EXTRACT

Content:

Shanghai set for textile showcase

DATE: 2008/07/25

SHANGHAI – China's largest city and the hub of its vast textile industry is gearing itself up to welcome more than 100,000 visitors to ITMA Asia + CITME 2008.

From July 27 to 31, the city will host China's biggest-ever textile machinery exhibition, uniting the ITMA and CITME events for the first time to provide a ground-breaking display of the latest knitting technology.

Jointly owned by CEMATEX and a Chinese consortium made up of CCPIT (Sub-council of Textile Industry, China Council for the Promotion of International Trade), CTMA (China Textile Machinery Association), and CIEC (China International Exhibition Centre Group Corporation), the largest single international contingent is expected to come from India following the successful road shows to promote the show that have been held in eight major Indian textile centres. So far, some 15 state and local textile associations have confirmed that they will send delegations to Shanghai (click here to register online).

The first collaboration between ITMA and CITME arrives in Shanghai at a curious time for the Chinese textile industry. Where once the demand from overseas markets for Chinese made textiles was bordering on the insatiable, certain parts of the industry are now experiencing something of a slowdown.

The Chinese government has intervened to add unprecedented levels of regulation into the textile industry and attempts to improve the reputation and standards of the sector appear to have backfired with reports that thousands of jobs continue to disappear as factories close en masse.

To make matters worse, the government has so far failed to come up with any initiatives aimed at stemming the flood of apparel production operations moving out of China to neighbouring countries.

Source: knittingtradejournal

China to restructure major SOEs after Olympic Games

DATE: 2008/07/25

BEIJING, July 24 - China will restructure centrally administered state-owned enterprises after the Beijing Olympics, State-owned Assets Supervision and Administration Commission chief Li Rongrong said Wednesday.

Li also told SOEs to limit their investment scale to reduce risks and said mergers and acquisitions in SOEs should be strictly controlled, according to Shanghai Securities News Wednesday.

The SOEs owned by the central government should have a "reasonable" debt ratio while self-owned capital should be no less than 40 percent in any investment, said Li.

Also, SOEs should closely monitor all investment and limit non-core and high-risk projects.

After the Beijing Olympics, the commission will strengthen the restructure among centrally administered SOEs.

"Centrally administered SOEs should definitely be industry leaders, at least ranking among the top six in their field," Li said. "Those who fail to meet the standard will be restructured."

The centrally administered SOEs include China's largest oil producer PetroChina Co and Baoshan Iron & Steel Co.

After consolidation in the past few years, the number of such SOEs has been cut to 149 from 196.

In the first half, the sales revenue of China's centrally administered SOEs jumped 25.7 percent to 5.77 trillion yuan (84.6 billion U.S. dollars). The growth was 5.4 percentage points higher than the same period last year.

Profit of these SOEs, however, was down 10.3 percent year-on-year to 425.6 billion yuan in the first half.

Li demanded SOEs pay close attention to cost and risk control as well as fund management and to weather challenges such as weaker external demand, stronger yuan and surging prices of primary commodities.

Source: Shanghai Daily

Textile Trade Summit to revive Guangdong exports

DATE: 2008/07/25

In order to bring the textile and apparel sector of Guangdong Province back on track and also penetrate the markets of Commonwealth of Independent States (CIS), the Government of Fumen town, under the guidance of China National Textile and Apparel Council will organize China & Russia Textile Trade Summit 2008 in Fumen.

The textile and garment industry of the Province is going tough times owing to series of problems like RMB appreciation, decreased export rebate rates and rise in labour cost.

The theme for the conference is ¡®The current situation and foreground of Chinese products entering the market of the Commonwealth of Independent States¡¯. Hong Kong based Most Group, which has been trading with CIS for quite sometime, would guide the exporters of Guangdong in seizing the huge business opportunities in the CIS market.

After the summit concludes, officials of Most Group will lead the purchasers from CIS to visit local wholesale market which will help the delegates understand the functioning of textile and clothing sector of Fumen.

Source: Fibre2fashion

Perk up your monsoon with stylish attire!

DATE: 2008/07/25

Monsoon is knocking at the door! This is the season of romance, of love and of long drives with the beloved ones. This is a season of fun for the Gen X.

But, what to wear, how to make a style statement and impress the partner is obviously a big question.

Earlier, people used to dress shabbily during this season. However, with the changing times, fashion lovers have all the opportunity to make themselves look better even in this murky atmosphere.

