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USD 65.33 | EUR 77.09 | GBP 85.89 | JPY 0.58

Cotton Market

Spot Price (Ex. Gin), 28.50-29 mm

Rs./Bale	Rs./Candy	USD Cent/lb
17784	37200	**72.53**

Domestic Futures Price (Ex. Gin), November

Rs./Bale	Rs./Candy	USD Cent/lb
18250	38175	**74.43**

International Futures Price

NY ICE USD Cents/lb (Dec 2017)	68.60
ZCE Cotton: Yuan/MT (Jan 2018)	15,200
ZCE Cotton: USD Cents/lb	**88.31**
Cotlook A Index – Physical	**79.35**

Cotton & currency guide: Another sideways trend for cotton on Tuesday. The December posted a close at 68.60 and March ended at 68.65 cents per pound. It's been more than one fortnight cotton has been trading in a very confined range of 68 to 70 cent. In fact there have been no events that market would respect to break either side.

More on markets a noticeable point is for the first time March contract volume was higher than December. This should now portray a different picture in the market though open interest in March is more than double of December. On the data from open interest of December has reduced by 10K contracts to around 43K while March open interest is building up more than 110K contracts. Trading volume on Tuesday for December contract around 20K while for March more than 21K. We have to keep a watch on the spread trading between December and March and roll over from former to latter.

The 1st notice day for December is on 24th of this month the open interest is expected to decline further and same should pass on to March.

From the price perspective December is trading around 68.60 and expected to remain in the sideways trend. More on price the technical support in the near term is seen at 68 and then 67.20. Likewise 70+ remains a key resistance level.

On the domestic front, prices for Shankar-6 new crop are marginally firm at an average of Rs. 37,600 per candy, ex-gin (73.20 US cents per lb at the prevailing exchange rate). Quotes for new crop Punjab J-34 are also higher at Rs. 3,875 per maund (about 71.90 cents per lb).The latest estimate of daily seed cotton arrivals is 152,100 lint equivalent bales (170 kgs). This includes 40,000 registered in Maharashtra, 37,000 in Andhra Pradesh/Telangana and 30,000 in Gujarat.

The futures contract initially made an intraday high of Rs. 18450 per bale for November future which settled a tad lower at Rs. 18380. We expect market has respected the key resistance of Rs. 18500 and hence a price correction is noticed which may take the cotton price slightly on to the lower side. The trading range for the day would be Rs. 18200 to Rs. 18440 and recommend selling on rise for the day.

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

NEWS CLIPPINGS

	INTERNATIONAL NEWS
No	**Topics**
1	Egypt – The Potential Hub for Exports
2	Vietnam's largest textile and garment expo attracts hundreds of int'l brands
3	Mexico to respond to tough U.S. proposals at fifth NAFTA round
4	Pakistan: Trade deficit widens to $12.1b in 4 months
5	Nigeria: Finance Minister, foreign investor hold talks on cotton textile industry
6	Pakistan: 20pc hike in yarn rates hits apparel sector
7	The 'Made in Indonesia' Opportunity
8	Long staple cotton production in Egypt to be expanded: PM
9	T-shirts Market is expected to Witness Significant Growth
10	China: Cotton-picking machines replace manual workers in Xinjiang
11	APEC Ministerial Meeting: Championing all shades of trade
	NATIONAL NEWS
1	India for 'balanced' Regional Comprehensive Economic Partnership
2	Will soon announce foreign trade policy review: Prabhu
3	Indian exports dip in October at $23 bn, trade deficit up
4	Govt to cut foreign trade target
5	GST has hurt textile industry in election bound Gujarat, say traders
6	Overall trade deficit for April-October 2017-18 is estimated at US$ 52550.66 million
7	Maharashtra's MSKVIB rebrands khadi as 'MahaKhadi'
8	Procurement centres set up near ginning mills

INTERNATIONAL NEWS

Egypt – The Potential Hub for Exports

The floatation of the Egyptian pound in 2016 was a step towards building foreign currency reserves, attracting FDI and boosting investor confidence. Along this move, the government's strategy (Egypt Vision 2030) focuses on five crucial pillars, which will be addressed in parallel to attain the industrial growth rates. The strategy, which has been endorsed by the President and the Egyptian Parliament, is setting the scene to promote Egypt's exports and limit its imports to protect and develop the reach of its home-based industries.

The Government's five pillars strategy will focus on industrial development, micro, small and medium-sized enterprises & entrepreneurship development, exports development, competition and vocational education and training, and governance and institutional development.

Minister of Trade Tarek Kabil's new export promotion strategy will be coordinated primarily through the newly-established Export Development Authority (EDA) to ensure a five-year strategy:

- Streamlining export procedures through a one-stop-shop policy;
- Improving the quality of exports;
- Launching an export-promotion portal
- Encouraging exporters to participate in international fairs and expos.

In tandem is the Ministry of Trade's renewal of directives to impose duties on certain competitor industries such as to limit price undercutting from cheaper markets, for the protection of the local industry.

Industrial training programmes will be a key driver of the quality improvement, with target markets to include Europe—a traditional export destination—and new markets in East and West Africa as well as South America.

Under the stewardship of Sherine El Shorbagy, the EDA functions will network with export councils and business associations in order to assess market challenges and find collective strategies to improve Egypt's non-oil exports.

Although further reform is required, as the Egyptian economy continues to expand, exporters and investors are finding that recent Government legislation, supported by a willing financial sector, is making it possible for them to extend their marketplace beyond Egypt's borders.

In 2015, 29.2% of Egypt's exports were to the European Union. In 2016, exports of goods were valued at €6.7 billion, with the largest contributors in fuel and mining (43.2%), textiles & clothing (12.3%) and chemicals (13.2%). However, this was 22% lower than in 2014, despite the fact that Egypt has had an "Association Agreement" (AA) with the EU since 2004, which eliminates tariffs on industrial products and lowers them on some agricultural ones.

Negotiations to enhance the openness of trade, to a full-blown "Deep and Comprehensive Free Trade Area" (DCFTA), were started in 2013 and are currently on hold. (DCFTA would expand AA to incorporate trade in services and investment.)

Theoretically, Egypt's export sector should always perform well because of the unique connectivity advantage provided by the Suez Canal, Egypt's proximity to Europe, a large population with low wage costs and the potential of an indigenous gas supply, all acting as a natural driver for positive export growth.

Policy makers devalued the Egyptian Pound at the end of 2016, making exports much cheaper and, therefore, much more competitive. With power supplies improving as a result of additional gas production, greater support from the EU (which would prefer to avoid refugee and migrant flows becoming an issue), and with wages still lower than Southern Europe, Egyptian exporters can feel encouraged by the growth prospects.

Top tips for potential Egyptian exporters?

- The financial sector, banks in particular, are increasingly tailoring their structured products for specific requirements. Less rigidity in the banking sector makes it easier to agree sensible and, more importantly, competitive international transactions.
- The Egyptian Government is developing free zone areas around the Suez Canal. The Chinese have already indicated their willingness to invest—a boon for foreign direct investment—to set up

manufacturing in these areas for the purpose of exports. Those same zones offer indigenous businesses opportunities, to either develop their own export-focused operation or a venture in support of export businesses, such as transport or logistics.

