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USD	EUR	GBP	JPY
85.45	97.65	115.61	0.60

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INTERNATIONAL NEWS

US Pushes Global Partners for Trade Deals by Wednesday

With an eye toward finalizing trade agreements ahead of its self-imposed July 9 deadline, the White House is pushing global trade partners to submit their most attractive offers to the U.S. by Wednesday.

According to a draft of a U.S. Trade Representative (USTR) letter viewed by Reuters, the Trump administration is seeking to expedite the closure of deals with a number of countries.

Within the document, presumably to be sent to foreign trade officials, the administration asked for proposals related to the lowering of tariffs and non-tariff trade barriers along with quotas for the purchase of U.S. goods like agricultural and industrial products. It also asked for details about other commitments countries might make related to digital commerce and economic security.

The outlet reported that the USTR wrote that it would evaluate responses with the intent of creating "a possible landing zone" for negotiations which could include a new rate for reciprocal duties.

In the weeks since President Donald Trump's April 2 "Liberation Day" announcements and the subsequent deferral of so-called "reciprocal" duties, cabinet officials have touted progress in trade negotiations between the U.S. and dozens of trading partners. While talks have been in progress with Vietnam, India, Japan and the European Union, only one deal—which can be more accurately described as a framework for an agreement—has been finalized with the United Kingdom.

The ambitious June 4 request for proposals underscores a sense of urgency within the administration. Just five weeks remain until Trump's reciprocal duties, which were deferred for a period of three months on April 9, will resume, blanketing imports from across the globe in double-digit duties.

Since the White House's tariff schemes were unveiled, they've thrown markets into tumult and shaken up global sourcing and supply chains.

According to a Monday report from the South China Morning Post, U.S. retailers and big box stores like Walmart have been pushing their suppliers in China to take on more of the tariff burden that's been foisted upon them—some demanding that their overseas partners pay up to 66 percent of the added duties. After Walmart's chief executive spoke out about the impact the tariffs might have on prices at retail during an earnings call last month, Trump directed the retailer to "eat the tariffs" rather than pass along the cost to consumers.

Trade talks with China have all but "stalled," according to administration officials. In recent days, both China and the U.S. have accused the other of undermining negotiations following the establishment of a three-month trade truce last month.

While tensions between the two countries are running high, White House press secretary Karoline Leavitt said Monday that Trump and Chinese President Xi Jinping would likely speak sometime this week. And over the weekend, the USTR quietly released a Federal Register notice announcing extensions of certain existing tariff exclusions from Section 301 duties until Aug. 31.

The notice said that a three-month extension would be granted on 164 exclusions that were extended in May of last year, along with 14 exclusions that were established in September. The products covered by the exclusions include mostly solar manufacturing equipment, technology and electronics, and some Covid-related goods.

"The US Trade Representative's decision to extend these exclusions takes into account public comments previously provided, previous advice of the advisory committees, and the interagency Section 301 Committee," the notice said.

Source: sourcingjournal.com– June 02, 2025

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Trade Truce Crumbles as China Says US Violated Terms

A short-lived truce between Beijing and Washington has come to a crashing halt.

After announcing a 90-day stay on punitive duties for China-made goods last month, President Donald Trump took to Truth Social on Friday to rail against the country's government, saying China "totally violated" its agreement with the U.S. The Commander in Chief did not provide further details about the breach of terms.

The Chinese Commerce Ministry hit back on Monday, saying that the U.S. is "provoking new economic and trade frictions" that "seriously undermine" the agreement that was reached in mid-May.

A spokesperson asserted that China has been "strictly implementing" the terms that were agreed upon when officials from both countries met in Switzerland. The framework centered on lowering trade barriers and tariffs by 115 percent for three months while a more permanent deal is hashed out.

"Instead of reflecting on its own actions, the United States has groundlessly accused China of violating the consensus, a claim that grossly distorts the facts. China firmly rejects these unjustified accusations," the spokesperson added.

According to Chinese officials, the U.S. has invalidated the terms of the Geneva truce by halting the sale of software for designing computer chips to China's tech firms, taking aim at Huawei, a Chinese technology and electronics company, and revoking visas for Chinese students in the U.S.

During a Friday appearance on CNBC, U.S. Trade Representative Ambassador Jamieson Greer said that China was "slowrolling" compliance with the terms of the agreement, noting that he believes U.S. companies have been placed on Chinese blacklists and that exports of rare earth minerals to the U.S. have been restricted.

One day earlier, Treasury Secretary Scott Bessent noted that negotiations between the world's two largest economies has been "a bit stalled."

Volatility is poised to continue, with members of administration saying Sunday that the president's global tariff regime won't be derailed by a recent ruling from the Court of International Trade (CIT).

Last week, the federal judicial body handed down a decision that Trump's universal baseline tariffs and reciprocal duties on more than 90 countries across the globe were invalid. The president overstepped his executive authority by attempting to use the International Emergency Economic Powers Act (IEEPA) to levy the sweeping import taxes, a panel of three judges said.

Less than a day later, a Washington, D.C. federal appeals court implemented a stay on the CIT's decision as it reviews the details of the case and the ruling.

"Rest assured, tariffs are not going away," Commerce Secretary Howard Lutnick said during an interview on Fox News Sunday. The president has "so many other authorities that even in the weird and unusual circumstance where this was taken away, we just bring on another or another or another," he added, referencing other trade laws and provisions that the administration could wield to continue to carry out its agenda.

Throughout last week's judicial ping pong match, the president stayed mostly mum. But on Sunday, he commented on the issue, Truthing, "If the Courts somehow rule against us on Tariffs, which is not expected, that would allow other Countries to hold our Nation hostage with their anti-American Tariffs that they would use against us. This would mean the Economic ruination of the United States of America!"

Source: sourcingjournal.com– June 02, 2025

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UK manufacturing output, new orders, new export biz, jobs fall in May

The UK manufacturing sector continued to face tough operating conditions in May, as weak global demand, turbulent trading conditions and rising cost burdens led to reduced levels of output, new orders, new export business and employment, purchasing managers' index (PMI) data show.

The seasonally-adjusted S&P Global UK manufacturing PMI rose to a three-month high of 46.4 in May, up from 45.4 in April and above the earlier flash estimate of 45.1.

The PMI has indicated a deterioration in operating performance in each of the past eight months.

Four out of the five PMI components in May—output, new orders, employment and stocks of purchases—were consistent with contraction, a release from S&P Global Ratings said.

UK manufacturing production contracted for the seventh consecutive month in May, as companies scaled back production in response to reduced intakes of new work from both domestic and overseas clients.

Total new business volumes decreased for the eighth month running, amid reports of a general reluctance among clients to commit to new contracts.

