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USD	EUR	GBP	JPY
86.22	93.35	111.46	0.58

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INTERNATIONAL NEWS

Global economic outlook uncertain; growth to slow: OECD

The latest Interim Economic Outlook of the Organisation for Economic Cooperation and Development (OECD) projects global growth slowing to 3.1 per cent in 2025 and 3 per cent in 2026, with important differences across countries and regions.

The global economy has been resilient in 2024, but some signs of weakness are appearing against a backdrop of slower growth, lingering inflation and an uncertain policy environment, it noted.

GDP growth in the United States is projected at 2.2 per cent this year before slowing to 1.6 per cent in the next. In the euro area, growth is projected to be 1 per cent in 2025 and 1.2 per cent in 2026.

China's growth is projected to slow from 4.8 per cent this year to 4.4 per cent in the next.

Inflation is projected to be higher than previously expected, although still moderating as economic growth softens.

Goods price inflation has begun picking up in some countries, although from low levels.

Annual headline inflation in G20 economies is projected at 3.8 per cent in 2025 and 3.2 per cent in 2026.

These projections have been revised upwards by 0.3 percentage points compared to OCED's Economic Outlook in December.

"Increasing trade restrictions will contribute to higher costs both for production and consumption. It remains essential to ensure a well-functioning, rules-based international trading system and to keep markets open," OECD secretary general Mathias Cormann said.

The Outlook highlights a range of risks, starting with the concern that further trade fragmentation could harm global growth prospects.

The Outlook also draws attention to the risk of macroeconomic volatility. An unexpected downturn, policy change or deviation from the projected disinflation path could trigger market corrections, significant capital outflows, and exchange rate fluctuations, particularly in emerging markets.

High public debt levels and elevated asset valuations further heighten these risks.

Decisive fiscal actions are needed to ensure debt sustainability, preserve room for reacting to future shocks and generate resources to meet large impending spending pressures, it recommends.

Stronger efforts are needed to reallocate spending towards activities that support longer-term growth, set within credible medium-term adjustment paths tailored to country-specific circumstances, it adds.

Source: fibre2fashion.com– Mar 21, 2025

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Egypt's Outlook Has Changed Dramatically

Despite stubborn inflation, currency devaluation, the growing cost of raw materials and a series of wage increases over the past two years, manufacturers in Egypt told Sourcing Journal that the outlook has "changed dramatically" in the past few months.

"From my point of view, Egypt is just getting rediscovered," Rajat Gupta, chief marketing officer at Winway Global Apparel, said. His company, which is based out of China, set up their production unit in the Islamia Public Free Zone in August 2024, with plans to expand in coming months. Given the changing geopolitical situation since then, many other Chinese companies have been moving quickly to adjust their sourcing models. As the threat of higher tariffs on exports from China to the U.S. inches closer, many manufacturers are urgently stepping up their search for other sourcing destinations. Egypt's free trade agreement (FTA) with the U.S., and a strong outlook for 2025 in terms of economic recovery are making the locale more appealing than ever.

"There were a lot of challenges in the past in Egypt, in terms of the economic and political situation, as well as a strong focus of big manufacturers on Asia with its high production efficiencies. But things have been changing fast," Gupta observed. Among the factors leading this change: the availability of raw materials, local workers and reasonable wages.

"Our factory is still relatively new; in the first phase we have 10 lines already running and in the next six months it will be up to 26 lines. In the second phase there will be additional 30 lines, totaling to 56 lines by 2026. That shows our commitment as well as the interest in the country," he said.

While some manufacturers have commented on the country's comparatively low efficiency, and high absenteeism, Gupta believes that it is possible to counter these.

"Although efficiencies are low, we have mastered it as we work with a standardized replication system, where we have a centralized system in China and we are able to seamlessly create that in each country so that it remains consistent. I think there is going to be more action and rediscovery. The large manufacturers will play a bigger role in managing the work force," he said.

Other global manufacturers agree.

"Egypt really has come to the forefront," noted Siddharth Sinha, founder and chairman, Velocity Egypt, who has spent three decades manufacturing and exporting apparel from the country. He added that there were various triggers that were pushing it forward at this time. Velocity manufactures for several global brands including Inditex and American Eagle.

"On the one side you have China that's already been hit hard. At the same time, in Turkey prices have gone up so much that it is falling out of the manufacturing race. Vietnam already has a shortage of labor, and the situation in Bangladesh is unstable at this time. Meanwhile, Egypt has a very strong infrastructure, and it is stable and well controlled which is key for manufacturers. The factories don't have to worry about power cuts and shortages, and the transport systems are good. In addition, the geographical location of Egypt itself is very good and it has a large population of more that 120 million—a young population."

"I think the other interesting part is that Egypt has some promising mills," Sinha observed. "But they are very localized, their international exposure is lacking—and you can see that in the efficiency, their use of new developments and communication styles. More foreign investments and joint ventures would change the way things work. Sourcing fabric locally is going to continue to play a critical role to support the garment industry, as well."

He said that this change in working style was apparent in the factories themselves. "The efficiencies are picking up. This has been changing as more global companies are coming in, and the mindset is changing.The last few years in Egypt haven't been easy, however.

Local manufacturers said that they have been trying to keep up with a variety of economic issues. Annualized inflation was down in 2024—to 25.5 percent. There has been a period of heavy adjustment as the government has realigned and reduced subsidies in response to a plan by the International Monetary Fund (IMF) which approved a $3 billion loan to Egypt in December 2022. This was expanded to $8 billion in March 2024.

These loans bring with them stringent requirements, and part of the fallout has been a steeply plummeting currency. The Egyptian pound fell by 40 percent against the dollar from May 2022 to January 2023, and another 39 percent over the last year, hovering at an approximate 50 Egyptian pounds to one U.S. dollar in recent months.

Meanwhile the minimum wage has doubled over the last two years. In January 2022 it was 2,400 Egyptian pounds. In May of 2024 the minimum wage increased to 6,000 Egyptian pounds ($118.35) a month.

According to Hala El Said, minister of planning and economic development, this move was part of "the commitment to safeguarding the interests of workers amidst evolving economic landscapes, both domestically and internationally."

Manufacturers told Sourcing Journal that they have been adjusting to these changes. But it has been difficult. It has also spurred a further openness to foreign investment.

Fadil Marzouk, chairperson of the apparel export council of Egypt, said that the rise in foreign investments in the apparel sector has been primarily from countries such as China, Vietnam, Turkey and India, alongside increased local investments and factory expansions.