- Nearly 50% of Egypt's exports are in the oil and gas sector. Agriculturally, Egypt is a net importer despite having significant amounts of very fertile, arable land. Whilst oil and gas trading tends to be the purview of very large corporates or Government agencies, there are plenty of opportunities for SMEs looking to develop exports in food production or processing.
- Competitiveness is the key to developing a successful export-oriented business. The demands of the local market can be, and often are, very different. Dedicated resources for the export business, whilst initially more costly, can lead to a more organised and, ultimately, more competitive offering.
- The textile sector is underdeveloped and opportunities abound. Although Egypt produces some of the best cotton in the world, its downstream processing capabilities lag behind the tremendous potential. Throughout the textile vertical from spinning to weaving to finishing, there are gaps waiting to be filled. Like so many other industries, these gaps can be filled by very niche products; for example, with its close proximity to Europe, Egypt should, in theory, be able to produce and supply seasonal fashion garments in short order.
- Not enough businesses take advantage of the benefits of living next to the busiest shipping lanes in the world. The Suez Canal has opened up a world of benefits for East-West trade and with Egyptian businesses in pole position to take advantage, since the tendency to focus on Europe is tempting. However, there are significant markets in MENASA (Middle East North Africa South Asia) and to the East, as well.

The Government's positive reforms, sensibly pegged currency, geographical location and educated and inexpensive workforce offer an ideal combination for the development and growth of a thriving export-oriented economy.

Source businessweekme.com- Nov 14, 2017

HOME

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Vietnam's largest textile and garment expo attracts hundreds of int'l brands

The Vietnam International Textile & Garment Industry Exhibition and the Vietnam International Textile & Apparel Accessories Exhibition (VTG 2017) will be held in HCM City from November 22-25.

A total of 400 exhibitors from 14 countries and territories will show their latest technologies and machines at the 17th edition of Việt Nam's leading textile and garment trade fair in HCM City from November 22-25.

The Vietnam International Textile & Garment Industry Exhibition and the Vietnam International Textile & Apparel Accessories Exhibition (VTG 2017) will be held at the Saigon Exhibition & Convention Centre.

Most of the exhibitors are from mainland China, Germany, Hong Kong, India, Japan, Malaysia, Singapore, Switzerland, South Korea, Taiwan, Thailand, Turkey, Uzbekistan and Việt Nam.

The country's textile and garment sectors had $14.58 billion in outbound shipments in the first six months of the year, representing a significant annual increase of 11.3 per cent.

A number of seminars will be held during the trade fair. Some of the highlights will focus on how Việt Nam prepares for free trade areas; the impact of the 4.0 industrial revolution; and the future for the market in changing times.

Source vietnamnews.vn- Nov 13, 2017

HOME

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Mexico to respond to tough U.S. proposals at fifth NAFTA round

Mexico will respond to U.S. demands for changes in content rules for autos and an automatic expiration clause in the NAFTA trade deal when negotiations on reworking the accord begin again this week, a top government official said on Tuesday.

A fifth round of talks to overhaul the North American Free Trade Agreement starts on Wednesday in Mexico City, notable for U.S. demands that the U.S. Chamber of Commerce has labeled “poison pills.”

Foremost among them are a 50 percent minimum U.S. limit in NAFTA automobile content, the scrapping of a key dispute mechanism and inclusion of a sunset clause that will terminate the pact after five years if it is not renegotiated.

The measures soured the mood among U.S., Mexican and Canadian negotiators when put forward last month, and Mexico’s economy minister, Ildefonso Guajardo, said his country would respond to the auto content and sunset clause plans.

“Those responses will be angled very logically toward what we’re hearing from the business world in Mexico and the United States,” Guajardo said at an event in Mexico City.

The three sides would explore what scope there was for narrowing their positions on that basis, he added.

Industry officials across the region have balked at the auto proposals, arguing they would add bureaucratic hurdles, be hard to enforce and could damage the competitiveness of the sector.

In addition to seeking to establish U.S. minimum thresholds, the team led by U.S. Trade Representative Robert Lighthizer has proposed raising the regional content requirement for NAFTA autos to 85 percent from 62.5 percent at present.

The coming round, which runs through Nov. 21, would seek to examine the viability of such ambitious targets, Guajardo said.

"It's one thing for them to say 'we want 85 percent regional value' and another for them to explain how to achieve that technically, understanding how the industry works," he said.

U.S. President Donald Trump has threatened to withdraw from NAFTA if he cannot rework it to the benefit of the United States, spooking investors and hurting the Mexican peso.

Mexican and Canadian officials have privately voiced skepticism about the prospect of negotiators making substantial progress on the most divisive issues during the current round.

That does not necessarily mean talks will be bad-tempered.

The White House is pushing for congressional approval of Trump's planned tax cuts, and officials say that could help set a more measured tone for the round, lest trade disputes create friction with NAFTA-supporting Republican lawmakers.

If Trump makes headway on tax cuts, it is more likely to help NAFTA talks than harm them, said Bosco de la Vega, head of Mexico's National Agricultural Council (CNA), a farming lobby.

"What we know from our U.S. counterparts is that they're saying, 'listen: we see that the future of (NAFTA talks) will depend on the success or failure of the tax reform.' It will have a direct impact on NAFTA. How much? Who knows?" he said.

Meanwhile, Guajardo expressed confidence that negotiators could make progress on less divisive topics in Mexico City.

"There are some chapters we believe we can finalize this round," he said, noting that talks on telecommunications and regulatory practices were advancing.

Guajardo also addressed the subject of U.S. demands to raise certain Mexican and Canadian duty-free import limits for e-commerce, known as "de minimis," to the U.S. level of $800, from current thresholds of $50 and C$20, respectively.

That would be one of last things defined in NAFTA talks and will be far from what U.S. companies are targeting, he said.

Source: reuters.com - Nov 13, 2017

HOME

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Pakistan: Trade deficit widens to $12.1b in 4 months

Pakistan's trade deficit widened to $12.1 billion in just four months due to increasing imports of the country putting further pressure on the foreign exchange reserves.

The country's trade deficit had recorded $12.1 billion during first four months (July to October) of the ongoing financial year as against $9.2 billion of the corresponding period of the last year showing an increase of 31.24 percent. Pakistan's exports had registered at $7.1 billion during July-October of 2017-18 as compared to $6.4 billion of the corresponding period of the last year showing a growth of 10.04 percent.

Meanwhile, the imports had also shown an increase of 22.55 percent and recorded at $19.2 billion during first four months of the current financial year as against $15.7 billion of the same period last year, according to Pakistan Bureau of Statistics (PBS).

The government seems fail in controlling soaring trade deficit of the country despite announcing measures to reduce imports and increasing exports. The Economic Coordination Committee (ECC) of the Cabinet last months had imposed and enhanced Regulatory Duty (RD) on around 731 items in a bid to discourage the surge in import bill. Similarly, the ECC had also approved measures to boost the exports.

The ECC approved a proposal that 50 percent of the export package incentive for eligible textile and non-textile sectors, announced in PM's Export Package, be provided on the same terms as for the period January to June 2017 without condition of increment. Remaining 50 percent of the rate of incentive would be provided if the exporter achieves an increase of 10 percent or more in exports as compared to the corresponding period of the last year.

The country's Current Account Deficit is widening due to increase in trade deficit . The World Bank in its recent report noted that wide current account deficit is expected to remain a concern and pressure on international reserves is likely to persist.

The pressure on the current account is expected to continue as the trade deficit will persist during FY18 and FY19. This situation could potentially become unsustainable in the absence of timely corrective policy measures. It has projected a 4 percent current account deficit against the official target of 2.6 percent of the GDP. This would mean there will be more pressure on already sliding foreign currency reserves.

The World Bank said that Pakistani rupee is overvalued. Such misalignment can contribute to the buildup of external account pressures and a loss in export competitiveness, leading to a decline in exports.

The World Bank said that risk to sudden devaluation of up to 30 percent of the Pakistani rupee against the US dollar is an increase of almost 10 percent in the public debt ratio over the projection horizon. But in the medium term, this would support the external balance through improved competitiveness.

According to the latest data of Pakistan Bureau of Statistics, Pakistan's exports have enhanced by 7.9 percent to $1.9 billion in October 2017 from $1.8 billion of October 2016. Meanwhile, the imports recorded a growth of 23.6 percent and reached $4.9 billion in October 2017 from $4 billion in the same period of the last year.