Weak global market conditions, trade uncertainty, low customer confidence and cost pressures resulting from recent increases to UK employer national insurance contributions and minimum wages also contributed to clients' reluctance to spend.

However, a recent bout of good weather did boost sales for some manufacturers. The downturns in output and new orders remained widespread by both sub-sector and company size definitions in May.

There were signs that small-scale producers were being hit especially hard by the downturn, seeing the steepest drops in both production and new business.

Tariff uncertainty, government policy and global market turbulence were all mentioned by panelists as factors underlying a further decrease in new export orders during May.

Foreign demand fell for the fortieth successive month. Weaker inflows of new work were reported from the EU and US markets.

May 2025 saw business confidence remain subdued by the historical standards of the survey, despite recovering to a three-month high. Manufacturers continued to raise concerns that turbulent trade conditions, the weak economic outlook and rising cost burdens will make market conditions tough during the year ahead.

Forty-nine per cent of survey respondents forecast growth of production volumes over the next 12 months, compared to 13 per cent expecting a contraction.

Confidence levels were lowest at small-scale producers (dipping to a near record low), while optimism rose at both medium and large-sized firms.

Lacklustre conditions at present combined with an increasingly uncertain outlook fixed manufacturers on a cost-conscious course during May.

Employment, purchasing activity, input stocks and finished goods inventories were all lowered.

Supply chains remained under stress, with average vendor lead times lengthening to the greatest extent during the year so far. This was linked to port disruption, tariff uncertainty and material shortages.

Input price inflation eased to a five-month low in May. Manufacturers seeing costs increase blamed higher energy costs, tariffs, freight prices and the pass-through of greater cost burdens by suppliers.

Source: fibre2fashion.com– June 03, 2025

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Tariff uncertainty adds pressure to US soft goods retailers: Fitch

Fitch Ratings has warned that ongoing trade tariff uncertainties continue to pose execution risks for US soft goods retailers, exacerbating pre-existing structural challenges in the sector. In April, the agency revised its 2025 outlook for the US retail and consumer products sectors to 'deteriorating' from 'neutral', citing the potential for increased trade barriers, rising retail costs, and waning consumer sentiment.

Retailers reliant on imports from China, Vietnam, and Cambodia are especially vulnerable, with Fitch noting the absence of a long-term trade agreement and persistent uncertainty despite a recent US Federal court ruling. Soft line and department store retailers face heightened sourcing risks, which could affect holiday season planning and lead to markdowns, inventory issues, or lost market share, it said in a press release.

Fitch projects mid-single digit topline declines for discretionary spending, including apparel and footwear, in 2025. This could result in EBITDA declines of up to mid-teen levels due to sales deleverage, increased markdowns, and some absorption of tariff costs. However, Fitch also noted divergence across product categories and company strategies.

Larger, higher-rated retailers such as Signet Jewelers (BBB-/Stable) and Dillard's (BBB-/Positive) are expected to better withstand volatility due to stronger vendor relations, design capabilities, and liquidity. In contrast, companies like Capri Holdings (BB/Negative), which is already experiencing EBITDA and topline pressure, may face greater challenges. Capri could benefit in the near term from the proceeds of its Versace sale.

Fitch expects retailers to preserve liquidity by limiting share buybacks, capital expenditure, and dividends, as they did during past downturns. While most Fitch-rated issuers have sufficient rating headroom and manageable maturity risk, companies such as Levi Strauss, Macy's, Nordstrom, and Samsonite may see EBITDAR leverage trend near or above negative rating sensitivities in 2025 before improving in 2026, the release added.

Source: fibre2fashion.com– June 02, 2025

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Port cargo in China hits 5.75 bn tonnes in early 2025

Cargo throughput at ports in China totalled 5.75 billion tonnes during the first four months of 2025, up 3.7 per cent year on year (YoY), according to data from the Ministry of Transport.

Container throughput, a leading gauge of trade health, increased by 7.9 per cent YoY during the January-April period to reach 110 million twenty-foot equivalent units (TEUs).

In April alone, the country's cargo throughput at ports rose by 4.8 per cent to 1.53 billion tonnes compared to the same month last year. However, the pace of growth slightly eased from the 4.9 per cent increase recorded in March.

China's purchasing managers' index (PMI) for the manufacturing sector edged up to 49.5 in May from 49 in April, with the sub-index for new orders rising to 49.8 from 49.2, as production accelerated and market expectations strengthened, according to separate data from the National Bureau of Statistics (NBS).

Source: fibre2fashion.com– June 03, 2025

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Trans-Pacific Ocean Freight Rates Continue Their Ascent on More Front-Loading

Trans-Pacific ocean spot freight rates have kept their foot on the gas in the wake of a rush of imports from China into the U.S. as trade and tariff uncertainty pervades between the countries.

On Friday, the Shanghai Containerized Freight Index (SCFI) calculated a surge of nearly 31 percent from the week prior out of the Chinese city across all markets, with West Coast-bound spot rates skyrocketing 58 percent to $6,243 per 40-foot equivalent unit (FEU). Rates soared 46 percent to $5,172 per container headed to the East Coast.

The weekly 30.6 level gain to 2,072.71 points represents the second-largest individual gain tracked by the index, following the final week of December 2023 as ocean carriers began avoiding the Red Sea en masse.

Abercrombie & Fitch is one apparel retailer that has already baked in higher freight costs for their second quarter, chief financial officer Robert Ball said in a Wednesday earnings call.

All the major indices that monitor ocean freight rates have indicated significant jumps to close out May, with the SCFI showing the highest increases.

According to Drewry's World Container Index (WCI) posted Thursday, freight rates from Shanghai to Los Angeles leapt 17 percent to $3,738 per FEU in the past week and 38 percent since May 8. Spot rates to New York have risen 14 percent in the past week to $5,172 per container, and have accelerated 42 percent in the past three weeks.

These numbers buoyed the overall WCI to 10 percent growth to $2,508 per container, marking the first double-digit rise in the composite index since last July.

For Freightos, Asia-to-U.S. West Coast prices increased 13 percent to $2,788 per FEU, according to data revealed on Wednesday. The Freightos Baltic Index (FBX) bucked the trend of the other benchmarks, with Asia-to-U.S. East Coast prices seeing a bigger jump than their West Coast counterpart. Spot freight rates per container increased 20 percent to $4,223.

"Surging demand and these restrictions on capacity from out of place vessels and port congestion [at Chinese ports] are putting significant upward pressure on container rates," said Judah Levine, head of research at Freightos, in Wednesday's weekly update. "Rates are at their highest level since late February, and GRIs announced through mid-June could push prices up thousands of dollars more if demand stays elevated and congestion remains an issue."

Ongoing front-loading of imports will lead to big increases in spot rates on June 1, according to data from Xeneta.