Meanwhile, the industry has been looking up: In the first 10 months of 2024, Egypt's ready-made garment exports increased by 17 percent to $2.27 billion. This is up from $1.94 billion during the same period in 2023, with the U.S. as the biggest importer of Egypt's apparel exports, followed by EU and other Arab nations.

Ravi Hurpaul, managing director, Regal House Consulting, has been watching the changes closely. His company focuses on driving sustainable growth and operational excellence in the apparel industry, and has worked with a number of global brands, including Victoria's Secret, Abercrombie & Fitch, Lane Bryant and others over the last four decades.

"Looking at the region, you can see that sports brands like Adidas and Nike have a strong presence in the country. They have volume, they have FTA benefits—volume is everything there," he explained.

The road ahead, however, will not be easy."If Egypt wants to be a big, competitive player in the apparel industry they will have to make a big shift," Hurpaul observed. "They need to open up to the entrepreneurs more so they can bring in people with knowhow and more expertise. They need to bring in skill, and tap into competitive markets. Right now, they are known for their cotton and that will continue, but in Egypt, the challenge is retaining labor. The foreign investor can bring in automation—which they are—

but educating the work force for long term sustainability needs time," he said, citing the example of Jordan, where labor has been brought in from different countries.

He noted that while there are indeed challenges, it is also the moment to seize the opportunity.

"If you're talking to a country that is fully developed that means the opportunity is already taken. So, it's like another starting point. Rediscovering the country both from a fabric point of view and garment point of view," he said. "Overall, I think there is going to more action and rediscovery."

Source: sourcingjournal.com– Mar 20, 2025

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Japan's clothing imports fell 6.9% to $1.7 bn in Feb 2025

After a period of impressive growth, Japan's imports of clothing and accessories fell by 6.9 per cent to 265,663 million yen (approximately $1.787 billion). These imports accounted for 3.1 per cent of the nation's total imports, which stood at 8,606,634 million yen, according to provisional data from Japan's Ministry of Finance.

The country's imports of textile yarn and fabric declined by 6.3 per cent to 78,061 million yen, representing 0.9 per cent of total imports.

Meanwhile, Japan's exports of textile yarn and fabric grew by 12.7 per cent during the same period, reaching 69,560 million yen. Exports of textile machinery increased by 7.3 per cent to 26,101 million yen, contributing 0.3 per cent to total exports.

In 2024, Japan's imports of clothing and accessories rose by 3.5 per cent to 3,674,140 million yen (approximately $23.619 billion). However, imports of textile yarn and fabric declined by 0.4 per cent to 1,157,919 million yen. During the same period, Japan's exports of textile yarn and fabric increased by 6.9 per cent to 839,583 million yen, while exports of textile machinery fell by 17.7 per cent to 270,557 million yen.

For fiscal 2023-24 (April-March), Japan's imports of clothing and accessories totalled 3,564,850 million yen (approximately $23.107 billion), marking a 1.7 per cent decline. Imports of textile yarn and fabric fell by 10.4 per cent to 1,143,805 million yen. In the same fiscal, Japan exported textile yarn and fabric worth 802,178 million yen, while exports of textile machinery reached 320,947 million yen.

In fiscal 2022-23, Japan's imports of clothing and accessories amounted to 3,619,550 million yen (approximately $25.05 billion), while imports of textile yarn and fabric totalled 1,275,608 million yen. During that fiscal, Japan exported textile yarn and fabric worth 776,999 million yen, while exports of textile machinery reached 306,781 million yen.

Source: fibre2fashion.com– Mar 21, 2025

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Tariffs, Trade and Textiles

Uncertainty surrounding tariffs affects global trade and industry.

On Mar. 19, 2025, Jerome Powell, Chair of the United States Federal Reserve, indicated that tariffs have partly played its role with the elevated inflation situation. Given the headline inflation is at 2.8%, federal interest rate remains at 4.25-4.5%, which will influence consumer spending. Surveys indicate consumer confidence is down, which, in turn, will affect the buying of non-essential items that depend on discretionary spending.

Speaking about tariffs, Powell stated, “They tend to bring growth down, and they tend to bring inflation up.”

On Mar. 20, 2025, the Bank of England also chose to maintain the current interest rate at 4.5% while its domestic economy is weak. Again, the global economic uncertainty due to tariff situations has weighed heavily to maintain the current interest rate.

The United States, China, and India – all with a sizeable middle-class population – have interests in textiles as they engage in exporting and importing fibers and textiles. The U.S. is the largest market for consumer goods, and its economy matters for global trade. While the U.S. economy is on strong footing, this year’s growth will be slightly less than expected at 1.7%. According to the Federal Reserve’s Powell, growth in the next two years will be slightly less than 2%.

The tariff situation, consumers’ spending power, and, more importantly, confidence will determine the amount of trade in textiles and apparels. As textile manufacturing is labor intensive with less margins, the tariffs are not at a level to shift the manufacturing of commodity textiles to the United States.

Developed economies like the U.S. and the European Union are poised to grow its advanced textiles sector. More importantly with EU countries committing to spending more on their defense budget, opportunities in defense, healthcare, and industrial textiles will grow and may support new investments.

So, what will the textiles sector’s landscape be in the tariff scenario?

Trade between China and the United States will see some change. China's exports to the U.S. will take a hit. Other countries like Bangladesh, Vietnam, India, and Indonesia may see an increase in exports of apparels. However, industries with Chinese investments in Vietnam and low wage countries would see export enhancements.

China's imports of U.S. cotton will show a decreasing trend, which is already happening due to its weak domestic consumption. But this can be offset by exporting to other major textiles and apparel manufacturing nations. How much that shift will be is difficult to predict at this uncertain time.

India is currently in the fourth position as an exporter of apparels to the United States. It is unlikely to see a sudden shift in its ranking, but its share of exports will increase. According to the U.S. Office of Textiles and Apparels, in 2024, India exported about US$4.69 billion worth of apparels in 2024, while Bangladesh exported about US$7.34 billion.

Being importers of cotton, Bangladesh, Vietnam, and Indonesia will have constraints in exponentially increasing its manufacturing, but their appetite for cotton will grow. India is poised to enhance its apparels exports to the United States.

India needs to increase its cotton availability by improving its productivity. This crop year (October 2024- September 2025), the production will be about 30 million bales (170 Kgs each), which is less than last year's production. This scenario opens opportunity for cotton exporting countries to trade with India, while India maintains an 11% tariff of imported upland cottons. Presently, mills are showing interest in procuring cotton from Brazil, which comes out to be competitive in terms of price. The U.S. cotton sector needs to promote its cotton for its quality, timely delivery and after-sale support, although it is relatively highly priced against Brazilian cotton.

