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USD	EUR	GBP	JPY
85.80	99.71	115.05	0.58

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INTERNATIONAL NEWS

Trump Touts Trade Truce With Indonesia, Indicates India Might Not Be Far Behind

President Donald Trump announced a "landmark" trade deal with Indonesia on Tuesday, wherein the newest BRICS Alliance member will face 19-percent duties on goods exported to the United States.

In a Truth Social post, the Commander in Chief noted that he spoke with President Prabowo Subianto by phone about removing trade barriers for U.S. imports. The Indonesian leader also agreed that the country will purchase a substantial volume of American-made products.

"As part of the Agreement, Indonesia has committed to purchasing $15 Billion Dollars in U.S. Energy, $4.5 Billion Dollars in American Agricultural Products, and 50 Boeing Jets," Trump wrote, adding that U.S. farmers, ranchers and fisherman will now have duty-free access to Indonesia's 280-million-person consumer market.

Notably, the news was not released in the same letter format of recent tariff announcements, which have read as mandates rather than joint resolutions. The letter did contain familiar language warning the country against transshipping goods from other sourcing locales, the subtext being: don't help China evade U.S. tariffs.

By Tuesday afternoon, the Southeast Asian nation's trade officials had not yet confirmed the deal.

President Subianto, has, however, in recent days posted several tributes on X to dealings with other world leaders, including at the BRICS Summit in Brazil last week and a trip to Belgium to meet with European leaders like European Commission President Ursula von der Leyen.

Subianto said the two spoke about expanding cooperation between Indonesia and the European Union. "We agreed to deepen the Comprehensive Economic Partnership Agreement (CEPA) to open greater opportunities for sustainable trade and investment within the country," he wrote. During the meeting, the Indonesian president expressed his "strong hope" that the EU "will play a more active role in the economic development of Indonesia and the ASEAN region, for the future of global prosperity.”

European leaders were caught off guard over the weekend when President Trump threatened to levy 30-percent duties on goods from across the 27-member trade bloc beginning on Aug. 1. European leaders and Commission trade officials expressed disappointment and dismay at the surprise social media post containing the tariff announcement, as they have reportedly been negotiating ceaselessly with Washington in recent weeks.

By Monday, their resolve had hardened, with many heads of state indicating that they plan to work with the European Commission to enact countermeasures if a deal cannot be reached with the U.S. before the deadline. Trump indicated to reporters at the White House that he would be willing to continue discussions in pursuit of a deal.

The U.S. president has also made strongly worded threats against the BRICS Alliance, which includes Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Iran, the United Arab Emirates and, notably, Indonesia, which joined the trade bloc earlier this year. Most recently, he threatened to hit BRICS countries with additional 10-percent tariffs, expressing concerns that the collective threatens American interests and aims to dethrone the U.S. dollar by establishing a new reserve currency.

While the president hasn’t hidden his animosity for the Russia-and-China-led coalition (and he continues to threaten Russia with significant tariffs for perpetuating the war in Ukraine) he appears to believe another member of BRICS is worth turning—and may be close to a trade deal.

Following Tuesday’s deal with Indonesia, Trump told reporters, “We’re going to have access into India… because of what we’re doing with these tariffs.”

Source: sourcingjournal.com– July 15, 2025

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UK Loosens Trade Restrictions for Developing Apparel-Producing Nations

The government of the United Kingdom has launched new trade measures to benefit developing countries and forge stronger, beneficial trade relationships that it believes will amount to a "boost for British consumers."

The package of new trade measures, which is part of an existing Developing Countries Trading Scheme (DCTS), aims to simplify the process of importing goods from other countries, which leaders say will help lower prices on necessities like clothing, food and electronics and support job growth in struggling economic markets.

Updates to the platform include simplified rules of origin, which the government said in a statement would enable thousands of products from up to 65 countries like Nigeria, Sri Lanka, and the Philippines to enter the UK duty free, even when they contain materials and components sourced from across Asia and Africa. The update also ensures that important apparel-sourcing powerhouses like Bangladesh and Cambodia can still export clothing to the British market unencumbered by onerous duties.

The announcement said that the changes will open up new commercial opportunities for British businesses to develop more resilient supply chains while investing in emerging sourcing locales.

On Monday, ministers spoke with UK business leaders and global ambassadors at a joint Department for Business and Trade (DBT) and Foreign, Commonwealth and Development Office (FCDO) reception.

"The world is changing. Countries in the Global South want a different relationship with the UK as a trading partner and investor, not as a donor," Minister for International Development Jenny Chapman said at the event. "These new rules will make it easier for developing countries to trade more closely with the UK. This is good for their economies and for UK consumers and businesses."

Meanwhile, Douglas Alexander, the country's minister for trade policy, explained that "No country has ever lifted itself out of poverty without trading with its neighbors."

"Over recent decades trade has been an essential ingredient in lifting hundreds of millions of people out of poverty around the globe," he added, saying that the scheme will allow some of the world's poorest countries important access to the UK consumer free from both quotas and tariffs. Since it launched in June 2023, the DCTS has created 16 billion pounds ($21.4 billion) in tariff savings.

In addition to these changes, the UK government has committed to extending more targeted support to exporters in developing nations to help spur access and aid them in achieving standards compliance. It will also lift barriers related to the trade of services (including digital, legal and financial services) by bolstering trade agreements.

Popular UK retailers like Marks & Spencer and Primark are expected to benefit from these changes. M&S director of sourcing Monique Leeuwenburgh expressed support for the evolution in trade policy and rules of origin for garments, saying, "The ongoing collaboration between the government and retail industry has provided clarity and certainty for businesses in good time."

"This change will enable us to maintain our long-standing and trusted relationships with our key partners in Bangladesh, to deliver the same great quality clothing and home products at great value for our customers," she added.

Eoin Tonge, interim CEO at Primark, also underscored support for the initiative. "We welcome the changes to the DCTS rules of origin for garments which remove the potential cliff edge when a country graduates from Least Developed Country status," he said. "This will help us to maintain our existing supply chain strategy in our key sourcing markets in Asia, such as Bangladesh and Cambodia."

The UK Fashion and Textiles Association (UKFT) said the changes stand to benefit both the domestic fashion industry and impacted countries. Adam Mansell, the trade group's CEO, said the new rules "demonstrate a genuine commitment from the government to modernize trade policy to support global economic growth."

Industry leaders from apparel sourcing countries also "warmly welcome" the UK's shifting trade policies, according to Yohan Lawrence, secretary general of the Joint Apparel Association Forum (JAAF) in Sri Lanka.

"The new rules allowing greater regional sourcing for garments while retaining duty-free access to the UK are a game-changer," he said. "With the UK as our second-largest apparel market, this will boost exports, support livelihoods, and help us compete more fairly with global competitors."

Source: sourcingjournal.com – July 15, 2025

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Port of LA Sets June Record on 'Tariff Whipsaw'—But Signs Point to Fast Fade

The Port of Los Angeles had the busiest June in its history as the rush of cargo stemming from the aftermath of the U.S.-China tariff truce finally reached the West Coast.

