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IBTEX No. 69 of 2019 April 03, 2019

USD 68.58| EUR 76.96 | GBP 90.12 | JPY 0.62

Cotton Market		
Spot Price - Shankar 6 (Ex. Gin), 28.50-29 mm		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
21675	45300	**84.02**
Domestic Futures Price (Ex. Warehouse Rajkot), April		
Rs./Bale	**Rs./Candy**	**USD Cent/lb**
21740	45437	**84.27**
International Futures Price		
NY ICE USD Cents/lb (May 2019)	77.27	
ZCE Cotton: Yuan/MT (May 2019)	15,135	
ZCE Cotton: USD Cents/lb	102.11	
Cotlook A Index – Physical	**86.90**	

Cotton Guide: The Prices of Shankar 6 with the parameters as Fine Grade, 29mm, G5 Micronaire, 28 GPT has now increased to 45,300 Rs/Candy as compared to the previous price quoted by us yesterday at 45,000 Rs/Candy.

Within a span of 3 weeks the prices have shot up by 3000 Rs/Candy. The eyes of traders were on stalks with this development. We expect a steady rise in domestic spot prices until the imports kick in.

As predicted yesterday, the domestic future markets seem to be in a phase of consolidation at the moment. The MCX future Contracts settled with a decline in the range of -40 and -50 Rs/Bale.

The MCX April Contract settled at 21,740 Rs/Bale with a decline of -50 Rs whereas the MCX May contract settled at 22,030 Rs/Bale with a decline of -40 Rs. The same amount of decline was seen for the MCX June contract thus settling at 22,300 Rs/Bale. The total volume have however seen a considerable rise at 5392 lots as compared to the previous figure of 4583 lots which emanated an increase of 809 lots. The average volume seen at MCX has been 4453 lots in the last 3 months. The total open interest on the other hand saw a total rise of +366 lots at 18878 lots.

The ICE contracts on the other hand were volatile- the bears took control the whole day but later at the end of the day the bulls managed to drag the prices back onto positive grounds. The ICE May contract settled at 77.27 with a marginal change of -9 points. The Bears tried to drag the prices down to touch a low figure of 76.47 cents/lb. The ICE July contract settled at 78.03 cents/lb with a change of -18 points. While we write this report at 8 am the prices for ICE May are trading at 77.45 cents/lb. It will be interesting to see who would take the victory today- the bulls or the bears. However we are having a positive bias for ICE today. The volumes seen at ICE were 37,413 contracts as compared to the previous figure of 40,490 contracts. However the total volume was high as compared to the 3 month average of 35,976 contracts. The total open interest also increased by 2,044 contracts to 227,930.

Goldman Sachs, the biggest long-only spec funds for cotton, will begin their 5 days of rolls out of May and into July on Friday, April 05, 2019.

The cotlook Index A has been adjusted lower at 86.90 cents/lb with a decline of -0.15. The estimated arrival figure has been at 88,000 lint equivalent bales (soure cotlook), including 38,000 registered in Maharashtra and 22,000 in Gujarat.

WTI crude is trading currently at 62.84 $/Barrel, which means it can push cotton prices upward.

ICE Cotton futures witnessed strong rebound after holding the support at 13 day EMA at 76.60 levels. As shown in the charts price continued to move in the upward sloping channel, however during the previous week prices have touched the upper band of the channel & have retraced back. The firmness in cotton futures also supported by positive crossover of Exponential moving average of 13 & 26. The momentum indicator RSI is at the level of 59, indicating firmness in the strand. The next support for the prices is at 75.95 & the resistance 78.35, close above the channel would initiate the intermediate bullish trend. From the above analysis, we expect ICE Cotton to trade in the range of 78.50-75.90 for the rest of the week with sideways to positive bias. In the domestic market April futures is expected to trade in the range of 21600-21950.

Currency Guide

Indian rupee may witness mixed trade against the US dollar but general bias may be on the weaker side. Supporting rupee is general strength in global equity market. Risk sentiment has improved amid some better than expected US and Chinese economic data, dovish stance of major central banks and continuing US-China trade talks. US and China will continue their trade talks this week in US.

Meanwhile, Financial Times reported that while the US and China are still at odds on implementation and enforcement of a deal, most other roadblocks have been cleared. Domestic equity markets continue to trade higher amid investor inflows, expectations of RBI's rate cut and expectations that ruling BJP government may win another tenure in general elections.

However, weighing on rupee is disappointing economic data, higher crude oil price and recovery in US bond yields. The Nikkei India Manufacturing Purchasing Managers' Index (PMI) declined to 52.6 in March from 54.3 in February, a six-month low.

Brent crude has moved towards $70 per barrel supported by decline in OPEC production and supply worries relating to Iran and Venezuela. The US 10-year bond yield has recovered from recent lows amid some upbeat economic data and this has lent some support to US dollar.

Amid other news, Indian Supreme Court quashed a central bank directive that mandated a time line for recasting delinquent accounts or then moving them to bankruptcy court. While it is seen as a relief for companies facing action from banks, it will reduce RBI's power to deal with delinquents.

Rupee has slipped back below 69 levels amid general gains in equity market however the gains may not sustain amid higher crude price and global economic concerns. USDINR may trade in a range of 68.45-69.15 and bias may be on the upside.

Compiled By Kotak Commodities Research Desk , contact us : mailto:research@kotakcommodities.com or can contact: allwyn.stewart@kotakcommodities.com, Source: Reuters, MCX, Market source

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INTERNATIONAL NEWS

Global trade growth loses momentum as trade tensions persist

World trade will continue to face strong headwinds in 2019 and 2020 after growing more slowly than expected in 2018 due to rising trade tensions and increased economic uncertainty.

WTO economists expect merchandise trade volume growth to fall to 2.6% in 2019 — down from 3.0% in 2018. Trade growth could then rebound to 3.0% in 2020; however, this is dependent on an easing of trade tensions.

WTO Director-General Roberto Azevêdo said: "With trade tensions running high, no one should be surprised by this outlook. Trade cannot play its full role in driving growth when we see such high levels of uncertainty. It is increasingly urgent that we resolve tensions and focus on charting a positive path forward for global trade which responds to the real challenges in today's economy – such as the technological revolution and the imperative of creating jobs and boosting development.

WTO members are working to do this and are discussing ways to strengthen and safeguard the trading system. This is vital. If we forget the fundamental importance of the rules-based trading system we would risk weakening it, which would be an historic mistake with repercussions for jobs, growth and stability around the world."

Trade growth in 2018 was weighed down by several factors, including new tariffs and retaliatory measures affecting widely-traded goods, weaker global economic growth, volatility in financial markets and tighter monetary conditions in developed countries, among others. Consensus estimates have world GDP growth slowing from 2.9% in 2018 to 2.6% in both 2019 and 2020.

The above-average trade growth of 4.6% in 2017 suggested that trade could recover some of its earlier dynamism, but this has not materialized. Trade only grew slightly faster than output in 2018, and this relative weakness is expected to extend into at least 2019 (Chart 1). This is partly explained by slower growth in the European Union, which has a larger share in world trade than in world GDP.

The preliminary estimate of 3.0% for world trade growth in 2018 is below the WTO's most recent forecast of 3.9% issued last September. The shortfall is mostly explained by a worse-than-expected result in the fourth quarter, when world trade as measured by the average of exports and imports declined by 0.3%. Until then, third quarter trade had been up 3.8%, in line with WTO projections.

