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EU, China agree to liberalize textile trade in 2008

DATE: 2007/06/14

The European Union (EU) and China have agreed to liberalize their bilateral textile trade in 2008, it was announced Wednesday. This was one of 12 agreements reached during the trade talks between Chinese Commerce Minister Bo Xilai and EU Trade Commissioner Peter Mandelson on Tuesday, according to a press release issued by Bo's delegation. "Both sides have agreed to abide by the 2005 Shanghai textile agreement and implement the free textile trade in due time," said the press release. In June 2005, following the so-called "textile war" between China and the EU, Bo Xilai and Peter Mandelson reached an agreement in Shanghai on resuming quotas on China's textile exports to the EU by 2007. The press release said the EU and China will continue dialogue and cooperation on textiles, so as to maintain the steady and smooth development of the bilateral textile trade.

Mandelson, for his part, told a press conference on Tuesday that both sides were able to acknowledge and welcome the successful operation of the 2005 Shanghai textiles agreement. "We were both cognizant of the -- if I can put it this way -- re-entry problems of the return to normal trade, and we agreed that we wanted to avoid any destabilization of the market," he said. "For our part our automatic licensing system will continue through 2008 so we can continue to monitor market developments and discuss jointly with Chinese authorities any actions that we need to take to ensure a smooth transition from the textiles agreement to normal trading," he added.

Source: Xinhua

Domestic Cotton Prices Advance as Supply Concerns Grow

DATE: 2007/06/15

There is a growing fear in the domestic Chinese market that cotton stocks are rapidly drying up, resulting in daily cotton prices having steadily advanced for the past several weeks. Prices have shown sizable advances of 100 to 150 yuan per ton this week as mill buying has accelerated. The average price of T328 (Middling 1-3/32") has now reached 13,250 to 13,300 yuan per ton, while T129 (GM 1-1/8") prices have breached 14,000 yuan -- these prices are nearing their seasonal highs.

It appears that many merchants and ginners have exhausted their supply of old crop cotton. Some buyers are discovering that it is far more difficult to find the needed quantity of domestic high grades than expected, which has increased the offtake of consignment cotton. An estimated 40,000 to 50,000 tons of consignment cotton appears to have sold over the past 2 to 3 weeks.

Source: globecotnews

Apparel Buyers Not Yet Worried About Inflation

DATE: 2007/06/15

There is a great deal of concern in China regarding inflation. The May Consumer Price Index rose 3.4 percent from a year ago, and the CPI food component increased 8.3 percent, led by a surge in meat and grain prices. The price of all durable consumer goods increased 2.4 percent. In spite of this price inflation, it has not yet spread to the retail apparel sector, with the average apparel retail price in May dropping .1 percent from the previous year.

China's retailers discontinued the heavy discounting of apparel in the fall of 2006. They were successful in slightly raising prices, but have not been able to pass along any significant increases even as overall inflation rises in China. The steady prices are boosting sales, with May apparel retail sales surging 23.5 percent from year-ago levels.

Source: globecotnews

Textile sector under rapid expansion r

DATE: 2007/06/13

"Xinjiang" or "Ice Jecen" in Manchu, literally means "New Frontier", a name given during the Manchu Qing Dynasty in China. The region is often referred to as Chinese Turkestan or East Turkestan due to the presence of a number of Turkic ethnic groups. The province produces 1.8% of China's total yarn production. It is China's largest cotton-producing region and is also its largest cotton producing region with the country's largest geographical area. The province is heavily dependant on its natural resources and agriculture because of its large distance from East China.

For the last few years there are efforts being made to develop its small textile sector. There is huge cotton local crop which supports the local cotton spinning industry in a big way. In the year 2005-06

Source: China Textile Network Company

there was a decline in yarn production. The output for 06-07 is set to reach a record 326,000 tons. There is a growth of 20.3% over the previous year. The local cotton consumption is approximately 1.558 million 480-pound bales. Xinjiang consumes more than double the cotton volumes of Italy or Vietnam. It is a large, sparsely populated area which takes up about one sixth of the country's territory. It administers most of Aksai Chin, a region claimed by India as part of Jammu and Kashmir.

Source: bharattextile.com

China/U.S. Trade Dispute Set to Accelerate

DATE: 2007/06/15

The China/U.S. trade friction appears to be escalating to a new level. A series of bills are now being introduced in both the U.S. House and Senate in an attempt to force China to allow the yuan to appreciate faster. This action occurred after angry senators and representatives criticized the U.S. Treasury Department for again failing to label China as a currency manipulator in its semi-annual report. In its report, the Treasury Department said China did not meet the requirement for manipulation. This motivated Senate Banking Committee Chairman Chris Dodd and his republican counter-part, Richard Shelby, to state that they were introducing a bill that would tighten the definition of "currency manipulation" used by the department. The bill would also require the U.S. Treasury Department to seek input from the IMF when manipulation is found and then submit a course of action to Congress within 30 days. Senators Charles Schumer and Lindsey Graham are again preparing a China bill as well.

