

IBTEX No. 146 of 2025

December 05, 2025

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USD	EUR	GBP	JPY
89.96	104.88	120.10	0.58

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INTERNATIONAL NEWS

Global tariffs soar four-fold, WTO urges reform push

Global goods imports affected by new tariffs and other import measures introduced between mid-October 2024 to mid-October 2025 were worth \$2,640 billion, or 11.1 per cent of total imports—a more than four-fold rise from the \$611 billion coverage recorded in the preceding 12-month period, according to the World Trade Organization (WTO).

This marked the highest coverage in over 15 years of the WTO's trade monitoring, according to the WTO director general's latest annual overview of global developments.

Including similar measures on exports, the total trade affected was worth about \$2,966 billion—more than three times the \$888 billion recorded in the previous report.

At the same time, WTO members introduced trade-facilitating measures on both imports and exports, covering one-and-a-half times more trade than the previous period, and were pursuing dialogue more than retaliation.

Over the same period, WTO members and observers also introduced 331 new trade-facilitating measures on goods covering trade estimated at \$2,090 billion—approximately 1.5 times higher than the \$1,441 billion recorded in the last report.

"The sharp jump in the trade coverage of tariffs reflects the increased protectionism we have seen since the start of the year. Nearly a fifth (19.7 per cent) of world imports are now affected by tariffs and other such measures introduced since 2009—compared to 12.6 per cent only a year ago," noted WTO director general Ngozi Okonjo-Iweala.

"At the same time, we see members acting to facilitate trade and engaging in dialogue rather than retaliation. This speaks to the value they continue to see in maintaining smooth cross-border trade flows. WTO members should use the current trade disruptions to advance long-overdue reforms of the WTO," she added.

WTO economists estimate world merchandise trade growth at 2.4 per cent in 2025 and at 0.5 per cent in 2026, with stronger-than-expected trade growth in the first half of 2025 driven by import frontloading, strong demand for artificial intelligence-related products and continuing trade growth among most WTO members, particularly developing economies.

During the review period, WTO members initiated 32.3 trade remedy investigations per month—just below the 2024 peak of 37.3 per month.

While trade remedy investigations do not necessarily lead to the imposition of measures, a higher number of initiations of investigations often signals a potential increase in measures imposed, a WTO release said.

The average number of trade remedy terminations was 11.4 per month—amongst the lowest level since 2012, suggesting that many trade remedy actions remain in place.

Trade remedy actions, particularly anti-dumping measures, remain a key trade policy tool for many WTO members, accounting for 46.5 per cent of all trade measures on goods recorded in this report.

During the review period, WTO members introduced an increased number of general economic support measures, many of which were linked to key sectors such as the environment, energy and agriculture. The report notes a possible shift toward non-financial interventions and the pursuit of broader strategic policy objectives.

Source: fibre2fashion.com– Dec 04, 2025

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At USTR Hearing in Washington, Industry Groups Urge Extension of US-Mexico-Canada Agreement

A three-day hearing on the United States-Mexico-Canada Agreement (USMCA) began Wednesday, bringing together industry advocates and policy experts who largely argued on behalf of the program's extension as it comes up for review next year.

Held by the Office of the United States Trade Representative (USTR), the hearing focused on the future of the trilateral trade agreement that connects the three North American nations and whether it should be renegotiated, renewed or terminated in July of 2026.

Considered by many within the apparel, textiles and footwear sector to be a crucial commercial lifeline fostering collaboration and shared investment across borders, USMCA has faced challenges throughout 2025 due to the onset of new federal trade policies. Both Mexico and Canada have been targeted heavily in President Donald Trump's "reciprocal" tariff scheme, with arguments about the countries' roles in fentanyl smuggling and illegal migration coming to the fore during the spring.

Currently, Mexico faces 25 percent duties on goods that don't meet USMCA rules of origin, while Canada faces 35 percent duties on goods not covered by the free trade agreement. Despite playing a key role in negotiating the deal during his first term in office, and even calling it "the best and most important trade deal ever made by the USA," Trump has repeatedly threatened to pull out of the pact as tensions with both nations have percolated.

That's a scenario that would put U.S. industry at risk of losing access to a burgeoning and "tightly woven" regional value chain, according to the American Apparel and Footwear Association's vice president of trade and customs policy, Beth Hughes, who testified before the panel on Wednesday.

"The USMCA enables this supply chain, setting clear and predictable ground rules and articulating a long-term incentive structure that powers jobs, investments, and regional trade," Hughes said, noting that communities within all three countries rely on the trade partnership.

The AAFA trade policy expert spoke on behalf of the industry group's hundreds of members, saying that duty-free access on USMCA-qualifying goods must be maintained. She also spoke out against additional International Emergency Economic Powers Act (IEEPA) tariffs on Mexico or Canada, saying that avoiding such an outcome "is critical to ensuring the region remains competitive in the global market, particularly relative to Asia."

Hughes went on to speak to the program's high utilization and its power to solidify export markets for U.S. goods. In 2024, 53 percent of U.S.-made textile exports were sent to Mexico and Canada, with Mexico being the sixth largest destination for U.S. cotton. Most of these materials and inputs are incorporated into apparel that is sent back to the U.S. market, underscoring the functionality of the agreement in facilitating multiway trade.

Hughes also spoke to the efficacy of current USMCA rules of origin, cautioning the USTR against creating new restrictions. Last year, she said, 85 percent of U.S. apparel imports from Mexico and 92 percent of clothing brought in from Canada qualified for duty-free benefits under the USMCA. "This demonstrates that most goods can meet the rules of origin, providing businesses with clear, predictable, and certain trade conditions that are essential for planning, investment, and long-term competitiveness in the global market," she said.

The agreement is not perfect, however. It needs a modernized short-supply provision for yarns and fabrics that aren't available in commercial quantities across the U.S., Mexico or Canada, Hughes said. She also argued on behalf of cumulating USMCA with other free-trade-agreement partners, so inputs from those countries can be used to make products that qualify for USMCA duty-free benefits.

"Aside from our collective professional interest in the USMCA, all of us have a personal one since about four percent of all the fashion we wear comes from the USMCA region," she said. "A stable, predictable, and zero tariff USMCA not only supports investments and workers in our industry, but it also gives all of us an affordable option as we outfit ourselves and our families."

In prepared remarks, National Council of Textile Organizations (NCTO) vice president of policy Katherine White said the group, which represents textile mills and apparel companies, also strongly supports an extension of the USMCA—but with caveats.

“The United States, Canada, and Mexico have built a vibrant and prosperous textile and apparel production chain over the 26-year life of the North American Free Trade Agreement (NAFTA) that has continued under the USMCA,” she said. Last year, textile and apparel trade between the U.S., Mexico and Canada totaled \$20 billion, up from just \$7 billion in 1993 (the year before NAFTA took effect). Mexico and Canada account for \$12.3 billion of this trade and 53 percent of total U.S. textile and apparel exports.

White commended the Trump administration for exempting USMCA-qualifying products from the double-digit IEEPA tariffs and urged the government to maintain this exemption. She also spoke to NCTO’s stance on the current yarn-forward rule of origin, which she said “has provided significant benefit to U.S. textile manufacturers by promoting the use of Made in the USA fibers, yarns, and fabrics in the production of apparel and other sewn products.”

Some firms and groups have argued on behalf of exceptions for tough-to-procure fibers, but NCTO believes the yarn-forward rule has been a driver for the creation of a regionally integrated supply chain. The group recognizes that some inputs like acrylic, for example, aren’t readily available in the region, but urges against tariff preference levels (TPLs) for finished fabrics, apparel and other products that can be made by American producers. White said NCTO wants to work with the administration to make targeted reforms to yarn-forward exemptions to protect U.S. competitiveness.

