IBTEX No. 135 of 2025 **October 30, 2025**

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USD	EUR	GBP	JPY
88.64	103.04	117.02	0.58

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INTERNATIONAL NEWS

Ocean Freight Rates Bounce Back as Carriers Tighten Capacity, But Will it Last?

The second half of October has delivered a strong rebound in ocean freight rates as more carriers are successfully blanking sailings and implementing general rate increases (GRIs).

According to data from the Freightos Baltic Index released Wednesday morning, Asia-to-U.S. West Coast prices increased 20 percent from the week prior to $2,027 per 40-foot equivalent unit (FEU). Similarly, voyages to the East Coast saw container prices escalate 14 percent to $3,500 per FEU.

For trans-Pacific journeys to the West Coast, these spikes compound on the previous week's growth of 18 percent, Freightos said. Asia-to-East Coast ocean freight rates saw a minor uptick of 2 percent in the week prior to Oct. 22.

Over the past two weeks, the price increases have been strong on the Asia-to-Northern Europe route as well. Wednesday's data revealed freight rates on this route increased 15 percent to $2,267 per FEU—on top of the 13 percent increase experienced the week prior.

Blank sailings have only gotten more prevalent as ocean carriers aimed to stop months of declines in freight rates after a softer-than-usual peak shipping season. The softness was largely due to shippers front-loading goods into the U.S. ahead of the Trump administration's implementation of country-specific tariffs in August.

October has seen 93 blank sailings, up from 58 in September, according to data from maritime research firm Drewry, with container capacity reduced by roughly 7 percent month over month.

Alongside October's cancellations, the carriers' recent introduction of GRIs in mid-October has kept rates afloat. Major carriers implemented an average GRI of $700 per FEU on Oct. 15.

Despite the current lull in demand, East-to-West container rates have for the most part sustained their mid-October GRI gains, according to Judah Levine, head of research at Freightos.

“These increases push prices back to about mid-September levels on these trades, when rates likewise rebounded briefly on GRIs,” said Levine in the Wednesday update. “Prices are now well above October 2023 levels after approaching parity with pre-Red Sea crisis rates a couple weeks ago. To start November, some carriers may introduce additional GRIs whose success may likewise depend on effective capacity management.”

According to Drewry, carriers are planning to implement new GRIs on Nov. 1 and Nov. 15 to secure higher prices before the effect of the current rate increases completely fades away.

In one recent example, Mediterranean Shipping Company (MSC) announced new freight all kinds (FAK) rates effective Nov. 1 across several Asia-to-Europe routes. The increase will be $2,700 for FEUs headed to Northern Europe, $3,000 for those to the East Mediterranean and $3,200 on average for West Mediterranean-bound containers.

The rate increase coincides with a potential 100 percent tariff increase on Chinese goods levied by the U.S. President Donald Trump threatened that he would place this duty on Nov. 1, which would likely lead to a further dearth in activity on the China-to-U.S. trade lane, possibly calling for more capacity cuts. However, Trump is meeting with his counterpart President Xi Jinping on Thursday morning, in the hopes of striking a new trade deal.

Looking ahead, prognosticators seem to be shrugging off Trump’s rhetoric after numerous extensions have pushed back any triple-digit tariffs from going into effect.

November is expected to see a bounce back in capacity (8 percent) and fewer cancellations (53 blank sailings), according to Drewry, which could lead to another decline in rates.

Of the major alliances, the Ocean Alliance of CMA CGM, Cosco Shipping, Orient Overseas Container Lines (OOCL) and Evergreen are expected to have the most blank sailings for the month. Fourteen percent of their voyages were withdrawn for the period of Oct. 27 to Nov. 30.

As for air freight, rates on the trans-Pacific route are inching up again.

The Freightos Air Index indicates that air cargo rates from China to North America have increased 6 percent from the week prior to $5.64 per kg—their highest sustained level since March—ahead of the tariffs. On a two-week basis, these rates have inched up 10 percent.

Southeast Asia to North America rates have climbed 3 percent in the last two weeks to $5.14 per kg. And Trans-Atlantic rates have increased 9 percent to $1.85 per kg, their highest level since June.

"Some experts are skeptical there will be much of an air peak season this year due to trade war front-loading and impacts on e-commerce volumes," said Levine. "But if climbing rates do signal the start of the seasonal rush, it is muted compared to a year ago when prices were already at about $7.00 per kg."

Data from the International Air Transport Association (IATA) mirrored this trend in September, with rates jumping 1.3 percent month over month for the largest such increase since April. Like the Freightos Air Index, IATA's data illustrated that yields were still down 5.5 percent from September 2024 figures.

Source: sourcingjournal.com– Oct 29, 2025

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Two Chinese-backed firms to set up textile-garment units in Egypt

Foundation stones were recently laid for two projects worth a combined $20.5 million in Egypt's West Qantara Industrial Zone by the Chinese-backed Hui Zhou Top New Garment Mfg Ltd and Changzhou Top Credit International.

The projects will cover 68,000 square metre and generate 4,600 direct jobs.

Suez Canal Economic Zone (SCZone) chairman Waleid Gamal El-Dein and Ismailia province deputy governor Ahmed Essam El-Din laid the foundation stones.

Hui Zhou Top New Garment will set up an integrated, export-oriented factory for readymade and sportswear apparel, with production expected to begin in July 2026. The 28,000-square metre facility valued at $7.2 million will employ 4,000 workers and produce more than 25 million pieces annually, domestic media outlets reported.

With an investment of $13.3 million, Changzhou Top Credit's project will manufacture fabrics and textiles on a 40,000-sq m site, with an expected annual output exceeding 28,000 tonnes, 80 per cent of which will be exported. The factory will employ 600.

