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INTERNATIONAL NEWS

US Trade Czar Grilled By Congress as Trump Moves Forward With Triple-Digit China Tariffs

Despair and confusion overtook the U.S. stock market on Tuesday following the White House's confirmation that President Donald Trump would make good on his threat to impose triple-digit tariffs on China-made goods.

While Wall Street saw a cautious rally in the morning hours, any hopes that the administration might reach positive outcomes in negotiations with trade partners in advance of the midnight deadline dissipated as the day progressed.

China, which hit back at the U.S. with retaliatory duties following Trump's reciprocal tariffs announcement last week, will see an added duty burden of 50 percent beginning Wednesday, bringing its all in tariff total to a staggering 104 percent.

As White House press secretary Karoline Leavitt delivered the verdict from the briefing room, U.S. Trade Representative (USTR) Ambassador Jamieson Greer faced probing questions from Senate lawmakers about the impacts the duties could have—and the effects they are already having—on people and industry.

Constituents, U.S.-based retailers and manufacturers are withering under the weight of the administration's trade policies, they said. Several Republicans seemed incredulous. What is the administration's plan, and how long can this go on?

For nearly three hours, lawmakers grilled Greer, whose responses, while measured, offered few new insights. And what he did reveal contributed to the consternation that many are already feeling.

Much confusion stems from the muddled messaging on the purpose of the tariffs—whether they are being used as points of leverage or bargaining chips, or whether the president's dubious assertions about raking in billions in revenue for the federal government are the true objective.

"The President has indicated that he's willing to negotiate with parties that want to pursue reciprocal trade with the United States," Greer said from the hot seat, but he acknowledged, "We don't have any particular timeline set on that."

"The trade deficit has been decades in the making, and it's not going to be solved overnight," he added.

The response was unsatisfactory for Senator James Lankford (R-Ok.), who spoke on behalf of companies that shifted sourcing strategies during Trump's first term in office. He pointed to an Oklahoma brand that spent "millions of dollars" retooling its supply chain to decrease dependence on China only to be hit now with staggering duties on the goods it imports from Vietnam.

"They spent all the money, spent all the time, shifted out of China, got to Vietnam and established there. Now they're saying, 'We've got giant costs in Vietnam at this point,' so they're going to have to renegotiate with every single retailer that they sell to," including Walmart, Target and Costco, he said. Do they pause those talks or press on, not knowing what the coming days and weeks will hold?

Greer had no answer to the query, but reiterated oft-stated statistics about the size of Vietnam's trade surplus with the U.S. While it's true that Vietnam imports far less from the U.S. than it takes in (the trade imbalance rings in at $123.5 billion) Lankford said succinctly, "I don't anticipate that we're going to ever have equal trade with Vietnam. We're much larger economy than they are." Most countries in the world will simply never buy as much as we purchase, he added, illuminating the crux of the issue.

The Oklahoma senator also pointed to issues plaguing domestic apparel manufacturers. "Obviously, this is a challenge," as they rely on "different pieces that are bought from different countries," he said, referring to the inputs and materials that many U.S. cut-and-sew operators source from overseas. Will there be an exclusion process for the elements that make up a finished garment?

No, Greer said. "The president has been clear with me and with others that he does not intend to have exclusions and exemptions," he said. "I've heard from textile manufacturers for many years that they would love to have a situation where Western Hemisphere textile and garment

manufacturing is more competitive, and maybe we're setting up the conditions for that."

Senator Michael Bennet (D-Col.) called the USTR's bluff, saying that the administration's spray-and-pray tariff policy undermines nearshore friends and collaborators as well as offshore foes. "I still cannot fathom why we are treating Canada and Mexico, our largest trading partners, basically the same way we're treating Beijing. It doesn't make any sense to me; it makes no sense that we would do it all at the same time like that," he said of the indiscriminate nature of the tariffs.

Speaking about small businesses in his home state, Senator Sheldon Whitehouse (D-R.I.) accused Greer of deflecting questions about immediate tariff impacts and reverting to the party line: "Short term pain for long term gain."

That mentality won't do for SMBs and mom-and-pops, which could be out of business before the dust settles on any forthcoming trade negotiations. "Rhode Island is a small business state," and some of its manufacturers have an integral role to play in domestic supply chains, he said. But they need access to the imported inputs necessary to produce.

"If we're not looking out for these small businesses that are actually going to have to lock their doors and close the shutters and fire their employees and go out of business, I think you've missed a huge hole in the problem that these tariffs have created," he said. "If all you're listening to is the big, mega-corporations who can move things around the world and have the resources to dodge these effects, you're not getting the straight story."

Greer said the administration has a trade advisory council made up chiefly of small business stakeholders. "If a small business has gone broke, it's not very amenable to a meeting. They don't exist any longer," Whitehouse retorted.

Senator Raphael Warnock (D-Ga.) continued to push on the exclusion issue, pointing to a business in his home state—Bamblu, a maker of bamboo-based sleepwear and sheets, owned by local entrepreneur Angela Hawkins. "Angela's products are made overseas, because you can't really find bamboo fabric made in the United States. What should Angela do? Pay the new tax, raise her prices and risk losing customers? Or is there a process for her to apply for an exclusion from the Trump White House?" he asked.

"She'll have to work with her business partners and find out about sourcing," Greer said, reiterating that at this point, the White House has no intention of implementing an exclusion process as it did during Trump's first term for Section 301 tariffs on China-made goods.

"So she'll just have to figure it out," Warnock surmised. "She might even go out of business."

Greer may have hoped for an ally in Senator Chuck Grassley (R-Iowa), the longest-serving Republican in the upper chamber, but the Senate stalwart has recently made his feelings clear: the legislative branch has delegated too much power to the president on trade issues. Grassley last week introduced bipartisan legislation that would check the president's authority when it comes to tariffs, reinforcing Congress' ability to remove them at any point.

He did attempt to gain clarity on the foremost issue nagging at lawmakers, business-owners and the general public.

"My question to you is: in the medium- to the long-term, do you plan to turn these tariffs into trade deals to reduce tariffs and non-tariff barriers? I support that," Grassley said. "On the other hand, if the purpose is to stall on negotiations in order to keep tariffs high for the sole purpose of feeding the U.S. Treasury, I oppose that. So is this administration for trade reciprocity, or for Treasury replenishment?"

Greer said the president still plans to engage in negotiations "immediately" with countries that are interested in lowering trade barriers and trade surpluses. But while the administration's strategy has been far-reaching and wide-ranging, affecting more than 180 countries across the globe, resolutions will be reached on a "country by country" basis.

In short, it will take time that many U.S. businesses don't have to waste. The USTR Ambassador said the trade agency has fielded calls from officials from 50 nations since announcing the reciprocal duties last week—and yet, all of the president's proposed tariffs are slated to go into effect Wednesday.

"There are going to be some countries that are not able to address their non-tariff barriers or tariffs or the deficit fully, and there will be others who I think will be able to do that, and... the president will have the option of making a deal with them," Greer said.

"We're certainly seeking reciprocity," he added, acknowledging that there will be a "revenue effect" for the federal government once tariff payments start rolling in. "But we need to reshore manufacturing, to get rid of our agricultural deficit and we need to make sure that if countries are going to trade with us, it has to be on a reciprocal basis."

Source: sourcingjournal.com– Apr 08, 2025

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With Tariffs in Play, Is a Container Demand Recession on Deck?

Container demand could look a lot different shortly as country-specific tariffs levied by President Donald Trump are set to go into effect on Wednesday.

Out on the ocean, experts are expecting demand to drop over the next few months now that many American companies have already brought in excess inventory ahead of the tariffs.

"On the Shanghai to L.A. and Shanghai to N.Y. routes, there are several things happening in the context of the tariffs drama," said Philip Damas, head of Drewry Supply Chain Advisors. "U.S. importers had front-loaded a lot of volume ahead of the imposition of tariffs and will now slow down or even pause shipments while they work out what to do and who will absorb the extra costs. Volumes had been very strong but we expect a decline in volumes and in rates in the next few months."

Import and export bookings, which can be used to measure current container demand, have both already seen dramatic changes in the wake of Trump's "Liberation Day" announcement.

U.S. import bookings collapsed 67 percent week over week to 169,000 20-foot equivalent units (TEUs), according to data from supply chain visibility provider Vizion. Imports from China are down 63 percent to 54,000.

For all U.S. exports, bookings decreased 40 percent on a weekly basis to 83,000 TEUs. Exports destinated to China fell slightly further to 4,400 containers.

In a weekly update Tuesday, Freightos head of research Judah Levine said he expected a "significant" drop in container demand due to the combination of the uncertainty from the tariff negotiations and the volumes brought in since November.

The National Retail Federation's Global Port Tracker projects 10.8 percent growth for inbound cargo volume in March, before that percentage is expected to halve to about 5.7 percent growth the next month.

"These factors will likely mean a subdued [trans-Pacific] peak season at least, with some fearing a recession—combined with growing overcapacity in the container market—could lead to a demand decrease and rate collapse like those that followed the 2008 financial crisis," Levine said.

Ocean carriers are already cancelling a high number of trans-Pacific sailings, which should temporarily limit what would otherwise be a crash in spot rates, Damas told Sourcing Journal. Carriers will often cut certain port calls when there is excess container supply in a way to ensure rates don't plummet.

In March, Mediterranean Shipping Company (MSC) scrapped a full trans-Pacific service line due to the weakening overall demand on the route.

The number of individual canceled sailings in March and April on the trans-Pacific, trans-Atlantic and Asia-to-North Europe and -Mediterranean routes rose to 198, according to Drewry, well ahead of the 135 blank sailings tallied in the two-month period during 2024.