In recognition of the high degree of uncertainty associated with trade forecasts under current conditions, Chart 2 uses shaded bands to illustrate a range of possible trade outcomes in 2019. Trade expansion in the current year is most likely to fall within a range from 1.3% to 4.0%. It should be noted that trade growth could be below this range if trade tensions continue to build, or above it if they start to ease.

Click here for more details

Source: wto.org- Apr 02, 2019

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World trade will continue to face strong headwinds in 2019-20: WTO

Global trade will continue to face strong headwinds this year and in 2020 after growing slowly-than-expected in 2018, due to rising trade tensions and increased economic uncertainty, the WTO said Tuesday.

The World Trade Organisation (WTO) statement came at a time when India is taking various steps to boost exports. Slowdown in global trade could impact India's exports.

"WTO economists expect merchandise trade volume growth to fall to 2.6 per cent in 2019 down from 3 per cent in 2018. Trade growth could then rebound to 3 per cent in 2020; however, this is dependent on an easing of trade tensions," it said in a statement.

The preliminary estimate of 3 per cent for world trade growth in 2018 is below the WTO's recent forecast of 3.9 per cent issued last September, it added.

WTO Director-General Roberto Azevedo said that with trade tensions running high, no one should be surprised by this outlook.

"Trade cannot play its full role in driving growth when we see such high levels of uncertainty. It is increasingly urgent that we resolve tensions and focus on charting a positive path forward for global trade which responds to the real challenges in today's economy," he said.

India's exports grew by 8.85 per cent to USD 298.47 billion during April-February 2018-19.

Source: business-standard.com- Apr 02, 2019

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USA: Textile and Apparel Imports Rebound as Most Major Shippers See Big Monthly Gains

The Department of Commerce's Office of Textiles and Apparel reports that monthly imports of cotton, wool, manmade fiber, silk blend, and non-cotton vegetable fiber textile and apparel products totaled 6.27 billion square meter equivalents in January, up 12.8 percent from December and 12.4 percent from January 2018.

	SME	Monthly change %	Annual change %	$ Value	Monthly change %	Annual change %
China	3.0 billion	+4.2	+9.4	$3.62 billion	+17.2	+6.9
Vietnam	537.3 million	+62.1	+27.3	$1.34 billion	+49.4	+15.6
India	526.6 million	+24.6	+16.0	$722.6 million	+34.7	+11.9
Pakistan	253.7 million	+23.1	+15.0	$273.0 million	+24.9	+9.6
Bangladesh	223.1 million	+33.5	+4.5	$552.1 million	+36.2	+8.7
Mexico	213.0 million	+8.1	+12.6	$342.6 million	+4.4	-7.6
Korea	192.9 million	+12.6	+67.2	$89.6 million	+19.5	+31.4
Indonesia	144.0 million	+34.7	-2.0	$430.7 million	+30.9	+2.1
Turkey	84.3 million	+4.3	+27.4	$144.2 million	+8.3	+9.3
Taiwan	79.3 million	+20.7	+19.0	$58.1 million	+29.1	+6.1
Canada	70.0 million	-0.7	-30.0	$96.3 million	+6.4	-10.0
Germany	65.7 million	n/a	+48.5	$43.3 million	n/a	+23.2
Honduras	61.8 million	-27.8	-9.3	$153.6 million	-31.9	-0.8

Textile imports totaled 3.67 billion SME, up 5.8 percent for the month and 15.2 percent from the previous year, while apparel imports of 2.61 billion SME were up 24.3 percent from December and 8.7 percent from a year before.

For the year ending in January imports were 69.3 billion SME, up 6.8 percent from a year earlier, as textile imports increased 9.0 percent to 41.2 billion SME and apparel imports rose 3.6 percent to 28.1 billion SME.

OTEXA has reported the following statistics on textile and apparel imports from major source countries for January 2019.

Source: strtrade.com- Apr 03, 2019

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Contrary to Popular Belief, the American Textile Supply Chain is Growing

Made in America is ramping up where textiles and apparel are concerned.

The value of U.S. textile and apparel manufacturing increased 12 percent in 2018 to an estimated $76.8 billion compared to output of $73 billion the previous year, the National Council of Textile Organizations (NCTO) said in its annual state of the industry report.

U.S. exports of fiber, textiles and apparel were $30.1 billion in 2018, a 5.4 percent gain from $28.6 billion 2017, NCTO reported. Capital expenditures for textile and apparel production totaled $2 billion in 2017, the last year for which data is available. Investment in fiber, yarn, fabric and other non-apparel textile product manufacturing was up 79 percent to $1.7 billion in 2018 from $960 million in 2009, when industry production began a slow turnaround.

“Thanks to its productivity, flexibility and innovation, the U.S. textile industry has cemented its position in the global market,” NCTO chairman Marty Moran said. “The United States is especially well-positioned globally in fiber, yarn, fabric and non-apparel sewn products markets–it is the second largest individual country exporter of these products in 2018.”

Moran, who is also is CEO of Buhler Quality Yarns, Corp., a fine-count yarn supplier headquartered in Jefferson, Ga., noted that shipments to the countries of the North American Free Trade Agreement (NAFTA) and Central American Free Trade Agreement accounted for 47.5 percent of textile supply chain exports. Cotton and wool exports hit $6.7 billion last year, yarn shipments were $4.4 billion, and $9.1 billion worth of fabrics were exported.

"The U.S. textile industry's commitment to capital re-investment and a continued emphasis in quality and innovation make it well-positioned to adapt to market changes and take advantage of opportunities as 2019 moves along," NCTO said.

Moran said NAFTA has been an important pact for the U.S. textile sector and NCTO supported the effort to modernize it, which resulted in the U.S.-Mexico-Canada Agreement (USMCA). As Moran noted, NCTO advocated for such areas included in the pending pact such as maintaining the yarn forward rule, a reduction of minimum tariff preference levels and strengthening customs enforcement.

"The USMCA represents a demonstrative improvement for U.S. manufacturers of component parts such as thread, pocketing, narrow elastics and coated fabrics," Moran said. "These items will have stronger origin requirements under the new agreement that will certainly boost sales to North American customers."

On the U.S. Section 301 trade case against China's intellectual abuses, Moran said while NCTO generally supports "finally tackling China's illegal trade practices, some products selected have negatively impacted our membership." He cited dyes and chemicals used in the textile manufacturing process, which have resulted in higher costs, as one example.

"Overall, the vast majority of products identified for penalty tariffs in our sector have been inputs and we think a major opportunity is being missed by this approach," Moran said. "Selecting finished goods, which generally contain 100 percent Chinese fiber, yarn and fabric components, would create benefits throughout the U.S. supply chain."

The NCTO has called for government investment in improving automation in apparel manufacturing, which Moran said, "shows promising potential to reshore U.S. textile and apparel production jobs."

Employment in the textile and apparel supply chain rose to $594,147 workers in 2018 compared to 550,500 the prior year. This came even though factories have become more automated, and many jobs have been converting to technology-oriented positions sometimes not even classified as textile or apparel jobs from more hands-on spots like sewing machine operators.

Source: sourcingjournal.com- Apr 01, 2019

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Chinese Shipping Firm Eyes Blockchain for Supply Chain Financing

Blockchain could become a major player in trade, logistics and supply chain financing—areas where innovative decentralization adds value and isn't simply the new kid on the tech block.

Because it's an autonomous, distributed database, blockchain is naturally well suited to applications that bring together multiple parties—like buyers, sellers, banks and other actors in the complex trade and logistics landscape.

IBM famously partnered with shipping giant Maersk to launch a blockchain for ocean freight logistics in 2018. Now, Chinese outlet People's Daily is reporting that China Shipbuilding Industry Complete Logistics signed a cooperation agreement with Shanghai Bank to create innovative supply chain services.