El-Dein said the first phase of the industrial zone's development has already drawn 44 projects, with total investments worth $1.17 billion and creating 60,165 jobs in less than two years.

Source: fibre2fashion.com– Oct 30, 2025

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ITMF elects new Board Members at Annual Conference & IAF World Fashion Convention 2025

During its Annual Conference & IAF World Fashion Convention 2025, held on October 24, 2025 in Yogyakarta, Indonesia, ITMF elected new Board Members.

The Federation elected Juan Parès(Spain) as the new President. ITMF while Yan Yan from China elected as the new Vice President. Meanwhile Mustafa Denizer was re-elected as the Vice President while Ernesto Maurer was re-elected as Honarary Secretary.

Addtionally, the Board also re-elected the executive Board Members including Salman Ispahani (Bangladesh), Yingxin Xu (China), Suchita Jain Oswal (India), Tae Jin Kang (Korea), Anees Khawaja (Pakistan), Stefan Hutter (Singapore) and Uday Gill.

Rafael Cervone (Brazil), Mohammad Kassem (Egypt), Michelle Tjokrosaputro (Indonesia), Loek de Vries (Netherlands), and Muharrem Kayhan (Türkiye)were co-opted to the Board.

KV Srinivasan (India) was appointed Honorary Life Member of the Federation in recognition of his outstanding contribution to the Federation as Vice President (2018-2023) and as President (2023-2025).

Source: fashionatingworld.com– Oct 28, 2025

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Eurozone consumers see lower inflation, higher spending ahead: ECB

In September, eurozone's median rate of perceived inflation over the previous 12 months remained unchanged at 3.1 per cent for the eighth consecutive month, according to the European Central Bank's (ECB) September 2025 Consumer Expectations Survey.

Median expectations for inflation over the next 12 months decreased to 2.7 per cent, from 2.8 per cent in August. Expectations for inflation three years ahead were unchanged at 2.5 per cent, as were those for five years ahead, which remained unchanged at 2.2 per cent. Uncertainty about inflation expectations over the next 12 months remained unchanged in September, ECB said in a press release.

Consumers' nominal income growth expectations for the next 12 months were stable at 1.1 per cent, whereas expected spending growth rose to 3.5 per cent from 3.3 per cent in August. Lower-income households continued to anticipate slightly stronger spending increases than higher-income groups.

Expectations for economic growth remained at -1.2 per cent, reflecting mild pessimism about near-term expansion. The expected unemployment rate in 12 months' time was unchanged at 10.7 per cent, close to the perceived current rate of 10.2 per cent, indicating a broadly stable labour market outlook, added the release.

Lower-income respondents continued to report slightly higher inflation perceptions and short-term expectations than higher-income groups, consistent with trends since 2023. However, overall inflation views remained aligned across income levels. Younger respondents (18–34) again showed lower inflation perceptions and expectations compared to older age groups (35–54 and 55–70).

Source: fibre2fashion.com– Oct 30, 2025

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China's Next Five-year Plan, What It Means for Luxury

China's top leadership unveiled a policy outline on Tuesday that vowed to boost the percentage of household consumption of GDP significantly over the next five years.

The outline follows the unveiling of China's 15th Five-Year Plan last week, which does not include GDP growth targets but emphasizes "an appropriate pace of economic and social development during the period," Chinese President Xi Jinping said.

The 15th Five-Year Plan, which was announced after the fourth plenum of the 20th Communist Party Congress in Beijing last week, is viewed as a continuation of policy efforts announced last year and does not signal a paradigm shift.

"The meeting explicitly called for continued policy stimulus on boosting consumption, which could imply sustained direct fiscal spending for this in coming years," Nomura wrote in a research note.

To achieve balanced growth in the next five years, the plan also emphasized "high-quality development" of the property sector and advancing "tech self-sufficiency," in particular in semiconductors and AI, two areas where China faces global trade and investment restrictions.

"With its massive investment, rich talent pool, and ample electricity supply, China could lead other countries by a large margin in AI, while it may contest the U.S. in AI hardware applications such as robotics, thanks to China's lead in manufacturing," Nomura noted.

Beijing's ultimate goal is to increase GDP per capita to the level of "middle developed economies"; however, "since there is no unified definition of middle developed economies, we cannot derive an exact growth target for the 15-year period of 2021 to 2035," according to the Nomura research note.

Morgan Stanley expects China's economy to grow "below 4 percent" in 2026 and deflation to turn "mildly positive" in 2027.

The Chinese stock market reacted moderately to the unveiling of the latest Five-Year Plan, with the Shanghai Composite Index gaining 0.4 percent on Wednesday morning.

A major growth lever for China's economy, China's trillion-renminbi fashion apparel market has seen moderate acceleration in September with 4.7 percent growth, beating overall retail sales' 3 percent growth, which was the weakest since August 2024.

Experiential spending continues to lead, with restaurant app usage up 24 percent and travel spending growing 16 percent in the third quarter.

"Chinese consumers also appear to follow a K-shaped recovery, with luxury spending crowding toward 'investment-grade' and 'hot' brands," the Bernstein report noted.

"Brands like Hermès, Louis Vuitton and Chanel have performed well in the third quarter of 2025, with positive Golden Week performance suggesting that this positive momentum has carried through to the fourth quarter of 2025," the Bernstein report pointed out.

For Jacques Roizen, managing director of consulting at the Shanghai-based Digital Luxury Group, the Chinese luxury sector has reached a stage of maturity, and to grow market share, brands will need to "outperform the market by getting better at optimization and innovation," Roizen said.

