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China Warp Knitted Fabric Imports by Origin in Jan.-Dec. 2009 (Monthly Report)

DATE: 2010-03-05

China's warp knitted fabric imports plummeted 22.84 per cent to 118.00 million U.S. dollars from January to October 2009.

Country of origin	Accumulated value (\$ 10,000)	Accumulated unit value (\$ 10,000/ton)	Y-on-Y change (value, %)	Y-on-Y change (unit value %)
Japan	4613	3.97	- 8.75	14.08
Taiwan	3369	0.99	- 33.67	- 15.38
Korea	3115	1.81	- 3.65	16.03
Mainland	1274	1.23	- 40.29	- 12.77
Germany	832	5.62	42.48	44.85

Note: Mainland means domestic sales of commodities originally produced for exports

Source: CTEI exclusive

Italian textile machinery once again major factor at ITMA + CITME

DATE: 2010-03-05

Just a few months away from the next ITMA ASIA + CITME to be held in Shanghai from June 22 to 26, Italy's leadership position among textile machinery technology suppliers is highlighted by the high number of Italian manufacturers exhibiting at the event.

110 Italian exhibitors will be in attendance at ITMA ASIA + CITME 2010, occupying an overall exhibition space of some 3800 sq. m. Of these exhibitors, 66 will be presenting their products as part of the National Sector Group, organized by ACIMIT (the Association of Italian Textile Machinery Manufacturers) and ICE (the Italian Trade Commission). The four Italian clusters will be situated in the spinning (Hall W2), non-wovens (Hall E1), weaving (Hall E4) and finishing machinery halls (Hall W5). The total surface area occupied by Italy's National Sector Group amounts to roughly 1700 sq. m.

ACIMIT President, Sandro Salmoiraghi, asserted his optimism regarding the upcoming trade fair in China. In the wake of the positive results for the first edition, ITMA ASIA + CITME certainly confirms its status as the preeminent trade fair for textile machinery in Asia. And China is the largest global market for textile machinery: Chinese imports of machinery for 2008 exceeded 2.6 billion euros. This represents an additional plus for the success of ITMA ASIA + CITME. The high number of Italian exhibitors, in spite of the economic downturn, continues the President of ACIMIT, bears witness to the fact that businesses have a positive outlook on the future. The Chinese market, for its part, represents the primary destination for Italian exports (over the first 11 months of 2009, the value of Italian machinery exported to China totalled 215 million euros, or around 21% of its total exports). Asia on the whole is a constant benchmark for our manufacturers, absorbing 49% of their sales abroad.

It is estimated that for 2009 Italian exports of textile machinery directed towards Asian markets achieved a value of 575 million euros. Right behind China, as primary markets for Italy's textile machinery industry, are India, Turkmenistan and Iran. Italian machinery most in demand in Asia are spinning machines (making up 31% of the total), followed by finishing machines (17%), accessories (17%), knitting machines (14%) and weaving ones (11%). As always, and in partnership with ICE, ACIMIT has supported Italy's presence at ITMA ASIA + CITME with logistical and organizational assistance, as well as through an advertising campaign on major textile publications in the area, and publicity posters at the trade fair halls during the event.

Source: Association of Italian Textile Machinery Manufacturers via CNTEX

China enhances industrial restructuring for balanced growth

DATE: 2010-03-05



China intensified industrial restructuring in 2009 in an effort to optimize economic structure and lay a sound foundation for long-term development, Premier Wen Jiabao said at the parliament's annual session Friday. The government encouraged mergers and acquisitions in major sectors and announced stimulus plans for 10 key industries last year, Wen said while delivering the government work report at the Third Session of the 11th National People's Congress, the country's top legislature.

The 10 key industries include auto, steel, shipbuilding, textile, machinery manufacturing, electronics and information, light industry, petrochemicals, non-ferrous metals and logistics. Twenty billion yuan (2.93 billion U.S. dollars) of special fund was arranged for 4,441 technological transformation programs last year, Wen said. A total of 151.2 billion yuan from the central budget, 30 percent more than 2008, went to back technology progress. Meanwhile, the premier noted that the government stepped up efforts to eliminate backward production capacity and avoid redundant capacity expansion in 2009. It also pushed forward energy conservation, emission cut and environmental protection.