Loaded imports came in at 470,450 20-foot equivalent units (TEUs), 10 percent more than last year. Alongside the easing of China tensions, importers had sought to get their product into the U.S. ahead of the previous "reciprocal" tariff deadline of July 9, which President Donald Trump pushed back to Aug. 1.

June's import total was a 32 percent improvement over the port's May numbers, which had plummeted due to mass blank sailings and cancelled bookings in the wake of Trump's tariffs.

Approximately 45 percent of the cargo ending at the Port of Los Angeles typically originates in China, thus causing such significant swings.

"When the pause on U.S.-China tariffs was announced on May 12, this led to an immediate surge of cargo from China to the U.S., mainly of cargo which had been held back," said Lars Jensen, CEO of container shipping consultancy Vespucci Maritime, in a LinkedIn post. It takes time to book, load and eventually ship this cargo—and carriers only managed to increase capacity in a meaningful way from early June."

According to Jensen, this coincided with the spike in quoted spot rates seen in the second half of May and early June.

"However, the spike in bookings (and spot rates) ended abruptly around mid-June as U.S. importers no longer saw front-loading as a useful way to mitigate the tariff risk they are facing," he said.

Across the board, the port handled 8 percent more containers, or 892,340 TEUs, in June. Loaded exports landed at 126,144 TEUs, a 3 percent improvement from 2024.

Port of Los Angeles executive director Gene Seroka referred to the recent volume jump as the "tariff whipsaw effect," noting that the combined cargo volume for May and June is “about the same as last year,” and also matches its five-year average.

Five extra vessels not normally scheduled to arrive at the port helped boost volume, according to the port director, with the gateway bumping that number to seven loaders throughout July.

Seroka said in a Monday briefing that he is “seeing a peak season push right now to bring in goods ahead of potentially higher tariffs later this summer,” noting that the port is estimating a throughput of 950,000 TEUs in July. That would be a July record for the Port of Los Angeles, surpassing TEUs by 1 percent.

There are multiple negotiation deadlines before for the implementation of global tariffs: Aug. 1 for goods imported from U.S. trade partners that aren’t China, and Aug. 12 for imported cargo from China.

“We’re going to probably get one last push on imports coming to the U.S. and doing as much as they can to sneak in under that new Aug. 1 deadline,” Seroka said, noting that he expects volumes to ease in August.

Citing July’s Global Port Tracker report, Seroka pointed out the National Retail Federation’s projections that U.S. ports will see a double-digit drop in inbound cargo volume from August to November.

“One thing is certain, the year-end holiday cargo orders should already be in. What’s going to be on its way is what we’re going to get for that all-important holiday season,” Seroka said. “It’s too late to try to negotiate orders at this point in time for that year-end product.”

Dr. Zac Rogers, an associate professor of operations and supply chain management at Colorado State University, said data from the L.A. port’s Signal Port Optimizer indicates that inbound peak season is already over.

While 70 percent of active loaded import containers entered the terminal in the previous four days, as of Tuesday morning, “suggesting a lot of current activity,” Rogers noted in a LinkedIn post that active empty containers suggest a “dearth of future activity” at the port.

According to the Port Optimizer, 54 percent of empty containers have been idle for 13 or more days. In total, there are 59,339 empties.

"If supply chains were expecting that another wave of inventories was incoming, we would expect to see the empties shipped back to other countries to be filled again. For reference, there were only 42,631 empties this time a year ago," Rogers said.

"Empty containers outnumber loaded containers by 15,000 at the busiest port in the Western Hemisphere. That's not something that is supposed to happen in mid-July. Maybe there will be another rush of international inventories to stimulate peak season, but at this point is it looking increasingly unlikely."

Source: sourcingjournal.com – July 15, 2025

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EU & Indonesia mark milestone in comprehensive trade deal

European Commission President Ursula von der Leyen and Indonesian President Prabowo Subianto reached a political agreement on the Comprehensive Economic Partnership Agreement (CEPA) during their recent meeting in Brussels.

This marked a crucial milestone, paving the way for its formal conclusion by Commissioner Maros Sefcovic and Coordinating Minister Airlangga Hartarto by September 2025. This milestone underscored the shared commitment of both parties to deepen bilateral economic ties and enhance trade cooperation, the Delegation of the European Union to Indonesia and Brunei Darussalam said in a press statement.

“Europe and Indonesia are choosing a path of openness, partnership, and shared prosperity. The agreement will open new markets and create more opportunities for our businesses. It will also help strengthen the supply chains of critical raw materials, essential for Europe's clean tech and steel industry. I now look forward to its swift conclusion,” said Ursula von der Leyen, President of the European Commission.

“This is an important moment. After many years of hard work, we have agreed to move forward. For Indonesia, CEPA is not only about trade, it is about fairness, respect, and building a strong future together. The agreement must support our efforts to grow our industries, create jobs, and strengthen our sustainable development goals. We are ready to finalize it soon, in a way that benefits both our peoples,” said Prabowo Subianto, President of the Republic of Indonesia.

A comprehensive, forward-looking, and mutually beneficial EU-Indonesia agreement will promote trade and investment, foster inclusive and sustainable growth, and enhance the resilience of supply chains. CEPA will support cooperation on critical raw materials, which are vital to both partners' strategic interests and industrial competitiveness.

Ultimately, CEPA will serve not only as a robust platform for deepening our economic ties but also stand as a defining achievement in the long-standing EU-Indonesia bilateral relationship, anchored in a common commitment to open, rules-based cooperation.

Beyond trade, President von der Leyen and President Prabowo reaffirmed their shared vision for a broader bilateral partnership. To support people-to-people contacts between the EU and Indonesia, the commission has adopted a visa cascade decision for Indonesia, ensuring a much quicker and easier access to multiple-entry visas.

They stressed their commitment to further advancing a clean energy transition that leaves no one behind. Indonesia emphasised that its national approach is anchored in the vision of energy self-sufficiency and resilience, as outlined in the Asta Cita. In this context, the Just Energy Transition Partnership and the EU's Global Gateway are welcomed to support Indonesia's long-term goals and national priorities, added the statement.

Source: fibre2fashion.com– July 15, 2025

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Global cotton output, stocks & consumption raised for 2025-26: WASDE

Global cotton output for the marketing season 2025-26 is estimated at 118.42 million bales (each weighing 480 pounds or 208.65 kg) in the July 2025 World Agricultural Supply and Demand Estimates (WASDE) report by the United States Department of Agriculture (USDA). It has been raised from 116.99 million bales estimated in the June report.

The 1.43 million bale increase is driven by a 1 million-bale rise in China's crop, a 600,000-bale increase in the US crop, and a 100,000-bale rise in Mexico's crop, partially offset by reductions in Pakistan and Egypt.

However, estimates for cotton imports, exports, and beginning stocks have been revised downward.

Global consumption has been raised by 365,000 bales to 118.12 million bales, with increases in Pakistan and Mexico partially offset by reductions in Italy and Germany. Global exports are lowered by 100,000 bales to 44.69 million bales. Beginning stocks for 2025–26 are reduced by 510,000 bales to 76.78 million bales, reflecting lower stock levels in the United States and China and minor adjustments elsewhere.