She also spoke to a perceived need to “deepen customs enforcement cooperation” with USMCA partners to deal with customs fraud and other activities that allow bad actors to circumvent U.S. trade laws. Under the trade agreement, White said Canada and Mexico should be required to publicly provide trade data that would help customs identify fraudulent imports.

Some such activity is being perpetuated by China and other Asian countries, NCTO has long argued, with certain illicit products from less-regulated markets making their way into the U.S. via free-trade partners.

Now, the group is asking USTR to push Mexico and Canada to crack down on goods made with forced labor with laws like the U.S.' Uyghur Forced Labor Prevention Act.

American apparel and textile makers were among a multitude of industries represented during the first of the three-day hearings, which will ultimately feature nearly 150 speakers. Wednesday focused chiefly on the apparel and textile sectors, along with pharmaceuticals and agricultural products. The messaging was largely in favor of maintaining the trade agreement.

American Soybean Association secretary Dave Walton said that a failure to extend the USMCA would have terrible consequences for farmers and producers—as would a continuing to clash with the nation's prominent trade partners. “Our industry would not survive a long tariff battle with our two closest customers,” he said.

Meanwhile, chairwoman of the Arizona-based Fresh Produce Association of the Americas Raquel Espinoza advocated on behalf of the continuation of the free-trade agreement, saying, “Protectionism enriches a few at the expense of American consumers and agricultural exports.”

Source: sourcingjournal.com– Dec 04, 2025

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Global economy resilient, but fragile: OECD Economic Outlook

Global growth was more resilient than anticipated in the first half of this year, especially in many emerging-market economies, but underlying fragilities remain, according to the Organisation for Economic Cooperation and Development (OECD) Economic Outlook, Interim Report for September 2025.

The report projects global growth slowing from 3.2 per cent in 2025 to 2.9 per cent in 2026, before picking up to 3.1 per cent in 2027.

US gross domestic product (GDP) growth is projected to decline from 2 per cent in 2025 to 1.7 per cent in 2026 and 1.9 per cent in 2027, as strong investment growth in high technology sectors is more than offset by higher tariff rates and a drop in net immigration.

In the euro area, GDP growth is expected to be 1.3 per cent in 2025, 1.2 per cent in 2026 and 1.4 per cent in 2027, with increased trade frictions and geopolitical uncertainty somewhat offset by easier credit conditions..

China's growth is projected to ease from 5 per cent in 2025 to 4.4 per cent in 2026 and 4.3 per cent in 2027, as front-loading unwinds, higher tariffs take effect and fiscal support fades. Annual headline inflation in the G20 economies is expected to moderate to 2.9 per cent and 2.5 per cent in 2026 and 2027 respectively, from 3.4 per cent this year. By mid-2027, inflation is projected to be back to target in most major economies.

Core inflation in the G20 advanced economies is estimated to remain broadly stable at 2.6 per cent in 2025 and 2.5 per cent in 2026.

“Given the fragilities in the global economy, countries must reinforce their efforts to engage in constructive dialogue that ensures a lasting resolution to trade tensions and a reduction in policy uncertainty,” OECD secretary general Mathias Cormann said.

Industrial production and trade were supported by front-loading ahead of higher US tariffs. Strong artificial intelligence (AI)-related investment boosted outcomes in the United States and fiscal support in China outweighed the drag from trade headwinds and property market weakness, it said.

US bilateral tariff rates have increased on almost all countries since May. The overall effective US tariff rate rose to an estimated 19.5 per cent at the end of August, the highest rate since 1933. The full effects of tariff increases have yet to be felt, with many changes being phased in over time and companies initially absorbing some tariff increases through margins, but are becoming increasingly visible in spending choices, labour markets and consumer prices, the report noted.

Signs of softening are appearing in labour markets, with rising unemployment rates and declining job openings as a share of the unemployed in some economies, including the United States. Disinflation has levelled off in many economies, with rising food prices behind a resurgence of goods inflation and services inflation generally remaining persistent.

Financial market conditions have eased in recent months in advanced and emerging-market economies, with buoyant asset prices, improving credit provision and low corporate bond spreads. Nonetheless, asset values appear stretched and there is growing concern about future fiscal risks.

Significant risks to the economic outlook remain. Further increases in bilateral tariff rates, a resurgence of inflationary pressures, increased concern about fiscal risks, or substantial risk repricing in financial markets could all lower economic growth relative to the baseline, the report remarked.

High and volatile crypto-asset valuations also raise financial stability risks given growing interconnectedness with the traditional financial system. On the upside, reductions in trade restrictions or faster development and adoption of AI technologies could strengthen growth prospects.

Fiscal discipline is needed to safeguard longer-term debt sustainability and maintain space to react to future shocks. Credible medium-term budgetary adjustment paths with stronger efforts to contain and reallocate spending and enhance revenues are key to ensuring debt burdens stabilise. Enhanced structural reform efforts are needed to durably improve living standards and help realise the potential gains from new technologies such as artificial intelligence.

Source: fibre2fashion.com– Dec 04, 2025

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AI: Redefining the Fashion Industry

In 2024, the global fashion technology market was valued at \$239.65 billion, and it is projected to reach \$345.39 billion by 2030, according to Grand View Research. This expansion is being fueled by the rapid adoption of artificial intelligence (AI)-powered design tools, virtual try-on technology and the rising demand for sustainable and smart fabrics.

As AI continues to reshape how garments and footwear are designed, produced and experienced, Sourcing Journal caught up with Colin Marks, CEO of DeSL, to explore how the web-based software company's product lifecycle management (PLM) solutions are helping brands harness AI and digital transformation across the value chain.

SOURCING JOURNAL: Starting from the top, designers are experimenting with generative tools, 3D prototyping and virtual fabrics. How is DeSL supporting this shift while keeping sustainability in mind?

Colin Marks: We see AI as a creative partner, not a replacement. Designers can use generative tools to ideate faster, transforming sketches or text prompts into photorealistic garment concepts. Combined with 3D prototyping and digital fabric libraries, this lets teams visualize new styles without the need for multiple physical samples. It saves time, reduces waste and keeps creativity at the center of the process.

Sustainability comes naturally from this approach. By minimizing physical sampling and linking 3D assets directly to bill of materials (BOM) data, brands can cut material waste early in the design cycle while still meeting creative goals.

Smarter sourcing decisions are critical as costs and timelines tighten. How does DeSL's platform use technology to forecast bills of materials and optimize vendor allocation?

C.M.: The more accurate your data, the better your decisions. AI-driven forecasting tools analyze historical cost, material and vendor performance data to suggest optimized bills of materials before production begins. This allows sourcing teams to evaluate multiple supplier scenarios, balancing price, quality, lead time and sustainability credentials.

Predictive models can also recommend vendor allocations automatically, helping ensure products are developed with the best possible partners. It's all about using technology to improve agility and reduce risk in an unpredictable market.

Supply chains are full of compliance checkpoints. How does DeSL help its customers simplify document management and reduce the risk of errors?

C.M.: Compliance is one of the most time-consuming parts of fashion production. DeSL's platform uses AI document reading to scan, process and validate everything from supplier certifications to testing reports. The system extracts key data automatically, flags discrepancies and updates records in real time within PLM. This eliminates manual re-entry and reduces the risk of missing critical details.

It also supports full traceability, allowing brands to connect certificates and audits to the right style, material or factory. This makes managing chain-of-custody documentation far simpler, especially for brands preparing for digital product passports (DPP) or sustainability reporting.

Teams are increasingly turning to digital assistants. In what ways is DeSL embedding copilots into its PLM systems?