Source: Xinhua via CNTEX

Chinese Exporters Say Yuan Gain of Maximum 2.3% Is Bearable

DATE: 2010-03-03

Exporters at Shanghai's largest international trade fair said they can bear yuan gains of little more than 2 percent this year, putting pressure on the central bank to limit appreciation sought by the U.S. and Europe. A one percentage point gain in the yuan will lead to a one percentage point or more drop in our profit margin, which is only 5 to 7 percent, said Huang Yifan, president of J & F Garden & Gift Product Manufacturer Co., which sells Mickey Mouse cups to Japan from the southeastern province of Fujian. It shouldn't strengthen beyond 6.6 per dollar this year. Persuading China to allow the yuan to climb this year is one of U.S. President Barack Obama's stated goals and a group of 15 senators last week called for stiffer tariffs on imports from Asia's second-largest economy, saying an undervalued currency gives Chinese exporters an unfair advantage.

China's government is carrying out stress tests to gauge the effect appreciation would have on labor-intensive industries, the 21st Century Business Herald, a Guangzhou-based newspaper, reported Feb. 26. The People's Bank of China has kept the yuan at about 6.83 versus the greenback since July 2008, halting a 21 percent three-year advance as a global recession battered exports. Most of China's foreign trade is denominated in U.S. dollars.

Export Recovery

Overseas sales rose 21 percent in January from a year earlier after climbing in December for the first time in 14 months. A full recovery in China's foreign trade will take another two to three years, Yao Jian, spokesman for the Ministry of Commerce, said Feb. 25. We aren't optimistic about the domestic environment this year as the cost of raw materials has jumped 30 percent for textile companies, said Huang Jinlan, chairman of Jiangsu Guotai International Group Co., the third-biggest exporter in the eastern province of Jiangsu. Yuan appreciation should not exceed 1.5 percent, he added. The yuan's 12-month non-deliverable forwards traded at 6.6468 per dollar as of 11:30 a.m. in Hong Kong, from 6.6385 yesterday, according to data compiled by Bloomberg. The contracts indicate bets the currency will rise 2.9 percent in a year from the spot rate of 6.8283, having predicted a gain of 0.5 percent six months ago.

Labor Costs

Wage increases are also limiting exporters' ability to cope with a stronger currency. The average earnings of workers in China's towns and cities totaled 21,984 yuan (\$3,220) in the first nine months of last year, 12 percent higher than in the same period of 2008. Only 70 percent of our 300 workers returned after the Lunar New Year holidays and we will have to increase wages by 10 to 15 percent to recruit more people, said Pan Liyun, a sales executive at Zhejiang Daishan Xingfa Toys Factory, which manufactures Santa Claus toys for Europe and South America. The yuan's appreciation should be limited to no more than 1 percent this year as costs rise. Chinese migrant workers are expecting an average 14 percent increase in salaries this year, the official Xinhua News Agency said on Feb. 24, citing a report from the Ministry of Human Resources and Social Security. Producer prices climbed 4.3 percent from a year earlier in January, after posting the first increase of 2009 in December, official figures show.

Stability Pledge

The People's Bank of China reiterated a pledge to keep the currency basically stable in its quarterly monetary policy report on Feb. 11. The yuan will climb 4.2 percent this year to 6.55 per dollar, according to the median forecast of analysts in a Bloomberg survey. China should wait till next year to let the yuan strengthen, said Stephen Richardson, managing director of RDK International Merchandising Ltd., who came to the five-day fair from Hong Kong to look for suppliers of kitchenware and household products. It will definitely hurt Chinese exporters because everywhere else is just starting to recover.

Source: Bloomberg via CNTEX

Textile and Apparel Export Recovery Seen in 2010

DATE: 2010-03-02

In the year 2009, China textile industry reversed the downward trend and maintained rapid growth, owing to the industrial upgrading and favorable policy incentives. China's textile and garment exports registered positive growth in Dec. 2009. It is the first positive growth since Apr. 2009.

According to China Customs, the exports value of China textile and garment amounted to \$17.2 billion in Dec. 2009, up 4.87 per cent y/y.

Exports decline was less than national average

In the year 2009, there has already been a letup in the fast decline of Chinese textile and garment exports, with the whole-year figures standing at \$171.3 billion, down 9.65% y/y. The decline in accumulated textile and apparel exports was being constantly reduced and the tendency of rebound is increasingly obvious. Exports decline of China textile and apparel industry was 6.35% less than the country's average.

Textile recovery was notable

The first chart here illustrates the change of accumulated export value of China textile and apparel in 2009. As you can see from the chart, textile export value totaled \$64.2 billion in 2009, down 7.95 percent y/y, 2.71 percentage points lower than the decline rate of Jan.-Nov. period; apparel export value totaled \$107.0 billion in 2009, down 10.63 percent y/y, 0.61 percentage points lower than the decline rate of Jan.-Nov. period. Looking further into the export price, the export price of China textile and apparel plummeted 2.24 percent in Dec. 2009 y/y, 0.06 percentage points lower than the decline rate of Nov. figure. Of which, textile export price decreased by 4.84 percent in Dec. 2009 y/y, 0.42 percentage points lower than the decline rate of Nov. figure; apparel export price decreased by 0.58 percent in Dec. 2009 y/y, 0.16 percentage points higher than the decline rate of Nov. figure.

