

Cotton denim fabrics market: challenges and opportunities

by Prof. Dr. Noor Ahmed Memon, Dadabhoj Institute of Higher Education.

Traditionally the denim fabric is made of 100% cotton indigo dyed warp and white weft yarn of coarser counts. The fabrics are woven on projectile, rapier, air-jet and shuttle looms. Initially the denim fabric was developed as work wear. Now the scenario is different.

Denim fabrics and garments have gained immense popularity and are accepted by all irrespective of gender, age-groups and profession. So, there is tremendous challenge on the part of denim manufactures to innovate and develop products to meet the requirements of different consumers.

The denim industry, like any other textile and clothing sector is largely fragmented. Asian manufacturers are contributing about 60% of the world denim capacity. There are several thousands of companies targeting specific customer segments for increasing their market share.

Denim jeans have presently become a necessity and an essential wardrobe staple, as it provides comfort and has a

longer life span compared to other apparel. Currently, jeans are available in a variety of colours and styles to suit various consumer needs. Denim jeans have also demonstrated their capability to transcend age and gender barriers.

Denim represents an evergreen fashion trend and is widely endorsed by a number of fashion brands. Denim sales based on styles and fits are heavily dependent on street fashion and celebrity fashion trends. Growth in the market is influenced by economic, social and demographic trends. Growing penetration of casual wear in the West as a result of the retirement of ageing baby boomers and a parallel rise in the young professional workforce is enabling further growth in the market.

Pakistan had always strong textile industry due to historical reasons and an abundance of cotton. Pakistan is the second largest exporter of denim fabrics in the world after China. There are about 40 major players in the denim industry of Pakistan. Some of them, like Classic Denim Mills, Hantex Denim, Artistic

Table 1: Export of Cotton Woven Denim Fabrics

Year	Quantity Million Sq M	Value Rs. Millions
2011-12	320	35,341
2012-13	326	46,707
2013-14	333	48,224
2014-15	316	46,920
2015-16	426	47,983
2016-17	362	45,394

Source: Pakistan Bureau of Statistics

Fabric Mills, Al-Ameen Denim Mills, ADM Denim, Kassim Denim, Crescent Bahuman, Denim International, Siddique Sons, Rajby Textiles, M Denim, X-PerTex Denim Mills, Soorty Denim and US Denim Mills are producing about 50 million square meters of finished denim fabrics monthly.

The supply of denim cotton fabrics from Pakistan as a specialised textile product is showing an increase in various application areas such as jeans, fancy and fashion apparels, curtain, bed sheets, canvas, uniforms, fire resistant apparels

for all season and all ages.

The world's top denim fabric exporting country in 2017 was China while the top denim fabric importing country was Bangladesh. Mexico was the largest supplier of denim jeans to the USA while Bangladesh was the largest supplier of denim jeans to the EU. Furthermore, it is estimated that the denim demand in the world will increase by 5% to 6% while the supply will increase roughly by 8%, thereby indicating a buyer's market. The America tops the list of denim jeans users and an average estimate puts the figure at 450 million pairs a year. Top global denim fabric exporting countries are China, Hong Kong, Turkey, Italy, Pakistan India, Spain and Brazil.

Exports

Export of cotton denim fabrics from Pakistan decreased from 425 million square meters worth Rs 48 billion in 2015-16 to 363 million square meters worth Rs 45 billion in 2016-17, thus showing decline of 6% in terms of value. Exports of cotton denim fabrics from Pakistan are given in **Table 1**.

Bangladesh, Turkey, Italy, Vietnam, Egypt, Italy and Sri Lanka are the major markets for denim fabric exports from Pakistan. With about 200 million sq. meters of cotton denim fabric being exported to Bangladesh in 2016-17, it is a major market for Pakistan.

India is becoming an important market for Pakistani cotton denim fabrics, although the quantities of about 4.41 million meters in 2016-17 are still small, it is indicative of the potential of the Indian denim market and it seems that it will become more important in the coming years. The garment exporters from India as well as the local Indian brands are getting more aggressive in terms of marketing and in order to differentiate them, they buy fabrics from around the world – Italy, Turkey, Spain and therefore, Pakistan has become an important supplier to service their export market. Country-wise exports of cotton denim fabrics from Pakistan are given in **Table 2**.

Reference

1. Pakistan Bureau of Statistics.
2. State Bank of Pakistan-Annual Reports.
3. Trade Development Authority of Pakistan. ♦

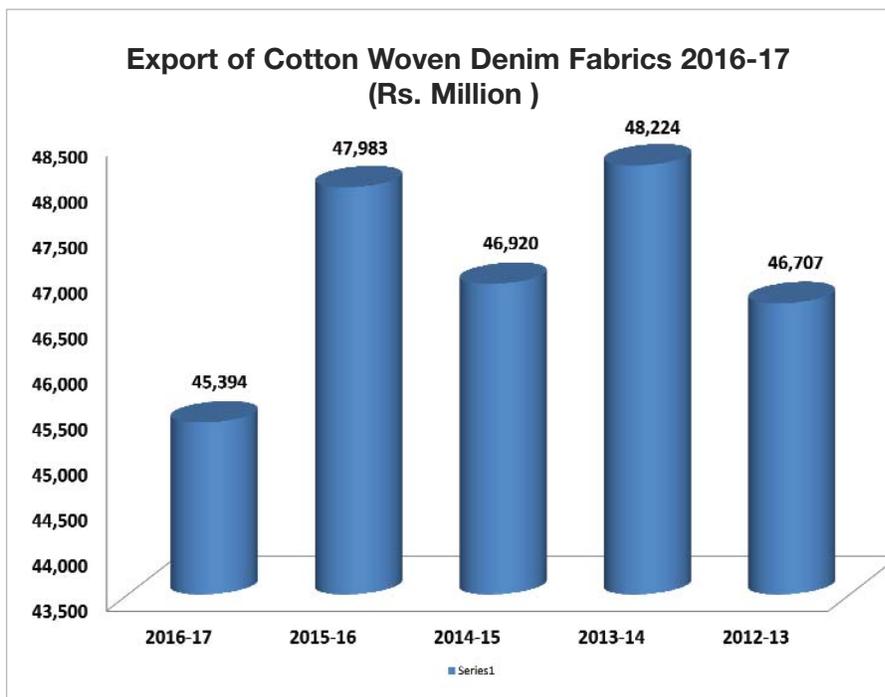


Table 4: Exports Cotton woven Denim Fabrics
Quantity: 000 sq. Meters
Value: Rs. Million

Country	2016-17		2015-16	
	Quantity	Value	Quantity	Value
Bangladesh	200,206	74,245	227,790	25,186
Turkey	50,463	6,757	64,399	7,081
India	4,407	688	11,658	1,345
Italy	9,820	1,280	9,308	1,134
Vietnam	9,631	883	9,719	1,238
Hong Kong	1,185	108	1,671	227
Cambodia	7,103	886	9,187	1,115
Egypt	23,995	3,196	15,562	368
Sri Lanka	8,043	1,085	8,159	1,094
Mexico	2,221	318	7,652	838
USE	4,719	647	4,210	615
Peru	4,425	571	6,721	721
Germany	2,004	228	2,362	297
Tunisian	1,789	215	1,942	276
Lesotho	1,907	515	2,903	366
Spain	1,364	176	2,002	252
China	1,345	192	853	112
All others	28,296	46,596	39,495	5,718
Total	362,923	45,394	425,593	47,983

Source: Pakistan Bureau of Statistics