"Average spot rates will rise at least 18 percent from the Far East to U.S. West Coast and 14 percent into the U.S. East Coast," said Emily Stausbøll, senior shipping analyst at Xeneta. "Data is being received from shippers paying far higher rates than this, so the market has the potential to increase even more dramatically in early June."

While a June spike could be in order, the combination of importers' front-loading and ocean carriers moving more shipping capacity to the trans-Pacific trade lane could be what slows rates down in the second half of 2025.

Drewry's Container Forecaster expects the supply-demand balance to weaken again in the latter six months, which would cause spot rates to decline again for the back half. But the volatility and timing of rate changes will depend on the outcome of the ongoing legal challenges to President Donald Trump's tariffs and on possible capacity changes related to the introduction of the U.S. port docking fees on Chinese ships, which are uncertain.

Xeneta's Stausbøll projects a longer-term decline in the third quarter as well, particularly when the expected period of front-loading ends.

"While tariffs are lower, they are still higher than they were previously, so there is every likelihood this will subdue consumer demand," Stausbøll said in a May 21 blog post. "Once shippers have built up inventories, they will not continue to front-load imports. Demand will therefore ease and carriers will once again be struggling to fill their ships. This means the traditional Q3 peak season will arrive earlier in 2025, but it should not take too long for spot rates to soften and continue the downward trend seen during Q1."

Currently, the base tariff rate on the majority of Chinese products is 30 percent after the U.S. and China entered into a 90-day tariff rollback. The agreement lowered the tariff rate from 145 percent for U.S. importers until Aug. 14.

Source: sourcingjournal.com– Jun 02, 2025

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South Africa's textile imports up 2.3% to $1.2 bn in Jan-Apr 2025

South Africa's imports of textiles and textile articles (under Chapters 50–63) totalled 21,563.2 million rand (~$1.2 billion) during January–April 2025, according to preliminary data released by the South African Revenue Service in its April 2025 report. This represents a 2.3 per cent increase compared to the same period last year. The trade figures include transactions with Botswana, Eswatini, Lesotho and Namibia (BELN).

Official merchandise trade statistics show that, during the same period in 2024, the country imported textiles and textile articles worth 21,087.1 million rand. South Africa continues to be a net importer in this product segment.

Exports of textiles and related products edged up by 5.1 per cent, reaching 7,959.6 million rand (~$444.17 million) in the first four months of 2025, compared to 7,572.4 million rand in the corresponding period of 2024.

In April 2025, South Africa's imports of textiles and textile articles under Chapters 50–63 stood at 4,811.6 million rand (~$268.50 million), reflecting a 4.8 per cent decrease from imports of 4,849.8 million rand in March 2025.

Exports under the same chapters inched up by 0.4 per cent to 2,333.3 million rand (~$130.20 million) in April 2025, from 2,324.4 million rand in March 2025.

South Africa's textile trade showed an upward trend in April 2025 on a month-on-month basis. However, the growth rate of imports was higher than that of exports.

In 2024, the country's imports of textiles and textile articles reached 65,476 million rand (~$3,551.95 million), up 10 per cent from 59,528.9 million rand in 2023. Exports of textiles and related products edged up by 1.8 per cent, amounting to 23,578.8 million rand (~$1,279.11 million) in 2024, compared to 23,155.9 million rand in 2023.

Source: fibre2fashion.com– Jun 03, 2025

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US Upland & Pima cotton exports sales decline: USDA

Net sales of Upland cotton in the United States for the 2024–25 season totalled 118,700 running bales (RB), each weighing 226.8 kg (500 pounds), during the week ending May 22, 2025. This represents a decrease of 16 per cent from the previous week but an increase of 8 per cent from the prior four-week average. However, actual export shipments of Upland cotton rose during the week but declined compared to the four-week average.

According to the USDA weekly export sales report, the increases were primarily for Vietnam (65,600 RB, including 4,300 RB switched from Hong Kong, 1,500 RB from South Korea, and 900 RB from Pakistan), Bangladesh (17,300 RB, including decreases of 200 RB), Turkiye (12,400 RB, including decreases of 200 RB), Malaysia (8,800 RB), and Guatemala (8,100 RB). These were offset by reductions for Hong Kong (4,300 RB), Peru (1,800 RB), South Korea (1,500 RB), and China (200 RB).

Net sales of 13,800 RB for 2025–26 were reported for Pakistan (5,700 RB), Thailand (3,500 RB), Peru (2,600 RB), and Turkiye (2,000 RB), and were offset by a reduction for Mexico (100 RB). Export shipments of 275,400 RB were up 10 per cent from the previous week but down 18 per cent from the prior four-week average. The primary destinations were Vietnam (117,000 RB), Pakistan (34,300 RB), Turkiye (33,900 RB), Bangladesh (18,100 RB), and Mexico (11,900 RB).

Net sales reductions of Pima cotton totalled 1,700 RB for 2024–25—a marketing-year low—marking a significant decline from both the previous week and the prior four-week average. Increases were reported for India (2,900 RB, including decreases of 500 RB), Indonesia (300 RB), China (100 RB), and South Korea (100 RB), but were offset by reductions for Colombia (3,100 RB), Vietnam (1,700 RB), Egypt (200 RB), and Hong Kong (100 RB).

Net sales of Pima cotton totalling 5,500 RB for the next season (2025–26) were primarily for Colombia (3,100 RB) and Vietnam (1,700 RB). Export shipments of 6,700 RB were down 12 per cent from the previous week and 25 per cent from the prior four-week average. The main destinations were Vietnam (2,700 RB), India (1,000 RB), China (900 RB), Ethiopia (900 RB), and Peru (700 RB).

Source: fibre2fashion.com– June 02, 2025

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The Scope 3 Challenge: Unpacking the elephant in the emissions room

In the escalating global focus on combating climate change, businesses are under pressure to account for their carbon footprint. While much attention has been given to direct emissions from company-owned assets (Scope 1), and indirect emissions from purchased energy (Scope 2), a more significant and complex challenge lies in Scope 3 emissions. These emissions, often constituting almost 70-90 per cent of a company's total footprint, originating from sources a company doesn't directly control, such as suppliers, vendors, transportation, and even product usage.

All about Scope 3 and its complexities

Scope 3 emission covers a wide range of indirect emissions that occur both upstream and downstream in a company's value chain. This includes emissions from business travel, employee commuting, transport and distribution, waste disposal, purchased goods and services, franchises and leased assets, and the use of sold products. Essentially, it's the emissions linked to everything a company buys and sells, and how those products are used and disposed of.

The primary reason Scope 3 is so challenging is the lack of direct control. Unlike Scope 1 and 2, which a company can manage through operational efficiencies and energy choices, Scope 3 involves a web of external factors. This complexity arises from multiple suppliers, varying customer usage behavior, numerous logistics partners, and outsourced activities. Gathering reliable data across these diverse sources is a monumental task, making it difficult for companies to get a complete and accurate picture of their Scope 3 footprint.