"We can't say the desirability or the appetite is lower, but consumers are more focused on value," Roizen added. "It seems that there are two kinds of success stories: there's affordable luxury—Tory Burch, Coach, Ralph Lauren — where people can spend less but still get better value for their money; then you've got the pinnacle of luxury—Louis Vuitton, Chanel, Hermès—where people buy for value preservation."

As for the wider Chinese economy, Roizen believes that an emerging "controlled bull market" will be "very encouraging for the upper middle class, and obviously the high-net-worth individuals, who are very supportive of the luxury industry," he explained.

Source: sourcingjournal.com– Oct 29, 2025

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Australia's inflation rises 3.2% annually, 1.3% in Sept 2025 quarter

Australia's consumer price index (CPI) rose 1.3 per cent in the September 2025 quarter and 3.2 per cent annually, according to the Australian Bureau of Statistics (ABS). The quarterly increase was the highest since March 2023, driven by higher costs for housing (+2.5 per cent), recreation and culture (+1.9 per cent), and transport (+1.2 per cent).

The Commonwealth Energy Bill Relief Fund (EBRF) rebates were extended to December 2025, but delays in payments to New South Wales and the Australian Capital Territory led to temporary increases in out-of-pocket costs, ABS said in a press release. Michelle Marquardt, ABS head of prices statistics, said: "The CPI rose 1.3 per cent in the September 2025 quarter, which is the highest quarterly rise since March 2023. The largest contributor to this quarterly movement was electricity costs, which rose by 9 per cent."

"This is the highest annual inflation rate since the June 2024 quarter when annual inflation was 3.8 per cent. Trimmed mean annual inflation was 3 per cent to the September quarter, up from 2.7 per cent to the June quarter. This is the first time trimmed mean annual inflation has increased since December 2022," added Marquardt. Recreation and culture rose 1.9 per cent, driven by a 2.9 per cent rise in holiday travel and accommodation due to school holidays and peak European travel season. Transport costs increased 1.2 per cent, led by a 2 per cent rise in automotive fuel prices.

Annually, electricity prices soared 23.6 per cent, making it the key driver of inflation. The ABS noted that higher out-of-pocket electricity costs in Queensland, Western Australia, and Tasmania were linked to the expiry of earlier State Government rebates. Excluding rebates, electricity prices rose 5.9 per cent over the year. Annual goods inflation climbed to 3 per cent, largely due to higher electricity prices, while automotive fuel prices fell at a slower pace.

The monthly CPI indicator rose 3.5 per cent in the 12 months to September, up from 3 per cent in August, added the release.

Source: fibre2fashion.com– Oct 30, 2025

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Trump announces projects advancing Japan's investment commitment to US

President Donald Trump yesterday announced in Tokyo major projects advancing Japan's previous $550-billion investment commitment to the United States to further revitalise the US industrial base.

He signed a critical minerals agreement with Japan, secured purchases of US energy and deepened cooperation in combatting illegal drug trafficking.

Critical energy infrastructure investments in the United States include up to $332 billion.

Manufacturing and logistics investments include $600 million to upgrade ports and waterways across the southern United States to facilitate the export of US crude oil; $500 million to establish a high-pressure, high-temperature diamond grit manufacturing facility; and $350 million to construct a lithium-iron-phosphate production facility.

Both the countries signed a memorandum of cooperation to expand shipbuilding capacity in their countries by aligning investment, procurement, workforce and technology initiatives, a White House fact sheet said.

Japan will pursue new sanctions frameworks to target vessels linked to shadow fleets and disrupt shadow fleet activity in close coordination with the United States and G7 partners.

Artificial intelligence infrastructure Investments include up to $30 billion in partnership with Mitsubishi Electric to supply power station systems and equipment for data centres, up to $25 billion in collaboration with TDK for advanced electronic components and power modules, and up to $20 billion with Fujikura to supply optical fibre cables.

Source: fibre2fashion.com– Oct 29, 2025

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Source: fibre2fashion.com– Oct 30, 2025

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Jordan, Turkiye sign MoU to advance economic cooperation

Jordan and Turkiye recently signed a memorandum of understanding (MoU) to advance economic cooperation across sectors like investments, health, culture and tourism, according to Turkish Trade Minister Omer Bolat.

The MoU was signed at the Turkiye-Jordan Joint Economic Commission (JEC) meeting in Amman.

Both sides agreed to develop new projects and programmes for cooperation in key areas.

Representatives from Turkish and Jordanian businesses, as well as the Foreign Economic Relations Board (DEIK) held a roundtable as part of Bolat's visit to Jordan.

The countries will sign several agreements on cooperation in free zones, small and medium enterprises (SMEs), organised industrial zones, standardisation, scientific research and agriculture, Bolat was cited as saying by Turkish media outlets.

Bilateral trade volume reached nearly $1.5 billion between January and September this year, he said.

The historic transportation corridor between Syria and Jordan would boost transport and trade from Europe to the Gulf via Turkiye, Syria and Jordan, and then back to Europe, he added.

Source: fibre2fashion.com– Oct 29, 2025

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Egypt's textile & apparel imports from Turkiye rise 7.7% in H1 2025

Egypt's imports of textiles and apparel (T&A)—covering fabric and yarn—from Turkiye totalled $154.68 million in the first half (H1) of 2025. Despite a 7.7 per cent year-on-year increase, Turkiye's market share in Egypt's textile supply base grew only marginally, reflecting intense competition from Asian suppliers and Egypt's cautious import approach amid fluctuating domestic demand.