Collective-owned enterprises took advantage

Textile and apparel export value of collective-owned enterprises totaled \$77.5 billion in 2009, down 4.77 percent y/y. Of which, textile export value of collective-owned enterprises totaled \$30.4 billion in 2009, up 2.47 percent y/y. On the other hand, textile and apparel export value of three types of foreign-funded enterprises totaled \$55.8 billion in 2009, down 9.58 percent y/y.

Industrial textiles grow fast

Industrial textiles industry is one of the very few sectors of the textile industry, that is growing at a very fast pace, especially in China. In 2009, the export value of Category 56 products (including wadding, felt and nonwovens) totaled \$1.962 billion, up 2.74 percent y/y; the export value of Category 59 products (including coating cloth and industrial cloth) totaled \$3.965 billion, up 2.66 percent y/y; and the export value of Category 60 products (including knitting cloth) totaled \$6.422 billion, up 0.96 percent y/y.

China remains globally competitive

Continuity in the demand for the Chinese textile covering in the world market is keeping the hopes of exporters alive that after the recession. From Jan. to Dec. 2009, China's accumulated textile and garment export value to the United States and Japan amounted to \$27.8 billion and \$22.0 billion respectively, which accounted for 40% and 80% of the United States and Japan's textile and apparel markets.

Exports will restore the growth trend this year

The International Monetary Fund said on Jan.26 the global economy was poised to rebound from last year's contraction and grow 3.9 percent, better than previous forecasts. The overall world economy would swing back to growth after the global decline in output of 0.8 percent last year, which it says was the first contraction since World War II, but said the recovery was still "fragile." The 2010 growth forecast was 0.8 percent higher than the 3.1 percent estimated four months ago,

with sluggish recovery in advanced economies offset by "relatively vigorous" growth in emerging and developing economies. "The global recovery is off to a stronger start than anticipated earlier but is proceeding at different speeds in the various regions," the IMF said in an update of its October World Economic Outlook report.

The 16-nation eurozone's GDP was set to expand 1.0 percent, up from the prior 0.3 percent estimate; The United States, the world's largest economy, was expected to post gross domestic product (GDP) growth of 2.7 percent in 2010, a sharp 1.2 percent increase from the prior forecast; The IMF held unchanged its growth forecast for Japan, saying the second-largest economy would expand at 1.7 percent; China, the emerging market leader and massive engine of the global recovery, will see growth accelerate to 10.0 percent this year, a full 1.0 percent higher than previously estimated. As demand for textiles and apparel in the European and US markets continues to pick up, textile and garment exports will gradually restore the growth trend this year. But, our market share in Europe and the US is too high to expand on a large scale, and exports will continue to be curbed by strict requirements on environmental friendliness and trade disputes. Industrial upgrading and innovation are major areas that need to be worked upon in 2010. Advanced technology fulfills the essential preconditions for economically efficient production and will have brought new life to the textile industry.

Source: CTEI Exclusive

Frbiz Forecasts 2010 China Textile Industry Exports Will Weaken

DATE: 2010-03-02

Frbiz.com, one of China's leading B2B search platforms, forecasts 2010 China textile industry exports will weaken. Frbiz analyzes that, affected by the international market's continued weak demand, 2009 China textile industry exports appeared to decline. It is predicted that by 2010, the industry's export growth will remain sluggish. According to statistics from 2009, China's textile and apparel exports amounted to 17 billion U.S. dollars, year-on-year down 9.6 percent, during which the first 10 months of industry exports continued to hover around 11 percent. Exports fell in November, but by the narrow margin of only 1.56 percentage points; the recovery rate was even slower.

Frbiz analyzes that the decline in exports was mainly concentrated in small companies. In 2009 export delivery value fell 3.2 percent for the big textile enterprises, a decline of more than 5.2 percent compared with the last 1-2 months, while the small enterprise exports fell by 22 percent, a decline of more than 8.6 percent compared with the last 1-2 months. Despite declining exports, China's international competitiveness in the textile industry still continues to strengthen, and share continues to rise. According to relevant statistics, from January to November in 2009, China's exports of textiles and apparel and the U.S. share of total imports reached 40 percent, and compared with same period last year increased 5 percent. In Japan, the share of total imports reached 78.5 percent, which increased 1.77 percent compared with the same period the prior year. Although the textile industry demonstrates encouraging progress, because of international market demand, the pace of recovery in 2010 for China's textile industry is still limited.