I recently discussed cotton trade dynamics with Velmurugan Shanmugam, general manager of India-based Jayalakshmi Textiles, which has recently bought Brazilian cotton to blend with Indian cotton. According to Shanmugam, balancing the cost and quality of imported cotton is a critical activity while making decisions on purchasing imported cotton. While Brazilian cotton comes out to be economical, United States cotton is still better in terms of nep counts, he stated.

Given the reciprocity tariff policy taking effect on April 2, textile trade with India will not be affected much as India's basic custom duty on knitted products is 20%, and apparels' tariff differential is normally about 7%. India will be competitive against China, as the United States has imposed 20% additional tariff over the existing ones, making it expensive from this point of view.

The Indian industry should utilize the opportunity to enhance its productivity and strengthen its cotton and synthetic base. Importantly, the apparel and garment sectors should increase the size of their product basket.

While it is difficult to predict the loss in export share of China to the United States, given the amount of export it has been doing in recent years, certainly other South Asian countries will benefit. This, in turn, provides opportunities for cotton exporting countries like the United States to realign its market space.

In the cotton trade, Brazil remains a competitor for the United States to penetrate India, but it is possible with coordinated marketing efforts.

The global textile landscape will see a shift.

Source: cottongrower.com– Mar 20, 2025

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US retail sales rise 0.2% in Feb, missing market expectations

Retail and food service sales in the US grew by a modest 0.2 per cent in February, falling short of market expectations of a 0.6 per cent increase, according to the KPMG. Hopes for a rebound from the sharp decline in January did not materialise. Additionally, January sales figures were revised downward to -1.2 per cent from the previously reported -0.9 per cent.

Core retail sales, which exclude petrol stations, auto dealers, and building material stores, rose 1 per cent in February following a downwardly revised 1 per cent decline in January. These figures align with expectations of a 1.9 per cent annualised increase in consumer spending for Q1, contributing to a projected 1 per cent rise in real GDP. Department store sales plunged 1.7 per cent, the largest percentage decline in nearly a year, as consumers become more cautious and price conscious. Department store sales are down 7.5 per cent over the past 12 months.

General merchandise stores sales rose 0.2 per cent, which includes discounters, as households, even those that make over $100K, gravitate toward value. Online sales recovered in February, rising 2.4 per cent, after falling by the same amount in February, another sign that department stores could face a difficult environment in 2025, KPMG said in a press release.

Recent confidence data indicate a sharp decline in sentiment across income levels. While financial strain among lower-income consumers has been evident, there are growing concerns that higher-income consumers may also be reducing their spending.

The US equity market, a consistent source of wealth for upper income households, entered correction territory last week, falling 10 per cent from its recent peak. Tariff uncertainty and concern about the outlook for the US economy is weighing on consumers. Sales at gasoline stations dropped 1.0 per cent, with a 0.9 per cent decline in gasoline prices almost fully accounting for the decline.

Source: fibre2fashion.com– Mar 21, 2025

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UK manufacturing slumps as costs and trade worries mount: Survey

Britain's manufacturing sector is struggling under the pressure of rising employment taxes, increased business costs, and growing fears of a global trade war, according to a new survey published by Make UK and business advisory firm BDO. The latest data reveals a sharp decline in both output and orders, marking the first fall in output in a first quarter in over a decade. This downturn follows a significant slump in business confidence at the end of last year, the fastest decline since the pandemic.

According to the Manufacturing Outlook survey, the balance on output fell sharply to -1 per cent from +20 per cent in the last quarter, with total orders following a similar pattern, dropping to -6 per cent from +7 per cent. Export orders, which had previously helped offset weak domestic demand, also fell to +1 per cent from +10 per cent in quarter 4, while UK orders turned negative at -7 per cent, down from 0 per cent.

Recruitment intentions also turned negative at -3 per cent, down from +8 per cent in quarter 4, while investment intentions weakened to +5 per cent from +10 per cent. Richard Austin, head of manufacturing at BDO, said: "Against a backdrop of economic uncertainty, the manufacturing sector has relied heavily on exports to help protect it from other downward trends. As this data shows, we cannot be complacent - our manufacturers are resilient but they're not invincible.

"While there are pockets of investment and opportunity, output levels are down across the board and, in order for manufacturers to continue their push on growth, they need targeted support from government, whether that be reducing complexity, streamlining trade or boosting access to capital."

A separate survey by Make UK conducted after the Autumn 2024 Budget in response to this much weaker picture, shows that almost half of companies (48 per cent) are freezing recruitment, while four in ten (41 per cent) plan to reduce pay increases. Around a quarter (27 per cent) are considering redundancies. Additionally, a third (34 per cent) are delaying investment plans, while 15 per cent have cancelled planned investments altogether, BDO said in a release.

Beyond employment costs, businesses are also being hit by a wave of rising expenses. More than 90 per cent of companies expect their employment costs to increase this year, while almost three-quarters (70 per cent) anticipate higher energy costs. A similar proportion (71 per cent) expect logistics and transportation costs to rise, and nearly eight in ten (79 per cent) report increasing raw material costs.

Make UK forecasts that the manufacturing sector will contract by 0.5 per cent in 2025, a downgrade from the previous forecast of a 0.2 per cent decline. However, the sector is expected to return to growth, expanding by 1 per cent in 2026. GDP is forecast to grow by 1 per cent in 2025 and 1.5 per cent in 2026.

In light of these challenges, Make UK is calling on the government to implement measures to mitigate the impact, particularly in reforming the business rates system to remove barriers to investment. The organisation is also urging policies to support industrial decarbonisation and address the country's skills shortages.

Make UK has further stressed the urgent need for a fully funded, long-term industrial strategy that places advanced manufacturing at its core. Such a strategy should align with policies on energy, trade, and skills to reassure businesses and foreign investors that the UK has a cohesive plan for economic growth.

"Manufacturers feel like they are currently wading through treacle, facing barriers and increased costs being imposed on them at every turn. However, there is no more resilient a sector in the economy and, just as they have done in the past, they will find ways to adapt. The one light at the end of the tunnel is the prospect of a modern, long term industrial strategy which will enable them to plan for the future with confidence in a supportive policy environment," commented Verity Davidge, policy director at Make UK.

The Manufacturing Outlook survey was conducted between February 6 and 20, covering 306 companies. The Budget Impact survey included 256 companies and was conducted between January 6 and 21.