Recently, Shanghai Bank has been the logistics firm's go-to provider of credit services and supply chain financing. Last fall Shanghai Bank hosted a conference around the topic of supply chain finance and its potential to develop sustainable financial business plans; it also officially debuted Uplink e-Chain, a digital supply chain financial service web platform that offers deeper integration, wider coverage and higher efficiency for small and mid-size enterprises.

Now, the two parties will enter into a joint venture to build the China Ship-Shangyin online supply chain financing platform underpinned by blockchain technology.

A 2017 research paper led by professor Erik Hoffman, chair of logistics management for Switzerland's University of St. Gallen, outlines the case for incorporating blockchain in supply chain financial ecosystems. "Participants are able to continuously monitor the detailed goods and transactions digitally," the authors wrote, noting that trading partners benefit from blockchain's "efficiency, transparency and autonomy."

"Such an inclusive infrastructure relies on a shared ledger that provides any supply chain related information and ensures global authenticity and security for data and information at the same time," the authors continued. "This significantly reduces the costs and complexity of today's systems."

In a blockchain-based system, suppliers could receive payment more quickly and keep supply chains running smoothly. Blockchain has seen documented success in trade financing and could play a pivotal role in enabling more sustainable, ethical supply chains.

Source: sourcingjournal.com- Apr 01, 2019

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China Announces Trade Concessions as Negotiators Head to US

The Chinese government said it will extend a suspension of retaliatory tariffs on U.S. autos and include the opioid fentanyl in a list of controlled substances, two steps that could generate a positive atmosphere for trade negotiations due to resume this week.

Beijing temporarily scrapped the 25 percent tariff imposed on vehicles as a tit-for-tat measure on Jan. 1, after the White House delayed a rise in tariffs on $200 billion of products that had been due that day.

The Ministry of Finance announced an extension of the suspension on Sunday, without giving a specific end date. Vice Premier Liu He is due to return to Washington from April 3.

Chinese officials also pledged to tighten regulation on fentanyl from next month, a promise President Xi Jinping already made to President Donald Trump at a December meeting in Argentina. The inclusion of the drug as a controlled substance in a category of non-medicinal narcotic drugs and psychotropic substances will start May 1, according to the China National Narcotics Control Commission.

The moves signal China is trying to keep momentum in trade talks going as they enter what could be the final stretch before Trump and Xi are presented with a text to finalize or sign. Beijing is determined to prevent an escalation of the frictions that have hurt its economy and roiled markets, even as enforcement measures remain a sticking point in negotiations.

"What matters is not whether these are big concessions or not, but that they are a quick response to the U.S. concerns," said Gai Xinzhe, a senior analyst at Sino Ocean Capital in Beijing. "It's not like in the past when issues raised in bilateral dialogues dragged on without solution. This is good for enhancing mutual trust in the negotiations."

'New progress'

China touted "new progress" in talks after U.S. Trade Representative Robert Lighthizer and U.S. Treasury Secretary Steven Mnuchin visited Beijing last week. Both sides have been working line-by-line through the text of an agreement that can be put before Trump and Xi, people familiar said earlier.

The continued suspension of auto tariffs seeks to "create a good atmosphere for China-U.S. economic and trade talks" and is a "positive response" to the U.S. decision to delay import tax increases, the Ministry of Finance said in a statement.

The world's second largest economy saw some early signs of stabilization in March as its manufacturing gauges signaled expansion. But Premier Li Keqiang stressed last week that new threats are arising from weakness in global demand and warned that short-term fluctuations in growth numbers are unavoidable.

In addition to putting fentanyl on the controlled substance list, China said it will crack down on underground networks who sell the drug online and ship them to the U.S by disrupting their cyber communication channels and stepping up checks on private packages at its customs borders. The synthetic opioid is sold by online distributors across China and is blamed for thousands of overdose deaths in the U.S.

Chinese officials also emphasized that the U.S. opioid crisis is largely self-created and cannot be blamed on supply from China.

China "exercised great restraint and did its very best" with the recent moves, compared with the U.S. only mulling to suspend some of its tariffs, said Li Yong, a senior fellow at the China Association of International Trade in Beijing. "Blame does not help to solve the problem. The right attitude should be to enhance cooperation and have construction communication."

Source: sourcingjournal.com- Apr 01, 2019

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USA: Loftex Sets New Standard in Sustainability Utilizing CertainT

-Loftex, a leading manufacturer of high-quality towels, today announced that the first retail introduction of their bath towels including recycled PET (rPET) source-verified by the CertainT® platform are now available at US retail this month.

The CertainT tagging and tracing platform is provided by Applied DNA Sciences, Inc. (Nasdaq: APDN) ("Applied DNA"), a leader in PCR-based DNA manufacturing for product authenticity and traceability. Loftex introduced the eco-friendly towel, partially comprised of rPET materials as part of their commitment to sustainability both in their factory and their product.

What started with e-commerce venues, now will hit retail floors across the country in the second calendar quarter of 2019. Loftex markets and sells bath and beach towels with CertainT source verification for rPET through an exclusive licensing agreement with Applied DNA.

Additional products utilizing CertainT source-verification for rPET will continue to be introduced in towels and other home products this year.

The Loftex cotton-polyester blend terry towels feature polyester derived from 100 percent post-consumer recycled polyester. The recycled polyester is known as rPET (polyethylene terephthalate). The recycled polyester fibers are blended with cotton so the towel has the best of both fibers.

The blend provides superior absorbency, dries quickly in the dryer and on the towel rod, is resistant to odor and mildew, and stays soft wash after wash. By using Applied DNA's CertainT platform, the recycled nature of the rPET component of the towel can be verified by detecting an indelible molecular tag, thus ensuring rPET authenticity and origin in the finished product.

Charles Gaenslen, CEO of Loftex Home, said "Loftex consistently strives to find better, more efficient and more intelligent ways to do things. Our new towels embody this mission, and the use of Applied DNA's CertainT platform reinforces our commitment to use the most technologically advanced methods to ensure our products are true to their sustainable claims."

Dr. James A. Hayward, CEO of Applied DNA, said "We are committed to differentiating leading companies, like Loftex, by giving their customers a premier authentication system reinforced by CertainT."

About Loftex

Loftex has established a global reputation for leadership in innovation, fashion, quality, sustainability and value throughout the world. Product innovation in sustainability and commitment to the environment go deep into the heart of what makes Loftex tick. Loftex is committed to make the best product for their consumer while never taking their eyes off of how to make that product with the least possible impact on the environment.

About Applied DNA Sciences

Applied DNA is a provider of molecular technologies that enable supply chain security, anti-counterfeiting and anti-theft technology, product genotyping and pre-clinical nucleic acid-based therapeutic drug candidates.

Applied DNA makes life real and safe by providing innovative, molecular-based technology solutions and services that can help protect products, brands, entire supply chains, and intellectual property of companies, governments and consumers from theft, counterfeiting, fraud and diversion.

Visit adnas.com for more information. Follow us on Twitter and LinkedIn. Join our mailing list.

Common stock listed on NASDAQ under the symbol APDN, and warrants are listed under the symbol APDNW.

Forward-Looking Statements

The statements made by Applied DNA in this press release may be "forward-looking" in nature within the meaning of the Private Securities Litigation Act of 1995.

Forward-looking statements describe Applied DNA's future plans, projections, strategies and expectations, and are based on assumptions and involve a number of risks and uncertainties, many of which are beyond the control of Applied DNA.

