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# INTERNATIONAL NEWS

## With the Brexit trade deal looming, brands look for opportunity

Late last year, before Brexit was a sure thing, Business of Home visited the showroom of a British company here in New York, and talk turned to the referendum. When asked how the the company was preparing to deal with the implications of England's possible departure from the European Union, the founder thought for a moment before replying: "We're trying to breathe a lot, and meditate."

It was an understandable reaction. It's been a chaotic time across the pond. Ever since the June 2016 vote to leave, Britons—especially those who do business overseas—have been stuck in a perpetual state of confusion over whether Brexit would actually happen, and if it did, what that would actually mean. Last year, Boris Johnson's sudden ascendance answered at least one of those questions: Brexit is a go. What it means for the design trade is a little less uncertain.

By November, the U.K. has to agree on a new trade deal with the EU. Until then, British businesses—especially those that rely on trade with Europe—will be in something of a holding pattern. There are reasons to be optimistic. Over the last few years, the pound hasn't yet plummeted below the dollar and the euro, a positive sign.

However, some estimate that the eventual impact will result in a 3 percent decline in sales while costs for production will increase. For to-the-trade fabric companies, this could be a serious blow. Or—for the right brands—an opportunity.

Some of those brands might be American. The U.K. will need to renegotiate all of its international trade deals, not just those with the EU—and in the process, decide which of its industries to protect with tariffs.

Some experts have suggested that the country's own textile operations, for example, will not be deemed robust enough to warrant protection with tariffs. Such a move could pave the way for U.S. brands looking to gain an advantage with British designers. For now, it's too soon to tell.

"With the unknown, it's hard to know what your business will need," says Bernie de Le Cuona, founder and CEO of de Le Cuona. "The only way to fortify yourself is to have a company based in Europe." De Le Cuona believes her brand will have to move some of its operations to an EU member state and export its fabric from there—if the trade deal isn't favorable to her business. "It really depends on what the tariff percentage is," she says.

There's also uncertainty about what the U.K.'s relationship with the EU will look like over the coming years, or how the EU might be affected, including migrant labor and product regulation. In any event, de Le Cuona believes that the government will probably be likelier to help larger businesses, not smaller ones, which could make it all the more difficult for smaller, to-the-trade fabric companies.

In addition to businesses relocating to the EU, one of the trends de Le Cuona expects to see is more direct-to-consumer businesses. Claud Cecil Gurney, founder of the 30-year-old design house de Gournay, shares this sentiment.

Online retail, he explains, has changed the paradigm, and the potential for luxury decoration houses to sell from their websites is huge. "If someone is in England and they do good marketing, I'm sure they can go on doing that," says Gurney. "I don't see why decorators and designers can't sell all over the world."

Gurney also maintains that design houses in the U.K. can find ways around the tariffs, advocating for them to sell from within Europe if they're worried about losing customers. "Textiles don't have to go through England if they don't want to," says Gurney.

"Textiles aren't made in England. The concept that they have to go through England is silly." For de Gournay, Gurney doesn't expect to see much change, and feels confident that with showrooms in seven cities around the world, any market downturn in Europe or the U.K. might be buoyed elsewhere.

Luke Irwin of the eponymous rug design company is quick to point out that looking elsewhere for customers is a funny idea if the U.K.'s politics is trending toward isolationism—or, in his words, xenophobia. "London is a very international city, probably the most cosmopolitan in the world, and this would be the basis of all luxury businesses in the city," he says.

International consumers of luxury goods have been leaving the city in droves, and that has impacted sales. “It leads to a greater impetus on generating overseas sales, which leads to the ultimate irony—Brexit was caused by politicians who have zero commercial experience, and who fanned the flames of anti-globalization. The upshot will be greater globalization as U.K. business seeks to find customers internationally.”

So, what can U.K. textile companies do? De Le Cuona thinks the advantage of small businesses is that they can be more flexible and nimble—traits that are often a challenge for larger companies. Adapting to the new circumstances might include catering to new markets, which she is keen to do: “We’re launching our new website that will allow direct-to-consumer sales from our flagship store,” she says. The company is also pursuing a wellness-minded client with the upcoming launch of a line of chemical-free fabrics.

De Le Cuona, Gurney and Irwin all advocated for those in their industry to open up, develop a robust online shopping platform and sell worldwide. “The world is a smaller place than it was in 1910—by my estimation, the perfect year for Brexiters—and hiding behind the White Cliffs of Dover does not rewind the clock by a century, nor does it offer any protection,” says Irwin.

Gurney advocates opening showrooms and expanding in the markets where to-the-trade companies have the most sales. “If they feel they lose some market [share] in Europe [because of Brexit], they need to bring [their product] straight to Europe,” he says.

For now, though, in absence of concrete trade deals, most can only go about business as usual. “Even if it’s not good news, that’s OK,” says de Le Cuona. “Whatever happens, we’ll make a plan. We’ll make lemonade out of lemons.”

Source: businessofhome.com -Mar 04, 2020

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## Global air cargo demand slips 3.3 per cent in January

Global air cargo demand has seen a dip of 3.3 per cent in January 2020, compared to the same period in 2019 according to International Air Transport Association (IATA) data. IATA's chief has cautioned, "Tough times are ahead," as the Coronavirus outbreak has "severely disrupted global supply chains."

According to Alexandre de Juniac, IATA's Director General and CEO, January is the tenth consecutive month of y-o-y declines in cargo volumes, though coronavirus hasn't impacted January's performance, it is likely to impact the air cargo in the near future.

China's has strong trade relations with several countries for both import and export. China has locked down several cities because of the coronavirus outbreak.

According to Juniac, "The air cargo industry started the year on a weak footing. There was optimism that an easing of US-China trade tensions would give the sector a boost in 2020. But that has been overtaken by the COVID-19 outbreak, which has severely disrupted global supply chains.

Although, according to him,  it did not have a major impact on January's cargo performance. IATA said Lunar New Year in 2020 was earlier than in 2019. This skewed 2020 numbers towards weakness as many Chinese manufacturers would be closed for the holiday period.

February performance will give a better picture of how COVID-19 is impacting global air cargo. "Tough times are ahead," said the IATA Director General, "The course of future events is unclear, but this is a sector that has proven its resilience time and again," he added.

Cargo capacity, measured in available cargo tonne kilometers (ACTKs), rose by 0.9 per cent year-on-year in January 2020. "Capacity growth has now outstripped demand growth for 21 consecutive months," said IATA in a press statement on Wednesday.