Being a garment-exporting nation, Egypt has limited bilateral apparel trade with Turkiye but remains heavily reliant on fabric and yarn imports to support its garment manufacturing sector, which caters mainly to export markets in the EU and the US.

Egypt imported fabric worth $61.51 million from Turkiye between January and June 2025—up 27.75 per cent from $48.15 million in the same period of 2024. According to sourcing intelligence platform TexPro, the rise was driven by stronger demand from Egyptian garment units benefitting from preferential trade access to the EU under the EU–Egypt Association Agreement. Turkiye accounted for 6.08 per cent of Egypt's total fabric imports of $1.01 billion in H1 2025. In the full year 2024, Egypt's fabric imports from Turkiye had surged 181.61 per cent to $106.84 million due to competitive Turkish pricing and shorter lead times compared with Asian suppliers.

Egypt's yarn imports from Turkiye reached $67.20 million in the first half of 2025, down 3.11 per cent from $69.35 million in H1 2024. This decline followed a sharp 148.25 per cent surge in 2024 when trade touched $129.41 million. The moderation this year likely reflects destocking by Egyptian mills amid weak global apparel orders and improved domestic spinning utilisation rates. Turkiye's share in Egypt's total yarn imports of $711.69 million during H1 2025 stood at 9.44 per cent, TexPro data shows.

Egypt's apparel imports totalled $139.018 million in January-June 2025, out of which the imports from Turkiye were noted as $25.969 million, 18.68 per cent of the total. The imports from Turkiye remained almost flat against the imports of $25.976 million in the first half of 2024. The African nation had imported apparel of $54.277 million from the partner country in 2024.

Egypt's total apparel imports were valued at $139.02 million in the first half of 2025, of which imports from Turkiye accounted for $25.97 million, representing 18.68 per cent of the total. Shipments from Turkiye remained nearly unchanged from $25.98 million during the same period last year. In 2024, Egypt had imported apparel worth $54.28 million from Turkiye, supported by Turkish fast-fashion exporters targeting North African retail markets.

Turkiye remained Egypt's second-largest supplier of fabric and apparel after China, while ranking third in yarn imports after China and India, underscoring its continued strategic role in Egypt's textile manufacturing supply chain.

Source: fibre2fashion.com– Oct 28, 2025

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Vietnamese textile industry focuses on higher value, export growth

To remain globally competitive, Vietnamese garment and textile producers must increase productivity, invest in modern equipment and automation, diversify product lines, and expand into high-end, specialised markets.

As Vietnam's textile and garment exports continue to grow, companies are increasingly focusing on boosting productivity and adding value to their products, investing in smart factories and streamlining operations to enhance efficiency and competitiveness in the global market.

The sector recorded nearly 34.8 billion USD in export value in the first nine months of 2025, up 7.7% from the same period last year, despite challenging global market conditions. This performance sets the stage for the sector to achieve its full-year export target of 48 billion USD.

Many enterprises have confirmed orders through November and are negotiating those for the final months of the year.

Nguyen Ngoc Binh, CEO of Hoa Tho Textile Corporation, noted that market volatility has required measures to stabilise production and maintain exports. The company achieved over 4.2 trillion VND (nearly 160 million USD) in revenue over nine months, 83% of its annual plan, with a pre-tax profit of 329 billion VND, or 91% of the target.

To meet year-end goals, the company plans to optimise equipment and labour efficiency, improve product quality, and align production with market demand while preparing model smart factories for the future.

Binh highlighted pressures from global supply and demand fluctuations. For instance, the US market is expected to see lower consumption due to rising consumer prices, while the EU and Japanese markets increasingly demand green-certified products.

Rising minimum wages in 2026 will also affect labour costs, prompting firms to invest in workforce training, welfare improvements, and automation.

Than Duc Viet, CEO of May 10 Corporation, reported 104% of its revenue plan after nine months, driven mainly by exports, but noted pressures from declining order volumes, low unit prices, and geopolitical uncertainties.

Vinatex CEO Cao Huu Hieu added that US retaliatory tariffs have reduced orders by 20-30%, highlighting risks for companies, as the US accounts for over 40% of Vietnam's garment exports.

Boosting position in global supply chain

Despite challenges, Vinatex reported 14.5 trillion VND in revenue in the nine-month period, reaching 79% of its annual plan, and 1.04 trillion VND in pre-tax profit, exceeding the target by 14% and doubling the figure in the same period last year. Flexible strategies and close market monitoring helped the company achieve these results.

Among the total garment and textile export value of 34.8 billion USD, garments fetched 27.8 billion USD and the remaining came from other products such as fabrics, yarn, and technical textiles.

The sector has benefited from its presence in nearly 140 countries, supporting continued growth, especially during peak seasonal demand.

However, the industry remains highly dependent on imported raw materials, particularly from China, with cotton entirely imported and fibre largely sourced abroad. Most firms focus on processing and have yet to develop higher value-added stages such as design, branding, and distribution.

To remain competitive, enterprises must increase productivity, invest in modern equipment and automation, diversify product lines, and expand into high-end, specialised markets. Developing domestic raw material sources, product development centres, and integrated industrial zones will strengthen Vietnam's position in the global textile and garment supply chain.

Source: vietnamnet.vn– Oct 28, 2025

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Bangladesh Apparel Industry Builds Stopgap Storage Hub After Airport Blaze

Two of Bangladesh's top apparel trade associations are teaming up to establish a temporary warehouse at Hazrat Shahjalal International Airport (HSIA) in Dhaka following a fire that broke out at its cargo-handling hub earlier this month.