Actual results could differ materially from those projected due to its history of net losses, limited financial resources, limited market acceptance and various other factors detailed from time to time in Applied DNA's SEC reports and filings, including our Annual Report on Form 10-K filed on December 18, 2018 and our subsequent quarterly report on Form 10-Q filed on February 7, 2019, and other reports we file with the SEC, which are available at www.sec.gov.

Applied DNA undertakes no obligation to update publicly any forward-looking statements to reflect new information, events or circumstances after the date hereof to reflect the occurrence of unanticipated events, unless otherwise required by law.

Source: businesswire.com- Apr 02, 2019

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UK signs trade continuity agreement with Caribbean nations

UK trade policy minister George Hollingbery recently signed the CARIFORUM-UK Economic Partnership Agreement (EPA) with representatives from Barbados, Belize, The Commonwealth of Dominica, Grenada, Guyana, Jamaica, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines. It will allow unhindered trade with the Caribbean nations post Brexit.

Established in 1992, the Caribbean Forum (CARIFORUM) is a subgroup of the African, Caribbean and Pacific Group of States and serves as a base for economic dialogue with the European Union (EU).

The news has been welcomed by businesses and business groups across the Caribbean territory, according to a UK Government press release.

It eliminates all tariffs on all goods imported from the signing CARIFORUM states into the United Kingdom, while the former will continue gradually to cut import tariffs on most of the region's imports from the latter.

These preferential terms are part of the UK Government's commitment to supporting developing countries to reduce poverty through trade, the press release added.

Source: fibre2fashion.com- April 03, 2019

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Global e-com sales surged to $29 trillion in 2017: UNCTAD

Global e-commerce sales grew 13 per cent in 2017, hitting an estimated $29 trillion, according to the latest statistics released by the United Nations Conference on Trade and Development (UNCTAD). A similar surge was seen in the number of online shoppers, which jumped by 12 per cent and stood at 1.3 billion, or a quarter of the world's population.

Though most Internet buyers purchased goods and services from domestic vendors, the share of those buying from abroad rose from 15 per cent in 2015 to 21 per cent in 2017. The growth was driven mainly by an increase in the United States, according to an UNCTAD release.

As a result, cross-border business-to-consumer (B2C) sales reached an estimated $412 billion, accounting for almost 11 per cent of total B2C e-commerce---a 4 per cent increase on the previous year's figures.

"The new figures show that e-commerce is indeed creating export opportunities," UNCTAD Secretary-General Mukhisa Kituyi said.

The eCommerce Week 2019, being held at the United Nation's European headquarters in Geneva from 1 to 5 April, is discussing whether businesses in developing countries are prepared to seize the opportunities.

Little change has been seen in the list of the top ten e-commerce markets, with the United States holding on to its top position. At almost $9 trillion, online sales in that country were three times higher than in Japan and more than four times higher than in China.

The only shuffle in the list was Germany's overtaking of the South Korea as the fourth largest online market.

While business-to-business (B2B) e-commerce continued to dominate, accounting for 88 per cent of all online sales, B2C was the segment that saw the most growth, increasing by 22 per cent to reach $3.9 trillion in 2017.

In the B2C realm, China increased its lead on the United States, while the United Kingdom held on to third place.

UK consumers were still the most likely to shop on the Internet, with a whopping 82 per cent of people aged 15 and older making purchases online in 2017.

Overall, however, China had the largest number of Internet buyers at 440 million.

Source: fibre2fashion.com- April 01, 2019

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US apparel imports from China increases 8.5 per cent in January 2019

As per the monthly report from the Commerce Department's Office of Textiles & Apparel (OTEXA), US apparel imports from China increased by 8.5 per cent in January 2019, totaling $2.52 billion worth of goods.

The January uptick came on the heels of US apparel imports from China increasing just 1.34 per cent in value in 2018 to $27.37 billion compared to 2017. It also came as companies rushed to get goods out of China before Lunar New Year on Feb. 2 and resultant factory shutdowns.

Among other Asian manufacturing havens, imports from Bangladesh rose 8.76 per cent in January compared to a year earlier to $535 million, India's shipments increased 10.94 per cent to $382 million, and 8.31 per cent, or $232 million, more apparel arrived from Cambodia. Also posting smaller gains were Indonesia, with imports increasing 0.64 per cent to $408 million, and Pakistan, with a 1.92 per cent gain to $131 million.

Source: fashionatingworld.com- April 01, 2019

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US January denim imports up three per cent

US denim apparel imports from around the world rose 3.12 per cent in January 2019 compared to a year earlier. Denim apparel imports from Vietnam increased 23.13 per cent in the month while denim apparel imports from China fell 1.9 per cent.

Vietnam's gains are generally seen as taking a bite out of China's pie. More specialized manufacturing needed to make jeans compared to more basic apparel has companies taking a longer view of the risks of committing to China sourcing as trade tensions and cost increases hover above the country.

Jeans imports from Bangladesh fell 7.97 per cent. Pakistan's shipments were down 20.3 per cent. US jeans imports from Cambodia decreased 13.46 per cent.

But denim apparel imports from Indonesia rose 35.72 per cent. Sri Lanka's shipments were up 8.15 per cent and imports from India rose 65.28 per cent. US jeans imports from Egypt rose 16.11 per cent. Jordan more than doubled its shipments on a year-to-year basis.

Denim apparel imports from the western hemisphere increased 9.78 per cent in January. Imports from Mexico rose 11.52 per cent. In addition to Mexico, Nicaragua led the way with a 17.1 per cent gain and Guatemala nearly doubled its shipments from a year earlier.

Source: fashionatingworld.com- April 01, 2019

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Apparel brands to focus on improving costs rather than growing sales: Study

Although the previous year was characterised by cautious optimism , various indicators in 2019 point to several factors that could dampen global economic-growth prospects. Global growth has averaged above 2.5 per cent since the financial crisis but now there are signs of stability.

After a long period of accommodative monetary policy, the US Federal Reserve and other central banks have begun to raise interest rates, increasing the cost of borrowing for many companies and consumers.

The European Central Bank is also planning to tighten its monetary policy in the coming months, increasing the chance that global economic growth could start to slow.

Slower growth predicted in developed markets

The International Monetary Fund (IMF), the Organisation for Economic Co-operation and Development (OECD), and the World Bank predict slower growth in developed markets in 2020, and a flattening of the growth curve in developing markets.

And in 2019, there are signs that Europe, Latin America, and the Middle East could be most vulnerable to a deceleration.

China and the United States could also face a slowdown, with fears of a potential bubble in the latter, and trade dynamics may affect consumer spending and fashion-sector growth in both. In a survey of more than 1,000 international executives and chief executives across industries published by McKinsey in December 2018, some 46 per cent expect global economic conditions to worsen, compared with 35 per cent in June 2018 and 15 per cent in December 2017.

They view economic conditions as a potential challenge, citing it as the third biggest trend for 2019 in the latest Business of Apparel brands to focus on improving costs rather than growing salesFashion-McKinsey 'State of Fashion Survey'. Almost 42 per cent expect industry conditions to worsen in 2019. Excluding respondents from North America and the luxury segment, which are the main pockets of optimism, the majority of executives are even more pessimistic about the year ahead.

Rising investments lead to strong performance

The strong performance of global economy over recent years has been accompanied by rising investments by fashion-industry players. Around 68 per cent companies' cost bases have risen over the past five years, while only 22 per cent have seen a decrease.

Average selling, general, and administrative expenses (SG&A) were 36 per cent of sales in 2017, compared to 34 per cent in 2013, according to analysis from McKinsey's Global Fashion Index.

