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IBTEX No. 234 of 2017 November 23, 2017

USD 64.80 | EUR 76.73 | GBP 86.40 | JPY 0.58

Cotton Market

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

Rs./Bale	Rs./Candy	USD Cent/lb
17641	36900	**72.49**

Domestic Futures Price (Ex. Gin), November

Rs./Bale	Rs./Candy	USD Cent/lb
18380	38447	**75.53**

International Futures Price

NY ICE USD Cents/lb (Dec 2017)	70.74
ZCE Cotton: Yuan/MT (Jan 2018)	14,925
ZCE Cotton: USD Cents/lb	**86.81**
Cotlook A Index – Physical	**79.80**

Cotton & currency guide: Cotton futures continued to make a bullish move with prices again setting new 10-week highs. March settled at 7114, up 100 points. Its high was 7176. Dec settled at 7074, down 16 points, in its last session before first notice day. The other months settled from 54 to 102 points higher. Volume again defied the holiday mode on Wednesday 44,058 contracts. Cleared in the last two sessions were 53,607 contracts yesterday and 53,768 contracts Monday. The market will be closed today and short period on Friday.

Certified stocks began at 47,951 bales, the same as they have been since Thursday. There were zero bales awaiting review. The only viable deliverer so far is likely Allenberg, unless someone else adds to the cert stocks. There will not be any notices issued on Friday, so we have no glimpse yet into what traders remain in December.

Options volume was 12,034 contracts (calls 5,308/puts 6,726). Cleared yesterday were 10,146 contracts (calls 6,969; puts 3,077).

Market is surprisingly turning positive though this year's US crop has created a bearish attitude that the market should be on the lower side. However, cash sales and enquiries have been good. From the technical perspective market is holding strong support near 70 cents which has further pushed price to trade positive. The trading range for now looks to be in the range of 70 to 72 cents for March. Note if March clears 72 cents then the trend may move into a new base for the medium term.

Since the ICE is closed today we may observe no major movement in the other markets. However, in India, spot price of S-6 continued to stay steady near Rs. 37750 per candy ex-gin (74.35 cents/lb). Quotes for J-34 were slightly on the weaker side at Rs. 3875 per maund.

Meanwhile, cotton seed arrivals have increased on Wednesday. The latest estimate is 167,000 lint equivalent bales (170 kgs), which includes 42,000 in Maharashtra, 36,000 in Andhra Pradesh/Telangana and 36,000 in Gujarat.

From the futures front the November future ended the session at Rs. 18510 no major change from previous close. The trading range for the day should be Rs. 18370 to Rs. 18630 per bale.

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

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INTERNATIONAL NEWS

Chinese textile industry to turn from crude oil to biomass fibre

Hismer Bio-Tech, based in Ningyang county, Tai'an city in East China's Shandong province, is making biomass fiber from a very unusual source: shrimp and crab shells. According to Hu Guangmin, Hismer's chair, the biomass fiber can wean textile companies' off their reliance on crude oil.

As textile companies have long been dependent on crude oil when making common synthetic materials such as nylon or polyester but with the biomass fibers the companies could soon change, by turning to biomass fibers.

Hu said that innovation has saved the textile company from going bankrupt. The factory had trouble in business due to rising cost at home and stagnant export market. The company of 800 employees had to lay off some 200 people when the business was bad.

Five years ago, the textile producer placed its bet on developing the production technology and equipment for making the biomass material.

Hismer collects 10,000 metric tons of the shell waste from seafood processing companies in China's ports of Qingdao, Yantai, Dalian and Ningbo a year for the production of some 6,000 tons of biomass fiber. It has become the world's largest marine renewable producer.

In the backyard of the company's workshop, piles of shrimp and crab shells permeate the air with their strong odor. But after going through the company's processing machine, the shells are turned from food waste to chitosan fiber, basically indistinguishable from other synthetic fibers.

The fibre is then used by a variety of garment producers. When fashion lovers buy a stylish anti-bacterial underwear from lingerie producer Embry Form, they could hardly link it to shrimp and crab shells.

The fabric is not only used for making socks, underwear, bedding but also medical products such as masks and sanitary pads as well as special cloth used in aerospace planes.

Source yarnsandfibers.com - Nov 22, 2017

HOME

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Uzbekistan to supply textiles to Korea's largest trade networks and manufacturers

World's fifth-largest cotton producer, Uzbekistan, will supply textile products worth $70 million to South Korea until the end of 2018.

The relevant agreements were reached during the negotiations of the Uzbekengilsanoat delegation with the leaders of the major Korean trading companies Posco Daewoo, Color Paradise, Solsang International Corp, Ratel E & T Co., Ltd., Korea Factory, as well as the Lotte Mart retail network.

During the meeting with the leadership of the Korean International Trade Association (KITA) and the national electronic trading platform (KTNET), agreements on joint activities to promote Uzbek textile products in Korea in 2017-2018 through the electronic trading platform KOREA Trade, as well as on providing services through representations of Uzbek companies in Korea or Korean importers and transport companies for electronic customs clearance were reached.

“Korean businessmen especially liked the dyed and melange yarn, terry and hosiery of the group of companies Uztex, Osborne Textile, as well as knitted and denim products of Uzbek brands Bofanda and Bonito,” the press center which covers the visit of the President of Uzbekistan Shavkat Mirziyoyev to South Korea reported.

The Uzbek leader has arrived in Seoul, the capital of South Korea, on a state visit at the invitation of the country’s President Mun Zhe Ying on November 22.

Since the beginning of the year, various textile semi-finished and other products worth $23.4 million were exported to the Korean market. Meanwhile, a successful supply of knitted goods to the Lotte Mart retail networks, dyed and mélange yarn for manufacturers of knitted goods from Korea was launched this year.

Uzbekistan is expected to achieve full processing of cotton fiber in 2021. By 2020, the capacity of local enterprises will ensure the full processing of cotton produced in Uzbekistan, which can lead to a significant decrease in the export supplies of this crop. Only in 2017, the country intends to bring internal processing of cotton fiber to 70 percent.

At the same time, by 2021 the production of textile and clothing and knitted products will increase by 2.2 times compared to 2016, including ready-made fabrics - 2.7 times, knitted fabrics - 3 times, knitted goods – 3.4 times, hosiery – 3.7 times. It is planned to increase the export of products by 2 times.