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) are jointly setting up a modular Rubb Hall structure near the airport's newly constructed Terminal 3 to store imported raw materials and other imported goods.

The fire blazed through the airport's "cargo village" on Oct. 18, causing roughly $1 billion in damage to a site that handles anywhere between 800 and 1,000 metric tons of cargo daily during high-demand periods.

The incident "severely damaged" the import shed, rendering it temporarily unusable and disrupting import operations for the apparel sector. To address this situation and ensure uninterrupted export activities, both industry bodies agreed to establish the interim storage solution.

According to the BGMEA, a supplier has already been assigned to install the tent-like structure. No exact timetable has been given for its completion, other than that it is expected to be concluded in a short timeframe.

"BGMEA reaffirmed its commitment to ensuring the smooth continuation of the industry's import and export operations with full government cooperation," the trade group said in a statement. "The association believes this joint initiative will play a vital role in securing imported goods and supporting the country's overall export trade continuity."

The setup of a new tent to safely store cargo is essential to Bangladesh's apparel manufacturing capabilities, especially for an industry that relies heavily on the timely import of raw materials into the country.

Ready-made garments (RMGs) are central to Bangladesh's export economy, making up 81.5 percent of the total value of goods shipped out of the country during the 2024-2025 fiscal year, according to the country's Export Promotion Bureau (EPB). Of Bangladesh's $48.3 billion in total exports, apparel comprised $39.3 billion.

High-value goods and urgent air shipments including raw materials, finished garments and product samples were destroyed in the fire, BGMEA senior vice president Inamul Haq Khan told Reuters. According to Khan, the loss of the product samples could jeopardize future business, as they are "essential for securing new buyers and expanding orders."

Roughly 200 to 250 factories send their products out of the country every day via air, according to the association.

The industry is currently enduring challenges posed by U.S.-imposed tariffs of 20 percent, which both the BGMEA and BKMEA attributed to a year-over-year decline in apparel exports in September. For the month, RMG exports dipped 5.7 percent to $2.8 billion, EPB data says.

With the duties in place, representatives from both associations said most buyers are either delaying or not placing new orders.

On Oct. 20, BGMEA president Mahmud Hasan Khan, BKMEA president Mohammad Hatem and senior leaders from both associations met with commerce, civil aviation and tourism advisor Sheikh Bashir Uddin to discuss the fire's impact and explore recovery measures. At the meeting, the parties decided to establish the temporary storage facility.

Faisal Samad, a director at the BGMEA, previously told Sourcing Journal that the association was working on a portal where its member manufacturers and exporters could input the names of factories that have suffered losses.

Dhaka's customs house remained open last Friday and Saturday to assist with the clearance of import consignments and ease congestion at the airport.

In recent years, HSIA has been a hotspot for congestion as Bangladesh's primary air cargo hub, with the cargo village initially built to handle 300 metric tons per day. But with the area seeing as much as 1,200 metric tons during peak periods and the congestion (and higher freight rates) incentivizing exporters to instead ship goods out of India, the airport decided to build out the third terminal.

Terminal 3 has still not fully opened to the public, with delays pushing its launch to December. Once fully operational, the terminal is expected to triple the airport's annual passenger capacity and double its cargo handling capability.

After India revoked transshipment privileges for Bangladeshi exporters earlier this year, the Civil Aviation Authority of Bangladesh established cargo operations in Osmani International Airport in Sylhet to free up some of the congestion in Dhaka.

The authority was also working to resume cargo flight services at Chattogram's Shah Amanat International Airport for the first time since 2022 to give exporters more direct opportunities to Europe and China. But the renovation of the export cargo station is still in tender processing and unlikely to be completed this year, delaying the initiative.

Source: sourcingjournal.com– Oct 29, 2025

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NATIONAL NEWS

Commerce and Industry Minister meets with European Commissioner for Trade and Economic Security, discusses India-EU FTA

Union Minister of Commerce and Industry Shri Piyush Goyal visited Brussels from 26-28 October 2025 and had productive and meaningful engagements with Mr Maroš Šefčovič, European Commissioner for Trade and Economic Security and his team on outstanding issues related to the ongoing India-EU FTA negotiations.

Both sides reaffirmed their shared commitment to conclude the India-EU FTA by the end of 2025, following the clear direction from Prime Minister Shri Narendra Modi and President of the European Commission Ms Ursula von der Leyen during the College of Commissioners' visit to New Delhi in February 2025.

The engagement focused on achieving a mutually beneficial, balanced and equitable trade agreement, reflecting the depth of political trust and the strategic ties between India and the European Union, and at the same time respecting each other's sensitivities and priorities.

India recognises the importance of ensuring that the FTA remains balanced in addressing both tariff and non-tariff barriers and creating transparent and predictable regulatory frameworks that accelerate trade for both partners in the coming years.

There was intensive engagement to explore possible landing zones on the outstanding issues. There was also a good discussion on India's concerns on Non Tariff Measures and the new EU regulations.

During the negotiations, HCIM emphasised the need for preferential treatment for India's key asks, particularly those with respect to labour-intensive sectors.

Both sides agreed to work closely to finalise the non-sensitive industrial tariff lines. They also agreed that issues related to Steel, Auto, CBAM, and other EU regulations still require further discussion, as these issues have higher sensitivities.

India looks forward to working closely with the European Union to transform this vision into reality through shared innovation, balanced, equitable, and meaningful trade, and a collective commitment to peace and prosperity.

To advance the ongoing discussions, the EU technical team led by Director General for Trade will visit India next week with the objective of achieving a constructive conclusion based on the potential solutions identified over the past two days.

