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China's trade surplus dips as exports, imports lift

DATE: 2008/06/13

BEIJING, June 12 -- China's trade surplus in May dropped 9.9 percent from a year earlier to US\$20.2 billion after both export and import growth accelerated, the General Administration of Customs said Wednesday.

Exports increased 28.1 percent last month to US\$120.5 billion, compared to growth of 21.8 percent a month earlier, while imports climbed 40 percent to US\$100.3 billion, roaring past the 26.3-percent April growth.

"Thanks to many companies' swift shift to higher-value-added products and stronger demand for low-priced products under a battered world economy, China delivered strong export growth in May," said Zhu Jianfang, an analyst with CITIC Securities Co.

Stephen Green, an economist with Standard Chartered Bank (China) Ltd, said the nation is benefiting from its yuan, which is appreciating against the United States dollar, the currency in which oil and other raw materials are priced.

"China is gaining buying power and the accelerating export growth that suggests the notion that China's exports are collapsing is wrong," said Green. "The faster expansion of imports is partly due to higher prices of crude oil and iron ore on the global market."

The yuan has risen 19 percent since China dropped the peg to the greenback in July 2005. It has gained 5.3 percent so far this year, compared to an overall 7-percent increase last year.

The mechanical and electrical-equipment sector was the star performer among exporters. In the first five months, sales in the sector jumped 26.1 percent to US\$320.5 billion, accounting for 58.8 percent of the total products sold abroad.

In imports, the purchase value of primary products rocketed 69.4 percent due to higher costs. For example, the average import price of crude oil swelled 64.1 percent to US\$689.9 per ton, while the volume of imported crude oil rose 12.7 percent to 75.9 million tons.

The overall trade value in May grew 33.2 percent to US\$220.8 billion. It sent the nation's trade figure in the first five months this year to US\$1.01 trillion, a growth of 26.2 percent.

The trade surplus through May cooled 8.6 percent from a year earlier to US\$78 billion.

During the first five months, the European Union remained China's largest trading partner with bilateral sales of US\$166 billion, advancing 27.9 percent. It was followed by the US and Japan, whose bilateral trade value rose to US\$130.5 billion and US\$106.5 billion respectively.

Emerging markets posted much faster growth in trade with China. India's bilateral trade has surged 70.3 percent so far this year to US\$24.2 billion.

Source: Shanghai Daily

Tote fashion goes green

DATE: 2008/06/13



BEIJING, June 11 -- "I'm not green, but I could be," reads one. Others have similar messages printed on them, "My Bag", "Use Me and Re-use Me".

The "environmentally-friendly" shopping bags are popping up everywhere in Beijing - from small shops to luxurious shopping malls.

Since the Chinese government issued its June 1 ban on free plastic bag handouts, retailers in China have found themselves in the midst of a "green" phenomenon.

They're anxious to turn fashion-conscious customers into eco-aware shoppers.

Under the new regulations, free plastic bags are banned and shopkeepers are required to charge shoppers for plastic bags. The prices vary, but range from 0.2 yuan (\$0.03) to 1 yuan (\$0.14) depending on the size of the bag.

But, a plain bag is far from satisfactory for the China's fashion-conscious - and this mindset is pushing the country towards a "green revolution" in the closets.

"It is cool to carry a simple colored eco bag to go with my Levi's jeans and sneakers," says 21-year-old Huang Min. "It is a direct way to contribute to environmental protection. And, it is a popular vision for saving the planet."

The Beijing college student wears her new eco bag proudly on her shoulder. It is an important part of her outfit - and has a statement to make.

Eco bags are increasingly being seen as fashionable as more and more celebrities appear on "green issue" magazine covers with the reusable bags matching their outfits.

"Going green" appears to be a growing trend. Stars as big as Madonna have even dazzled "green-

oriented" magazines. The artist was chosen to dazzle the cover of Vanity Fair's third annual May 2008 Green Issue.

As environmental issues spill into the fashion world, the "green shopping bag" campaign seems to be a win-win solution for all those involved.

Companies can adopt the bags as a brand-building tool. Consumers see it as an iconic statement against throwaway plastics - which have previously been given away in the billions annually. The "green movement" has been seeping on to fashion runways and marketing strategies - so why not on shopping bags and totes?

Muji, a Japanese lifestyle store established nearly 30 years ago, launched its own version of "My Bag" when it opened its first Beijing store in Joy City this March. The simple yet stylish bags made from linen and cotton threads have sold well over the past few months in the capital, according to Muji staff. Initially, they sold bags ranging from 5 to 100 yuan, but now they only have bags priced from 24 to 100 yuan remaining.

"People of different ages love the bags because they are light, simple and convenient," says one of the shop's workers Chen Weimi.

"To reduce waste and conserve resources, we encourage our consumers to use 'My Bag'," says the store's manager Akita Toru.

Other well-known international brands are also striving to set the eco trend in Beijing. Diesel, Marc Jacobs and DKNY have also released low-priced eco bags made of organic cotton.

And, apart from the big international names, young designers based in Beijing are also working on the green bags.

"Young people in China are aware of the environment and want to do what they can to protect it, especially when it is becoming a trend," says 30-year-old designer Peng Haofeng, from Yunnan province.