With the increase in blank sailings on top of the tariff adjustment, "expect a lot more volatility" in spot rates across the board in the coming months, Damas said.

The recent sailing cancellations helped boost weekly container prices from Shanghai to Los Angeles by 10 percent, and fostered an 8 percent jump from the Chinese port city to New York, according to the Drewry World Container Index (WCI).

The 10 percent baseline tariffs that went into effect Saturday haven't had any immediate impacts on short-term rates yet, said Robert Khachatryan, CEO of freight forwarder Freight Right Global Logistics.

"The planned general rate increase [by ocean carriers] that went into effect on April 1 is likely to be canceled," Khachatryan told Sourcing Journal. "Unless there is a significant reduction in tariffs or rollback of the policy, I can't see rates increasing significantly."

Overall, the U.S. routes have buoyed overall container prices, with WCI's composite across all eight trade lanes it tracks increasing 2 percent to $2,208 per 40-foot container.

However, cargo leaving Asia headed for both European regions has remained in freefall since the start of the year, with no upturns in freight rates since the last week of November 2024. Shanghai-to-Rotterdam shipments declined 3 percent week over week as of Thursday, while Shanghai-to-Genoa prices decreased 4 percent from the prior period.

The decline in spot freight rates on the route from Shanghai to Rotterdam and Genoa is mainly due to the growing excess supply in the market, said Damas.

According to Damas, the supply “is not mirrored by strong demand.”

Overcapacity had been a concern for many in the industry as vessel orders swelled up in 2024, but the potential problem had been mitigated throughout the year since so many ships were able to be used for goods diverted away from the Red Sea. As more ships come online, it will get tougher to align supply with demand if the latter doesn’t pick back up.

With rates expected to keep declining on the Asia-to-Europe routes, carriers are hoping that worsening congestion at major Chinese, northern European and Mediterranean ports could provide support for another attempt to hike rates, according to analysis from Linerlytica.

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Monthly Cotton Economic Newsletter: March 2025

Cotton benchmarks were either flat or slightly lower over the past month.

- In early March, prices for the nearby May ICE/NY futures contract dipped below the downward sloping channel that has contained values for the past several months. Following the dip, which brought prices as low as 63 cents/lb, prices rebounded back into the channel and are currently trading at 67 cents/lb.
- Despite some movement higher and lower, the A Index ended the month unchanged at 78 cents/lb.
- The Chinese Cotton Index (CC Index 3128B) was generally stable, holding between 91 and 94 cents/lb. In domestic terms, prices were between 14,800 and 15,000 RMB/ton. The RMB eased slightly, from 7.31 to 7.25 RMB/USD over the past month.
- Indian spot prices (Shankar-6 quality) were nearly unchanged around 77 cents/lb or 53,000 INR/candy for most of the past month. The INR was stable near 87 INR/USD.
- Pakistani spot prices eased from 78 to 75 cents/lb over the past month. In domestic terms, values fell from 18,000 to 17,300 PKR/maund. The PKR was steady at around 280 PKR/USD.

Supply, Demand & Trade

The latest USDA report featured small increases to world production (+500,000 bales to 121.0 million) and mill use (+595,000 bales to 116.5 million). There were no historical revisions and no changes to beginning stocks, so the net effect on the forecast for 2024/25 ending stocks was a decrease below 100,000 bales (to 78.3 million).

At the country level, the largest changes for production were for China (+750,000 bales to 31.8 million) and Pakistan (-200,000 bales to 5 million). Due to favorable growing conditions and record yields, the Chinese crop estimate has increased +3.6 million bales since December.

For mill use, the largest changes were for Pakistan (+300,000 bales to 10.3 million), Bangladesh (+200,000 bales to 8.3 million), and Egypt (+150,000 bales to 725,000).

The global trade figure was lifted +215,000 bales to 42.7 million. In terms of imports, the largest changes were for China (-500,000 bales to 6.8

million), Egypt (+100,000 bales to 625,000), Bangladesh (+200,000 to 8.2 million), and Pakistan (+500,000 to 5.5 million). For exports, the largest changes were for Australia (-100,0000 bales to 5.4 million), Turkey (+150,000 bales to 1.0 million), and Brazil (+200,000 bales to 13.0 million).

As China's production estimate has increased, China's import figure has fallen. Since November (revisions to imports began sooner than change to production), the forecast for Chinese imports has decreased -3.2 million bales (from 9.0 to 6.8 million bales). The current prediction suggests China will import less than half the volume from last crop year (15.0 million bales).
Price Outlook

In February, the USDA releases a partial, preliminary, set of estimates for supply, demand and trade in an upcoming crop year. Early projections for 2025/26 suggest slightly lower production (from 121.0 million bales in 2024/25 to 116.7 million in 2025/26), higher mill use (from 116.5 million bales in 2024/25 to 119.0 million in 2025/26), and increased trade (from 42.7 million bales in 2024/25 to 46.0 million in 2025/26).

Due to its position as the world's largest producer, spinner and traditional importer of cotton, much of the changes at the world level were due to changes expected in China. In 2024/25, China enjoyed record yields, which enabled its largest harvest since 2013/14. In 2025/26, yields are expected to return to trend, and China is forecast to have a smaller crop (from 31.8 million bales in 2024/25 to 28.5 million in 2025/26). The -3.3 million bale decrease in the Chinese crop is the largest country-level change expected in 2025/26.

The only other expected changes of 1 million bales or more in 2025/26 are for Brazil, where another record crop is expected (from 17.0 million bales in 2024/25 to 18.0 million in 2025/26), and India, where declining yields are a factor (production down from 25.0 million bales in 2024/25 to 24.0 million in 2025/26).

There is considerable uncertainty around the U.S. production number, with a wide range of estimates for planted acreage and unknowable weather in West Texas (which will influence how many planted acres are ultimately harvested). The early USDA figure assumes planted acreage and abandonment towards the lower end of publicly available forecasts

and indicates a slight increase in the U.S. crop in 2025/26 (from 14.4 million in 2024/25 to 14.6 million in 2025/26).

For mill use, preliminary USDA figures suggest that the slight upward trend that began in 2022/23 will accelerate in 2025/26. The forecast acceleration was justified through increased cotton supply, inventory stabilization and global economic growth. While inventory stabilization appears to be taking place in the U.S. (apparel import volumes have surged since October), financial markets have been raising questions about the trajectory for U.S. consumer spending and economic growth.

Spending in other major consumer markets may also face challenges in 2025/26. China continues to struggle with the effects of a weakened housing market, which has lowered consumer wealth and confidence. European economic growth has been anemic since inflation took hold and is not expected to enjoy strong economic growth in 2025 or 2026.

While a combination of lower production and higher consumption could lend some support to the price outlook, the trade environment has proven influential on prices in recent years. After setting a record in the current crop year, exportable supply can be expected to be similarly abundant in 2025/26. Stronger mill use can help import demand. But, since China built-up reserves last crop year and is collecting a large crop this crop year, it may be difficult for imports to generate sufficient demand-side urgency to move the market.

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Will Turkey Benefit From a Global Trade Reset?

As trade minister Ömer Bolat put it on Friday, the Trump tariffs are "the best of the worst" for Turkey.

While the worry about the high duties has been setting off alarm bells in other sourcing nations, it appears to be an injection of optimism in the Turkish industry, which has been decelerating over the past two years.

Apparel exports from Turkey saw a decline of 6 percent in January-February 2025, and a drop of 4.47 percent year-on-year in 2024, with the last month of the year falling almost 11 percent. In 2023, apparel exports were down 5.86 percent, to $18.32 billion.

In these two years there have been other factors to contend with: wages have increased more than 249 percent—factories have shuttered, margins have been thin.

Facing a Trump tariff of 10 percent, it is clear that trade minister Bolat is not exaggerating. Other sourcing locales—45 percent for Vietnam, 49 percent for Cambodia, 44 percent for Sri Lanka, 38 percent for Bangladesh—fared far worse.

The industry has been taking a hard look at all possible scenarios since president Trump's announcement on April 2.

"This could be the beginning of a new era in global trade," said Mustafa Gültepe, chairman, TIM (Turkish Exporters Assembly), adding that each sector was being examined carefully to assess future steps. "It seems that apparel exports can come to the forefront because the competitors of the ready-made clothing sector were mostly Far Eastern countries. China was coming to the forefront because there was less tax in labor-intensive sectors before and we did not have much chance of competing because of this," he said.

In economic terms there appears to be a dawning hope: Turkey's annual inflation rate dropped to 38.1 percent in March, down from 39.1 percent in February, according to the Turkish Statistical Institute, the lowest since December 2021, and 10 months into the declining numbers. Repairs to manufacturing units from the severe impact of the earthquake in February 2023 have been made. Nearshoring to Europe remains an option, and the

competition from other sourcing countries like Bangladesh and Vietnam, which offered rates that Turkey could not compete with, could be waning.

Toygar Narbay, president, Turkish Clothing Manufacturers' Association (Türkiye Hazır Giyim Sanayicileri Derneği or TGSD) pointed out the context more clearly: over two years the apparel exports sector had lost $4.6 billion. Apparel exporters had to compete with costs that were 61 percent more than Asia and 46 percent more than North America. "Along with the production loss in the textile industry, there has been a total employment loss of 290,000 in the textile and apparel industries in the last two years," he said. Interest rates also rise while the exchange rate stayed 38 percent below inflation.

