



BANGLADESH

Export growth decreases to 15-year low

The shipment of garments has caused Bangladesh's export growth to decline to a 15-year low in the just-concluded fiscal year. The exporters racked up \$34.65 billion in 2016-17, an increase of only 1.69% year-on-year, according to the Export Promotion Bureau (EPB). The earning is 5.85% less than the government's annual target of \$37 billion.

EPB Vice Chairman Bijoy Bhattacharjee said they are scrutinising reasons for the decline in exports to major markets. One reason might be the volatility of exchange rates, he said while making public the official export data at the EPB office in Dhaka.

Annual growth of garment exports, which account for 82% of the national exports, was also the lowest in the past 15 years. Garment exports declined 0.20% year-on-year to \$28.14 billion, 7.34% below the target of \$30.37 billion. Knitwear accounted for \$13.75 billion while woven garment \$14.39 billion. Over the past 10 years, garment exports had been increasing at a year-on-year rate of over 13%.

Faruque Hassan, Vice-President of the Bangladesh Garment Manufacturers and Exporters Association said Bangladesh should focus more on producing value-added garment items so that earnings grow while production costs stay the same. Exporters said Brexit had a negative impact for the depreciation of the pound against the dollar.

The UK is the third largest export destination for Bangladesh, importing products worth over \$3 billion a year.



Exporters pointed out two other reasons declining consumption of apparel items in the wake of rising spending for electronic gadgets and unhealthy price competitions among buyers and local manufacturers. Moreover, general election this year in major countries like the Netherlands, France and the UK had an impact on trade as consumers were cautious in their spending.

RMG focus on sustainability, adopt water saving technologies

The popularity of Bangladesh RMG is such that every third European has a T-shirt made in Bangladesh and every fifth American wears jeans manufactured in Bangladesh. The country exports the US \$28.14 billion worth of the items or 6.4% of the global share and the export target by 2021 is to push it up to \$50 billion.

A study by International Finance Corporation (IFC) reveals, every year, 1,500 billion litres of water is used to dye and wash the cotton and clothes for the garment industry. This is enough to fill up 600,000 Olympic swimming pools. This water can meet the demand of 8 lakh people for a whole year. For the average jeans, one wears that weighs 1kg, it takes 250 litres of water to wash. This is not at all hard water we are talking about. It's all drinking water, pumped out from underground.

In Bangladesh worst part is the garment industries discharge water into rivers and canals after use. This makes the water highly polluted with toxic chemicals

and dyes. Bangladesh has around 789 dyeing and finishing factories to serve some 4,000 garment factories, according to the IFC, consuming a major part of underground water, says in a study by International Finance Corporation (IFC).



CHINA

Wuxi Cotton to set up textile plant in Ethiopia

Wuxi No. 1 Cotton Mill, part of the Guolian Development Group and one of the largest textile manufacturers in China, has signed an investment agreement with the Ethiopian government to establish an integrated textile plant in Ethiopia. The new plant will be set up in Dire Dawa, the second largest city in Ethiopia, lying around 450 km east of Addis Ababa.

Wuxi will invest in a spinning plant and a large scale integrated fabric mill, with production targeted at export markets, according to the investment agreement between Wuxi and the Ethiopian Investment Commission (EIC), signed in Wuxi city in China.

Wuxi No. 1 Cotton Mill has annual weaving capacity of 26,000 tonnes of yarn and 30 million metres of grey fabric. Hence, the company will bring state-of-the-art manufacturing technology, knowhow and excellence accumulated over a span of nearly 100 years to Ethiopia.

In addition to creating direct employment opportunities, the Chinese investment will help Ethiopia boost its foreign exchange reserves through exports. It is also expected to create significant linkages in the fast-growing textile and clothing industry of Ethiopia.

At present, Wuxi exports 75% of its products, mainly to Europe, the US, Japan and Asean countries. So, the EIC expects that the investment will assist Ethiopia in becoming a leading player in Africa's textile and apparel manufacturing sector.