Source: fibre2fashion.com– Mar 21, 2025

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Euro area inflation falls to 2.3% in Feb 2025, EU at 2.7%: Eurostat

The euro area annual inflation rate was 2.3 per cent in February 2025, down from 2.5 per cent in January. A year earlier, the rate was 2.6 per cent. European Union (EU) annual inflation was 2.7 per cent in February 2025, down from 2.8 per cent in January, according to Eurostat, the statistical office of the European Union (EU).

A year earlier, the rate was 2.8 per cent for EU and 2.3 per cent for Euro Area.

The lowest annual rates were registered in France (0.9 per cent), Ireland (1.4 per cent) and Finland (1.5 per cent). The highest annual rates were recorded in Hungary (5.7 per cent), Romania (5.2 per cent) and Estonia (5.1 per cent). Compared with January 2025, annual inflation fell in fourteen member states, remained stable in six and rose in seven.

Contributions to the euro area annual inflation rate varied across key sectors. Non-energy industrial goods remained relatively stable, contributing 0.14 percentage points (pp) in February 2025. Services had the largest impact, though slightly declining from 1.73 pp in February 2024 to 1.66 pp in February 2025.

Source: fibre2fashion.com– Mar 21, 2025

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Stronger dollar pressures ICE cotton prices; oil gains cushion fall

ICE cotton futures continued their bearish trend on Wednesday for the third consecutive day. US cotton prices eased as a stronger US dollar made cotton purchases more expensive for overseas buyers. However, positive sentiment in the crude oil and grain markets limited the decline in cotton prices. Traders are awaiting the weekly US cotton sales report, which is due on Thursday.

Yesterday, the ICE cotton May 2025 contract closed at 66.35 cents per pound (0.453 kg), down 0.12 cent, extending its three-session decline to a total of 102 points. July cotton futures slipped by 0.04 cent to settle at 67.84 cents per pound, while the December contract also edged down 0.04 cent, closing at 69.52 cents.

The US dollar strengthened on Wednesday following the Federal Reserve's decision to maintain interest rates. A stronger dollar makes cotton purchases more expensive for overseas buyers. However, the increase in crude oil prices supported cotton prices, as higher oil prices raised polyester production costs.

The trading volume for cotton futures was 38,478 contracts, compared to 36,431 contracts cleared the previous day. ICE deliverable No. 2 cotton futures contract stocks remained unchanged at 14,488 bales as of March 18.

Market analysts noted that the strength of the dollar was a negative factor for the cotton market. Recent price highs required a catalyst to drive prices further.

Investors are awaiting the USDA's weekly export sales report, scheduled for release on March 20, for further insights into cotton demand. The previous USDA report showed that US cotton export sales for the current marketing year increased by 271,800 bales, up 13 per cent from the previous week and the four-week average. Export sales for the next marketing year increased by 110,200 bales in the same week.

US stocks surged after the Federal Reserve kept interest rates unchanged, as investors assessed the impact of US tariffs on the economy and inflation.

The market has not entirely dismissed the possibility of a continued rally, as recent losses have been relatively modest.

Currently, ICE cotton for May 2025 is trading at 66.70 cents per pound (up 0.35 cent), cash cotton at 63.85 cents (down 0.12 cent), the July 2025 contract at 68.17 cents (up 0.33 cent), the October 2025 contract at 69.43 cents (down 0.11 cent), the December 2025 contract at 69.78 cents (up 0.26 cent), and the March 2026 contract at 70.77 cents per pound (up 0.14 cent). A few contracts remained at the same level as the last closing, with no trading recorded today.

Source: fibre2fashion.com– Mar 20, 2025

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Africa's leading e-commerce platform Jiji to launch in Bangladesh

Africa's leading e-commerce platform Jiji is set to launch its online classified ads marketplace in Bangladesh, marking its first expansion into Asia. The company plans to invest millions of dollars to capture a significant market share and establish leadership in the classified ads sector.

Jiji, which operates in Africa with over 1.2 crore monthly active users and two lakh business sellers, has successfully outperformed and acquired OLX, Cars45, and Tonaton in different regions. Headquartered in Warsaw, the company has offices in Lagos, Nairobi, Accra, Warsaw, Dubai, and Kyiv.

CEO Anton Volianskyi sees Bangladesh as a major growth opportunity due to its expanding middle class, rising digital adoption, and largely untapped e-commerce sector. Instead of managing inventory or logistics, Jiji connects price-sensitive buyers and sellers through classified ads.

Jiji has already registered a local subsidiary and aims to build a strong local team. It also plans to expand into two or three additional Asian markets within the next two years.

Bangladesh's e-commerce market is expected to surpass $12 billion by 2029, with a young, tech-savvy population driving growth. Jiji believes its proven model will help it quickly establish dominance, despite competition from existing players like Bikroy and Bproperty.

Source: fashionatingworld.com– Mar 20, 2025

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Bangladesh: Garment exports to EU surged 53% in January

Garment shipments from Bangladesh to the European Union (EU) surged by 52.56 percent year-on-year to $1.97 billion in January this year, according to data from Eurostat.

The shipment was worth $1.29 billion in January last year, said the EU's statistical office.

In terms of volume, the apparel export to the EU rose by 58.08 percent. Meanwhile, average unit prices decreased by 3.49 percent.

In January 2025, apparel imports by the EU surged by 25.12 percent, reaching $8.57 billion, accompanied by a notable 41.10 percent spike in volume and an 11.33 percent decrease in average unit prices.

Various factors contributed to this positive export trend, said Mohiuddin Rubel, former director of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), in a WhatsApp message.

The factors include a rise in value added garment production, benefits from the new US tariffs, duty-free market access, adherence to safety standards, and collaborative efforts of manufacturers and workers, he said.

These developments enhanced buyer confidence, solidifying Bangladesh's position in the export landscape, he added.

He was optimistic about future projections, anticipating a rise in work orders throughout 2025, sustaining growth momentum. As buyers expand sourcing activities in Bangladesh, the growth trajectory is set to continue, he said.

Comparatively, China experienced a 33.55 percent growth in garment exports to the EU in January 2025 while India, Pakistan, and Cambodia also posted substantial growth rates of 36.99 percent, 25.12 percent, and 63.54 percent respectively.

China's apparel exports to the EU totalled $2.46 billion in January 2025, up from $1.84 billion in January 2024.

Conversely, Turkey saw a marginal 0.03 percent decrease in apparel imports to the EU, amounting to $904 million in January 2025, while Vietnam recorded a 27.35 percent growth, reaching $412 million.