Priority investments in sales growth named for this year were omnichannel and e-commerce, developing customer-relationship-management capabilities, improving in-store experiences, and investing in brand building.

A strategic agenda to boost productivity

To offset the impact of slower growth and rising costs, companies need to set a strategic agenda to boost productivity over the coming period.

Several companies have already taken steps, implementing cost-reduction and restructuring programs. As a result, SG&A ratios have become more fragmented, with leading companies seeing slower rate of cost increase than laggards.

Among companies to act are hosiery and bodywear specialist Wolford, which launched a restructuring program in late 2017; J. Crew, which said in 2017 it aimed to cut costs and rebrand; and H&M, which said in 2017 that it was aiming to reduce costs by 5 to 6 percent.

More recently, in September 2018, Under Armour announced plans to continue to focus and drive productivity.

Looking at the year ahead, 17 per cent respondents to the BoF–McKinsey State of Fashion Survey said they would focus more on improving costs rather than growing sales.

The main cost-improvement areas cited include reviewing organizational structure, diagnosing end-to-end efficiency opportunities, and reducing product-assortment complexity.

As the macroeconomic landscape shifts, companies will seek to protect themselves from slower growth by implementing “shock proofing” measures. These will primarily be aimed at boosting productivity through greater efficiency and cutting costs.

Source: fashionatingworld.com- April 01, 2019

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Cambodia announces 17-point strategy to promote economic growth

Cambodian Prime Minister Hun Sen has announced plans to reform the nation's economy on a large scale with a 17-point strategy, aiming to stimulate growth and save the private sector some US$400 million per year in costs.

The strategy includes a series of savings initiatives for private businesses, including cutting costs related to transport, port services, and electricity, as well as reforming railway management.

It sets out plans to cut the number of national holidays, introduce financial incentives for tax and customs sectors, as well as promote and implement amendments to the Law on Investment and the Law on Special Economic Zones.

Speaking at a recent forum on the public-private sector, PM Hun Sen said that these reforms would help increase the competitiveness of export goods if the European Union (EU) decides to remove its preferential trade arrangements under the Everything But Arms (EBA) scheme.

In February 2019, the EU officially announced it will begin the process of considering the withdrawal of Cambodia from the EBA scheme on the grounds that Cambodia had violated its conditions. This process will take place over the next 12 months.

This causes great concern to businesses operating in Cambodia, especially in the textile sector, which is said to bring about US$676 million per year to Cambodia.

Concerning the current serious power shortage in Cambodia, PM Hun Sen announced plans to split various types of electricity prices for users, thereby reducing about $0.02 per kWh for industries that hold high investment value.

Meanwhile, Vice Chairman of the Cambodia Chamber of Commerce and Industry Lim Heng said that for a long time, the Cambodian private sector has asked its government to issue the aforementioned reforms to help reduce production costs.

He affirmed that these efforts of the Cambodian government to reform the economy will contribute to strengthening the private sector, especially in terms of increasing incomes for workers.

Source: sggpnews.org.vn- April 02, 2019

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Bangladesh: Cotton prices unscathed despite trade war

Fears of cotton prices soaring as a result of the US-China tariff war are unlikely to materialise, in a welcoming development for Bangladesh's textile millers.

Bangladesh is almost entirely dependent on imports for its cotton requirement, making it the world's largest buyer of the natural fibre from the global market.

Last week cotton was trading at between 75.5 cents and 77.5 cents per pound in the international futures markets, down from 90 cents per pound in March and April last year, when talks of the trade war were at its peak.

“Cotton prices declined a bit over the last one year instead of soaring,” said Monsoor Ahmed, secretary to Bangladesh Textile Mills Association (BTMA), a platform for textile millers, spinners and cotton importers.

Bangladesh imported 8 million bales of cotton last year, up from 7.6 million bales a year earlier, he said.

The reason for the dip in cotton prices is that China, the biggest consumer of cotton due to being the world's largest supplier of apparel, has cut down on its cotton purchases to clear out its old stock.

China has old stocks of 38 million bales of cotton and 27.5 million bales in production in the 2018-19 season, which runs from September to August, according to data from the United States Department of Agriculture (USDA).

World trade is expected to increase to 42.3 million bales in 2018-19, the highest level since 2012-13's record.

Production will exceed consumption in 2019-20, raising world stocks slightly by 1 million bales.

World cotton consumption in 2018-19 is expected to reach 123.6 million bales, growing 0.9 percent from the previous year, to the highest level since 2007-08.

"So, there is ample supply of cotton worldwide but the demand from major countries is almost the same," said Mehdi Ali, president of Bangladesh Cotton Association (BCA).

The production in major cotton-producing countries is also high except for in India.

"As a result, the trade war could not have any bad impact on cotton trade worldwide," Ali said.

The US is the largest grower of cotton.

Source: thedailystar.net- April 03, 2019

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€50-mn loan fund at Bangladesh Bank for RMG sector

Bangladesh, with support from France's Agence Francaise de Developpement (AFD), has formed a €50-million loan fund in Bangladesh Bank to support safety remediation and environmental and social upgradation of readymade garment (RMG) factories. The programme is called Support Safety Retrofits and Environmental Upgrades in the Bangladeshi RMG Sector Project (SREUP).

The programme will receive technical assistance worth €14.29 million from the European Union, German state-owned development bank Kreditanstalt fur Wiederaufbau (KfW), German development agency Gesellschaft fur Internationale Zusammenarbeit (GIZ) and Bangladesh Bank.

Participating financial institutions would be provided with pre-finance for disbursing the credit to eligible RMG factories under the loan fund, according to a Bangladesh Bank circular.

Eligible RMG factories would get a loan amount up to €1 million with a maximum 7 per cent interest rate and the loan amount may be extended up to €3 million for major environmental upgradation, Bangla media reported citing the circular.

The maturity of the loan would be usually 3 to 5 years but in case of major environmental up-gradation or any other duly justified and documented case, it might be extended up to seven years.

The circular also said that eligible RMG firms will have to apply for loans to the financial institutions for their sub-projects' investments based on corrective action plans commitments to the EU retailers platform Accord, North American buyers group Alliance and National Tripartite Plan of Action.

Source: fibre2fashion.com- April 02, 2019

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Viscose staple fiber market growing at five per cent

The global viscose staple fiber market is growing at a CAGR of 5.79 per cent. Viscose staple fibers or artificial cotton fibers are natural and biodegradable. These fibers are obtained from wood pulp and cotton pulp, which share the characteristics of cotton fibers.

These are versatile and easily bendable fibers and have a wide range of application in apparels, home textiles, home furnishings, dress materials, and woven and knitwear.

One of the factors driving market growth is the growing demand for apparels and clothing. The rising demand from the textile and apparel, non-woven, and specialty manufacturing sectors has also hugely attributed to the growth of the market.

Woven segment dominates the global market with a 80 per cent share. The Asia-Pacific region accounts for 65 per cent market share. Asia-Pacific, the largest market for woven fabrics, is witnessing a healthy growth due to the increasing demand in countries like India and China.

Small regions, such as Bangladesh, have witnessed an increase in population and living standards, driving up demand for knitted fabrics. China is the largest producer and consumer of viscose staple fiber in the world. The country accounts for 65 per cent of the total world production of viscose staple fiber.

Source: fashionatingworld.com- April 02, 2019

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Report Says Bangladesh "Shockingly" Unready to Manage Factory Safety

Bangladesh, according to some reports, remains far from ready to take over where the Accord on Fire and Building Safety left off on improving factories, despite its keenness to see the program cease operations.

