar- and seasonally-adjusted surplus stood at €21.4 billion in August 2024 and €18.6 billion euros in September 2023.

On a calendar- and seasonally-adjusted basis, Germany exported goods worth €69.4 billion to the member states of the European Union (EU) in September—a month-on-month drop of 1.8 per cent, while it imported goods worth €57.8 billion from these countries in the period—a MoM rise of 1.6 per cent.

The value of the goods exported to euro area countries in September totalled €48.1 billion—a MoM drop of 2.4 per cent, and the value of the goods imported from these countries was €38.1 billion—a MoM rise of 2.2 per cent.

In September this year, goods to the value of €21.3 billion (a 0.3-per cent MoM drop) were exported to EU countries not belonging to the euro area, while the value of the goods imported from these countries was €19.7 billion (a 0.5-per cent MoM rise) on a calendar- and seasonally-adjusted basis, a Destatis release said.

On a calendar- and seasonally-adjusted basis, exports of goods to countries outside the EU (third countries) amounted to €58.8 billion in September—a 1.6-per cent MoM drop, while imports from these countries totalled €53.5 billion—a 2.6-per cent MoM rise.

Most German exports in September this year went to the United States; after seasonal and calendar adjustment, such exports were up by 4.8 per cent MoM to €14.2 billion.

Exports to China decreased by 3.7 per cent MoM in the month to €7.1 billion and exports to the United Kingdom fell by 4.9 per cent MoM to €6.4 billion.

Most imports in September were from China; goods worth €14.1 billion were imported from there—a 5.6-per cent MoM increase after calendar and seasonal adjustment. Imports from the United States decreased by 0.3 per cent MoM to €7.7 billion in the month, while imports from the United Kingdom dropped by 0.6 per cent MoM to €2.9 billion.

After seasonal and calendar adjustment, Germany's exports to Russia increased by 3.6 per cent MoM and 5.6 per cent YoY to €0.6 billion in September. Imports from Russia rose by 20.1 per cent MoM and declined by 34.4 per cent YoY to €0.1 billion in September.

Source: fibre2fashion.com– Nov 09, 2024

HOME

****

Retail trade volume up 0.5% MoM in euro area, 0.3% MoM in EU in Sept

The seasonally-adjusted retail trade volume increased by 0.5 per cent month on month (MoM) in the euro area and by 0.3 per cent MoM in the European Union (EU) in September this year, according to first estimates from Eurostat, the EU statistical office.

In August this year, retail trade volume grew by 1.1 per cent MoM in the euro area and by 0.9 per cent MoM in the EU.

The calendar-adjusted retail sales index increased by 2.9 per cent year on year (YoY) the euro area and by 2.8 per cent YoY in the EU in September, a release from Eurostat said.

The highest MoM increases in the total retail trade volume were recorded in Belgium, Denmark and Croatia (all plus 2.1 per cent), Germany (plus 1.2 per cent), Austria and Slovakia (both plus 1.1 per cent). The largest decreases were observed in Slovenia (minus 2.6 per cent), Poland (minus 2 per cent) and Finland (minus 1.6 per cent).

The highest YoY increases in the total retail trade volume were recorded in Luxembourg (plus 13.1 per cent), Romania (plus 10.3 per cent) and Croatia (plus 7.1 per cent). The largest decreases were observed in Estonia (minus 4.4 per cent), Poland and Slovenia (both minus 3 per cent) and Finland (minus 2.1 per cent).

Source: fibre2fashion.com– Nov 09, 2024

HOME

****

Turkiye positive on export target, expects lower tariffs under Trump

The Turkish government hopes it can achieve the 2024 export target of $264 billion despite ongoing global difficulties and rising protectionism, according to trade minister Omer Bolat, who said export shipments in October stood at a record $23.6 billion.

“We have announced export records in 10 of the last 15 months. Last May, we achieved the highest export rate in the history of the republic with $24.1 billion," Bolat told the Turkiye Export Mobilization summit in Istanbul.

Bolat said though imports by the European Union have slowed down this year by around 10 per cent and growth there is weaker as well, Turkish exports to the bloc rose. Turkiye’s exports with Balkan countries are increasing too, he said.

Bolat said the country’s foreign trade deficit decreased by 30.4 per cent to $65.6 billion in the first 10 months this year, which showed that the economy had taken important steps toward balanced growth and macroeconomic stability.

The minister said Turkiye expects the next US administration to lower tariffs on its steel and textile exports and that bilateral relations would ‘evolve for the better’, according to domestic media reports.

Turkiye and the United States expect to reach $35 billion in trade volume this year.

Source: fibre2fashion.com– Nov 09, 2024

HOME

****

What helps Vietnam - US trade reach 100 billion USD?