EGYPT

Country aims to double its high quality cotton production

Agriculture Ministry of Egypt Hamed Abdel-Dayem said that production of their silky soft cotton once known as 'white cotton' should rise to 1.4 million qintar (160 kg) in the 2017-18 fiscal year that started in July from 700,000 qintar a year earlier. The government aims to increase the price of the long staple cotton to more than 3000 Egyptian pounds (\$168.07) per qintar for exports. The production of the cotton, used in luxury bedding, has fallen sharply since 2011, a year of political upheaval that coincided with looser regulations that degraded the quality of local cotton. Egypt's sunny skies and superior seed help it grow cotton known for unusually long fibres that produce a light durable fabric with an attractive sheen and soft touch. Long-staple sells at 155 US cents per lb., about twice the price of common short-staple cotton.

The return of long staple cotton to world markets could provide a lucrative export opportunity at a time when Egypt has a huge trade deficit.

This year Egypt grew about 220,000 acres (89,000 hectares) of long-staple cotton compared with 130,000 acres (52,600 hectares) in 2016-2107.

Cairo forecasts MY2016-17 cotton area harvested to increase by 20% or 20,000 hectares to 120,000 hectares. The increase in area is attributed to farmers' willingness to grow more cotton with expectations that the government's cash subsidies.



ETHIOPIA

Adama and Dire Dawa industrial parks specializes in textile, apparel and agro processing

The Adama and Dire Dawa industrial parks which will specialize in textile, apparel and agro processing were inaugurated during October, 2017.

Adama Industrial Park and Dire Dawa Industrial parks both are constructed by China Civil Engineering Construction Company (CCECC) at a cost of US\$ 125

million and US\$ 190 million. As Adama and Dire Dawa are in close proximity to the Port of Djibouti, it expected that both will contribute to the facilitation of foreign trade for the country.

In addition to realizing development, the parks will play important role in improving employment opportunities. The parks are expected to create a total of 50,000 jobs in double shift, up on going operational.

Around 19 factories that can produce textile products are constructed in Adama with ambitious to create job opportunities for more than 15,000 Ethiopians directly and for over 15,000 peoples indirectly and the Dire Dawa Industrial Park aimed at creating job opportunities for over 10,000 people in a single shift, said the Deputy Commissioner in Charge of Industrial Parks Dr. Belachew Mekuriahe.

He said that the government has been also engaged in inviting anchor companies that will enter into the parks, alongside the construction. Accordingly, several textile companies are forwarding their request for the sheds in both industrial parks.



INDIA

Textile market likely to touch US\$ 250 billion in 2 years

India's textile sector accounts for 10% of the country's manufacturing production, 5% of its GDP, and 13% of its export earnings, said a study released by the Associated Chambers of Commerce and Industry of India (ASSOCHAM). The size of the textile market is expected to touch US\$250 billion in two years from the current US\$150 billion.

The sector is the second largest employer, absorbing 51 million directly and 68 million indirectly in 2015-16, the joint study by ASSOCHAM and financial advisory services provider Resurgent India Limited released recently at the ASSOCHAM conference on 'Women in Textiles & Handicrafts Industry: Weaving the Threads of Livelihood' in New Delhi, found. However, over 17,600 workers were affected by the closure of 67 textile units in the last three years; an ASSOCHAM press release said quoting the study.



NEPAL

Working to reiterate the Biratnagar jute mill

The Nepal Ministry of Industry (MoI) has made demand of Rs 250 million to the Ministry of Finance for the operation of the Biratnagar jute mills which has remained shut for about 20 years. MoI is also doing the necessary preparatory works to re operate the shut jute mill. The jute mill had taken around Rs 1 billion and Rs 5.5 million loans, is yet to be paid back with its interest.

With the revival of the jute mill, it will meet nearly 75% of the domestic demand for jute. The Jute mill will also provide directly or indirectly employment to around 15 thousand people. By bringing back Nepal's first industry, Biratnagar's Jute Mill in operation, it will also greatly contribute to the economy of the city.



executive Meg Lustman.

Launched in 1981, Hobbs achieved a sales figure of £120 million for the fiscal year ending January 2017 and has over 140 outlets and stores in the United Kingdom. It also sells online in 49 countries. Hobbs will join two other British women sweater brands — Phase Eight and Whistles in the TFG portfolio.

TFG recently announced a 9.2% growth in turnover in its interim results, despite difficult economic and political conditions in its key South Africa and United Kingdom markets.

have fulfilled contractual obligations by harvesting over 1.05 million tons of raw cotton.