One of the policy priorities of Uzbekistan, the world's fifth-largest cotton exporter, is further development of its textile industry. Annually, the country grows about 3.5 million tons of raw cotton, produces 1.1 million tons of cotton fiber.

Uzbekistan takes consistent steps to increase the volume of cotton fiber processing. In particular, it is planned to create 112 modern, high-tech industrial factories, expand, modernize and technologically upgrade 20 operating capacities. All this will increase the export potential of the industry up to $2.5 billion a year and create more than 25,000 jobs.

In the period 2010-2014, the textile industry of Uzbekistan received and spent foreign investments worth $785 million while 147 new textile enterprises with participation of investors from Germany, Switzerland, Japan, South Korea, the U.S., Turkey and other countries were commissioned.

Export potential of these enterprises amounted to $670 millions.

Source azernews.az- Nov 22, 2017

HOME

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Pakistan: Strong demand lifts cotton prices

Cotton prices rebounded on strong demand from spinners and some exporters on Tuesday.

There was panic buying as doubts about the size of cotton crop were being raised pushing the lint prices to Rs7,000 per maund, but surprisingly the Karachi Cotton Association (KCA) kept its spot rates steady at overnight level.

The entire cotton economy is currently in a state of shock because for the third consecutive season, the crop seems to be heading towards failure, observed Karachi Cotton Brokers' Forum chairman Naseem Usman.

High cotton prices are also impacting yarn prices and the value-added textile sector has been complaining that it is being rendered uncompetitive on the world market.

Meanwhile, private estimates now place cotton production at around 11 million bales. However, the issue of quality lint is so grim that spinners are not ready to take any risks and are opting for imports.

Reportedly many spinners have already placed advance orders with Indian exporters anticipating that the government may lift the ban.

The world leading cotton markets moved higher under the lead of New York cotton which crossed 70 cents per lb.

The main factor behind rising trend in cotton prices was that December contract on NY market was rolling out and new contract will be enlisted. The following major deals were reported to have changed hands on the ready counter: 1,000 bales, Rohri, at Rs6,450 to Rs6,500; 1,200 bales, Khairpur, at Rs6,350 to Rs6,450; 2,200 bales, Rahimyar Khan, at Rs6,800 to Rs7,000; 800 bales, DG Khan, at Rs6,800 to Rs7,000; 1,000 bales, Sadiqabad, at Rs6,900; 1,000 bales, Mirpur Diwan, at Rs6,900; 1,000 bales, Taunsa, at Rs6,800; 2,200 bales, Rajanpur, at Rs6,650 to Rs6,800; 2,000 bales, Layyah, at 6,350 to Rs6,550; 1,000 bales, Vehari, at Rs6,350 to Rs6,425; 1,200 bales, Mianwali, at Rs6,400 to Rs6,450; 1,000 bales, Burewala, at Rs6,450; and 600 bales, Liaquatpur, at Rs6,850.

Source dawn.com - Nov 22, 2017

HOME

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Vietnam: International textile and garment exhibition opens in HCM City

A wide range of machinery and business solutions for textile and garment manufacturing chains are on display at the 17th Vietnam International Textile & Garment Industry Exhibition (VTG 2017), which opened on November 22 in HCM City.

Held simultaneously with the Vietnam International Textile and Apparel Accessories Exhibition, the two expos feature 450 booths set up by 400 exhibitors from 17 countries and regions, including Australia, Bangladesh, China, Hong Kong, India, South Korea, Malaysia, New Zealand, Singapore, Sweden, Switzerland, Taiwan, Thailand, Turkey and Việt Nam.

Covering 12,000sq.m at the Saigon Exhibition and Convention Centre until November 25, the event features complete value chains for the textile and garment sector, including textile and apparel processing machines, sewing machines, digital printing machines and fabric dyeing machines, as well as accessories, fibers, filaments, yarn and fabrics.

A number of seminars will be held on the sidelines of the expos to share advice on a several issues, including Việt Nam's preparation for free trade agreements, the garment industry's ability to handle fast fashion, and sourcing in the "Age of Trump".

There will also be presentations on an overview of the industry, from fiber to textile, in Việt Nam and the impact of China's One Belt One Road initiative on Việt Nam's textile and apparel industry.

The events were organised by the Việt Nam National Trade Fair & Advertising Joint Stock Company (VINEXAD) and Yorkers Trade & Marketing Service Co. Ltd, and co-organized by Guangdong Sewing Equipment Chamber of Commerce, Hong Kong Apparel Machinery Association, and Paper Communication Exhibition Services.

Garments and textiles are one of the country's main export items.

According to the General Department of Vietnam Customs, Việt Nam earned US$21.43 billion from garment and textile exports in the first 10 months of the year, a year-on-year increase of 9 per cent, with exports to the US, Japan and South Korea enjoying good growth.

Exports are expected to reach $31 billion for the entire year, up 10 per cent over last year.

Source vietnamnet.vn- Nov 22, 2017

HOME

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USA: Maintain NAFTA trucking provisions: AAFA, US trade bodies

The American Apparel & Footwear Association (AAFA) recently joined hands with more than 100 trade associations in writing a letter to US Trade Representative Robert Lighthizer urging him to maintain NAFTA's cross-border trucking provisions in any renegotiated agreement. Doing away with NAFTA trucking would adversely affect businesses, said the letter.

As US manufacturers, farmers and agribusinesses, wholesalers, retailers, importers, exporters, distributors, and transportation and logistics providers utilize truck transportation to haul products across the US-Mexican border, eliminating NAFTA trucking, including any investment protections, would have a long-term negative impact on businesses, an AAFA press release said quoting the letter.

Increasing trade in both directions is putting more and more pressure on US southern border land ports and therefore, permitting Mexican carriers to haul freight beyond the border zones will help alleviate some of the congestion at the border, creating more efficiency, the letter said.

Mexican carriers and drivers are not permitted to haul domestic US freight, but work in tandem with their US motor carrier partners, said AAFA.

The Mexican trucking program is not an open-door policy that permits any and all Mexican trucking companies to haul freight beyond the border zones.

Mexican carriers undergo a case-by-case review process before the US Department of Transportation grants them authority to operate.

Source: fibre2fashion.com - Nov 22, 2017

HOME

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Shanghai Opts to Balance Trade, Strengthen Cooperation With African Countries

Existing statistics of trade and commerce between the continent and China's largest economic center show progress. Imports to 27 African countries including Liberia have increased by 3.25% over the last 10 months.