C.M.: Our copilots are like having an experienced assistant built into the software. They can summarize design feedback, draft specification sheets or flag anomalies in costings. By integrating large language model (LLM) capabilities with structured PLM data, copilots can answer natural language queries.

We're also using copilots to streamline data entry, automatically populating fields from uploaded documents or images. It's a huge timesaver and allows teams to focus on higher-value work.

How is DeSL helping companies deliver on these expectations while making technology feel accessible?

C.M.: Adoption only happens when technology feels intuitive. Our approach is to embed AI and advanced analytics into familiar workflows rather than creating separate tools. Whether you're a designer, a merchandiser or a sourcing manager, the interface remains browser-based, modular and easy to configure.

We also work closely with customers to phase in innovation. You don't have to leap into full automation overnight. You can start with digital color approvals or supplier management and expand into AI co-pilots or sustainability dashboards as your team grows comfortable.

Fashion is moving toward a future where data and digital tools set the standard. How does DeSL see its role in shaping that transformation?

C.M.: DeSL's mission has always been to connect every stage of the product life cycle as a single source of truth. As AI continues to mature, that foundation becomes even more valuable. Our role is to make data useful, to help brands not only capture information but turn it into insight and action.

We're shaping a future where AI helps reduce waste, accelerate development and make sustainability measurable. Fashion has always thrived on reinvention, and now digital transformation is the next evolution. Those who embrace it will design smarter, source more responsibly and deliver products that reflect the values of a changing world.

Source: sourcingjournal.com– Dec 04, 2025

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South Korea's apparel imports ease 2.3% in Jan–Oct

South Korea's apparel imports eased 2.35 per cent to \$10.276 billion during January–October 2025, compared with \$10.524 billion in the same period of 2024, according to the latest data from the Korea Customs Service. The decline reflects softer domestic apparel demand and cautious inventory management by retailers amid a slower consumer-spending environment.

Imports of knitted apparel and clothing accessories (Chapter 61) were valued at \$4.294 billion in the first ten months of 2025, slightly lower than \$4.314 billion in the corresponding period of the previous year. Knitted categories remain relatively resilient due to stable year-round demand for basics and athleisure, even as overall apparel spending moderates.

Meanwhile, imports of non-knitted apparel and clothing accessories (Chapter 62) totalled \$5.981 billion, down 3.68 per cent from \$6.210 billion in January–October 2024. Non-knitted segments, which rely more heavily on fashion-driven seasonal ranges, saw sharper reductions as buyers trimmed orders to manage risks linked to slower turnover and elevated promotional activity.

In October 2025, South Korea's apparel imports stood at \$1,184.568 million, 11.44 per cent lower than the \$1,337.564 million recorded in October 2024. Imports of knitted apparel and clothing accessories (Chapter 61) were worth \$460.657 million in October 2025, 8 per cent down from \$500.515 million in October 2024. Imports of non-knitted apparel and clothing accessories (Chapter 62) were valued at \$723.911 million, compared with \$837.049 million a year earlier. The double-digit monthly fall aligns with the broader regional slowdown in apparel retail and exporters' shift toward leaner, demand-driven ordering cycles.

South Korea generally exports fabrics and textile materials while importing readymade garments. Between January and October 2025, exports of man-made filaments, strips and similar materials (Chapter 54) were valued at \$1.441 billion, down 12.34 per cent from \$1.644 billion in the same period of 2024. Exports of knitted or crocheted fabrics (Chapter 60) reached \$1.222 billion, easing 14.30 per cent from \$1.426 billion a year earlier. These declines reflect weaker global textile demand, rising competition from lower-cost producers and continued relocation of spinning and weaving capacity to Southeast Asia.

In October 2025, the country exported man-made filaments, strips and similar materials worth \$132.238 million, and knitted or crocheted fabrics worth \$103.987 million. In comparison, exports in October 2024 for these categories were valued at \$159.640 million and \$135.865 million, respectively. The year-on-year contraction further highlights the structural pressures on Korea's upstream textile sector as international buyers diversify sourcing.

In 2024, South Korea's apparel imports reached \$12.366 billion, marking a 3.12 per cent increase from \$11.991 billion in 2023. Imports of knitted apparel and clothing accessories totalled \$5.083 billion, while non-knitted apparel and clothing accessories amounted to \$7.283 billion.

That year, the country exported man-made filaments, strips and similar materials (Chapter 54) worth \$1.987 billion, slightly down from \$2.107 billion in 2023. Exports of knitted or crocheted fabrics (Chapter 60) were valued at \$1.714 billion in 2024, compared with \$1.789 billion in 2023. The steady rise in apparel imports alongside consecutive declines in textile exports underlines a widening structural imbalance in the sector.

These figures highlight a gradual erosion of South Korea's textile-export strength as manufacturers relocate production bases overseas and face limited domestic labour flexibility. Meanwhile, steady import demand underscores the growing dominance of global sourcing hubs such as China, Vietnam and Bangladesh in supplying finished apparel to Korean retailers.

Source: fibre2fashion.com– Dec 05, 2025

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Organic Cotton Accelerator Launches Training Program in Turkey

Just a year after formally setting up shop in Turkey, the Organic Cotton Accelerator (OCA) is rolling out its Organic Cotton Training Curriculum (OCTC) for farmers and field teams across the nation.

The OCTC takes proven good practices in organic cotton farming and adapts them to Turkey's soil, climate and growing conditions. The curriculum includes a new dedicated module on regenerative agriculture, offering farmers information on rebuilding soil fertility, supporting biodiversity and strengthening long-term farm resilience.

The new OCTC program also includes modules on farm management designed to help farmers and field staff improve record-keeping, better understand farm economics, and more effectively plan inputs and crop rotations. The curriculum also offers digital literacy modules that allow producers to make better use of digital tools ranging from basic smartphone apps to farm data platforms that can help them track performance and inform decision-making.

"Turkey's cotton farmers are ready to take the next step, and the OCTC gives them the practical guidance to do so," said Ömür Suner, country manager for OCA in Turkey. "By tailoring the curriculum to our national agronomic conditions and collaborating closely with local partners, we are ensuring that every field officer and farmer receives relevant, high-quality support. This resource is a cornerstone for strengthening Turkey's leadership in organic cotton production."

OCA developed the OCTC in collaboration with Ankara-based Prospera Impact and in consultation with the Turkish Ministry of Forest and Agriculture, testing the curriculum with field teams during hands-on workshops in Turkey's cotton-growing regions.

OCA has previously implemented the curriculum in India and Pakistan, delivering 25 agronomic training sessions since 2022 and strengthening the capacity of nearly 200 field staff. OCA said the success of the program in India and Pakistan illustrates the value of a unified, high-quality training framework for organic and in-conversion farmers.

The launch of the OCTC comes as the next step of OCA's work in Turkey, after establishing a dedicated local presence in the country in 2024. Turkey ranks among the top 10 cotton-producing countries, accounting for 3 percent of global production or around 3.95 million bales according to the most recent data from the United States Department of Agriculture. India ranks second on that list behind China, and Pakistan falls just ahead of Turkey in sixth place.

This launch comes on the heels of a series of stakeholder meetings OCA conducted in program countries to discuss how to best promote the growth of organic cotton globally. During the November meeting held in Lahore, Pakistan, the group focused on three priority areas: policy, financing and market development.

For the 2025-2026 season, OCA projects that it will support more than 10,000 organic cotton farmers cultivating nearly 60,000 hectares of land in Baluchistan, Punjab and Sindh, Pakistan, producing approximately 16,000 metric tonnes of lint cotton.