India, Pakistan, and Cambodia secured $411 million, $360 million, and $435 million in January 2025, respectively, from the EU clothing market. In conclusion, the data indicates a more pressing need for strategic changes for future growth, even though Bangladesh demonstrated resilience in preserving export quantity and value.

For Bangladesh to maintain its competitiveness and protect profit margins in the face of ongoing global price deflation, value addition and market diversification are still crucial, said Rubel.

Source: thedailystar.net– Mar 21, 2025

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Bangladesh's Strategy for Avoiding Trump Tariffs? A Buy-cott.

Bangladesh plans to import more cotton from the United States as a way to fend off possible tariffs.

It's a strategic move, foreign affairs adviser Md. Touhid Hossain said this week, amid the Trump administration's proposed efforts to narrow the trade deficit with other countries, a longtime obsession of the president.

In 2024, the United States imported $8.4 billion worth of goods from the South Asian nation, which, in turn, received $2.2 billion in American exports, according to the Office of the U.S. Trade Representa In 2024, the United States imported $8.4 billion worth of goods from the South Asian nation, which, in turn, received $2.2 billion in American exports, according to the Office of the U.S. Trade Representative. This created a trade deficit of $6.2 billion, or 2 percent more than the $6 billion from the year before.

President Donald Trump has frequently cited trade surpluses as evidence that America is "being ripped off" by the rest of the world.

Bangladeshi goods are already subject to U.S. tariffs, including a 15.6 percent duty on apparel. The idea, Hossain said, is to prevent additional tariffs that the White House might be eyeing.

"The U.S. government has imposed tariffs on various countries since Donald Trump took office," he was quoted by the Dhaka-based Business Standard as saying at a joint Economic Reporters Forum and the Bangladesh Cotton Association event. "By importing cotton from the U.S. and exporting garments made from it, we aim to create a situation where they hesitate to impose higher tariffs on us."

But Hossain also said that it was important for Bangladesh to shore up its domestic production of cotton, which despite being a major cash crop, is cultivated in small quantities that meet only 3 percent of the national demand. While he said that the interim government would soon recognize cotton as an agricultural product and introduce subsidies to drive its uptake, potentially within the next three months, he also urged Bangladesh's National Board of Revenue to eliminate the current 4 percent advance income tax on domestically produced cotton.

Vietnam has also been scrambling to ward off trade deficit-propelled tariffs. Last week, officials from Hanoi met with U.S. Trade Representative Jamieson Greer in Washington, D.C., to discuss how the two nations could achieve "commensurate economic benefits," including by removing trade barriers that impede American investment and business in Vietnam.

But Bangladesh has another problem on the horizon: graduation from the United Nations' Least Developed Countries category next November, resulting in the ceding of trade benefits from the European Union that could jack up tariffs on apparel imports from nil to roughly 12 percent by 2029.

"Even after LDC graduation, Bangladesh will enjoy duty-free access to the European Union for three more years. I believe our business community is waiting for this grace period to make necessary preparations, and I am confident they will be ready within that timeframe," Hossain said.

How much Bangladesh's plans would help U.S. cotton farmers remains to be determined, however. China has slapped an additional 15 percent tariff on U.S.-grown products, including cotton, in response to Trump's order to raise duties on Chinese imports to 20 percent. Farmers, many of whom have seen federal grants frozen as billionaire Elon Musk's so-called Department of Government Efficiency conducts its cost-cutting review, are also facing escalating equipment and input costs—including from retaliatory tariffs—and sinking commodity prices.

The U.S. Department of Agriculture said on Tuesday, however, that it is issuing up to $10 billion directly to agricultural producers through the Emergency Commodity Assistance Program for the 2024 crop year to help agricultural producers mitigate these effects. Farmers of upland cotton and extra-long staple cotton will be eligible for payments of $84.74 per acre.

Source: sourcingjournal.com– Mar 20, 2025

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NATIONAL NEWS

Availing preferential tariff for import will need ‘proof of origin‘ in place of ‘certificate of origin‘, says Finmin

An importer will now be required to submit ‘proof of origin’ as against ‘certificate of origin’ to preferential rate of duty in terms of a trade agreement. Experts feel such a move is aimed at checking imports from China that are routed through third countries.

The Finance Ministry has notified changes in the Customs (Administration of Rules of Origin under Trade Agreements) Amendment Rules 2020. It has been made effective from March 18.

According to Sivakumar Ramjee, Executive Director- Indirect Tax, Nangia Andersen LLP, the amendment is aimed at tightening scrutiny on imports, particularly those from China that are routed through third countries under Free Trade Agreements (FTAs).

Rebranded and rerouted

India has been facing challenges with Chinese goods being rebranded and rerouted through ASEAN nations, Sri Lanka, and UAE to evade higher tariffs and trade restrictions. By shifting to a broader “proof of origin” requirement, Indian customs authorities now have greater flexibility to demand additional evidence beyond just a certificate, ensuring that importers cannot misuse FTAs to bypass trade barriers meant to protect domestic industries.

Investigations revealed that Chinese products, such as mobile phones, white goods, set-top boxes, and other electronic gadgets, were being exported to India through countries like Vietnam, Singapore, and Indonesia. These goods were claimed under FTAs, allowing them to benefit from concessional duty rates, despite not meeting the required “rules of origin” criteria.

A company in Ho Chi Minh City, Vietnam, was found importing finished silk from China, relabeling it as ‘Made in Vietnam,’ and then exporting it to India. This misrepresentation exploited Vietnam‘s trade agreements with India to enjoy lower tariffs, undermining the authenticity of the certificate of origin.

"These practices have prompted Indian authorities to tighten scrutiny on imports, ensuring that goods genuinely originate from the countries specified in their certificates of origin, thereby protecting domestic industries from unfair competition," Ramjee said.

Due diligence

Mayank Jain, Partner at Khaitan & Co, said that amendments stem from the Finance (No. 2) Act, 2024, viz., changes to Section 28DA of the Customs Act 1962. This section outlines the procedure for claiming preferential duty rates under trade agreements, emphasising importer responsibility and requiring due diligence to ensure goods qualify as originating. Historically, a "certificate of origin" was required for free/preferential Trade agreements (FTA/PTA) imports. However, recent trade negotiations with the EU, UK, and EFTA mandated an exporter self-certification system as well. This necessitated shifting from "certificate" to "proof" of origin.

Simply stated, "the 2024 amendment to Section 28DA and the 2025 notification aligns India's statutory framework with these new economic partnership requirements, which should result in increased market access, trade by easier access to FTA/ PTA benefits," Jain said.