"This caused an extraordinary loss of profit and completeness in the industry," he said. "The costs for apparel manufacturers increased by 27 percent in these two years, and profit margins declined from 10.5 percent to minus 5.1 percent. With the continuing situation we would close 2025 at a loss again with minus 4.5 percent," he said.

Here's the chance to fix things, he observed.

"Trump's policies against China will increase geopolitical risks on the Asia-Pacific line, causing European and US buyers to review their supply security policies and turn to safer production centers. This will have a positive impact on Turkey, which has the largest vertical integration after China. It is also an advantage for us that the supply chains of Bangladesh and Vietnam, the largest exporters after China, are largely dependent on China."

TGSD has already been working on the long term with the Horizon 2040 Strategic Plan, and planning a TGSD Development Academy to help the industry make further strides, including in the important areas of sustainability and innovation.

Other organizations have reflected a similar sentiment.

"We may have the chance to increase our market share and should make good use of our potential to attract new investments with our geographical location, young and dynamic workforce, strong industrial infrastructure and logistics advantages," Seyit Ardıç, president, Ankara Chamber of Industry (ASO).

There are also those advising caution.

Erdal Bahçıvan, president of the Istanbul Chamber of Industry (ISO), observed: “We should prepare for the new competition conditions that will emerge within the framework of new tariffs that will disrupt all competition patterns in the world by studying our lessons very well. Because we have a picture in front of us that cannot be grasped with rote knowledge and stereotyped perspectives. Although the upcoming period will create opportunities for our economy and industry with specific targets, I think that the new process may also bring some risks in terms of our economy. It would be beneficial for our country to be specially prepared for each of our sectors.”

It appears that this time around the industry has the ear of the policy makers, too.

Bolat has made it clear that the government would be paying attention to the sector. “We’ve decided to accelerate our efforts to increase mutual trade and exports with the U.S. which ranks second in our exports, working tirelessly with TİM, Foreign Economic Relations Board (DEİK), and other business teams, especially the Union of Chambers and Commodity Exchanges of Turkey to make a shortlist of the areas with an competitive advantage,” he said on Monday. “These studies are ready, and we have the files. We will strive to turn this new period into an advantageous situation,” he said.

Turkish manufacturers have long been eyeing the U.S. market, and the consideration for a negotiation is in the cards, with plans for further discussion in May, when Bolat plans to attend the Turkish-American Conference in Washington.

Mustafa Gültepe stated that, “We plan to put this issue on the table in the meetings to be held in May.” He shared that Turkey “already had a balanced foreign trade relationship with the U.S. at around $15 billion to $16 billion exports, and an estimated $12 billion to $13 billion of imports.

“If we can strengthen our competitiveness, the [overall] $375 billion export target we set for 2028 will become achievable,” he said.

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Ex-Asia Shipments Expedited, Paused or Delayed Ahead of Tariff Deadline

The extensive "reciprocal" tariffs levied by President Donald Trump across dozens of countries are forcing businesses worldwide to tinker with how and when their shipments are headed to the U.S.

Just days after the president touted the far-reaching duties, the Bangladesh Garment Manufacturers and Exporters Association's (BGMEA) Chittagong office urged the Bangladesh Shipping Association to expedite U.S.-bound shipments currently delayed at Chattogram Port and inland container depots.

The concerns come as the April 9 deadline for the new country-specific tariffs goes into effect Wednesday, which would escalate to (at least) 37 percent for Bangladesh. Ten-percent import tariffs from all countries impacted went into effect Saturday.

Outside of the apparel supply chain, Apple is hustling up to get out in front of the tariffs, having already shipped five planes of iPhones and other goods from India to the U.S. in late March.

The tech titan plans to send more iPhones from India to the U.S. to offset the tariff costs as a short-term stopgap in hopes of getting an exemption from the tariffs, according to a Wall Street Journal report. Apple already obtained such an exemption during the first Trump administration.

Elsewhere, parties are looking to wait out any potential supply chain chaos by either delaying or pausing shipments altogether.

British automaker Jaguar Land Rover has halted shipments to the U.S. for one month, while Germany's Audi is pausing indefinitely in response to another one of President Trump's tariffs—the 25 percent duty imposed on all imported automobiles. U.K.-based bookseller Waterstones is postponing international orders to America temporarily while it assesses the 10-percent baseline tariff on the country.

Ryan Petersen, CEO and founder of digital freight forwarder Flexport, said in a Saturday post on X that a portion of his company's customers are taking the wait-and-see approach.

Petersen said 28 percent of Flexport's customers that were part of a series of calls said they're pausing all ocean freight bookings from Asia until there's more clarity on where tariffs will end up. He also said "quite a few" clients shifted to air freight during the week to load goods before the April 9 deadline.

On Bloomberg's Odd Lots podcast Monday morning, Petersen noted that the ongoing country-specific negotiations have kept more businesses at bay.

"A cabinet member told me that Liberation Day is the beginning and not the end of the process, and that they will be negotiating deals," Petersen said, citing the Trump administration's claim that 50 countries have tried to renegotiate the upcoming tariffs. "If you think your duty rate might come back down, you kind of pause. Pausing is what I would do, too."

According to Petersen, some of Flexport's e-commerce partners are already raising prices 5 to 10 percent due to the tariffs.

Petersen expects more companies to declare force majeure or attempt to get out of existing contracts or relationships, opening a whole new potential legal can of worms.

"Let's say you're a vendor to a big-box retailer and you sign a contract to sell something at this price, and then there was no clause in there about tariff changes. You're way underwater on contract, and you'll have to choose—either go bankrupt or hurt your reputation," Petersen said.

Flexport is now rethinking whether it should redeploy some of its China-based air freight operation in other areas like Taiwan or Vietnam.

"It's possible that we stay in China and continue to do what we're doing but I suspect there just won't be enough volume," Petersen said.

In both the podcast and his Saturday tweets, Petersen maintained one current positive for many U.S. businesses, in that "people are well stocked."

That theme has pervaded for months as the U.S. has seen elevated inbound cargo volume into major ports since Trump was voted back in as commander-in-chief in November. In January, total 20-foot equivalent units (TEUs) entering the ports increased 13.4 percent over the year prior,

and 4.4 percent over December totals. February numbers are expected to see a 6.1 percent annual increase, and an even bigger 10.8 percent yearly bump in March.

This pull-forward was expected to keep cargo numbers elevated into the spring, according to the monthly Global Port Tracker report released by the National Retail Federation and trade consulting firm Hackett Associates.

But the strong start will likely lead to a softening in volume later in the year, especially for bulk commodities like furniture, appliances and air conditioning units.

“Given the substantial inventory already here and the uncertainty of tariffs, it’s possible we could see a 10 percent drop in volume in the second half of this year,” said Gene Seroka, executive director at the Port of Los Angeles, at a media briefing last month.

Source: sourcingjournal.com– Apr 08, 2025

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Textile Tariffs: Fleeting political move or start of a protracted trade war?

Are the reciprocal tariffs in the textiles and apparel sector a fleeting political maneuver, or a harbinger of a protracted trade war? The question hangs heavy, devoid of easy answers. While the announcements suggest permanency, the inherent volatility of international relations leaves room for speculation. However, assuming these tariffs are indeed 'for real' their ramifications will reshape the global textile and apparel landscape.

Supply chain realignment

The most immediate and predictable consequence will be a significant diversion of the global supply chain. Manufacturers, driven by the need for cost efficiency, will shift towards countries offering low or no tariffs for exports to the US. This isn't merely a theoretical exercise; it's a fundamental economic principle. In the textiles and apparel sector, where margins are thin and turnaround times are tight, even minor disruptions trigger sourcing shifts. Brands and sourcing agents are already recalculating their country-of-origin equations.

Expect a rise in investments and production capacity in countries like Vietnam, Bangladesh, and potentially those in Sub-Saharan Africa, where preferential trade agreements exist or can be negotiated. These shifts won't happen overnight, but with every container rerouted from a tariffed country to a duty-free one, the momentum builds. Tariffs, thus, become catalysts for long-term structural reorientation rather than mere policy levers. It's not a seamless transition. Substantial infrastructure development and logistical adjustments are imminent. The speed and scale of this shift will be contingent upon the tariff differentials and the perceived longevity of these measures.

The illusion of reciprocal rollbacks

The notion of a retaliatory tariff regime has opened up a dangerous game of brinkmanship. However, many countries—especially those with trade surpluses with the US—may choose not to escalate but rather de-escalate. The logic: maintain competitiveness by rolling back duties and landing in the minimum 10 per cent slab, keeping access to the world's largest consumer market intact. This is fundamentally flawed. Countries will be reluctant to concede their bargaining chips without commensurate

concessions. Emerging economies with heavy reliance on apparel exports to the US are unlikely to sustain high reciprocal tariffs for long. Quiet recalibrations are more probable than loud confrontations. Already, murmurs suggest that trade ministries in a few ASEAN nations are weighing tariff rollbacks quietly to avoid headlines but protect market share. The 10 per cent figure is unlikely to serve as a universal benchmark. Expect sector-specific negotiations.

Inevitable retaliatory storm

Retaliatory tariffs from China, Canada, and the EU are inevitable—but how impactful are they in textiles? China's play may not be in tariffs alone but in non-tariff barriers—customs delays, compliance red tape, sourcing bottlenecks. For the US apparel exporters (though a minority) this could hurt. But the bigger threat lies in China weaponizing its raw material dominance—polyester, cotton yarn, textile machinery—subtly throttling global supply. This will trigger a cascade effect, disrupting supply chains and inflating input costs. Canada and the EU may respond more symbolically, particularly in luxury goods and specialized apparel. Their impact will be felt more as sentiment shifts in trade alliances, pushing US apparel players to hedge supply chains even further. The potential for non-tariff barriers, like regulatory requirements and customs delays, looms large.

