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**The Rupp Report: The Fight For Attention**

DATE: 2007/12/20

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What a strange situation: It wasn't long ago that ITMA Europe was characterized as dispensable, almost useless or "at the minimum" not as important as ITMA Asia. After two successful ITMA Asias, this thinking was quite common in the past few years, and ITMA Europe became second-best. However, this thinking changed a lot in 2007. In the Textile World preview of ITMA Europe, it was mentioned that "Europe is striking back," and Europe did strike back. In terms of feedback and organization, ITMA 2007 in Munich, Germany, was the best ITMA ever, as was confirmed by the majority of attendees.

*ITMA Asia*

However, if one takes a look at ITMA Asia, things have changed a lot, too. To avoid too many exhibitions in Asia - mostly in mainland China - the European Association of Textile Machinery Manufacturers (CEMATEX) and sponsoring Chinese textile associations decided that Shanghai will be the venue for the next two ITMA Asia exhibitions. One reason is that China is closer to the markets than Singapore, the shows original location. Furthermore, it was decided the exhibition should take place every two years. This step should eliminate at least one CITME or one Shanghaitex every year. The first one of these shows will be in the summer of 2008. Up to now, ITMA Asia has been the indisputable top event for 2008. But off the record, rumors are rumbling that times are changing for the Asian ITMA.

*India ITME*

Later in 2008, another important exhibition will take place - India ITME in Bangalore, India. Over the past few years, textile business in India has increased considerably. Big textile machinery suppliers from Europe are enjoying substantial business in India more than ever before. If one talks to many European machinery suppliers these days, it is clear that India ITME is becoming more and more the focus of exhibition activities in Asia. What are the reasons for this quite surprising change of mind? It's mostly a matter of communication.

Source: *Textileworld*

## China and Arabic countries forge economic strategic partnership

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With the New Year just around the corner, Dr. Maen Nsour, CEO of the Jordan Investment Board (JIB) came to Beijing, his third Chinese tour this year seeking investment and cooperation opportunities. As head of the highest Jordanian government authority in charge of investment affairs, he had previously introduced nearly 20 large-scale projects - including the Aqaba port relocation and development program - to Chinese investors and officials in Beijing, and the cities of Shanghai and Guangzhou.

China's importance to the Arab world is demonstrated by the string of top level officials who visited in 2007. Iraqi President Jalal Talabani, Chairman of Oman's State Council Yahya Bin Mahfoodh Bin Salim Al-Manthri, Jordanian King Abdullah II all made the long journey to Beijing. "We believe that Arab countries and China have achieved great progress in economic cooperation, especially in the energy sector," Omani Ambassador to China Abdullah Saleh Al Saadi told Xinhua. He said bilateral trade and investment had reached a satisfactory level between China and Oman. Official statistics revealed that the Sino-Omani trade, 90 percent of which is related to oil, stood at 6.47 billion U.S. dollars in 2006, up 49.4 year on year. It is reported that China has become Oman's largest trade partner.

The second China-Arab Business Conference held this June in Jordan, with the Chinese delegation headed by Luo Haocai, Vice Chairman of the National Committee of the Chinese People's Political Consultative Conference, provided a platform for nearly 1,000 officials and entrepreneurs from China and 16 Arab countries to discuss how to further improve cooperation in economy, trade and investment. Ambassador Abdullah Saleh Al Saadi added that the Gulf Cooperation Council, a regional organization comprising Saudi Arabia, Bahrain, Kuwait, Qatar, the United Arab Emirates and Oman, predicted that it might sign a free trade agreement with China by the end of this year.

Figures from Chinese Customs showed that between January and August, trade between China and 22 member states of the League of Arab States expanded 29.6 percent from the same period of last year to 55.08 billion U.S. dollars. Experts forecast the whole year figure could hit 80 billion U.S. dollars in 2008 and surpass 100 billion U.S. dollars in 2010.