Source: thehindubusinessline.com– Mar 20, 2025

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Trump warns India of reciprocal tariffs on April 2 if it doesn't lower tariffs by then

Leaving no doubt about his intention to penalise India, US President Donald Trump has said that reciprocal tariffs would be imposed on the country on April 2 if New Delhi does not lower its tariffs substantially by then.

Key ministries, including external affairs, commerce, finance and agriculture, have huddled in meetings with stakeholders to decide on tariff cuts for the US, but time is running out, with Trump insisting on sticking to the April 2 timeline.

"I have a very good relationship with India, but the only problem I have with India is they're one of the highest-tariffing nations in the world. I believe they're going to probably going to be lowering those tariffs substantially, but on April 2, we will be charging them the same tariffs they charge us," Trump said in an interview to Breitbart News Network.

Trump has time and again called India a high-tariff country and talked about imposing reciprocal tariffs on such countries on April 2. But this is the first time he has directly mentioned that India would face tariffs on that date if it did not lower its duties.

Going strictly by what Trump said, US would go ahead with the reciprocal duties without waiting for India to lower tariffs under the proposed India-US bilateral trade pact, the first tranche of which is to be delivered in the fall, a source tracking the matter told businessline.

"While India is trying to identify items where tariffs could be lowered under the BTA and is aware that the US is interested in sectors such as automobiles, wines & spirits and agriculture, it takes time to take all stakeholders into confidence and arrive at a decision," the source said.

India's import tariffs are much higher than those of the US, and it may not be possible to bring them down to the US level for all sectors, as India is a developing nation with farmers and small enterprises to protect.

The US' simple average tariff on imports is 3.3 per cent, while India's is over five times higher at 17 per cent, according to WTO figures. The US' trade-weighted average tariff is 2.2 per cent, while India's is 12 per cent.

Average applied tariffs on agricultural goods by India is much higher at 39 per cent, while US duties are at 5 per cent.

The US was India's largest trading partner in FY24, with exports worth $77.51 billion and imports worth $42.19 billion.

Source: thehindubusinessline.com– Mar 20, 2025

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Govt replaces 'certificate' with 'proof' in Rules of Origin regulations

The Central Board of Indirect Taxes and Customs (CBIC) has amended the Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020, replacing the term "certificate" with "proof" in multiple provisions. The amendment, effective from March 18, modifies key rules governing the determination of the country of origin of imported goods — a crucial factor in availing duty benefits under free trade agreements (FTAs).

According to experts, the move aims to tighten scrutiny on imports, particularly those from China that are routed through the Association of Southeast Asian Nations (ASEAN), Sri Lanka and the United Arab Emirates (UAE) to evade higher tariffs and trade restrictions. "By shifting to a broader 'proof of origin' requirement, Indian customs authorities now have greater flexibility to demand additional evidence beyond just a certificate, ensuring that importers cannot misuse FTAs to bypass trade barriers meant to protect domestic industries," said Sivakumar Ramjee, executive director – indirect tax, Nangia Andersen LLP.

According to Ramjee, investigations revealed that Chinese goods such as mobile phones, white goods, set-top boxes and other electronic devices were being diverted to India through countries like Vietnam, Singapore and Indonesia. These products were falsely claimed under FTAs to avail concessional duty benefits, despite failing to meet the prescribed "rules of origin" criteria. "A company based in Ho Chi Minh City, Vietnam, was discovered importing finished silk from China, falsely rebranding it as 'Made in Vietnam,' and exporting it to India. This deceptive practice took advantage of Vietnam's trade agreements with India to secure lower tariffs, compromising the legitimacy of the certificate of origin," Ramjee said.

In response to such practices, Indian authorities have intensified scrutiny of imports to verify the true origin of goods listed in their certificates of origin, aiming to safeguard domestic industries from unfair competition, Ramjee added.

Source: business-standard.com– Mar 20, 2025

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Key India-US trade negotiations next week to finalise BTA contours

To finalise the shape of the proposed bilateral-trade agreement (BTA), a team of United States (US) officials, headed by Assistant Trade Repres-entative Brendan Lynch, will come to New Delhi next week to hold discussions with their counterparts here.

Both sides are aiming to finalise the first tranche of a "mutually beneficial" deal by the fall of 2025.

The discussions are set to take place a week ahead of reciprocal tariffs imposed by the US becoming effective on April 2.

India has shared a "non-paper" or a non-binding informal discussion paper with the US to convey New Delhi's point of view and proposals regarding the talks.

The US is expected to respond to the non-paper this week. The idea behind submitting a non-paper is to "test the waters", two people aware of the matter told Business Standard.

"India shared a non-paper (with the US) and the US side is expected to do the same. The idea is to see if it can be a starting point for discussions," one of the persons cited above said.

Once the contours of the deal are decided, negotiations will be officially launched.

While the details of India's pitch in the non-paper remains confidential, it is learnt that New Delhi is ready to reduce tariffs across several product categories, including the labour-intensive sectors such as textiles and leather.

India has been under pressure to reduce tariffs on cars and alcohol. For alcohol, import tariffs are over 100 per cent.

Agriculture is another sector where Washington has been bargaining for lower tariffs.

The team's visit is expected weeks after Commerce and Industry Minister Piyush Goyal's meeting with top officials in the US, including US Trade Representative Jamieson Greer and Secretary of Commerce Howard Lutnick, during March 4-6.

Earlier this week, Commerce Secretary Sunil Barthwal said there had been progress in trade talks.

"India is expecting to see a positive outcome from the trade talks," Barthwal had told reporters on Monday. The Department of Commerce has been doing stakeholder consultations and assessing challenges, opportunities, and the larger impact of the additional tariffs on Indian exports.

In an interview with Breitbart News, President Donald Trump said he believed India would lower tariffs on American goods, even as he reiterated his threat to impose reciprocal US tariffs on the country, starting April 2.

According to Trump, he has "very good relations" with India. "But the only problem I have with India is they're one of the highest tariffing nations in the world..."

Source: business-standard.com– Mar 20, 2025

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India's GST Maze: Textile units caught in classification chaos

The recent investigations by the Central Goods and Services Tax (CGST) officials into over 20 textile units across India, over misclassification of processing activities, highlight a critical challenge within the GST regime. At the heart of the problem is the distinction between 'job work services' (5 per cent GST) and transformative processes (18 per cent GST), and it reveals deeper complexities in interpreting and implementing GST within the textile sector.

Ambiguity and interpretation

The crux of the problem lies in the subjective interpretation of "change in the cloth's nature." While washing and dyeing are generally classified as job work (5 per cent), processes like printing, bleaching, and other treatments that "change its main qualities" attract an 18 per cent tax. However, the line between these categories is often blurred, leading to disputes and potential revenue leakage.