With the results achieved in 10 months, 2024 will be the fourth consecutive year that trade between Vietnam and the United States reaches the hundred billion USD mark.

The United States is Vietnam's largest export market

According to the General Statistics Office, in the first 10 months of this year, the United States was Vietnam's largest export market with a turnover of 98,4 billion USD. Meanwhile, China was Vietnam's largest import market with a turnover of 117,7 billion USD.

Thus, with the results achieved in 10 months, 2024 will be the 4th consecutive year that trade between the two countries reaches the hundred billion USD mark. Currently, the United States is Vietnam's largest export market.

Vietnam's export of goods to the US market is very promising at the end of the year with key products such as textiles, footwear, wooden furniture, mechanics, electronics, seafood, etc.

According to the Vietnam Trade Office in the United States, for the textile, garment and footwear groups, while other countries exporting to the United States such as Bangladesh, India and other ASEAN countries have low or negative growth, Vietnam's exports of these products to the United States are growing well, with some products even growing by double digits.

Mr. Do Ngoc Hung - Vietnamese Trade Counselor in the United States - said that US distributors and consumers appreciate that Vietnamese products always maintain quality, diverse product designs and competitive prices.

Therefore, these are still the priority import items of US partners in the context of trade tensions as well as global geopolitical instability. Vietnamese goods are always a stable and reliable source of goods, helping US consumers to balance in the context of high inflation and increasingly expensive living expenses.

However, due to the high growth of exports to the United States, this is also the market with the most trade defense investigations against Vietnamese goods. To date, the US has investigated nearly 70 cases related to Vietnamese exports, the most common being steel, wood, fiber, shrimp, tra fish, and honey.

Vietnamese businesses need to maintain high product quality when exporting to the United States.

According to Ms. Le Hang - Communications Director of the Vietnam Association of Seafood Exporters and Producers (VASEP), despite always facing strict protection policies such as anti-dumping tax and anti-subsidy tax, the demand of the US market is still large and the quality of Vietnamese seafood is increasingly improved, helping to maintain and expand its position in this market.

Therefore, Vietnam's seafood trade with the US is less affected by political fluctuations such as the results of the US presidential election.

According to Ms. Hang, to make the most of these opportunities, Vietnamese seafood enterprises need to maintain high product quality, increase deep processing and exploit free trade agreements (FTAs) to expand markets and improve competitiveness.

While Vietnam can take advantage of some opportunities, at the same time, Vietnamese seafood businesses also face US trade defense measures. These measures may include anti-dumping duties, anti-subsidy duties and strict product quality requirements.

Although the results of anti-dumping taxes on shrimp, pangasius and anti-subsidy taxes on Vietnamese shrimp exported to the US tend to be more favorable in 2024, businesses still need to be cautious and strategic when exporting to this market.

Source: vietnam.vn– Nov 09, 2024

HOME

****

Bangladesh: BGMEA eyes more Taiwanese investment in RMG sector

A delegation of Taiwan Textile Federation (TTF), led by its President Justin Huang, held a meeting with the BGMEA Administrator Anwar Hossain to discuss collaborative trade and investment opportunities at the BGMEA Complex in the capital's Uttara on Saturday, reads a press release.

Representatives from the Bangladesh Investment Development Authority (BIDA), Bangladesh Economic Zones Authority (BEZA) and Bangladesh Export Processing Zones Authority (BEPZA) were also present at the meeting. The discussion covered various trade-related issues, including the current market situation of ready-made garments, global trends, challenges, opportunities, and more.

During the meeting, the potential for knowledge and skill sharing in areas such as technological adaptation, capacity building, innovation, resource efficiency, and circularity within the apparel and textile industries through cooperation were highlighted. Both sides also discussed how they could collaborate to identify potential trade and investment areas and capitalise on opportunities in the textile and apparel sectors.

BGMEA Administrator Mohammad Anwar Hossain laid emphasis on Bangladesh's increasing focus on boosting non-cotton and high-value garment production. He stated that BGMEA is making every effort to facilitate sustainable growth in Bangladesh's garment industry through the shift from cotton-based products to non-cotton items, particularly man-made fibre-based products.

In this regard, Taiwan could consider investments in non-cotton textiles, technical textiles, woven textiles, skill development, and innovation in Bangladesh.

He encouraged Taiwanese businesses to invest in these areas, either directly or through joint ventures. Both sides expressed optimism about working together to achieve mutual benefits in the apparel and textile sectors.