This is about US$46 billion, which exceeds the international average of the city's foreign trade, the officials said during a news conference with African journalists in the city on November 20.

Shanghai's exports to these 27 countries including Liberia, Nigeria, Ghana, Sierra Leone, Senegal, Ivory Coast, South Africa, Egypt, Ethiopia, Kenya, and Tanzania include textile, ships, automobile parts and steel products amongst others.

The rest of the 27 countries are: Mozambique, The Gambia, Gabon, Malawi, Togo, Rwanda, Mauritania, South Sudan, Sudan, Congo Republic, DR Congo, Cameroun, Mauritius, Botswana, Burundi and Uganda.

Meanwhile, in 2016, raw materials imported from the 27 African countries including iron ore, diamonds and cooper showed impressive figures, the commission's data shows.

Cooper amounted for 3.4 billion Yuan (about US$514 million); gold products, 2.78 billion Yuan (about US$420 million); Iron ore, 1.78 billion Yuan (about US$269 billion); and diamond amounted for over one billion Yuan (about US$150 million).

Feng Meng of the foreign economy department at Shanghai's commerce commission says trade with the 27 African nations has doubled over the past few years.

He said the city's exports to the continent have grown "more rapidly" than imports, but they are looking to keep it balanced.

"So we want to stabilize it; we want to stabilize import and exports more," he said.

"The city is planning to hold an international trade expo in November 2018 to enhance more international trade cooperation, which would include Africa".

Firms based in Shanghai have 79 investments in the 27 African countries amounting for US$350 million, the commission says.

Some of the investments include wall and floor tiles manufacturing company in Ghana; a US$28.5 million mining investment in Congo Republic, and a US$28 million steel manufacturing company in Nigeria amongst others.

There are also over 130 contractual projects implemented in Africa by Shanghai's firms between January and October 2017 valued US$294 million with a turnover of over US$4 million.

A US$235 million power plant project in South Sudan, electricity project in Congo worth over US$163 million and a US$300 million housing project in Tanzania are amongst the major ones.

The city is confident that its relationship with Africa has a bright future through people-to-people exchange.

This year alone, the city says it organized training courses for over 500 African students and diplomats.

The commission of commerce suggests that more visits by African entrepreneurs and diplomats to the city would strengthen bonds and deepen cooperation.

"By doing so we could find more opportunities for cooperation and business," said Shi Chen of the division of development and investment.

"There should be more promotional events by Africans in Shanghai. Africans should give information about their countries so we can know more about them."

Shanghai already enjoys sister-city relationship and cooperation with several African cities including Alexandra in Egypt, Windhoek in Namibia, Johannesburg in South Africa and Maputo in Mozambique.

Since China's reform and opening-up was introduced in the late 1970s, Shanghai continues to boom economically.

Many foreign firms have massive presence in the area making the city with a population of over 24 million people, one of the world's largest economic centers.

Currently, 50 percent of foreign banks in China are based in the city; it also hosts 550 regional headquarters of international firms.

Its sea and airports are amongst the busiest in the world. The two international airports recorded over 100 million passengers in 2016.

In 2016, the city's GDP totaled over 2.7 trillion Yuan (about US$414 billion), up by 6.8% with per capital of U$17,105, up by 0.3% from the previous year.

The city amounts for 11.8% of China's total GDP, which is the second largest in the world.

Source: frontpageafricaonline.com - Nov 22, 2017

HOME

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A 'New Trade Framework'? – Analysis

This month's high-level meetings in Asia highlighted some fundamental changes in the global trade and economic environment. The US retreat from leadership leaves a gap that other economies need to fill together. The restart of the TPP is a positive sign, albeit sans the US. So is the growing influence of smaller players.

Gap Left by US Retreat from Leadership

Insofar as President Trump's statements on trade have a consistent theme, this is it. The US administration's insistence that it is the loser in multilateral and plurilateral trade deals is not supported by the evidence, any more than its claims of being victimised by the WTO dispute settlement system. Nonetheless they appear to be well entrenched and largely resistant to argument.

Some have taken comfort in suggesting that the Trump administration's actions on trade have not been as harsh as its rhetoric. It is true that it has held back so far from the most extreme actions against China, but leaving the Trans-Pacific Partnership (TPP), reopening the North American Free Trade Agreement (NAFTA) and burying the Transatlantic Trade and Investment Partnership (TTIP) are already very significant policy shifts with real impacts on business and on the outlook for growth.

The investigations that the administration has launched in several sectors threaten punitive results, and perhaps most worrying of all is its continuing blockage of appointments to the WTO Appellate Body, which could bring the dispute settlement system to a halt.
Chilling Effect

The chilling effect on the institutions of international economic co-operation is real. The Asia-Pacific Economic Cooperation (APEC) forum, like the G20 earlier in the year, ran into the wall of US unwillingness to reaffirm the value of the multilateral trading system and spent six days negotiating a form of words that was weaker than last year's.

This is not a good sign for the next major international trade meeting, the WTO Ministerial Conference in December.

For the past 70 years US pre-eminence in the trading system has been a given, both welcomed and resented. It has no clear replacement in that role. There are those who look to China to fill the leadership gap left by the US. While President Xi Jinping's statements have been supportive of the rules-based multilateral system, experience is mixed about how this support is playing out in practice and in any case the Belt and Road Initiative is the main focus. Little leadership can be expected of the other BRICs.

The EU is preoccupied by internal issues and is also actively pursuing bilateral deals. And some African countries are persisting with a defensive approach which extends to refusing the possibility of talks on e-commerce rules.

New Reality: More Fluid, More Dangerous?

The new reality is a much more fluid and fragmented trade policy world than we have known. It is also a less predictable and more dangerous one, where the checks on protectionism are weaker. It calls for a wider assumption of responsibility by those governments who still see the benefits of open and stable trading relationships, plurilateral or multilateral.

This is why the agreement to go ahead with the resurrected TPP sans the US or TPP-11, officially known by its new name Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), is so important. At the same time as the US president was turning the trade clock back to the 1930s, the 11 TPP governments delivered a message that co-operation can go on without the US.

Of course the economic weight of the deal will not be the same; even with Japan, the third biggest world economy, CPTPP will account for around 15% of world trade volume as opposed to 26.5% with the US included. Nonetheless its importance to the economies involved is considerable, and its political significance is even more so.