Industry concerns

Lack of clarity in definitions: The definitions of "job work" and "transformative processes" lack precise, quantifiable parameters. This ambiguity allows subjective interpretations, leading to inconsistencies in tax application. For example, the degree to which a dyeing process "changes the main qualities" of a fabric can be debated. Is a subtle color change a transformative process, or is it merely job work?

Compliance burden: The textile industry, particularly small and medium enterprises (SMEs), faces a significant compliance burden in accurately classifying their activities. The need to meticulously document each process and justify its classification adds to operational costs and administrative complexities.

Revenue implications: The CGST officials' estimate of "hundreds of crores" in potential revenue loss underscores the significant financial impact of misclassification. This shortfall affects government revenue and potentially distorts market competition, as businesses misclassifying their activities gain an unfair advantage.

Impact on SMEs: SMEs, which constitute a significant portion of the textile industry, are particularly vulnerable to the complexities of GST compliance. They may lack the resources and expertise to navigate the intricate tax regulations, increasing their risk of non-compliance.

Frequent changes in tax rates: The fact that the 45th GST council meeting discussed increasing tax rates on dyeing and printing, creates uncertainty within the industry. This type of fluctuating discussion creates problems for businesses trying to plan for the future.

Potential impact

It is difficult to find the exact quantity of tax evasion that is currently under investigation, due to these cases being in progress. However, there are numerous reports on the effects of GST on the textile industry.

For example, a report by the Confederation of Indian Textile Industry (CITI) highlights the challenges faced by SMEs in complying with GST regulations, particularly concerning job work and input tax credit. Similarly, a Textile Ministry report from 2022 shows that 80 per cent of textile units in India are classified as SMEs. Meaning that they have a very high likely hood of making accidental mistakes with the complexities of these laws.

So a textile unit specializing in organic dyeing can claim its processes are "job work" because they don't fundamentally alter the fabric's structure. However, CGST officials, argue that the specialized dyeing significantly enhances the fabric's value and marketability, thus classifying it as a transformative process. Similarly, a company that uses advanced patterning machine to create textures on a fabric labels the activity as job work because they are not adding any color. The CGST officials, however, say the processes change the fundamental qualities of the fabric, and label it as printing, or a similar taxable event.

Tax expert sa, the ambiguity in GST classification is a major concern for the textile industry. There needs to be clearer definitions and guidelines to ensure fair and consistent tax application. A lot of problems arise from differing interpretations of the term ‘job work’. The government needs to either make the definitions of job work, and process work, much clearer, or simplify the tax rates.

What needs to be done...

1. Clarification of definitions: The government should issue detailed guidelines and clarifications on the definitions of "job work services" and "transformative processes," providing concrete examples and parameters.

2. Simplified tax structure: Consider simplifying the tax structure for the textile industry to reduce the potential for misclassification and disputes.

3. Capacity building: Conduct workshops and training programs to educate textile businesses, especially SMEs, on GST compliance and accurate classification.

4. Technology integration: Explore the use of technology, such as AI-powered classification tools, to assist businesses in accurately categorizing their activities.

5. Industry consultation: Engage in regular consultations with industry stakeholders to address their concerns and gather feedback on GST implementation.

Thus the CGST investigations highlight the need for a comprehensive review of the GST framework for the textile industry. By addressing the issues of ambiguity, compliance burden, and revenue leakage, the government can create a more transparent and efficient tax regime that fosters the growth and competitiveness of this vital sector.

Source: fashionatingworld.com– Mar 20, 2025

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State procures 44L quintals of cotton, assures continued MSP purchases

Nagpur: The Maharashtra govt procured 44 lakh quintals of cotton through the Cotton Corporation of India (CCI) as of March 18, ensuring that farmers receive the Minimum Support Price (MSP), marketing minister Jaykumar Rawal informed the Legislative Council on Thursday.

Responding to a question by city MLC Abhijit Wanjari during a short-term discussion, Rawal assured the House that cotton procurement was not halted and that 124 cotton purchasing centres were operational across the state.

This year, the MSP for long-staple cotton was set at Rs7,521 per quintal, while for medium-staple cotton, it was Rs7,121 per quintal. Cotton is processed through ginning and pressing units, with agreements spanning from September to September year on year.

Apart from cotton, Rawal also provided updates on the procurement of other key crops. He stated that 11.21 lakh tons of soybean were purchased this year under the MSP scheme.

Additionally, the state govt is actively buying tur (pigeon pea), moong (green gram), urad (black gram), and chana (chickpeas) at MSP rates to ensure fair pricing for farmers.

The minister reaffirmed the govt's commitment to increasing farmers' incomes by improving irrigation capacity, strengthening infrastructure, and expanding market opportunities. Maharashtra is the first state in India to introduce a private market committee policy aimed at streamlining agricultural trade and benefiting farmers.

The discussion also saw participation from MLAs Sadabhau Khot, Amol Mitkari, Parinay Fuke, and Arun Lad, who highlighted various agricultural concerns.

Source: timesofindia.com– Mar 21, 2025

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Textile park to be set up under PPP model in Bagalkot district

The State government plans to set up a textile park under public private partnership at Guledagudda in Bagalkot district.

Work has already begun on the initiative. The State government has transferred 15 acres of land in Muradi village to the Deputy Director of Handloom and Textile Department, Bagalkot. The tendering process for the appointment of a transaction adviser for the establishment of the park is in progress, Minister Shivanand Patil said in response to a question by member Keshav Prasad in the Legislative Council recently.

As per the new Textile and Garments Readymade Policy, the State government will provide land, infrastructure facilities, and a subsidy of up to ₹40 crore for the construction of textile parks. M. Patil said among the seven textile parks in the State, one is under government ownership. Five of the private parks are operational and the other one will soon be started, said a release from the Minister’s office.

Source: thehindu.com– Mar 20, 2025

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India's cotton production estimates vary, prices may follow ICE trends

India’s cotton production estimates from different industry and government organisations vary significantly. However, there are common indications that production is set to decline in the current season (2024-25). India’s Ministry of Agriculture has estimated production at 294.25 lakh bales of 170 kg for the current season. This is lower than the estimate of the Cotton Association of India (CAI), which projected production at 295.30 lakh bales. However, the US Department of Agriculture (USDA) has projected a significantly higher production of 320 lakh bales (25 million bales of 480 pounds).

