TEXPROCIL NEWS CLIPPINGS

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NEWS CLIPPINGS

INTERNATIONAL NEWS

US imports spike as economy continues recovery: NRF

US imports surged to unexpected high levels this summer and may have hit a new record as the US economy continues to reopen and retailers stock up for the holiday season, according to the monthly Global Port Tracker report released by the National Retail Federation (NRF) and Hackett Associates. In July, imports were up 19.3 per cent from June.

US ports covered by Global Port Tracker handled 1.92 million Twenty-Foot Equivalent Units (TEU) in July, the latest month for which after-the-fact numbers are available. That was down 2.3 per cent year-over-year but up 19.3 per cent from June and significantly higher than the 1.76 million TEU forecast a month ago. A TEU is one 20-foot-long cargo container or its equivalent.

August was estimated at 2.06 million TEU, a 6 per cent year-over-year increase. "Actual August numbers won't be known until next month, but that would be an all-time high, beating the previous record of 2.04 million TEU set in October 2018," the report said.

September is forecast at 1.89 million TEU, up 1.1 per cent year-over-year; October at 1.71 million TEU, down 9.2 per cent; November at 1.58 million TEU, down 6.8 per cent, and December at 1.53 million TEU, down 11 per cent.

Those numbers would bring 2020 to a total of 20.1 million TEU, a drop of 6.7 per cent from last year, still the lowest annual total since 19.1 million TEU in 2016. The first half of 2020 totaled 9.5 million TEU, down 10.6 per cent from last year.

The forecast numbers call for 7.58 million TEU during the July-October "peak season" when retailers rush to bring in merchandise for the winter holidays, making 2020 the third-busiest peak season on record following 7.7 million TEU in 2018 and 7.66 million TEU last year.

January 2021 is forecast at 1.6 million TEU, down 12 per cent from January 2020.

"It's important to be careful how much to read into these numbers after all we've seen this year, but retailers are importing far more merchandise for the holidays than we expected even a month ago," NRF vice president for Supply Chain and Customs Policy Jonathan Gold said. "Some of these imports are helping replenish inventories that started to run low after consumers unleashed pent-up demand when stores reopened. But this is the clearest sign yet that we could be in for a much happier holiday season than many had thought."

"The economy has come into sharp focus, and for good cause," Hackett Associates founder Ben Hackett said. "The previous yo-yo pattern of import levels reached a peak in July that appears to have extended into August. Nonetheless, data from around the globe is a mix, with a weak recovery as Europe struggles with rising COVID-19 numbers but China's exports remain solid. Will this last? A lot of uncertainty is in play."

Source: fibre2fashion.com– Sep 10, 2020

HOME

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China formalises 15 new e-commerce demonstration bases

In its effort to boost the country's e-commerce sector, the Chinese government has formalised 15 new national e-commerce demonstration bases—clusters of local e-commerce companies and entrepreneurship and innovation platforms for the e-commerce industry. With this, the total number of official e-commerce demonstration bases has increased to 127.

China pays high attention to the development of e-commerce, China's vice minister of commerce Qian Keming said while granting licenses to the new bases during an e-commerce session of the 2020 China International Fair for Trade in Services at the China National Convention Center in Beijing.

The e-commerce sector has played a significant role in helping fight against the COVID-19 epidemic, driving consumption recovery and smoothing industrial and supply chains of foreign trade, especially since this year, Keming added, according to Chinese media reports.

Source: fibre2fashion.com– Sep 10, 2020

HOME

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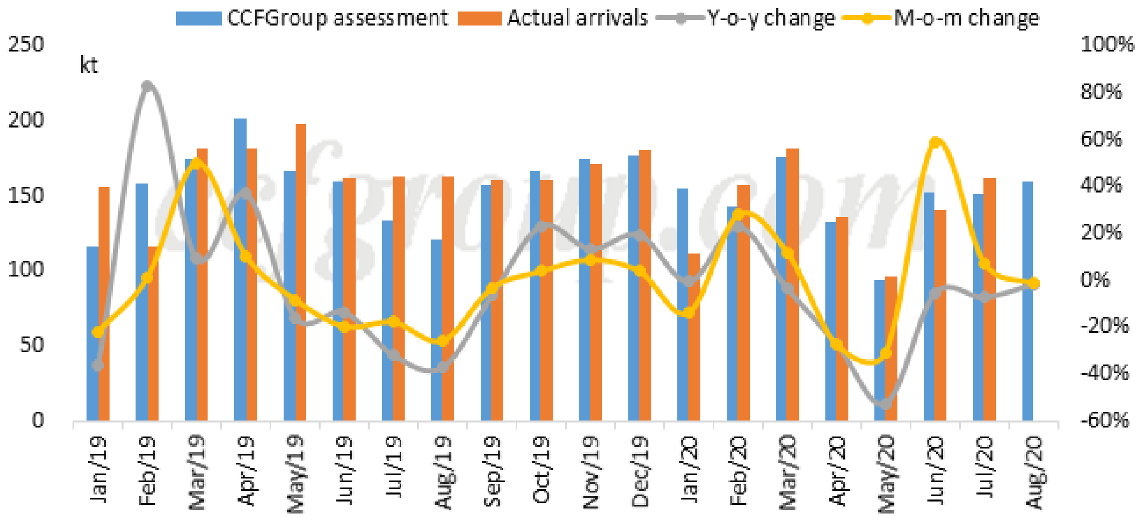
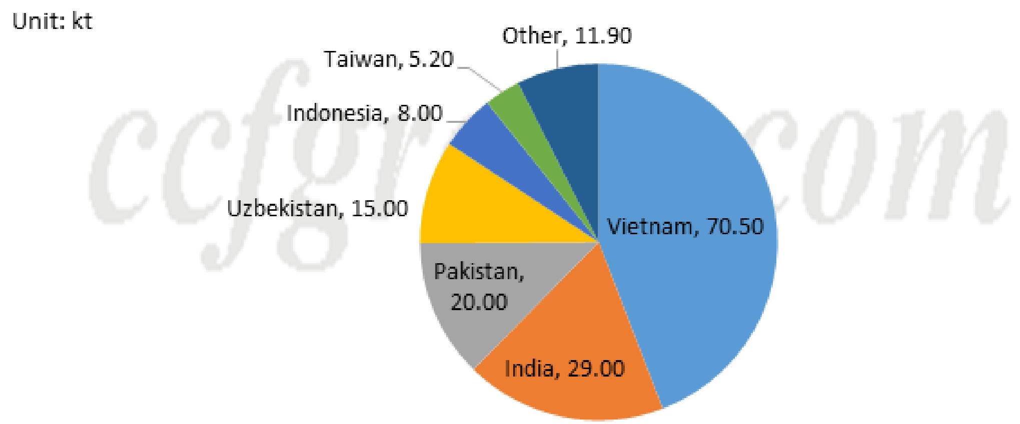
China: Aug'20 cotton yarn imports may move down 1.48% m-o-m to 159.6kt