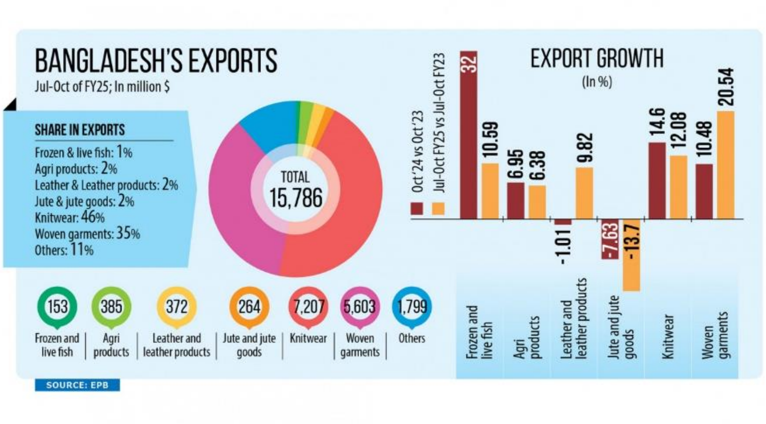
Source: daily-sun.com– Nov 09, 2024

HOME

****

Bangladesh: Powered by apparel, exports rise 21% in Oct

The country's merchandise exports grew by 21 percent year-on-year to $4.13 billion in October, mainly riding on increased garment shipments, according to data released by the Export Promotion Bureau (EPB) yesterday.



With this, the country's overall merchandise exports in the first four months of the 2024-25 fiscal year climbed 10.80 percent year-on-year to $15.78 billion.

During the July-October period, garment exports, which account for over 84 percent of Bangladesh's total export earnings, grew by 22.80 percent to $12.81 billion.

For the July-October growth, local apparel manufacturers credited a prompt recovery from shipment challenges faced in previous months due to nationwide student protests.

They say these disruptions hampered production, cargo transportation and port activities in Chattogram, and affected timely shipments.

Anwar-Ul-Alam Chowdhury (Parvez), former president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said that while garment shipments are improving, many factories are still not getting enough work orders for the upcoming season.

In the July-September period, he said the apparel shipment from Bangladesh to the USA, the single largest garment export destination, declined by more than 6.0 percent.

This decline coincides with a more than 2 percent decrease in overall US garment imports.

Parvez said the higher volume of garment shipments usually occurs in July, August and September to cater to Christmas sales. This period also witnessed increased payments from international retailers and brands.

During this period, knitwear exports increased by 12.08 percent to $7.20 billion, while woven exports grew by 10.48 percent to $5.60 billion, according to EPB data. Frozen food exports rose by 10.59 percent to $153.18 million.

Leather and leather goods exports jumped 9.82 percent to $372.24 million and non-leather footwear exports increased by 36.04 percent to $167.11 million.

However, jute and jute goods exports declined by 13.70 percent to $264.81 million.

Home textile exports are gradually recovering from a negative trend as local exporters get increased work orders from international retailers and brands.

During July-October, home textile shipments grew by 1.31 percent to $254.94 million.

Exports of jute and jute goods have been declining over the past few years mostly because of the anti-dumping duties imposed on the shipments to India, the single largest export destination for Bangladeshi jute and jute goods.

Russia is another major export destination for Bangladeshi jute and jute goods, but exports to the country have been affected due to the Russia - Ukraine war.

Source: thedailystar.net– Nov 11, 2024

HOME

****

Bangladesh: Govt to take more time to decide on LDC graduation

Bangladesh will take more time to decide on its graduation from the least developed country (LDC) category, scheduled for 2026, Commerce Adviser Salehuddin Ahmed said yesterday.

Ahmed made the comment in response to journalists' questions, noting that business leaders prefer that the LDC graduation be delayed for the retention of trade benefits for a longer period.

He was speaking at a press conference held at the commerce ministry in Bangladesh Secretariat in Dhaka.

The adviser also said the government formally began negotiations to sign a free trade agreement (FTA) with Singapore yesterday to boost bilateral trade.

Both Bangladesh and Singapore have a close relationship, and it is expected that the trade will grow once the FTA gets through. However, he did not specifically state when the proposed FTA could be signed.

The adviser also said the businesspeople were concerned over their trade as the LDC graduation would also erode the preferential trade benefits provided to them.

But at the same time the decision of the LDC graduation will not be taken all on a sudden as it is very much connected to many issues like trade and intellectual property rights (TRIPs), he said.

"It (the decision) will be taken in the greater interest of the country's people," he added.

Ahmed said the interim government would continue to hold the negotiations for signing FTAs with a few other countries like Malaysia, Indonesia, Japan and India.

Commerce Secretary Md Selim Uddin also said the government has been holding negotiations with some countries and regional platforms for signing the FTAs.

The countries and regions are Indonesia, Malaysia, Japan, the Regional Comprehensive Economic Partnership and the Association of Southeast Asian Nations, he said.