Turkmen President Gurbanguly Berdimuhamedov congratulated farmers and cotton growers, machine operators and other workers of the agro-industrial complex on this occasion.

The Turkmen farmers are provided with fertilizers, seeds, chemicals and maintenance at discounted prices. Turkmenistan also systematically purchases modern high-performance agricultural equipment of world-famous brands.

Cotton is a significant export product of Turkmenistan and is a demanded raw material for dozens of modern companies of the country's dynamically developing textile industry.

The country supplies cotton to China, Russia, the UK, South Korea, Turkey, Iran, Indonesia, Singapore, Ukraine and the Baltic countries.



SOUTH AFRICA

Country TFG acquires British brand Hobbs

South African firm The Foschini Group (TFG) recently acquired British affordable luxury women sweater brand Hobbs for an undisclosed sum. TFG announced the purchase while praising Hobbs' successful turnaround strategy over the last two years led by Chief



TURKMENISTAN

Country harvests over 1.05 million tonnes of raw cotton

Cotton is the main raw material for the textile industry of Turkmenistan. Moreover, it is an important export product. The country's State News Agency reported that Turkmen farmers



UNITED KINGDOM

Sportswear companies increasingly focusing on women audience

Sportswear market has been attracting a lot of clout of late and now women are becoming their biggest growth drivers. A study by Allied Market Research found the sportswear category will grow at a CAGR of 4.3% to reach a total market worth of US\$ 184.6 billion by 2020. And though the men's sportswear segment makes up around 52% of the revenue and is the highest revenue generating segment in sports apparel market, every brand has realised the potential of women's segment that is expected to grow at a relatively higher



CAGR of 5.7% during the forecast period. This is because of the increased involvement of women in sporting and fitness activities across the globe.

Owing to this, sportswear brands are launching 'women' specific lines into their portfolio. For instance, Nike and JD Sports have opened up stores that are all-woman because of the trending size of women sportswear market. Significantly, the sport industry is encouraging collaborations between sports brands and fashion industry in order to produce new styles to cover the needs of the young and women segment that are significantly growing over the past years.



 **UZBEKISTAN**

Spinning industry showing rapid growth

Driven by extremely favourable tax and input price conditions for foreign investors, Uzbekistan's spinning industry has shown rapid growth in recent years. Gradual liberalisation of some economic regulations, like the recent liberalisation of currency exchange, and the decline of competing industries, such as Russia's spinning sector, has aided this growth.

Especially in the last three years, Uzbekistan's promotion of a special set of investment incentives and a new 'textile cluster' programme have generated strong interest and verifiable investments

by spinners, the Foreign Agricultural Service of the US department of agriculture (USDA) said in report on 'Cotton: World Markets and Trends'.

According to Uzbekistan government's official estimate, its spinning capacity, which apparently includes projects underway but not yet fully operational, is about 2.6 million bales of cotton yarn in 2017.

The recently concluded 77th annual International Cotton Advisory Committee (ICAC) Plenary Meeting in Uzbekistan gave the international cotton trade an opportunity to see the changes underway in the country's cotton and textile sector.

 **VIETNAM**

Textile exports get a boost from US cotton

Vietnam has slowly and steadily gained major ground in world's biggest apparel market the US with its high quality textile offerings. Vu Duc Giang, Chairman, Vietnam Textile and Apparel Association (VITAS) points out Vietnam's textile and garment export turnover, in 2017, is estimated at US \$30.5 billion, of which the US market accounts for approximately 51% of total turnover. In the first eight months of 2017, textiles and garments exports grew steadily, with export value increasing by 9.9%, over the same period last year, to \$19.8 billion. Currently, textile and garment exports to the US account for the largest share of the industry, making up around 51% of the export market share.

Meanwhile, Vietnam is also importing cotton from the US for its spinning industry, accounting for up to 60% of its total demand. In recent years, cotton cultivation area in Vietnam have narrowed down to just 0.04% of the total demand. Meanwhile, American cotton is considered the best for Vietnamese spinning, due to less impurities and a tightly controlled production process. William Bettendorf, Director, CCI said that the Vietnam textile and garment industry has made steady growth, becoming a bright spot in the global textile industry. Currently, Vietnam is the largest customer of the American cotton industry.