According to IATA, The Asia-Pacific airlines saw demand for air cargo contract by 5.9 per cent in January 2020, compared to the year-earlier period.

“This was the sharpest drop in freight demand of any region for the month. Capacity growth was flat. Seasonally-adjusted cargo demand rose slightly however, following the thawing of US-China trade relations. The impact from COVID-19 is expected to affect February’s performance,” said IATA’s report.

Source: thehindubusinessline.com - Mar 04, 2020

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## Sales of German retail sector up 1.8 pct in January

Sales in Germany's retail sector increased in real terms by 1.8 percent in January 2020 compared with the same month last year, the Federal Statistical Office (Destatis) announced on Wednesday.

Sales for retailers of food, beverages and tobacco were only 1 percent higher while the non-food retail sector increased sales by 2.2 percent, according to the provisional figures from Destatis.

In line with the trend from last two years, the largest increase in sales was achieved by online retailers and mail order businesses which recorded a plus of 6.3 percent in January.

At the same time, sales of textiles, clothing, shoes and leather goods dropped by 1.4 percent, making it the only retail category in Germany that recorded decreasing sales in January.

The consumption barometer published by the German Retail Federation (HDE) on Monday showed that German consumers were "positive" about the coming three months. As a result, the propensity of German consumers to buy reached its highest level in eleven months.

In particular, German consumers' expectations of the overall economy and for their own income development have improved, HDE noted.

Source: xinhuanet.com - Mar 04, 2020

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# Fed Rate Cut Signals Seriousness of Outbreak's Economic Threat

Federal Reserve chairman Jerome Powell cut the Fed Funds rate by 50 basis points Tuesday, signaling weakness in the U.S. and leaving the door open for future cuts that could prop up economic growth.

The Fed's last emergency interest rate cut came during during the 2008 financial crisis, and Tuesday's decision appears to indicate the seriousness of the blossoming coronavirus outbreak's potential impact on the American economy. While the move could be seen as a way to shore up the stock market, which has survived volatile swings in recent weeks, it also leaves little room for further Fed maneuvering should the stock market crash.

Following the cut, the U.S. benchmark rate is now in the range of 1 percent to 1.25 percent.

## Fed rationale

"What changed was we have seen a broader spread of the virus, we have seen it spread a bit in the United States," Powell said at a press conference following the rate cut, even as he noted that the "fundamentals of the U.S. economy remains strong." While the effects are at an early stage, the spread of the virus is expected to "continue to grow," he added.

UBS economist Seth Carpenter believes more cuts are on the way. "We think that more easing is in the offing; before this cut, we had already expected three cuts this year. Today's statement of a willingness to act combined with our expectations for a slowing in the U.S. reinforce that view and clearly opens the possibility for more," Carpenter said, noting that if the economy deteriorates more than the Fed anticipates, there's an increasing probability that cuts could bring rates closer to zero.

Even a 50-basis-point cut isn't enough to satisfy President Trump, who took to Twitter on Tuesday to complain: "The Federal Reserve is cutting but must further ease... More easing and cutting!"

According to Jared Seiberg, macro commentator at Cowen Washington Research Group, "this looks like the President needs someone to blame if the coronavirus sends the economy into a recession just before the election."

Critics charge that a rate cut might do little to get consumers out and spending if they feel, and if government mandates, they need to remain home and adopt so-called social distancing practices that limit potential virus exposure. That, in turn, would hurt small business owners. Seiberg believes "regulators will instruct banks to work with borrowers if the coronavirus does cause factories and businesses to close in the short term.... The idea is to not force customers into foreclosure or default solely because the coronavirus disrupted their expected cash flows."

WalletHub CEO Odysseas Papadimitriou believes the emergency rate cut should serve as a wake-up call for businesses to begin readying coronavirus contingency plans, if they haven't yet already. "Companies have two major objectives in doing so: minimizing interruptions to business processes and safeguarding human capital. They go hand-in-hand, too. In particular, making adjustments to operate remotely is especially important right now," he said.

Goldman Sachs has projected that U.S. economic growth could very well stall in the second quarter, which starts in April. Last week, Congress began the process of preparing for a $7.5 billion emergency funding package to help fight a possible U.S. coronavirus epidemic.

**City and state**

At Trump's press conference last week, Vice President Mike Pence, who the president as the point person to coordinate among the different federal agencies working on the coronavirus crisis, said,"There is no higher priority than the safety, health and well-being of the American people." A White House task force had been reaching out to governors and officials at state and local levels on "how to respond to the potential threat of the coronavirus," he added.

"Yesterday, the nation's governors joined Vice President Pence for a teleconference to discuss the coordinated federal-state response to the 2019 novel coronavirus," New York governor Andrew Cuomo and his Maryland counterpart Larry Hogan said in a joint statement.

"We appreciate the vice president's commitment to ensuring that states have the resources we need to protect the health and safety of our citizens," they continued, "and we urge the Administration and Congress to reject partisanship and work together as they negotiate emergency supplemental appropriations for the national coronavirus response."

The nation's governors "will stay in close contact and hold weekly calls as we work together to tackle this public health threat," the pair said.

**Global economic policy**

If the Fed lowers rates to near zero, it will have few, if any, weapons in its arsenal if the economic growth further deteriorates. The U.S. is not alone in facing this predicament.

Other countries and central banks are facing a similar concern over economic damage stemming from the virus, now known as COVID-19. The Reserve Bank of Australia also cut its cash rate Tuesday morning by 25 basis points to 0.5 percent. The European Central Bank signaled a willingness to cut rates as well. The actions followed a Tuesday meeting of the G7 group, where finance ministers pledged action, including Canada, France, Germany, Italy, Japan, the U.K. and the U.S.

How much worse could the economic outlook could become remains unclear. "The situation surrounding COVID-19 is continuing to evolve rapidly, with difficult-to-ascertain economic impacts, so the outlook for interest rates is also more uncertain," Ken Matheny, IHS Markit senior economist, said.

While Matheny was commenting on U.S. rate policy, the same concerns apply globally. Even before the coronavirus outbreak, the central banks in many countries already had negative interest rates–a sign of economic weakness– as of the tail end of 2019. They include Japan, -0.10 percent; Sweden, -0.30 percent; the European Central Bank, -0.40 percent; Denmark, -0.70 percent and Switzerland, -.80 percent.

As of March 3, the World Health Organization's situation report shows the coronavirus outbreak—which originated in Wuhan, China, in late December—includes 90,870 confirmed cases worldwide, and the death toll has risen to at least 3,112.