So, now is the chance to refurbish your wardrobe. Don’t let monsoon to mire your appearance. Want to be a head turner, here are few tips.

This season, it’s all about colourful attire, flowery prints, and trendy floaters!

Is the good old jeans the only rescue in the monsoon? Of course not! so instead folding your jeans up to knees, fill your wardrobe with capris, knee length pants or skirts. To team up with these, go for some trendy tees and tunics in loud colours like blood reds, flashy yellows, as these are “in” this season. Even hues of blue, light purple, indigo, lemon yellow can bring that enthralling look in you.

Churidars can go along with chiffon kurtas as both of these doesn't retain or absorb water and take less time to dry up. Patialas and Pakistani Salwars are strictly NO, as an unannounced slush can leave you in a quite bad situation.

Men, stay away from light hues and avoiding leather wear would be advisable. Bright coloured shirts made of light cotton and linen can be worn.

Forget about those worn out old fashioned footwear this rainy season. If you are in romance with rain and love to get drenched or hate those muddy streets then low-cut rain boots are prefect for you.

Leather footwear in this season? Oh god! No ways. No high heels as well. Try some thing different like transparent sandals, strappy sandals, colourful rubber shoes. Ankle length gumboots are also advisable which can go fantastically with western attires.

If you are a collage goer, bright coloured floaters are perfect for you, or may be a flip-flop as these are made of rubbers and dry up quickly.

Now comes, accessories that add colours, class and style to your looks. This season best option is beaded jewellery. A funky earring or a bangle can really add a bit of panache to your appearance. A glossy hand bag also can help you stand different in this wet messy weather.

Talking about hairstyles, it should be simple and easy, so that you can redo if the down pour tangles your beautiful locks. However you style your hair, shampoo and conditioning is must as dandruff becomes a common scalp infection in this season.

Here comes the beauty session. Most important, avoid loud make up in this wet atmosphere as it might easily get washed away and can mar your sexy look. If you are using mascara, eyeliner and foundation make sure these are waterproof. Use of light brush or cream coloured blusher can definitely make you gorgeous.

Now the last touch. Colourful umbrellas and transparent raincoats will add that extra chic touch to your neat outfit. Markets are flooded with umbrellas with delicate prints over it or even colourful knee length raincoats can go with it.

Gals and guys, gear up and go ahead to make this monsoon a memorable one.

Source: Fibre2fashion

China loses its competitive edge in clothing

DATE: 2008/07/24

21 July 2008, Cheshire, UK - China is losing its competitive edge in textiles and clothing, according to a report by Textiles Intelligence. In the first quarter of 2008 alone, US apparel imports from China declined by nearly 10% compared with the corresponding period of 2007, reaching US$4.43 billion. In terms of China's currency, the renminbi, the fall was an even greater 17%.

China's drop in competitiveness stems from mounting costs on several fronts. Apart from higher costs of energy and raw materials - which manufacturers face all over the world - Chinese textile mills face greater costs in having to comply with growing environmental legislation. At the same time, Chinese apparel factories are having to cope with new regulations on working conditions. Furthermore, firms wishing to invest are finding it harder to obtain finance as the Chinese authorities have tightened credit in a bid to limit inflation. On top, Chinese exporters have been hit by lower export tax rebates.

Labour costs have become a particularly serious issue for Chinese firms. At least seven major exporting countries in Asia can now offer lower labour costs than China. Apparel exporters in Vietnam and Pakistan are able to benefit from labour costs as low as US$0.38 and US$0.37 an hour, respectively, whereas China's labour costs can reach US$1.08 an hour in certain areas of the country's coastal provinces. In Cambodia, labour costs are only US$0.33 an hour, and in Bangladesh they are as low as US$0.22 an hour.

In many ways, China has become a victim of its own success. Rising wages have been a direct consequence of the economic boom in the country, especially in coastal regions where it is easier to export goods to the world's major markets.

The boom has also led to upward pressure on China's currency, the renminbi. Although the Chinese authorities have not taken the risk of allowing the currency to float freely, they have accepted that it is not possible to keep a lid on it. On July 21, 2005, they unpegged the renminbi from the US dollar and since then its value has been allowed to increase by about one fifth. As a result, the US market has become less lucrative for Chinese suppliers.

The fall in competitiveness of Chinese apparel exporters could not have come at a worse time. Their problems have been compounded by poor economic conditions in the US market where the subprime lending crisis has had a knock-on effect on the housing market, on consumer confidence and on the economy as a whole.

