



# China: Biggest machinery manufacturer in global textile arena

by Professor Dr. Noor Ahmed Memon, Dadabhoy Institute of Higher Education.

China's economy grew a record 18.3% in the first quarter of 2021 compared to the same quarter last year. China has set an economic growth target of 6% for 2021, after scrapping its target last year.

China's textile industry expanded emphatically in 2020 despite the COVID-19 pandemic buffeting the global economy. China is a key driver of the global economy and a growth slowdown is a major concern for investors around the world. China is the world's second-biggest importer of both goods and commercial services, meaning its economic performance has a big knock-on impact around the world.

The textile machinery manufacturing hubs like China, Germany, Italy, Switzerland and India have already jumped into a gigantic competition to craft and bid the best technologies in textile machinery.

The changing fashion trends create uninterrupted demand for new textiles, which generates demand for textile machinery and has a special impact on fabric manufacturing.

According to a new report by Global Industry Analysts Inc, the global market for knitting machines by 3D knitting technology is expected to show a compound annual growth of 27.4% by 2026. Which will be driven by the growing demand for advanced, automation and the capability of artificial intelligence. The report said, the market is projected to reach 58.9 thousand units in 2020, which is expected to reach 260.7 thousand units by 2026.

At the same time, China has formed the largest regional market for sewing machine sales. Whereas global sales were 80.4% in 2020, and the fastest compound annual growth rate in the world during the analysis period will be recorded at 28.8%, reaching 2.7 thousand units by the close of the analysis period.

In the Covid-19 crisis, the global textile machinery market was estimated at 5.9 million units in 2020. Which will reach 10.1 million units by 2026 and will show a CAGR above 9.1%. One of the segments analyzed in the report is the spinning machine which is expected to

record a CAGR of 7.6% to reach a market of about 8.8 million units at the end of use. Following the epidemic and its resultant economic crisis, growth in the draw texturized machine segment is likely to expand to a CAGR of 18.6% for the next 7-year.

In terms of specific regions, the textile machinery market in the US is estimated at 39.1 thousand units in the year 2021. Asia-Pacific is forecast to reach a projected market size of 3.8 million units by the year 2026 trailing a CAGR of 9.4% over the analysis period.

Asia-Oceania is estimated to be the largest market for textile machinery. The market is defined by a marked shift in demand from traditional machinery to more advanced technologies.

China is still the biggest machinery manufacturer in the global textile arena. Many countries in Asia are facing adjustment of product structure, so demand of high-end and complete sets of textile machinery are in demand. Chinese industry has obvious advantages compared with textile trade powers of India, Pakistan, Bangladesh, and Turkey,



particularly in cotton spinning equipment, complete sets of polyester equipment and dyeing-printing equipment due to price.

As China is clearly emphasizing high tech and high value-added products, textile machinery would be a key area for the country to focus on this year and onward. Ministry of Industry and Information Technology of China specifies that the percentage of high-tech products in sales should increase from the original 40% to 60% and the proportion of research and development fund of high-tech products in total corporate sales should increase from original 2% to 5% each year.

The Chinese textile manufacturers are developing some of the best answers in technical aspects of the textile industry, along with very competitive prices. With the rapid expansion of the textile industry, China's textile machinery industry also enjoys an occasion for development and has become the world's largest textile machinery manufacturer. China started industrialized machines virtually 80 years ago. At present, China-made textile machinery and equipment account for 80% of the domestic textile machinery market.

China is focusing more on technical textiles and the use of high tech automation in textile manufacturing, hence various types of machinery for those industries will move towards China.

Recently Shanghai has become one of

the most fashion conscious cities in Asia. As China is producing fabric and apparel and look for value addition, they are moving for fast fashion products and therefore, investments would take place for those production lines.

China is not the only exporter of textile machinery but also a potential importer of textile machinery. The potential import markets for textile machinery were Chinese provinces like Jiangsu, Zhejiang and Guangdong, which accounted for roughly 71% of China's overall textile machinery imports.

Many leading machinery manufacturers around the world chose China for expanding their production base and established their manufacturing unit in China. Rapid industrialization and subsequent economic development in China over the last decade have contributed to a significant rise in Asian textile production.

Nowadays, the focus of China seems to be shifting towards the chemical fibres and high tech industry including technical textiles and nonwovens.

### Future Prospects

The rapid industrialization and subsequent economic development in China over the last decade have contributed to a significant rise in Asian textile production. The market for textile machinery is dynamic, shifting from conventional to much more sophisticated

machines due to constant technological advancements.

Increasing market demand for home textiles, furniture upholstery, automobile textiles, and fashion trends also affect the demand for textile machinery.

Europe is the biggest manufacturer of machinery in the global textile industry. Its high-quality machines are the most sought after in the global textile industry to date. Until a few decades, European countries were considered the undoubted kings of this industry, but Chinese textile machinery has remained successful in providing some competition to them. Its machines are modern and inexpensive in comparison to many others in the industry. China, it seems, may contribute immensely shortly to the global textile machinery industry. The country is rising to become the next hotspot for its importers.

Asia-Pacific represents the biggest and fastest-growing region for textile machinery. Increasing investments in textile production in the Asian regions fuel the market for textile machinery. Asian countries such as China, India, Bangladesh and Pakistan foresee a favourable market for textile machinery due to the shifting of manufacturing operations from the EU and US to mass cost benefits. Industrialization and economic development in China during the recent past has enhanced their textile production. ♦