Together, with two other friends, the three opened a green-themed store, Kidults, or Tong Huo in Chinese, last November on Dongsu Street. The company aims to promote the green fashion concept among the Beijing people.

According to the store's marketing manager, Gou Chenglong, many people were unaware of the eco bag concept when the store first opened last year.

"People, especially the older generation would not accept the idea because they didn't think about the simple green bag value that much. But, half a year later, more and more people here are becoming aware of the eco-bags or eco-fashion trend, especially when the government issued the ban on plastic bags at supermarkets in Beijing. It is a good start."

With handmade pictures on them, the bags look trendy and self-expressive. The bags generally contain no dyes and are known for their creative trims and decorations made from wood or bamboo.

"The price is normal and acceptable for students and office workers," says 26-year-old Zhou Fei, as she rifled through the bags at Kidults ranging from 15 yuan to 100 yuan. "I am a frequent buyer of green bags and T-shirts."

"It would be fashionable to carry beautifully designed cloth bags rather than monotonous white plas-

tic ones down the street."

Companies in Beijing are also using the "green revolution" as a marketing tool. Among them, Vok Dams China, one of Germany's leading event and live-marketing agencies, came up with a list of simple effective measures since the government issued the green bag policy.

"Environmental awareness has been rising in Beijing. Many of my Chinese friends are taking actions to help the environmental effort," says Ulrike Ellmann, general manager of Vok Dams China. "Our company has launched a red colored green bag to send to our clients, which is a step to spread the eco concept."

"But, it is by no means a complete list. It is just a starting point," adds Mandy Lew, project manager of the company. "You can be fashionable, yet environmentally conscious."

According to the China Plastics Processing Industry Association, the country used three billion plastic bags a day before the ban.

Source: China Daily

Eco-friendly cloth bags a rage among Gen-X

DATE: 2008/06/13

The Chinese Government has banned the use of plastic bags due to the damage it is causing to the environment. As a result, shops in Beijing are selling eco-friendly bags and earning big bucks. The green phenomenon has become a rage among fashion conscious generation of the country.

To attract and make the simple linen bags popular among the customers, designers are coming up with innovative designs and printing logos depicting 'My Bag' and 'Use Me'. Reusable materials like bamboo sticks are also used to make striking motifs on handbags.

Some upcoming designers are designing pictures and motifs on bags to give them a trendy and self-expressive look. The bags contain no harmful dyes and chemicals and are known for their creative trims and decorations.

Prominent global brands like Diesel, Marc Jacobs and DKNY have also launched affordable range of eco bags made from organic cotton in China.

After international celebrities showed their affinity for such environmental friendly products, the young generation that is extremely fashionable, has started flaunting these colourful totes in a big way.

Experts suggest that, these bags have picked up pace. More and more people have started demanding them to show their support for saving the planet.

Source: fibre2fashion.com

Environmentally-friendly shopping bags popular

DATE: 2008/06/13



A woman and her daughter walk past the environmentally-friendly shopping bags in a supermarket in Shanghai, April 16, 2008.

From June 1 this year, Chinese retailers could be fined up to 10,000 yuan (US\$1,430) for providing shoppers with free plastic shopping bags, the Ministry of Commerce has announced.

Source: Xinhua

Tiffany's expansion to take place in Qingdao

DATE: 2008/06/12

Tiffany & Co announced plans for a July 2008 opening of a store in the coastal city of Qingdao, China.

The approximately 2,000-square-foot store will open in Hisense Plaza, the city's premier destination for luxury shopping, located at 117, Ao Men Road, in the Shi Nan District.

Qingdao is famous as a summer resort, with a strong cultural heritage and scenic setting. Tiffany's new store in Hisense Plaza will be conveniently located within walking distance of five-star hotels and the city's yacht club.

"We are thrilled to open our doors in the elegant Hisense Plaza," said Rebecca Ip, Tiffany vice president of greater China, "and we welcome residents and visitors alike to discover Tiffany's heritage of design excellence and superior service that is unique among the world's premier jewelers."

The new store will offer a range of TIFFANY & CO. collections, including the jeweler's celebrated diamonds in engagement rings and jewels of ultimate glamour; sterling silver and fine jewelry; the signature designs of Paloma Picasso, Jean Schlumberger and Frank Gehry; watches; gifts and accessories.

Qingdao is Tiffany's eighth location in China. The jeweler currently operates two stores each in Beijing and Shanghai, and one store each in Tianjin, Shenyang and Chengdu.

Source: Tiffany & Co

Chinese Government Expected to Increase VAT Rebate on Textiles

DATE: 2008/06/12

It is anticipated the Chinese government will soon make an official announcement that the export tax rebate on textiles has been increased from the current 11 percent to 13 percent, while the tax rebate on apparel will change from 11 percent to 15 percent. This is welcome news to the sector. The increased rebate will boost the profitability of exports, especially to Europe where the yuan appreciation is not a major factor. January through April textile and apparel exports to Europe soared 35 percent to 14.115 billion U.S. dollars or 26.5 percent of all exports.

Source:globecotnews