Ending stocks for 2025–26 are projected at 77.32 million bales, up 520,000 bales from the previous estimate, as higher production more than offsets the increase in consumption and the reduction in beginning stocks.

The July 2025 WASDE report for 2025-26 for the United States also shows higher production and ending stocks, lower beginning stocks, and unchanged consumption and import estimates compared to the June report.

Planted area has been raised to 10.12 million acres, based on the NASS June Acreage report. Harvested area is up by 6 per cent to 8.66 million acres, reflecting both higher planting and lower abandonment in the Southwest, which is partially offset by higher abandonment in the Southeast. The national average yield for 2025–26 is reduced by 1 per cent to 809 pounds per harvested acre, as reduced abandonment in the Southwest leads to the harvesting of more lower-yielding dryland acres.

As the increase in harvested area exceeds the reduction in yield, the production forecast is increased by 600,000 bales compared to June's projection, reaching 14.60 million bales—up from 14.41 million last year.

Beginning stocks for 2025–26 are lowered by 300,000 bales following a corresponding increase in projected exports for 2024–25. These revisions result in an estimated ending stock of 4.60 million bales for 2025–26, up 300,000 bales from last month, translating to a stocks-to-use ratio of 32.4 per cent. The projected season-average upland price for 2025–26 remains unchanged at 62 cents per pound.

Source: fibre2fashion.com– July 15, 2025

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China's textile & garment exports rise to $143.977 bn in H1 2025

China's cumulative exports of textiles, garments, and accessories totalled $143.977 billion during January–June 2025, reflecting a slight increase of 0.75 per cent compared to $142.896 billion in the same period of 2024, according to data from the General Administration of Customs.

China's garment and textile export performance remained volatile in 2025.

Exports of textile products, including yarn and fabric, rose by 1.8 per cent year on year (YoY) to $70.519 billion, up from $69.290 billion in January–June 2024. However, exports of garments and accessories totalled $73.458 billion, marking a slight decline of 0.2 per cent compared to $73.606 billion in the same period of 2024.

In June 2025 alone, China's exports of textile yarn, fabrics, and related articles stood at $12.048 billion, while garment exports were valued at $15.266 billion, bringing the total export value for the month to $27.314 billion.

On the import side, China experienced a 14.6 per cent decline in textile yarn and fabric imports, which fell to $4.752 billion in January–June 2025, down from $5.483 billion in the same period of 2024. Imports stood at $794 million in June 2025.

China's total exports of textiles, garments, and accessories in 2024 were recorded at $301.101 billion, including textile shipments worth $141.959 billion and garment exports of $159.142 billion. Combined textile and garment exports rose by 2.7 per cent compared to 2023. Meanwhile, imports of textile yarn and fabric fell by 7.8 per cent to $10.829 billion in 2024.

In 2023, China's total exports of textiles, garments, and accessories had declined by 8.05 per cent to $293.641 billion, down from $319.376 billion in 2022.

Source: fibre2fashion.com– July 16, 2025

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ICE cotton rises on bargain buys, USDA boosts output forecast

ICE cotton futures gained on Monday, rebounding on bargain hunting and support from a rising grain market. The December contract marked its highest close since July 3. The market saw renewed buying interest in US cotton after reaching oversold levels. However, weaker crude oil prices exerted some downward pressure on the natural fibre.

ICE's most active December 2025 contract settled at 68.12 cents per pound (0.453 kg), up 0.70 cent or 1.04 per cent. The contract traded within an 84-point range, between 67.36 and 68.20 cents. Over the past six sessions, it has remained within a 124-point range. Other cotton contracts closed with gains ranging from 21 to 65 points.

Crude oil prices declined slightly, weighing on the broader commodity complex.

Trading volume stood at 28,671 contracts on July 14, compared to 25,669 contracts on July 12. The average daily volume last week was 28,342 contracts. Certificated cotton stocks declined by 824 bales to 34,509 bales due to decertification on Friday.

Market analysts noted that cotton prices are rising due to oversold conditions following USDA data, with additional support from gains in grain markets. Cotton is likely to remain within the range of 67 to 68.5 cents per pound.

The USDA's July WASDE report projected US 2025–26 cotton ending stocks at 4.6 million bales, an increase of 300,000 bales from June. Production is estimated at 14.6 million bales, up 600,000 from last month and higher than 2024's 14.4 million bales. Demand remains unchanged, making the report neutral to bearish.

Speculators increased their net short positions in ICE cotton futures and options by 1,746 contracts, reaching 56,887 contracts as of July 8, according to CFTC data.

Chicago wheat, corn, and soybean markets recovered on bargain buying after Friday's sharp decline, which also supported sentiment in the cotton market.

According to the USDA Crop Progress Report released on July 15, 54 per cent of the cotton crop was rated in good/excellent condition, up from 52 per cent last week and 45 per cent a year ago. Squaring reached 61 per cent (5-year average: 62 per cent), while setting bolls was at 23 per cent (5-year average: 22 per cent).

Currently, ICE cotton for December 2025 is trading at 68.04 cents per pound (down 0.08 cent), cash cotton at 65.16 cents (up 0.21 cent), the October 2025 contract at 66.46 cents (up 0.05 cent), the March 2026 contract at 69.26 cents (down 0.14 cent), the May 2026 contract at 70.34 cents (down 0.05 cent), and the July 2026 contract at 70.97 cents (down 0.18 cent). A few contracts remained at their previous closing levels, with no trades recorded today.

Source: fibre2fashion.com– July 15, 2025

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Vietnam’s textile exports hit $22B in six months amid global uncertainty

In the first half of 2025, Vietnam’s textile and garment industry maintained a strong growth trajectory, recording nearly $22 billion in export revenue - an increase of $2.3 billion or 10% compared to the same period last year.

The United States remained the largest export market, generating $8.77 billion (up 17.1%), followed by the European Union with $2.36 billion (up 14.8%), and Japan with $2.24 billion (up 12.4%).

Sustained growth amid global volatility

This impressive outcome reflects the significant efforts of Vietnamese enterprises amid market volatility, including geopolitical tensions and escalating conflicts disrupting supply chains and increasing shipping costs.

Adding to the challenges, a looming threat hangs over global trade: U.S. President Donald Trump's administration is preparing to implement a 10% most-favored-nation (MFN) tariff. Though currently on hold pending negotiations and expected to be announced on August 1, the potential imposition of this tariff is already creating pressure for exporters, including those from Vietnam.

To stay ahead of these possible changes, exporters have accelerated production to capitalize on existing market opportunities before the new U.S. tariff measures come into force - an effort that could significantly reshape trade dynamics.

Recently, international partners and clients have lauded the resilience and adaptability of Vietnam’s textile industry, especially its proactive communication strategies and efforts to identify and resolve operational bottlenecks.

Global reach and strategic readiness

The industry’s ability to export to 132 countries and territories is a testament to its growing global stature. Many companies have secured orders through September and are actively negotiating for end-of-year deliveries.