Derek Loh, high commissioner of Singapore in Bangladesh, said the issue of signing the FTA between Bangladesh and Singapore was raised in June 2021.

Since then, a joint committee was formed and both countries held meetings and conducted a feasibility study so that the negotiations could begin, he said.

In 2022, both countries signed a memorandum of cooperation for boosting bilateral trade and commerce.

So, the signing of the FTA between the two countries will be a win-win situation for both nations, he added.

The FTA is on increasing trade in areas like infrastructure, power, economic development, trade, investment, logistics and transportation, the high commissioner also said.

Lutfey Siddiqui, the chief adviser's special envoy on international affairs, said the interim government has been continuing reforms to create an enabling investment environment.

The FTA will enhance bilateral relations in services and investment, he said. Also, this FTA will enable increased access to southeast Asian countries.

Both countries have strong economic fundamentals, including Bangladesh being the second-largest garment exporter and Singapore being one of the major global business hubs, he added.

Bangladesh imports capital machinery and intermediate goods worth $13 billion in a year and Singapore exports $220 billion worth of goods in a year, said Siddiqui.

Bangladesh exported garment items worth $35 billion last year and Singapore imported garment items worth $3 billion during this time.

Last year, Bangladesh exported garment items worth $200 million to Singapore and here is an opportunity for expansion of garment export from Bangladesh, he said.

Singapore can be one of the major sources for investment in Bangladesh in areas like power, energy, transport, logistics and significant people-to-people contact between the two countries, said Siddiqui.

The FTA signing will also increase foreign direct investment, technical cooperation and trade and overall cooperation between the two countries, he added.

Bangladesh is scheduled to graduate from the LDC status to a developing nation in November 2026, he said.

But businesspeople want the graduation to be delayed as they need the continuation of the LDC trade benefits for some more years to gain competitiveness in global trade, he said.

In the last Ministerial Conference of the World Trade Organization (WTO) held in Abu Dhabi, the ministers decided to allow the continuation of the LDC trade benefits to the graduating LDCs for three more years.

But even in that case, the LDCs will have to hold bilateral negotiations to obtain preferential trade benefits.

The European Union will continue the LDC trade benefits for Bangladesh up to 2029, offering a three-year grace period to the graduating LDCs.

A few other countries like Canada, the UK, and Australia will also continue the LDC trade benefit for Bangladesh even after the graduation.

Chowdhury Ashik Mahmud Bin Harun, executive chairman of Bangladesh Investment Development Authority, also spoke.

Source: thedailystar.net– Nov 11, 2024

HOME

****

Pakistan: Weekly Cotton Review: Overall stability observed in prices

Overall stability was observed in cotton prices. New York cotton prices saw an increase. However, business volume remained relatively low due to the increased arrival of low-quality imported cotton.

Head Transfer of Technology Central Cotton Research Institute Multan called for a growing need for a unified apex body to restore cotton production and promote the crop's genuine growth, which would strengthen Pakistan's economy.

Punjab Assembly Speaker's excellent initiative to promote cotton cultivation and conserve water, but it should be noted that sugarcane mills in cotton-producing areas have harmed the cotton crop.

Pakistan's local cotton market experienced overall stability in prices last week due to cautious buying from textile mills. However, trading volume decreased relatively as cotton arrivals commenced.

The supply of Phutti is dwindling day by day, and quality issues persist. Meanwhile, premium quality cotton commands a premium of Rs 1,000-1,500 per maund.

On the other hand, payment issues are escalating, and a financial crisis is deepening in the market. Furthermore, imports of cotton and cotton yarn are increasing, resulting in sluggish domestic payments.

The textile sector continues to face challenges, primarily due to high energy costs, despite occasional decreases in interest rates. However, Federal Finance Minister Muhammad Aurangzeb has assured improvement in sales tax refund payments.

According to the Pakistan Cotton Ginners Association's report up to November 1, cotton production stands at 42 lakh bales, which is considered encouraging. If cotton arrivals continue to increase, total production may reach around 70 lakh bales, excluding unregistered production.

The rate of cotton in Sindh as per quality is in between Rs 16,700 to Rs 18,200 per maund. The rate of Phutti is in between Rs 7,400 to Rs 8,600 per 40 kg.

The rate of cotton in Punjab is in between Rs 17,700 to Rs 18,300 per maund. The rate of Phutti is in between Rs 7,300 to Rs 8,800 per 40 kg.

The rate of cotton in Balochistan is in between Rs 17,300 to Rs 18,200 per maund. The rate of Phutti is in between Rs 7,400 to Rs 9,000 per 40 kg.

The prices of Balochi and Primark cotton remained at Rs 18,500-18,700 and Rs 18,800-19,000 per maund, respectively.

The Spot Rate Committee of the Karachi Cotton Association increased the spot rate by Rs 2,00 per maund and closed it at Rs 18,000 per maund.