The majority of the Chinese exports to Arab countries is made up of mechanical and electrical products, textiles, footwear and bags and China's imports from the Arab countries were mainly crude oil, oil products, chemical materials and chemical fertilizers. Commenting on the present China-Arabic relationship, Mohammed A. J. Alshafee, Assistant Head of the mission of the League of Arab States to China told Xinhua it was a "solid strategic partnership." "It is based on cooperation in political, economic and cultural sectors. The complementary economic, trade and investment ties can boost the strategic collaboration between two sides," he said.

China has signed bilateral economic, trade and technology agreements with 21 Arab countries and signed treaties for promotion and protection of investment with 16 Arab countries. "The partnership with Arab countries in different economic sectors is congruent with China's economic development strategy and also in line with the economic growth needs of the Arab countries," said Yin Gang, a researcher with the Chinese Academy of Social Sciences, a leading government think tank. Yin held that economic cooperation on the basis of political mutual trust, cooperation in energy sector in particular, strengthened the broad partnership between two sides. China is now the world's second largest energy consumer, after years of dynamic economic growth, and its demands for energy and resources are still increasing. With the quick pace of domestic economic restructuring, more and more Chinese enterprises are

Source: China Textile Network Company

eying going global. The Arab world holds an important position in Chinese enterprises' global strategies. By the end of this June, China has invested more than six billion U.S. dollars in Arab countries. Egypt alone has 352 Chinese-invested enterprises. Chinese companies including PetroChina, the country's largest oil producer and Sinopec, the country's largest oil refiner, participated in a series of oil and gas exploration, production and processing projects in Saudi Arabia, Oman, the United Arab Emirates, Algeria, Sudan and Egypt.

China's Haier Group has opened factories in Jordan, Tunis and Syria. China's Chery Auto has set up a joint car assembly plant in Jordan. Tianjin Cement Industry Design and Research Institute secured a cement production line contract worth 370 million U.S. dollars in Egypt this June. "Overseas investment has not only eased the pressure of excess production capacity in home, but also created jobs in these Arab countries," commented Yin. The Arab world has invested around one billion U.S. dollars in China by the end of this June, focusing on the petrochemical, light industry, construction materials and real estate sectors.

Qingdao Lidong Chemical Company, an Omani-Chinese-Korean joint venture based in the eastern Shandong Province with a total investment of nearly 600 million U.S. dollars, started production this May. Sinopec, Saudi Aramco and U.S. ExxonMobil signed a joint venture contract this February to process sour crude oil in southeastern China's Fujian Province, which would start operation in 2009, with an output of 240,000 barrels per day.

"We believe that China has become a strategic economic partner of the Arab world and we are confident that the Sino-Egyptian relations and Sino-Arabic relations would have a bright future," Marwan Rahal, head of the Press and Information Office of the Egyptian Embassy to China, told Xinhua.

Source: Xinhua

## Eco Design with 300 Japanese designers & artists

DATE: 2007/12/20



While environmental protection and global warming remain imminent issues in the international community, MoCA Shanghai announces the timely launch of "Eco X Design: Japanese Eco Goods Designed by 300 Designers and Artists" co-organized with Recruit Co. Ltd. Japan.

Some 300 Japanese designers have designed and created traditional Japanese and multi-purpose items including folding fans, eco-bags and 'furoshikis' (traditional cloth-made wraps used to hold and carry items), all of which correspond to the recent universal trend towards environmentally friendly products.

Recruit Co. Ltd. Japan President and CEO Mr. Hitoshi Kashiwaki says, "We can participate in this ecology 'movement' merely by making small changes to the way we conduct our everyday lives. Eco-bags, 'furoshikis' and folding fans embody those sentiments. We hope the exhibition will serve to promote cultural exchange between China and Japan, and that it will provide the impetus to induce visitors to take a renewed look at their 'eco life'."

MoCA Shanghai Chairman and Director, Mr. Samuel Kung says, "In the 20th century, particularly from the beginning of the 1950s, the Japanese mainstream society has absorbed,

Source: China Textile Network Company

adored and adopted modern Western design. At the same time, Japan has succeeded in integrating its historical traditions into popular culture, and thereby successfully creating its own style.