Vietnamese textile firms have embraced a mindset of strategic readiness, gearing up for rapid production campaigns that ensure on-time delivery and maximize tariff advantages - efforts that help optimize profit margins and build contingency reserves for future operations.

With the current growth rate exceeding 10%, July's export value is forecast to experience a significant leap. This will provide a strong foundation toward the year-end export target of $46–47 billion. To realize this goal, businesses must fully leverage the benefits of the 17 new-generation free trade agreements currently in effect and proactively adapt to shifting global economic and regulatory landscapes.

Investment and transformation for long-term competitiveness

To strengthen their market position, businesses are urged to invest in modern machinery, upskill the workforce, and transition from traditional CMT (cut-make-trim) methods to more value-added models like FOB (free on board), ODM (original design manufacturing), and OBM (original brand manufacturing). This shift will enhance product value and elevate Vietnam's role within the global supply chain.

Beyond internal efforts, enterprises require better access to market intelligence, trade facilitation policies, and efficient payment systems to reduce risks and protect themselves from the negative impacts of regulatory changes in key markets.

Government support is equally critical. Favorable policies related to capital access, tax incentives, land use, and the development of modern industrial zones are needed to attract both domestic and foreign investment, accelerate vertical integration, and resolve raw material shortages.

Source: vietnamnet.vn– July 15, 2025

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NATIONAL NEWS

India's trade deficit narrows to $18.78 billion in June

India's trade deficit for June 2025 narrowed to $18.78 billion, compared to $21.88 billion in May, government data showed Tuesday.

Economists had expected the June trade deficit to be at $22.24 billion, according to a Reuters poll, compared to $21.88 billion in the previous month.

As per the data provided by the Commerce and Trade Ministry, India's exports growth remained flat at $35.14 billion in June as against $35.16 billion same month last year. While India's imports declined by 3.71% to $53.92 billion in June as against $56 billion a year ago.

Meanwhile, the trade in services showed an estimated surplus of $15.62 billion in June, with services exports at $32.84 billion and imports at $17.58 billion, data showed.

The data comes amid ongoing trade talks with the US and other global partners. Despite Trump's tariff threats, India's exports to the U.S. in April–May rose to $17.25 billion from $14.17 billion last year.

The June data comes as the Centre continues to push structural reforms and global trade partnerships. The government has set a $1 trillion export target for FY26, after India's total exports touched an all-time high of $824.9 billion in FY25, marking a 6.01% increase over $778.1 billion in FY24.

To support exports, schemes like the Production Linked Incentive (PLI) covering 14 sectors, from electronics to EV batteries, are being actively expanded. These efforts aim to reduce import dependency, boost domestic capacity, and improve India's position in global supply chains.

India is also expanding its Free Trade Agreement (FTA) network. Recent FTAs with the UK and UAE are expected to help exporters, with negotiations also underway with the United States. Commerce Secretary Sunil Barthwal recently said FTAs were becoming "a very critical enabler of the GCC ecosystem."

"Manufacturing comparative advantage is no longer the benchmark for trade among nations," Barthwal said at the CII Summit on Monday. He noted that India's innovation corridors would be strengthened through FTAs like the India–UK pact, which includes a dedicated chapter on innovation.

More details on sector-wise performance and country-specific trade balances for June are expected later today from the Commerce Ministry.

Source: economictimes.com– July 16, 2025

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Union Minister of Textiles Shri Giriraj Singh begins official visit to Japan and holds key meetings with Japanese textile industry leaders

Union Minister of Textiles, Shri Giriraj Singh commenced his official visit to Tokyo, Japan on 14th July 2025 by paying floral tribute at the statue of Mahatma Gandhi, highlighting the enduring relevance of Gandhiji's ideals of truth, non-violence, and compassion.

Shri Giriraj Singh visited the Embassy of India in Tokyo and chaired a briefing by Ambassador Shri Sibi George on India-Japan relations and opportunities in the textile sector.

Following this, a strategic meeting was held with Mr. Tadashi Yanai, Chairman, President and CEO of Fast Retailing Co. Ltd., one of the world's leading apparel retail companies. The discussion focused on expanding Fast Retailing's sourcing, manufacturing, and retail operations in India.

Shri Giriraj Singh also met the leadership team of Stylem Co. Ltd, leading textile trading and OEM Company, and invited them to scale up their engagement with India through PM MITRA Parks and other government initiatives.

In a key engagement, Shri Giriraj Singh met with the Directors of Daiso Industries, who announced plans to open 200 stores and manufacture cotton products in India. The Minister encouraged them to leverage India's textile infrastructure and incentives.

The day concluded with Shri Giriraj Singh chairing an interactive roundtable with CEOs of major Japanese textile and apparel companies, encouraging investments in technical textiles, fibre production, and textile machinery. Ambassador Shri Sibi George delivered the inaugural remarks, and Shri Rohit Kansal, Additional Secretary,Textiles, presented key government policies and emerging opportunities in the sector.

Source: pib.gov.in– July 15, 2025

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India poised to gain textile export share from Bangladesh, Cambodia, Indonesia amid US tariffs: SBI

A new report by the State Bank of India (SBI) indicates that India may sharply boost its apparel exports to the United States as Washington's tariff policy tightens its grip on several Asian competitors.

India presently accounts for roughly 6% of US apparel imports. SBI economists estimate that gaining an extra 5% point share—essentially at the cost of Bangladesh, Cambodia and Indonesia—would boost India's GDP by around 0.1%.

The report observes that, aside from its much-mentioned advantage in chemicals, India also has a Revealed Comparative Advantage in clothing and textiles.

However, it competes on an equal footing with Bangladesh, Cambodia, Indonesia and Vietnam—nations that collectively dominate low-cost apparel manufacturing. Of those, only Vietnam continues to enjoy relatively lighter US duties; the others have higher tariff schedules than India, which are boosting Indian exporters' prices.

US customs statistics for 2024 put the stakes in perspective. Fashion and accessories represent 88.2% of Bangladesh's exports to America, 30.8% of Cambodia's and 15.3% of Indonesia's. If increased duties undermine those flows, SBI contends, India would be well placed to fill the gap.

Aside from apparel, the report finds other headroom in sectors where US tariffs are evolving: animal products, animal-based products, metal scrap and other processed plant- and animal-based products. By doubling down in areas where it already has comparative advantage, SBI finds, India can turn turbulence in world trade into incremental export revenues and more rapid economic growth.

Source: apparelresources.com– July 15, 2025

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Next round of India-EU talks on proposed trade pact in September

India and the European Union (EU) will hold the next round of negotiations on the proposed free trade agreement (FTA) in September here as both sides have exchanged offers related to the services sectors last week, an official said on Tuesday.

L Satya Srinivas, Special Secretary in the Department of Commerce, said the last (12th) round of talks concluded last week in Brussels.

"We have exchanged our offers on services and non-services... there were discussions on that. We also discussed key interests in market access related to goods as well... The next round of talks (will be held) in the first week of September," Srinivas told reporters here.

In June 2022, India and the 27-nation EU bloc resumed negotiations for a comprehensive free trade agreement, an investment protection agreement and a pact on geographical indications (GIs) after a gap of over eight years.