A research report released Tuesday by the Accord claims incidences of extreme mismanagement and negligence by the Bangladeshi government's factory safety inspection bodies. Backed by the Accord's member organizations (which include the Clean Clothes Campaign, International Labor Rights Forum, Maquila Solidarity Network and the Worker Rights Consortium), the report highlights a myriad of safety violations that are still putting factory workers at risk.

The Accord has had 1,688 Bangladeshi factories under its purview, and asserts that the government of Bangladesh has displayed a "shocking level of unreadiness" to take responsibility for factory workers' safety.

The release of these damning assertions precedes a hearing set to take place Sunday in Bangladesh's Appellate Court, which could determine the Accord's ultimate fate in the country. The Bangladesh government has been pushing for an end to the Accord in line with the program's 2018 expiration, which would require the group to close and vacate its Dhaka operations and hand over inspection and remediation authority to local agencies.

The program's five year tenure, which began in 2013, technically ended last year. It was replaced by the 2018 Transition Accord, which was designed to carry forward the organization's work through 2021. The Accord is reluctant to hand over the reins to Bangladeshi government agencies, which it feels are negligent at best, and, at worst, obstructive.

Transparency continues to be a pain point for the government bodies tasked with worker safety, with databases the Accord says fail to meet its expectations for clear and consistent information about garment factory remediation and follow-up inspections. The Bangladesh government asserts that required renovations have been well underway for some time, claiming that 29 percent have been completed.

But a more thorough look at the government's own databases reveals that most factories are still operating under unsafe conditions. Out of 400 factories for which information was made available, 346 have completed 20 percent of the mandated safety changes. Only two factories have completed more than that, and 52 factories under the government's purview have no available safety information at all.

Though the local government has the power to shut down highly hazardous factory operations that could pose an immediate threat to worker safety, it hasn't exercised that authority widely over the past five years, per the Accord's report. In the early days of the Accord, the organization identified 114 factories it deemed "critically unsafe." Today, half of those facilities remain open without assurances that the safety concerns have been addressed. All 745 factories in the government's inspection program have failed to eliminate high-risk safety hazards, like lockable exits that could potentially trap workers inside a blazing building.

That scenario almost played out in early March, when a fire broke out at the Anzir Apparels factory in Dhaka, where eight workers were injured. The business had neglected to make requisite safety improvements after inspections in 2014 revealed the absence of a fire alarm, firefighting equipment and safe emergency exits.

There is concern among the Accord's member bodies about whether workers feel comfortable reporting unsafe work conditions, since they are not guaranteed anonymity when they file complaints through the government's complaint system. The theory is underscored by the fact that only 18 such complaints have been filed through the system since 2013. When compared with the 1,152 complaints that the Accord received from factory workers during the same time period, the difference is stark.

Despite the Bangladesh government's overtures that the Accord's oversight is no longer needed, brands, retailers and labor groups agree that the country's national inspection and regulatory bodies are far from ready to take over the work.

Source: sourcingjournal.com- April 02, 2019

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Pakistan: Looking at agriculture reforms

Whether in cotton or wheat, or many other agricultural products, the yield per acre in Pakistan is lower than both China and India. Our lower agricultural productivity means that Pakistani farmers are unable to compete with their counterparts in other countries around the world.

As a result, the government keeps the price of Pakistani cotton, wheat and other items above international prices; otherwise our farmers would be facing financial ruin from international competition.

The problem of low farm productivity in Pakistan is difficult to cure. Yet, the first and foremost job of any agricultural reform programme should be to improve farm productivity.

Agriculture employs about half of our workforce and uses around 90 percent of our water. (Industrial consumption and domestic usage of water take up less than five percent each). Yet, despite employing so many resources, agriculture only contributes around a fifth of our national income. This suggests that improving farm productivity is possibly the most important long-term economic measure we can take.

Even though we consider ours to be an agriculture-based economy, this year Pakistan is likely to import edible oil worth about $3 billion. This is mostly palm oil, coconut oil and soybean oil. We are also now importing a large quantity of soybeans to extract soybean oil. We will also import chickpeas and lentils worth about $700 million and import cotton to feed our textile industry.

Our agricultural policy needs improvement and I am glad that the PTI government is trying to fix this. Hopefully, the result will be better than the way PTI has tried to fix our economic growth and inflation.

As stated above the first goal of our agriculture policy should be to boost farm productivity. The three main reasons for our low productivity are inferior seed quality, less-than-optimal use of fertilisers and pesticides, and distortionary farm incentives.

During the PML-N government we tried to, but were not always fully successful, address all three problems. We approved a Plant Breeders Act that gives protection to seed growers so that they can invest in bringing and selling higher quality seeds in Pakistan, including genetically modified seeds. But here a lot more work needs to be done both by provinces and the federation. We must improve our seed quality on an urgent basis, especially our cotton seed.

The PML-N government also gave cheaper gas to fertilisers companies to make cheaper urea available to the farmers. I am not sure though that all the gas price subsidies given to the fertiliser companies are actually passed on to the farmer.

So a better method can perhaps be evolved. Moreover, since the new government has come, the price of urea has been steadily climbing. So this area needs urgent attention. Finally, we tried to implement stricter control on counterfeit and fake pesticides that should be maintained.

But it is the area of price incentives that needs significant work. Thirty years ago, Pakistan and India both had the same production of cotton, about 12 million bales. As it turns out, our export of textiles were also about the same. This year however Pakistan is expecting to produce only 11 million bales of cotton and cotton textile exports of $13 billion.

India, on the other hand, should grow about 38 million bales of cotton and will exceed $40 billion in exports of cotton textiles. This shows one area where we really have got things wrong for over three decades.

One reason we haven't increased cotton production is that we have substituted sugarcane for cotton. Our government doesn't have a support price for cotton (which is the right approach) but our provinces do announce a support price for sugarcane.

Last year, for instance, the provinces announced a price of Rs180 per maund. But in reality the mills paid perhaps between Rs110 and Rs140 to the farmers. Interestingly, however we ended up giving subsidies for the export of sugar to mills based on a cane price of Rs180 per maund. This subsidy in many cases amounted to over 25 percent of the export price of sugar.

Given that we want more cotton to feed our textile industry, and less sugarcane, it makes no sense to give a support price for sugarcane and not for cotton. This is especially true when the two crops compete for harvest area and also given that sugarcane needs more water to grow than cotton. The best thing to do would be to stop giving support price for either crop.

However, the most significant policy reform we need is in the area of wheat farming. Pakistan has now fortunately achieved self sufficiency. In fact, last year against a consumption of 21.5 million tons we produced 25 million tons of wheat.

The reason was the high support price for wheat of Rs1250 per maund. But the tragedy is that the support price of wheat is so high that our wheat cannot be exported. In order to make it competitive we had to give $159 per ton rebate. And the price fetched by our wheat was only $110 per ton. So the rebate given was more than the foreign currency earned.

In 2008, the PPP government increased the support price for wheat by a huge amount. Since then every year provincial and federal governments keep increasing the price to, more or less, match inflation. As a result in a country where 40 percent children have stunted growth, our wheat is priced 30 percent above the international market price.

What's worse is that because wheat has taken a larger harvesting area, our output of smaller but more valuable crops has actually decreased. As a result, we import billions of dollars worth of edible oil, lentils and chickpeas because we don't grow enough oil seeds, lentils or chickpeas to meet our requirements.

We need more cotton, soybean, chickpeas and lentils and less sugarcane and wheat. This means we should pay farmers money to grow cotton, soybeans, lentils and chickpeas but not have support prices.