When global warming is threatening our environment and problems of polluting the eco-system are severe, protecting the environment is a vital issue for sustainable development. Through this design exhibition, MoCA Shanghai aims to discover the combination of aesthetics and daily living that conveys our respect and responsibility towards nature, ecology and thinking 'green'."

*Source: Globecot*

## **Apparel Output Growth Remains Steady**

DATE: 2007/12/21

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China's monthly output of apparel reached 1.777 billion pieces in November, which was up sharply from October production of 1.755 billion and also reflected 14.5 percent year-on-year growth. January through November cumulative apparel production increased 13.4 percents to 17.967 billion pieces. The growth rate in apparel output remains substantially behind the pace at which apparel retail sales are growing, which is now averaging near 29 percent year-on-year. If this pace is maintained, it will serve to significantly reduce the overcapacity that continues to loom over the industry.

*Source: Globecot*

## **Pressure Continues on Apparel Pricing**

DATE: 2007/12/21

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China's government has launched a major drive to reduce domestic price inflation; however, inflation is largely concentrated in food and energy. In other sectors of the economy, pressure is continuing to be noted on prices. China's apparel retail sales are expanding at a record breaking pace, with November sales growing 29 percent from the previous year. Total 2007 retail sales will increase 25 percent from last year, which indicates that at such a pace, the total volume of sales is doubling every four years or less.

Despite this demand, sales growth is still being strongly stimulated by aggressive pricing at the retail level. Building brand names in the domestic brands is occurring but is not an easy task. The apparel price component of the November consumer price index fell 1.4 percent, the sharpest drop since the January through February 2006 time period and the steepest one-month price decline for the year. The weakness in apparel prices also reflects the growing number of companies that are turning from exports to the domestic market.

*Source: Globecot*

## **Clothing trade thru e-business in vogue**

DATE: 2007/12/20

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Electronic-business commonly referred as e-business, has become a fad these days. The traders of especially clothing industry are adopting the same to do business more efficiently and

Source: China Textile Network Company

effectively. Businessmen now are eager to take the advantage of the internet era which enables them to work more closely with suppliers and partners, and to satisfy the needs and expectations of their customers.

In China the concept of e-business has caught the market quite rapidly in last one or two years. This has become one of the popular purchasing ways among white collared people. Due to their busy schedules the office goers prefer buying online instead going to shops. According to market review, clothing is among the five top e-businesses in China. Although this has become a trend in the region, it has to go long way to catch up with the international market.

*Source: Globecot*

### **Consumer prefer to purchase wrinkle free shirts**

DATE: 2007/12/20

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These days consumers prefer the natural, soft, comfortable and breathable pure cotton shirts especially which can be easily washed and are wrinkle free. In an open survey in Shanghai, it is revealed that consumers of pure cotton shirts care about their image. Over 30 percent iron their shirts after every wash, 54.1 percent said they iron when necessary and only 12.7 percent informed that they never ironed. Around 2.16 percent people prefer wearing cambric shirts which requires compulsory ironing. Pure cotton and iron free shirts are quite popular in the market and have high prices due to their pliancy, air permeability, comfort and wrinkle resistance.

*Source: Globecot*

### **Changes in National Day Holidays Confirmed**

DATE: 2007/12/21

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The Chinese Cabinet has confirmed it will change the current weeklong National Holiday that Globecot previously reported as under consideration. Currently, China has three designated weeks of national vacation times; but under the new system, the weeklong May Day Holiday will be replaced by four one-day holidays, with May Day, itself, becoming a one-day holiday. In addition, one-day holidays will be observed for Grave Sweeping Day, Dragon Boat Festival and the Mid-Autumn Festival. The total number of national holidays will be increased by one day to a total of 11.

The government has also announced its policy for personal vacations. Employees of government agencies and state-owned companies, as well as private companies, are to be given paid vacations, taken on their own schedule after one year of service. Employees with 1 to 9 years of service will be entitled to five paid days off, 10 - 19 years will receive 10 paid vacation days and 20 years or longer will get 15 paid vacation days.

*Source: Globecot*