While some Intellectual Property provisions put in at US insistence, have been suspended, and some controversial elements like Investor-State Dispute Settlement are being softened, it remains an ambitious and far-reaching agreement that can serve as a model for other plurilaterals and, hopefully, for progress at the multilateral level.

A number of governments, New Zealand's and Vietnam's for example, have made compromises to keep the deal alive. Japan's leadership has been noteworthy: while it does not aspire to fill the overall gap left by the US, the Abe government has made a definitive and welcome break with the defensiveness of the past.

Small Economies, Big Difference

Even more noteworthy is the role of the smaller economies in promoting and sustaining not only TPP but other trade initiatives. They have led the way on issues and kept them moving in the face of great-power standoffs. TPP began as the P4, after all.

Singapore is placing priority on E-Commerce as ASEAN chair next year. In fact, Singapore is right now giving a master class in how a small player can show leadership. It has made a proposal for a decision at the WTO Ministerial in Buenos Aires that would improve transparency in the operation of permitted export restrictions on agricultural products and so help food security.

It would also prevent export restrictions affecting supplies for the vital work of the World Food Programme. Singapore has done an outstanding job of building support for this proposal, which should stand a good chance of success.

This would be a modest but significant win for multilateralism, both in terms of its specific benefits and – even more importantly – for its systemic implications. Together with CPTPP, it is a clear pointer to the direction in which the trading system has to go if it is not to remain paralysed waiting for leadership from the major economies.

Trump claims he has "established a new framework for trade"; in fact he has simply weakened the existing framework and it is up to others to renew it.

Source: eurasiareview.com- Nov 22, 2017

HOME

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Pakistan: PTEA seeks govt package for further export growth

Stressing a need for further reforms, the Pakistan Textile Exporters Association (PTEA) has lauded the government's initiatives to increase exports as the country's exports witnessed 7.89 percent growth in October.

Chairman PTEA Shaiq Jawed said stressed for immediate availability of regionally competitive energy prices, liquidation of pending refunds and immediate issuance of DDT notification to shrink the huge trade deficit and get sustainable growth .

Jawed appreciated the efforts of the government in arresting the continuous downfall in exports; however he stressed for further reforms by removing impediments in export growth . Expressing satisfaction over 7.12 percent growth in textile exports in October and 7.72 per cent in July-October, he said that by addressing remaining challenges, the growth rate could be increased further.

High cost of production is the major stumbling block in economic growth as cost of energy inputs in Pakistan has reached to an alarming stage making the country's products uncompetitive in the international market, he said.

Punjab-based textile industry is on RLNG tariff since 2015 and paying 40% higher tariff than other provinces. Gas tariff is also burdened with various incidentals such as UFG @10%, GIDC @ Rs100/mmbtu and Cost of supply etc, he said. Whereas exporters cannot pass on these system inefficiencies to the international buyers, he noted.

Comparing gas prices with regional peers, he said that gas tariff in Bangladesh is USD 3/mmbtu, in Vietnam USD 4.2/mmbtu, in India USD 4.5/mmbtu; whereas in Pakistan system gas is available at USD 7.6 and RLNG at USD 11 per mmbtu. With such a huge difference in tariff, how the national products would compete with rival countries, he said.

Similarly, electricity tariff for industries is almost 50% higher than the region as several surcharges like Tariff Rationalization Surcharge at Rs. 3.10/kwh and Finance Surcharge at Rs 0.43/kwh have increased the tariff. Giving details, he explained that power tariff in Vietnam is 7 cent/kwh, in

India 7 cent/kwh, in China 9 cent/kwh; whereas in Pakistan it cost 11 cent/kwh.

In order to attain competitive edge in international market, he demanded to waive surcharges of Rs3.53/kWh to bring power tariff in line with regional competitors. He further urged to waive the incidentals of UFG at 10%, GIDC at Rs100/mmbtu in gas prices and bring the gas prices equal across the board.

PTEA Vice Chairman Ammar Saeed termed growth-led trade enhancement package as the right initiative for revival of sliding exports. It has not only steamed up the industrial activities but also increased the exports, he said. However, he expressed concerns over unnecessary delay in issuance of notification of amended Duty Drawback of Taxes.

He urged for immediate issuance of DDT notification. He termed value-addition as the key to success and urged the government to focus on capturing greater share in regional and international trade through value-addition.

Production of exportable surplus is the need of the hour and also a challenge through revival of idle capacity and materialising of USD 15 billion additional potential by converting fabric into value-added finished products. An enabling environment can attract prospective investors to undertake new investment initiatives by the textile industry, he asserted.

Export sector being lifeline of national economy is a very sensitive sector, he said. Disruption in the tempo or bottleneck in export facilitation not only hurts the exports but also devastates the industry causing productivity loss, job losses and industrial unrest, he said.

To keep the industrial wheel running and providing job employment to maximum working hands in the country, it is imperative to facilitate the optimum industrial activity, he said.

Source: nation.com.pk- Nov 23, 2017

HOME

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New opportunities for China from Russia-ASEAN ties

At the ASEAN Summit in the Philippines earlier this month, Russian Prime Minister Dmitry Medvedev said that cooperation between Russia and members of the Association of Southeast Asian Nations (ASEAN) has great potential.

Closer trade ties between Russia and ASEAN won't have any big impact on China, one of ASEAN's largest trading partners. In reality, Russia-ASEAN cooperation is not necessarily detrimental to China, and third-party spillover effects from their trade prosperity will be likely to benefit China.

Although difficulties may be encountered, the substantial growth of trade cooperation between Russia and ASEAN is still promising in the long run. In recent years, several ASEAN members sought to establish free trade pacts with the Eurasian Economic Union (EEU) led by Russia, with which Vietnam has already signed a free trade agreement.

Vietnam mainly exports mobile phones, textiles, rice and machinery to Russia, and Russia supplies agricultural products, weapons and energy to Vietnam. The cooperation between Russia and ASEAN is now focused on the front and middle ends of the international industrial chain.

With their economic structures changing dynamically, cooperation between Russia and ASEAN in energy processing, infrastructure construction, electric power, defense, civilian nuclear energy and high technology will also drastically expand.

This bilateral cooperation may lead to a win-win situation for three parties. China's developed transportation network is now world-famous, and it will provide convenient logistics services for trade between Russia and ASEAN.