Chairman of the Karachi Cotton Brokers Forum, Naseem Usman, said that the international cotton market saw an increase in cotton prices. New York cotton futures are trading between 69.50 and 71 American cents per pound.

According to the USDA's weekly export and sales report, two lakh and twenty nine thousand bales were sold for the 2024-25 crop year.

Pakistan topped the list by purchasing 72,200 bales of cotton. Vietnam secured second place with 71,800 bales. China ranked third with 37,500 bales. Head, Transfer of Technology, Central Cotton Research Institute Multan, stated that a strong apex body like the Pakistan Central Cotton Committee can play a pivotal role in promoting the cotton industry at the national level.

He says such a body can ensure stability in policy-making, fair distribution of resources, and access to modern technology and effective technical assistance to farmers. He emphasized that establishing a robust apex body is crucial for the growth and development of Pakistan's cotton sector.

Pakistan's economy heavily relies on the cotton industry, and its revival necessitates research and development (R&D) and the establishment of a national apex body. The industry faces challenges like rising climate change, water scarcity and severe pest attacks on cotton crops

To combat these issues, continuous investment in modern scientific research is crucial. It is essential to develop improved seed varieties, promote advanced farming techniques and enhance climate resilience.

Sustaining R&D efforts is vital to address these challenges and ensure the industry's growth.

If the institution remains inactive, individual efforts by various organizations to address cotton industry challenges will not yield significant success. Only under the umbrella of a strong apex body, coordinating and streamlining efforts, can cotton's true potential and national economic growth be achieved.

Individual organizations' efforts will be ineffective without a unified approach. A strong apex body is crucial for cotton's growth and economic stability.

Research and development, along with a robust apex body, are essential for securing the cotton industry's future.

Punjab Assembly Speaker Muhammad Ahmad Khan's recent remarks on rice and sugarcane cultivation are a crucial and visionary step towards strengthening Punjab's economy by effectively utilizing agricultural resources. Rice and sugarcane farming consumes excessive water, exacerbating the water scarcity issue. Experts report that approximately 3,000 litres of water are required to cultivate one kilogram of rice, while 1,500 to 2,000 litres are needed for one kilogram of sugarcane.

To address this, prioritizing crops that yield better results with minimal water usage is the way forward. This strategic approach will help optimize water resources and promote sustainable agriculture in Punjab.

The Speaker has advised farmers to focus on cotton cultivation, a revolutionary decision that can boost Pakistan's agricultural economy. Cotton is the backbone of Pakistan's economy and a vital raw material for the textile industry.

Traditionally, cotton was grown in southern Punjab, particularly in Rahim Yar Khan and D.G. Khan, but sugarcane cultivation has increased in these areas, exacerbating water scarcity issues.

Protecting Punjab's traditional cotton-growing areas from water-intensive crops like sugarcane will not only improve cotton production but also stabilize the textile sector. These measures can be a milestone in water conservation and agricultural development.

A wise agricultural policy will conserve precious resources like water, increase production of cotton, a crucial export crop.

This step represents a practical and effective strategy for Pakistan's agricultural and economic stability, strengthening the agricultural sector and meeting global demand for Pakistani cotton.

This decision is undoubtedly in line with national interests and marks a positive step towards optimal utilization of agricultural land, leading to increased prosperity and stability in Pakistan's agriculture sector in the future.

Source: brecorder.com– Nov 11, 2024

HOME

****

Pakistan: Exports to EU states rise 8pc in first quarter

Pakistan's exports to European countries resurged in the first quarter of the current fiscal year primarily due to higher shipments to western states.

In absolute terms, Pakistan's exports to the European Union (EU) rose 7.88pc to $2.204 billion in the July-September FY25 from $2.043bn in the same period last year, according to data compiled by the State Bank of Pakistan. The increase was mainly due to a slight increase in demand for Pakistani goods in western, eastern, and northern Europe. In FY24, Pakistan's exports to the EU dipped 3.12pc to $8.240bn despite its GSP+ status, which allows duty-free entry into most European markets.

In October 2023, the European Parliament unanimously voted to extend the GSP+ status for another four years until 2027 for developing countries, including Pakistan, to enjoy duty-free or minimum duty on European exports. Western Europe, which includes countries such as Germany, the Netherlands, France, Italy, and Belgium, accounts for the largest portion of Pakistan's exports to the EU. The exports to this region increased by 12.04pc to $1.088bn in 3MFY25, up from $0.971bn in 1QFY24.