We should just give them money per acre of additional land devoted to these crops. This way farmers will switch away from cane and wheat, but not have support prices as they increase the price of crops and make life difficult for consumers.

However, there is one thing we should do that goes, at least in the short run, against the interest of consumers. Whenever there is a shortage of some vegetable or fruit, we import it from India duty-free. But India doesn't reciprocate. Yet by opening our border to Indian produce we take away the only chance our farmers get to make some serious money. We should instead let our farmers make money so that they can invest in better equipment, seeds, etc.

Finally we should encourage farmers to move towards drip irrigation by making water more expensive but giving subsidies to farmers to switch to drip agriculture. By saving just five percent of the water used in our farming we can conserve more water than the capacity of the Diamer-Basha Dam.

Source: thenews.com.pk- April 03, 2019

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NATIONAL NEWS

India-Mexico bilateral trade breaks record; touches $10 billion

For the first time ever, India-Mexico bilateral trade has crossed $10 billion in 2018 making Mexico the most important trading partner of India in Latin American region surpassing Brazil. In the last one decade, the total trade has increased 240% out of which 58% came in the last two years since 2016.

There has been an upward swing in the relations between the two countries after Prime Minister Narendra Modi's visit to Mexico in June 2016, when both countries decided to upgrade the bilateral relations to the level of "Strategic Partnership". In 2008, the total trade amounted to $2.98 billion.

India's ambassador to Mexico Muktesh Pardeshi, says that Indian companies prefer Mexico as a major investment destination with access to NAFTA and Latin America. These companies prefer to invest in three strong sectors in Mexico including information technology, pharmaceuticals and automotive sectors. Overall, India has a total investment of more than $3 billion in various sectors.

The trade has increased from $6.4 billion in 2016 to $10.16 billion in 2018, when a decade ago India was not even amongst the top 20 trading partners of Mexico but in 2018, India figures as 9th most important global trading partner. India entered the league of top 10 trading partners of Mexico in 2017.

The major item of export from India has been vehicles and auto-parts since 2012, in 2018, India sold only $1.7 billion worth of commodity.

India is the second biggest supplier of motorcars and other transport vehicles for Mexico after the US. However, according to Pardeshi, in 2018, the market indicated shrinkage of 19% resulting in a total export of $1.2 billion.

Volkswagen India exports "Vento" model. General Motor's Beat is sold as Spark in the Mexican market. Hyundai's i10 Grand and Xcent, Ford's Figo and Figo Aspire, and Maruti Suzuki's Ciaz are also being exported to Mexico from their India based operations.

Pharmaceutical is one sector where Indian companies are facing tough competition from the European companies. Exports in pharmaceutical products, which suffered shrinkage of market in 2017 compared in 2016 showed recovery in 2018. From $ 77 million in 2017, it shot up to $120 million in 2018 showing 56% increase compared to the previous year.

For 2018, the trade balance was $308 million in India's favour and Indian exports registered a 4.2% growth from $ 5.02 billion to $ 5.231 billion in 2018.

India's total imports registered 47% growth while only the non-oil imports registered 65% growth from Mexico, and growth in exports suffered primarily because of the suspension on dry chilies import by Mexico since May, 2017, a market of at least $50 million for India.

Source: financialexpress.com- Apr 02, 2019

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India, Ukraine discuss ways to boost bilateral trade, investments

During April-February 2018-19, India's exports stood at $305.73 million, while imports were at $1.92 billion

India and Ukraine on Tuesday discussed ways to enhance bilateral trade and investments with a view to increase economic cooperation.

The issue was discussed during the fourth meeting of India-Ukraine Working Group on Trade and Economic Cooperation.

"Both sides agreed that trade was far below the potential and there was a need to step up their cooperation to enlarge the trade basket and increase the bilateral trade and investment. There is trade deficit on the part of Indian side and both sides agreed to find out the modalities to reduce it further," the commerce ministry said in a statement.

During April-February 2018-19, India's exports stood at $305.73 million, while imports were at $1.92 billion.

In order to promote trade, both sides should share the mandatory inspections'/ regulations' requirement to be fulfilled at the time of exporting / importing of any product so that any delay related to such inspection could be reduced and it will also create a positive atmosphere for doing business, the statement said.

The two countries also decided to increase cooperation in areas such as leather, tobacco, gems and jewellery and tea.

Both the sides expressed interest in cooperation in exporting agricultural items such as apples, bananas, cake of soyabeans, cotton, coffee, cucumber and gherkins, flour of wheat, grapes, groundnuts, and maize.

The Ukrainian side proposed India to look into the possibility of exporting railroad and underground railway carriage products; participation of Ukrainian enterprises in the implementation of energy projects; and modernisation of existing and construction of new Indian metallurgical enterprises.

Further, the ministry said that bilateral investment relations between the countries have huge potential.

"More can be done to faster cooperation in sectors such as railways, aircraft, pharmaceuticals, metallurgy and tourism," it added.

Source: thehindubusinessline.com- Apr 02, 2019

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Manufacturing growth at 6-month low in March: PMI

Reflecting a loss of "growth momentum", manufacturing activities in the country slowed down to a six-month low in March amid softer increases in new orders, production and employment, according to a survey.

The Nikkei India Manufacturing Purchasing Managers' Index (PMI) declined to 52.6 in March from 54.3 in February, a report said on Tuesday. A reading above 50 indicates expansion while a print below that level points to contraction.

"Falling from 54.3 in February to a six-month low, the latest figure highlighted a loss of growth momentum," the report said, adding that although operating conditions in the Indian manufacturing industry continued to improve, there was a widespread slowdown in growth.

Slowest pace

As per the report, factory orders and production expanded at the slowest pace since last September while job creation eased to an eight-month low in March.

"Softer increases were registered for new orders, production, input buying and employment. The deceleration was accompanied by subdued inflationary pressures, with rates of increase in input costs and output charges below their respective long-run averages," it noted.

However, business sentiment strengthened to a seven-month high. Pollyanna De Lima, Principal Economist at IHS Markit and the author of the report on the PMI, said manufacturing sector expansion in India took a step back in March, with metrics for factory orders, production, exports, input buying and employment all moving lower.

Global headwinds

"Still, growth was sustained on all fronts. Although global headwinds and a general slowdown in trade present some concerns for the future health of Indian manufacturers' order books, so far companies have been able to weather the storm and secure healthy inflows of new work from abroad," De Lima noted.

The index is based on data compiled from monthly replies to questionnaires sent to purchasing executives in more than 400 industrial companies.

The latest data also comes ahead of the Reserve Bank of India's first monetary policy for the current financial year which is to be announced on April 4 and there are expectations of a rate cut.

Source: thehindubusinessline.com - Apr 02, 2019

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CCI buys 10.7 lakh bales of cotton

As cotton prices ruled firm for most of the 2018-19 marketing season starting October, the state-run Cotton Corporation of India (CCI) could purchase only 10.7 lakh bales under the MSP scheme. The bulk of the procurement — over 70 per cent — has been from Telangana followed by Maharashtra.

According to CCI, market arrivals of cotton till April 1 stood at 254 lakh bales of 170 kg each. The Cotton Association of India (CAI), the apex trade body, had pegged the crop size at 328 lakh bales for the year.