Scope 3 in the textile & apparel industry

The textile and apparel industry showcases the challenges and significance of Scope 3 emissions.

Purchased goods and services: The emissions from raw material production (cotton farming, synthetic fiber manufacturing), textile processing (dyeing, finishing), and component manufacturing (buttons, zippers) constitute a substantial portion of Scope 3 emissions. For example, a major fashion brand working with thousands of suppliers across the globe faces the complex task of gathering emissions data from each tier of its supply chain. Initiatives to promote sustainable cotton farming or the use of recycled materials directly address these Scope 3 emissions.

Transportation and distribution: The global nature of the industry, involving the movement of raw materials, intermediate products, and finished goods, leads to significant emissions from shipping, air freight, and trucking. A company optimizing its logistics by consolidating shipments, using more fuel-efficient transport, and exploring localized production can reduce emissions within this category.

Use of sold oroducts: Consumer behavior, such as washing and drying clothes, contributes to downstream emissions, mainly through energy consumption. In fact, brands promoting energy-efficient washing instructions or designing clothes that require less frequent washing are taking steps to address emissions associated with the use of their products.

End-of-life treatment of sold products: The disposal of textiles in landfills or through incineration generates emissions. Therefore, companies implementing take-back programs, designing for recyclability, or utilizing biodegradable materials aim to minimize emissions at the end of the product lifecycle.

The imperative of action

Despite the difficulties, ignoring Scope 3 is no longer a viable option. Stakeholders, including investors, customers, and regulators, are increasingly scrutinizing companies' environmental impact. Regulations, such as the EU's Corporate Sustainability Reporting Directive (CSRD), are expanding requirements for emissions reporting, pushing companies to enhance their transparency. Transparency in Scope 3 emissions is becoming essential for maintaining investor trust and ensuring global compliance.

Tackling Scope 3 requires a shift in mindset and a strategic approach. Companies need to engage deeply with their value chains, fostering collaboration with suppliers and partners to gather data and implement emissions reduction strategies. This may involve:

Mapping the value chain: This involves identifying important sources of Scope 3 emissions.

Data collection and management: Establishing systems to collect and manage emissions data from various sources.

Supplier engagement: Working with suppliers to improve their emissions performance.

Product lifecycle assessment: Evaluating the emissions associated with products throughout their lifecycle.

The bottomline is addressing Scope 3 emissions is not just an environmental imperative but also a business necessity. Companies that proactively manage their Scope 3 emissions will be better positioned to mitigate risks, enhance their reputation, and create a more sustainable future. As the regulatory landscape evolves and stakeholder expectations rise, understanding and tackling Scope 3 emissions will be crucial for long-term success.

Source: fashionatingworld.com– June 02, 2025

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Right Size, Right Impact: Personalized fit weaving a sustainable future for fashion

With growing environmental consciousness, the fashion industry, long criticized for its detrimental impact, is looking for new and innovative ways towards sustainability. While conversations often revolve around material innovation and circular economy models, a seemingly simple yet profoundly effective solution is gaining traction: right sizing. The ability to provide consumers with accurate and personalized size recommendations is emerging not just as a tool for increasing customer satisfaction, but as a significant contributor to reducing waste, emissions, and overproduction across the textile value chain.

The convenience of online shopping has undeniably transformed the way we consume fashion. However, this ease comes at an environmental cost, largely due to the staggering rate of returns. According to a 2018 report by Optoro, a reverse logistics technology company, between 15 per cent and 40 per cent of online apparel purchases are returned, with sizing and fit being the primary reasons for these returns.

As per a Narvar, 2022 report this reverse logistics process in the US alone generates an estimated 5 billion pounds of waste annually, contributing significantly to carbon emissions through transportation and processing. The Narvar report also indicates that approximately 5.8 billion pounds of returned goods end up in landfills each year in the US, worsening the textile waste crisis.

A direct route to lower emissions

The logic is compelling: fewer returns translate directly into a lower carbon footprint. Each returned item embarks on an additional journey, involving transportation, repackaging, and potentially even disposal. By implementing technologies that significantly improve size accuracy, brands can drastically reduce these unnecessary shipments. Imagine a scenario where a consumer, guided by precise body measurements and virtual try-on experiences, confidently selects the perfect size the first time. This not only enhances their shopping experience but also eliminates the environmental burden associated with multiple deliveries and returns.

A 2021 joint report by Quantis (now ERM) and Zalando estimated that returns can generate 0.5 kg of CO_2e per returned item on average. While this figure can vary depending on factors like transportation distance and processing, it highlights the cumulative environmental impact of millions of returns.

Curbing overstock and waste

The impact of right sizing extends far beyond just minimizing returns. The fashion industry grapples with the pervasive issue of overproduction. Driven by the uncertainty of consumer demand and the need to accommodate potential returns, brands often produce significantly more clothing than they ultimately sell.

The Ellen MacArthur Foundation estimates that globally, around $500 billion worth of clothing is lost every year due to underutilization and lack of recycling. While not solely attributable to sizing issues, inaccurate size predictions contribute to this overstock, leading to unsold inventory and eventual disposal.

Personalized size recommendations offer a powerful tool to address this inefficiency. By gaining accurate insights into customer measurements and preferences, brands can make more informed decisions about their production runs. This data can help predict the optimal size distribution needed, minimizing the risk of overstocking and the subsequent disposal of unsold inventory.

While specific data on environmental impact is often proprietary, online fashion retailer ASOS implemented a ‘Virtual Catwalk’ and ‘See My Fit’ tool to help customers visualize clothing on different body types.

While primarily aimed at improving the shopping experience and reducing returns, initiatives like these inherently contribute to sustainability by minimizing the need for bracketing and subsequent returns. Although exact figures on emission reduction aren't available, ASOS reported positive impacts on customer satisfaction and a likely reduction in return rates due to improved size confidence.

Conscious consumption the way to go

The benefits of right sizing influences consumer behaviour as well. The uncertainty around fit often leads to a practice known as ‘bracketing’ where customers purchase multiple sizes of the same item with the intention of returning those that don't fit. This not only contributes to the high return rates but also fosters a less mindful approach to shopping.

By providing accurate size recommendations, brands can empower consumers to shop with greater confidence, reducing the likelihood of bulk ordering and subsequent returns. This encourages more conscious purchasing habits, where each acquisition is considered and less likely to end up as waste.

A 2020 study published in the journal 'Resources, Conservation and Recycling' highlighted the environmental burden of online apparel returns, emphasizing the need for solutions that improve fit accuracy to reduce the carbon footprint associated with e-commerce. While the study didn't specifically quantify the impact of personalized sizing, it underscored the environmental imperative of minimizing returns, where accurate sizing plays a crucial role.