While exports to western Europe increased and recorded a paltry growth to Eastern and northern Europe, there is a silver lining in the form of an uptick in exports to eastern Europe. The exports to northern Europe saw an increase of 9.89pc to $165.500m in 3MFY25, up from $150.602m in the corresponding months last year. Exports to southern Europe saw a paltry decline of 0.144pc to $772.633m in 3MFY25 from $773.748m in the corresponding period last year. In this region, exports to Spain dipped 3.32pc to $354.81m in 3MFY25 from $367.03m in the preceding year.

Exports to Italy declined 0.84pc to $296.62m in 3MFY25 compared to $299.16m in the same period last year. Exports to Greece recorded a marginal increase of 6pc to $31.64m during the year under review.

However, exports to eastern Europe witnessed a growth of 19.96pc. The export value to this region stood at $178.252m, up from $148.588m in the corresponding period last year.

Source: dawn.com– Nov 10, 2024

HOME

****

NATIONAL NEWS

India's decision to opt out of RCEP agreement strategically sound: GTRI

India's decision to opt out of the trade bloc RCEP was strategically sound as the country has the largest trade deficit and trust issues with China, think tank GTRI said on Friday. India's trade deficit with China stood at over USD 85 billion in FY2024.

"Had India joined RCEP, the situation could have worsened drastically, as it would face zero-tariff imports from China, risking further imbalance," the Global Trade Research Initiative (GTRI) said.

In 2019, India announced that it would not join the China-backed mega free trade agreement -- Regional Comprehensive Economic Partnership (RCEP) as negotiations failed to address New Delhi's outstanding issues and concerns.

"India's decision to opt out of the RCEP was strategically sound, as subsequent developments have validated its concerns over potential economic imbalances, which increasingly favours China over other member nations," GTRI founder Ajay Srivastava said.

The remarks assume significance as Niti Aayog CEO BVR Subrahmanyam has recently stated that India should be a part of the Regional Comprehensive Economic Partnership and Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

It added that a major worry for India has been the rising trade deficits of RCEP members with China.

"This trend, rather than showing signs of improvement, has worsened post-RCEP. ASEAN's trade deficit with China grew sharply from USD 81.7 billion in 2020 to USD 135.6 billion in 2023," GTRI said.

Japan's deficit doubled, and for the first time, South Korea is projected to experience a trade deficit with China this year, it added.

This indicates that RCEP's gains are disproportionately skewed toward China, leading to unfair competition and validating India's fears that joining would lead to a surge in Chinese imports without corresponding benefits, it said.

India already has robust free trade agreements (FTAs) with 13 out of 15 RCEP members, excluding New Zealand and China.

Consequently, the expected benefits from RCEP would have been marginal for India, particularly considering China's opaque trade practices and its history of flooding markets with subsidised goods, Srivastava said.

"I have not seen solid arguments for how joining RCEP would benefit India. Most arguments do not go beyond the idea that opening up the economy is good. But why open to a country with which we have the largest trade deficit and trust issues," he added.

Source: economictimes.com– Nov 08, 2024

HOME

****

MSMEs will get collateral free loans of upto Rs 100 cr through a new credit assessment model by PSU banks: FM

Union Finance and Corporate Minister, Nirmala Sitharaman on Saturday said that the Ministry of Micro, Small and Medium Enterprises (MSMEs) will get collateral-free loans of upto Rs 100 crore through a new credit assessment model by PSU banks.

Speaking at the National MSME Cluster Outreach Programme in Bengaluru, Sitharaman said that the grievances of MSMEs will be solved after the introduction of a new credit guarantee scheme which will be introduced in the cabinet soon.

"The grievance, which has been for a very long time, is that MSMEs get working capital from banks, they don't get term loans, loans for plant and machinery. Now, with this guarantee, which was announced in the budget, for up to 100 crores, the guarantee will be provided, even if you are going to borrow more from the banks, for the first 100 crores, the guarantee will be given. And therefore you are going there collateral-free to that extent," she added.

Going further, the Union Finance Minister said, "You don't even need a third-party guarantee. No collateral, no third-party guarantee. The government gives you the guarantee for up to 100 crores."

She added that the banks will develop a new credit assessment model which will help the MSMEs. "Now we have announced in this budget that banks will do the credit assessment within themselves. Each bank will have their own credit assessment model," she said explaining the benefit of the new assessment system.

Going further, the Union Finance Minister said that e-commerce trade hubs are also being set up with private partnerships which will facilitate international trade and export-related services.

She said that 20 industrial clusters will be covered with the opening of these six new branches of Small Industries Development Bank of India (SIDBI) and it will help in strengthening the MSMEs in Karnataka.

She said that SIDBI's branches across Karnataka have an outstanding portfolio of Rs. 1,169 crore with virtually nil NPAs. The capabilities of the industries not only in Karnataka but the whole nation will be strengthened due to the direct finance facilities of SIDBI, she added.