Therefore, the trade deficit was recorded at $3.04 billion in October 2017 as against $2.2 billion of October 2016, showing an increase of 35.88 percent.

Source: nation.com.pk- Nov 14, 2017

HOME

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Nigeria: Finance Minister, foreign investor hold talks on cotton textile industry

Dutch textile and design company, Vlisco Group, on Tuesday held a high-level discussion with the Minister of Finance, Kemi Adeosun, over its proposed investment in the Nigerian cotton textile industry.

The Chief Executive Officer of Vlisco Group, David Suddens, who led the group's delegation to the meeting with Minister, said the investment would boost growth and jobs in Nigeria across the entire value-chain from cotton to fashion.

The Group is participating across the sector value chain from sourcing of cotton to textile printing, wholesale, retail and e-commerce distribution, garment manufacturing and supporting and training of Nigerian fashion designers.

Suddens said: "Vlisco foresees an end-to-end involvement in the Nigerian textile industry from cotton sourcing to retail. We are expecting this investment to yield benefits for the Nigerian economy in terms of economic diversification and job creation in line with the country's Industrial Revolution strategy.

"Vlisco Group's activities are expected to generate more than 10,000 jobs in Nigeria in the medium term. We also envisage a Vlisco printing factory in Nigeria using Nigerian designs for the Nigerian consumer, retail outlets selling Vlisco products and trained tailors sewing Vlisco fabric into garmet."

Suddens further noted that the group had formed partnership with two spinning and weaving companies based in China and Pakistan in order to help build the Nigerian cotton textile industry.

"The two partners are very serious industrialists with first-class operations in their own countries. Both are prepared to move quickly if Vlisco guarantees the purchase of their output, and if agreement can be reached on the details of the Nigerian operation," he added.

The two partners, according to him, are expected to start operations with a weaving mill of between 120 and 140 looms, with each mill producing approximately 12 to 15 million metres of cotton fabric annually.

Suddens said: “Once success is established, both partners will integrate backwards into spinning. The first spinning mills will be for 25,000 spindles, producing yarn for approximately 20 million metres of fabric.

“These mills will then be doubled in size to 50,000 spindles and the weaving mills will also be doubled to 240-280 looms for each factory.”

Adeosun, who expressed delight at Vlisco’s proposed investment in the cotton textile industry, said the Federal Government was committed to the revitalization of the cotton textile industry.

She disclosed that the Government would stimulate and support sustainable value addition along the entire cotton, textile and garment sub-sector in order to create jobs and wealth for Nigerians and enable technology transfer.

She urged the investor to take advantage of the Nigerian Government’s incentives for the cotton, textile and garment sub-sector to expand its brand portfolio in Nigeria.

The Vlisco Group designs, produces and distributes fashion fabrics for the West and Central African market and African consumers in global metropolitan cities.

Founded in Helmond, the Netherlands in 1846, the Vlisco Group and their fabrics have grown into an essential part of African culture, receiving widespread attention from the art, design and fashion worlds.

Vlisco Group’s brand portfolio consists of 4 brands: Vlisco, Woodin, Uniwax and GTP.

Source: theeagleonline.com.ng- Nov 14, 2017

HOME

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Pakistan: 20pc hike in yarn rates hits apparel sector

The Pakistan Readymade Garment Manufacturers and Exporters Association (PRGMEA) has said that the sharp increase in cotton yarn prices by almost 20 percent has hit the export-oriented value-added textile sector hard.

PRGMEA (North Zone) newly-elected Senior Vice Chairman Sheikh Luqman Amin said that the unprecedented surge in cotton yarn rates during the cotton crop season is understandable, as the prices are usually at the lowest ambit these days.

He said the cotton yarn prices have increased by around 20 percent to Rs12,000 per bag of 100 pounds from Rs8,000 due to cartelisation of local manufacturers who are holding the stock to create artificial shortage.

The PRGMEA senior vice chairman asked the government to take preventive measures, as the export target would not be achieved due to high energy cost and discriminating import duties on industry raw material.

He appealed the government to abolish additional regulatory duty on cotton yarn that should be imported freely from anywhere. He said the government should take drastic steps for enhancing exports and addressing the problems of the industrial sector as the top priority, because uncertainty is negatively affecting the whole textile sector which contributes more than 54 percent share in total exports of the country.

He said that textile has become the most important sector especially after grant of the GSP Plus status by the EU countries but the artificial shortage of cotton yarn has put the ‘free market access’ status at risk. Luqman said since the apparel sector already has a very limited production line owing to lack of latest fabric varieties at local level the harsh duties are resulting into significant decline in apparel export.

He said that apparel industry is already suffering with the low productivity due to shortage of cotton, high energy cost, and discriminating import duties on the industry's raw material.

He asked Prime Minister Shahid Khaqan Abbasi to direct policy makers to work for reduction in all input costs, otherwise the export-oriented industries would not only shut down their operations, but millions of workers would also lose their jobs.

The newly-elected SVC also proposed the government to release funds to the central bank for immediate payment of duty drawback of taxes to the exporters under PM's package as the immediate payment of all outstanding refunds of sales tax could save the industry.

He said that value-added textile sector appreciates the government for accepting its genuine demand to provide 50 percent of the export package incentive on the same terms as for the period from January to June 2017, without condition of increment but this should be implemented without any further delay.

He said that exporters were battling hard for their survival in the global market in the face of severe competition with the regional countries, terming funds blockage as main cause of continuous drop in exports.

Source: nation.com.pk- Nov 15, 2017

HOME

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The 'Made in Indonesia' Opportunity

Her name is not embossed on any label but she is arguably one of the most important figures in Indonesia's booming fashion industry. Michelle Tjokrosaputro is the 37-year-old chief executive of Dan Liris, a well-respected textile and garment manufacturing giant that produces for global behemoths like Calvin Klein, Tommy Hilfiger and Marks and Spencer.

Last month, Tjokrosaputro was at the tenth anniversary edition of Jakarta Fashion Week, sharing her expertise with the next generation of designers showing on the catwalk. Under the supervision of fashion week organisers, she provides a portfolio of services such as auditing, subsidised courier services, sustainability management, quality control and specialised state-of-the-art machinery.

While the mentorship programme certainly does help local brands achieve a level of quality on par with international standards, it also highlights Indonesian manufacturers' growing prowess on the international stage. Tjokrosaputro is just one of several industry leaders who is keen to help Indonesia's apparel, footwear and textile manufacturing sector continue to prosper and move up the value chain. "We can then all feel proud to say 'Made in Indonesia,'" she quips.

With a textile and apparel export volume of close to $12 billion and a workforce of almost two million people, Indonesia has secured a spot for itself among the world's top ten textile and garment exporters. The Indonesian government has set the target to increase the nation's value of exported textile and apparel to $75 billion by the year 2030, meaning that it would reach 5 percent share in the global market.

'China Plus One' strategy

Indonesia would need to overcome many big challenges to meet such a target but even with giants like China and India as its neighbours, this youthful, diverse and dynamic country of 260 million people cannot be ignored. In fact, according to professional services firm PwC, manufacturing is a key contributor to its prediction that Indonesia will become the fifth biggest economy in the world in just 12 years' time, moving up from 16th place and surpassing the likes of Brazil, Russia and Germany.

"Indonesian apparel manufacturing will play huge role in the country's future in the next 20 years. We're [already] seeing the impact in this decade too," says Anne Patricia Sutanto, chief executive of Pan Brother Tex, one of the largest Indonesian manufacturers producing for the likes of Uniqlo — there are three massive factories just for the Japanese brand — and ASICS shoes.