The organization hopes to replicate that same level of success in Turkey and sees making the OCTC as accessible as possible a solid step toward that goal. The curriculum will be available to the public in both Turkish and English, along with a trainer's handbook sharing best practices on conveying the knowledge to other field staff. OCA said it will regularly update the curriculum based on feedback from both users in the field and expert insights.

Source: sourcingjournal.com– Dec 04, 2025

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Impact of Turkey's final ruling on safeguard measures against imported nylon filament from China

On November 19, 2025, Turkey's Ministry of Trade issued Announcement No. 2025/7, making an affirmative final ruling on the second sunset review of safeguard measures against imported nylon (or other polyamide) filament (yarn). It is recommended to continue imposing safeguard duties on the involved products for a period of three years (see the attached table for details). The implementation of the measures shall be subject to the tax order issued by the President of Turkey.

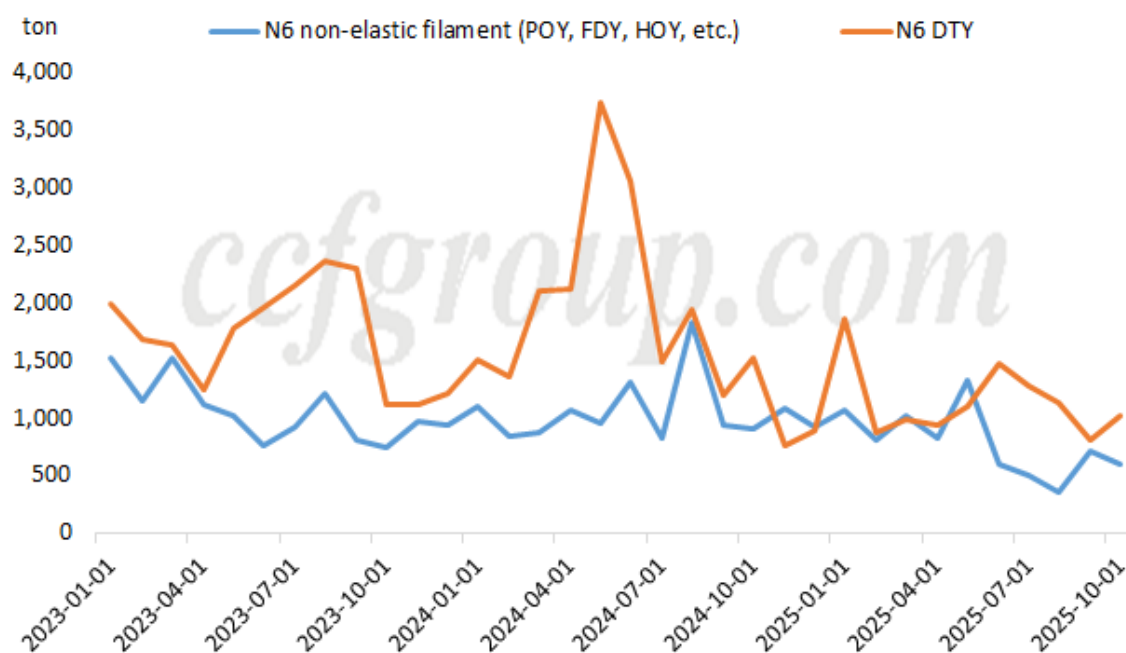
On December 30, 2018, Turkey initiated an investigation into safeguard measures against imported nylon (or other polyamide) filament. In accordance with the Presidential Decree of Turkey, formal safeguard duties were imposed on the imported involved products for three years starting from October 21, 2019.

Subsequently, Turkey conducted a sunset review and made an affirmative ruling on October 18, 2022, extending the duty period. On June 19, 2025, Turkey launched the second sunset review investigation into this case.

HS code	Product	Recommended safeguard duty rates (USD/kg)		
		Phase I	Phase II	Phase III
		Nov 21 2025- Nov 20 2026	Nov 21 2026- Nov 20 2027	Nov 21 2027- Nov 20 2028
5402.31	Elastic filament of nylon-6, psy, ≤50tex, not for retail sale	0.24	0.23	0.22
5402.32	Elastic filament of nylon-6, psy, > 50tex, not for retail sale			
5402.51	Nylon (or other polyamide) filament			
5402.61	Nylon (or other polyamide) filament			
5402.45	Nylon (or other polyamide) filament	0.0475	0.045	0.0425

Based on the results of the previous sunset review, it means that Turkey has continuously imposed duties on nylon filament imported from China in recent years, and the duty rate has slightly decreased compared with the previous period. From the perspective of changes in duty rates alone, the direct impact of this round of duties on China's nylon filament exports is not significant. However, China's nylon filament exports to Turkey have already experienced a sharp decline this year:

China's nylon 6 filament exports to Turkey



China's exports of nylon 6 elastic filament (DTY) to Turkey witnessed a period of high growth from the second half of 2023 to the beginning of 2024, followed by a rapid decline and gradual stabilization; exports of nylon 6 non-elastic filament to Turkey showed relatively small fluctuations but also a significant drop in the second and third quarters of this year.

Date	N6 non-elastic filament (POY, FDY, HOY, etc.)		N6 DTY	
	Export to Turkey (ton)	Year-on-year change	Export to Turkey (ton)	Year-on-year change
Jan-Oct 2023	10809	-14%	18256	94%
Jan-Oct 2024	10675	-1%	20059	10%
Jan-Oct 2025	7851	-26%	11484	-43%

Comparing the cumulative export volume from January to October, China's exports of nylon 6 non-elastic and elastic filament to Turkey have both shrunk sharply year-on-year. Among them, filament exports to Turkey have decreased for three consecutive years, with the most obvious contraction this year (a year-on-year decrease of 26%).

Exports of nylon 6 elastic filament to Turkey grew strongly in 2023, nearly doubling year-on-year; the growth rate normalized in 2024, but exports have shrunk by 46% this year. From the perspective of data change nodes, there is basically no direct correlation with anti-dumping measures.

In the past few years, China's nylon filament exports to Turkey grew strongly, mainly due to two factors: on the one hand, China's nylon industry developed rapidly, with obvious advantages in the export market, gradually replacing other global sources of supply, thus achieving substantial export growth to Turkey; on the other hand, driven by the optimization of Turkey's local industry and the increase in weaving equipment, the application of nylon filament in Turkey increased.

However, the significant contraction in 2025 is mainly linked to Turkey's local economy. Under the pressure of high inflation in Turkey, the purchasing power of the local currency has been declining. Meanwhile, the sluggish consumption in the European market is not conducive to Turkey's garment exports.

In addition, the payment terms of Turkish enterprises have been extended compared with previous years, leading to increased transaction risks, and some sellers have subjectively reduced exports to Turkey. Of course, the main reason lies in the reduced demand in Turkey's local market and its export destinations. The macro-level impact on the demand for nylon filament is not expected to ease in the short term.

Source: ccfgroup.com– Dec 04, 2025

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Sourcing's new compass, navigating apparel's great migration beyond Asia

The global apparel sourcing business is redefining the metrics of success beyond traditional labor costs. Led by geopolitical risks, consumer demands for sustainability, and the need for greater agility, brands are adopting multi-regional strategies and looking to a new generation of sourcing partners. The old paradigm of 'Europe is premium, Asia is cheap' is giving way to a risk-averse, and value-driven approach.

New metrics for a new era

The most successful brands are no longer just comparing price per unit. They are evaluating the total landed efficiency of a supply chain. This holistic approach considers factors like lead times, shipping costs, inventory risk, and supply chain transparency. A 2024 report by the US Fashion Industry Association (USFIA) highlights this trend, revealing that a record high percentage of companies are sourcing from over 10 countries to reduce growing market risks.