Including maritime services, most of Russia's shipments to ASEAN may pass by China's territory.

Although Russia has ports like Vladivostok in the Far East, the local industry is underdeveloped and few ports are frost-free, so Russia's trade with Southeast Asia will certainly rely on China's land transport facilities.

China-Europe freight trains have come into service. Driven by the Belt and Road (B&R) initiative, China is active in the construction of conventional and high-speed railways in some Southeast Asian countries. For example, China is building the China-Laos railway. Once that line is connected with Thailand's rail system, the Trans-Asian Railway network will be activated.

With the connection of the Eurasian Railway Network and the Trans-Asian Railway network, it will be more convenient for Russia to manage freight to ASEAN markets through China. China will not only be a country that unleashes opportunities but also a trading service provider for Russia, ASEAN members and other countries as well. This can bring economic benefits and new opportunities for China, too.

Meanwhile, Russia-ASEAN cooperation will help link the B&R initiative with other multilateral systems like the EEU and ASEAN.

First, Russian leaders have stressed the connection between the B&R initiative with the EEU. It is believed that connecting these two major development strategies is a crucial step in promoting the integration of the Eurasian region.

Second, under ongoing, severe pressure from the West, the vigorous ASEAN region is a very attractive partner to Russia. Russia will do its utmost to promote trade with ASEAN no matter how great the efforts are needed.

The combination of these factors will bring historic new opportunities to the development of the B&R initiative in Asia and Eurasia.

China may seize the new opportunities derived from Russia-ASEAN cooperation to strengthen cooperation among the EEU, ASEAN and the B&R initiative, by making active use of its own advantages. Efforts can be made to connect strategic meeting points, maximize mutual interests and consolidate China's strategic partnership with Russia and ASEAN. Through the efforts of all three parties, more geopolitical and economic benefits will be gained and a new international economic order will be gradually established.

Source: globaltimes.cn- Nov 22, 2017

HOME

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Sri Lanka to set up 150 mini apparel units

A mini apparel factory was opened recently at Sri Lanka's Menik Farm village, a refugee camp earlier, as part of a new $1.8-million national apparel initiative at village levels that aims at setting up 150 such factories across the country in support of the government's employment initiative. The project aims to engage 3,000 women in apparels and handlooms.

The Sri Lanka Institute of Textile & Apparel (SLITA) is handling the 150 Mini Apparel Factories Program under the ministry of industry and commerce, according to a report in a Sri Lankan daily.

Each factory will be provided with a range of high end apparel machineries, such as single needle machines, cutting tables and button-hole machines.

Source: fibre2fashion.com- Nov 23, 2017

HOME

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Indonesia fast emerging top global textile exporter

With textile and apparel export volume of close to $12 billion and a workforce of almost two million people, the Indonesian garment and textile industry has been raising the bar in global textiles market.

The Indonesian government has set a target of increasing the nation's value of textiles exports to $75 billion by 2030. With this, Indonesia's textile and apparel products would have 5 per cent share in the global market.

And, there are homegrown designers who are ably pushing this growth. Michelle Tjokrosaputro, Chief Executive, Dan Liris, is the name behind global behemoths like Calvin Klein, Tommy Hilfiger and Marks & Spencer.

At the recent Jakarta Fashion Week, she shared her expertise with the next generation of designers.

She provides a portfolio of services such as auditing, subsidised courier services, sustainability management, quality control and specialised state-of-the-art machinery. Like her, there are other designers who are pushing the 'Made in Indonesia' tag.

'China Plus One' strategy

Recent PwC studies reveal Indonesia will become the 5th biggest economy in the world in 12 years', moving up from 16th place and surpassing the likes of Brazil, Russia and Germany. Anne Patricia Sutanto, Chief Executive, Pan Brother Tex, one of the largest Indonesian manufacturers producing for the likes of Uniqlo, points out there are three massive factories just for the Japanese brand and ASICS shoes. Indonesian apparel manufacturing will play a huge role in the country's future in the next 20 years.

There is no doubt 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. Pan Brothers Tex also has tie-ups with Indonesian retail brands like Salt n Pepper and Zoe Black.

While China undoubtedly remains a powerhouse in the region, Indonesia is 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. Unlike China, however, it is integrated into the Association of Southeast Asian Nations (ASEAN).

Besides, manufacturing is becoming increasingly sophisticated with vertical operations in spinning, weaving, printing and garment plants, making them a one-stop destination for international clients. One such example is Java-based Sritex that makes 8 million pieces of apparel a year for bigwigs like Uniqlo, Guess and H&M.

Fast fashion driving growth

Helena Helmersson, H&M's Global Head of Production, says the advantage of manufacturing in Indonesia is the great mix of fashion, price and sustainability. Today, 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 keep up with global demand, and expand into new countries. Because of its investments in technology, innovation and training, Indonesia is being regarded as an advanced sourcing opportunity. And where it cannot compete on price, it can on scale.

The government too has been pushing many infrastructural projects and bureaucratic slimdown in order to ease business. The industry is 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 grow further allowing them to compete with neighbouring Vietnam and Bangladesh. Indonesia already has free trade agreement with Japan, which has brought scores of Japanese brands to manufacture in the country.

Source: fashionatingworld.com- Nov 21, 2017

HOME

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Ghana to be top African apparel manufacturing hub: Minister

Ghana will turn Africa's leading apparel manufacturing hub after the trade and industry ministry implements the industrial transformation agenda, Alan John K Kyerematen, minister handling the portfolio, said recently at the launch of the Association of Ghana Apparel Manufacturers (AGAM). The sector will significantly transform the nation's industry, he said.

AGAM is a business network and advocacy organization comprising 13 Ghanaian apparel businesses exporting more than $12 million worth of clothes each year and employs over 2,000 workers with the potential of growing its workforce to 20,000 employees by December 2018. Meanwhile, the Ghana Export and Import Bank (Eximbank) has announced a $10-million investment support for apparel manufacturers in Ghana as part of its efforts to support the government's industrialisation initiatives, according to media reports from Ghana.

Source: fibre2fashion.com- Nov 22, 2017

HOME

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NATIONAL NEWS

India's largest textile machinery show in 2017 from Dec 7

The largest textile machinery exhibition in India for the year 2017, ITMACH India, will be held in Gandhinagar, the capital of Gujarat state, from December 7 to 10. The exhibition, spread over 40,000 square metres of area, will host over 350 exhibitors from 10 countries showcasing excellence and innovation in textile machinery and technology.