"There is no doubt that Indonesia with its large population will have a huge influence on both manufacturing and sourcing as well as consumers' buying. This industry will have a multiplier effect and give a major boost to the economy provided the government is willing to see this labour-intensive industry as pillars of growth," she adds.

The firm has big plans to expand production capacities to “clothe the world, both in Indonesia as well as other countries,” says Sutanto whose company manages brands like Express, Hollister and a home textiles line with Ikea, among others. Pan Brothers Tex also collaborates very actively with Indonesian brands like Salt n Pepper and Zoe Black, which are retail collections.

One of Pan Brother Tex’s subsidiaries, Hollit International, is a Java-based firm where product development, material sourcing and production are combined under one roof. Hollit counts Prada, Ralph Lauren, Brooks Brothers, Guess, Lacoste and Next as clients. “Our pattern makers, supported by highly-skilled sewing operators, can produce real time ad-hoc sample products for visiting designers and product developers,” says Sutanto, adding that “Design on the Spot” remains the firm’s unflinching motto.

While China undoubtedly remains the biggest powerhouse in the region, Indonesia is now benefitting from China’s rising labour costs, prompting companies to diversify in the region by following what’s called a “China Plus One” strategy. Like China, Indonesia has the advantage of a domestic supply of raw materials, an expansive labour force and a big domestic economy that is transitioning steadily from low income to middle income economy. Unlike China, however, it is integrated into the Association of Southeast Asian Nations (ASEAN).

Besides, manufacturing companies in Indonesia are getting increasingly sophisticated with vertical operations of spinning, weaving, printing and garment plants — making them a one-stop destination for international clients. One such example is a gargantuan Java-based company called Sritex, that produced 8 million pieces of apparel a year and boasts of bigwigs like Uniqlo, Guess and H&M as long-time clients.

Other major players in the sector include Eratex Djaja, Evershine Tex, Kahatex, Argo Manuunggal Group, Pan Brothers, Busana Apparel and Binabusan.

Fast fashion, diffusion and sportswear

According to H&M’s global head of production, Helena Helmersson, the Swedish firm is optimistic about expanding further in Indonesia and establishing a long-term presence there. “The advantage of manufacturing in Indonesia is the great mix of fashion, price and sustainability,” she says.

Today the biggest international buyers in Indonesia are fast fashion giants or those operating diffusion labels of designer brands. It is high-volume sportswear production that allows major multinational sportswear brands — Adidas, Mizune, Asics, New Balance, Nike, Pentland and Puma — to not only keep up with global demand, but also expand into new countries.

Because of its investments in technology, innovation and training, Indonesia is being increasingly perceived not as the cut-and-sew factories of Vietnam and Bangladesh, but as a more advanced sourcing opportunity. And where it cannot compete on price, it can on scale.

Thanks to its expansive labour force as the fourth most populous country in the world, Indonesia has an advantage over its neighbours in Southeast Asia. There are over 3,000 garment manufacturers in Indonesia, mainly producing shirts, cotton t-shirts, corsets, underwear, coats, sports shirts and trousers.

“The government under President Joko Widodo has been pushing a lot of infrastructural projects and also bureaucratic slimdown in order to ease business,” says Tjokrosaputro of Dan Liris.

“We’re also anticipating zero tariff [access] to the Australian market will happen next year and hopefully zero tariff or a free trade agreement with EU will be signed by end of 2018. This will help Indonesian industries will grow further allowing us to compete with our neighbouring countries like Vietnam and Bangladesh.”

Indonesia already has free trade agreement with Japan, which has brought scores of Japanese brands to manufacture in the country.

An archipelago of specialists

Textile, apparel and footwear production is scattered across many of Indonesia’s 17,000 islands but the sector hubs are mostly based on the islands of Java — where the country’s commercial and fashion capital Jakarta is located — as well as Sumatra, Sulawesi and Bali.

A report published by Indonesia's Directorate General of National Export Development, cites Sukabumi, a city in West Java, as the most attractive destination for garment manufacturing investors. But the city of Bandung is seen as the most developed for garment manufacturing, producing as much as 40 percent of the annual output value of garments in the country. Even Jakarta trails behind Bandung.

Since Indonesia has an abundant supply of raw materials and animal derivatives of cow, sheep, alligator, snakes and others, the footwear (sports and non-sports) industry is flourishing. The Ministry of Trade confirms that Indonesia was one of the world's top ten footwear producers in the world.

Investor confidence is emboldened by the fact that global brands like Nike identify the country as one of their biggest production hubs. Adis Dimension Footwear, the local Indonesian unit of American multinational footwear and sportswear giant owns a factory in Tangerang, Java, with a production capacity of 20 million pairs per year. In 2015, it announced it was setting up a new $60 million factory in West Java with a production capacity of 10 million pairs of shoes per year. About half of raw materials are domestically-sourced — a big advantage in terms of both cost and operations.

In the non-sports shoes category, there is Rotelli, a formidable shoe manufacturing company that retails its own brand and, through its manufacturing arm Karyamitra Budisentosa, produces for the likes of Eram, Geox and Dan Marini Marco.

Other big players in the footwear sector include Global Sports, Panarub Industry, Nikomas Gemilang, Sepatu Mas Idaman, Mangul Jaya, Teguh Murni Perdana and Pelita Tomangmas. West Java, East Java and North Sumatra are the main hubs for production. Textiles and metal accessories for the footwear industry are located there and in Banten, while Jakarta, Bandung, Yogyakarta and Bali serve as the main design clusters.

Jewellery — especially gold jewellery — has traditionally been one of Indonesia's biggest export commodities with the top buyers coming from Switzerland, Japan, Singapore and Hong Kong. UBS, a colossal 36-year-old jewellery company (also the sponsor of Jakarta Fashion Week) trains thousands of jewellery makers in East Java. "Jewellery designs in Indonesia have evolved to lead in the world in terms of variety and creativity," says Erwin Suganda, creative director of UBS Gold.

But with so much focus on industrial output, what happens to the handmade crafts that Indonesia is famous for?

"A huge variety of crafts and embroidery skills have been here for generations. We grew up with it. So, it's surprising when we are told, in Paris, our embroidery looks like Gucci's. We intend our designs to look cool and international, but marrying ancient handmade skills from my country is in the brand's DNA. It's not derived. We're following our artisanal culture," says Indonesian designer Toton Januar, last year's winner of the Woolmark Asia Prize.

"The soft power of my country's made-by-hand [sector] is underestimated. For one, the Indonesian government fought for the heritage-craft batik, only when the Malaysian government stepped in to patent it."

Monique Soeriaatmadja, one half of the designer duo behind Jakarta Fashion Week brand Soe Jakarta agrees. "There's a grave concern about the growing disconnect between the fashion industry and the craft industry. However, our biggest challenge with using indigenous crafts is regeneration. Young people are getting less interested to sit around looms and vocational training in textile schools is focused on putting the people on factory floors not on the looms."

Source: businessoffashion.com - Nov 14, 2017

HOME

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Long staple cotton production in Egypt to be expanded: PM

Long staple cotton production in Egypt will be expanded and 128 firms owned by the public business sector are being renovated to boost production, Prime Minister Sherif Ismail said inaugurating the second 'Destination Africa' fair for apparel and textiles at Cairo recently.

The government also is keen on renovating public spinning and weaving firms, he said.

The two-day fair last week was jointly organized by the Egyptian Government and the Egyptian Exporters Association – Expolink.

Egypt wants to reach out to Africa as it attaches a lot of importance to the continent, a press release from the fair organisers said quoting the prime minister.

About 75 companies took part in the fair on November 11-12.