Therefore, the potential of right sizing for sustainability is significant, widespread adoption requires continued innovation and collaboration. Advancements in body scanning technology, AI-powered size prediction algorithms, and virtual try-on experiences are crucial. Furthermore, brands need to invest in integrating these technologies seamlessly into their online platforms and educate consumers on their benefits.

Source: fashionatingworld.com– May 30, 2025

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Vietnam-EAEU trade doubles to hit $5.6 bn in 2024 after 2015 FTA

Ten years into the free trade agreement (FTA) between Vietnam and the Eurasian Economic Union (EAEU), the former's trade turnovers with Armenia, Kazakhstan, Russia and Belarus have surged 61-fold, 4.2-fold, 1.3-fold and by 34 per cent respectively, according to data from the Eurasian Economic Commission.

Vietnam-EAEU trade doubled to reach $5.6 billion in 2024, Ta Hoang Linh, director of the department of foreign market development in the Ministry of Industry and Trade, said at a press conference in Hanoi recently to mark the 10th anniversary of the FTA.

Vietnamese businesses have been capitalising on tariff incentives to boost exports, he noted.

The pact was officially signed in Kazakhstan on May 29, 2025, during the second meeting of the Eurasian Intergovernmental Council.

It was the first trade agreement the EAEU signed with a non-member country.

Ambassadors from all five EAEU nations expressed their desire to further strengthen cooperation relations with Vietnam, a Vietnamese news agency reported.

Source: fibre2fashion.com– June 02, 2025

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NATIONAL NEWS

India, US to strike trade deal in not-too-distant future: Howard Lutnick

India and the US are likely to strike a trade deal in "the not-too-distant future" which will not include everything, as earlier indicated by US President Donald Trump, but bring down tariffs to a reasonable and appropriate level to reduce the US trade deficit, US Commerce Secretary Howard Lutnick has said.

"You should expect a deal between the United States and India in the not-too-distant future, because I think we have found a place that really works for both countries," Commerce Secretary Howard Lutnick said at a US India Strategic Forum event on Monday, adding that countries that strike an agreement early get a better deal.

While maintaining that India had protectionist tariffs, the Commerce Secretary struck a reconciliatory note by mentioning a trade-off in the deal and assuring that the US would be kind to India as long as India brings its tariffs down.

"I will treat you incredibly kindly on things that are important to you and you bring down your tariffs and give us market access, and lets find proper place in the middle," he said.

He further indicated that the trade deal may have room for sparing sensitive items despite Trump earlier claiming that India would eliminate tariffs on all items.

"I would like reasonable market access for our businesses to the markets of India. It's not going to be everything and everywhere, but we want the trade deficit reduced," he said.

Lutnick, however, did not specify what the US was willing to give India. New Delhi has been seeking more access for its labour intensive products such as readymade garments, leather, pharmaceuticals and fruits and vegetables, and also easier and faster work visa provisions for its professionals.

A trade deal is important for India to avoid the full blow of the US reciprocal tariffs, announced by US President Donald Trump on April 2, that he put off for a 90-day period till July 9. India wants the entire 26 per cent reciprocal tariffs slapped on it to be rolled back, including a 10 per cent baseline tariff that has already been imposed.

Moreover, New Delhi wants Washington to also extend it a waiver on the 50 per cent tariffs on steel and aluminium imports imposed on all countries.

A team of trade officials from the US will be in India this week to take forward negotiations on the proposed India-US bilateral trade agreement following meetings between Commerce & Industry Minister Piyush Goyal and Lutnick in Washington DC last month.

"India has very protectionist tariffs. I think the idea of looking at them and bringing them down to a level that is reasonable and appropriate, so we can be great trading partners with each other I think is absolutely on the table. It's not stressful. Let's make this into a proper trading relationship," he said.

Appreciating India for trying to move fast on the deal, Lutnick said that earlier countries got a better deal. "Those who come in, you know, July 4th to July 9th, there's just going to be a pile. But those who are earlier—and I think India's trying hard to be one of the earlier countries, which I appreciate."

The US has been running a trade deficit with India for several years. In FY 25, India's trade surplus increased to $41.18 billion from $35.32 billion in FY24. The US continued to be India's largest trading partner in 2024-25, with bilateral trade at $131.84 billion.

Source: thehindubusinessline.com– June 03, 2025

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India's port volumes rise 3.4% in FY25, outlook steady for FY26: ICRA

India's port sector recorded a 3.4 per cent year-on-year (YoY) growth in overall cargo volumes in fiscal 2025 (FY25), moderating from 7.5 per cent growth in fiscal 2024 (FY24). The increase was primarily driven by an 11 per cent surge in container volumes and a 3 per cent rise in petroleum product shipments.

The trend of cargo containerisation continues to gain traction, though volumes remain vulnerable to global geopolitical tensions and container availability, ICRA said in a report.

Coal cargo declined by 3 per cent YoY in FY25, as thermal power generation rose 2.8 per cent and domestic coal production increased nearly 5 per cent, reducing the need for imports, which fell by 8.6 per cent.

The government continues to push infrastructure expansion in line with Maritime India Vision 2030, with significant capital expenditure planned to enhance port capacity. While project execution is set to accelerate, rapid capacity addition may create supply-demand mismatches in certain regions, increasing competition and price pressures.

Sector consolidation has also been ongoing, with larger groups acquiring smaller or standalone port operators—a trend expected to persist.

Looking ahead, cargo volumes are projected to grow by 3 to 5 per cent YoY in fiscal 2026 (FY26), driven by continued strength in container and fertiliser shipments. The POL (petroleum, oil and lubricants) segment is expected to grow 2 to 4 per cent.

Source: fibre2fashion.com– June 02, 2025

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India seeks WTO consultations with Indonesia on cotton yarn safeguards

Paris: India on Monday sought consultations with Indonesia under the World Trade Organization (WTO) rules on the extension of its safeguard measures on cotton yarn. These consultations, however, do not fall under the WTO's dispute settlement system.

India has 11.85% share in Indonesia's cotton yarn imports.

Last month, Indonesia cited certain unforeseen developments such as an increase in Indian cotton yarn exports worldwide, which in turn led to an unexpected surge in Indian cotton yarn exports to Indonesia.

As a country having a substantial trade interest in the export of the textile product, India "hereby requests consultations" with Indonesia pursuant to a provision of the WTO's Agreement on Safeguards with view to reviewing the information and exchanging views on the extension of the measure.