Imported cotton yarn arrivals to China assessment in Aug 2020 (5205)



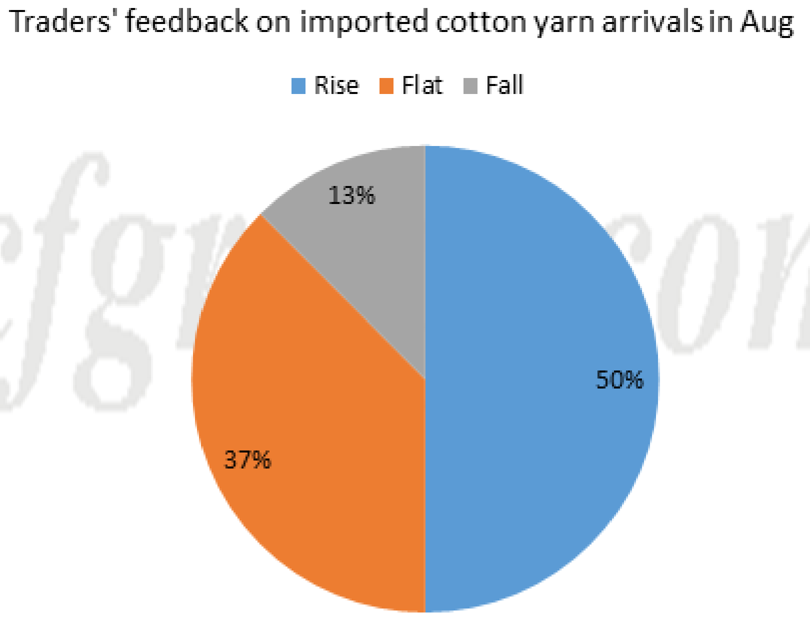
Imported cotton yarn arrivals to China in Aug 2020 are estimated at 159.6kt, down 1.72% y-o-y and 1.48% m-o-m. This batch of arrivals had lower costs than previous arrivals. Amid RMB appreciation, traders could gain a certain profits.

Cotton yarn imports assessment in Aug by countries and regions



According to foreign shipment data in July, cotton yarn imports of China from Vietnam in Aug are estimated at 70.4kt; from India 29kt; from Pakistan 20kt, from Uzbekistan 15kt, from Indonesia 8kt, from Taiwan 5.1kt, and from other regions and countries at 11.8kt.

2. Traders' reflection

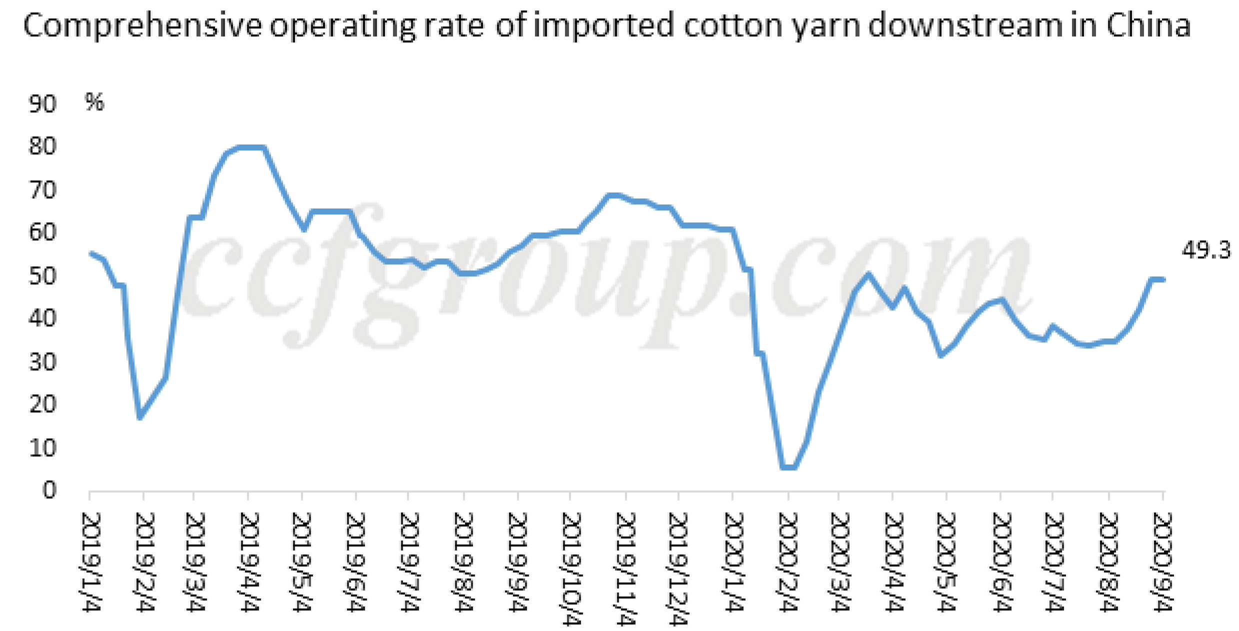


Major traders and L/C issuing companies expected that Aug arrivals will be flat or a bit more compared with Jul ones.