The intricate web of global trade means that the consequences of these retaliations will ripple through the entire ecosystem, affecting not only manufacturers and retailers but also ancillary industries like logistics, warehousing, and transportation.

Are these tariffs for real?

These are not token gestures—they signal a structural shift in how trade negotiations are being weaponized. But tariffs rarely live forever. Their shelf-life depends on two things: domestic inflationary backlash and multilateral pushback.

The erosion of multilateralism and the rise of protectionist policies will create an environment of uncertainty and instability. With elections, consumer price sensitivities, and shifting global alliances, tariffs may be diluted or recalibrated. But by then, the supply chains will have already adapted—sometimes permanently.

Beyond the immediate economic impact, the geopolitical implications cannot be ignored. These tariffs are likely to increase existing tensions, potentially leading to a fragmentation of the global trading system. The erosion of multilateralism and the rise of protectionist policies will create an environment of uncertainty and instability, hindering long-term investment and innovation.

And for the textiles and apparel sector, this is less about reacting to tariffs and more about future-proofing sourcing, diversifying markets, and digitizing compliance. The winners won't be the lowest-cost producers, but the most agile ones—those who treat tariffs not as roadblocks but as signposts for strategic redirection. The industry must prepare for a period of significant upheaval, characterized by supply chain restructuring, price volatility, and heightened geopolitical risk.

Source: fashionatingworld.com– Apr 08, 2025

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China's domestic market beckons its textile exporters

While China's of textile and apparel sector's export prowess is formidable, now there is a growing focus within the industry towards the domestic market. This isn't merely a reaction to external pressures, but a calculated move to capitalize on its own evolving consumption patterns.

The pressures at work

On major factor is that China's manufacturing wages have steadily increased, eroding its competitive edge in labor-intensive industries like textiles.

As per the National Bureau of Statistics of China, the average annual wage of manufacturing employees in urban areas reached approximately 101,598 yuan in 2022. Also, the US-China trade war that led to the US introducing 20 per cent tariff hike on Chinese goods, too has accelerated the need for diversification. And the 'China+1' strategy adopted by many global retailers have prompted a diversification of sourcing away from China.

And the recent global economic uncertainties have dampened consumer spending in many export markets, impacting Chinese T&A exports. In fact, China's export growth has shown signs of strain. As per report China's exports grew 2.3 per cent year on year during the first two months of 2025, a significant fall compared to the 10.7 per cent growth recorded in December. This reinforces the need for alternative markets. The reported pressure from US retailers like Walmart, "pressuring its Chinese suppliers to lower their prices to offset the impact of higher tariffs," further reveals the challenges faced by Chinese exporters.

However, China's domestic market presents a compelling counter-narrative. The country's middle class, estimated at over 400 million, is driving a domestic consumption growth. As per the National Bureau of Statistics of China's per capita disposable income reached 36,883 yuan in 2022. This growing purchasing power has led to an increase in demand for higher-quality, branded apparel. China's domestic retail sales have shown resilience. Recent stats show China's retail sales rose 4 per cent year on year in the first two months of 2025, beating market expectations. This positive trend reinforces the potential of the domestic market.

Table: China's domestic retail sales growth

Year	Retail sales of clothing, footwear, headgear, knitwear (bn Yuan)	Growth rate (%)
2018	1370.7	8
2019	1347.1	-1.7
2020	1237.9	-8.1
2021	1398.2	13
2022	1338.4	-4.3
2025 (Jan/Feb)	A 4% rise in total domestic retail sales,	4% (total retail sales)

(Source: National Bureau of Statistics of China, SCMP)

(Source: National Bureau of Statistics of China, SCMP)

And China's e-commerce ecosystem too is highly developed, providing a seamless platform for T&A brands to reach consumers across the country. Platforms like Alibaba's Taobao and Tmall, and Pinduoduo, have revolutionized retail. Moreover there is a growing trend of 'Brand Nationalism' that is national pride is driving demand for domestic brands. Chinese consumers are increasingly favoring products that reflect their cultural identity.

For example, Li-Ning, a domestic sportswear brand, exemplifies the success of leveraging the 'Guochao' trend. By incorporating traditional Chinese design elements and embracing a youthful, street-style aesthetic, Li-Ning has resonated with a new generation of consumers. Their focus on domestic marketing and e-commerce has resulted in significant revenue growth.

Chinese government's interventions

In response to the exports slowdown, reports suggest Chinese government, through the Ministry of Commerce, is actively planning to roll out measures to help foreign trade firms expand into the domestic market. Another step is integrating domestic and foreign trade and supporting export firms in expanding their local sales will be a long-term strategy, rather than a temporary response to external shocks.

The Ministry of Commerce too has taken several initiatives. To facilitate the transition, the ministry plans to host exhibitions across the country to advise exporters on adapting their sales channels and product standards for the domestic market. This approach aims to bridge the gap between export-oriented businesses and the domestic consumer. The government's broader strategy to push domestic demand, includes plans to boost consumption, which covers everything from reducing childcare costs to stabilising the property and stock markets, provides a supportive environment for T&A companies targeting the domestic market.

However, while the government is taking positive steps adapting to domestic preferences and switching to selling domestically for China's exporters brings a host of challenges, including adapting to different consumer preferences, payment systems and regulatory regimes. Moreover, pushing domestic sales in place of exports isn't just about offloading unsold good. It's involves bringing high-quality foreign trade products to the domestic market. This requires a fundamental shift in strategy.

The bottomline is the shift is not merely a reactive measure, but a strategic long-term vision. The need to adapt to the domestic market's unique demands, invest in brand building, and leverage e-commerce remains is crucial. By embracing these changes, Chinese T&A companies can forge a sustainable future in a dynamic and evolving market.

Source: fashionatingworld.com– Apr 08, 2025

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US announces additional 50% tariffs on China taking total to 104%

The White House has announced that Washington will impose an ‘additional 50 per cent tariffs’ on imports from China, taking the new US tariff on the Asian giant to an unprecedented 104 per cent.

The new tariff structure, effective from April 9, 2025, 12:01 AM ET (0401 GMT), followed President Donald Trump's recent ultimatum to Beijing to roll back its retaliatory 34-per cent duties on American goods.

Beijing dared Washington to do so earlier yesterday, and Trump approved it within hours.

The US used to impose a 10-per cent tariff on Chinese goods till last month, which President Trump said, ‘robbed and ripped off’ the US economy of billions and billions of dollars as ‘tariff abuser’ Beijing levied a far higher tariff on US goods.

The extraordinary hike—comprising a 20-per cent tariff levied in March, followed by another 34-per cent last week and an additional 50 per cent confirmed yesterday—is among the most aggressive US trade actions in recent memory.

"China also wants to make a deal, badly, but they don't know how to get it started. We are waiting for their call," Trump wrote in a post on his social media platform Truth Social.

"The US threat to escalate tariffs against China is a mistake on top of a mistake, which once again exposes the US' blackmailing nature," China's commerce ministry said in a statement, adding that "If the US insists on having its way, China will fight to the end."

Source: fibre2fashion.com– Apr 09, 2025

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Australia's business sentiment muted ahead of global trade shifts: NAB

Australia's business conditions remained relatively stable in March, staying slightly below the long-term average. A modest rise in profitability was largely offset by a slight easing in trading conditions and employment, according to the National Australia Bank (NAB).

Confidence dipped slightly in March, remaining in negative territory, according to a survey by NAB. Most survey indicators were broadly steady, with forward orders and capital expenditure (capex) both improving by 1 point.

Notably, capacity utilisation rose from 82.0 per cent to 82.9 per cent, indicating a stronger use of existing resources despite lingering uncertainty in the business outlook. This was driven by increases in utilisation in the goods production industries (mining, transport and utilities, construction and manufacturing) while capacity utilisation was steady in consumer facing and services industries.

Price pressures were stable in March, with slight easing in labour costs and retail prices. Overall, the survey suggests that businesses remain cautious about the outlook with confidence remaining negative but overall conditions holding largely steady. The survey was taken prior to the significant shift in US trade policy announced in early April, and as such, does not reflect firms' perceptions of the outlook post tariff announcements.

"Business conditions were largely unchanged in March. By industry, conditions improved in all industries except construction, retail and recreation and personal services," said Sally Auld, chief economist at NAB. "Business conditions remain a little below average. In trend terms, conditions remain strongest in the services sector and weakest in manufacturing and retail."

Business confidence eased slightly. By industry, confidence was mixed with a notable improvement in mining and declines across finance, property and business services, manufacturing, wholesale and construction.

Purchase cost growth was steady at 1.4 per cent in quarterly equivalent terms, while labour cost growth eased slightly. Final product price growth was also steady at 0.5 per cent in quarterly equivalent terms.

Forward orders and capex both rose by 1 point. Capacity utilisation moved higher, rising from 82.0 per cent to 82.9 per cent. This is the highest monthly rate since September 2024. The increase was driven by goods production industries, while consumer and services industries were stable.

"Confidence remains in negative territory and well below the long-run average. This was before the reciprocal tariff announcements in early April, which may flow through to forward looking measures in the next survey," added Auld.

"The uptick in capacity utilisation was the exception to an otherwise steady survey read. Businesses continue to report higher than average utilisation as activity remains robust in level terms even if growth has been slow. Businesses remain cautious about the outlook, with confidence and conditions both below average. We will be looking to see how recent tariff announcements flow through to business sentiment in upcoming surveys," said Auld.