During the first quarter of 2008, US consumer expenditures on clothing and footwear (on an annualised basis) were 0.2% lower than in the first quarter of 2007 -- after growing by 3.7% in 2007, 4.5% in 2006 and 5.1% in 2005.

One of the main beneficiaries of the drop in US imports from China is Vietnam. In the first quarter of 2008, sales of Vietnamese apparel in the US market were up by over 30% compared with the corresponding period of 2007. As a result, Vietnam increased its share of the US import market significantly during that period.

Chinese exporters will probably enjoy a brief resurgence in the US market in the first quarter of 2009, after safeguard quotas have been removed by the US authorities at midnight on December 31, 2008. Admittedly, the quotas affect only 34 product categories but many of these products sell in large volumes and China has proved in the past that it is particularly good at supplying them.

Undoubtedly, many US buyers will return to China when the quotas have been removed. But a number have built up new sources of supply in Bangladesh, Cambodia and Vietnam while US quotas have been in place. Having forged new relationships and partnerships, they may prefer to stay where they are -- especially if the renminbi looks set to escalate further and the escalation in Chinese costs shows no signs of easing.

"Is China Losing its Competitive Edge in Textiles and Clothing?" was published by the global business information company Textiles Intelligence in Issue No 134 of Textile Outlook International. The report suggests solutions to mounting costs for Chinese manufacturers and provides an outlook for the remainder of 2008 and 2009.

Source: www.textilesintelligence.com

China Likely to Increase Textile Tax Rebates

DATE: 2008/07/23

The Ministry of Commerce (MOC) has officially made suggestions to the State Council, or the cabinet, to increase tax rebates for certain exporting items including garments, toys and shoes, in a move to prevent exports from sliding significantly, Nanfang Daily reported Tuesday, citing unnamed sources.

Customs data showed that trade surplus for the first six months shrank to $99 billion, down by 11.8 percent year-on-year, and the trade surplus in June alone declined by more than 20.6 percent, making it $5.5 billion less than the previous month.

Exports of the most seriously influenced textile and garment sectors declined by 4.2 percent year-on-year to $15.5 billion in June, representing the slowest increase in five years.

The sources said last week the State Council required the MOC to hand in a report on China's foreign trade in the first half of this year.

In the report, the MOC said export enterprises need more time to make adjustments to unexpected challenges such as rising raw material prices, the appreciation of the yuan and the slowdown of US economy, or more firms will close their doors, the newspaper reported.

"Some industries, especially the garment and textile sectors, are facing export difficulties brought by the international economy change and the appreciation of yuan," said vice minister of commerce Gao Hucheng on Monday.

Gao said the MOC and related parties are working on policy changes accordingly.

The newspaper said the ministry has suggested that policies shift to support the export businesses by increasing tax rebates and slowing down yuan appreciation.

China's currency, the yuan, last Friday broke the 6.84 mark to set a new high against the weakening US dollar for the second consecutive day.

The newspaper said in its report that the textile export rebate will be increased to 13 percent from 11 percent, and the garment export rebate will be lifted to 15 percent from 11 percent.

"Given the pain of the textile enterprises, it's just a matter of time before the government shifts its policies," said Wang Qian, Webtextile.com editor-in-chief was quoted by the newspaper as saying.

At the beginning of the month, Premier Wen Jiabao visited Shanghai and Jiangsu. Last week, other top leaders, including Vice Premier Li Keqiang and Commerce Minister Chen Deming, travelled to export-oriented provinces and visited enterprises, many of which were in the textile sector.

This week, the central economic work conference will be held in Beijing, and the meeting will appraise the macro economy in the first half of this year.

Source: China Daily

Apparel Prices Continue to Erode

DATE: 2008/07/23

In an environment of expanding retail inflation, China's clothing prices continue to fall year over year. June data show that Chinese apparel prices paid by consumers dropped -1.6% from twelve months earlier, comparable to the last two months' losses. June marks the thirteenth straight month of eroding garment prices, and the 74th time in the last 79 months that prices declined from year-earlier levels. Apparel prices in the first half of the year are now down -1.5% from the same period in 2007. These weaker garment prices relative to increased costs for many other goods and services in China are serving to boost retail apparel sales faster than expanding total retail sales. Recent analysis here confirms that growth in 2008 garment sales are in fact outpacing total retail sales from the first half of last year, 25.1% versus 21.4%.

Source: globecotnews