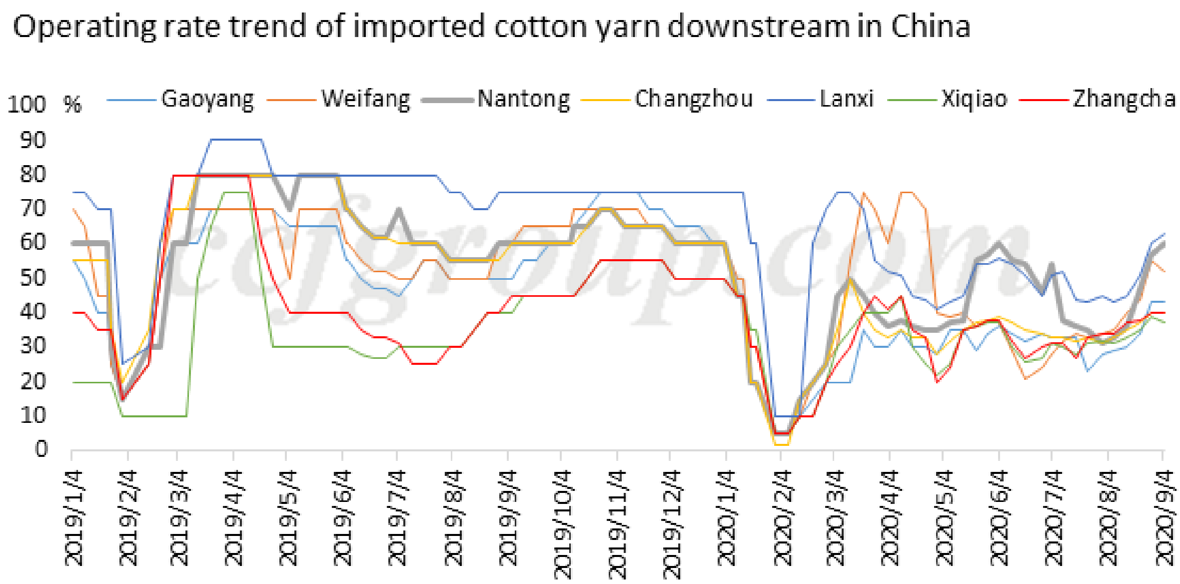
3. Imported yarn stocks and supply and demand outlook in Sep

The stocks in the ports are estimated at 188kt, of which in Jiangsu and Zhejiang are 76kt, in Guangdong and Fujian are 80.5kt and in Shandong and Hebei are 23kt. Orders from foreign markets increased amid recovery of demand. Aug-Oct arrivals are predicted to keep normal or a bit more. At present, the stocks declined from previous period, but still at a high level.

Looking from demand, the operating rate of fabric mills in Aug improved from that in Jul. Orders from overseas markets and domestic markets both recovered to different extent. Seasonal improvement was obviously seen on the market.



In Jiangsu and Zhejiang provinces, the operating rate of fabric mills was at about 40-60% in Changzhou and Nantong, and at 60-70% in Lanxi. In Guangdong, the operating rate was at 20-60%. Knitted fabric was poor while denim market seemed relatively good. In North China, the operating rate in Weifang reached 50-60% and the orders from schools reduced.



The imported cotton yarn arrivals in Aug-Oct are expected to be normal or a bit more, showing adequate supply, but there is uncertainty on demand side. At present, traders showed intention to raise prices, but the trades were hard to be done.

Cotton yarn price now is hard to surge in short run as the stocks in the ports and domestic spinners are hardly consumed effectively, but it also has small potential to decline in one month as the sharp rise of forward imported cotton yarn lends support to spot one. As a whole, cotton yarn price will keep stable to strong in short term.

Source: ccfgroup.com– Sep 10, 2020

HOME

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Apparel group urges US to lead multinational campaign against forced labour in Xinjiang

A group representing some of the largest US and international apparel companies has called on Washington to convince other countries to pressure China to end forced labour in its Xinjiang Uygur autonomous region.

PRODUCT	EXPORT VALUE
APPAREL	$4.49B
FOOTWEAR	$1.81B
ELECTRICAL MACHINERY AND EQUIPMENT	$1.6B
OTHER MACHINES *(I.E., MECHANICAL APPLIANCES)*	$1.15B
TOYS AND SPORTS EQUIPMENT	$971M
PLASTICS	$747M
VEHICLES *(EXCLUDING RAILWAY)*	$712M

Source: "Xinjiang Uygur Autonomous Region," Observatory of Economic Complexity, 2019.

An official of the American Apparel and Footwear Association – which represents The Gap, Versace, Jimmy Choo and other brands – said on Thursday that more countries must join diplomatic efforts to halt forced labour in the region.

"The United States has done nothing to bring Europe along, Australia, Canada, Japan, Korea," Nate Herman, the association's senior vice-president of policy, said on Thursday in an online discussion hosted by the US-China Business Council.

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Herman added that the US needed to “try and bring those other countries, bringing the UN, bringing other international institutions, into this discussion”.

Some of the association’s members, such as PVH Corp – owner of the Calvin Klein and Tommy Hilfiger brands – have faced criticism that their products may have involved forced labour from Xinjiang.

PVH announced last year that it added the area as a jurisdiction subject to its “restricted country policy”, meaning that “we do not, and prohibit our licensees from, producing finished goods in Xinjiang”.

“As part of our ongoing, long-term supply chain strategy, we have been communicating for the last six years that we are reducing our manufacturing, textile and cotton footprint in China and increasing our verticality in other manufacturing locations,” PVH said.

As US-China relations have deteriorated in recent years, China’s treatment of the Uygurs, an ethnic Muslim minority based mostly in the region, has become one of the most contentious issues.

The United Nations, among other institutions, has accused the Chinese government of holding some 1 million Uygurs and other ethnic Muslims in detention camps in the area. Earlier this summer, the US Treasury Department sanctioned senior Chinese officials and Xinjiang Production and Construction Corps (XPCC), a quasi-government conglomerate controlled by Beijing, for their “connection to serious human rights abuse” in Xinjiang.

The complexity of the supply chain from cotton, fabric or other inputs to finished product makes it difficult for companies to determine whether products they make in China involve forced labour in the Xinjiang Uygur autonomous region (XUAR). Many manufacturers on China’s east coast or elsewhere in the country have production facilities in the region.

China is the world’s largest producer of cotton yarn, and most of the product “likely predominantly uses cotton from the XUAR, but may also contain imported yarn to achieve the desired quality”, according to a July report by Amy Lehr, director and senior fellow at the Human Rights Initiative at the Washington-based think tank Centre for Strategic and International Studies.

China has repeatedly denied any mistreatment of Uygurs in what it calls vocational training centres, which it says have been successful in combating extremism and violence. The Xinjiang sanctions and ban on imports of goods produced with forced labour, taken together, gives the US the strongest stance on the issue. US Secretary of State Mike Pompeo went so far as to call China's treatment of Uygurs "the stain of the century".