Source: fibre2fashion.com– Apr 09, 2025

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UK retail sales rise 1.8% in March but fail to offset 2024 dip

Total retail sales in discretionary spend categories grew by 1.8 per cent in March, falling short of offsetting a negative base of 2.2 per cent recorded in the same month in 2024, according to BDO's latest High Street Sales Tracker.

"It's no surprise that consumers might be reluctant to spend in discretionary categories when there is so much uncertainty around, including reported potential job cuts from employers struggling to bear the cost of National Insurance changes, personal household bills increasing and now the impact of trade tariffs on the economy," Sophie Michael, head of Retail and Wholesale at BDO, commented.

Retailers were unable to drive any significant growth in consumer spending in stores last month. In-store sales rose by just 0.3 per cent, compared to a negative base of 1.8 per cent in March 2024.

This marginal increase remains well below the rate of inflation, implying that actual sales volumes contracted compared to the same period last year, as per the latest report from BDO.

"As reduced consumer spending squeezes their revenues, retailers are also facing higher cost bases, with changes to National Insurance, increases to the National Living Wage and higher business rates coming this month. There are distractions and challenges at every turn, but retailers must focus on what really matters to their bottom line," suggested Sophie.

The lifestyle and homewares sectors were hit particularly hard, with in-store sales declining by 0.7 per cent and 2.8 per cent respectively, year-on-year.

This weak performance mirrors widespread negative economic sentiment among consumers. With many households facing higher energy and water bills and council tax from April, spending remains subdued as consumers brace for further financial pressures.

"Investing in technology to help reduce operational expenditure and mitigate increases in their cost base has never been more important. Optimising their store estate and focusing on having the right product

lines in place will also ensure retailers are better placed to generate demand and capture customer spending. This may be a tough call at a time when cash and funds are tight, but investing wisely is crucial to stay competitive and improve operations.

The key is to focus on areas that make the biggest impact while ensuring that the business remains agile and is able to respond to market demands," Sophie said.

Source: fibre2fashion.com– Apr 09, 2025

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Bangladesh urges Trump to delay tariff, citing moves to boost imports from U.S.

Bangladesh's interim head Muhammad Yunus has written to U.S. President Donald Trump requesting a three-month pause on a 37% tariff on imports from Bangladesh, citing efforts to boost imports from the U.S., his press office said on Monday (April 7, 2025).

Bangladeshi exporters, especially in the garment sector, are bracing for the impact of the tariff.

In the letter, Mr. Yunus — a Nobel laureate who took charge of the interim government in August after Prime Minister Sheikh Hasina was overthrown — outlined steps Bangladesh has already taken to strengthen bilateral trade.

“We are the first country to take such a pro-active initiative,” Mr. Yunus wrote, referring to the February visit of his representative, Khalilur Rahman, to Washington to begin trade discussions. Since then, officials from both countries have been working to identify specific actions that can quickly boost American exports.

The letter notes that Bangladesh was the first South Asian country to sign a multi-year agreement to import U.S. liquefied natural gas, and is working to expand trade in agriculture, energy and technology.

According to the letter, the government is now focusing on increasing imports of U.S. agricultural produce including cotton, wheat, corn and soybeans.

To support this, Bangladesh is finalising a bonded warehousing facility that will allow duty-free access for U.S. cotton, ensuring faster delivery to local manufacturers.

Mr. Yunus said Bangladesh maintains the lowest tariffs on U.S. exports in South Asia and plans further cuts.

He also listed reforms under way to ease non-tariff barriers: “We are eliminating certain testing requirements, rationalizing packaging, labelling and certification rules, and simplifying customs procedures and standards.”

Mr. Yunus said Bangladesh's move to approve the use of billionaire Mr. Trump aide Elon Musk's Starlink satellite internet network was a signal of readiness to welcome more U.S. investment in high-tech sectors including civil aviation and defence.

"Bangladesh will take all necessary actions to fully support your trade agenda," Mr. Yunus told Mr. Trump.

Bangladesh garment industry hit by tariff

U.S. buyers have begun halting orders from Bangladesh, the world's second-biggest garment manufacturer, after punishing U.S. tariffs that pushed the government in Dhaka to plead on Monday for a three-month pause to the levies.

Textile and garment production accounts for about 80% of exports in Bangladesh and the industry has been rebuilding after it was hit hard in a student-led revolution that toppled the government last year.

Mohammad Mushfiqur Rahman, managing director of Essensor Footwear and Leather Products, said he received a letter from one of his buyers requesting a shipment halt.

"My buyer asked me to stop a shipment of leather goods -- including bags, belts, and wallets -- worth $300,000 on Sunday," Rahman told AFP.

"He's a long-time buyer and now both of us are in limbo over the issue."

Mr. Rahman, who has been operating since 2008, usually sends goods averaging about $100,000 to the United States every month.

Source: thehindu.com– Apr 07, 2025

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US loses cotton market share in Bangladesh

The United States is losing its market share in cotton exports to Bangladesh amid concerns about logistics and the lengthy shipment duration for American cotton, according to a recent report by the US Department of Agriculture (USDA).

Bangladesh's millers imported 7.8 million bales of cotton in the marketing year (MY) 2023-24, beginning in August.

Of that, the share of US cotton, a key raw material for the country's apparel industry, was 9 percent. A year ago, in MY23, the share of cotton imported from America was 10 percent.

During the first seven months of MY25, local importers bought 286,056 bales of cotton from the US. The amount was only 6 percent of the total import of the item, down from 11 percent during the same period a year ago.

The USDA's report came just days before the Trump administration hiked tariffs on goods from 60 countries, including Bangladesh, entering the American market.

Bangladesh's exports will face a 37 percent higher tariff in the US market following Trump's tariff hike, which has created worries among exporters. It also prompted Chief Adviser Muhammad Yunus to write to the US President, promising to significantly increase imports of US farm products, including cotton.

The government is also finalising a dedicated bonded warehousing facility in Bangladesh, where US cotton will have duty-free access, according to the letter.

Citing its industry contacts, the USDA said the quality of US cotton is better than cotton from other sources.

"Many spinning mills in Bangladesh prefer US cotton; however, they always express concerns about the logistics and lengthy shipment duration required to obtain US cotton," it said in its Cotton and Products Annual report released on March 31. The agency said many cotton merchandisers sell South American and West African cotton while it is afloat.

"This practice helps to reduce the shipment duration. However, US cotton is not sold afloat. Merchandisers also store their cotton in nearby warehouses in ports in Malaysia, Singapore, and Sri Lanka. Cotton from these warehouses can be delivered to Bangladesh in just seven days."

As per the report, West African countries and Brazil gained market share in cotton exports.

The West African countries collectively supplied 1.9 million bales, 41 percent of Bangladesh's total imports during the first seven months of this marketing year, the USDA said.

The US agency said the market share of West African and South American cotton is gradually increasing based on these logistical benefits, which allow importers to take advantage of price shifts.

"As a single country, Brazil emerged as the major raw cotton supplier to Bangladesh during this period," it said. Brazil exported 970,487 bales, comprising 20 percent of the market share, followed by India with 887,600 bales and a 19 percent share.

"Spinners prefer to buy Brazilian cotton due to its competitive pricing, increased availability during the harvesting season, and supply stability. The shipment period is also shorter for Brazilian cotton as it is often sold while it is afloat."

Cotton imports to rise

The US agency forecast an increase in cotton imports by Bangladesh to 8.2 million bales in MY26, up 1.2 percent year on year.

The report, citing industry contacts, said the RMG sector has shown resilience and growth despite recent political upheavals that led to the ouster of Sheikh Hasina's government in August 2024. The unrest led to

factory shutdowns and a decline in international work orders. However, the industry has rebounded.

"With law and order restored, international clothing brands have resumed placing new orders since mid-January 2025, fostering optimism among garment exporters, with an increase in work orders from early 2025 boosting the demand for cotton."

"As the RMG industry is expecting a resurgence in work orders, the demand for raw materials, including cotton, will increase," it said.

Source: thedailystar.net– Apr 09, 2025

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NATIONAL NEWS

Govt carrying out sectoral analysis to study impact of Trump tariffs

The government is carrying out a sectoral analysis of US President Donald Trump's reciprocal tariffs on the country's exports to study its impact on various products ahead of the 26 per cent levies kicking in on April 9, sources have said.

Commerce & Industry Minister Piyush Goyal is scheduled to meet various export promotion councils on Wednesday to do a stocktaking of how exports of various items were getting affected by the tariffs and how much of the tariff burden could be passed on to the buyers.

"A number of export bodies and industry organisations were asked for a detailed impact assessment report on Trump's tariffs so that the government can plan suitable interventions. These inputs are also to be discussed in Wednesday's meeting," a source tracking the matter told businessline.

Uncertainty ahead

Almost all sectors are looking at an uncertain future in the US as importers are holding up orders to get a better clarity on how American buyers would react to higher prices but certain items such as gems & jewellery, marine products including shrimp, vehicles & parts, electricals and electronics are set to take a definite hit, according to the industry.

The possibility of India seeking a tariff deferral from the US till the India-US bilateral trade agreement (BTA) delivered results may also be discussed, but Trump said on Monday at the White House that he was not looking at pausing tariffs.

"Well, we're not looking at that. We have many, many countries that are coming to negotiate deals with us and they're going to be fair deals. And in certain cases they're going to be paying substantial tariffs. There'll be fair deals," Trump told reporters.