The ministry released its second advance estimates last week for the current crop year (2024-25), reducing the cotton production estimate to 294.25 lakh bales from the 299.26 lakh bales projected in the first advance estimate. The first advance estimate, released in November 2024, had estimated cotton production at 325.22 lakh bales in the previous season (2023-24). Production has now reached a seven-year low. The last time production was this low was in 2018-19, when it stood at 280.42 lakh bales.

CAI has lowered its estimate by 6.45 lakh bales to 295.30 lakh bales in its February 2025 report. Previously, it had estimated production at 301.75 lakh bales in its January 2025 report. The industry organisation had estimated production at 327.45 lakh bales in the last season (2023-24).

USDA released India’s cotton production estimate in its monthly World Agricultural Supply and Demand Estimates (WASDE) report. The US government body has estimated production at 25 million bales of 480 pounds, which is equivalent to 320 lakh bales of 170 kg. It did not revise India’s estimate from the February 2025 WASDE report but has reduced the production estimate from 25.40 million bales of 480 pounds (equivalent to 325 lakh bales of 170 kg) in the last season. Therefore, it has lowered its estimate by 5 lakh bales of 170 kg.

During the current season, the government’s nodal agency, Cotton Corporation of India (CCI), has procured around one crore bales of cotton at the minimum support price (MSP) as cotton prices remained lower than the MSP. Slow garment demand in the global market and higher Indian cotton prices compared to ICE cotton have dented market sentiment.

There are indications that the domestic market is facing limited cotton availability. Cotton prices have seen a gradual rise over the last two weeks, increasing by around two per cent. However, cotton demand in the downstream industry remains weak.

CCI is selling cotton from its previous year's stock, which has received a lukewarm response from the industry. However, ginners are purchasing seed cotton even at higher prices due to continued procurement by CCI. Indian ginning mills are trying to build up cotton stock for the lean months ahead in the current season.

Market experts say that domestic cotton prices will move in line with ICE cotton. If global prices rise, domestic cotton prices will also increase. However, the current tariff tensions remain the biggest barrier to any significant increase in cotton prices.

Source: fibre2fashion.com– Mar 19, 2025

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North India's cotton yarn trade stagnant amid weak demand

The north India cotton yarn trade continued to see limited movement amid below-average demand. The Delhi and Ludhiana markets witnessed stability in cotton yarn prices.

The market is facing slow demand from the downstream industry, but rising cotton prices are increasing the cost of yarn production. Traders said that yarn prices remain stable despite the recent rise in cotton prices, as demand from fabric manufacturers is still slow.

Weak demand is mainly attributed to slow payments and annual financial closing. Market experts expect that cotton yarn prices may see an upward trend once the payment crisis eases and buyers freely return for new purchases.

The Ludhiana market remained stable after an increase of ₹1 per kg at the beginning of this week. The market saw slow to average demand from the downstream industry. A trader from the Ludhiana market told Fibre2Fashion, "Cotton prices have seen a consistent rise in recent weeks, but this has not been passed on to yarn prices as demand has not been supportive.

Cotton yarn prices may increase when payment flow improves, and buyers return for stocking." The summer season may support cotton yarn prices in the coming months.

In Ludhiana, 30 count cotton combed yarn was sold at ₹260-270 (approximately $3.01-3.13) per kg (inclusive of GST); 20 and 25 count combed yarn were traded at ₹250-260 (approximately $2.89-3.01) per kg and ₹255-265 (approximately $2.95-3.07) per kg, respectively; and carded yarn of 30 count was noted at ₹240-245 (approximately $2.78-2.84) per kg today, according to trade sources.

The Delhi market also witnessed stability in cotton yarn prices, with little buying interest from the consumer industry. According to market sources, people are busy with annual financial closing in the last fortnight of the current fiscal.

Tight payment conditions have also reduced their buying capacity this month. The market may see a turnaround next month, but the current trend of stability is expected to continue for at least two more weeks.

In this market, 30 count combed knitting yarn was traded at ₹259-260 (approximately $3.00-3.01) per kg (GST extra), 40 count combed at ₹284-285 (approximately $3.29-3.30) per kg, 30 count carded at ₹233-235 (approximately $2.70-2.72) per kg, and 40 count carded at ₹258-260 (approximately $2.99-3.01) per kg today.

Recycled yarn and raw material prices also remained unchanged in India's home textile hub, Panipat. According to market sources, the home textile sector is experiencing a lean season.

However, bed sheet demand typically picks up from north Indian states during the summer season. Current tight payment conditions and annual financial closing are hurting market sentiment.

Recycled yarn prices may improve in the coming months. There was slightly better demand for recycled polyester fibre, as a shortage of PET bottles is supporting its demand from the consumer industry.

In Panipat, 10s recycled PC yarn (Grey) was traded at ₹75-78 (approximately $0.87-0.90) per kg (GST paid). Other varieties and counts were noted at 10s recycled PC yarn (Black) at ₹52-55 (approximately $0.60-0.64) per kg, 20s recycled PC yarn (Grey) at ₹95-99 (approximately 1.10-1.14) per kg and 30s recycled PC yarn (Grey) at ₹128-134 (approximately $1.48-1.55) per kg. Cotton comber prices were noted at ₹103-106 (approximately $1.19-1.23) per kg and recycled polyester fibre (PET bottle fibre) at ₹80-82 (approximately $0.91-0.96) per kg today.

In north India, cotton prices further eased by ₹10 per maund of 37.2 kg as falling ICE cotton discouraged local buying. Spinning mills are already adopting a cautious approach amid slow demand from the downstream industry.

The recent rise in cotton prices is also discouraging buying interest. Traders said that cotton prices may see a further upward trend, but this will depend more on the movement of global cotton prices.

North India's cotton arrival was 7,200 bales of 170 kg, comprising 200 bales in Punjab, 3,000 bales in Haryana, 3,000 bales in upper Rajasthan, and 1,000 bales in lower Rajasthan.

Cotton prices in Punjab ranged from ₹5,560 to ₹5,570 (approximately $64.38-64.49) per maund of 37.2 kg, while in Haryana, prices ranged from ₹5,520 to ₹5,540 (approximately $63.91-64.14).

In upper Rajasthan, cotton was priced between ₹5,560 and ₹5,580 (approximately $64.38-64.61) per maund. In lower Rajasthan, it was priced at ₹52,800 to ₹53,900 (approximately $611.38-624.08) per candy of 356 kg. Meanwhile, seed cotton was priced at ₹7,100-7,450 (approximately $82.21-86.26) per quintal of 100 kg.

Source: fibre2fashion.com– Mar 20, 2025

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