Statewise cotton procurement under MSP*

State	Quantity (bales of 170 kg each)
Gujarat	7,983
Maharashtra	1,95,751
Madhya Pradesh	50,923
Telangana	7,77,026
Andhra Pradesh	4,718
Karnataka	8,117
Odisha	25,342
Total	**10,69,860**

*As on April 1, 2019 Source: Cotton Corp

"Presently, raw cotton prices are ruling above MSP across the country and farmers are getting higher rates than MSP. Therefore, procurement under MSP has slowed down substantially," said P Alli Rani, Chairman-cum-MD, CCI.

However, the Corporation is keeping a close watch over the market scenario. Also, CCI has been buying cotton at market rates to ensure there is no shortfall of the fibre crop in the market for consumers.

Further, Rani said that as prices are ruling above MSP rates almost in all cotton growing states, it shows mills/traders are actively procuring cotton at competitive rates.

Cotton prices, which have gained in recent weeks, are expected to stay firm going ahead as the crop has been short by 10-12 per cent over last year, said Atul Ganatra, President, CAI. There has been a sharp decline in market arrivals in recent weeks. On April 2, market arrivals stood at 75,000 bales as against 1.35 lakh bales on the same day last year.

Based on the current trend in market arrivals and the latest stock position with various stakeholders, there could be a further downward revision in the crop estimates for the year, Ganatra hinted.

Source: thehindubusinessline.com- Apr 02, 2019

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Govt to discuss strategy to boost exports to China

Commerce & Industry Minister Suresh Prabhu is expected to chair the meeting scheduled on April 4.

To increase exports to China in order to make a substantial dent in the trade imbalance, the Commerce Ministry has scheduled a brainstorming meeting this week with other line ministries and export promotion organisations to identify sectors and strategies to step up performance.

"Exports to China have increased but not to the extent India was hoping for. Commodities such as sugar and soyabean, which hold a lot of promise, haven't delivered yet.

However, there are farm items such as grapes and pomegranate where there is a big scope to increase exports. The meeting will focus on bringing together stakeholders so that the right strategy can be adopted," a government official told BusinessLine.

Commerce & Industry Minister Suresh Prabhu is expected to chair the meeting scheduled on April 4.

While India's exports to China increased 36.87 per cent to $11.10 billion in the April-November 2018-19 period, performance decelerated in the next three months and export growth in April-February 2018-19 slowed 28.6 per cent to $15 billion.

India's trade-deficit with China in 2017-18 was a whopping $63 billion, which prompted Chinese President Xi Jinping to promise to his Indian counterpart Narendra Modi at the Wuhan Summit last April, that his country would take steps to increase Indian imports of items such as rice, sugar, fruits, soyabean and pharmaceuticals.

Disappointment for India

What has come as a big disappointment for India is the fact that it has not been able to export commodities where it thought it had a clear advantage.

For instance, although there was substantial scope for India to export soyabean due to China's stand-off with the US, a primary supplier of soyabean, it did not materialise into business for Indians as imports were made from other countries such as Argentina.

Similarly, while China had promised to buy sugar from India, it instead decided to release quota for Pakistan in March.

"In the meeting, participants will analyse what more can be done from the Indian side to increase exports to China.

Inputs will also be sought from the Indian Embassy in China on how to deal with Chinese officials on the matter," the official said.

On the positive side, export shipments of grapes from India has already been sent to China and exports of pomegranates, too, is expected to begin soon. Commerce Ministry is also positive that with a little diplomatic effort, India can resume selling tobacco to Beijing.

Source: thehindubusinessline.com- Apr 02, 2019

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FY19 exports may be highest ever at $330 billion

India's total outward shipments were $303.5 billion in 2017-18.

Healthy growth in exports comes at a time when WTO has cut global trade forecast to 2.6% in 2019 from 3% in 2018.

Amid slowing global merchandise trade growth, India's exports are likely to register an all-time high of $330 billion this fiscal. "The growth is propelled by higher exports of pharmaceuticals, petroleum and engineering," said an official aware of the details.

India's total outward shipments were $303.5 billion in 2017-18. The all-time high is $314.4 billion posted in 2013-14.

March exports are expected to be above $30 billion, buoyed by strong performances by engineering and pharmaceuticals sectors. Services exports are likely to cross $200 billion in FY19, taking overall exports to over $500 billion.

Commerce and industry minister Suresh Prabhu is confident of India's exports touching new heights this year. "This happened because we had our sectoral strategy, an institutional mechanism... a product-geography matrix," he told ET in an interview.

As per official data, India's overall exports (merchandise and services) in April-February 2018-19 were estimated to be $483.98 billion, exhibiting a growth of 8.73% over the year-ago period.

Exports have been hit by the muted growth of traditional exports such as gems and jewellery, farm and engineering as well as liquidity crunch stemming from the goods and services tax, and global factors.

The healthy growth in exports comes at a time when the World Trade Organization has cut global trade forecast to 2.6% in 2019 from 3% in 2018.

"World trade will continue to face strong headwinds in 2019 and 2020 after growing more slowly than expected in 2018 due to rising trade tensions and increased economic uncertainty," WTO said.

The multilateral trade watchdog attributed slow trade growth in 2018 to new tariffs and retaliatory measures affecting widely-traded goods, weaker global growth, volatility in financial markets and tighter monetary conditions in developed countries, among others.

Source: economictimes.com- Apr 03, 2019

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Conclave dwells on eco-friendly tech for textiles

The fashion design department of the PCTE Group of Institutes organised a conclave with an aim to create a network where professionals from the industry shared their knowledge and discussed on the topic of 'Clothing Technologies that keep Environment Clean'.

The motive was to create a platform for learning from accomplished people of the industry. D Shankar Raman, senior vice-president, Auro Textiles, Nailesh G Joshi, strategic business head, VNGL, and Parul Verma, J'adore - The styling Studio, came for the conclave.

D Shankar Raman discussed how the environment is being affected and polluted by the use of various chemicals.

He added that the industry should use such techniques which would lead to less use of chemicals, water and power and discussed how Vardhaman Textile was using such techniques.

Shankar also discussed some latest eco-friendly technologies, which would be coming to India. Nailesh G Joshi expressed that companies should use organic cotton and explained about its importance.

He also spoke on the process of how farmers get the approval for cultivation of organic cotton.

Nilesh informed the students on how one could get fiber from the recycled material and its importance to the environment.

Source: tribuneindia.com - Apr 03, 2019

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India's Vagmi Cotton to invest $7m in building cotton processing factory in Zambia's Mwembeshi

The Vagmi Cotton's Limited is all set to pump out a gigantic amount of USD 7 million to manufacture a factory in Zambia in 2019. The Indian company targets to generate 8,000 metric tonnes of cotton lint in the current year.

The Vagmi Cotton's Limited has already acquired land of around 26-acre in Zambia's Mwembeshi in Chibombo district. The company has a plan to evolve from cotton ginning to a complete textile in the next year. With this expansion plan of the Indian company, the textile industry in Zambia is likely to step up to its next level.

According to Amit Dwivedi, CEO of Vagmi Cotton, the company is currently in talks with Indo-Zambia Bank to ensure possibilities of a joint venture or leasing the defunct Kafue Textiles Company. He further said that his company identified Boniface Daka from Lusaka's Chawama area who has been fully sponsored. Now that company is undertaking a year-long training programme in India focusing on factory engineering and operations management, as reported by Lusaka Times.

Vagmi Cotton is said to be engaging with 23,000 cotton farmers from various destinations like Katete, Chipata, Mumbwa, Lundazi to name a few in the next two years. The company further plans to run an outgrower scheme where it will supply farmers with seed, chemicals, wool packs. Alternatively, it will be the company's onus to collect cotton from farming areas as it will procure 15 trucks initially.

Source: cottonyarnmarket.net- Apr 03, 2019

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