Source: sourcingjournal.com - Mar 04, 2020

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## Global cotton stocks to drop 1% in 2019-20 season: ICAC

For the fifth season in a row, global cotton stocks are expected to decline in 2019-20, decreasing by 1 per cent to 18 million tonnes. The global reduction is completely due to the 5.5 per cent drop in China's warehouse stocks to 8.4 million tonnes. The rest of the world cotton stock is expected to show an increase of 3 per cent to 9.6 million tonnes.

With global consumption projected to remain steady, the decrease in stocks comes despite an expected 1 per cent increase in global production. India's crop is expected to jump 12 per cent to 6 million tonnes, with the USA - the world's largest exporter - posting a 9 per cent gain to 4.4 million tonnes, the International Cotton Advisory Committee (ICAC) said in its latest estimate for cotton stocks in 2019-20 season.

"The market has already been facing significant uncertainty due to the ongoing trade tensions between the US and China, so the outbreak of COVID-19 only clouds the outlook further. Combined with the global economic slowdown, these developments have prompted the Secretariat to revise its current price projection to 79 cents per pound," ICAC said in its Cotton This Month report.

Source: fibre2fashion.com - Mar 04, 2020

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## Vietnam: Textile factories shift production from clothes to masks

Half the workforce at a textile company in the southern province of Long An Province has been given a new task since last month.

Do Dong Tuan, CEO of GarmentTech Pro, said that although the company is not a registered health equipment maker, its machines are suitable for producing masks that are in short supply nationwide because of the novel coronavirus epidemic.

The company uses about four tons of fabric a day for making masks. Eight square meter fabric pieces are cleaned, dried, flattened and then cut into small pieces.

Nguyen Thi Minh Huong, 35, is among the workers reassigned to making masks.

"It took me a few days to learn. It's not so complicated. I have been working more shifts to meet the rising demand for masks."

Each mask is sold for VND8,000 (35 cents) and large orders have been placed by hospitals, pharmacies and supermarkets.

"Our masks are sold out. We'll keep production running even after the outbreak is contained," Tuan said.
Another textile company, TNG in the northern province of Thai Nguyen, has also shifted production from garments to masks, with a target of two million units.

The masks have an activated carbon layer to filter dust and have been approved by the Ministry of Health.

Its 400 workers are working overtime to meet demand. Each mask is sold for VND19,000 (82 cents).

Source: e.vnexpress.net- Mar 03, 2020

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## H&M opens up global supply chain to rivals in green push

Hennes & Mauritz is opening up its global supply chain to other clothing brands as the world's second-largest fashion retailer tries to push more sustainable ways of making garments.

The Swedish group is launching a service to allow smaller brands to use it and its suppliers in everything from product development and sourcing to production and logistics.

"We are not concerned or afraid of opening up the supply chain. Individual brands can only make it so far. To take it further in the industry we need to open it up to collaboration," said Gustaf Asp, head of the new venture known as Treadler.

The plans, which are beginning with a pilot scheme involving several unnamed brands, are one of the first initiatives of new H&M chief executive Helena Helmersson, a longtime sustainability executive at the retailer.

Ms Helmersson said that “it’s no secret that we are part of an industry that’s been commercially successful but not sustainable enough.

“To future proof our industry, we have focused on transforming and improving our supply chain. We’ve realised that the output of our efforts can be valuable for others too,” she added.

H&M is known for its cheap clothes and fast fashion, leading to accusations that it fuels overconsumption as well as criticism of its approach to workers’ rights. But the Swedish retailer has long worked on its sustainability strategy and is aiming to become carbon-neutral by 2030, using more renewable energy and more recycled materials in its production.

H&M, like most players in the fashion industry, does not own any of its own factories but works with suppliers around the world. Mr Asp said the group could help other brands design a supplier network to help them avoid the effects of a trade war or try to minimise the impact from coronavirus.

He declined to comment on how big the business could be for H&M, saying that it would start small but he added that the market was “sizeable”.

Companies across industries have opened up their research processes to others including academics and even competitors in what has become known as open innovation. But few have offered their production network to rival brands.

Mr Asp said the initiative would be open to any maker of garments or textiles and that H&M was starting a pilot with several midsized and large brands in what he described as “quite a disorganised sector”.

Asked whether H&M was merely increasing emissions by producing more clothes, he responded: “Demand for affordable fashion will increase. We believe it’s better that it grows in a sustainable supply chain than a less sustainable one. But it doesn’t solve the problem of overconsumption.”

Source: ft.com - Mar 04, 2020

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# Coronavirus Creating Uncertainty Among Texas Cotton Growers

Uncertainty surrounding the spread of coronavirus has Texas cotton producers in limbo regarding their crop options for 2020, according to a Texas A&M AgriLife Extension Service expert.

Dr. John Robinson, AgriLife Extension cotton marketing specialist in College Station, said cotton prices have been dropping due to the disease's effects on global production, manufacturing and consumption.

The ripple effect of coronavirus on the global supply chain and U.S. imports and exports is spreading, he said.

"The human toll is evident, but there's also a lot of disruption to commerce, including to cotton," Robinson said. "You've got hundreds of millions of people in Asia who are staying at home. That affects everything from ships not being unloaded to textile manufacturing and consumption."

## Uncertainty spreads with outbreak

The National Cotton Council's prospective planting surveys suggested growers would plant 13 million acres of cotton in 2020, but prices have plunged since.

Prices fell 3-4 cents per pound in a week as the U.S. stock market dropped 1,000 points per day for three consecutive days, he said. On February 27, cotton futures were down to 64 cents per pound.

Robinson said the average producer needs cotton futures prices to be around the mid-70 cent mark for any possibility of profit.

The recent U.S. Department of Agriculture cotton outlook adjusted U.S. planting expectations to 12.5 million acres. But Robinson said the extent of the coronavirus outbreak could mean further price dips and more producers looking for other planting options.

Robinson said 5.4 million bales of cotton may carry over from the 2019 growing season, which is similar to the previous marketing year. However, typical price rallies on cotton futures, which occur March through May during planting season, seem to be in jeopardy.

“I’ve never seen it like this,” he said. “How the information is changing week to week on the prices and acreage outlooks shows the uncertainty regarding how far and wide coronavirus could spread.”

**Producers in limbo**

Robinson said conversations with cotton growers suggests they’re not ready to commit to a crop due to the uncertainty. But options are limited for many growers in parts of the state.