India-US BTA

India began talks with the US on a BTA weeks before the reciprocal tariffs were announced on April 2 and is hoping for an early conclusion of at least part of the pact which would convince the US to roll back the 26 per cent reciprocal tariffs.

With several other countries, including India's Asian rivals such as Vietnam, Thailand and Cambodia, too, seeking a trade pact with the US, New Delhi is now in a hurry to not lose out on its early-mover advantage.

Even if Indian exporters manage to convince buyers to absorb the tariff hike fully, it could lead to payment delays and a cash crunch, a Delhi-based exporter pointed out. "Importers will need more money to pay the duty and they may not get credit readily for it. If they pay the duties upfront then they may delay payments to the exporters and the payment circle will get elongated causing a cash crunch," he explained.

Exporters are hoping that the meeting with Goyal on Wednesday will give some solutions to the problems at hand, the exporter said.

The US has demanded steep tariff cuts from India for many products such as automobiles, motorbikes, a range of agricultural items, alcohol and pharmaceutical and medical items.

India wants to settle the reciprocal tariff issue amicably with the US without resorting to retaliatory actions, like China, as Washington is its largest trade partner and export market and it doesn't want to sour ties, the first source said.

Source: thehindubusinessline.com– Apr 08, 2025

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ADB revises India's FY26 growth forecast to 6.7% amid US tariff risks

The Asian Development Bank on Wednesday trimmed its growth forecast for India's economy in FY26 to 6.7 per cent from 7 per cent earlier, citing risk from US tariff levies.

Global economic uncertainty may also affect completion of investment projects in India, said ADB in its April 2025 outlook report. "A major risk arises from US [United States] tariff levies on India's and other countries' exports, which could reduce trade and investment flows and potentially create volatility in the domestic financial market."

However, the report said risks could potentially be mitigated by a trade agreement between India and the US, which is being negotiated and the fact that India's merchandise exports to the US account for a relatively low 2 per cent of gross domestic product (GDP).

Favorable monetary and fiscal policies, rising rural incomes, and moderating inflation would support India's growth, ADB said. GDP growth for FY27 was projected at 6.8 per cent in the report.

Addressing food inflation alongside extreme weather events will be a challenge for India, imposing risks on agricultural outlook.

"A structural mismatch between demand and supply trends could give rise to higher food inflation and raise inflationary expectations unless policies are implemented to build resilience into the food supply chain," said ADB. Countries in developing Asia and the Pacific are projected to grow 4.9 per cent in FY26, down from 5 per cent last year.

The growth forecasts were finalised before US President Donald Trump announced tariffs on several nations on April 2. "Rising tariffs, uncertainties about US policy, and the possibility of escalating geopolitical tensions are significant challenges to the outlook. Asian economies should retain their commitment to open trade and investment, which have supported the region's growth and resilience," said ADB Chief Economist Albert Park.

Source: business-standard.com– Apr 09, 2025

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Cargo rush as full US President Trump tariffs take effect on Wednesday

With the United States' 26 per cent reciprocal tariffs on Indian goods set to take full effect on Wednesday, exporters of high-value cargo, including smartphones, engineering goods, and automotive parts, are scrambling to ensure these goods are shipped out before the new rates are applied.

"Due to speculation about tariffs under the Donald Trump administration over the past few months, many consignments were shipped earlier than planned, with some exporters even altering their shipping methods to expedite delivery. The movement of consignments has increased slightly compared to earlier," said a senior Customs official.

Lancy Barboza, managing director of Mumbai-based freight forwarding firm Flomic Global Logistics, told Business Standard that outbound cargo volumes at India's major seaports and airports had surged between 18 per cent and 22 per cent over the past week.

According to the US executive order, the tariffs will take effect at 12.01 am Eastern Daylight Time, or around 9.30 am Indian Standard Time.

The sense of urgency has been fuelled by the fine print of the order, which says: "Goods loaded on to a vessel at the port of loading and in transit on the final mode of transit before 12.01 am Eastern Daylight Time on April 9, 2025, and entered for consumption or withdrawn from warehouse for consumption after 12.01 am Eastern Daylight Time on April 9, 2025, shall not be subject to these country-specific ad valorem rates of duty."

Earlier, the 10 per cent "baseline" tariff had come into effect at US seaports, airports, and Customs warehouses on April 5. To beat the deadline, "exporters, particularly in the engineering goods, textiles, and automotive components sectors, have been actively advancing their shipments," Barboza said. "This sharp uptick reflects not only the agility of Indian exporters but also the increasing relevance of India as a resilient node in the global trade network."

An executive at a southern Indian airport operator noted a marked rise in outbound shipments for electronics and pharmaceutical firms in recent days, as companies rushed to get their consignments out before the tariffs would kick in.

Concurring to this, Pankaj Mohindroo, chairman of the India Cellular & Electronics Association, said: “We have proactively expedited shipments to the US, resulting in a notable increase in cargo flights carrying smartphones.”

“The industry remains vigilant and is in continuous dialogue with stakeholders to navigate these changes effectively,” Mohindroo said. “The sentiment within the electronics export sector is one of cautious optimism. While the new tariffs present challenges, the industry is actively collaborating with the government to finalise the Bilateral Trade Agreement (with the US), which is expected to address and potentially alleviate some of these concerns.”

India’s favourable tariff position compared to other manufacturing hubs “positions us advantageously”, he further said, adding, it is imperative to act swiftly to solidify and enhance “our competitive edge” in the global market.

Although pharmaceuticals were exempted in the order issued on April 2, Trump indicated two days later (April 4) that his administration was considering extending tariffs to cover this sector as well. Indian pharmaceutical companies have responded with a sense of urgency.

“Yes, in the pharma industry, there is a rush to move goods to the US before Trump imposes tariffs on pharmaceutical products,” said Mahesh Fogla, executive director at Mumbai-based Patel Integrated Logistics. “Since our shipments are primarily to non-US countries, we are not affected by the tariff issue. However, the overall volume in the industry in general is coming down due to the expected slowdown in the global economy,” he added.

Barboza of Flomic said the urgency shown by exporters underlined the need for more predictive policy frameworks, along with continued investment in scalable port infrastructure and digital logistics capabilities. He said the current rush also reflected growing maturity among Indian businesses in responding to global tariff volatility with speed and foresight.

Indian manufacturers, including leading original equipment manufacturer partners, are accelerating shipments of smartphones and consumer electronics to beat the tariff window. “The Indian electronics export industry is witnessing a significant pre-deadline increase. US

clients have frontloaded demand, prompting Indian exporters to prioritise outbound shipments, with cargo slots booked out and air freight volumes spiking," said Paritosh Prajapati, CEO of GX Group, a broadband equipment maker.

But Prajapati cautioned that "the short-term sentiment is opportunistic, with exporters focusing on the temporary spike". The medium-term outlook is cautious, with an anticipated dip in shipment volumes after the deadline due to reduced cost competitiveness, he further said.

Additionally, a senior executive at the Deendayal Port Authority in Kandla, Gujarat, said some disruption was expected at private ports in the state that handle high-value cargo. "We anticipate an opportunity to capture a share of that traffic," the official said.

Race against time

- Tariffs to come into force at around 9.30 am IST
- US order exempts goods loaded on to a vessel or in transit before deadline
- Cargo volumes at India's major seaports and airports said to be up 18-22% in a week
- Besides smartphones, auto parts and textiles, pharma items see surge in exports amid Trump's fresh tariff threat

Source: business-standard.com– Apr 09, 2025

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Centre looks to integrate transport planning under new mechanism

Aiming at resolving multisectoral bottlenecks in transport, the Centre is looking to unify planning in this area under a mechanism to be led by a single ministry, Business Standard has learnt from official sources.

"A high-level meeting took place in March, where it was expressed that this inter-ministerial mechanism be set up, with an emphasis on transport planning becoming integrated for planning, both in the short and long terms. The Ministry of Road Transport and Highways made some points to go forward," said a senior government official aware of the matter.

The government has an inter-ministerial consultative mechanism for infrastructure planning and execution — the Prime Minister Gati-Shakti framework. The new framework being considered is likely to work in coordination with Gati-Shakti but could have a slightly different remit.

"The Gati-Shakti platform is there, but a need was felt to have a separate transport-planning mechanism. While Gati-Shakti looks at infrastructure gaps and when those need to be filled, a comprehensive transport-planning body would look at which modes of transport will be best suited to meet the gaps, keeping long-term goals in mind," another top-level official said.

He added Gati-Shakti's primary role was to eliminate overlaps and bring in fast-track execution, and it covered all infrastructure sectors. An integrated transport-planning framework would entail a granular assessment of modal needs and past trends.

The Ministry of Road Transport and Highways is working on a plan and its vision for integrated transport planning, which it will present to senior officials at the highest levels of the government.

Queries sent to the Ministry of Road Transport and Highways and the Ministry of Railways on Monday remained unanswered till the time of going to press.

According to people aware of the developments, the Niti Aayog, which coordinates with all infrastructure ministries for the infrastructure and monetisation pipelines, and the Department for Promotion of Industry

and Internal Trade (DPIIT), which spearheads the Prime Minister Gati-Shakti National Master Plan, have shown an interest to be the lead departments in this exercise.

However, it is likely that a transport ministry like railways or highways could steer this framework once it is formed.

The government, at least in initial discussions, is not looking to create a statutory authority for this. "Creating a statutory body creates red tape, which will end up defeating the purpose of such an exercise," the first official said.

With congestion on railways and quality concerns with national highways, the National Democratic Alliance government in its third term has made the transport sector a priority, according to officials.