It stalled in 2013 due to differences on the level of opening up of the markets.

On February 28, Prime Minister Narendra Modi and the European Commission President agreed to seal a much-awaited free trade deal by the end of this year.

Besides demanding significant duty cuts in automobiles and medical devices, the EU wants tax reduction in products like wine, spirits, meat, poultry, and a strong intellectual property regime.

Indian goods' exports to the EU, such as ready-made garments, pharmaceuticals, steel, petroleum products, and electrical machinery, can become more competitive if the pact gets concluded successfully.

The India-EU trade pact negotiations cover 23 policy areas or chapters, including Trade in Goods, Trade in Services, Investment, Sanitary and Phytosanitary Measures, Technical Barriers to Trade, Trade Remedies, Rules of Origin, Customs and Trade Facilitation, Competition, Trade

Defence, Government Procurement, Dispute Settlement, Intellectual Property Rights, Geographical Indications, and Sustainable Development.

India's bilateral trade in goods with the EU was USD 137.41 billion in 2023-24 (exports worth USD 75.92 billion and imports worth USD 61.48 billion), making it the largest trading partner for goods.

The EU market accounts for about 17 per cent of India's total exports, while the EU's exports to India make up 9 per cent of its total overseas shipments.

In addition, the bilateral trade in services, in 2023, between India and the EU was estimated at USD 51.45 billion.

Source: economictimes.com– July 15, 2025

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US-India trade deal nears: Can India unlock a multi-billion-dollar export boom despite tariffs?

The United States and India are inching closer to an interim trade agreement, with the US likely to reduce its proposed tariff rate to below 20 per cent from the initially suggested 26 per cent, according to a Bloomberg report. Indian officials are expected to visit the US soon to finalise the deal.

Bloomberg reports that India has already made its best offer and clearly defined its red lines—now, it's the US's turn to make a decision. While US President Donald Trump recently claimed that a deal with India is near, he has also issued warnings over India's involvement with the BRICS group, adding a layer of complexity to the negotiations.

However, SBI Research, in its report, highlighted that even if the agreement falls through and the US imposes an additional 10 per cent tariff on Indian goods, India still has opportunities to diversify its exports and explore new markets.

Here's how India can turn the tariff threat into an economic opportunity.

India stands to benefit from the current tariff realignment in the United States, particularly as most Asian countries now face higher duties compared to India. The country holds a revealed comparative advantage (RCA) in the chemical sector, including pharmaceuticals—one of the top five import categories for the US. While China and Singapore currently dominate this space, higher tariffs on Chinese goods offer India an opening to expand its share.

According to China Briefings, the US now imposes a 55 per cent tariff on Chinese goods. If India manages to secure a tariff rate lower than Singapore's current 25 per cent, it could potentially capture 2 per cent of the US chemicals import market. This gain alone could add 0.2 per cent to India's GDP.

India could also target market share from Japan, Malaysia, and South Korea—countries that currently face higher tariffs than India. By capturing just 1 per cent of their share in US-bound chemical exports, India could boost its GDP by an additional 0.1 per cent.

Apparel exports may add 0.1% to India's GDP: SBI research

Apart from chemicals, India also holds a revealed comparative advantage in textiles, particularly in apparel and accessories, which it exports to the US. It faces stiff competition from countries like Bangladesh, Cambodia, Indonesia, and Vietnam.

However, with the exception of Vietnam, all these nations currently face higher tariffs than India. This gives India a pricing edge. At present, India accounts for 6 per cent of US apparel imports. If it manages to capture an additional 5 per cent market share from these competitors, it could add 0.1 per cent to the country's GDP.

India eyes deeper ASEAN trade ties through FTA review

SBI research highlights that India is also eyeing trade expansion with ASEAN countries, where the Free Trade Agreement (AIFTA) is under review. The review aims to correct tariff distortions and fix weak "rules of origin" provisions that have allowed large-scale dumping of Chinese goods via ASEAN.

India's exports to ASEAN have declined in share over the years, while imports have remained steady. Strengthening the FTA could help India tap deeper into ASEAN markets, especially in agriculture, chemicals, and processed products.

Meanwhile, China's trade with ASEAN has surged in recent years, with the region accounting for 16.4 per cent of its total exports in 2024. "India can enhance its exports to ASEAN and prevent the dumping of goods from China through ASEAN countries," SBI noted.

Agriculture and dairy a sticking point

One of the key roadblocks in the India-US trade talks is access to the Indian agriculture and dairy sectors. The US is pushing for greater access, but India is concerned about the potential fallout for small farmers.

SBI Research estimates that opening the dairy sector could reduce domestic milk prices by 15 per cent, leading to an income loss of around Rs 1.03 lakh crore for Indian farmers. Milk imports may rise by as much as 25 million tonnes due to the resulting supply-demand gap.

Falling milk prices could wipe out Rs 0.51 lakh crore in GVA: SBI Research
The dairy sector contributes around 2.5–3 per cent to India's GVA and employs about 8 crore people. A 15 per cent drop in milk prices could lead to a GVA loss of about Rs 0.51 lakh crore and pose a serious threat to rural livelihoods.

"The potential shift in producer surplus to consumer surplus might look beneficial to urban consumers, but it would severely impact small and marginal farmers," SBI Research warned.

EU looking to deepen trade ties with India: media reports

In the previous week, Trump widened his tariff push by sending letters to several countries, including the EU, Japan, and South Korea, as well as seven smaller U.S. trading partners such as the Philippines, Sri Lanka, Iraq, and Libya, imposing duties ranging from 20 to 30 per cent starting August 1.

US President Trump has announced 30 per cent tariffs on imports from the European Union and Mexico starting August 1. Both the EU and Mexico have criticised the decision, calling it unfair and warning of possible countermeasures.

According to media reports, the EU is seeking to deepen trade ties with India and the Asia-Pacific region to counter the US tariffs. SBI Reasearch also highlighted that, "After higher tariffs imposed by the US on other countries, India can capture some of their market and look to increase its exports to the Asian countries of those commodities where it has revealed comparative advantage."

Source: financialexpress.com– July 14, 2025

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It's not so good(s)! India has trade gap with 5 of 7 key FTA partners

India has run a merchandise trade deficit with five of the seven trade partners including two blocs it has free trade agreements (FTAs) with, ever since the pacts came into force, an ET analysis has shown. These trade partners collectively accounted for nearly 37% of India's total trade deficit in FY25.

India has since 2021 entered into trade pacts with Mauritius, the UAE, European Free Trade Association (EFTA) and Australia. Its trade deficit with the UAE has expanded since 2022, but that with Australia narrowed. While the pact with the four-nation EFTA is expected to come into force in October, the trade gap with the grouping reduced in 2024-25 from the previous fiscal year. With Mauritius, India has a small surplus.