Cotton acres have increased north of Amarillo over the last several years, he said. Those acres switched from corn because of irrigation limits and better cotton prices.

“Cotton is more tolerant to drier conditions, and prices helped that trend,” he said. “But now you have a lot of farmers who have invested in cotton equipment, and there’s been investment in gins. So, this has some growers in a difficult spot.”

Many dryland growers will have even fewer options because wheat and sorghum prices aren’t any better, he said.

“It may come down to which decision will lose less money,” he said. “We’re hoping the coronavirus will be a short-term problem and that there will be some positive news as we move through the planting season, but right now the unknown has everything in limbo.”

Source: cottongrower.com - Mar 04, 2020

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# The coronavirus outbreak weighs heavily on Cambodian supply chains

The onset of the coronavirus COVID-19 outbreak catalysed major slowdowns in regional trade and halted export-import activities in several impacted countries. China, one of the biggest global suppliers of raw materials, experienced a decline in commodity prices and the volume of raw materials exports as the coronavirus rapidly spread across the country.

## China's manufacturing sector is experiencing productivity decline

According to China's National Bureau of Statistics (NBS), the country's Purchasing Managers' Index (PMI)—an indicator of growth in the manufacturing and service sectors—dropped from 50.2 in December to 50.0 in January. Any index below the neutral-point mark of 50 would signal a decline in sector growth. In February, China's PMI fell to 40.3—the lowest point in the last 12 years.

The Chinese government is quarantining nearly 50% of its population, severely impacting industrial activity. Many Chinese factories have ceased operations since the outbreak and a large segment of manufacturing sector employees have yet to resume work. The Chinese government has extended the Chinese Lunar New Year holiday and permitted all manufacturing companies to remain closed.

For Southeast Asian businesses that depend on Chinese imports in their production, the virus has caused major disruption to supply chains. In the Cambodian textile industry, demand is outstripping supply as China's distributors remain shuttered. 60% of Cambodia's garment industry sources supplies from China. A lack of local garment suppliers means Cambodian factories depend on these imports.

Approximately 200 garment factories in Cambodia risk losing business or closures as a result of China's diminishing textile imports. If the shortage persists, many Cambodian factories may run out of garment materials by the end of this month, and their workers could be put on leave with no guaranteed compensation.

Cambodia's forecasted export volumes already took a hit over the suspension of its preferential trade access to the European Union (EU). They could slide further if the disruption to supply chains persist. Even if the shortage lifts and Chinese factories resume taking orders, it takes approximately 40 days for a Cambodian garment factory to receive its order of fabric from China. For those that don't have ample fabric stocks, the wait may lead to substantial business losses.

**Cambodia's garment industry has been the linchpin of national economic growth**

Cambodia's garment industry has been the agent of exponential economic growth for the country. The sector hires about 86% of all factory employees—around 800,000 people—and generates nearly 50% of Cambodia's gross domestic product (GDP), exporting jackets, jerseys and other clothing to European markets and the US.

China has been the backbone of that industry. Cambodia imported around US$2.5 billion of textiles and clothing in 2016 from China and $484 million of other raw materials.

Coronavirus COVID-19 is causing layoffs and overtime cuts for factory workers

As stocks materials dwindle, factories are reducing manufacturing operations and cutting overtime hours. Approximately 3,000 employees have had their daily shifts slashed by five hours. 1,000 temporary contractors have had their contracts terminated in the past weeks.

Things could get worse before they get better. An estimated 90,000 employees in 200 of Cambodia's garment factories will be suspended this month as supplies deplete. 7,000 more workers could be laid off by the end of this month.

**The Cambodian government is offering financial assistance to struggling workers**

Last month, the Ministry of Labour and Vocational Training offered to compensate garment workers who are suspended from work due to the halt in Chinese imports of raw materials. Employees will receive US$100 every month from the government, and an additional, undetermined amount from employers.

But for Cambodia's beleaguered garment workers, things could get worse before they get better. As the impacts of coronavirus ripple across global markets and national governments battle to contain the economic fallout, the front line, is the factory line, and workers are in the crossfire.

Source: aseantoday.com - Mar 03, 2020

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## Pakistan: Restricted trading on cotton market

Trading on the cotton market remained slow and restricted on Tuesday as buyers and sellers kept to the sidelines. Karachi Cotton Association kept its spot rate unchanged at Rs9,000.

Cotton analyst Naseem Usman said international fabric and yarn orders which were canceled with China are now being distributed among other countries — mainly India, Pakistan and Bangladesh.

It is being expected that some ginning factories in Sindh will be functional in June keeping in view early sowing of cotton in lower part of the province, he added. Following the Pakistan Cotton Ginners Association report, ginners are in a better position and know that millers have no other option but to purchase lint stocks on higher prices, said Cotton expert Syed Mudabbir Shah.

Due to closure of Chaman and Torkham borders, arrival of imported cotton from Central Asian states and Afghanistan has stopped which will lead to more buying locally, the expert said.

"Spinning mills established in Khyber Pakhtunkhwa are worried because 90 per cent of their requirements are met by the cotton imported via Afghanistan," Shah added.

The following deals were reported to have changed hands on ready counter: 400 bales, station Sadiqabad, at Rs9,125; 200 bales, Khanpur, at Rs9,000; 400 bales, Taunsa Sharif, at Rs8,600; 400 bales, Fort Abbas, at Rs8,800; and 200 bales, Yazman, at Rs8,500.

Source: dawn.com- Mar 03, 2020

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# NATIONAL NEWS

## Coronavirus to prolong tough times for domestic cotton spinners, outlook remains 'negative': Icra

After a brief relief in January, pressure on export demand is resulting in a decline in cotton yarn realisations, stated an Icra analysis, adding that the contribution margins are likely to shrink again.

The coronavirus outbreak in China has not even spared India's cotton yarn exports, exerting pressure on yarn realisations, which have corrected by two-three% since the beginning of February. This was after a brief recovery in exports in January when the figures touched an estimated 100 million kg, in line with India's historical monthly average, following a weak performance for nine consecutive months earlier, Icra noted.

The domestic cotton spinning industry is highly dependent on exports, particularly to China, with 30% of the yarn produced in India being exported, and China accounting for nearly one-third of the exports in recent years. The outbreak of the coronavirus in China and the consequent shutdowns in parts of the country have resulted in lockout of production units, resulting in lower demand for the yarn.