Source: pib.gov.in– Oct 29, 2025

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Commerce Minister Goyal meets exporters to discuss growth prospects

Commerce and Industry Minister Piyush Goyal met exporters from various sectors on Wednesday to discuss ways to increase outbound shipments, especially in the light of the global economic turmoil triggered by tariffs imposed by the US.

"The industry expects continued policy support from the government in four key areas — affordable and accessible export credit, continuity and predictability in the policy regime, reduced compliance burden and enhanced trade facilitation, especially for MSMEs," pointed out Mithileshwar Thakur from Apparel Export Promotion Council (AEPC).

This is how India can sustain its export growth trajectory and move closer to the $2 trillion export target by 2030, he said.

Exporters also want the government to announce the long-awaited Export Promotion Mission, which focuses on improving access to export credit, supporting cross-border factoring and helping MSMEs overcome non-tariff barriers.

With US President Donald Trump imposing 50 per cent tariffs on most Indian goods from August-end, the country's exports to the US declined by about 12 per cent to $5.46 billion in September.

Between May and September, India's exports to the US have dropped by almost 37.5 per cent, wiping out more than $3.3 billion in monthly shipment value, per an analysis by research body GTRI.

"The data confirms that the US has become India's most severely affected market since the tariff escalation began, with sectors such as textiles, gems and jewellery, engineering goods, and chemicals suffering the heaviest losses," the report noted.

pressure on exporters

Given the extraordinary pressures on exporters arising from volatile global market conditions, a moratorium on both principal and interest payments for export-related loans until December 31, 2026, is strongly recommended, according to exporters' body FIEO.

The body also wants restoration of the interest equalisation scheme for exporters, if needed with a cap, and extension of enhanced working capital support and inventory financing to exporters, by banks and FIs, especially small and medium enterprises (SMEs), under relaxed lending norms for a limited and well-defined period.

India's goods exports growth was almost flat in FY25 at $437.42 billion, growing just 0.08 per cent over exports in the previous fiscal.

Source: thehindubusinessline.com– Oct 30, 2025

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Half of EU FTA deal wrapped up: Piyush Goyal

New Delhi: India and the European Union (EU) have concluded negotiations on 10 out of 20 chapters of the proposed free trade agreement (FTA), while another 4-5 chapters have been settled in principle, commerce and industry minister Piyush Goyal said Wednesday.

Trade negotiators of the two sides will meet next week to iron out sensitive issues, including trade barriers on steel and automobiles. They aim to conclude the FTA negotiations by December.

Goyal said India expects a further breakthrough when the EU trade commissioner visits India in late November and that both sides were moving ahead "recognising mutual sensitivities and strengths" as they work to bridge gaps in the remaining areas of the pact.

The minister was on a visit to Brussels from October 26 to 28 where he met European commissioner for trade and economic security MaroS Šefcovic on the proposed India-EU FTA.

"We have made significant progress in this three-day discussion...We have agreed to close 10 out of 20 chapters, another four or five chapters have in principle been broadly decided and on more and more issues, we are leading towards convergence," Goyal told reporters.

His visit follows the conclusion of the 14th round of talks between the two sides from October 6 to 10.

"We are working towards a fair, equitable and balanced free trade agreement, recognizing mutual sensitivities and strengths and working in a spirit of partnership to promote trade, investments, technology flow mobility," he said, adding that mobility is required for provision of services of certain type, not necessarily all.

The commerce and industry ministry said both sides agreed to work closely to finalise the non-sensitive industrial tariff lines.

"They also agreed that issues related to steel, auto, CBAM and other EU regulations still require further discussion, as these issues have higher sensitivities," it said in a statement.

On this, the minister said: "They might have called out these four... Obviously, there are many others, but at different stages of progress, which seems to be in the right direction".

India has also pitched for ensuring redressal of both tariff and non-tariff barriers in the pact, besides creating transparent and predictable regulatory frameworks to boost bilateral trade, according to the ministry.

India-EU trade in goods was $136.53 billion in FY25.

On the December deadline for the FTA negotiations conclusion, he said there are no deadlines, and this could be done "in November, January, six months or never".

India and the EU are holding separate negotiations for an investment protection agreement and an agreement on geographical indications.

New Zealand pact

Goyal also said he will visit New Zealand next week to hold discussions on the proposed FTA between the two countries. The FTA was formally launched on March 16, 2025. "We are going to New Zealand next week to try and conclude substantially close negotiations for a free trade agreement," he said. The third round of negotiations for the India-New Zealand FTA concluded on September 19 in Queenstown, New Zealand.

Supply chains

Earlier at an event, Goyal said it is important for the country to have resilient supply chains, control over key technologies and reduce overdependence on certain geographies. "This decade, in fact, has given us several wake up calls, starting from Covid, how important it is to have resilient supply chains, to have your own technologies, control over technologies, control over essential supplies in critical areas," he said at a TiEcon event, adding that reducing dependence on foreign technologies, weapons, energy sources and critical technologies is important for the country's growth.

Source: economictimes.com– Oct 30, 2025

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Goyal to visit New Zealand next week for trade pact talks

Commerce and Industry Minister Piyush Goyal on Wednesday said he will visit New Zealand next week to hold discussions on the proposed free trade agreement between the two countries.

The FTA was formally launched on March 16, 2025.

"We are going to New Zealand next week to try and conclude substantially close negotiations for a free trade agreement," Goyal told reporters here.

The third round of negotiations for the India-New Zealand Free Trade Agreement (FTA) concluded on September 19 in Queenstown, New Zealand.

India's bilateral merchandise trade with New Zealand stood at USD 1.3 billion in 2024-25, registering a growth of nearly 49 per cent over the previous year.