Source: economictimes.com– Nov 09, 2024

HOME

****

CBIC relaxes norms for Customs Cargo Service Providers

The Central Board of Indirect Taxes and Customs (CBIC) Friday reduced insurance requirement for stored custom cargo to five days from 10 days. It also streamlined licence requirement for Customs Cargo Service Providers (CCSPs). This period has been reduced to 5 days, enhancing cash flow for these entities by lowering costs, the finance ministry said in a statement issued Friday.

CCSPs meeting international operational standards (AEO) will no longer need to undergo license renewal for handling goods. Their licenses will be synchronized with their AEO authorization, easing business operations for logistics operators.

Source: economictimes.com– Nov 09, 2024

HOME

****

Better Cotton, TEXPROCIL partner to promote Indian cotton globally

This strategic move comes after TEXPROCIL's collaboration with the Indian government to launch 'Kasturi Cotton', the nation's first branded cotton in 2023.

The partners have signed a memorandum of understanding (MoU), under which, they aim to combine their capabilities to showcase that premium cotton can be both sustainable and of high quality.

This initiative will see Better Cotton support the promotion of 'Kasturi Cotton' by encouraging its network to adopt the Kasturi Cotton Standard, helping to highlight the quality of the Better Cotton they produce and sell.

Kasturi Cotton is a programme launched by the Government of India in collaboration with textile trade associations and the cotton industry. The initiative aims to enhance the value of Indian-grown cotton by ensuring it meets specific quality standards, positioning it as a premium product in the global market.

Under the terms of the MoU, TEXPROCIL has agreed to provide training to Better Cotton member gins interested in adhering to the Kasturi Cotton programme.

Additionally, it will raise awareness of Better Cotton's mission across its extensive network, which includes over 2,000 companies in key textile manufacturing regions across India's textile regions, aiming to increase engagement with this sustainability initiative.

In return, Better Cotton seeks to expand its engagement with cotton gins across India, highlighting the advantages of sourcing more sustainable cotton and increasing integration into national supply chains.

The two organisations will jointly develop workshops aimed at educating gin operators about sustainability in cotton production and detailing the benefits of aligning with their respective programmes.

Better Cotton India programme director Jyoti Narain Kapoor said: "Our collaboration with TEXPROCIL will help shine a spotlight on Indian cotton and its impressive credentials. It also creates the opportunity for companies to secure higher prices for the cotton they sell by aligning with both the Better Cotton and Kasturi Cotton standards."

Last month, Better Cotton launched an "ambitious" research project in India to identify best practices for empowering women and boosting their representation in the cotton farming sector.

Source: just-style.com– Nov 08, 2024

HOME

****

Rail freight grows 1.5% in October to 131 million tonnes, shows data

In a year of tepid freight traffic, goods ferried via the Indian Railways registered a growth of 1.5 per cent during October to 131 million tonnes (mt), according to railways ministry data.

In contrast, the railways had achieved a cargo growth of 8.5 per cent in October 2023.

According to officials, coal traffic on the railway network increased by 4.3 per cent in the previous month. The commodity accounts for 50 per cent of the total freight volumes of the railways, and is expected to fetch the national transporter Rs 91,000 crore in 2024-25, according to government estimates.

The previous month was also the hottest October in over a century. Volumes of containers grew by 7.7 per cent in the previous month, while miscellaneous goods and clinker traffic increased by 7 per cent each.

So far in this financial year (FY25), freight volumes on Indian Railways stand at 906.9 mt, which is merely 2.2 per cent higher than the previous year.

In the commodity mix, key materials like coal have registered a 6 per cent growth in the current financial year, while iron ore (second largest by volume) traffic has grown by 1.1 per cent.

Container volumes across the financial year have grown by 3.3 per cent, and miscellaneous goods – a benchmark for the railways' efforts at freight basket diversification - have remained flat at 0.9 per cent.

According to officials, significant capacity augmentation activity is the focus right now, when mobility on the railway network generally tends to lag on account of new construction. The Union Cabinet, in the past few weeks, has also sanctioned a number of major expansion projects to increase capacity.

The Centre for Monitoring Indian Economy (CMIE) anticipates freight traffic on railways to rise year-on-year by 3.3 per cent in 2024-25. “This is quite a deceleration compared to the 15 per cent rise seen in 2021-22, 6.6

per cent rise in 2022-23, and a 5.2 per cent growth registered in the previous financial year," it said in a forecast in October.

The ministry is eyeing Rs 1.8 trillion from its freight operations this financial year, which is 6.5 per cent higher than the revised estimates, but the same as the budget estimates in the previous year.

Experts have opined in the past that the national transporter registering tepid freight growth, which is the primary revenue generator used to subsidise passenger travel, does not augur well for its Mission 3000, under which it aims to carry 3000 mt of goods by 2030.