The resultant correction in realisations, even as cotton prices have remained relatively stable on the back of scaled-up market interventions by the Cotton Corporation of India Limited (CCI), are expected to contract spinners' contribution margins again, vis-a-vis the previous three months. Movement in domestic prices contrasts with the international trend wherein uncertainties on demand have resulted in a sharper correction to cotton fibre prices in recent weeks.

As for the performance of the cotton spinning industry, it has already been severely constrained in the current fiscal year amid multiple headwinds, including a demand slowdown in the domestic as well as export markets and unfavourable raw material prices.

While the industry was pinning hopes on a gradual recovery in yarn exports from Q4 FY2020 onwards, aided by the softening of domestic cotton prices, the recent developments could prolong tough times for the domestic spinners.

Jayanta Roy, senior vice-president and group head, Corporate Sector Ratings, Icra, said, “Even though domestic cotton fibre prices continue to be competitive vis-a-vis international cotton prices at present, with a price spread of 4% (reduced from 9% in February 20), a further correction in international prices amid demand-side uncertainties could leave domestic spinners uncompetitive in the international markets, similar to the situation which was witnessed in H1 FY2020.”

With no meaningful recovery in sight and continued uncertainty on the extent and duration of the impact of the coronavirus outbreak, Icra is maintaining the ‘negative’ outlook on the cotton spinning sector assigned in August 2019. There has been a visible weakening in credit profile of spinners in the current fiscal year, corroborated by a credit ratio (upgrade to downgrade) of 0.6 times in YTD FY2020,” Roy added.

The impact on contribution margins over the next few months could be lower for companies that have built up adequate cotton reserves at low prices in the recent months, have a wider geographical presence in markets other than China, and a focus on non-commodity and value-added products.

According to the Icra estimates, operating profitability for the domestic spinning sector in FY2020 is expected at multi-year lows, closer to the level last witnessed in FY2012, when most players suffered sizeable losses on inventory due to a steep unexpected correction in cotton prices.

In contrast to the spinning segment, other segments of the domestic textile value chain are not highly dependent on China and other affected regions, for export demand.

Nevertheless, some impact on production could be seen in segments such as fabric and apparels that are dependent on these affected regions for getting raw material supplies such as man-made fibres/ yarns, colours and dyes, chemicals and trims/ accessories such as zippers, buttons and needles.

Besides potentially affecting production for companies that do not maintain sizeable inventories, this could exert cost-side pressures for companies having limited flexibility to pass-on increases, amid a subdued demand scenario.

The downstream segments, particularly apparels, could, in fact, benefit from the increased demand in the export market over medium- to long-term, as large customers look at geographically diversifying their supply base. No immediate benefit is expected because of the time required to scale up capacities and get approvals. Liquidity crunch is another challenge that the sector is currently experiencing amid delays in clearance of export incentives, the Icra analysis further said.

Source: financialexpress.com- Mar 04, 2020

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## Economic slowdown, low investments affect India's textile machinery exports

Impacted by an economic slowdown and poor capital investments, Indian textile machinery exports declined 11.50 per cent to $743.32 million in 2019.

Of all machines, spinning, twisting and yarn preparation machines were the largest exported products, though their exports declined by 29.86 per cent to $214.9 million in 2019 over the previous year. Bangladesh remained the top export market for most of India's textile machinery goods.
Commodity-wise textile machinery exports from India

Exports of spinning, twisting and yarn preparation machines declined 29.86 per cent in 2019. Bangladesh was the top market for Indian machines, with total exports declining by .35.31 per cent over previous year.

Under this segment, cotton spinning ring frame was the most exported item. However, the exports for this commodity declined by 31.96 per cent to US$ 118.67 million over the previous year. The second top exported item were cotton processing machinery whose exports grew 90.22 per cent to $90.22 million.

Exports of cotton spinning roving frames registered a negative growth of 39.95 per cent while those of cotton combing machines too declined by 33.36 per cent.

Export of blowroom machines declined by 47.47 per cent. Under this segment, parts and accessories used for extruding, drawing and texturing of auxiliary machinery was the topmost commodity worth $48.58 million in 2019. Netherland continued to be top market, with a value of $18.68 million.

## Knitting machinery grows, processing machines decline

In 2019, export of knitting machines grew 31.87 per cent to $2.87 million while sewing machines grew 0.94 perEconomic slowdown low investments affect Indias textile machinery exports cent to $58.68 million. Germany was the top market with exports growing 9.93 per cent during the year.

Export of processing machines registered a negative growth of 27.38 per cent, while that of printing machinery grew 19.66 per cent. Bangladesh was the top market for this commodity with exports growing 19.95 per cent. A part of printing machinery used for ancillary printing was the topmost commodity exported from India in 2019. Its exports totaled to $19.25 million during the year with a minor decline of 0.54 per cent over previous year. Export of weaving machines (looms) exports declined 7.14 per cent to $34.75 million with Vietnam being the topmost market.

## Bangladesh leads Indian export growth

Though Bangladesh remained the top export market for India's textile machinery products, in 2019, exports to the country declined 26.81 per cent to $82.99. Spinning, twisting and yarn preparation machines were the most exported commodity with exports declining 35.31 per cent to $35.99 million. Export of printing machinery also declined 20 per cent to $17.35 million during the year.

Germany retained its position as the second biggest export market for India's textile machinery products with $63.39 million and an adverse growth of 2.40 percent.

Amongst the top seven export markets for India, Italy was the only country that witnessed positive growth in 2019. Exports to the country grew 19.35 per cent to $26.79 million. On the other hand, exports to Turkey declined 52.74 per cent to $25.98 million in 2019 over previous year. Spinning, twisting and yarn preparation machine was exported the most in 2018, but registered a fall of 52.95 per cent in 2019 to $14.83 million over previous year.

Source: fashionatingworld.com- Mar 04, 2020

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# Coronavirus scare: Hosiery prices soar in Ludhiana as imports from China stop

Restriction on imports from China, amid the severe Covid-19 (novel coronavirus) outbreak in the country, has cost the hosiery industry in Ludhiana dear as the availability of limited stock has jacked up the prices of fabric and accessories. The crisis is expected to worsen in the near future, say experts.

Hazuri Road Hosiery Association president Harkirat Singh Rana said retailers were selling accessories such as buttons and needles at a higher price.

"A box of buttons that would earlier cost ₹100 is now being sold for ₹125. Similarly, the price of 100 needles from China has shot up from ₹1,500 to ₹2,200. Earlier, wholesalers would themselves travel to China to buy these items.

As they are no longer able to do so, they are stockpiling the goods. This is causing an increase in prices due to limited availability of stock," he said, adding that the price of machine accessories that were imported from China had also increased.