"India would like to propose that consultations mentioned above take place virtually from 10 June to 13 June 2025 or on a mutually convenient date and time," it added.
Source: economictimes.com – June 02, 2025

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Robust improvement in biz conditions across Indian manufacturing: S&P

HSBC purchasing managers' index (PMI) data for India for May this year indicated another robust improvement in business conditions across the manufacturing industry.

Falling from 58.2 in April to 57.6 in May, the seasonally-adjusted manufacturing PMI highlighted the weakest improvement in operating conditions since February. The headline figure was, however, well above both the neutral mark of 50 and its long-run average of 54.1.

Although rates of increase in new orders and output retreated to three-month lows, they remained well above their respective long-run averages.

Panellists suggested that demand strength continued to support sales and production, though competition, inflation and the India-Pakistan conflict had reportedly weighed on growth, a release from S&P Global Ratings, which conducted the survey said.

Goods producers lifted input buying and headcounts again, with the latter experiencing a series-record upturn.

Meanwhile, cost inflation climbed to a six-month high and selling prices were raised to one of the greatest extents seen in eleven and a half years.

Monitored companies linked growth to healthy domestic and international demand, alongside successful marketing initiatives. The upturn was curbed by cost pressures, fierce competition and the India-Pakistan conflict.

New export orders rose at one of the strongest rates recorded in three years on favourable demand from Asia, Europe, the Middle East and the United States.

Positive sales developments encouraged companies to purchase additional raw materials for use. The pace of expansion was sharp and eased only marginally since April.

Firms also hired additional staff in May, with the rate of job creation climbing to a new series record. Sustained job creation enabled manufacturers to stay on top of their workloads in May.

Outstanding business volumes were unchanged, ending a six-month period of accumulation, and manufacturers faced another monthly increase in purchasing prices and greater outlays on freight and labour.

As a result of rising operating expenses and supported by strong demand, firms increased their selling prices in May.

Source: fibre2fashion.com – June 02, 2025

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Indian economy to be close to $30 trillion by 2047: Amitabh Kant

India's economy, which is currently $4 trillion in size, is expected to be close to $30 trillion by 2047 and the country also has the advantage of younger demographics, G20 Sherpa Amitabh Kant said on Monday.

He was speaking at a session on the sidelines of the International Air Transport Association (IATA) in the national capital.

"The demographics are very young. The Western part of the world is ageing and Japan has already aged, even China is ageing. India is just 28 and even when we become 100, the average age will be 35 years. It is a country of baby boomers," Kant said.

According to him, the country's economy will be close to $30 trillion in 2047.

The country is a $4 trillion economy and just became the fourth largest economy in the world, he added.

While emphasising about sustainable urbanisation, Kant said the country will see around 5 million people getting into the process of urbanisation and there will be a need to create 500 new cities in India.

"You need to create two new Americas in the next five decades. You need to create a Chicago every five years in India. That is the challenge for India," he said.

Kant also said that India's ambition is to create 400 airports.

There are more than 150 operational airports in the country.

"You need great airports, great airlines, you need them to do long haul... IndiGo and Air India with their wide body aircraft should go out and compete with Emirates, Qatar Airways... We believe in competing in the marketplace," he noted.

Source: thehindubusinessline.com – June 02, 2025

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GST Council's likely agenda: Intermediaries may get exporter status

The upcoming 56th Goods and Services Tax (GST) Council meeting may approve a proposal reclassifying intermediaries — including brokers, agents, and digital platforms — as exporters, granting their services a zero-rated status, said a senior government official.

The move is aimed at alleviating an 18 per cent GST burden on such entities. The issue is likely to be taken up for final approval after the Law Committee's nod, paving the way for significant financial relief to such firms.

"With the Law Committee's approval expected shortly, the GST Council's final decision in its next meeting could mark a turning point for India's intermediary-driven export sectors," said the official.

Currently, intermediary services fall in the 18 per cent GST slab under the Central GST Act.

The amendment proposes deleting Section 13(8)(b) of the Integrated GST (IGST) Act, which currently mandates that the place of supply for intermediary services be deemed as India, thereby subjecting them to domestic taxation.

Once revised, these services will qualify as exports, making them zero-rated, enabling businesses to claim refunds on input taxes.

"This reform will level the playing field for Indian intermediaries competing globally, as foreign clients often cannot claim input tax credit on GST charged here," the official stated.

The change could also resolve pending show-cause notices totaling ₹3,357 crore issued to intermediaries, primarily in sectors like textiles and commodities trading, said sources in the know.

Tax experts underscored the amendment's alignment with global practices. "Intermediary services should inherently qualify as exports under IGST. The current provision creates an undue tax burden, which this correction addresses," said Vivek Jalan, Partner at Tax Connect Advisory.

Separately, Finance Minister Nirmala Sitharaman is likely to urge states in the upcoming GST Council meeting to align their GST registration procedures with the streamlined norms recently issued for CGST officers by the Central Board of Indirect Taxes and Customs (CBIC), a senior government official told Business Standard.

Although GST is a unified tax in structure, it is jointly administered by the Centre and the states.

In April, the CBIC had issued detailed instructions to CGST officers, aimed at curbing discretionary practices in processing registration applications.

The guidelines clarified that only documents listed in Form GST REG-01 should be sought and directed officers to avoid irrelevant or presumptive queries.

They also laid down strict timelines — seven working days for standard applications and up to 30 days for high-risk cases requiring physical verification.

“The finance minister will nudge states to follow the same registration guidelines in spirit and practice. GST is a shared responsibility, and there needs to be uniformity in how rules are implemented,” the official said.

The official added that early signs of implementation at the central level are encouraging.

“We are seeing positive traction in registration numbers, though we don’t have consolidated data yet as it has only been a month.

We will also ask states to share their numbers to assess the broader impact,” the official added.

Source: business-standard.com – June 02, 2025

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Trump tariffs: Here's how Indian exporters of apparel, drugs and tyres are preparing for all contingencies

Companies like Gokaldas Exports plan to expand in Europe to offset losses from US markets, as tariffs create pressure on margins and relationships with US retailers.

New Delhi/Mumbai: Indian exporters of apparel, automotive parts, pharmaceuticals and tyres – with significant shipments to the US – are preparing contingency plans or revising their business strategies to mitigate the business risk from the imposition of tariffs.

US President Donald Trump's administration has imposed a 10% universal tariff on all imports from every country, including India.

Gokaldas Exports Ltd, a listed garments exporter, will focus on expanding its business in Europe because tariffs have hurt business with its main export market – the US.

“Since there is a lot of tariff uncertainty, we are pivoting to Europe. The idea is not to reduce our US business in absolute terms, but for incremental business we will focus on Europe including the UK," said Sivaramakrishnan Ganapathi, managing director of Gokaldas Exports.

Margins of apparel exporters including Gokaldas have come under pressure following the tariff levy. US retailers have been unable to pass on the increased cost to consumers and are pushing for their suppliers to share the burden, Ganapathi said.