However, analysts including Lehr agree that more needs to be done in concert with US allies.

The US "hasn't been consistent and it hasn't made our traditional allies feel secure and coming out as well, which they know is going to be really high risk if they do it," Lehr said in the online discussion on Thursday.

Source: sg.news.yahoo.com– Sep 11, 2020

HOME

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Germany's €14.5 mn to ILO to aid COVID-hit garment workers

The German ministry for economic cooperation and development (BMZ) is giving €14.5 million to an International Labour Organisation (ILO) multi-donor programme to help garment sector workers hit by COVID-19 in seven countries. The initiative will provide cash transfers and personal protective equipment (PPE) and raise awareness on occupational safety and health (OSH).

It will also provide policy advice on social protection and OSH, with the aim of building peoples' resilience to future shocks. This approach links work to meet immediate humanitarian needs with that of building longer term, sustainable solutions that are part of national policy frameworks, said an ILO press release.

The programme's integrated strategy aims to assist both workers and private sector businesses rebuild their economic activities, mitigate further interruptions in the supply chain and provide direct support to garment sector workers, especially women in Bangladesh, Cambodia, Ethiopia, Indonesia, Laos, Madagascar and Vietnam.

The initiative will build on the country level activities of three existing ILO areas of work—the Vision Zero Fund (VZF), social protection and the Better Work Programme –making use of their existing local networks and operations.

The programme will also support the practical implementation of the Call to Action in the Global Garment Industry. By helping to coordinate public and private sector responses to the pandemic the project also contributes to the overall efficiency and coherence of responses to the crisis.

Source: fibre2fashion.com– Sep 10, 2020

HOME

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Morocco Largest Afro-Arab Textile Exporter to Brazil in H1 2020

Morocco tops the list of African Arab countries that export textiles to Brazil. Statistics from the Arab-Brazilian Chamber of Commerce show that Morocco's textile exports amounted to $6.99 million during the first half of 2020.

Egypt follows Morocco with $5.14 million, and Tunisia with $1.92 million. The statistics show that Morocco and Tunisia send the most clothing items to Brazil.

Exports to Brazil, however, dropped by 33% compared to a year earlier due to the COVID-19 crisis. The statistics show that exports specifically from Morocco to Brazil declined by 48%.

The chamber of commerce shows that after textiles declined last year, they "did so further by 12% in revenue terms." The website shows that Brazil also has other suppliers in the Arab world, including Saudi Arabia and the UAE.

"Those three Arab countries are traditional textile producing countries. Morocco sells a lot of products to Europe. The big exporters are in Asia, but we have seen sales from African and Middle Eastern countries go up, including Arab ones," said the Chairman of the Brazilian Textile and Clothing Industry Association, Fernando Pimentel.

On Wednesday, speakers from Brazil and Morocco participated in a webinar, discussing trade between the two countries. The webinar focused on the theme: “Morocco-Brazil: agro-industry connects continents.”

Executive Director of OCP-Brazil Olavia Takenaka participated in the webinar, highlighting the importance of agriculture and phosphate cooperation between the two countries.

Source: moroccoworldnews.com– Sep 09, 2020

HOME

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UKFT to host digital British Textile Week

The UK Fashion & Textile Association (UKFT) is set to launch the British Textile Week from September 9-15, 2020, to provide a digital showcase of the craftsmanship, creativity, and technical skills of the UK textile industry. UKFT is co-ordinating the project, with the generous support of The Clothworkers’ Company and the Campaign for Wool.

During the week, UKFT will tell the stories of some of the British textile companies that would normally be at international apparel fabric trade shows during the month of September, as well as putting the spotlight on some of the pioneers and leaders in the textile field. Each day will have a theme, and the week will feature a series of online articles, images, interviews, case studies, videos, seasonal trends, and more, according to a press release by UKFT. UK fabrics are highly sought after by the world’s most prestigious designers, tailors and fashion brands as the starting point for their collections, while our home-grown flair for printed, woven, knitted and embroidered textile design blends creativity with commerciality.

Fabrics and yarns made in the UK are highly sought after by leading brands, designers, and retailers and the UK exports £3 billion of textiles to almost every country in the world. The UK has a strong textile heritage and a promising future, with more than 4,800 people studying textiles at university each year on courses including textile design, textile technology, and textile engineering.

Source: fibre2fashion.com– Sep 10, 2020

HOME

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The global technology fracture and our regulatory inadequacies

At best, expect a patchwork of rules that let countries pursue their core interests without exporting their problems to others

The international trade regime we have, expressed in the rules of the World Trade Organization and other agreements, is not of this world. It was designed for a world of cars, steel and textiles, not one of data, software and artificial intelligence. Already under pressure from China's rise and the backlash against hyper-globalization, it is utterly inadequate to face the three main challenges these new technologies pose.

First, there is geopolitics and national security. Digital technologies allow foreign powers to hack industrial networks, conduct cyber-espionage, and manipulate social media. Russia has been accused of interfering in elections in the US and other Western countries through fake news sites and the manipulation of social media. The US government has cracked down on the Chinese giant Huawei on fears that its links to the Chinese government make its telecoms equipment a security threat.

Second, there are concerns about individual privacy. Internet platforms are able to collect huge amounts of data on what people do online and off, and some countries have stricter rules than others to regulate what they can do with it. The EU, for example, has enacted fines for companies that fail to protect the EU residents' data.

Third, there is economics. New technologies give a competitive edge to large companies that can accumulate enormous global market power. Economies of scale and scope and network effects produce winner-take-all outcomes, while mercantilist policies and other government practices can result in some firms having what looks like an unfair advantage. For example, state surveillance has allowed Chinese firms to accumulate huge amounts of data, which in turn has enabled them to corner the global facial recognition market.

A common response to these challenges is to call for greater international coordination and global rules. Transnational regulatory cooperation and anti-trust policies could produce new standards and enforcement mechanisms. Even where a truly global approach is not possible—because authoritarian and democratic countries have deep disagreements about privacy, for example—it is still possible for democracies to cooperate among themselves and develop joint rules.