Last week, Minister of Railways and Information and Broadcasting Ashwini Vaishnaw said the Union Cabinet had, within months of the new government's formation in June 2024, sanctioned transportation projects worth ₹4.18 trillion.

Source: business-standard.com– Apr 08, 2025

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Government of India Procures 100 Lakh Bales of Cotton Under MSP Operations through its Nodal Agency

In current cotton season 2024-25, up to March 31, 2025, Government of India, through its nodal agency, the Cotton Corporation of India Ltd. (CCI) under Ministry of Textiles has successfully procured 525 lakh quintals of seed cotton, equivalent to 100 lakh bales, under Minimum Support Price (MSP) operations. This procurement accounts for 38% of the total cotton arrivals of 263 lakh bales and 34% of the estimated total cotton production of 294.25 lakh bales in the country.

Among the states, Telangana has recorded the highest procurement at 40 lakh bales, followed by Maharashtra with 30 lakh bales and Gujarat with 14 lakh bales. Other states with significant procurement include Karnataka (5 lakh bales), Madhya Pradesh (4 lakh bales), Andhra Pradesh (4 lakh bales), and Odisha (2 lakh bales).

Procurement in Haryana, Rajasthan, and Punjab stands at 1.15 lakh bales. In total, Rs.37,450 crore has been paid to approximately 21 lakh cotton farmers across all cotton producing states.

The MSP mechanism continues to provide remunerative prices to cotton farmers, protecting them from distress sales when market prices fall below the MSP. To facilitate efficient procurement, CCI has opened 508 procurement centers nationwide.

Several digital initiatives have been implemented, including on-spot Aadhaar authentication, SMS notifications for payments and 100% direct payments through the National Automated Clearing House (NACH).

The Cott-Ally mobile app, available in nine regional languages, enables farmers to access real-time information on MSP rates, procurement centers, and payment tracking. Further, all cotton bales produced by CCI are traceable via QR codes, by using Block-chain technology to ensure transparency and accountability. Government of India remains committed to safeguard interests of cotton farmers through a fair, transparent and efficient procurement process.

Source: pib.gov.in– Apr 08, 2025

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Banks told to push global trade settlement in Rupee

The government has asked banks to nudge their clients to settle international trade in Indian rupees and is in discussion with them on removing hurdles hindering faster adoption of the special rupee vostro account (SRVA) mechanism, which enables settlement in INR.

The Reserve Bank of India is working to make the Indian Financial Network (Infinet), which is currently used for domestic interbank transactions, accessible to international participants to facilitate secure fund transfers through SRVA, officials aware of the developments said.

These initiatives are part of the various strategies being pursued to deal with the reciprocal tariffs imposed by the US, they said.

The US has imposed a 26% tariff on imports from India, to be effective from April 9.

Enabling international trade settlement in the Indian currency will reduce dependency on the US dollar and bring down foreign exchange costs besides facilitating faster cross-border transactions.

"As countries explore options towards more bilateral trade because of the ongoing tariff wars, there is a case for faster adoption of local currency settlements, and we want lenders to take advantage of this opportunity," a government official told ET.

A meeting on this issue with all stakeholders, including the RBI, may be held later this month, the person said.

The central bank has already established local currency settlement arrangements with the United Arab Emirates, Indonesia, and the Maldives, and the government has indicated more such agreements soon, a bank executive said.

Source: economictimes.com– Apr 09, 2025

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FIEO for 5pc interest subvention immediately as high US tariffs delay export payments

New Delhi: Seeking resumption of interest subsidy scheme, the Federation of Indian Export Organisations (FIEO) on Tuesday said the additional 26 per cent US tariffs from April 9 will significantly raise American importers' customs duty bills, delaying payments to Indian exporters. The organisation urged the government to immediately announce a 5 per cent interest subvention to ease the looming liquidity crunch.

"From April 9, the US importers will have to pay 26 per cent duty upfront. Earlier it was zero-4 per cent. The high tariffs will put an additional burden on them, and for that, they would have to seek credit and delay our payments.

The tariffs are going to impact the payment cycle for us. We request the government to immediately announce an interest subvention scheme for all the exporters," FIEO President SC Ralhan told PTI.

In India, the repo rate stands at about 6.25 per cent, with exporters bearing interest rates ranging between 8 to 12 per cent or even more, depending on the spread and risk assessment of the borrower by the Authorised Dealer Banks.

In competing countries, the interest rate is very low. For instance, the central bank rate in 2025 is 3.1 per cent in China, 3 per cent in Malaysia, 2 per cent in Thailand, and 4.5 per cent in Vietnam.

About 11,000 exporters avail the benefits under the scheme, which ended last year.

The commerce ministry is working to develop the scheme again under the Export Promotion Mission, which was announced in the Budget with an allocation of Rs 2,250 crore.

Ralhan also said that buyers in the US are demanding 12-14 per cent discount to confirm the orders and to minimise the impact of high import duties.

"They are not ready to absorb all the duty. We have to share the burden with them. They are telling us to hold the consignments. Indian exporters can give 3-4 per cent discounts, but not more than that," he added.

When asked about the possibility of dumping by countries like China, Thailand and Vietnam as they are facing more tariffs than India, he said traders are concerned about that and the government should come forward to help them.

"I think imports will go up in the coming months. The government should be ready to impose duties to check dumplings," the Ludhiana-based engineering exporter said.

In 2023-24, the US was the largest trading partner of India, with USD 119.71 billion bilateral trade in goods (USD 77.51 billion worth of exports, USD 42.19 billion of imports and USD 35.31 billion trade surplus). China was the second largest trading partner with USD 118.39 billion two-way commerce (USD 16.65 billion exports and USD 101.73 billion imports and USD 85 billion trade deficit).

The US accounts for about 18 per cent of India's total goods exports and 6.22 per cent in imports, and 10.73 per cent in bilateral trade. On the other hand, China's share is just about 4 per cent in exports and a staggering 15 per cent in imports.

Source: economictimes.com– Apr 08, 2025

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India may face excess supply amid global trade shifts: Ind-Ra

While the direct impact of reciprocal tariffs on India may be limited, the secondary effect of excess supply entering the Indian market—stemming from regional imbalances caused by US reciprocal tariffs—could affect realisations in sectors such as chemicals, textiles, steel, and industrial machinery, according to the India Ratings and Research (Ind-Ra), a Fitch group company.

Furthermore, the uncertainty on eventual tariffs and the slowing global growth are likely to keep corporates cautious on their investment plans even if there are short-term opportunities. Consequently, monetary and fiscal policies may have to be supportive of growth. Amid the macroeconomic turbulence, the impact on GDP growth may be different than Ind-Ra's initial assessment of 10 basis points (bps) in FY26, as per a report by Ind-Ra.

With the US imposing a 26 per cent reciprocal tariff on India, the report anticipates a limited direct impact on India. This is despite the broader negative effect on global trade, as India's tariff positioning remains relatively favourable compared to China and other South Asian export competitors like Vietnam, Bangladesh, and Indonesia in sectors such as electronics, textiles, and specialty chemicals. The eventual benefits will remain dependent on overlapping products, approvals required from buyers and overall cost positioning in conjunction with reciprocal and retaliatory tariffs, if any.

"Reciprocal tariffs, while having limited direct impact for India, create uncertainty and the risk of volatility in global markets. The second order impact through supply chain re-orientations and approach towards private investments would be key elements to watch out," said Rakesh Valecha, senior director, Core Analytical Group.

The reciprocal tariffs imposed by the US are likely to benefit the Indian textile industry, especially the players engaged in export of apparel and home textiles. This is because they will have a competitive advantage over other countries exporting to the US, given the higher tariffs have been imposed on these countries than that on India, added the report.

India (US tariff: 26 per cent) competes with countries such as China (34 per cent), Vietnam (46 per cent), Cambodia (49 per cent), Bangladesh (37 per cent); Sri Lanka (44 per cent) and Indonesia (32 per cent) in the textile space. However, there could be a demand slowdown in the US due to increased landed prices which may lead to a global oversupply scenario and hence, there could be a threat of incremental imports into India.

India may not experience a significant impact from the increased US tariffs on premium products, as the domestic market for such high-priced goods remains relatively small. However, the shift in global supply chains could see competing countries diverting exports to other regions like the European Union. While this presents an opportunity, the Indian textile industry may not be able to capitalise on it immediately due to its limited capacity to scale up quickly. Establishing new facilities and securing approvals from international buyers could take time.

Meanwhile, the report anticipates that Indian exporters of textile yarns and fabrics to competing countries may face pressure, as those nations are likely to see reduced exports to the US amidst a potential economic slowdown.

Unlike textiles, the reciprocal tariffs are likely to have a multi-pronged impact on the chemical sector. The US is India's largest chemical export destination, accounting for around 14 per cent of India's $25.8 billion chemical exports in 11 months of FY25 (FY24: 13 per cent; $29.3 billion). Organic chemicals accounted for around 30 per cent of India's exports to the US while agrochemicals constituted another 20 per cent.

While the tariff imposed by the US would increase the prices of chemicals exported by India, Ind-Ra believes the higher tariffs imposed on key competitor China will improve the competitiveness of Indian chemical exporters, providing them an opportunity to increase their share of business with the US. The resultant increase in consumer prices and inflation could weigh on spending and affect demand in the US, particularly for chemicals used in discretionary segments such as textiles.

Source: fibre2fashion.com – Apr 08, 2025

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Tariffs won't hurt us much. Let's persist with the export push

Though Donald Trump's pyrotechnics are rattling the global markets, it needs remembering that tariffs and quotas had always been used to regulate trade in the pre-globalisation, post-WW2 period which lasted up to the early 1990s.