Up to now, China has been very quiet regarding any comment on the anti-China legislation under development in the U.S. Congress, but that is now no longer the case. China's Foreign Ministry told the press that any passage of legislation attempting to pressure China on the yuan/U.S. dollars exchange rate would not influence Chinese government policy. It also said that any tariff on Chinese imports would draw similar action from China. This has the potential to significantly impact U.S. exports of agricultural products to China. For the cotton industry, any additional tariffs would be devastating for exports. The U.S. Congress and Senate appear at this stage to be driven by domestic politics and are paying little attention to the appeals of retailers or economists.

Source: globecotnews

Monthly import and export statistics for China cotton (Apr. 2007)

Cotton is the single most important textile fiber in the world, accounting for nearly 40 percent of total world fiber production. While some 80 countries from around the globe produce cotton, the United States, China, and India together provide over half the world's cotton. This monthly update provides official CNTAC (China National Textile & Apparel Council) data on import and export of China cotton.

Category	Import amount (million tons)	Import value (million US\$)	Export amount (million tons)	Export value (million US\$)
Sep., 2006	0.1344	176.16	0.00123	2.12
Oct., 2006	0.0849	11.49	0.00016	2.40
Nov., 2006	0.1545	209.47	0.000113	1.93
Dec., 2006	0.2402	325.43	0.000157	3.38
Jan., 2007	0.123	165.57	0.002405	3.51
Feb., 2007	0.125	164.36	0.000362	0.57
Mar., 2007	0.26	345.13	0.002149	3.99
April., 2007	0.2146	295.37	0.002634	4.02
Accumulated total	1.3366	1692.98	0.00921	21.92

Data from: CNTAC Statistics Center

Monthly import and export statistics for China cotton yarn and cotton fabric (Apr. 2007)

Cotton is the single most important textile fiber in the world, accounting for nearly 40 percent of total world fiber production. While some 80 countries from around the globe produce cotton, the United States, China, and India together provide over half the world's cotton. This monthly update provides official CNTAC (China National Textile & Apparel Council) data on import and export of China cotton yarn and cotton fabric.

Export (Apr. 2007)

Category	Unit	Amount	Value (million US\$)	Accumulated amount	Accumulated Value (million US\$)	Y-on-Y Change (Amount)	Y-on-Y Change (Value, (million US\$))
cotton yarn & cotton thread total	ton	55578	184.96	179093	577.56	0.45	3.88
cotton sewing thread	ton	327	1.10	963	3.47	5.2	9.87
cotton yarn & cotton thread	ton	47922	156.71	157669	504.57	-1.78	1.95
blended yarn & blended thread	ton	7160	26.12	19851	66.59	22.27	20.48
cotton yarn	ton	22290	63.96	80155	229.09	-0.15	1.05
woollen cotton yarn	ton	8484	19.62	28799	65.60	25.26	24.87
worsted cotton yarn	ton	13805	44.34	51356	163.49	-10.35	-6.14
cotton fabric	million meters	560.81	664.46	1926.64	2235.46	3.69	6.73
100% cotton fabric	million meters	496.10	587.03	1723.22	1987.86	5.76	8.6
100% cotton grey fabric	million meters	100.25	72.76	399.17	289.74	-3.88	-5.18
100% cotton printing and dyeing fabric	million meters	395.85	514.27	1324.04	1698.12	9.06	11.36
100% cotton dyeing cloth	million meters	136.97	185.15	482.02	653.02	3.22	8.25

Source: China Textile Network Company

100% cotton yarn-dyed fabric	million meters	112.04	197.53	329.74	582.53	-2.62	4.46
100% cotton printing fabric	million meters	115.81	103.40	406.25	363.02	39.17	42.84
cotton blended cloth	million meters	61.21	72.83	190.89	228.78	-10.41	-5.09
grey cotton blended fabric	million meters	8.16	6.73	32.55	25.95	-22.8	-25.39
cotton blended printing and dyeing fabric	million meters	53.05	66.10	158.34	202.83	-7.35	-1.67
cotton blended dyeing fabric	million meters	9.61	13.35	35.77	52.22	19.99	28.81
cotton blended yarn-dyed fabric	million meters	28.67	39.62	87.56	119.43	-15.21	-9.61
cotton blended printing fabric	million meters	13.15	11.36	29.59	26.00	12.13	2.89

Import (Apr. 2007)