The proposed FTA is expected to further boost trade flows, promote investment linkages, strengthen supply chain resilience, and create a predictable framework for businesses in both countries.

According to experts, India and New Zealand should address market access issues for goods, promote collaborations in key sectors, and work on improving connectivity with an aim to boost bilateral trade.

New Zealand's average import tariff is just 2.3 per cent.

India and New Zealand began negotiating the CECA in April 2010 to boost trade in goods, services, and investment. After nine rounds of discussions, however, the talks stalled in 2015.

India's key goods exports to New Zealand include clothing, fabrics, and home textiles; medicines and medical supplies; refined petrol; agricultural equipment and machinery such as tractors and irrigation tools, auto, iron and steel, paper products, electronics, shrimps, diamonds, and basmati rice.

The main imports are agricultural goods, minerals, apples, kiwifruit, meat products such as lamb, mutton, milk albumin, lactose syrup, coking coal, logs and sawn timber, wool, and scrap metals.

Source: economictimes.com– Oct 29, 2025

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Govt sets up panel to review export rebate rates under RoDTEP, RoSCTL schemes

The government has constituted a committee, headed by former secretary Neeraj Kumar Gupta, to review the notified rates under two schemes for exporters - RoDTEP and RoSCTL.

The scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) provides for the refund of taxes, duties and levies, which incurred by exporters in the process of manufacturing and distribution of goods and not being reimbursed under any other mechanism at the Centre, state, or local level.

The scheme has been extended till March 2026. The current RoDTEP rates range between 0.3 to 4.3 per cent.

The Rebate of State and Central Taxes and Levies (RoSCTL) scheme was announced in 2021 for garment exporters. Under this, they get a rebate on central and state taxes on their outward shipments.

Under the RoSCTL scheme, the maximum rate of rebate for apparel is 6.05 per cent; while for made-ups, this is up to 8.2 per cent. Garments and made-ups segments such as home textiles products are covered under the scheme.

Panel to consult ministries, trade bodies

According to a government order, the two members of the committee are SR Baruah, former Principal Chief Commissioner of Customs and Central Excise, and former CBIC member Vivek Ranjan.

It said that the committee will interact with the administrative Ministries, Export Promotion Councils, Commodity Boards, Trade Bodies and other stakeholders to elicit their views on the ROSCTL & RoDTEP rates.

They will work out the modalities for calculation of duties/ taxes/ levies at the Central, State and Local level, borne on the exported product, including prior stage cumulative indirect taxes on goods and services used in the production of exported product.

In their report, it said, the committee will recommend the ceiling rates under RoSCTL and RoDTEP schemes for exports from domestic tariff areas, special economic zones, and advance authorisation holders.
Report due by March 2026

"The Committee will submit its main report to the government by March 31, 2026," it said.

In 2021, the first RoDTEP committee was set up by the government under the chairmanship of former Home and Commerce Secretary GK Pillai.

The government in August 2021 announced the rates of tax refunds under the RoDTEP scheme for 8,555 products, such as marine goods, yarn and dairy items.

Refund of local taxes helps enhance the competitiveness of Indian goods in the global markets.

Cumulatively, during April-September this year, exports increased 3.02 per cent to USD 220.12 billion, while imports rose 4.53 per cent to USD 375.11 billion, leaving a trade deficit of USD 154.99 billion.

Source: thehindubusinessline.com– Oct 29, 2025

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Trump says US working on India trade deal; no word on penal tariffs

New Delhi

US President Donald Trump has indicated that the long-negotiated bilateral trade agreement (BTA) with India was on track, but did not share details on where the discussions are stuck or whether a pact could be sealed despite New Delhi buying Russian oil.

"I am doing a trade deal with India and I have great respect and love for Prime Minister Modi. We have a great relationship," Trump said at the Asia-Pacific Economic Cooperation (APEC) CEO Summit in South Korea.

Indian negotiators, who were in Washington the week before Diwali to take forward the BTA talks, had fruitful discussions with their counterparts, with the two sides reaching consensus on "most issues" and legal texts being prepared, sources said.

However, the Indian side was disappointed that, despite all the progress, the deal remained stuck over some "crucial matters" that include India's purchase of Russian oil that Trump wants "reduced to nothing".

Russian oil clause blocks tariff rollback

"The last meeting between negotiators from India and the US in Washington, held earlier this month, resulted in most issues getting sorted out, including those related to increased market access for US products in India.

However, Trump's consent is still elusive as a couple of crucial details are yet to be settled including India's sourcing of Russian oil," a source tracking the matter told businessline.

While there are talks around the US paring tariffs on India to levels lower than the 19-20 per cent tariffs imposed on competing countries such as Bangladesh, Vietnam and Indonesia, there is no assurance yet on the removal of the tariffs linked to Russian oil purchases.

Of the 50 per cent tariffs imposed by Washington on most Indian goods, 25 per cent is a penalty for the purchase of Russian oil. “The entire penalty for Russian oil purchase has to be rolled back for the India-US BTA to happen, as with those tariffs the deal will be of no use to India,” the source said.

India weighs US oil buys, farm access

Following his Diwali call with the Indian PM, Trump said that India had agreed to reduce its oil purchases from Russia to “almost nothing” by year-end. However, despite the US imposing sanctions on Russian oil companies Rosneft and Lukoil, New Delhi has not agreed to follow the diktat.

The issue of US demand for market access for its agricultural products, especially soya and corn, also needs to be ironed out.