Proximity and flexibility: The rise of nearshoring is a direct response to the need for speed and adaptability. Countries closer to major markets like Portugal is to Europe offer shorter lead times and lower Minimum Order Quantities (MOQs), enabling brands to quickly test new trends with capsule collections and react to real-time consumer demand.

Sustainability as a differentiator: Sustainability is no longer a marketing buzzword but a core operational metric. A 2024 USFIA study found that over 60 per cent of surveyed companies plan to invest more in sourcing sustainable and recycled textile materials.

Manufacturers in countries like Portugal are building sustainability into their processes, from using solar-powered facilities to sourcing local yarns, offering a genuine value proposition beyond a simple eco-label.

Technological integration: The apparel supply chain is becoming increasingly digital. Technology, from AI-powered forecasting to blockchain for transparency, is a critical new metric. These tools allow brands to better predict demand, optimize supplier selection, and provide the end-to-end traceability consumers are now demanding.

Beyond Portugal, emerging sourcing hubs

While Portugal is a big player, it's not the only emerging destination. Brands are actively diversifying their networks, creating a more resilient and globally distributed sourcing map.

Turkey, the bridge between continents

Turkey has long been a critical supplier for Europe, leveraging its unique geographical location. With a well-established and vertically integrated textile industry, Turkey offers quick turnaround times and access to a variety of raw materials. Brands like Asos have increased sourcing from Turkey for their fast-fashion lines, using its proximity to avoid the long lead times and shipping costs associated with Asia.

Mexico and the CAFTA-DR region

For US brands, Mexico and the countries in the Dominican Republic-Central American Free Trade Agreement (CAFTA-DR) are becoming significant nearshoring partners. A USFIA study shows a noticeable increase in sourcing from Mexico and CAFTA-DR members.

This is driven by the desire for shorter lead times, lower transportation costs, and reduced geopolitical risk. However, a key challenge remains a lack of sufficient access to textile raw materials in the region.

India, the rising powerhouse

India is rapidly emerging as a leading apparel sourcing destination. The 2024 USFIA Benchmarking Study found that for the first time since 2014, more US fashion companies reported sourcing from India than from Bangladesh.

Nearly 60 per cent of executives surveyed plan to expand sourcing from India over the next two years, more than any other Asian country. India's appeal is pushed by its local textile manufacturing capabilities, which reduce its dependence on imported components and offer a stable, cost-effective supply chain.

The future of apparel sourcing

The shift isn't a replacement of Asia but a diversification. China, Vietnam, and Bangladesh remain essential for their scale and cost-effectiveness. However, the modern sourcing strategy is about creating a balanced portfolio of suppliers.

The smartest brands are no longer picking one region over another but are building multi-region strategies to balance cost, agility, and risk. This great migration is about building a supply chain that is not just efficient, but also resilient, transparent, and aligned with the values of the modern consumer.

Source: fashionatingworld.com– Dec 04, 2025

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OECD revises up Vietnam's 2026 growth forecast to 6.2%, 5.8% in 2027

The Organisation for Economic Cooperation and Development (OECD) recently revised up Vietnam's gross domestic product (GDP) growth forecast to 6.2 per cent in 2026 and 5.8 per cent in 2027.

In its global economic outlook report, OECD affirmed that the country will remain one of Asia's top-performing economies despite external headwinds, supported by solid domestic demand, public investment and continuing foreign direct investment (FDI) inflows.

The country continues to show strong macroeconomic stability and resilient growth momentum despite expected moderation, it noted.

OECD cautioned that risks of external demand are projected to soften from next year, posing risks for exports. Private consumption remains firm, but may temporarily slow in 2027. Inflation is expected to edge up with higher domestic demand and administrative price adjustments.

Exports remain robust, expanding by 15.5 per cent year on year (YoY) in the first nine months this year. Shipments to the United States surged by 27.7 per cent YoY. FDI inflows continue to strengthen, supporting technology transfer and productivity improvements, said the OECD report.

To sustain long-term growth, OECD suggested Vietnam strengthen institutional reforms to improve productivity and the quality of growth.

Source: fibre2fashion.com – Dec 05, 2025

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BTMA, BGAPMEA concerned over proposed changes in Bangladesh FoC rules

Bangladesh textile millers and manufacturers of garment accessories are concerned over the government's proposed amendment to the import policy allowing full import of raw materials for export-oriented garments under the free-of-charge (FoC) arrangement.

Exporters can now import only 50 percent of the raw materials they need under FoC, under which international buyers supply fabrics, accessories and other inputs, while local manufacturers are paid only for cutting and making the garments.

Although the policy aims at reducing costs and encouraging high-end exports, the amendment could undermine Bangladesh's domestic textile and accessories industries, industry representatives told Commerce Adviser Sheikh Bashir Uddin recently.

The domestic primary textile sector that offers yarn, fabrics, dyeing, washing and finishing services to garment exporters could face severe disruption due to the amendment, they cautioned.

Bangladesh Textile Mills Association (BTMA) president Showkat Aziz Russell said in a statement that the FoC amendment "will destroy the primary textile sector."

Domestic mills are already struggling with gas shortages and cannot operate at full capacity, he was cited as saying by domestic media reports.

In another statement, Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association (BGAPMEA) president Mohammad Shahriar expressed concern that the Tk 40,000-crore packaging and accessories sector will be severely affected due to the change.

Source: fibre2fashion.com – Dec 04, 2025

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NATIONAL NEWS

India's central bank cuts repo rate by 25 bps to 5.25%

The Reserve Bank of India's (RBI) monetary policy committee (MPC) today cut the repo rate under the liquidity adjustment facility (LAF) by 25 basis points (bps) to 5.25 per cent.

Consequently, the standing deposit facility (SDF) rate shall stand adjusted to 5 per cent and the marginal standing facility (MSF) rate and the bank rate to 5.5 per cent.

The committee also decided to continue with its neutral stance after concluding its three-day review meeting.

Real gross domestic product (GDP) growth for fiscal 2025-26 (FY26) is projected at 7.3 per cent, with the third quarter (Q3) at 7 per cent and Q4 at 6.5 per cent. Real GDP growth for Q1 FY27 is projected at 6.7 per cent and Q2 FY27 at 6.8 per cent. The risks are evenly balanced, the monetary policy statement said.

“Looking ahead, domestic factors such as healthy agricultural prospects, continued impact of goods and services tax (GST) rationalisation, benign inflation, healthy balance sheets of corporates and financial institutions and congenial monetary and financial conditions should continue to support economic activity. Continuing reform initiatives would further facilitate growth,” the statement said.

“On the external front, services exports are likely to remain strong, while merchandise exports face some headwinds. External uncertainties continue to pose downside risks to the outlook, while speedy conclusion of ongoing trade and investment negotiations present upside potential,” it noted.

Consumer price index (CPI)-based inflation for FY26 is now projected at 2 per cent, with Q3 at 0.6 per cent and Q4 at 2.9 per cent. CPI inflation for Q1 and Q2 FY27 are projected at 3.9 per cent and 4 per cent respectively.

Source: fibre2fashion.com– Dec 05, 2025

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US team likely to visit India next week for trade talks, sources say

A team of officials from the US is expected to visit India next week for talks on the proposed bilateral trade agreement, sources said on Thursday.

The visit is crucial as India and the US are working to finalise the first tranche of the pact.

"The team is likely to come next week. Dates are being finalised, and discussions are on," said one of the sources.

This visit of the US officials would be the second after the imposition of a 25 per cent tariff and an additional 25 per cent penalty on Indian goods entering the American market for buying Russian crude oil.

Earlier, the team had visited on September 16.

On September 22, Commerce and Industry Minister Piyush Goyal also led an official delegation to the US for trade talks.