No Big Deal TRADE BALANCE (IN $ BN)

	2018-19	2021-22	2024-25
Asean	-21.8	-25.8	-45.2
Safta	21	28.7	20.2
Japan	-7.9	-8.2	-12.7
South Korea	-12.1	-9.4	-15.3
Mauritius	1.1	0.6	0.5
UAE	0.3	-16.8	-26.8
Australia	-9.6	-8.5	-6.9
EFTA*	-16.9	-23.7	-20.5

Note: EFTA includes Switzerland, Iceland, Norway & Liechtenstein/ *Not yet into effect

In comparison, the deficit with partners India signed trade pacts with in the 2000s continued to widen, barring the South Asian Free Trade Area (Safta) where it is a surplus. Notably, the deficit with the 10-nation Asean bloc ballooned to $45.2 billion in FY25 from $25.8 billion in FY22 and $21.8 billion in FY19. Deficits with Japan and South Korea also widened.

A government official said the utilisation of India's new trade deals was higher than that of the old ones and that efforts were ongoing to maintain balanced trade.

"A review of the trade pacts with Asean and Korea is underway," said another official, adding: "However, the Asean is stonewalling the review and we are trying to assess why the utilisation of the deal is low."

The Asean-India Trade in Goods Agreement came into effect in 2010. India's goods exports to the Asean shrank 5.4% on-year in FY25 to $38.96 billion, while imports rose 5.6% to $84.16 billion.

India continues to maintain a trade surplus with South Asia under the 21-year-old Safta. But this surplus has shrunk between FY25 and FY22.

Overall, India's reliance on its FTA partners has grown between FY19 and FY25. Imports from all FTA countries and regions increased during this period, while exports growth was limited to a few.

These partners now account for 28.1% of India's exports and 29% of its imports.

As per an analysis done by the commerce and industry ministry, the number of preferential certificates of origin issued by India under FTAs with the UAE and Australia rose 24.7% and 19%, respectively, last fiscal year.

The analysis assumes significance as the utilisation rates under trade pacts with Korea, Japan and Asean have been estimated between 4% and 25% in many products. The preferential certificates of origin enable exporters to claim tariff benefits under free trade pacts.

Source: economictimes.com– July 15, 2025

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India expecting some kind of conclusion on trade pact review with Asean: Official

India is expecting to reach some kind of conclusion on the review negotiations of the existing free trade agreement in goods with the 10-nation Asean bloc before the Asean-India Summit, scheduled for October, a government official said on Tuesday.

Special Secretary in the Department of Commerce Rajesh Agrawal said that the 10th and 11th rounds of talks between the two sides are likely in August in the national capital and in October in Malaysia.

"We are engaged in the negotiations. Nine rounds of talks have been concluded so far...The progress so far has been chequered, it is not (what we could have been) like, but the good part is that we are moving on many aspects, especially on customs and trade facilitation," Agrawal told reporters here.

Further, he said talks are also moving on issues like technical cooperation, SPS (sanitary and phyto-sanitary) and TBT (technical barriers to trade) collaborations.

"We hope there is going to be one physical round in August and...another in October in Malaysia. So we hope that in these two rounds, we should be able to make good progress and try to have some kind of conclusion when the Asean-India Summit takes place in October-end. The endeavour is towards that direction. Let's see how much we can achieve," he said.

The review of the agreement is a long-standing demand of the domestic industry, and India is looking forward to an upgraded pact, which will address the current asymmetries in bilateral trade and make trade more balanced and sustainable.

After the implementation of the agreement, India's exports stood at only about USD 38-39 billion annually, while imports from the 10-nation Asean bloc jumped to USD 86 billion.

Asean countries have opened less number of tariff lines or product categories for India. India has offered duty concessions on over 71 per cent of the tariff lines to Asean countries.

Asean members include Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

Indonesia has opened 41 per cent of its tariff lines, Vietnam 66.5 per cent and Thailand 67 per cent.

A free trade agreement in goods between India and the 10-nation bloc Asean (Association of Southeast Asian Nations) was signed in 2009.

The Asean trade deal came into force in January 2010. In August 2023, both sides announced a complete review of the existing agreement in goods by 2025.

Asean as a group is one of India's major trade partners with about an 11 per cent share in the country's global trade.

India is asking for a review to eliminate barriers and misuse of the pact.

Source: economictimes.com– July 15, 2025

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Issuance of preferential certificate under FTAs increases in FY25

Issuance of preferential certificates of origin -- a document enabling exporters to claim tariff benefits under free trade pacts -- by India has risen significantly for various countries, including Korea, Malaysia, and Japan, in 2024-25, indicating increased advantage of such agreements for domestic exporters.

The number of preferential certificates of origin issued under free trade agreements implemented so far has recorded a healthy increase, rising to 7,20,914 in 2024-25 from 6,84,724 in 2023-24.

The number of preferential certificates of origin issued by India under free trade agreements (FTAs) with Korea and Japan rose to 54,644 and 47,809, respectively, in 2024-25 against 52,158 and 42,306, respectively, in 2023-24, according to the commerce ministry data.

India has issued 4,664 such certificates in 2024-25 under the FTA with Malaysia, against 4,370 certificates in 2023-24. Similarly, India has issued 19,267 certificates under the trade pact with Sri Lanka in 2024-25 compared to 12,520 such documents in 2023-24.

For Asean (Association of South east asian nations), the country has issued 1,79,965 certificates last fiscal as against 98,104 certificates in 2023-24.

Asean members include Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

For SAFTA (South Asia Free Trade Agreement), 67,562 certificates were issued last year against 58,269 certificates in 2023-24.

These certificates are essential for Indian exporters to claim preferential tariff benefits under respective trade agreements, thereby enhancing the competitiveness of Indian goods in partner markets and facilitating smoother access to global value chains.

In a free trade agreement, two countries either significantly reduce or eliminate import duties on the maximum number of goods traded between them.

India has so far implemented over a dozen such agreements with countries, including Japan, Singapore, Korea, UAE and Australia.

Increasing issuance of these documents also highlights the strengthening trade relationship between the FTA partners. Besides, it increases awareness among Indian exporters about the advantages of leveraging these agreements, an official said.

Source: business-standard.com– July 15, 2025

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US tariff tide likely to lift India's exports, reckons NITI Aayog

India has a comparative edge over key competitors in a majority of products it exports to the US and stands to gain market share as the US raises tariffs on its major trade partners, NITI Aayog said on Monday.

In its quarterly trade report, it recommended that the government fast-track the India-US free trade agreement with time-bound goals to resolve non-tariff barriers and finalise digital trade rules on data flows and e-signatures to support services exports.

The Aayog's assessment is based on the assumption that India will face an additional 10 per cent tariff, while several other countries — including competitor nations such as China, Mexico, and Canada — will be subjected to 20–50 per cent tariffs.

The Centre's official policy think tank analysed product categories based on Harmonized System (HS) Codes — both at the two-digit level (HS2: broad product category) and four-digit level (HS4: specific product category).

"In HS2, tariffs on competitors are higher than India's in 22 of the top 30 products. In six of the top 30 categories, India faces slightly higher average tariffs — up to 3 per cent — than other leading exporters, with the majority of them marginally higher, between zero and 2 per cent. These specific product categories account for over 12 per cent of total US imports, underscoring the scale of opportunity available for Indian exporters," the Aayog's Trade Watch Quarterly said.