The benefits of common rules are clear. In their absence, practices such as data localization, local cloud requirements, and discrimination in favour of national champions create economic inefficiencies insofar as they segment national markets. They reduce the gains from trade and prevent companies from reaping the benefits of scale. And governments face the constant threat that their regulations will be undermined by companies operating from jurisdictions with laxer rules.

But in a world where countries have different preferences, global rules—even if feasible—are inefficient in a broader sense. Any global order must balance the gains from trade (maximized when regulations are harmonized) against the gains from regulatory diversity (maximized when each national government is entirely free to do what it wants). If hyper-globalization has already proved brittle, it is in part because policymakers prioritized the gains from trade over the benefits of regulatory diversity. This mistake should not be repeated with new technologies.

In fact, the principles that should guide our thinking on new technologies are no different from those for traditional domains. Countries may devise their own regulatory standards and define their own national security requirements. They may do what is required to defend these standards and their national security, including through trade and investment restrictions. But they have no right to internationalize their standards and try to impose their regulations on others.

Consider how these principles would apply to Huawei. The US government has prevented it from acquiring American companies, restricted its operations in the US, launched legal proceedings against its senior management, pressured foreign governments not to work with it, and, most recently, banned US companies from selling chips to Huawei's supply chain anywhere in the world.

There is little evidence that Huawei has engaged in spying on behalf of the Chinese government. But that does not mean that it will not do so in the future. Western technical experts who have examined Huawei's code have been unable to rule out the possibility. The opacity of corporate practices in China could well obscure Huawei's links to the Chinese government. Under these circumstances, there is a plausible national security argument for the

US—or any other country—to restrict Huawei's operations within its own borders.

Other countries are not in a position to second-guess this decision.
The export ban on US companies, however, is harder to justify on national security grounds than the ban on Huawei's US-based operations. If Huawei's operations in third countries pose a security risk to those countries, their governments are in the best position to assess the risks and decide whether a shutdown is appropriate.

Moreover, the US ban confronts other countries with severe economic repercussions. It creates significant adverse effects for national telecoms companies like BT, Deutsche Telekom, Swisscom, and others in no fewer than 170 countries that rely on Huawei's kits and hardware. Perhaps worst hit are poor countries in Africa that are highly dependent on the company's cheaper equipment.

In short, the US is free to close its market to Huawei. But US efforts to internationalize its domestic crackdown lack legitimacy. The Huawei case is a harbinger of a world in which national security, privacy, and economics will interact in complicated ways.

Global governance and multilateralism will often fail, for both good and bad reasons. The best we can expect is a regulatory patchwork, based on clear ground rules that help empower countries to pursue their core national interests without exporting their problems to others. Either we design this patchwork ourselves, or we will end up, willy-nilly, with a messy, less efficient and more dangerous version.

Source: livemint.com– Sep 10, 2020

HOME

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NATIONAL NEWS

GDP to contract 9% in FY21, says Crisil

Real GDP growth will dive deeper to -9 per cent in fiscal 2021 against -5 per cent projected earlier, warned credit rating agency Crisil.

With the pandemic's peak not yet in sight and the government not providing adequate direct fiscal support, Crisil said the downside risks to its earlier forecast have materialised.

If the pandemic were to peak out in September-October, GDP growth could move into mildly positive territory towards the end of this fiscal, according to a report put together by agency's team of economists led by Dharmakirti Joshi, Chief Economist

Even in that event, manufacturing is expected to revive faster compared with services, the report added.

"But the risks to our outlook remain tilted to the downside till such time a vaccine is found and mass produced," cautioned the economists.

Permanent scars

Crisil expects a permanent loss of 13 per cent of real GDP over the medium term. In nominal terms, this amounts to ₹30-lakh crore, it added.

The agency underscored that this loss of real GDP growth is much higher than a 3 per cent permanent hit to GDP in Asia-Pacific economies (ex-China and India) over the medium run estimated by S&P Global in June.

Crisil assessed that catch-up with the pre-pandemic trend value of real GDP would require average real GDP growth to surge to 13 per cent annually for the next three fiscals – a feat never before accomplished by India.

The agency observed that the 61-day complete nationwide lockdown, followed by an 'unlock' phase with off-again, on-again regional lockdowns and curbs and a convulsing global economy, sent India's real GDP on its worst-ever recorded contraction of 23.9 per cent for the quarter.

"Worse still, India fell hardest among peers...we expect GDP to contract 12 per cent on-year in the second quarter of fiscal 2021," it added.

Stretched fiscal position

The agency opined that a stretched fiscal position has constrained the government from spending more to support the economy.

"While the government did announce a series of measures in the wake of pandemic that provided some support to the rural economy, the overall direct fiscal stimulus was low at about 1.2 per cent of GDP .

"Till date, the policy push to growth remains muted, except in pockets, the report said.

Source: thehindubusinessline.com– Sep 10, 2020

HOME

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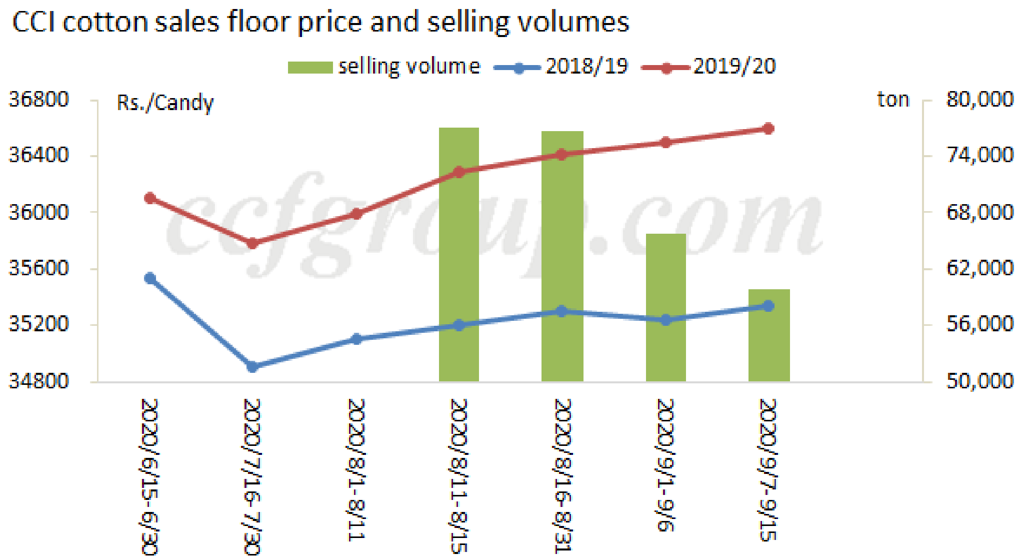
CCI resumes cotton auction, and transactions reduce

Cotton Corporation of India continued to increase the cotton sales floor price after the active transaction in Aug, while reduced the sales discounts and restricted the trading volumes. This move makes CCI's cotton price advantage gradually disappear, and sales have weakened somewhat since Sep. With the relatively high cotton stocks of CCI and coming arrivals of new cotton, CCI still faces large selling pressure.