He was accompanied by the then special secretary in the ministry, Rajesh Agrawal and other officials. Agrawal is now India's commerce secretary.

The USA's Chief Negotiator for the pact is Brendan Lynch.

The next week's visit would be important as Agrawal has recently stated that India is hopeful of reaching a framework trade deal with the US this year itself, which should address the tariff issue to the benefit of Indian exporters.

While noting that the Bilateral Trade Agreement (BTA) will take time, Agrawal has said that India is engaged in protracted negotiations with the US on a framework trade deal that will address the reciprocal tariff challenge faced by Indian exporters today.

India and the US are having two parallel negotiations -- one on a framework trade deal to address tariffs and another on a comprehensive trade deal.

In February, leaders of the two countries directed officials to negotiate a proposed Bilateral Trade Agreement (BTA).

It was planned to conclude the first tranche of the pact by the fall of 2025. So far, six rounds of negotiations have been held. The pact is aimed at more than doubling the bilateral trade to USD 500 billion by 2030 from the current USD 191 billion.

Goyal visited Washington earlier in May. He held deliberations with US Commerce Secretary Howard Lutnick in Washington.

The US remained India's largest trading partner for the fourth consecutive year in 2024-25, with bilateral trade valued at USD 131.84 billion (USD 86.5 billion exports).

The US accounts for about 18 per cent of India's total goods exports, 6.22 per cent in imports, and 10.73 per cent in the country's total merchandise trade.

India's merchandise exports to the US declined for the second consecutive month in October, falling by 8.58 per cent to USD 6.3 billion due to the hefty tariffs imposed by Washington, while imports increased by 13.89 per cent to USD 4.46 billion during the month, according to the commerce ministry data.

Source: thehindubusinessline.com– Dec 05, 2025

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Importers rush to hedge while exporters wait on sidelines amid rupee dip

Importers are rushing to hedge their dollar positions amid the sharp depreciation of the rupee against the American currency and expectations of further volatility even as exporters are holding off after suffering mark-to-market (MTM) losses on earlier hedges.

Market insiders say the surge in hedging costs may deter companies from raising dollar bonds now though some may still tap the market if they expect the rupee's downside to be limited.

The rupee extended its losses on Thursday to touch a fresh low of 90.41 as capital outflows continued, coupled with lingering uncertainties over trade negotiations with the United States (US), and this weighed on market sentiment, dealers said.

The rupee gained back all its intraday losses to close at 89.98, improving from the previous close of 90.20, on the back of dollar sales by foreign banks. Dealers said there was limited intervention from the Reserve Bank of India (RBI). The domestic currency earlier this week stumbled past 90. In less than a year, the rupee has slid from 85 to 90. This is the second quickest fall since the taper tantrum (2013).

The rupee was hovering near 88.5 in mid-November. It has depreciated more than 5 per cent this financial year (FY26) and 4.85 per cent this calendar year.

Additionally, the rupee has been the worst-performing Asian currency even though the dollar index has been trading below 100.

“...the root cause of the structural weakness in the rupee can be attributed to a challenged balance of payments (BoP) position that is expected to sustain over 2026 as well,” ICICI Bank said in a report, adding that the exchange rate was expected to move from 89.50-91.00 to 92.00-93.00 by December next year, with upside risks to these projections.

RBI intervention will likely remain in place to limit the pace of rupee depreciation, not to reverse the trend, the report said.

According to Ritesh Bhansali, deputy chief executive officer, Mecklai Financial Services, with the forward premium currently around 2.5 per cent and rupee depreciation nearing 4.5 per cent, depreciation is outpacing the premium, resulting in an opportunity loss for exporters, who hedged earlier at lower levels.

Those who hedged earlier are receiving rates below the spot rate, and with the rupee continuing to weaken, exp-orters are sitting on negative MTM positions on their outstanding forwards. Consequently, they are not hedging aggressively and are largely waiting on the sidelines, he said, adding that imp-orters, however, are panicking and inc-reasing their hedging, which had driven forward premiums higher, he said.

The one-year rupee forward premium stood at 92.24 and has increased from 90.81 on October 31.

Market participants say persistent dollar demand on any dip suggests that recovery in the rupee is likely to be shallow and short-lived, even as the RBI intervenes to smooth volatility rather than halt the move.

While a sharp decline in the rupee appears unlikely, further depreciation into next year remains the base case.

“The expectation that the rupee may depreciate further can prompt importers to hedge — a trend visible for some time. As a result, hedge ratios have improved, and we are likely to see a further buildup in hedging demand. Exporters, on the other hand, may now wait for better rates,” said Dhiraj Nim, economist/forex strategist, ANZ Research, adding that if exporters believed the RBI would intervene to protect a certain level, they might convert their receivables and sell dollars.

The RBI now appears to be protecting the 90.30–90.40 range, he said.

Experts say the challenge is that when the RBI defends a level, it tends to create additional short positions, and on the due date the dollar moves up against the rupee, making exporters reluctant to sell.

When the RBI is short, it will eventually cover, leading to further depreciation in the rupee. Additionally, fundamentals have not supported the currency, and until India runs a trade surplus, the trend will likely continue.

“Importers remain unhedged to a certain extent, but they have been buying dollars and their strategy is likely to shift. Any dip in the rupee will now become a buying opportunity, and importers will be more inclined to hedge their exposures. For exporters, a more prudent strategy is to buy ‘puts’ and stay protected, and to sell on a spot or cash basis rather than through forwards, which have only resulted in MTM losses,” said Anil Bhansali, head, treasury, Finrex Treasury Advisors.

Nim said: “Companies planning to raise funds through dollar bonds may also choose to wait because hedging costs have risen. They are additionally likely to hold off until the US Federal Reserve cuts rates, which would bring down their borrowing costs at a time when hedging expenses are already elevated.”

Bhansali said: “While some companies may delay tapping the dollar bond market, others, particularly larger firms, may still proceed with it if they believe incremental depreciation from current levels will be limited.”

Source: business-standard.com– Dec 05, 2025

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India, Oman hold 14th Strategic Consultative Group meeting

The 14th round of India-Oman Strategic Consultative Group (IOSCG) meeting was held in Muscat, Oman, the Ministry of External Affairs said on Thursday.

The meeting was co-chaired by Arun Kumar Chatterjee, Secretary (CPV & OIA), Ministry of External Affairs, and Sheikh Khalifa Alharthy, Undersecretary for Political Affairs, Ministry of Foreign Affairs, Sultanate of Oman.

The meeting reviewed the multifaceted strategic partnership between India and Oman in areas including political, defence, security, trade, investment, energy, agriculture, education, culture and people-to-people ties. The two sides also discussed regional and global issues of mutual interest.

— MEAIndia (@MEAIndia)

Oman hosts a vibrant Indian community of around 6,75,000. The community is a living bridge to strengthen ties between the two nations. According to MEA, it was agreed to hold the next round of IOSCG in New Delhi on a mutually convenient date next year.

Earlier, External Affairs Minister S Jaishankar had a telephonic conversation with his Omcounterpart Badr Albusaidi and discussed the "deepening" of the bilateral cooperation between the two countries.

In a post on X, S Jaishankar said, "A good conversation with Badr Albusaidi of Oman this (Wednesday) evening. Discussed the deepening of our bilateral cooperation." Omani Foreign Affairs Minister also reaffirmed the "strong commitment to deepen bilateral cooperation."

"Pleased to speak with my colleague S Jaishankar. Reaffirmed our strong commitment to deepen bilateral cooperation for the mutual benefit of both nations." Badr Albusaidi said in a post on X.