Source: business-standard.com– Nov 08, 2024

HOME

****

Can India's garments industry benefit from Bangladesh's turmoil?

Asia's rise has been stitched together by the textile industry. Across the continent, the production of t-shirts and trousers for the global market has drawn millions from fields to factories. No country exemplifies the power of this process more than Bangladesh. Since building its first export-orientated apparel factory in 1978, a joint venture with a South Korean firm, Bangladesh has turned its economy into a clothes-exporting powerhouse. The sector employs some 4m people, mostly women, and contributes 10% of the country's GDP. Last year Bangladesh shipped $54bn-worth of garments, second only to China.

In recent months, though, the industry has been fraying at the seams. A months-long crackdown on student-led protests, which included a brutally imposed curfew, curtailed economic activity. Even after the demonstrations forced the resignation of Sheikh Hasina, the unpopular prime minister, unrest has not subsided.

Empowered by the protests, several groups, including textile workers, have taken to the streets with fresh demands for the new government led by Muhammad Yunus, the interim leader. The country has also been beset by power failures. Gas shortages this year have forced factories to operate at lower capacity. Overall apparel exports will probably fall by 10-20% this year.

Other countries are hoping to take advantage of this. Despite being the world's second-biggest producer of cotton—which it exports to Bangladesh—India lags behind its neighbour in garment production, exporting a quarter as much by value in 2023.

Recently a group of exporters based in Tiruppur, a textile hub in southern India, said it had earned fresh orders worth $54m because of the unrest in Bangladesh. Another group based outside Delhi said it had received 15% more orders in August from Zara, a Spanish fashion firm.

But seriously denting Bangladesh's dominance will be difficult. "The current unrest is short-term. Factories are already operating again and the situation is improving," says Mehdi Mahbub, an industry analyst based in Dhaka.

Moreover, Bangladesh still enjoys big advantages over its competitors. Labour costs remain lower than elsewhere. Unlike India, the country also enjoys preferential access to European markets. Above all, its history of textile production means that it is well-equipped to handle large orders. The head of sourcing at Gap says the American fashion brand remains “cautiously optimistic” about Bangladesh’s future.

And India does not have the capacity to compete with Bangladesh at this stage, according to one industry insider. Too much policy attention is directed towards boosting capital-intensive sectors, such as electronics, instead of labour-intensive textiles, he says. Between 2016 and 2023 the value of Indian apparel exports fell by 15%, whereas Bangladesh’s increased by 63%. A recent World Bank report points to India’s protectionist policies as the culprit. Average import tariffs on textiles and apparel, including on intermediate inputs used by local manufacturers, have increased by 13 percentage points since 2017, raising prices for producers.

For India, the bigger opportunity for growth might come from the decline of low-value garment production in China. But here too India will have to contend with competition, including from Bangladesh. According to the bank’s research, the two biggest beneficiaries from China’s shrinking share of low-skill manufacturing exports like garments are Bangladesh and Vietnam. Meanwhile, the quality of jobs matters too; to improve that, the textile industries need to move up the value chain. Both Bangladesh and India are aiming to become developed countries over the next two decades. That requires weaving a more diverse and complex economic fabric.

Source: livemint.com– Nov 09, 2024

HOME

****

Powerloom weavers urge Tamil Nadu CM to take up the issue of QCOs on textiles with the Central government

Powerloom weavers in Tamil Nadu have appealed to Chief Minister M.K. Stalin to take up with the Central government the issue of quality control order (QCO) proposed on viscose rayon staple spun yarn.

The Tamilnadu Federation of Powerloom Associations has said that no other country imposes QCO on textile products. Since the introduction of QCO on viscose fibre last year, the entire viscose textile chain is impacted negatively and is hit by sluggishness.

Tamil Nadu has nearly 25 lakh powerlooms and two lakh of these looms moved from weaving cotton to viscose over the years.

Almost 70 % of the viscose staple yarn produced by more than 80 textile mills are used by the powerlooms in the State.

Due to monopoly in production of viscose rayon staple cut fibre, the mills that faced shortage in availability of the fibre imported it and the imported fibre was ₹25 a kg lesser than the domestic prices. However, the Central government introduced QCO on fibre last year, curbing imports. This has resulted in sluggishness in the entire viscose textile chain.

In such a situation, the government notified in September this year the proposal to impose QCO on viscose yarn.

Already several powerlooms are sold as scrap because of the dull market and the QCO on yarn will be a blow to the powerloom weavers in Tamil Nadu. Hence, the Chief Minister should take up the issue with the Centre and urge it to remove the QCOs on textiles, the Federation said.

Source: thehindu.com– Nov 11, 2024

HOME

****