“In the short term, we may also have to bear some of that cost just to keep up the relationships," he said. Gokaldas got about three-fourths of its ₹3,864 crore FY25 revenue from the US.

The US is the largest export destination for Indian apparel exports. This is because competing apparel-exporting nations Bangladesh, Vietnam, Sri Lanka and Pakistan get preferential tariff rates in Europe, putting Indian exporters at a disadvantage. India’s in-principle trade agreement with the UK last month and progressing talks with the European Union could now level the playing field for Indian exporters.

“Once an FTA with the UK is finalised, it will bring at least a $1 billion apparel export opportunity for India. The opportunity in the EU will be much larger. We should ready ourselves up for this incremental business," Ganapathi said.

India exported readymade garments worth $16 billion (₹1.35 trillion) in FY25, as per data from the Apparel Export Promotion Council, an industry group.

India business

Indian tyre companies are chalking out similar contingency plans. The US is a key export market for Indian tyremakers, constituting about one-fifth of the country's total overseas tyre sales of $3 billion in FY24.

Balkrishna Industries Ltd, which gets almost three-fourths of its revenue from exports, will focus on expanding business in India with a series of product launches. The company now targets 8% of the global tyre market by 2030 compared with its earlier goal of a 10% share.

"Please note that we are under a slow-moving economy. There are wars happening, there are trade wars happening. Uncertain times are there. So that is why we are looking at it very conservatively," Rajiv Poddar, managing director at Balkrishna Industries, said on an earnings call on 24 May.

“In case anything changes and there's a catalyst, we are absolutely ready to pounce on that opportunity and go back to our original vision of 10%."

Ceat, which acquired Canada’s Camso in December, is betting that India will be successful in signing a bilateral trade pact with the US before Sri Lanka and is planning to change its tyre distribution accordingly. Camso gets 30% of its business from the US through its two manufacturing facilities in Sri Lanka.

"In case the tariffs go through, we will produce for the United States from Indian facilities if tariffs are lower here and for Europe from Sri Lanka," said Arnab Banerjee, managing director and CEO at Ceat.

Apprehensive pharma

Indian pharmaceutical companies are exploring partnerships and investment opportunities to manufacture in the US. While the pharmaceuticals sector has not been slapped with tariffs yet by the US, Indian exporters are apprehensive of surprise levies by Trump.

“We have a very good balance sheet; we have a very healthy financial capacity. We are always looking for opportunities," Dr. Reddy's Laboratories chief executive Erez Israeli said last month on investing in the US. “We are not rushing, and we are not obliged for any commitment... But we certainly want to be in the United States long term. We will look for the relevant opportunity for us."

The contingency plans of pigment manufacturer Sudarshan Chemicals include leveraging its ₹1,180 crore acquisition of Germany’s Heubach Group. Heubach has a plant in the US as well as 19 units in Europe, allowing it the flexibility to tweak its distribution depending on the tariff scenario.

"The new acquisition gives us a lot of flexibility. If there are tariffs on India, we supply from Europe into the US market," Rajesh Rathi, managing director of Sudarshan Chemicals, told Mint in March.

Source: livemint.com – June 02, 2025

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Textile industry urged to apply for support under government schemes

Textile industry owners who want government support to set up mini textile parks or upgrade their spinning machines should contact the office of the joint textile commissioner in Tiruppur, according to a press release.

The government has amended the mini textile park scheme to extend subsidy for development of infrastructure facilities, industry buildings, and industry service related buildings. A mini textile park should be spread on minimum two acres and have three industrial units to be eligible for 50% of the project cost of ₹2.5 crore subsidy.

Currently, 19 parks are under development in seven districts, the release added.

Under the spinning mills modernisation scheme, the government gives interest subsidy for five years to replace spinning machinery that are more than five years old.

This is available for ring spinning, open end spinning and air jet spinning mills that have ordered for the new machinery after December 9, 2024. For details, mail to rddtextilestpr@gmail.com or dial 0421-2220095

Source: thehindu.com – June 02, 2025

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Cotton Farmers Of Sirsa Go High-Tech, Lead The Way In Regenerative Agriculture

Sirsa: Once hailed as 'white gold', when cotton was getting lighter on the pockets of farmers across North India after being affected by pests, dwindling water tables, erratic climate patterns, and resultant loss in yields, some farmers are showing signs of bouncing back and how! With the help of high-tech regenerative farming practices like drip fertigation and integrated pest management, farmers are now harvesting more cotton with less water, lesser chemicals, and a lot of enthusiasm.

This method was adopted in Gidda village of Sirsa district, where the South Asia Biotechnology Centre (SABC) experimented on ways and means to revive cotton cultivation through high-tech interventions. It was at a field exhibition during the Kharif 2024 that the North India High-Tech Research and Development Station, SABC, supported by the PI Foundation and the Central Institute for Cotton Research (CICR) showed farmers, scientists and policy makers, how technology can transform the cotton landscape.

"The results were stunning to say the least. We showed that with proper water and nutrient management, cotton yields can increase early threefold," said Dr. Deepak Jakhar, lead scientist at SABC.

Traditionally, Haryana used to produce cotton yields of around 6–8 quintals per acre. But as per SABC's demonstration plots, the yields showed a growth of up to 13–15 quintals per acre which was more than double. This was possible due to the strategy of combining drip irrigation and fertigation with canopy management and pest control.

What is Drip fertigation? It is the process of delivering water and fertilizers directly to plant roots, cutting irrigation water usage by up to 60%. This is particularly important for districts like Rania and Ellenabad which are water-stressed. Simultaneously, it was seen that fertilizer usage in the experimental fields had also come down to 40%, reducing both input costs and environmental damage.

"We were used to irrigate in the normal way and scattered urea and DAP across the field," said farmer Buta Singh, who has adopted the new method. "Now, with drip lines, we our resources are saved and we get healthier crops with less disease," he added.

Cotton farmers across Punjab, Haryana, and Rajasthan have been battling pink bollworm infestations, whiteflies, and the cotton leaf curl virus, which devastated their fields discouraging them to continue cotton farming. SABC's regenerative model uses Integrated Pest Management (IPM) techniques like pheromone traps and mating disruption technology (PBNot), which reduce pesticide use to a big extent.

"Instead of spraying indiscriminately, we are helping farmers monitor pest accumulation in a scientific way because we need to protect the crop and the ecosystem as well," said Dr. Jakhar.

According to government estimates, cotton acreage across Punjab, Haryana, and Rajasthan went down by nearly 5 lakh hectares in 2024 in comparison to the previous year. However, Punjab witnessed the sharpest fall, with area under cotton cultivation coming down to one lakh hectare from 2 lakh hectares in 2023. Rajasthan too saw a drop of 34%, while Haryana came down by 17%.