Source: economictimes.com— Dec 05, 2025

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India, Russia eye trade boost with more diversified basket

New Delhi: India and Russia are looking to expand and diversify bilateral trade, targeting \$100 billion by 2030. Both nations are also mulling ways to resolve the trade balance, currently heavily skewed in favour of Russia.

Commerce and industry minister Piyush Goyal said on Thursday that both sides need to balance their trade, pointing to opportunities in consumer goods, food products, automobiles, tractors, heavy commercial vehicles, electronics such as smartphones, industrial components, and textiles. He also stressed on the need to reduce trade barriers.

"Russia is India's sukh dukh ka saathi meaning Russia is India's companion in happiness and in sorrow," Goyal said, at the India-Russia Business Forum.

Speaking at the meeting, Maxim Oreshkin, deputy chief of staff of the presidential executive office of Russia said India's share in Russia's imports is currently less than 2%, which needs to be raised to achieve a more balanced trade.

He said India can boost supplies to Russia in six areas: agriculture, pharmaceuticals, telecom equipment, industrial components, and human resources.

Oreshkin is part of the Russian delegation led by President Vladimir Putin, who is on a nearly 27-hour visit to New Delhi starting Thursday evening.

"Russian delegation and businesses are here for a specific purposes and that is to increase supplies of Indian goods and services," Oreshkin said, adding that India is one of the key drivers of the global economy and that the country's capabilities to supply to Russia haven't been fully utilised.

Russia, he said, is ready to welcome Indian goods and services, and will provide support in logistics, payments, and certification.

Growing trade ties with Russia are crucial as India continues to face 50% US tariffs, half of which are penal tariffs for New Delhi's continued purchases of Russian oil. Russia is also facing western sanctions due to its war with Ukraine.

Goyal said India-Russia bilateral trade is reaching \$70 billion, "but we cannot rest, we need to grow, we need to balance that", as the trade gap is "very" skewed.

"We need to bring more diversity in our trade basket," said Goyal. "We need to make it more balanced. We need more variety and there is so much to offer between the two countries." He emphasised that there is untapped potential in trade which needs to be explored.

India exported \$4.9 billion worth of goods to Russia in FY25, while imports were at \$63.8 billion, leaving a trade deficit of about \$59 billion.

"We can take so much from Russia, and we have so much to offer to Russia," said Goyal. "Sky is the limit...and that will address the trade imbalance in the near future...we will work together to eliminate or reduce or dilute the trade barriers, if any."

The minister also said that India can offer its expertise in the services sector. Russia has a talent shortage of about three million, which can be met by India

EAEU, trade composition

At the meeting, commerce secretary Rajesh Agrawal emphasised on the need to simplify processes to allow Indian businesses to increase exports to Russia.

Agrawal said to achieve the \$100-billion bilateral trade target by 2030 and make it more balanced, there is a need to change the composition of goods traded.

"There are multiple areas where India's exports to Russia are missing right now whether it is auto, auto components, textiles, leather, pharma, healthcare, and IT services," he said, adding India can help Moscow diversify trade and make the supply chains more resilient.

Noting that there is immense scope to grow trade in agricultural and marine sectors, he said both sides have to work on making rules and procedures simpler for businesses.

"The task in the government is clear. Can we make things easier for our businesses to trade on both sides. The regulators need to talk to each other, understand and resolve issues and not add issues," Agrawal said, adding standards and certification of either country should match each other.

The commerce secretary also urged for long-term predictable processes to provide confidence to businesses.

Source: economictimes.com– Dec 05, 2025

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Hanging by a Thread: US Tariffs cripple Indian textile exports, orders drop 70%

India's textile and apparel industry is facing an unexpected mid-cycle rupture that is reshaping the sector's economics far faster than policymakers anticipated. What began as a favourable season for the spinning and raw-material economy, egged on by a weak rupee and heavy government-led cotton procurement has now unravelled into a broad-based export contraction triggered by steep new US tariff slabs. The sector, is suddenly staring at a liquidity spiral that is throttling production, delaying payments and disrupting labour flows in major clusters like Tiruppur, Surat, Ludhiana and Mumbai.

The turning point was in August 2025, when the US raised import duties on several Indian textile categories as high as 50 per cent. Expected to be a temporary pressure point as trade negotiations progressed, the duties have instead persisted, altering procurement behaviour among global buyers and overshadowing the price advantage that depreciating domestic currency and competitive cotton prices typically bring to exporters.

A value chain in disequilibrium

The Indian textile value chain has historically moved in tight correlation: when cotton prices firm up, spinning mills adjust output; yarn prices set the tone for weavers; garmenting units respond to buyer cycles. In November 2025, however, these links have frayed.

Southern India's spinning belts of Coimbatore, Erode, Salem and parts of Andhra Pradesh are reporting muted activity even as raw cotton prices remain high. The Cotton Corporation of India's (CCI) aggressive MSP procurement increased fibre prices by Rs 300 to Rs 500 per candy, lifting sentiment among cotton growers. A weaker rupee, nearing Rs 86.2 per US dollar, should have ideally boosted export competitiveness across the chain. Yet, mills are unable to pass on any gains because demand from garmenting units remains sharply depressed.

Data from the Confederation of Indian Textile Industry (CITI) confirms the imbalance. Textile and apparel exports between April and October 2025 fell 1.57 per cent year-on-year. The sharper blow, however, came in October, when cotton yarn, fabrics and made-ups registered a 13.31 per cent decline, the steepest monthly fall in two years. This decline, which

typically signals weakening global retail offtake, has been compounded this time by halted US shipments and delayed payments.

A Mumbai-based yarn trader captures the sector's anxiety succinctly, saying that buyers are unwilling to commit even to small consignments as long as tariff uncertainties linger. With invoices stuck in transit and garmenting units tightening cash flows, fresh bookings have slowed dramatically, creating a downstream pressure that spinning mills are struggling to absorb.

The US duty shock

The tariff increase US has emerged as the most disruptive force in India's global textile positioning this decade. India's textiles traditionally do not enjoy the same duty-free access that Bangladesh, Vietnam or Cambodia receive under the US GSP or preferential trade agreements. But with the new slabs stretching up to 50 per cent on certain finished apparel categories, India's cost disadvantage has widened to 30-35 per cent.

The impact is visible across order books. US buyers, who historically contributed 29 per cent of India's apparel exports, have cut volumes drastically, in some cases by as much as 70 per cent. The sharpest decline has been recorded in mass-market cotton apparel, home textiles and low-value knitwear segments that constitute the backbone of India's MSME-led garmenting clusters.

This drop is already altering the financial ecosystem. MSMEs, which make up nearly 70 per cent of India's textile production units, are now confronting an acute cash squeeze. Payments from overseas clients are being delayed beyond customary 60-90 day cycles, forcing units to rely heavily on working capital loans at a time when borrowing costs remain high. Industry reports estimate that garment units in Tiruppur are holding unsold inventories worth nearly ₹6,800 crore, while several Ludhiana knitwear exporters have reportedly begun furloughing workers to manage fixed costs.

Credit rating agency ICRA's latest sectoral review reflects the seriousness of the shock. It has revised its outlook for India's export-oriented apparel industry to 'Negative' for FY2026, projecting a revenue decline of 6-9 per cent and a decline of operating profit margins from 10 per cent in FY2025 to nearly 7.5 per cent. This margin drop could rise further if tariffs persist

into mid-2026, risking long-term buyer migration to more cost-efficient sourcing destinations.

The liquidity spiral

The most immediate consequence of the tariff regime is the liquidity freeze gripping export hubs. The payment cycles of garment exporters already stretched in a slow global retail environment have increased by an additional 45-60 days, choking the cash flows of small and mid-sized vendors. Banks, wary of rising exposure in the sector, have begun restricting credit limits for high-risk MSMEs. Industry associations warn that Non-Performing Assets (NPAs) in textile-heavy districts could rise by 20-25 per cent over the next two quarters if relief does not arrive.