1. CCI's cotton stock sales policy has been significantly tightened
After CCI suspended cotton stock sales on Aug 24, it restarted the sales again on Sep 1, but the new terms and conditions for the cotton stock sales tighten obviously.

(1) The floor price continues to rise, and selling volumes decrease

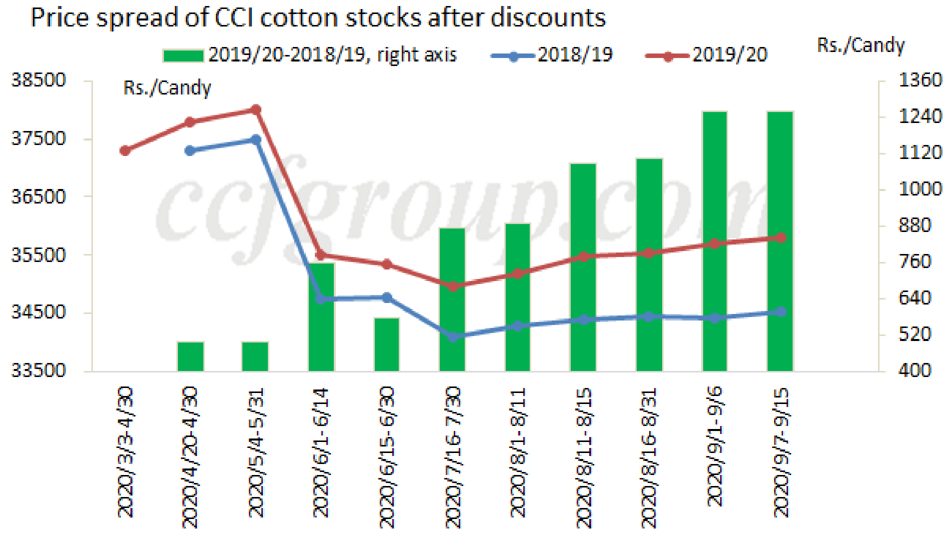
According to the CCI announcement, the average floor prices of CCI's cotton stocks on Sep 7 is Rs. 35,340 per Candy for 2018/19 cotton and Rs. 36,600 per Candy for 2019/20, which are all increased by Rs. 100 compared to the price announced on Sep 1. Since the beginning of Aug, CCI has raised the price five times in less than one and a half months.



In addition, since mid-Aug, the selling volumes of cotton sold off by CCI continue to decrease, from 77,000 tons in mid-Aug to 60,000 tons.

(2) Discount continues to shrink

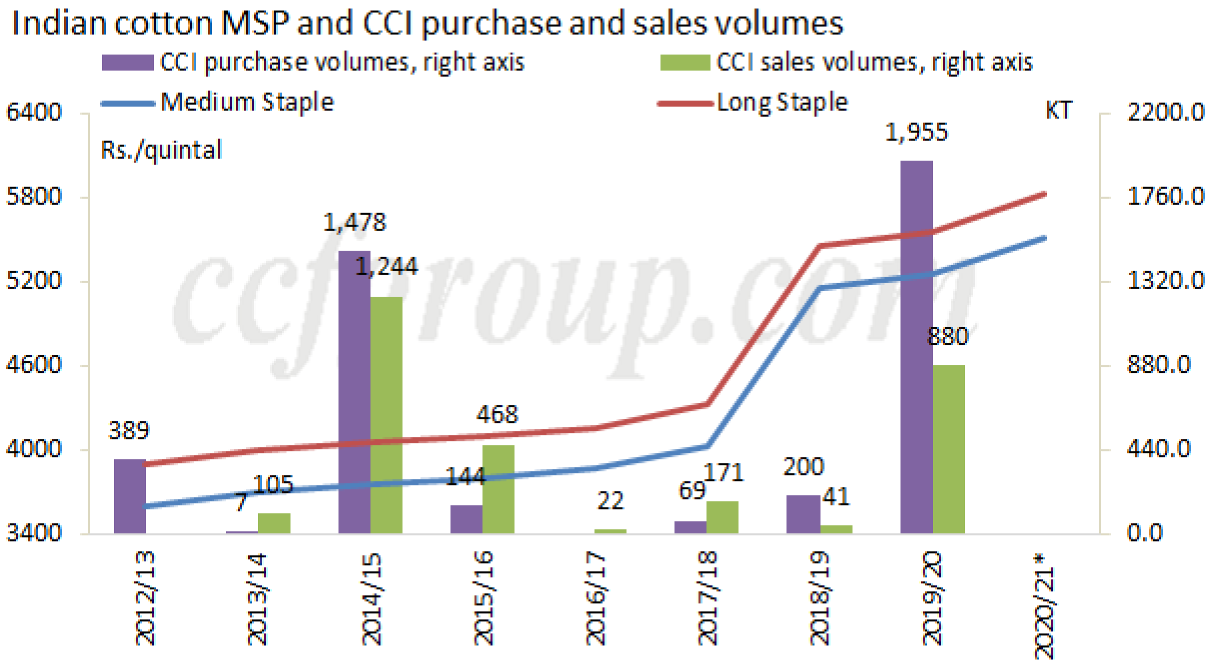
According to CCI's latest announcement, there will be a maximum quantitative ceiling of 2 lakh bales per day and total sale of 10 lakh bales in a cotton season to any single buyer for sale of cotton bales. A discount of Rs. 300/- per candy in sale rate will be given to MSME spinning mills (Registered as MSME with office of Textile Commissioner)/KVIC Units & Co-operative Spinning Mills. However, there will be a quantity limit of 15000 bales in a cotton season for this segment (Excluding KVIC/Government Mills).