Machinery from each segment of the textile industry, including spinning, weaving, knitting, dyeing, printing and processing, will be displayed during the show days. Participating companies include Saurer, LMW, Premier, Amsler, Rotorcraft, Jingwei, Pacific, Picanol, Itema, Staubli, Haijia, Rifa, A.T.E., Fong's, Perfect, Rimtex, Palod Himson, SPGPrints, Embee, Premier Evolvics and several others.

Serving as an accredited B2B platform for the textile industry that supports adoption of technology; enhance investment, building capacity and knowledge sharing, the four-day fair will see participants from several countries.

Along with a strong contingent of Indian exhibitors, companies from Germany, Switzerland, Italy, Belgium, Netherland, Turkey, China, Taiwan, South Korea and Japan will present their latest technological innovations to visitors.

"Visitors will get to learn about the latest trends, developments and opportunities to share their knowledge and fine-tune their ideas. In short, the mega event will ensure that a plethora of business ideas are discussed, and dynamic business networking is facilitated," the organisers K and D ITMACH Expositions LLP said in a statement.

ITMACH India would present an ideal opportunity for investors and machinery marketers to interact for new investments within the country, the statement added.

Source: fibre2fashion.com- Nov 22, 2017

HOME

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Pink bollworm tears into the very fibre of Maharashtra's cotton growers

The colour pink is associated with love, beauty and fashion.. But in Yavatmal district of Maharashtra, pink has become synonymous with death and destruction. Pink bollworm (PBW) has ravaged the cotton crop in the district, where farmer suicide has been rampant.

The pink bollworm eat away the cotton fibre and the bolls, causing economic loss to the farmer. This reporter travelled across Yavatmal and saw lush cotton fields with tall shrubs, but the bolls eaten away by the worms.

Huge crop losses

According to first advanced estimate for 2017-18, the cotton acreage in Maharashtra will be 4.2 million hectares, compared with 3.8 million hectares last year. Of the total area under the fibre, about 1.3 million hectares are suspected to be infected with the PBW .

Agriculture experts and farmers fear crop loss ranging from 50 to 80 per cent in the district, which is a part of the larger Vidarbha region. The devastation is especially acute in Umarkhed taluk.

Farmers are angry, particularly with the large companies that sold them genetically-modified seeds, which were supposed to protect their cotton crop from just this pest — the pink bollworm.

Production hit

28-year-old Rehan Ullah Khan, whose 5-acre farm is located in Baldi village close to Umarkhed town, is in deep distress. Khan says he was expecting at least 100 quintals, but due to the pest attack, he could collect barely 30 quintals.

Khan is not even confident of recovering the ₹1 lakh input cost, forget the ₹4 lakh he had hoped earn selling his cotton produce.

"In early October, I realised that the bolls are long past their time to ripen and burst open to reveal the cotton fibre. Today, due to the attack, I have no alternative but to uproot the cotton shrubs," he said. He said that though the State government is promising monetary assistance to the farmers, it will require a lot of supporting documents, which farmers do not have. Farmers rarely keep records of their purchases or empty seed packs.

Coming after last year's demonetisation troubles, caused massive problems to the farmers. This year it is pink bollworms. The problems of farmers continue in Yavatmal.

Amol Patingrao, a cotton farmer from Krishnapur village in Umarkhed taluk, too, has a similar tale to share. Patingrao has a 10-acre farm on whichhe had planted cotton (8 acres) and turmeric (2 acres).

"This year, rain was also irregular which led to multiple pests attacks. But bollworm caused the maximum damage. Even the increased dosage of insecticides did not help as the PBW infests the main cotton boll, which is closed from all sides. Once a worm enters the boll, it seals the entry hole but continues to devour the fibre from inside,"

Patingrao hoped to harvest 80 quintals of the fibre but has managed only 20 quintals. His turmeric crop was also damaged by the irregular rain and attack by the white grub pest. "The failure of the two crops has destroyed my life," Patingrao laments.

Government aid

Maharshtra's Minister for Agriculture Sadabhau Khot has announced that cotton farmers will be compensated for losses incurred becasue of the PBW attack. Surveys of the affected area are under way, but the methods of providing the compensation are yet to be worked out.

Veteran farm leader and Chairman of Vasantrao Naik Shetkari Swavalamban Mission Kishor Tiwari told *BusinessLine* that the government is in a state of a shock given the devastation brought about by the PBW. By initial estimates, the State's cotton economy has lost about ₹10,000 crore.

This is an unprecedented situation as over 50 per cent of the cotton crop has now been lost to the bollworm. The pink bollworm attack should have been repulsed by the genetically-modified seeds. But that did not happen, he rues.

Source: thehindubusinessline.com- Nov 23, 2017

HOME

****

From Avva, Mavi to NetWork, foreign fashion brands want piece of India's fashion, food brands pie

A slew of international brands are lining up to grab a slice of the large and growing domestic consumer market. The increased appetite for branded goods, reflected in the success of brands such as Zara, H&M, Pepe Jeans and Levi, is now drawing significant interest from mid-segment fashion brands like Avva, Colin's, Collezione and Mavi Jeans. Most of these brands are planning to enter through the joint venture or franchise route, though they could consider going on their own once they scale up. Gaurav Marya, chairman, Franchisee India Holdings (a retail solutions provider), said:

Global brands set sight on domestic market

	Brand name	Existing network (No. of stores)	Global presence (No. of countries)
Fashion-ready-to-wear	Avva	91	15
	Colin's	700	22
	Collezione	175	19
	Damat	200	14
	Dufy	30	2
	Kiabi	500	17
	Kigili	213	9
	Mavi	345	5
	Metersbonwe	4,000	4
	NetWork	132	4
	Tugba Deri	177	1
Food & Beverages	Illycafe	240	41
	Lina's Paris	45	6
	Queen's Chips	80	2

"Now, it's the turn of small and mid-sized brands as they look to cash in on the open retail policy and huge gap in the market for branded products." As per estimates of Franchisee India, 250 to 300 brands are expected to enter India, bringing in investment of about $1 billion over the next two years. "Many international brands are lining up as the retail sector is growing and international brands like Zara and H&M have been really successful, with strong profits and revenue growth being reported in the country. Now, the slightly mid-level or smaller brands too want to explore the Indian market," suggests Anurag Mathur, partner, PricewaterhouseCoopers.