That era still witnessed strong trade and growth momentum. Japan and South Korea both experienced huge gains. Furthermore, while the globalisation era did benefit the emerging markets, it was not 'cost-free' for many sections of society in the developed world.

Trump has thus used a pre-globalisation instrument with high-decibel execution to maximise the perceptional impact amongst his supporters. However, as the new tariff levies have seemingly been announced for almost the entire list of the US' trading partners, it is possible that no major exporting country will be differentially advantaged, making the US consumer the primary loser and the US Treasury a beneficiary.

A significant point to be noted is that although the US is our largest export market, its relative share is not excessively high.

We can also draw solace from a NITI Aayog study on our trade experience after our bilateral FTA accords. India has, so far, signed 14 accords, one most recently with Australia. The study on the previous 13 accords found that post-liberalisation, the Indian experience with these trade accords had been somewhat mixed.

The growth rate of India's exports to RTA partners was more or less similar to the trend growth to non-trade partners, both averaging about 13% y-o-y in the post-liberalisation years. It concluded that our exports were not price-sensitive but income-sensitive.

Also, even though the trade accords were negotiated with extreme care, our companies could not penetrate deep into partner markets, unlike the ASEAN, South Korea, and Japan corporates.

Given all these facts, if we could not benefit from trade accords, we are also not likely to majorly suffer from tariffs unless we are uniquely targeted. Also, it is unlikely that our growth trajectory will be materially

different the US economy enters into a depression, or unless Trump also casts his eyes on services or capital flows. These are, however, all unknown futures. We need to instead focus on our present situation which is quite worrisome even without Trump's actions. We not only languish in global exporter rankings despite focussed government support but, in a sense, have been strategically weakened in the globalisation era.

Our imports from China have shown steady growth (but not our exports) despite governmental efforts to curb the same, post the Galwan border crisis. This was not accidental; it is an outcome of the recent surge in industrial capacities within China.

Meanwhile, our industrial class has been extremely cagey about investing in technological manufacturing in this same last decade or so, despite an array of tax cuts and PLI schemes on offer. Our mutual industrial strength gap has thus widened.

However, the NITI Aayog study carries a clue to create solutions that could moderate this deficiency. It found that our exports to Sri Lanka jumped sharply post-accord, growing much faster than import growth, even as our trade deficit with ASEAN, South Korea, and Japan widened post-RTAs as our imports grew faster than our exports.

A feature that distinguishes South Asia from Japan, South Korea or the ASEAN region is that the latter have historically adopted the US/EU quality standards as their primary guidelines, which are quite unlike our 'India-specific' standards. This alignment of standards has facilitated an export focus.

India has large internal markets and so, our entrepreneurs mostly focus inwards, prefer to keep project costs low, and export only if surplus capacity is available. Thus, our quality standards are milder and more affordable.

What is often forgotten is that unlike in earlier eras, China has deliberately created large excess capacities in virtually every field of manufacturing to generate 'increasing returns to scale'. So now, our lower-quality standards also carry a hidden cost of allowing China to dump not only excess production but also EU/US rejects to our lower quality-tolerant 'value-for-money market' at exceedingly tempting prices.

Resultantly, a larger number of our entrepreneurs are now import specialists, simultaneously benefiting from the generic corporate tax reductions, without needing to risk planning a technological venture. India requires an attitudinal change in its entrepreneurial class. We need to reward export orientation and differentiate between low value-added and high value-added production.

A restructuring of corporate taxation based on this differentiation may make it easier to posit attitudinal change towards technological manufacturing and promote the adoption of global quality standards. This tax reform, accompanied by the decentralisation of executive powers and responsibility for growth targets, could create a more optimistic scenario, characterised by increased technological investment and all its attendant societal benefits.

Source: deccanherald.com – Apr 06, 2025

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RBI reduces policy repo rate by 25 basis points to 6%

After assessing the current and evolving macroeconomic situation, the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) has unanimously voted to reduce the policy repo rate by 25 basis points to 6.00 per cent with immediate effect.

Consequently, the standing deposit facility (SDF) rate under the liquidity adjustment facility (LAF) shall stand adjusted to 5.75 per cent and the marginal standing facility (MSF) rate and the Bank Rate to 6.25 per cent.

"This decision is in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of +/- 2 per cent, while supporting growth," the MPC, which held its 54th meeting from April 7 to 9, 2025 under the chairmanship of RBI Governor Sanjay Malhotra, said in a statement.

The MPC noted that inflation is currently below the target, supported by a sharp fall in food inflation. Moreover, there is a decisive improvement in the inflation outlook. As per projections, there is now a greater confidence of a durable alignment of headline inflation with the target of 4 per cent over a 12-month horizon. On the other hand, impeded by a challenging global environment, growth is still on a recovery path after an underwhelming performance in the first half of 2024-25.

"While the risks are evenly balanced around the baseline projections of growth, uncertainties remain high in the wake of the recent spurt in global volatility. In such challenging global economic conditions, the benign inflation and moderate growth outlook demands that the MPC continues to support growth," the MPC said while explaining the rationale behind reducing the policy repo rate.

The MPC also decided to change the stance from neutral to accommodative. However, it noted that the rapidly evolving situation requires continuous monitoring and assessment of the economic outlook.

Speaking about growth and inflation outlook, the MPC said, "The global economic outlook is fast changing. The recent trade tariff related measures (announced by the US) have exacerbated uncertainties clouding the economic outlook across regions, posing new headwinds for global growth and inflation. Financial markets have responded through sharp fall in

dollar index and equity sell-offs with significant softening in bond yields and crude oil prices."

The next meeting of the MPC is scheduled from June 4 to 6, 2025.

Source: fibre2fashion.com– Apr 09, 2025

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South Indian cotton yarn prices hold steady amid US tariff uncertainty

Cotton yarn prices in south India remained steady amid slow demand from the consumer industry. Prices hovered near the previous close in the Mumbai market. Traders said prices stabilised following gains last week. A similar stable trend was observed in the Tiruppur market. Market sources reported that cotton yarn demand was slow to average, with buyers waiting for clarity on the US tariff issue. There are reports of immediate disruption in shipments for some time, which may affect the demand for cotton yarn and its downstream products. Similarly, cotton prices in Gujarat are also facing uncertainty due to weak demand. Prices have remained range-bound over the past few days.

The Mumbai market witnessed stability in cotton yarn prices, as demand remained average. Prices had increased by ₹3-5 per kg last week. A trader from the Mumbai market told Fibre2Fashion, “Traders and buyers are waiting for clarity on the US tariff issue. Prices had risen last week due to local seasonal demand. Good trade was observed last week, which led to a rise in cotton yarn prices.” Power looms and auto looms are facing a shortage of workers as many are away on summer holidays.

In Mumbai, 60 carded yarn of warp and weft varieties were traded at ₹1,420-1,445 (approximately $16.47-$16.76) and ₹1,360-1,400 per 5 kg (approximately $15.77-$16.23) (excluding GST), respectively. Other prices include 60 combed warp at ₹322-326 (approximately $3.73-$3.78) per kg, 80 carded weft at ₹1,400-1,460 (approximately $16.23-$16.93) per 4.5 kg, 44/46 carded warp at ₹270-275 (approximately $3.14-$3.19) per kg, 40/41 carded warp at ₹255-262 (approximately $2.96-$3.04) per kg and 40/41 combed warp at ₹272-275 (approximately $3.15-3.19) per kg, according to trade sources.

In Tiruppur, cotton yarn prices remained unchanged as market participants awaited clarity on the tariff issue. There were negative reports suggesting that US exporter orders had been put on hold. Renegotiations by US buyers may squeeze exporters’ margins. However, Indian exporters are expected to benefit as the US has imposed lower tariffs on Indian supplies. Cotton yarn prices remained range-bound despite a rise in mill rates last week.

In Tiruppur, knitting cotton yarn prices were noted as 30 count combed cotton yarn at ₹257-265 (approximately $2.98-3.07) per kg (excluding GST), 34 count combed cotton yarn at ₹266-273 (approximately $3.08-3.17) per kg, 40 count combed cotton yarn at ₹278-291 (approximately $3.22-3.37) per kg, 30 count carded cotton yarn at ₹237-242 (approximately $2.75-2.81) per kg, 34 count carded cotton yarn at ₹242-247 (approximately $2.81-2.86) per kg and 40 count carded cotton yarn at ₹250-255 (approximately $2.90-2.96) per kg.

In Gujarat, cotton prices eased by ₹100-200 per candy of 356 kg due to negative factors. ICE cotton has declined over several sessions, except on Monday when the natural fibre was traded higher.

Traders stated that the Indian cotton market is facing demand uncertainty following the US tariff announcement. ICE cotton is mostly declining due to concerns over weaker demand from importers. However, higher selling rates from the Cotton Corporation of India (CCI) are supporting open market prices. CCI's cotton auction prices are around ₹2,000-2,500 per candy higher than open market rates. If India gains greater access for garments in the US market, cotton prices may rise.

Cotton arrivals were estimated at 5,000-6,000 bales of 170 kg in Gujarat and 58,000-60,000 bales across the country. The benchmark Shankar-6 cotton was quoted between ₹53,500-54,000 (approximately $620.40-$626.20) per candy of 356 kg, while southern mills were looking to buy cotton at ₹54,600-54,800 (approximately $633.16-$635.48) per candy. Seed cotton (kapas) was traded at around ₹7,480-7,550 (approximately $86.74-$87.55) per quintal.

Source: fibre2fashion.com– Apr 08, 2025

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