Compared with the previous discount, private textile mills/NTC mills and cotton traders no longer have the qualifications of 300 rupees/candy discount for 100 bales purchased. In addition, the number of single-day purchases and cumulative purchases has also been significantly suppressed. In other words, the threshold to enjoy the maximum discount has been significantly increased, cutting off the possibility of large transactions in a single day. On Sep 1 and 2, the CCI cotton stock sales were only 5,100 tons, which was a sharp drop compared to the single-day transaction volume in Aug.

2. CCI cotton stocks are still under pressure

According to the data tracked by us, as of Sep2, CCI has sold about 885,000 tons of cotton and about 1.071 million tons are still left. Maharashtra Cotton Federation has sold 162,000 tons of cotton and about 149,000 tons of cotton are still left.



Cotton Corporation of India continued to increase the cotton sales floor price after the active transaction in Aug, while reduced the sales discounts and restricted the trading volumes.

This move makes CCI's cotton price advantage gradually disappear, and sales have weakened somewhat since Sep. With the relatively high cotton stocks of CCI and coming arrivals of new cotton, CCI still faces large selling pressure.

The cotton stocks remain at a historical high level compared to the corresponding period of previous years. Besides, the new cotton will arrive on the market soon. According to the current transaction situation of CCI, it may take a long time for the remaining CCI inventory to be effectively sold.

Cotton Corporation of India continued to increase the cotton sales floor price after the active transaction in Aug, while reduced the sales discounts and restricted the trading volumes. This move makes CCI's cotton price advantage gradually disappear, and sales have weakened somewhat since Sep. With the relatively high cotton stocks of CCI and coming arrivals of new cotton, CCI still faces large selling pressure.

Source: ccfgroup.com– Sep 09, 2020

HOME

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India Considers $23 Billion Package to Lure Global Manufacturers

India is planning to offer incentives worth 1.68 trillion rupees ($23 billion) to attract companies to set up manufacturing in the South Asian nation, people with knowledge of the matter said.

Prime Minister Narendra Modi’s government will offer production-linked incentives to automobile manufacturers, solar panel makers, and specialty steel to consumer appliance companies, according to documents reviewed by Bloomberg News. Textile units, food processing plants and specialized pharmaceutical product makers are also being considered for the plan.

The incentive program, being spearheaded by the country’s policy planning body, uses the template of a scheme implemented earlier this year to draw businesses away from China. About two dozen companies including Samsung Electronics Co., Hon Hai Precision Industry Co., known as Foxconn and Wistron Corp. pledged $1.5 billion of investments to set up mobile-phone factories in the country, according to the government, after authorities offered to pay them an amount equivalent to 4%-6% of their incremental sales over the next five years.

New Delhi has been working on attracting investments to revive an economy that posted its worst slump among major economies last quarter, when it contracted 23.9%. Corporate taxes are already among the lowest in Asia, while insolvency rules were overhauled to improve the ease of doing business. But those have done little to make it the first choice for businesses looking to diversify supply chains away from China.

Vietnam continues to be the most favored destination, followed by Cambodia, Myanmar, Bangladesh and Thailand, according to a recent survey by Standard Chartered Plc.

“The move will definitely have a positive impact on manufacturing, especially for so-called booming sectors such as solar and electronics,” Madan Sabnavis, chief economist at Care Ratings Ltd. said. “It is a good way of attracting investments and has potential to make a difference in these sectors”.

The government is also planning to introduce a phased manufacturing program for other sectors to allow companies to gradually increase local value-addition. The program, currently in vogue for components and accessories used for mobile phones, is proposed to be extended for furniture, plastics, toys and low-value consumer durables. Most of these items are currently imported from China.

The details of both the programs are being worked out and would be put up for the approval of the federal Cabinet soon, they said.

A spokesperson for Niti Aayog, the government’s policy think tank, didn’t answer a call made during business hours.

India imported goods worth $65 billion from China in the year ended March 31, while its exports to the neighboring nation stood at $17 billion, leaving a trade deficit of $48 billion, according to latest government data.

Source: bloomberg.com– Sep 10, 2020

HOME

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Rise in textile demand to support MCX cotton ahead of harvest season in October

Cotton, or kapas in Hindi, is a kharif crop sown in the monsoon season in the states of Maharashtra, Gujarat, Madhya Pradesh and Telangana and the crop is harvested from October to February.

Rajasthan, Haryana, Karnataka and Punjab are the other states that grow cotton but at a smaller scale. Sowing depends on the monsoon season and the distribution of rainfall.

Good rain is vital for yield as are remunerative prices. Higher prices are generally forecasted to encourage sowing, as a lower price can lead to farmers opting for soybean, maize and castor seed over cotton.

Raw cotton is traded at the National Commodity and Derivatives Exchange as wells and the Multi-Commodity Exchange. Cottonseed oilcake is a byproduct mainly used as an organic fertiliser or cattle feed and is traded at NCDEX.

Cotton is also produced and exported in the international markets. Other major cotton-producers are the United States, China and Brazil.

India is among the top exporters and future prices of MCX cotton are direct linked to those at of the Chicago Board and International Commodity Exchange. Unlike cotton, cottonseed oil cake is majorly traded in the domestic market and not exported.

On MCX, cotton futures traded mixed-to-bullish in August due to increased demand from the textile industries in the domestic market as some states roll back more restrictions.

An increase in farm activities in rural areas led to increased buying of cotton, especially in Gujarat, supporting prices in July.

Globally, the demand for cotton is reported to have grown especially in China due to easing lockdown, though China has not begun full-fledged buying of US agricultural products as agreed in their Phase 1 trade deal.

On September 3, MCX September cotton futures closed at Rs 17,750 per bale, higher by 9.16 percent compared to Rs 16,260 per bale reported on July 31.

In the month ahead, we expect MCX cotton futures to continue to trade mixed to bullish on the forecast of higher production of cotton in Maharashtra and Madhya Pradesh by 15-20 percent.

Higher stocks reports from last of approximately 85-90 lakh bales (1 bale = 170kgs) for the year 2019-20, compared to 25-30 lakh bales for the year 2018-19 will also cap spot and future prices from any major upside movement.

But then, exports have shown recovery in the global markets in the last few weeks as the Cotton Corporation of India focused on boosting exports from India, which could limit a major downside.