However, the focus of these brands will be the top few cities. Industry experts argue that the infrastructure of the country has to improve for these brands to penetrate beyond the tier I and tier II cities.

The fashion brands seriously eyeing an entry into India include several from the less-developed markets. Avva, Colin's, Collezione, Damat, Dufy, Kigili, Mavi, NetWork and Tugba Deri are some of the Turkish brands planning entry.

Chinese brand Metersbonwe and French ready-to-wear brand Kiabi are among others eyeing the Indian market. "Brands from Turkey and Greece are much more value-centric than European brands, and are expected to perform well in the country," says Marya.

Unlike the fashion segment, brands being drawn to the food & beverages segment in India are mostly from the developed markets. Italy-based Illycafe, which runs a chain of coffee shops, France-based fast food chain Lina's Paris, and the Netherlands-based cafe chain Queen's Chips are some of them looking to set up shops here.

The government's decision to allow 100% foreign ownership in business-to-business (B2B) e-commerce and food retail, for food products manufactured in India, is aiding interest. Rajat Wahi, partner, Deloitte, said:

"With the government relaxing norms mainly in the food segment and with the implementation of the GST, there is a lot of ease in doing business and many international food and fashion brands are looking to enter the country."

Source: financialexpress.com- Nov 23, 2017

HOME

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April-October trade deficit soars 60%: DBS report

The trade deficit has ballooned to $88 billion between April and October, up 60 per cent from the comparable period a year ago due to weak exports and a sharp rise in imports, says a report.

"The problem is two-fold; weak export growth of 9 per cent year-on-year, coupled with a sharp 23 per cent rise in imports during the April-October of this fiscal year, taking the overall trade deficit to $88 billion, which is up 60 per cent year-on-year," Singaporean brokerage DBS said n a report today.

But the report expects exports to pick up once the GST-driven distortions subsided, but it warned that the traditional product mix will hinder its ability to participate in the ongoing trade upturn.

The composition of the export basket, even if well-diversified, has prevented the economy from benefiting from the upturn in the regional export cycle this year, it noted.

The upturn is largely led by electronic shipments, including semi-conductors and consumer electronics, which makes up less than a tenth of exports.

Instead, two-thirds of the basket comprises traditional product groups, including gems and jewellery, pharma, textiles, engineering goods, food, and fuel.

Further, GST-related uncertainty and the effect of duty-drawback have added to the headwinds, the report noted.

Imports, on the other hand, will be influenced by the rising crude prices, even as supply-chain disruptions ease in the second half, it added.

Oil imports rose by 20 per cent till date from last financial year's 12 per cent. Demand for other commodities also remained strong, the report noted.

"Looking ahead, we expect the lift in imports from GST-related uncertainties to be ironed out by policy fine-tuning and relief measures," the report said. But the report warns that lower exports and higher imports spells trouble for the current account deficit.

Source: thehindubusinessline.com- Nov 23, 2017

HOME

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IKEA keen to source more locally

Swedish retailer unveils Hyderabad centre ahead of its first India store next year

Swedish home furnishings retailer IKEA is keen on sourcing more products locally as part of its focus on keeping prices affordable for the consumer. The firm plans to have 25 stores in India by 2025, starting with the one in Hyderabad next year.

The firm aims to source more than the 30% norm (for foreign single brand retail companies) stipulated by the Government of India, said Patrik Antoni, deputy country manager, IKEA India, at the opening of IKEA Hej Home in Hyderabad on Wednesday.

₹2,300-crore exports

“Though the company is sourcing from India for 30 years now and exports around ₹2,300 crore, we need to look at a much broader scale of products,” he said.

He added that IKEA was confident of reaching a high level of local sourcing, which would also improve the affordability of its products. Currently, the firm works with 53 suppliers in India, who, in turn, provide employment to 45,000 people, he added.

Hej Home is an experiential centre that has been designed to provide customers a peek into the IKEA range ahead of the company’s first India store opening next year.

Similar centres were planned for Mumbai, Bengaluru and Gurugram in the run-up to the unveiling of stores. The company was scouting for land in

Mumbai, Delhi and Bengaluru to have multiple stores. Chennai, Pune, Ahmedabad, Surat and Kolkata were the other cites it was eyeing.

IKEA Telangana managing director John Achillea said the 4 lakh sq.ft. store coming up at the IT hub of Hyderabad, would open in the spring of 2018. It would showcase 7,000 IKEA products, complemented by a 1,000-seater restaurant as well as a 2,000 sq.ft. children's play area. The facility, being set up with an investment of ₹1,000 crore, would employ 800 people. Country marketing manager Ulf Smedberg said the upcoming store would have "something for everyone in the family."

The company has decided to keep the prices of nearly 1,000 products below ₹200 each. Telangana IT and Industries Secretary Jayesh Ranjan said the benefits extended to IKEA by the State government included a rebate on the power tariff, full reimbursement of stamp duty as well as partial reimbursement of the manpower training costs incurred by it. It stood to get more benefits once the State's Retail Trade Policy is unveiled early next year.

Source: thehindu.com- Nov 23, 2017

HOME

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Antidumping agency starts sunset review of duty on caustic soda

India has initiated sunset review of anti-dumping duty imposed on caustic soda from Saudi Arabia and the US, a move aimed at guarding domestic players from cheap imports from these countries.

Caustic soda is used in sectors such as pulp and paper, newsprint, staple fibre, aluminium, cotton, textiles, toilet and laundry soaps, detergent, pharmaceuticals and petroleum refining.

The Directorate General of Antidumping and Allied Duties (DGAD), under the Commerce Ministry, in a notification stated that the petition for review was filed by Alkali Manufacturers' Association of India (AMAI) on behalf of domestic producers.

The DGAD has started "to review the need for continued imposition of the duties in force" on caustic soda from Saudi Arabia and the US, the notification has said.

In the review, the DGAD will examine whether the expiry of the existing antidumping duty is likely to lead to continuation or recurrence of dumping and injury to the domestic industry.

Opposition from Finance Ministry

While DGAD recommends the duty to be levied, the Finance Ministry imposes it. Countries initiate anti-dumping probes to determine if the domestic industry has been hurt by a surge in below-cost imports.

As a counter-measure, they impose duties under the multilateral WTO regime. Anti-dumping measures are taken to ensure fair trade and provide a level-playing field to the domestic industry.