Bahadur Ke Road Textile Association president Tarun Jain Bawa said, "We are largely dependent on China for cheap accessories. If the situation does not improve soon, the crisis will worsen in a month."

Members of Dyers' Association also said there was a shortage of chemicals in the market.

Earlier, garment manufacturers had raised concerns over lack of imports from China that had caused the price of accessories to increase by nearly 25%.

Source: hindustantimes.com- Mar 04, 2020

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## Indo-US relations: Time to step up on trade and investment

After US President Donald Trump's visit to India, attention has shifted to the enormous bilateral defence deal worth $3 billion from the 'deficits and tariffs' debate in the India-US economic diplomacy discourse. His reiteration of India as a 'tariff king' was striking, especially as he was worried about the retaliatory high tariffs and the worsening US trade balance with India. Unsurprisingly, there were no conclusive trade pacts signed between India and the US during his visit.

The single most significant outcome of Trump's visit is perceived as the defence deal worth $3 billion on state-of-the-art helicopters. The point to be borne in mind is that this deal is not a 'Trump visit specific major outcome', as these discussions were long term as one can see from the time series data of the Ministry of External Affairs proceedings.

According to the Stockholm International Peace Research Institute (SIPRI), the volume of international transfers of major arms in 2014-18 was 7.8 % higher than in 2009-13, and 23% higher than in 2004-08. The US is the biggest arms exporter, accounting for 36% of the global arms trade of $100 billion. Among importing countries, India, with a share of 9.5%, is second only to Saudi Arabia, which accounts for 12% of global arms import.

Against this backdrop, can India think of 'strategising' its defence purchases by linking it with other areas of potential collaboration? It would be desirable as the critical issues related to trade and investment remain largely unaddressed.

Beyond the rhetoric of the defence deal, the US and India should refocus on trade and investment pacts. The best strategy for India is to be brutally honest in its forthcoming trade and investment negotiations with the US. India is about a $3-trillion economy, while the US is a $20-trillion economy. Instead of staking claim on recognition as a superpower, India should press for recognition as an emerging economy.

The trade between the two countries has grown from about $16 billion in 1999 to $142 billion in 2018. Today, the US is India's biggest export destination, accounting for about 17% of Indian exports. According to the US Bureau of Economic Analysis, India is its eighth largest trading partner. The political as well as economic relationship between the US and India has improved significantly during the past two decades. Nevertheless, along with the growth in trade between the US and India, tensions, too, have mounted with respect to trade deficits and tariffs.

The long-standing disagreements exist in areas ranging from dairy products to intellectual property rights (IPR) protections. Alyssa Ayres, in her recent article ‘A Field Guide to US-India Trade Tensions’, has flagged deficits and high tariffs as the main bone of contention between the two countries.

The trade deficit of about $23 billion is raised as a worrying issue by the US. In reality, it is minuscule compared to the $346-billion trade deficit of the US with China. Moreover, it is only the 11th largest deficit of the US. Better access and lower tariffs for agricultural and dairy products have been a long-standing demand of the US.

The American exports to India include fruits, nuts, legumes, cotton and dairy products, which are important to the economies of California, Montana and Washington. New Delhi’s tariffs on apples, cashews, walnuts and almonds have been termed retaliatory by the US. Finance minister Nirmala Sitharaman has raised the customs duty on shelled walnuts to 100% from the current 30%.

She has also imposed a health cess of 5% on import of medical devices. On dairy products, India requires that they are derived from dairy cow that has been fed a vegetarian diet for its entire life. Do these recent Budget announcements reflect a protectionist wave in India, quite contrary to the ‘economic diplomacy’ projected by Prime Minister Narendra Modi in the World Economic Forums that there is no retreat from globalisation?

According to the Directorate General of Commercial Intelligence and Statistics (DGCIS) data, the US has emerged as a major supplier of crude oil to India post 2017. From the 10th position in value terms as a supplier in 2017, it has become the sixth major supplier with an export value of $4.1 billion. And India is now the fourth largest export destination of US crude.

In fact, US oil exports to India more than double the value of defence exports! India has been piqued by its removal from the list of countries that are eligible to avail the Generalized System of Preferences (GSP) benefits, on grounds that India has failed to provide equitable and reasonable market access. On the eve of Trump’s visit, on February 10, the Office of the United States Trade Representative removed India from the list of countries eligible for special de minimis countervailable subsidy and negligible import volume standards under the countervailing duty (CVD) law.

The new list of countries replaces the list prepared in 1998. This new list is based on the criteria of: (1) Per capita GNI, (2) share of world trade and (3) other factors such as membership of OECD, the EU or G20. India is dropped from the list on the basis of the new revised threshold share of world trade of 0.5% (it was 2% as per the 1998 law) and membership of G20. Interestingly, as per the World Bank designation, India falls in the category of lower middle-income economies, where the GNI per capita is between $1,026 and $3,995. The World Bank threshold for separating high income countries for low income countries is $12,376, which is almost six times that of India's per capita income! This move also makes the restoration of GSP benefits for India unlikely, under which India was exporting goods worth more than $6 billion.

The American establishment expects India to look for opportunities to improve bilateral trade in the context of it not joining the Regional Comprehensive Economic Partnership (RCEP). Similarly, India hopes to benefit from the on-going trade tussles between the US and China. But so far India has not been able to attract any reasonable amount of FDI or firms leaving China. How the China factor will influence Indo-US relations is a pressing concern, although a democratic India should get leverage over a communist China in the negotiations.

The US economy has been doing exceptionally well for the last one decade. Nominal wages rose by more than 3% in the US in 2018 and 2019. According to the Economist, this could be due to a fall in immigration. Although this keeps the labour markets tight, it is not going to be sustainable. This can turn out to be a factor behind the imminent slowdown of the US economy predicted by many. The growth in the US is good for India. But how much India can benefit will depend mostly on the quantum of trade and investment.

The US seems to be bent on bridging the trade deficit using defence exports to India. Other areas of contention include trade-related intellectual property regime, investment barriers, data-related issues and issues related to the import of medical devices. The US is seeking reduction in customs duty on medical devices and removal of price controls on coronary stents and knee implants. Removal of the dividend distribution tax and 100% tax exemption for sovereign wealth funds of foreign governments for three years on their investment in infrastructure and other notified sectors, announced in the latest Budget, can attract more investment and financial inflows from the US.