Category	Unit	Amount	Value (million US\$)	Accumulated amount	Accumulated Value (million US\$)	Y-on-Y Change (Amount)	Y-on-Y Change (Value, (million US\$))
cotton yarn & cotton thread total	ton	93408	202.54	319801	685.29	1.55	0.17
cotton sewing thread	ton	72	0.48	251	1.62	-8.28	20.7
cotton yarn & cotton thread	ton	86098	181.77	295990	622.36	0.53	-0.84
blended yarn & blended thread	ton	7236	20.27	23533	61.20	17	11.54
cotton yarn	ton	59774	122.83	215665	443.24	0.34	-2.57
woollen cotton yarn	ton	31179	57.89	115266	209.81	16.66	17.53
worsted cotton yarn	ton	28595	64.93	100399	233.42	-13.54	-15.54
cotton fabric	million meters	135.47	202.71	454.20	702.86	1.48	5.37
100% cotton fabric	million meters	118.34	164.62	394.90	566.64	2.15	7.79
100% cotton grey fabric	million meters	23.66	17.78	89.35	69.86	0.85	3.5
100% cotton printing and dyeing fabric	million meters	94.68	146.83	305.55	496.79	2.54	8.42
100% cotton dyeing cloth	million meters	47.79	77.42	157.88	265.80	-6.26	-1.63
100% cotton yarn-dyed fabric	million meters	39.79	58.51	121.66	188.06	15.93	29.1
100% cotton printing fabric	million meters	5.31	8.85	20.48	35.33	3.56	-1.09
cotton blended cloth	million meters	16.07	35.10	55.47	123.08	-1.34	-2.77
grey cotton blended fabric	million	0.40	0.66	1.96	2.46	-35.2	-39.16

Source: China Textile Network Company

	meters						
cotton blended printing and dyeing fabric	million meters	15.67	34.44	53.51	120.62	0.59	-1.57
cotton blended dyeing fabric	million meters	10.57	24.34	34.72	79.67	-2.66	-9.62
cotton blended yarn-dyed fabric	million meters	4.64	8.94	16.91	36.96	26.72	35.04
cotton blended printing fabric	million meters	0.36	0.95	1.35	3.06	-62.2	-51.31

Data from: CNTAC Statistics Center

African cotton farmers should cooperate with China

DATE: 2007/06/13

The Senegalese President Adboulaye Wade has said that the African cotton farmers should cooperate with Arab Nations and China to save them from developing economies who get subsidies. Wade met the director general of World Trade Organisation (WTO) and said that for competing against the developing nations we are looking for an economic solution within the framework of the Islamic community. He suggested that a tri-partite system can be developed wherein the production will be in Africa, transformation will be in Turkey and sales in Arab countries. We should have attractive prices and find outlets to sale our products, he added.

As Islamic philosophy is against earning profits those who buy our cotton should not seek to make profit said the President. He further added that various African countries can grow and transform cotton like what China is doing. The WTO wants to increase global trade by lifting developing countries out of poverty. The African cotton producers want to make their sector a key item. They have demanded that rich countries should reduce aids and subsidies to their own cotton farmers and exporters.

He said that "there is a psychological problem to resolve here" given strong competition that would likely be generated by such a program with Chinese financial backing. In an address to an international conference on labour here, Wade free trade had no desired effect because of agricultural subsidy policies in developed countries. Africa is not poor, it has been impoverished, the Senegalese president claimed

Source:bharattextile

May Yarn Output Establishes a New Monthly Record

DATE: 2007/06/12

China's yarn output continued to surge in May, posting a monthly record of 1.6353 million tons, an increase of 19.7 percent versus the same month this past year. Additional capacity and increased fixed asset investment were cited as the major reasons for the ongoing boom in yarn production. For the Chinese marketing year, September 2006 through August 2007, cumulative yarn output has

Source: China Textile Network Company

reached 13.8173 million tons.

Source: globecotnews

The 8th China Textile and Apparel Trade Show (New York) Opened Successfully

DATE: 2007/06/14



The 8th China Textile and Apparel Trade Show (New York) which is sponsored by CNTAC and organized by CCPIT TEX, STS and Youthful USA was held in Javits Convention Center , New York in June 12th ,2007. China Textile and Apparel Trade Show (New York) has been successfully held in the last 7 years through the careful operation of the sponsor and the organizers and the support of the municipal government of New York City and China diplomatic mission in U.S.A. The excellent textile and apparel brands with high quality and reasonable price and the complete products line together with the business atmosphere and stable on-site visitors quantity make this show the first choice not only for those Chinese companies who are interested in U.S.A market but also for the U.S.A visitors and around to purchase textiles and apparels. After 7 years' development, China Textile and Apparel Trade Show (New York) has become the largest professional trade fair solely organized by Chinese in overseas country.

