

Textile Briefs International

- ❖ India's share in world cotton area under Bt cotton seed is about 27% and is producing Bt cotton almost 50% of its total cotton production. Beside, India has also started producing organic cotton which fetches handsome prices some 75% to 85% more than that of normal cotton.
- ❖ PTA prices started rising in Asia after production was significantly reduced in the past months. Demand from polyester producers remains very weak in January 2008. Confronted with extremely high glycol prices, Asia's polyester industry is drastically lowering its production in order to get higher prices from the textile industry and to return to profits.
- ❖ India is using original cotton seeds and getting higher and higher cotton productivity and production year to year. In the last five years, India has almost doubled its cotton production to 31.0 million 170-kg bales in 2007-2008 mostly by increasing its lint cotton yield from 302 kg per hectare in 2002-2003 season to 520 kg per hectare in 2007-2008.
- ❖ An investment of \$10 billion is proposed by Taiwan's Formosa Petrochemical Corporation to expand its textile base in Vietnam. The investment is likely to get channelized by 2009 and aims to add nylon fibre and enhance yarn production. The project is anticipated to encourage Taiwanese textile manufacturers to form a production cluster in the region.
- ❖ Spun yarn prices were mostly unchanged in the past two weeks of January 2008 in China, although slight increases may have been observed on a few local markets. Fiber prices remained stable and demand from downward textile and apparel industries was relatively weak. Market operators are not expecting prices to increase in the short term.
- ❖ Viscose prices are now stabilized in China after soaring in the past months. Demand is relatively weaker but prices are not expected declining, however. Global leaders, Lenzing and Grasim have reported very strong sales and results for the last few months, reflecting healthy world demand and higher raw material costs.
- ❖ While the U.S. administration may soon launch anti-subsidy investigations over apparel imports from China, a study shows that Chinese unit prices have significantly increased since 2005, often reaching higher levels than for products from other origins. Far from dumping its exports, China is trying to shift to higher-quality apparel.
- ❖ Indian textile exporters, who are struggling to cope with Rupee appreciation, have been assured by P. Chidambaram, Finance Minister that the Government is already working out a strategy to help them come out of this crisis. Textile exporters have demanded for increase in duty drawback rates, reduction in interest rates for pre and post shipment credit as well as exemption from service tax.
- ❖ EU's imports of W/G cotton denim trousers from low-cost countries were extremely contrasted in the first half, depending on markets. Spanish and Italian imports soared in value terms, reflecting a sharp rise in unit prices and a new relocation of clothing facilities to Morocco and Tunisia. U.K.'s market heavily fell at the same time, after shipments from non-European countries declined 31% in value terms.
- ❖ India's textile exports are likely to decline by over 10% this year, as the strong rupee has hurt exporters. Profit margins are also being squeezed because of the rise in the price of domestic cotton.
- ❖ Investment in Bangladesh export zones nearly tripled in the first half of the current financial year to US \$380 million from a year ago despite political upheaval and slower growth, said Bangladesh Export Zones Authority (BEPZA) Chief Brigadier general Ashraf Abdullah Yussuf.
- ❖ China took a larger share of the European clothing market in the first part of 2007, to the detriment of other Asian nations. Imports of woven clothing from Bangladesh, Indonesia and India even declined while stagnating from Pakistan and slowing down from Vietnam.
- ❖ Wool prices again surged on Southern hemisphere markets, boosted by strong demand from China after new import quotas were finally released. Very fine quality fibers were also on offer in Newcastle, Australia, stimulating demand from Italy.
- ❖ India is becoming a top global innovator for high-tech products and services, yet the country is under performing relative to its innovation potential, says a new World Bank report. The world has acknowledged India's R&D potential and more than 300 multinational corporations have set up R&D and technical centers in India.
- ❖ Mexico's imports of cotton denim fabrics are falling in line with a surge in U.S. denim trouser imports from China. Denim imports from Mexico may however be boosted by the end of compensatory tariffs which sharply limited Chinese textile exports to the country since 1995 and expired on December 11, 2007.
- ❖ Egypt, allocated 2 million square meter area to develop Polaris International Industrial Park, to serve as a Turkish free trade zone within Egypt's Sixth City Qualified Industrial Zone (QIZ). The QIZ provides exports, which include a certain percentage of Israeli content, duty-free to the US. Turkish firms in the industrial park have tariff-free access to the US market through the QIZ. ♦