Trump also said he prevented a war between India and Pakistan this year by threatening both nations with 250 per cent tariffs. He said he told Modi that there will be no trade deal if the war didn’t stop and he gave a similar warning to Pakistan.

Source: thehindubusinessline.com– Oct 29, 2025

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As FTAs loom, India must push sector-specific efficiencies in value chains

The India-United States negotiations are reported to be "very close" to a trade deal (Business Standard, October 25, 2025). However, given that a trade deal with the US, when accomplished, will not be a World Trade Organization-compliant, legally-binding free trade agreement (FTA), the bilateral trade environment will continue to be ridden with uncertainty. The objective of export market diversification, therefore, remains paramount for India and FTAs can help achieve this objective.

So, it is encouraging to note that after having signed a comprehensive FTA with the United Kingdom (UK) earlier this year, India's FTA negotiations with the European Union (EU) are moving towards finalisation by the end of the year. However, it may be noted that benefits of an FTA can be realised only after they are ratified by respective partner countries and preferential market access provisions are fully implemented.

It is, therefore, important that the interim period between the signing and implementation of an FTA be used to prepare well to maximise potential trade creation possibilities. This is particularly relevant in the textiles and clothing (T&C) sector, which, after agriculture, is the second-largest source of employment in India, and has been among the hardest hit by the imposition of "reciprocal tariffs" by the US. Furthermore, it is the sector where India's export performance has been disappointing in the recent past, both globally and in the target FTA markets of the EU and UK.

India's share of global textile exports increased marginally from 5.2 per cent to 5.8 per cent between 2010 and 2024. However, in clothing, which is the dominant category of global T&C exports, India's share at around 3 per cent has remained stagnant since the turn of the century. This is particularly concerning as developing countries as a whole, accounting for 70 per cent of global T&C exports, have registered an increase in their share over the last few years.

China has been the top T&C exporter in the world for over a decade. Developing countries like Bangladesh and Vietnam have also posted positive gains in this period. Vietnam's share of world clothing exports increased from less than 1 per cent in 2000 to 3 per cent in 2010, and then doubled to over 6 per cent in 2024. In fact, among the top 10 T&C

exporters in the world, Vietnam has seen the highest annual percentage change in its export share in both categories of textiles and clothing.

In the EU, which, as a unified market, is almost twice the size of the US market, India has seen a fall in its share since 2010 in the two leading T&C importing nations, Germany and France. In comparison, China has retained its top spot in both these countries, while Bangladesh, having increased its share by more than three times since 2010, is now the second-largest source of T&C imports for the two economies. Over the last decade, Vietnam has also emerged among the top 10 source countries of T&C imports for Germany.

Similarly, in the UK, which is a relatively small market with less than 4 per cent share of global T&C imports, India's share as a source country declined from 7.8 per cent to 6.3 per cent over 2010-2022, while that of Bangladesh more than doubled from 5.8 per cent to 14.3 per cent over the same period. As a result, India has been displaced by Bangladesh as the second-largest source of T&C imports for the UK. Vietnam has also, over the same period, entered the top 10 partner countries in UK's T&C imports.

It needs to be understood, therefore, that even though FTAs will provide India preferential market access, Vietnam has a first-mover advantage as its FTAs with the EU and UK have been in force since 2020 and 2021, respectively. In fact, competition from Vietnam will only increase as the tariff reduction schedule to zero duty on all its T&C exports to the EU and UK will be fully effective by 2027 and 2028, respectively.

In addition, even though the strict value-addition rules of origin (RoOs) in the UK FTA place Vietnam at some disadvantage, given the high import content of its T&C exports, this should not be a reason for India to be complacent. The more flexible RoOs under the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), of which both Vietnam and the UK are members, allow imports with a certain percentage of non-originating material to continue to have preferential market access in member economies.

Furthermore, participation in these high-standard, deep FTAs has given Vietnam a head start in aligning its domestic manufacturing standards with international regulatory norms. This is particularly useful in making Vietnamese exports relatively more competitive in the sustainability-driven EU market.

The other important aspect that needs attention is the changing nature of the T&C global value chain. In comparison with other manufacturing sectors such as electronics and precision instruments, the T&C value chain has relatively more domestic value added (DVA) content. While India has a high DVA (83.2 per cent) in the T&C sector, which is comparable with that of the leading exporter, China (89.1 per cent), this does not imply comparable competitiveness.

China is at the forefront of technology-assisted and well-coordinated domestic integration of the complex fabric-to-garment supply chain. In fact, the highly integrated, efficient-to-scale production system has slowed the process of relocation of T&C firms away from China. Major retail marketing platforms like Shein and Temu in China with their vast databases on consumer preferences are using artificial intelligence (AI) for demand projections.

This helps shorten their response time in a fast-changing world of fashion that is characteristic of developed economies. Further, having established back-end integration with the vast network of Chinese production units, they are able to match raw materials and manufacturing capability with demand. Combining efficient logistics and management systems with this demand-supply match, these ecommerce platforms have been able to reduce lead time while ensuring quality at competitive prices in their T&C exports to the EU and UK.

In comparison, India's T&C sector has one of the longest supply chains in the world, with a large number of intermediaries between the farmer and the final consumer. The consequent lengthening of lead time and logistical delays imply higher costs and inefficiencies in the T&C value chain production in India. Added to this are longstanding policy constraints and labour market rigidities that have prevented the sector from achieving the necessary scale for technological upgradation and alignment with global demand shifts towards man-made fibres and technical textiles.

It is critical, therefore, that India's accelerated pace of FTA negotiations be accompanied by sector-specific production strategies for technological upgradation and alignment with global standards.

Source: fibre2fashion.com– Oct 29, 2025

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