Source: fibre2fashion.com - Nov 15, 2017

HOME

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T-shirts Market is expected to Witness Significant Growth

According to a new market report published by Credence Research Inc "T-Shirt Market – Growth, Share, Opportunities, Competitive Analysis, and Forecast 2016 – 2023," the global t-shirt market was valued at US$ 185.1 Bn in 2016. The market is further grow at a CAGR of 6.0% over the forecast period 2017 – 2025.

The t-shirt market is expected to register significant growth with rising disposable income and rapidly shifting trend towards customized t-shirts. In addition, the advancements in technology have led to the introduction of advanced inkjet heads that are compatible with a variety of inks from different suppliers.

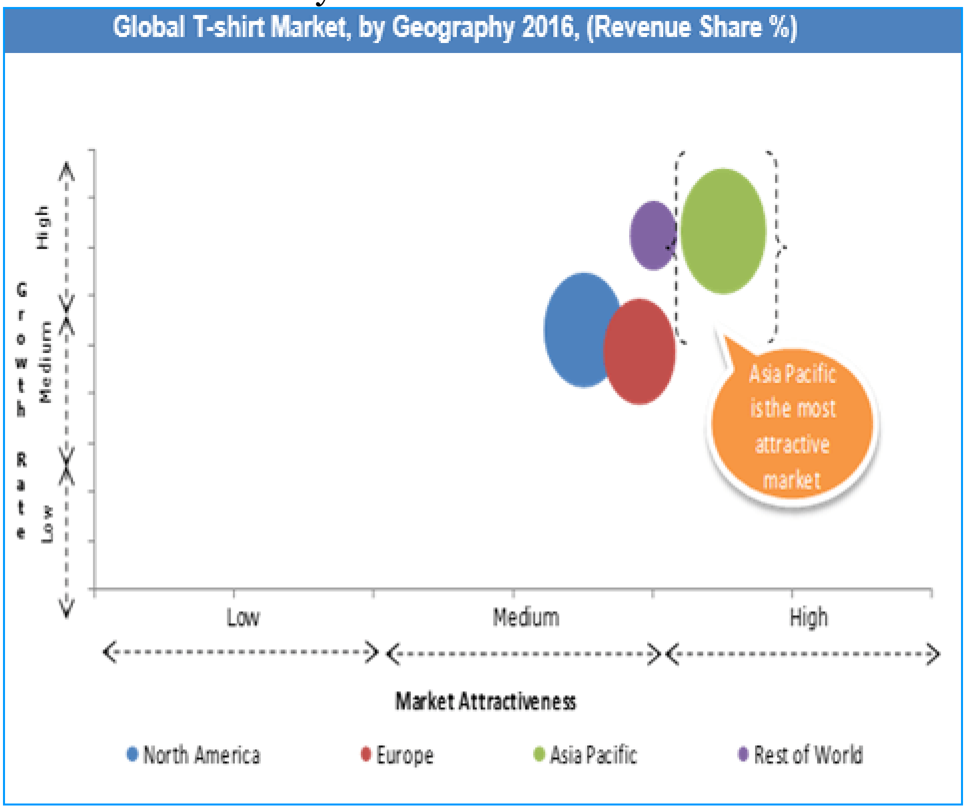
In addition, fine embroideries with faster output rate have also been developed significantly. This development bodes well for the overall market growth. The industry has been aligning its research and development activities taking into account dynamic nature of fashion trends demanding shorter production cycles and high quality prints. These are the major factors driving the demand for t-shirts in the global market.

In terms of material, the cotton segment led the global t-shirt market in the base year 2016. The segment accounted more than half of the global T-shirt market revenue in the same year. Cotton is the most common and preferred fabric for t-shirts as they are ideal for everyday wear. A variety of cotton with different properties is used for making apparels.

However, other materials such as linen, lycra, polyester, rayon and blends of two or three materials are also used for manufacturing t-shirts. Each material poses' a unique quality and can be used according to the activity and different climatic conditions. T-shirts made from lycra and polyester are generally used for athletic apparels, while cotton and linen t-shirts are preferred for daily casual wear.

In addition, different blends such as cotton and linen, cotton and polyester and blends of rayon are often used to exploit the merits of different material leaving their shortcomings. The blends are preferred for t-shirt manufacturing and hence are expected to demonstrate a significant growth throughout the forecast period.

Based on ink type used for t-shirt printing, the t-shirt market is classified into dyes ink, sublimation ink, pigment ink and others (plastisol, water based etc). The others segment dominated the global printed T-shirt market in the base year 2016.



The trend shall prolong and the segment is presumed to witness steady growth on account of perpetually growing demand for the custom T-shirts printing. In addition, with the emergence of advanced alternative techniques such as sublimation printing along with their cost-effectiveness is proving as a major driving factor for the custom t-shirt printing and the dyes and inks involved in printing the t-shirts.

As of 2016, non-customized was the most popular type segment in the global t-shirt market. The segment accounted for more than 90% of the global revenue in the same year. The fashion trends and changing attitude of people towards new types of apparels have significantly boosted the demand for a variety of t-shirts including customized t-shirts and general t-shirts.

Being a leisure and casual apparel, the popularity of a variety of t-shirts has increased significantly in the past few decades. Involvement of t-shirts for brand promotion and self-expression has aided the customized t-shirt industry to flourish.

In addition, latest printing technology and advanced machines capable of creating flawless embroidery are also helped the overall t-shirt industry to flourish and the trend is expected to continue throughout the forecast period.

The overall t-shirt market comprises large number of international as well as local players across the world, making the overall market highly fragmented in nature.

Additionally, due to presence of high number of vendors in the market, the overall market has emerged highly competitive in nature over the period of time. Due to varying consumer trends across the regions, companies emphasize on implementing region specific strategies so as to attract and expand larger consumer base.

Source: mobilecomputingtoday.co.uk- Nov 14, 2017

HOME

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China: Cotton-picking machines replace manual workers in Xinjiang

Machines are replacing hundreds of thousands of migrant workers picking cotton in northwest China's Xinjiang Uygur Autonomous Region, the biggest cotton production base in the country.

At this time of year Xinjiang's cotton growers would usually have started hiring workers to pick their cotton. However, 116,000 hectares of cotton fields in Shawan County have already been harvested by cotton-picking machines.

"In the past, the cotton picking season lasted at least 45 days from October to November. But now, the machines can harvest a 15-hectare cotton field in one day," said Lin Hongru, head in Caohu Village.

A cotton-picking machine can do the work of 2,000 workers each day, he said.

"The cotton picking season was the busiest time of the year. Cotton growers in my village hired migrant workers from Gansu, Sichuan and Henan provinces to help. People worked in the fields from dawn to dusk," said Lin, who has been growing cotton since 1998.

He remembered in the past so many workers traveled from across the country to Xinjiang when autumn came that Xinjiang's railway department had to put extra trains in service from August to December to deal with the traffic rush.

Now, roaring machines move through in the fields, removing the cotton from the bolls and collecting it in a large container. Cotton picking season has become much easier for growers.

Xinjiang produced 3.594 million tonnes of cotton in 2016, accounting for 67.3 percent of China's total, up from 62.5 percent in 2015, according to the National Bureau of Statistics.

Although there was a decrease in cotton growing area last year, cotton yield per hectare increased by 151.5 kilograms in 2016, thanks to the increase in machinery and irrigation.

China accounts for about 30 percent of the world's cotton output, with only 15 percent of the world's cotton-growing land.

In Shihezi County, cotton farmer Bao Yucheng said he used to pay 160,000 yuan (24,000 U.S. dollars) to hire more than 20 cotton pickers to harvest his 13,333 hectares of fields. This year he paid 50,000-60,000 yuan to hire a cotton picking machine.

Agricultural technicians took advantage of the harvesting season to demonstrate a new generation cotton-picking machine, which can pack the cotton into 2-tonne bales while harvesting.

Gao Yongjian, an agri-technician, told farmers that the machine is more efficient than the older models.