More clarity is required on the 'nature' of trade as well. One can get cues on this from the India-US joint statement post the Trump visit where there is divergence in the terminology between the two countries. While the US emphasised on 'fair and equal' trade, India has underlined a 'fair and balanced trade'. The US has shown extraordinary skills in 'putting America first' in negotiating with the rest of the world; now it is India's turn to prove that it is capable of effectively negotiating with the world's largest economy, 'putting India first'.

Source: financialexpress.com- Mar 05, 2020

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## How can India be a growth leader? – EXPLAINED

The recent Budget and Economic Survey laid down several strategies for reviving investor confidence and boosting economic growth. Even as the IMF reduced its global growth forecast for 2019 by 10bps to 2.9% year-on-year owing to negative surprises to economic activity in emerging economies, we believe emerging economies, especially India, will drive global growth.

Global growth has been driven by different countries in different periods. After the Second World War, Japan led growth till the 1980s; since the 1990s, China has held the baton, but China's share in global debt has gone up from a meagre 7% in 2010 to over 16% by end-2019. Today, as China slows down, it is yet to be seen who will drive growth. India is the fifth largest economy by GDP and the four above it have gone through their high growth phase.

**Demographics**: Relative to 1960, the share of global population above 65 years has more than quadrupled, while the share of working age population (between years 15 and 64) has increased just 2.8 times; relative to 1980, productivity has only risen by 1.3 times. Last time the world escaped the Malthusian postulate (growth potential being constrained by population growth outdoing resource growth) was when the Industrial Revolution improved productivity, which massively improved agricultural productivity.

Unless there are similar increases in productivity, a shrinking workforce and slowing productivity growth will drag the global GDP growth down. India doesn't face this drag; in 2018, India entered a period of high demographic dividend because the share of working age population became greater than that of dependent population. This period is expected to last until 2055. For most countries periods of high demographic dividend have been coupled with high growth—Japan (1964-2004), China (1994-2031) and South Korea (1987-2027). Given that India is the second most populous country, focusing on workforce skilling, quality education and employment can have huge dividends.

**Credit**: Debt as a percentage of global GDP has reached unprecedented levels (300% of global GDP). If growth slows down, which is essential to service debt, extremely high levels of debt can lead to a crisis. In an ideal scenario, as debt increases, the cost of capital also increases. But over the last decade, interest rates have remained fairly benign in developed markets. This led to low or negative yield on fixed income instruments. And due to a dearth of alternate sources, investors have been rushing into equities, especially non-cyclical, raising their valuations.

The S&P 500 was the best performing broad-based index over the last decade. But its P/E rose from about 15 in 2010 to 22 in 2019. Stock markets rise because investors perceive higher earnings. A high and rising P/E indicates that investors are willing to pay more and more per dollar of earnings in a company.

The global economy faces high debt, putting global growth at risk. The scenario is stable till economic fundamentals are stable and investors are not over-exuberant. India is uniquely placed as the least levered large economy (total debt-to-GDP ratio of 150%). In the coming decades, private credit has the potential to play a critical role in India's growth story.

**Trade**: Since the Global Financial Crisis (GFC), global trade as percentage of c has fallen to 57.9% in 2019 from 60.7% in 2010. For a sample of 50 countries (including the G20), the correlation between exports and imports as percentage of GDP was 96%, implying that restricted imports restrict the capacity to export.

The recent trade conflict has made permanent dents in global supply chains. However, India's share in global trade is just 2.3%, so there is scope for improvement and also an opportunity. The Budget had a slew of measures to boost exports. MSMEs have a big role to play and need to contribute more than 50% of GDP from the current 29%. While credit will play an important role in expanding operations, structural reforms in labour, land and tax regimes can make MSMEs more competitive.

These factors can drive India's growth. As credit becomes more readily available to the industrial sector and particularly exporters, many of which will be MSMEs, firms will expand operations, boosting trade and generating employment. Increased trade in technology will help us develop expertise in the sectors of the future.

Despite the current slowdown, India is likely to bounce back in the next few quarters given its strong fundamentals and recent structural reforms. With a huge growth potential in demographics and a sustained focus on trade, and credit, India will be ready to take the baton from China and drive global growth.

Source: financialexpress.com- Mar 05, 2020

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## Apparel Sourcing Week in Bengaluru in June

Apparel Sourcing Week will be held in Bengaluru, June 18 to 20, 2020. The three day show will present opportunities for networking, knowledge and will feature 100 leading manufacturers from India, Bangladesh, Vietnam and Sri Lanka, showcasing a diverse portfolio of products and latest collections on one platform.

Also present will be 50 manufacturers and suppliers of innovative fabrics and accessories.

Knittech which specialises in flat knit shawls and stoles will be there. Knittech's products are noted for their flexibility and elasticity in weaving. Its entire collection is in tune with international trends, with the best quality yarn, best possible infrastructural facilities and unique designs.

Star a provider of fashion apparel across a broad range of product categories including women's and men's woven garment, cut and sew knits and intimate apparel will be there.

They provide customers comprehensive design services, product development resources, such as fabric sourcing and trim development and in-house value-added services such as garment washing and embroidery.

Liva stands for high quality fabric made using natural cellulosic fibers of the Aditya Birla Group, delivered through an accredited value chain. Unlike other fabrics which are boxy or synthetic, Liva is a soft, fluid fabric which falls and drapes well.

Anuma Fashions produces woven garments, specialising in shirts, blouses and shorts for children.

Source: fashionatingworld.com- Mar 04, 2020

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## Uniqlo to open third store in the country

Fast fashion brand Uniqlo will open its third store in India later this month in a south Delhi mall, the company said in a statement. The Japanese brand which launched its first store in October last year will open the new store on February 29, at DLF Avenue, Saket. The company already has stores in Ambience Mall, Vasant Kunj in New Delhi and DLF CyberHub in Gurugram. The new store will be spread over 21,500 sq.ft. of retail space across two floors.

“Our journey in India has been very rewarding and we would like to offer our sincere gratitude to everyone who has made us feel welcome. We are delighted with the positive feedback our products have garnered in the winter season and are now looking forward to opening our third store, UNIQLO DLF Avenue Saket, at the onset of the new Spring Summer season.

We are confident that our highly functional and high-quality apparel, which we call LifeWear, will be more accessible and loved by customers in Delhi," said Tomohiko Sei, CEO of Uniqlo India.

Globally, Uniqlo has more than 2,200 stores in 25 markets including Japan. Fast Retailing Group, which Uniqlo is a part of recorded global sales of approximately 2.2905 trillion yen for the 2019 fiscal year ending August 31, 2019, according to the company.