Garmenting clusters are particularly vulnerable because they operate on thin margins and depend heavily on pre-shipment and post-shipment credit. With buyers deferring shipments, many units are now sitting on completed orders that cannot be dispatched due to payment bottlenecks. The slowdown is also visible in powerloom hubs like Bhiwandi, where loom utilisation reportedly dropped below 40 per cent in November for the first time since the pandemic-era lockdowns.

Gokaldas Exports' playbook for survival

While the broader sector reels under tariff pressure, a few large players are adapting their expansion strategies to cushion external shocks. Gokaldas Exports, one of India's oldest and most diversified apparel exporters, illustrates how manufacturers are seeking geographical and product diversification to reduce dependence on US markets.

Founded in 1979, the company built its early business around supplying woven apparel to global brands, but over the past five years it has systematically expanded into knitwear, man-made fibres (MMF) and specialised performance wear.

This repositioning is deliberate: MMF-based products face lower volatility in cotton prices and offer wider market access beyond the US, particularly in Europe, the Middle East and Japan. The company's recent acquisitions have also strengthened its vertical integration, enabling it to reduce lead times at a moment when buyers are increasingly prioritising speed and reliability over cost alone.

Market sentiment remains cautiously optimistic toward the company's model. Even amid tariff turbulence, Gokaldas Exports' stock has rallied intermittently on hopes of a pending trade agreement between India and the US. Investors view its strategy coupling government PLI incentives with non-US market expansion as reflective of how the broader industry might restructure to withstand geopolitical risk.

A race against time for policy relief

The outlook for India's textile and apparel sector now hinges on a narrow set of uncertain variables. The most critical among them is the outcome of the India-US trade negotiation currently underway. Early signals suggest progress, but with US election considerations and India's need for broader market assurances, timelines remain opaque. Any delay risks accelerating India's loss of market share to Bangladesh, Vietnam, Turkey and Mexico, countries already positioned to absorb diverted orders.

Yet, amid export turmoil, India's domestic textile economy is on a different path. The sector is projected to reach \$646.96 billion by 2033, driven by rising incomes, premiumisation of apparel, and a nationwide push towards sustainable, MMF product lines. This difference between global stress and domestic growth could give the sector partial insulation, provided the government intervenes swiftly to ease liquidity and expedite tariff negotiations.

Industry leaders warn that without timely relief, structural damage could set in, leading to labour displacement, permanent shutdowns of MSME units and a long-term reconfiguration of global sourcing routes away from India. For now, the industry waits for clarity, its hopes pinned on trade diplomacy, domestic demand resilience and the entrepreneurial ability of manufacturers to adapt their business models in an era defined by volatility.

Source: fashionatingworld.com– Dec 04, 2025

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North India cotton yarn steady, falling rupee helps in export

North India's cotton yarn market remained steady as rising cotton prices were offset by slow yarn demand and tight payment conditions. Prices stayed unchanged in Delhi and Ludhiana, with traders noting that although cotton became costlier in recent days, it did not translate into improved yarn buying. However, the weakening Indian rupee against the US dollar supported export competitiveness, enabling spinning mills to secure additional overseas orders and stabilise pricing. In Panipat, cotton comber prices increased by ₹1–2 per kg, while recycled polyester fibre eased by a similar margin following the QCO removal.

Cotton yarn prices in Ludhiana also held firm, with domestic demand still sluggish and liquidity concerns limiting transactions. A local trader told Fibre2Fashion, "Spinning mills secured export orders, particularly from China, as the weaker rupee created a pricing advantage. This has strengthened mills' confidence and helped maintain current yarn price levels."

In Ludhiana, 30 count cotton combed yarn was sold at ₹247-257 (~\$2.75-2.86) per kg (inclusive of GST); 20 and 25 count combed yarn were traded at ₹237-247 (~\$2.63-2.75) per kg and ₹242-252 (~\$2.69-2.82) per kg, respectively; and carded yarn of 30 count was noted at ₹227-232 (~\$2.52-2.58) per kg today, according to trade sources.

The Delhi market also recorded weak demand for cotton yarn. Trade sources stated that buyers are struggling to receive payments from downstream industries, preventing them from clearing previous dues. As a result, spinning mills and stockists are unwilling to extend credit. Traders believe business capital is shifting towards equity and property investments, reducing liquidity in the textile value chain. With buyers seeking credit-based supplies and limited cash flow available, the market is expected to experience subdued demand in the coming weeks.

In Delhi, 30 count combed knitting yarn was traded at ₹250-252 (~\$2.78-2.80) per kg (GST extra), 40 counts combed at ₹277-279 (~\$3.08-3.10) per kg, 30 count carded at ₹224-226 (~\$2.49-2.51) per kg, and 40 count carded at ₹249-252 (~\$2.77-2.80) per kg today.

In Panipat, recycled yarn prices remained largely unchanged, while cotton comber increased by ₹1–2 per kg in response to higher cotton prices and rising production costs. Recycled polyester fibre, however, eased as virgin polyester fibre and its raw materials continued to decline following the removal of the QCO. Importers have already booked substantial quantities of polyester fibre, yarn, and upstream products, with supplies expected to arrive next week. The lower cost of virgin polyester fibre has weakened market sentiment for recycled fibre, reducing demand and diminishing its price appeal.

In Panipat, 10s recycled PC yarn (Grey) was traded at ₹73-76 (~\$0.81-0.84) per kg (GST paid). Other varieties and counts were noted as: 10s recycled PC yarn (Black) at ₹55-58 (~\$0.61-0.64) per kg, 20s recycled PC yarn (Grey) at ₹97-100 (~\$1.08-1.11) per kg and 30s recycled PC yarn (Grey) at ₹127-132 (~\$1.41-1.47) per kg. Meanwhile, 10s recycled cotton yarn was traded at ₹105-106 (~\$1.17-1.18) per kg and 18s recycled cotton yarn ₹132-133 (~\$1.47-1.48) per kg. Cotton comber prices were noted at ₹112-114 (~\$1.24-1.27) per kg and recycled polyester fibre (PET bottle fibre) at ₹77-80 (~\$0.86-0.89) per kg today.

In north India, cotton prices continued to rise as the Cotton Corporation of India (CCI) purchased a substantial share of the newly arrived crop. Prices increased by ₹10–20 per maund of 37.2 kg. Traders noted that the region has a limited crop this year, as farmers reduced cotton cultivation following repeated late monsoons and pest attacks in previous seasons. CCI is currently buying nearly 40 per cent of the seed cotton arriving in markets, leaving a relatively small volume of good-quality material available for private ginners. Although arrivals have increased to around 25,000 bales, which is considered peak volume, the overall availability remains restricted, supporting firmer price trends.

North India recorded cotton arrivals of 25,000 bales, including 1,500 bales in Punjab, 6,500 in Haryana, 10,000 in upper Rajasthan and 7,000 in lower Rajasthan. Cotton prices were noted at ₹5,150–5,270 (~\$57.24–58.57) per maund of 37.2 kg in Punjab, ₹5,070–5,090 (~\$56.35–56.57) in Haryana, and ₹5,160–5,260 (~\$57.35–58.46) in upper Rajasthan. In Lower Rajasthan, prices were quoted at ₹49,200–52,200 (~\$546.82–580.16) per candy of 356 kg. Seed cotton was sold at ₹6,800–7,200 (~\$75.58–80.02) per quintal of 100 kg.

Source: fibre2fashion.com– Dec 04, 2025

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