He said large-scale farming is increasing in Xinjiang, as farmers became more interested in joining rural cooperatives to share machinery.

China's cotton harvesters are also introduced to countries participating in the Belt and Road Initiative, just as cotton was imported to China in ancient times via the trade route Silk Road.

Although most local farmers still rely on manual picking in Tajikistan, some Xinjiang farmers are using harvesters in about 6,600 square meters of cotton fields in Danghara region, south Tajikistan, in an effort to promote modern agriculture in the country.

Source: xinhuanet.com- Nov 15, 2017

HOME

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APEC Ministerial Meeting: Championing all shades of trade

The 29th APEC Ministerial Meeting at Da Nang in Vietnam on November 10-11 would be recalled in the future as an occasion that witnessed all three major approaches to global trade—bilateral, regional and multilateral—championed by their proponents.

All these proponents, interestingly, belong to the same forum of the Asia-Pacific Economic Cooperation (APEC) reflecting the great diversity among countries in their attitudes to global trade. Bilateralism is the way forward on trade for his country, as far as US president Donald Trump is concerned. As on other earlier occasions, he did not make any bones about the US interest in revising existing trade relations and working on bilateral FTAs with American interest as the uppermost priority.

Emphasising on 'America first' and that other countries would not be allowed to take advantage of the US any more, Trump criticised the WTO for not safeguarding US interests, insisted the US would not enter large trade agreements like the TPP (Trans-Pacific Partnership) and spoke of his country in exploring country-to-country deals. For those taken aback by his mellow demeanour in Beijing during his 'state-visit-plus' trip to China before he reached Vietnam, Trump at Da Nang was his vintage self, not pulling any punches at all those he considers perpetrators of trade abuses and inflictors of large trade deficits on the US.

It was ironical that Trump's tirade against multilateralism and regionalism took place at a venue and on a day that saw heads of states and trade ministers of eleven members of the APEC negotiating furiously to salvage the TPP that Trump had pulled the US out of in January 2017. Eleven months later, the remaining TPP members formally came together to announce that they would go ahead and implement the deal.

The US withdrawal had created a void in the TPP, which was rather substantial given the strong leadership that the US had provided to it under the Obama administration.

The leaderless TPP was rudderless for some time trying to settle down to the reality of surviving without the US. Japan and Australia decided to take things forward and initiated several meetings in the run-up to the APEC Ministerial.

Members put forward their reservations over some of the provisions in the negotiated TPP text. Prospects of countries turning back on the deal arose as New Zealand elected a new government with different views on some aspects of the deal. However, all these issues were thrashed out through negotiations.

There was no shortage of drama though as Canadian prime minister Justin Trudeau stayed away from the TPP11 Heads of States meeting that was to announce the go-ahead. Eventually however, Canada came on board and the eleven APEC members announced their decision to proceed with the 'Comprehensive and Progressive Agreement for Trans-Pacific Partnership'.

The formalisation of the TPP by its members, notwithstanding the US, is an affirmation of a considerable part of the Asia-Pacific's faith in regional trade agreements. With the TPP 'including the flexibility of the parties to set legislative and regulatory priorities' more countries from the region would be looking to join the TPP.

While the Philippines, Thailand, Taiwan and Colombia had, as it is, shown interest in joining the TPP, some others earlier uncomfortable at the TPP's insistence on having same quality of rules for all members, might become interested now. Furthermore, the TPP11 also marks the successful conclusion of a deal that would now be led by prominent global middle-powers like Japan, Australia and Canada and could become the template for similar middle- and rising-power-led regional trade blocs in other parts of the world.

The biggest champion of multilateralism at the APEC was China. Fresh from the invincibility granted by the 19th Party Congress, president Xi Jinping lauded the multilateral trade regime and asked APEC members to support the same wholeheartedly. At the same time, he repeated his call for a Free Trade Area for the Asia-Pacific (FTAAP), a notion, which he has articulated in earlier APEC Ministerials.

While not a part of the TPP, China's repeated efforts on providing leadership to the latest phase of economic globalisation by highlighting the importance of countries to be 'free and open' to trade, is pretty much in contrast to the narrow vision of the US, as well as the more definite and structured framework of the TPP.

Now that the TPP has revived again, it would be interesting to see whether China expresses an interest to join it at some stage as the first step towards moving towards the FTAAP.

China's willingness to accept the high-standard regulations and clauses of the TPP would indicate its inclination to abide by and commit to trade rules that are different from those that it has been accustomed to. Time to wait and watch.

Source: financialexpress.com- Nov 15, 2017

HOME

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NATIONAL NEWS

India for 'balanced' Regional Comprehensive Economic Partnership

Reiterating Indian support for concluding a "balanced" Regional Comprehensive Economic Partnership (RCEP) agreement, Prime Minister Narendra Modi here on Tuesday met leaders of the Asia-Pacific region proposing to conclude the RCEP negotiations following 20 earlier rounds of talks.

RCEP is a proposed free trade agreement covering 16 countries in the Asia-Pacific region -- China, India, Japan, South Korea, Australia, New Zealand, and the 10-member Association of Southeast Asian Nations (Asean).

"The Prime Minister reiterated India's support for a balanced RCEP," Preeti Saran, Secretary (East) in the Indian Ministry of External Affairs, said in a press briefing in New Delhi.

Modi is currently in the Philippines attending both the Asean and East Asia summits.

The 19th round of RCEP negotiations, which began over five years ago, took place in Hyderabad in July this year.

Among RCEP members, China has been advocating an early finalisation of the agreement. An urgency to this has been added by the recent move by the US -- the world's biggest economy -- of withdrawing from the Trans Pacific Partnership.

The 16 RCEP countries represent more than 3.5 billion people and about 40 per cent of global GDP.

India is pushing for a deal in the services sector, where it is in a leadership position, with liberalisation of services and freedom of movement for professionals. However, the talks in the field have remained inconclusive.

India has sought better arrangements and more concessions as well as facilitation of free movement of professionals -- but the other countries of the proposed FTA bloc are opposed to this.

India has said it is willing to open up 65 per cent of its market for goods, but the countries want close to 90-95 per cent. India has asked for the services agreement to be inked as a quid pro quo.

Earlier on Tuesday, Commerce Minister Suresh Prabhu said in New Delhi that India is keen to develop regional partnerships.

"Overall, we would like to increase exports, but not discourage imports," Prabhu said at the inauguration of the 37th India International Trade Fair in New Delhi.

"India would like to develop regional partnerships and relationships," he said, adding that the ongoing mid-term review of the Foreign Trade Policy would be presented soon.

Source: business-standard.com- Nov 14, 2017

HOME

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Will soon announce foreign trade policy review: Prabhu

Commerce and Industry minister Suresh Prabhu on Tuesday said the government will shortly announce the mid-term review of the Foreign Trade Policy (FTP) to enhance the country's exports.

Speaking at the inauguration of India International Trade Fair (IITF), he also said, "We would like to increase our exports but also would not discourage imports. We will like to have an international trade as a thrust for developing India's GDP and economy."

On the redevelopment plan of the Pragati Maidan as an International Exhibition-cum- Convention Centre, he said, within two years, a world-class facility will be developed for convention and exhibitions.

Later, talking to reporters, he said the government is addressing the exporters' concerns on Goods and Services Tax. Inaugurating the 'Startup India Standup India' pavilion at the event, he said there are over 20,000 startups in India, adding that he has asked SIDBI to look at funding issues faced by them.

He said the ministry will soon convene a round-table for starts-ups with the help of International Finance Corporation. "We will be inviting all big venture capital firms and angel investors."

Source: thehindu.com- Nov 14, 2017

HOME

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Indian exports dip in October at $23 bn, trade deficit up

Reversing a 13-month upward trend, Indian exports in October declined year-on-year by 1.12 per cent to $23 billion due to a drop in shipments of textiles, pharmaceuticals, leather goods and gems and jewellery, according to official data released on Tuesday.