The exhibition space of this edition is 4500 sqm. Nearly 200 companies from Beijing, Shandong, Zhejiang, Jiangsu, Guangdong, Shanghai, Tianjin, Anhui, Jiangxi, Heilongjiang, Hunan and Hebei

Source: China Textile Network Company

will exhibit in the show such as Hongrun from Anhui Province, Jinding from Heilongjiang Province, Flying Horse, Three Gun and Huashen from Shanghai, Tianxiang and Hongcheng from Shandong, Xiyingmen from Qingdao, Hailan from Jiangsu, Zhenqiu from Wuxi, Shencheng from Jiangyin, Hengrun from Suzhou and Furun from Zhejiang. The exhibits cover man/woman's wear, casual wear, kids' wear, accessories, fabrics and home textiles. The well-prepared exhibits will attract the buyers in U.S.A and close-by countries and some European buyers to the show. The Chinese diplomatic mission to U.S.A and the senior official of the municipal government of New York City will attend the opening ceremony.

The China Textile and Apparel Trade Fair has been well known and gained reputation in the primary American business circle. It is the most influential professional trade fair of China textile industry in U.S.A. At the opening ceremony of the fifth anniversary of the Trade show in 2004, New York City Council Member Mr. Allen Jennings, awarded a medal to CCPIT TEX on behalf of the New York City Council to honor the outstanding contributions made by the China Textile & Apparel Trade Show in the past five years in promoting exchange and cooperation between the Chinese and US textile industries and in stimulating the development of tourism industry in New York City. Mr. Bloomberg, mayor of New York City, sent congratulatory letter and his representative to the opening ceremony of 2005 and 2006 China Textile and Apparel Trade Show (New York) to thank it for prospering the economy of New York City and its contribution to bilateral trade.

The abundant well-prepared and American native culture oriented exhibits are favored by the visitors. According to statistics of 2006, nearly 3000 companies and 4000 visitors visited the show, among which 80.2% are wholesalers, 19.8% are large retailers. The business volume achieved is nearly US\$ 100 million during the 3 days' show period. The China Textile and Apparel Trade Fair (New York), which is devoted to promoting the Sino-American bilateral textile and apparel trade development, has gradually grown into an important win-win trade platform for China and American business circles.

China Textile and Apparel Trade Show (New York) has set up a bridge for healthy development and mutual benefited win-win Sino-American textile trade across the Pacific Ocean. China textile industry developed fast in 2006, which is the first year of 11th five-year plan. The Sino-American textile and apparel trade volume also increased by over ten percent. More responsibility and expect has been put on this show since China textile and apparel industry is focusing more and more on brands and technology.

Source: CCPITTEX

China's Cotton Sales Jump by 51.7% to 5.46 Million Tons

DATE: 2007/06/12

China National Cotton Reserves Corporation (CNCRC) said on Friday that cotton sales had jumped by 51.7 percent year on year to 5.46 million tons by June 6. The survey found that 6.34 million tons of cotton had been processed during the same period, up 19.6 percent. According to a survey conducted by the CNCRC, the price of cotton is rising as textile manufacturers increase cotton stocks.

As the cotton-planting season comes to an end, 74 percent of Chinese textile manufacturers plan to

Source: China Textile Network Company

purchase more cotton, which has pushed the cotton price up by 0.8 percent to 13,076 yuan per ton from the end of last month, it said. CNCRC, a state-owned enterprise founded in 2003, is mainly responsible for the purchase, sale, storage, transportation and processing of the State cotton reserves and guiding cotton imports and exports. (one U.S. dollar equals to 7.67 yuan)

Source: Xinhuanet

East China Cotton Crop Developing Well

DATE: 2007/06/12

Overall, the recent rains have been quite beneficial to the East China cotton belt. On the North China Plain, the Shandong crop appears in very good shape. The crop is growing, with plants reaching an average height of 12 centimeters. Some early planted fields reached 18 centimeters. Growers indicate that plant condition at this time is better than a year-ago. In Hebei, the recent rains eased the drought concerns. Most plants in the Changzhou down to the Hengshui cotton belt are now 10 to 15 centimeters high, with seven to eight leaves. Some growers indicate that total planted area in Hebei may be higher than the initial forecast of 638,466 hectares.

In the south, Hunan cotton acreage has proven much larger than initially forecast. Planted cotton acreage is believed to have reached 173,333 hectares, which is much higher than the initial forecast of 137,000 hectares and is the highest since 199,000 hectares were planted in 1998. The crop is developing well. The growers appear to have been attracted to cotton by the seed cotton subsidy and new crop insurance scheme available in the province for cotton.

Source:globecotnews