They are not measures to restrict imports or cause an unjustified increase in cost of products.

Source: thehindubusinessline.com- Nov 22, 2017

HOME

****

NIFT to train 10000 Madhya Pradesh youth in textile sector

India's Madhya Pradesh State Skill Development Mission recently signed an agreement offering exclusive rights to the National Institute of Fashion Technology (NIFT) in Bhopal to train people in the textile sector under the Mukhya Mantri Kaushalya Yojana. Candidates will receive the month-long training in 10 or 12 courses depending on industry demand.

The institute will train around 10,000 candidates in collaboration with several industries, which will recruit at least 70 per cent of the trainees as per guidelines of the scheme, according to a report in a top Indian English-language daily.

The trainees will receive certificates from the ministry of skill development and entrepreneurship. Four courses related to spinning have already been identified.

Source: fibre2fashion.com – Nov 23, 2017

HOME

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First estimate of India's new season cotton shows a surplus

The Cotton Association of India (CAI) has released the first estimate of the country's cotton crop, for the current season (October 2017-September 2018), at 37.5 million (375 lakh) bales of cotton, each weighing 170 kg. Last year's crop was 33.725 million (337.25 lakh) bales (170 Kgs each). The projected increase this year is due to a 19 per cent growth in acreage as against the last season.

India's cotton balance sheet for this new season will record a surplus with a closing stock of 3.9 million bales. Exports this season are expected to remain at 6.3 million bales of 170 kg each (the same level as last year). Total domestic demand is expected to be 32 million bales. It is not likely that production will exceed beyond 37.5 million bales.

Yields this season will be affected by an infestation of pink bollworm and unseasonal rainfalls in cotton-growing areas during September and October. Many farmers diversified to cotton during the kharif season (June-July) following stagnant prices for pulses and oil seeds.

Cotton delivery has just begun hence the exact scenario of quality and production will be known only by the end of the month.

Source: fashionatingworld.com- Nov 22, 2017

HOME

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BTC authority in Assam assists Patanjali to build textile unit

The Bodoland Territorial Autonomous Council (BTC) authority in Assam has lent out help to assist Patanjali, an Indian FMCG company,to set up its textile unit in Assam valley to produce large number of varieties of textile fabric.

It was announced by Patanjali's promoter Ramdev at Kokrajhar in western Assam where he inaugurated a three-day yoga therapy and meditation camp in the presence of hundreds of participants.

Ramdev said that Patanjali is planning to set up a few residential and day-boarding schools in the state to provide succour to children from economically backward section of society.

Patanjali Ayurved Ltd has started commercial production at its newly-set up factory at Balipara in Sonitpur district of Assam earlier this year.

The land for the manufacturing unit was provided by the Assam government on lease to Patanjali at a cost of Rs 13.82 crore. The factory was completed within five months since laying of the foundation. There is plan to set up about 75 units with an investment of Rs 6,000 crore. The manufacturing area is spread across 450 bighas.

Patanjali's venture in the Bodoland areas will facilitate development and creation of employment opportunities in the area.

It is expected that direct employment opportunities will be created for over 5,000 people in the industrial units while capacity production target worth Rs 1 lakh crore will be achieved within next five years.

Assam Chief Minister Sarbananda Sonowal had laid the foundation stone of the Rs 1,300-crore Patanjali Food and Herbal Park on November 6, 2016.

Source: yarnsandfibers.com- Nov 22, 2017

HOME

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Tough road ahead: Investors can't find a fit in online fashion retail

Investments into online fashion retail have dropped to the lowest in three years, signalling a tough journey ahead and setting these companies on a profit-chase sooner than expected even as larger competing multi-category marketplaces mop up billions of dollars.

Funding for standalone fashiontech startups such as Yepme, Voonik and Wooplr has plunged to $39.5 million so far this year from $350 million in 2015 and $126 million last year, show data from Tracxn.

While Flipkart, Amazon and Paytm—all so-called horizontal marketplaces that also sell clothes and apparel—burn through their large pools of money, for online fashion retailers the funding crunch would mean depending on profitability, said Voonik CEO Sujayath Ali.

"The market has turned negative in terms of investor interest," he said.

Voonik is inching towards becoming operationally (Ebitda) profitable in a month or two, Ali said. The company's revenue surged to ?117 crore in 2016-17 from ?26 crore in the year prior. That, however, meant using up ?135 crore of cash in 2016-17, up from ?86 crore in the year before.

"The reality is that post Snapdeal and a few other debacles, there is a general concern on the sustainability of current business models," said Suchi Mukherjee, CEO of Limeroad.

However, investors understand from examples in China and the US that there is a clear space for a fashion standalone player of scale."

" However, IDG Ventures India Advisors does not share the optimism. The firm, which has invested in companies like Zivame, is not actively looking to invest in standalone fashion etailers since such companies are unable to differentiate themselves from larger firms like Flipkartowned Myntra, said MD TC Meenakshisundaram. "Companies like Voonik and Craftsvilla specialise in ethnic wear, but that is something Myntra can easily achieve," he said.

"Companies would really have to differentiate themselves in something that bigger players can't do and show scale to garner investor interest." Online fashion retail accounts for a mere 4% of India's fashion market, according to RedSeer Consulting.

Within this small online penetration, fashion etailers compete for a miniscule available market share of about 10% in terms of gross merchandise volume (GMV), a proxy for gross sales that doesn't factor in discounts.

That's because India's top two online fashion retailers, Myntra and Jabong, account for about 30% of the market, and online marketplaces such as Flipkart and Amazon command another 60%, according to RedSeer.

"Myntra and Jabong are even stronger than (the fashion category of) Flipkart," said Satish Meena, senior forecast analyst at Forrester Research.

"The smaller verticals are finding themselves in a tough battle versus the horizontals," said Anil Kumar, CEO of RedSeer Consulting, stating that speed of delivery, high discounting and ease of shopping work in favour of the larger marketplaces.

Even so, there remains a trace of optimism among some investors. "Vertical plays in fashion ecommerce will succeed and have done so in every major market globally," said Rajinder Balaraman, VP at Matrix Partners India.

Kalaari Capital has not invested in any fashion startup this year but partner Sumit Jain says this was not because of lack of interest in the space. "Good opportunities are tough to come by since it is very niche. However, we are bullish on this sector."

Source: economictimes.com- Nov 23, 2017

HOME

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