Exports in September had risen over 25 per cent to a six-month high of $28.61 billion.

Imports in October, however, grew by 7.6 per cent to $37.11 billion, from $34.5 billion in the same month last year, a Commerce Ministry release said.

Consequently, India's trade deficit widened to $14 billion during the month, as against $11.13 billion in October last year.

While petroleum exports in October grew by 14.74 per cent, engineering was up 11.77 per cent and chemicals exports rose 22.29 per cent.

Segment-wise, the data showed that India's oil imports during October shot up by 27.89 per cent to $9.29 billion, from $726 billion in the same month last year.

"The global Brent prices have increased by 19.42 per cent in October 2017 vis-a-vis October 2016 as per World Bank commodity price data," the statement said.

Non-oil imports during October at $27.83 billion grew by 2.19 per cent over non-oil imports of $27.23 billion in October last year.

Cumulative exports during April-October, however, increased by 9.62 per cent to $170.28 billion while imports grew by 22.21 per cent to $256.43 billion, resulting in a trade deficit of $86.14 billion for the first seven months of the current fiscal.

As per Reserve Bank of India (RBI) data on Tuesday, Indian services exports in September this year at $13.73 billion resulted in a positive trade balance on this account for the month ($5.28 billion).

Earlier on Tuesday, Commerce Minister Suresh Prabhu said India was keen to develop regional free trade partnerships.

“Overall, we would like to increase exports but not discourage imports,” Prabhu said at the inauguration here of the 37th India International Trade Fair.

“India would like to develop regional partnerships and relationships,” he said, adding that the ongoing mid-term review of the Foreign Trade Policy would be presented soon.

Source: thestatesman.com- Nov 13, 2017

HOME

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Govt to cut foreign trade target

The commerce ministry is expected to cut India's foreign trade target of $900 billion by 2020, when it comes out with a mid-term review of Foreign Trade Policy likely early next month.

Sources in the government said, while mid-term appraisal is going on, the focus areas for the FTP is a market research strategy for each country, which is engaged in trade with India.

"We are continuously exploring new markets and those which are important for India from geo-political point of view," a source told DH.

He said the government is also working closely with the country's premier export promotion body Federation of Indian Exporters Organisation and asked it to prepare a market research for each country for their specific needs.

The step is being taken to increase India's exports in value terms so that they match the world's import demand. Currently India's export are supply-driven and not demand-driven.

Source: deccanherald.com – Nov 14, 2017

HOME

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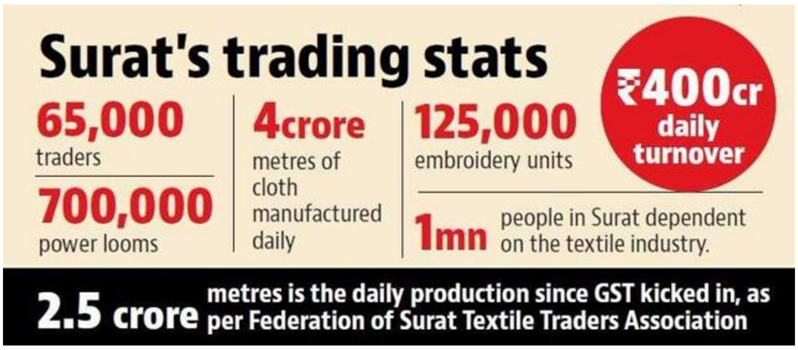
GST has hurt textile industry in election bound Gujarat, say traders

Thousands of textile traders in the bustling markets of Surat are disgruntled as the Goods and Services Tax has reduced their profit margins.

An unusual hush has fallen over the bustling textile markets of Surat.

Previously, travellers would find it impossible to negotiate the maze of streets crowded with mini trucks and labourers with bundles heaped on their heads. Now, the textile hub in the heart of Gujarat's richest city is lackluster even as markets slowly open after a Diwali break.



"We used to produce four crore metres of synthetic cloth in Surat every day. It has come down to 2.5 crore metres," says Sanjay Jagnani who heads the local textile traders association.

Jagnani is among thousands of disgruntled textile traders in the economic capital of the western state who say problems in the uniform tax system, the Goods and Services Tax, hamstrung their business and hurt their profit margins.

This resentment is the focus of a high-decibel campaign for the assembly elections as the Bharatiya Janata Party (BJP) tries to placate its traditional vote bank and the Congress tries to cash in on the anger and initial signs of anti-incumbency.

Surat is home to around 65,000 traders, mostly Patidars, who have supported the BJP for generations but resorted to violent agitations two years ago to demand quotas in jobs and education.

The annual turnover of the textile industry is around ~400 crore and it employs more than a million people. Traders say they were not badly affected by the government's shock recall of high-value banknotes last year because they mostly deal in credit. It was the problems in GST that hit them hard.

Traders say the tax rate of 5% is not the problem but that the process bogs them down. They claim small traders will be the worst hit. There's an alternative school of thought, though: that before GST, at least some small traders were not paying tax (or at least, all the tax they had to).

Whatever be the case, the traders say business is down.

"The business is down by 40%. We are suffering losses," says Manoj Agarwal, president of the Federation of Surat Textile Traders Association that represents Surat's 165 textile markets. "Our problem is that we have to spend time filing returns. The trader has to focus on his business because in textiles you have to constantly come up with something new for consumers. We also have to give credit, up to three months. That is also getting affected."

There's more — all to do with the process. "Even a small trader has to file three returns in a month. They can't afford keeping an accountant. Servers are slow and filing returns online is tedious," says Jagnani. "In our estimate, about 30% small and medium businessmen will shut shop if things don't improve." Even the upcoming wedding season has failed to buoy orders and sentiment, he rues.

The anger spilled on to the streets. Traders called for a 22-day strike in July, took out a massive protest march and didn't celebrate Diwali, calling it a black festival for them.

The government has responded with slashing the rates for some goods, extending filing deadlines and simplifying processes. But many traders say they are still angry. “90% of the textile traders were with the BJP. The government is responding now because there are elections and the ruling party is rattled. If the government doesn’t accept our demands, the traders will consider other options. They are forcing us to do that,” says Agarwal.

Five of Surat district’s 12 assembly seats can be influenced by textile traders. In the 2012 elections, the BJP won all 12 seats. This time, traders warn, there could be surprises for the party.

The Congress senses an opening and has pulled out all stops to woo the businessmen. Party vice president Rahul Gandhi addressed a rally in nearby Varachcha on November 3 and highlighted the problems of Surat’s traders. On November 8, he made it a point to visit the city and interacted with textile traders all day. In every speech, he has hit the government hard on GST problems.

The BJP, though, appears confident of retaining its base after recent changes in the tax system and a meeting between finance minister Arun Jaitley and a delegation of city traders. “Textiles traders have been our strong supporters. They are unhappy over certain issues but those are being sorted out.

We are confident they trust BJP than any other party,” said Nirav Shah, local BJP leader and councilor in Surat municipal corporation, who was part of team deputed by the party to hold talks with the textile traders.

Jagnani agrees with Shah but argues that the changes might have been a case of too little, too late. “Sometimes even your own people make mistakes. Then you have to give them a jolt so that they will remember it in the future,” he says.

Source: hindustantimes.com- Nov 15, 2017

HOME

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Overall trade deficit for April-October 2017-18 is estimated at US$ 52550.66 million

Exports during October 2017 are valued at US$ 23098.18 million as compared to US$ 23360.61million during October 2016, a decline of 1.12 percent in dollar terms. However, during April-October 2017-18 exports have exhibited a positive growth of 9.62 per cent in Dollar terms. In Rupee terms, during October 2017 exports were valued at Rs.150325.95 crore as compared to Rs.155926.73 crore during October 2016, registering a decline of 3.59 per cent.