Moreover, reports of crop damage in the central and western parts of India has increased worries, especially in the last two weeks, which can reduce the yield. Traders are also cautious about the flood-like situation that can damage the crop in various parts of the country.

Cotton harvesting in China and the US could also begin in this month, which can also cap major upside movement in future prices. Overall, we expect sideways to bullish trend in MCX cotton for the month ahead.

Source: moneycontrol.com– Sep 10, 2020

HOME

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Release of pending funds would help apparel sector get over present crisis : AEPC

Apparel exporters have urged the Government to release the pending RoSCTL dues and bail them out of the present crisis.

Hailing the announcement with regard to release of funds, the Apparel Export Promotion Council (AEPC) Chairman A Sakthivel said the pending dues under RoSCTL (Rebate of State and Central Taxes and Levies) till August this year is around ₹1,500 crore. Release of this amount would go a long way in helping exporters tide over this crisis.

The Union Cabinet in March, approved the continuation of RoSCTL for export of garments and made-ups from April 1, till the scheme is merged with Remission of Duties and Taxes on Exported Products (RoDTEP).

This scheme would, besides restoring the competitiveness of the industry, also usher in positive sentiments for achieving higher export targets. Apparel exports took a hit because of the lockdown, followed by global depression in demand, increased defaults due to bankruptcies and closure and rising logistics and transactional costs among others.

Exports had plunged by over 90 per cent in April, 66.19 per cent in May, 35 per cent in June and 22 per cent in July.

This announcement would prove to be a milestone in changing the export trend, the AEPC Chairman said.

Source: thehindubusinessline.com– Sep 10, 2020

HOME

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Jaishankar, Singh discussed Chabahar port, other with Iranian counterparts

Russia to work closely with India in the UNSC during the country's tenure as Non-Permanent Member

External Affairs Minister S Jaishankar and Defence Minister Rajnath Singh discussed issues of bilateral and regional significance with their Iranian counterparts, including the developments at the Chabahar port, in their recent meetings, according to the Ministry of External Affairs (MEA).

Jaishankar also discussed bilateral matters, regional developments and international issues of concern with his Russian counterpart on the sidelines of the Council of Foreign Ministers (CFM) of Shanghai Cooperation Organisation in Moscow, MEA spokesperson Anurag Srivastava said at a press briefing on Thursday.

On the meetings with the Iranian leaders, Srivastava said that these took place during technical halts in Iran en route to Moscow by both the Ministers.

"During these meetings all issues of bilateral and regional significance including connectivity were discussed. Particularly on the Chabahar project, both sides noted that traffic is increasing and we are seeing increased cargo movement through this port," the spokesperson said.

Jaishankar and Russian Foreign Minister Sergey Lavrov, who met on Wednesday, agreed to work closely in the UN Security Council during India's forthcoming tenure as a Non-Permanent Member, Srivastava said. Bilateral economic issues, cooperation in development of the Far East region of Russia, cooperation in nuclear and space sectors were discussed.

Jaishankar also met Foreign Minister of Kyrgyz Republic Chingiz Aidarbekov and Foreign Minister of Tajikistan Sirojiddin Muhriddin. "Both the countries are our strategic partners and during the meeting it was agreed to further enhance our strategic partnership in all spheres," the spokesperson said.

Source: thehindubusinessline.com– Sep 10, 2020

HOME

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Khadi's E-Market Portal Goes Viral; Indians Go Vocal for Local

Khadi and Village Industry Commission's (KVIC) venture into the online marketing segment has quickly established a pan-India reach enabling the artisans sell their products to the remotest parts of India through the KVIC E-Portal - www.kviconline.gov.in/khadimask/. The online sale that was launched with just Khadi Face Masks on July 7 this year has evolved into a full-fledged E-market platform with 180 products as on today and many more in the pipeline.

As per KVIC, the product range includes hand-spun and hand-woven fine fabric like Muslin, Silk, Denim and Cotton, Unisex Vichar Vastra by Ritu Beri, Khadi's Signature Wrist Watch, a variety of honey, Herbal and Green Tea, Herbal Medicines and Soaps, Papad, Kacchi Ghani Mustard Oil and a range of herbal cosmetics among many others. KVIC is adding at least 10 new products to its online inventory on a daily basis and it has set a target of adding at least 1000 products by October 2 this year. In less than two months' time, KVIC has served nearly 4000 customers.

KVIC Chairman, Shri Vinai Kumar Saxena said the online sale of Khadi products is a big push to "Swadeshi" and aims at empowering the local artisans. "Khadi's E-market portal is providing our artisans an additional platform to sell their goods. This is a concrete step towards building of Aatmanirbhar Bharat," Saxena said, adding the product range is priced from Rs 50 to Rs 5000, keeping in view the choice and affordability of all sections of buyers.

"Earlier products of Khadi institutions were sold only through outlets and hence their visibility was confined to a few states only. However, with KVIC's E-portal, products are now reaching to the far-flung areas of the country and thus giving wider marketing spectrum to Khadi institutions which will ultimately increase their production and add to the income of artisans.

Customers, too, have expressed great satisfaction over the online sale of Khadi products. A regular Khadi customer in Delhi who used to buy products from the Khadi India outlet in Connaught Place could not find the same products in Assam where he is posted now. However, the E-market platform has enabled him to order his desired products online and receive the same at his doorsteps.

KVIC has received online orders from 31 States and Union Territories that include the far-flung Andaman and Nicobar Islands, Arunachal Pradesh, Kerala, Himachal Pradesh and Jammu & Kashmir. KVIC has fixed the minimum order value at Rs 599 for free delivery of goods. It has entered into an agreement with the Postal Department for delivery of consignments via Speed Post.

According to KVIC, it has developed the E-portal in-house and thus saved crores of rupees to the exchequer. The exercise is similar to the PMEGP E-portal developed in-house by KVIC where it saved at least Rs 20 crore on website development and maintenance.

KVIC's online inventory also includes stitched Modi Kurta and Modi Jackets for men and palazzo and straight trousers for women. Several other products like Khadi Rumal, spices, herbal neem wood comb, shampoo, cosmetics, cow dung and cow urine soap, yoga dress and several varieties of ready-to-eat food have been included so far.

Source: pib.gov.in– Sep 09, 2020

HOME

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