Source: economictimes.com- Mar 04, 2020

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## States plan geotextiles meet in April to ease coir's COVID-19 blues

Even as COVID-19 has started niggling Indian coir's Chinese trade, coconut-producing states like Kerala, Tamil Nadu, Odhisha, Karnataka and Andhra Pradesh are pulling up their socks to scout for fresh markets for its most mass-ordered product — coir geotextiles. Kerala will host a geotextiles brainstorming session of states' coir ministers in April.

"Coir geotextiles conference would focus on making a huge coir footprint on domestic market for geotextiles, not on its export market," Kerala finance minister TM Thomas Isaac told FE. "After the deliberations of the conference are dovetailed into an action plan, we intend to knock on Union ministries of defence, railways, road and mining seeking collaborations on utilisation of coir geotextiles. National Highways alone could need 40,000 tonne of coir geotextiles, if there is a policy decision on this," said Isaac.

Compared to the Rs 2,728-crore coir exports, India's domestic coir market-size is just Rs 1,200 crore. Of this, coir geotextiles, which has bulk applications in soil bio-engineering, like strengthening river banks, road-building and landfills, enjoys less than 40% share.

"The proposed conference would focus on bringing in more cost efficiencies in coir geotextiles production, by steps like shifting to brown fibre from white fibre," said KR Anil, director, National Coir Research and Management Institute (NCRMI). "Provided there are bulk orders, price can be brought down almost 50%," he added.

Meanwhile, COVID-19 outbreak has hit coir pith trade, not coir geotextiles business. According to SK Gowthaman, member, Coir Board of India, it is a worrying scenario. China, which sources the coir fibre for several value-added products from Tamil Nadu, has stopped giving orders or even collecting consignments.

"Only the US, Europe and Australian orders for coir pith are on, in the Pollachi-based coir units. As for China, even the payment for the coir pitch exports from October is pending," says S Mahesh Kumar, president, Coir Pith Exporters' Association.

It is following the relative fall in margin in coir pith business since the entry of China into coir fibre value addition that states like Kerala shifted to geotextile production.

By next year, Kerala targets to hike its coir geotextiles production to 25,000 tonne. In the current year, in forward integration plan for its coir products like mattings, the state government has signed procurement agreements with home products retailing giant IKEA and with Reliance.

Source: financialexpress.com- Mar 05, 2020

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## Measures to boost apparel exports sought

*Commerce Secretary interacts with garment exporters*

Union Commerce Secretary Anup Wadhawan visited the Netaji Apparel Park and had an interaction with garment exporters in Tiruppur on Wednesday. The meeting was organised by the Indian Texpreneurs Federation (ITF), Federation of Indian Exporters' Organisations (FIEO), Apparel Export Promotion Council (AEPC), and Tiruppur Exporters Association (TEA).

The Secretary said at the meeting that textiles and clothing was an important contributor to exports and hence the Central Government continued to focus on it.

The ITF pointed out that structural changes in policies are happening now. The Government should rationalise the GST structure so that the efficiency of the system improves.

The inverted duty structure for MMF segment, which is a growth potential segment, should be streamlined.

The AEPC sought comprehensive economic agreements with Australia and Canada., extension of the RoSCTL and RoDTEP schemes to units in special economic zones and to the export oriented units, and to extend the benefits of the special advance authorisation scheme to advance authorisation holders.

The TEA appealed to the Commerce Secretary for several measures that would boost apparel exports from India and benefit the garment industries in Tiruppur. One of the demands was for India to expedite and sign Free Trade Agreements with the EU, UK, Russia, etc.

Source: thehindu.com- Mar 04, 2020

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## Blackstone invests Rs1750 crore in Future Lifestyle Fashion

Blackstone, the world's biggest private equity firm, has invested Rs1750 crore in Future Lifestyle Fashion, the flagship fashion business of Kishore Biyani-owned Future Group.

Funds managed by Blackstone will invest in Ryka Commercial Ventures, the holding company of the lifestyle retailer through debentures which will be used to retire or pre-close all existing financial obligations, Future Group said.

"Blackstone will support us in the continued growth of our fashion business, bringing global perspectives that will help us take FLFL to the next level," said Kishore Biyani, Group CEO of Future Group.

In July this year, Blackstone had acquired about 6% stake in FLF for about Rs 545 crore in a secondary market transaction. Biyani and family own 53.43% of FLF through entities such as Ryka Commercial Ventures, Central Departmental Stores and Future Enterprises among others. Other investors in FLF include L Catterton and PremjiInvest, which together own around 17%, L&T Mutual Fund that owns 4%, and LIC with 6.5% stake.

"This is our first investment in this sector. We look forward to being a value-added investor as FLFL and the Future Group continue to cater to the fashion needs of aspiring India," Luv Parikh, managing director, Blackstone said.

ET in July reported that Blackstone will infuse capital in FLF through a combination of equity and structured debt that will fund the capital expansion of Biyani's deep-discount retail format Brand Factory, which is modelled on US retailer TJ Maxx, besides improving his promoter-level leverage.

Future Group generates its biggest chunk from food and grocery retailing, but the apparel and lifestyle segment is a higher margin business for it. FLF grew 27% last fiscal with revenues of Rs 5,728 crore. The firm also manages nearly 30 brands including Indigo Nation and Lee Cooper, through 339 stores across 7.2 million square feet of retail space.

Source: economictimes.com- Mar 04, 2020

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## Apparel exporters should learn frm Bangladesh, Vietnam to push shipments: AEPC

Indian apparel exporters should learn from Bangladesh and Vietnam players to increase the outbound shipments of textiles, an industry official said on Wednesday.

Noida textiles cluster is trying to become like Prague, Milan, Paris and New York, former chairman of Apparel Export Promotion Council of India (AEPC) HKL Magu said.

"Indian apparel exporters need to learn from Bangladesh and Vietnam players to increase exports," Magu said in a statement. He said that about 67 per cent of exports or usage worldwide is of manmade fibre (MMF).

He was speaking at Fashion Forecast Seminar Spring Summer 2021, organized by AEPC in association with global trend authority WGSN, UK.

Charlie Clark, fashion consultant at WGSN, UK, predicted return to playful femininity styling for womenswear and hybrid utility look for menswear in the Spring-Summer season of 2021.

The council has been organizing these seminars as part of its export promotion activities across India. WGSN is a leading fashion trend forecasting intelligence service with its offerings in over 94 countries.

Source: outlookindia.com- Mar 04, 2020

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