According to the Aayog, in 80 of the top 100 products at the HS4 level, competitors face higher tariffs than India. These products represent a large share of both India's export basket to the US and total US imports, the think tank said.

These product lines account for 22 per cent of India's total exports to the US, with an export value of $17.66 billion. High tariff differentials — particularly in sectors such as 63 (other made-up textile articles), 85 (electrical machinery and equipment), and 84 (nuclear reactors, machinery and parts) — where competitors face higher tariffs, present India with opportunities to strengthen its market position, the Aayog said.

In 2024, India's bilateral merchandise trade with the US stood at $123.8 billion, with a trade surplus of $37.7 billion in India's favour.

US President Donald Trump has been ramping up pressure on countries to lower tariff barriers by concluding trade agreements with the US. Since last week, he has sent formal letters to over two dozen trade partners — primarily in Asia — threatening them with steep reciprocal tariffs from August 1, while leaving room for negotiations. So far, India has been kept out of the list. India and the US are currently working towards finalising an interim trade deal before the deadline.

The Aayog recommended that the ongoing negotiations for a trade deal with the US focus on key service sectors such as financial services and information technology.

It also called for improved visa access for Indian professionals, particularly under the H-1B and L-1 visa categories. "This should include provisions for intra-corporate transferees and independent service providers, which are crucial for maintaining India's competitive edge in the global services industry," it said.

According to the Aayog, India should also seek firm market access in areas like cybersecurity, artificial intelligence, telecommunications, and design services. It added that joint efforts between India and the US are needed to simplify licensing procedures and address cross-border data flow issues, enabling smoother market access for Indian firms.

Source: business-standard.com– July 15, 2025

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India waiting to see how US tariffs, trade deals roll out before aiding industry

The Indian government is waiting to see how the full spectrum of the US tariff rollout and various trade deals being negotiated play out before it draws up a backup plan for the industry, a senior official has said.

“I think any backup or plan has to be prepared after we know the full effect of the tariff. Today, on July 15, I don’t think we are in a position to guesstimate what is the differential tariffs that is going to play out on August 1. So, I think that is something we need to wait and watch,” said Rajesh Agarwal, Commerce Special Secretary and chief negotiator for the India-US bilateral trade agreement (BTA) on Tuesday.

Agarwal is set to join his negotiating team in Washington on Wednesday for the ongoing round of talks with the US team to push the BTA talks ahead and see if US reciprocal tariffs can be avoided on August 1, the new date for tariff imposition.

“The US has listed new tariffs covering around 25 countries, including the EU, and has also spoken about finalising some trade deals. But the full spectrum of the tariff rollout is still unclear,” he added.

Best way forward

The Indian industry is also seized of the matter and they (businesses) are seeing what inputs they can collect from their competitors and importers to look for the best way forward in this situation, Agarwal said.

“I think we need not worry much. We have to wait for it to play out. As soon as it plays out, the government can come up with something that could be done for the industry,” he said.

Per the agreement reached between US President Donald Trump and Prime Minister Narendra Modi earlier this year, the two countries have to come up with the first tranche of the India-US BTA by Fall 2025 (September), Agarwal pointed out.

Whether an interim deal could be reached by August 1 to convince the US not to impose reciprocal tariffs, is to be seen.

On April 2, Trump had announced reciprocal tariffs for most trade partners with which the US had a trade deficit. The tariff rate was fixed at 26 per cent for India. The tariffs were then suspended for a 90-day period, till July 9, expect a base tariff of 10 per cent, to give time to countries to work out trade deals with the US.

As most countries, including India, could not reach an interim deal with the US by July 9, Trump decided to push back the tariff deadline to August 1.

Source: thehindubusinessline.com– July 15, 2025

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CCI sells over 67 lakh bales of cotton till July 11

Amidst improved demand from mills and depleted stocks with the private trade, the Cotton Corporation of India (CCI) is witnessing good demand for its stocks. The State-run CCI has sold about 67.09 lakh bales (of 170 kg) in the ongoing 2024-25 marketing season till July 11, as per the latest data on its Website. CCI had procured over 1 crore bales at minimum support price (MSP) during the 2024-25 marketing season.

Trade sources said the demand for cotton has improved from the mills and also from traders in the recent days. As CCI is currently the only large stockholder, it is witnessing demand for the fibre crop.

“Demand for cotton is good and is going up” said Ramanuj Das Boob, a sourcing agent in Raichur and also the Vice President of All India Cotton Brokers Association. CCI, which had reduced the sale price to make its cotton stocks attractive, has now been steadily increasing the price over the past couple of weeks.

Turning bullish

“Most of the spinning mills have bought cotton and some traders are also buying it. There is no stock of cotton with the trade and the new arrivals will begin only by October. Traders also have covered a good quantity for resale,” said Boob.

As the cotton price have gone up, the price of yarn has also seen an improvement. “There is some demand for yarn,” Das Boob said. Prices which were hovering around ₹55,000-55,500 have now inched up to ₹57,000 levels per candy (of 356 kg).

Higher carryover stocks

“The Indian cotton market has recently turned from bearish to bullish due to aggressive buying by spinners and traders after CCI reduced prices to attractive levels. However, with CCI having sold over 65 per cent of its stock (85 per cent in Gujarat), many mills have already covered their needs. New kapas arrivals are limited, and ginning activity remains largely shut across India. Yarn demand continues to be weak, and mills are cautious with inventory,” said Anand Popat, a trader of cotton, yarn and cotton waste in Rajkot, said in his weekly newsletter.

Last week, the Cotton Association of India estimated that the season-end stocks for the current 2024-25 marketing year at around 55.59 lakh balesh, about 84 per cent higher than 30.19 lakh bales last season. The higher than estimated closing stocks are atttributed to the revised crop figures of 311.40 lakh bales from its earlier projections of 301.14 lakh bales.

Source: thehindubusinessline.com– July 14, 2025

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Panipat's textile recycling industry turning waste into wealth

Panipat, a city located in the northern Indian state of Haryana, has established itself as a major player in the textile industry globally—not through traditional textile production, rather through recycling!

Over the decades, it has earned several titles including 'Textile Recycling Hub' and the 'Cast-off Capital', reflecting its reputation as a centre for processing used and discarded textiles on an industrial scale. Today, Panipat stands out as Asia's largest hub for textile recycling, a rare distinction to say the least.

Each year, Panipat processes more than 100,000 tonnes of discarded garments and textile waste, repurposing them into a range of useful products such as blankets, carpets, mats, upholstery, and other home textiles. This enormous volume of recycling not only helps divert significant amounts of textile waste from landfills but also contributes substantially to local employment, entrepreneurship, and exports. In effect, Panipat serves as a model for how waste materials can be transformed into economic and environmental opportunities.

The city's role in textile recycling dates back more than five decades, as per some. Over this long span, generations of entrepreneurs and workers have refined techniques to repurpose both imported and domestic textile waste, creating a self-sustaining and continuously evolving industrial ecosystem.

However, Panipat's rise as a prominent textile recycling hub truly gained momentum in the mid-1990s, when the global trade in second-hand clothing began to increase significantly. Since then, Panipat has been receiving used clothes and textile waste from a wide range of countries, including the United States, Canada, the United Kingdom, various Western European nations, as well as Japan and South Korea.