Experts say there are many reasons, the most important being persistent pest attacks. Besides, high input costs, poor returns and unreliable rainfall too add to the farmers' woes. Its effect was most starkly felt when cotton gave way to paddy which led to groundwater depletion as the crop needs more water. This created a vicious cycle of unsustainable farming.

This is where SABC's initiative in Sirsa mattered. "We have shown that cotton is profitable even when climate stress is there. Just that one needs to apply science judiciously," said Dr. Bhagirath Choudhary, Director of SABC.

On the other hand, Dr. Dilip Monga, former head of the Central Cotton Research Institute (CCRI) in Sirsa, who has spent more 30 years in cotton research says farmers should transition to sustainable practices. "I retired in 2020 but even now I am working on solutions to reduce farmers' costs and improve productivity. The two most important techniques for cotton are drip fertigation and pest management, they are new lifelines," he asserted.

The exhibition held under Project Bandhan aimed at bracing local farmers with techniques so that they can reap good profit from cotton cultivation. With the use of mepiquat chloride, mechanical detopping, and flat-bed sowing techniques, plots under high-tech cultivation yielded up to 15 quintals per acre.

Now, the area under regenerative cotton cultivation in Sirsa has gone up from 2 acres last year to 5 acres this season. “We started in Gidda, and now plan the same for Khariyan village. There are many experts and farmers who have shown keenness to visit our centre so that they can learn the techniques from us,” said Dr. Jakhar.

Exhibitions for farmers at the research station demonstrate drip line installations, solar-powered irrigation tanks and live pest monitoring and canopy management sessions. “We do not just demonstrate to the farmers, we explain everything basic to them as well,” added Dr. Rishi Kumar, Head of the Central Cotton Research Institute in Sirsa.

Among the farmers, Buta Singh is one of the early adopters of the new techniques. “I have understood the science behind the cultivation. The scientists made us learn. Otherwise earlier we lost crops to whitefly and pink bollworm. Now we have the means to control all the problems to ensure our cotton stays healthy,” Singh said.

Singh’s neighbours are also keeping a close eye on his crop. “The difference is for all to see. First, we are saving on water, fertilizer, and still getting better prices for cotton quality and high yield,” he added.

Experts believe that if the regenerative model is scaled up, it could be a game changer. The decline of cotton in North India can be reversed. But they also suggest the government, private players, and farmer cooperatives to support so that it can be scaled up in the real sense.

SABC has suggested drip fertigation and IPM to be promoted as standard practices. "But subsidies must be provided on drip kits, solar pumps, and capacity-building workshops. Then only the cotton economy can be revived. But it should be sooner than never,” said Dr. Monga.

Source: etvbharat.com – June 01, 2025

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North Indian cotton yarn lacks optimism; comber prices dip in Panipat

The cotton yarn trade in north India remained subdued, with prices largely stable due to poor demand. Typically, demand begins to rise in June each year, but traders and spinning mills are still waiting for an uptick after the start of the month. However, market sentiment remains negative, and optimism is yet to be seen. In Panipat, cotton comber prices declined, while recycled polyester fibre prices increased.

In the Ludhiana market, cotton yarn prices remained stable, though demand was below average. A trader from Ludhiana told Fibre2Fashion, "Cotton yarn trade is still facing payment constraints due to the slow offtake of textile raw materials. Although June has begun, optimism is still missing. It is unclear whether demand will improve in the coming days."

In Ludhiana, 30 count cotton combed yarn was sold at ₹258-268 (~$3.02-3.14) per kg (inclusive of GST); 20 and 25 count combed yarn were traded at ₹248-258 (~$2.90-3.02) per kg and ₹253-263 (~$2.96-3.08) per kg, respectively; and carded yarn of 30 count was noted at ₹238-243 (~$2.79-2.85) per kg today, according to trade sources.

The Delhi market also experienced sluggish demand and tight payment conditions, with cotton yarn traded at previous price levels. According to market sources, pre-winter garment export orders from the US and Europe are yet to commence, and regular orders from key markets remain slow. Ongoing trade deal discussions between India and the US have also encountered hurdles, creating uncertainty throughout the value chain.

In Delhi, 30 count combed knitting yarn was traded at ₹260-261 (~$3.04-3.06) per kg (GST extra), 40 count combed at ₹285-286 (~$3.34-3.35) per kg, 30 count carded at ₹234-236 (~$2.74-2.76) per kg, and 40 count carded at ₹259-261 (~$3.03-3.06) per kg today.

Panipat, India's home textile hub, saw improved demand for fine-count recycled yarn, commonly used in bedsheets which are in demand during the summer in north India. According to trade sources, recycled yarn demand in June may rise only if workers return to factories, as a labour shortage has slowed downstream production. Cotton comber prices in Panipat dropped by ₹2–3 per kg due to weak consumption, while recycled polyester fibre rose by ₹1–2 per kg, following a ₹1.50 per kg hike in virgin polyester fibre prices last week.

In Panipat, 10s recycled PC yarn (Grey) was traded at ₹75-78 (~$0.88-0.91) per kg (GST paid). Other varieties and counts were noted at 10s recycled PC yarn (Black) at ₹52-55 (~$0.61-0.64) per kg, 20s recycled PC yarn (Grey) at ₹95-99 (~$1.11-1.16) per kg and 30s recycled PC yarn (Grey) at ₹128-134 (~$1.50-1.57) per kg. Cotton comber prices were noted at ₹105-108 (~$1.23-1.26) per kg and recycled polyester fibre (PET bottle fibre) at ₹76-80 (~$0.89-0.94) per kg today.

Cotton prices in north India rose by ₹10–20 per maund (37.2 kg) following a week of consistent decline. The market found support from stronger ICE cotton prices, although domestic demand remained weak despite the increase in the minimum support price (MSP). Traders noted that the positive opening of ICE cotton supported local prices. However, uncertainty in downstream demand continues to discourage spinning mills from building stock. The recent MSP hike by the Indian government has made domestic cotton prices less competitive globally.

Cotton arrivals in north India totalled 750 bales (170 kg each), including 500 bales in Haryana, 200 in upper Rajasthan, and 50 in lower Rajasthan. Punjab reported no fresh arrivals. Cotton prices ranged from ₹5,720 to ₹5,730 (~$66.98–67.10) per maund of 37.2 kg in Punjab; ₹5,520–5,580 (~$64.64–65.35) in Haryana; and ₹5,720–5,750 (~$66.98–67.34) in upper Rajasthan. In lower Rajasthan, prices stood at ₹53,500–₹54,700 (~$626.52–640.57) per candy of 356 kg.

Source: fibre2fashion.com– Jun 02, 2025

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