During October 2017, major commodity groups of export showing positive growth over the corresponding month of last year are Engineering Goods (11.77%), Petroleum Products (14.74%), Organic & Inorganic Chemicals (22.29%), Cotton Yarn/Fabs./made-ups, Handloom Products etc. (4.83%), Marine Products (8.52%) and Plastic & Linoleum (24.46%) .

Cumulative value of exports for the period April-October 2017-18 was US$170286.55 million (Rs 1097858.68 crore) as against US $155344.40 million (Rs 1039297.59 crore) registering a positive growth of 9.62 per cent in Dollar terms and 5.63 per cent in Rupee terms over the same period last year.

Non-petroleum and Non Gems & Jewellery exports in October 2017 were valued at US$ 16604.63 million as against US$ 16202.27 million in October 2016, an increase of 2.48%. Non-petroleum and Non Gems and Jewellery exports during April -October 2017-18 were valued at US$ 124281.02 million as compared to US$ 111556.32 million for the corresponding period in 2016-17, an increase of 11.41%.

IMPORTS

Imports during October 2017 were valued at US$ 37117.01 million (Rs241562.31 crore) which was 7.60per cent higher in Dollar terms and 4.91per cent higher in Rupee terms over the level of imports valued at US$ 34495.09 million (Rs. 230246.81 crore) in October, 2016. Cumulative value of imports for the period April-October 2017-18 was US$ 256434.21 million (Rs. 1653435.01 crore) as against US$ 209834.98 million (Rs. 1403911.51 crore) registering a positive growth of 22.21per cent in Dollar terms and 17.77per cent in Rupee terms over the same period last year.

Major commodity groups of import showing high growth in October 2017 over the corresponding month of last year are Petroleum, Crude & products(27.89%),Electronic goods(7.04%),Machinery, electrical & non-electrical(17.43%), Coal, Coke & Briquettes, etc.(66.28%) and Organic & Inorganic Chemicals (30.49%).

CRUDE OIL AND NON-OIL IMPORTS:

Oil imports during October, 2017 were valued at US$ 9286.74 million which was 27.89 percent higher than oil imports valued at US$ 7261.23 million in October 2016.Oil imports during April-October, 2017-18 were valued at US$ 56252.00 million which was 20.23 per cent higher than the oil imports of US$ 46788.46 million in the corresponding period last year.
In this connection it is mentioned that the global Brent prices ($/bbl) have increased by 15.87% in October 2017 vis-vis October 2016 as per World Bank commodity price data.

Non-oil imports during October, 2017 were estimated at US$ 27830.27 million which was 2.19per cent higher than non-oil imports of US$ 27233.86 million in October, 2016. Non-oil imports during April-October 2017-18 were valued at US$ 200182.20 million which was 22.78 per cent higher than the level of such imports valued at US$ 163046.52 million in April-October, 2016-17.

II. TRADE IN SERVICES (for September, 2017, as per the RBI Press Release dated 13th November, 2017)

EXPORTS (Receipts)

Exports during September2017 were valued at US$ 13,732 million (Rs. 88490.24 Crore) registering a positive growth of 0.23per cent in dollar terms as compared to positive growth of 3.97per cent during August2017 (as per RBI's Press Release for the respective months).

IMPORTS (Payments)

Imports during September2017 were valued at US$ 8,450 million (Rs. 54452.56 Crore) registering a negative growth of 2.40 per cent in dollar terms as compared to positive growth of 18.05per cent during August2017 (as per RBI's Press Release for the respective months).

III.TRADE BALANCE

MERCHANDISE: The trade deficit for October 2017 was estimated at US$ 14018.83 million as against the deficit of US$ 11134.48 million during October 2016.

SERVICES: As per RBI's Press Release dated 13th November 2017, the trade balance in Services (i.e. net export of Services) for September, 2017 was estimated at US$ 5,282 million.

OVERALL TRADE BALANCE: Taking merchandise and services together, overall trade deficit for April-October 2017-18 is estimated at US$ 52550.66 million as compared to US$ 22132.58 million during April-October 2016-17. (Services data pertains to April-September 2017-18 as September 2017 is the latest data available as per RBI's Press Release dated 13th November 2017).

Source: business-standard.com- Nov 15, 2017

HOME

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Maharashtra's MSKVIB rebrands khadi as 'MahaKhadi'

The Maharashtra State Khadi and Village Industries Board (MSKVIB) has rebranded khadi as ‘MahaKhadi’ to make the specific handloom industry a peoples’ movement once again and encourage the sector through new marketing tactics.

A ‘MahaKhadi Yatra’ (march) was recently launched by the board from Mumbai to take khadi to the high street fashion scene.

Rebranding seemed to be the perfect solution to attract youngsters and take khadi products to the international market, an Indian newspaper report quoted MSKVIB deputy CEO Bipin Jagtap as saying.

The MahaKhadi Yatra will be held across Maharashtra from October 9 to December end and showcase a wide variety of products manufactured by rural entrepreneurs, such as honey, soaps, bamboo crafts, warli paintings and handmade artefacts.

The first MahaKhadi outlet will open in Pune.

MSKVIB has 120 sectors under the Gramodyog with around 7 lakh entrepreneurs. In Maharashtra, the sale of khadi products from its 23 manufacturing units was worth Rs 1043.84 lakh in 2015-16 and Rs 1097.71 lakh in 2016-17.

Source: fibre2fashion.com- Nov 14, 2017

HOME

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Procurement centres set up near ginning mills

As of November 13, Rs. 5.14 crore worth of cotton purchased

In a move to reduce hardship to cotton farmers, the administration has arranged procurement centres of the Cotton Corporation of India (CCI) near ginning mills so that the produce need not be transported after procurement.

Procurement centres were set up at Sadashivapet, Raikode, Jogipet and Watpally and they were attached to nine ginning mills. So far 130.45, quintals of cotton had been purchased at Sadashivapet followed by 3,619.65 quintals at Raikode and 2,153.65 quintals at Jogipet. However, there was no purchase at Watpally as farmers were able to sell cotton for a better price. As of November 13, Rs. 5.14 crore worth of cotton was purchased from 224 farmers.

In view of the ongoing strike by staff of Indira Kranti Patham (IKP), paddy procurement centres were taken over by primary agriculture societies (PACS). Though initially it was proposed to establish 55 centres by IKP and 31 by PACS, it was changed to 59 by PACS and 16 by IKP. The IKP centres were being run by staff from other departments.

A minimum support price of Rs. 1,590 per quintal was being offered to paddy for 'A' grade followed by Rs. 1,550 for common variety. So far the administration had procured 1.12 lakh quintals of paddy worth Rs. 9.76 crore from 1,137 farmers and Rs. 7.09 crore paid to 814 farmers.

Maize procurement centres were set up at Narayanakhed, Zaheerabad, Tellapur and Sadashivapet and an MSP of Rs. 1,425 per quintal was being offered to farmers and the expected yield was 6.47 lakh quintals.

Procurement centres were also set up for green gram, black gram and soya bean. “Efforts are being made to ensure that farmers get MSP for their produce,” said Joint Collector Vasam Venkateswarlu.

Procurement facts

• Proposed - *55 centres by IKP and 31 by PACS, but changed to 59 by PACS and 16 by IKP.*
• So *far 130.45, quintals of cotton purchased at Sadashivapet.*
• Minimum *support price of Rs. 1,590 per quintal being offered to ‘A’ grade paddy*
• Maize *being offered an MSP of Rs. 1,425 per quintal.*
• The *expected maize crop yield was 6.47 lakh quintals.*

Source: thehindu.com- Nov 15, 2017

HOME

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