This global network of raw material suppliers has enabled Panipat to grow into a central node in the international recycling chain.

As per reports, in one of the episodes of his popular radio programme Mann Ki Baat, Prime Minister Narendra Modi also praised the recycling initiatives of Panipat's textile industry.

The bustling textile recycling cluster of Panipat is home to around 2,000 registered units, most of which fall under the category of micro, small, and medium enterprises (MSMEs). Collectively, these businesses serve as a major employment engine in the region, directly and indirectly supporting the livelihoods of between 800,000 to 1 million workers.

Adding to its credentials, Panipat has also been officially recognised as a 'Town of Export Excellence' under India's Foreign Trade Policy. This designation is particularly aimed at acknowledging the city's contribution to high-quality exports, with woollen blankets being one of its standout products.

Despite the multiple advantages of textile recycling, some critics have raised concerns about its potential environmental implications. However, in a conversation with Fibre2Fashion, Gagan Kansal, director of Kay Gee Enterprises, emphasised that the recycling practices followed in Panipat are environmentally sound and do not pose any harm to the nature. He highlighted that the city's recycling efforts not only contribute to building a more sustainable fashion ecosystem by reducing textile waste and promoting resource recovery but also offer a significant opportunity for generating green credits.

Explaining his company's role in the larger recycling ecosystem of Panipat, Kansal shared that Kay Gee Enterprises specialises in converting post-consumer textile waste into recycled fibres, which are then spun into yarns ranging from NE 2s to NE 20s. These yarns are available in single, double, and multi-fold options, and come in both raw white and a variety of colours. The entire production process is carried out in-house using advanced Open End Spinning Technology, ensuring efficiency, consistency, and environmental responsibility.

These yarns are subsequently supplied in domestic market and also exported to international markets, including countries in Africa, the Middle East (notably Saudi Arabia), Latin America (such as Mexico), and Europe.

"Today, certifications like the Global Recycled Standard (GRS) and the Recycled Claim Standard (RCS) are more relevant than ever," held another industry representative while underling with brands increasingly focused on transparency and accountability in their sourcing, the demand for certified recycled materials has grown rapidly. And this shift is now pushing more and more Panipat-based recycling businesses to streamline their operations, adopt standardised practices, and invest heavily in quality assurance and compliance frameworks.

Meanwhile, a report by the Centre for Responsible Business noted a rising trend in Panipat towards the use of advanced environmental technologies, particularly Zero Liquid Discharge (ZLD) systems. These systems are designed to drastically reduce water consumption by treating and recycling wastewater, making them especially valuable in water-intensive processes like textile dyeing.

However, in recent days, the recycling industry in Panipat is facing some challenges due to the sudden suspension of rag imports from Bangladesh (a key supplier of recyclable textile waste to Panipat), as per reports. Even though Panipat also sources used garments and textile waste from countries in the West, Bangladesh, too, holds an important position in the supply chain as the country generates more than 500,000 metric tonnes of factory textile waste each year.

The suspension of these exports, reports suggest is connected to Bangladesh's pursuit of the Generalised Scheme of Preferences Plus (GSP+) status from the European Union.

Industry stakeholders in Panipat although acknowledged that the halt in imports would lead to some challenges, particularly for smaller units that rely more on Bangladeshi imports, most of them were hopeful of a solution sooner than later even as they sought support from the concerned stakeholders including the government to ensure further growth of the textile recycling sector of Panipat.

Source: fibre2fashion.com– July 16, 2025

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Sentiments improve in south Indian cotton yarn trade as demand rises

Rising cotton prices have brought a positive sentiment to south India's yarn trade. Although cotton yarn prices remained steady in the Mumbai and Tiruppur markets, both observed improved buying activity. Market experts noted that higher cotton prices have motivated increased yarn purchasing by the consumer industry. Power loom and auto loom units are witnessing strong worker attendance, which has further supported cotton yarn demand. Traders are optimistic about a potential trade agreement between India and the US, which is expected to benefit the entire textile value chain.

In the Mumbai market, cotton yarn demand improved as the loom sector ramped up fabric production. Rising cotton prices are also encouraging buyers to place fresh orders. A trader from the Mumbai market told Fibre2Fashion, "Power looms and auto looms are seeing strong worker attendance, which has boosted cotton yarn consumption. Notably, fabric production has improved in Surat, Gujarat's major textile hub. Buyers are closing deals without negotiating for discounts. Cotton yarn prices may rise in the near future."

In Mumbai, 60 carded yarn of warp and weft varieties were traded at ₹1,380-1,430 (~$16.08-16.66) and ₹1,340-1,390 per 5 kg (~$15.61-16.19) (excluding GST), respectively. Other prices include 60 combed warp at ₹315-321 (~$3.67-3.74) per kg, 80 carded weft at ₹1,385-1,450 (~$16.14-16.89) per 4.5 kg, 44/46 carded warp at ₹265-272 (~$3.09-3.17) per kg, 40/41 carded warp at ₹248-255 (~$2.89-2.97) per kg and 40/41 combed warp at ₹268-272 (~$3.12-3.17) per kg, according to trade sources.

The Tiruppur market also witnessed better demand for cotton yarn, as buyers aimed to purchase before a potential price increase. They anticipated a rise in yarn prices due to the surge in cotton prices. Traders mentioned that the entire textile value chain is hopeful for a trade deal between India and the US, which would provide India with a competitive advantage. The market expects India to benefit from lower tariffs compared to other garment and textile-exporting countries. Spinning mills are now reducing discounts on yarn prices to protect margins in response to increased cotton costs.

In Tiruppur, knitting cotton yarn prices were noted as 30 count combed cotton yarn at ₹255-263 (~$2.97-3.06) per kg (excluding GST), 34 count combed cotton yarn at ₹266-273 (~$3.10-3.18) per kg, 40 count combed cotton yarn at ₹278-291 (~$3.24-3.39) per kg, 30 count carded cotton yarn at ₹236-241 (~$2.75-2.81) per kg, 34 count carded cotton yarn at ₹241-246 (~$2.81-2.87) per kg and 40 count carded cotton yarn at ₹249-253 (~$2.90-2.95) per kg.

In Gujarat, cotton prices have increased by ₹800–1,000 per maund of 356 kg since last week. Private traders and ginning mills have raised prices in response to higher auction rates from the Cotton Corporation of India (CCI). According to traders, cotton prices have risen by nearly 6–7 per cent over the past two weeks. Private traders and ginners hold limited cotton stock and are closely tracking CCI's auction price movements. Cotton arrivals have declined to around 14,000–15,000 bales of 170 kg nationwide, with Gujarat receiving about 2,000–3,000 bales.

More specifically, daily cotton arrivals dropped to 3,000–4,000 bales in Gujarat and 12,000–13,000 bales across all Indian states. The benchmark Shankar-6 cotton was quoted at ₹58,000–58,200 (~$658.52–678.07) per candy of 356 kg for stock cotton.

Source: fibre2fashion.com– July 15, 2025

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