Source: Frbiz.com via CNTEX

China Said to Run Currency Stress Tests for Exporters

DATE: 2010-03-02

Conducting stress tests in the country's labor-intensive export sectors to see how much appreciation in the renminbi the firms can withstand, Reuters reported, citing an article in the Chinese daily 21st Century Business Herald. The newspaper cited industry sources as saying that the results of the test, conducted jointly by the Ministry of Commerce and the Ministry of Industry and Information Technology, would serve as a reference for the government's future renminbi policy, the news service said.

Unlike China Daily, 21st Century Business Herald is not an official state mouthpiece run by the Chinese government. Sources told the newspaper that these tests did not mean that Beijing was about to let the national currency appreciate, Reuters reported. The tests were focused on the textile, clothing, footwear and toy sectors. The newspaper said that many firms, with profit margins of between 3 percent and 5 percent, would see that margin decline in direct proportion to the rise of the renminbi with larger firms able to resist better.

Source: NY Times via CNTEX

Economists say China may "adjust" monetary stimulus

DATE: 2010-03-02

Chinese economists are speculating that the government will rein in some of its expansive monetary policies this year. "Stimulus policies have done much in the crisis, but it is time to consider when and how to withdraw them," said Qin Xiao, chairman of China Merchants Bank Co., Ltd., the country's sixth largest commercial bank. Overcapacity in the steel industry and redundant infrastructure construction caused by too much lending could lead to high inflation, he said. Chinese banks lent an unprecedented 9.6 trillion yuan (1.4 trillion U.S. dollars) in 2009, almost double that of 2008, and almost half the 2009 gross domestic product, according to People's Bank of China, the central bank. To cool bank lending, the government began tightening the credit market by raising the capital adequacy ratio, provision coverage ratio, deposit-loan ratio and reserve ratio in the second half of last year.

China Banking Regulatory Commission chairman Liu Mingkang said the government planned to restrict credit supply to 7.5 trillion yuan in 2010. Controlling real estate bubbles also required adjustment in monetary policies, said Lu Feng, vice director of China Center for Economic Research, Peking University. According to the National Bureau of Statistics, average house prices in China's 70 largest cities in January rose 9.5 percent year on year, the highest in 13 months. On Monday, banks in Beijing raised down-payments of house loans from 20 percent to 40 percent of the house price, aiming to slow mortgage lending. Since late 2009, other methods such as penalizing holders of undeveloped land and building affordable homes were taken to curb soaring home prices. Premier Wen Jiabao said in a recent interview with Xinhua that the government was confident of keeping home prices within a reasonable range. However, the government was not bringing an abrupt change to the stimulus policies, said Ba Shusong, a researcher with the Development Research Center of the State Council.

For instance, when the central bank raised the reserve ratio in January, the ratio for small financial institutions, such as rural credit cooperatives, remained unchanged, Ba said. In addition, stimulus plans for new high-tech companies, such as subsidies and tax breaks, would continue, said Finance Minister Xie Xuren in the Central Economic Work Conference held last month. "The economy will step into a new crisis if the government withdraws stimulus plans too soon," said Liu Yuhui, director of the China Economy Appraisal and Rating Center, Chinese Academy of Social Sciences.

Source: China Textile Network Company

"Whether China's economy can recover from the crisis depends on the government's ability to balance monetary policies between stimulus and steadiness," Liu said.

Source: Xinhua via CNTEX

China to develop low-carbon economy

DATE: 2010-03-02

China's top economic planning body has confirmed the government will take concrete actions to develop a low-carbon economy after it pledged to substantially reduce carbon intensity at last year's Copenhagen Conference. China would include the low-carbon targets in the 12th five-year plan for national economic development (2011-2015) to build an energy-saving, ecologically friendly society, the National Development and Reform Commission said in a report to the Standing Committee of the 11th National People's Congress (NPC). The report said the government would launch a series of technological and fiscal support policies to promote the use of non-fossil, renewable energies including wind, solar, biomass, geothermal and nuclear power, aiming to increase its proportion of primary energy consumption to about 15 percent by 2020 from 9.9 percent at the end of last year. China's installed wind power capacity reached 15 million kilowatts, with 10 million kilowatts under construction at the end of June 2009, while nuclear power under construction, installed hydro-electric power capacity and solar heating collection areas were the highest in the world, it said. The commission was also planning to compile an emissions inventory of greenhouse gases in an effort to build a monitoring and checking system to cut carbon emissions.

The economic planner decided to curb redundant construction and industries with surplus production capacities, such as steel, cement and electrolytic aluminum, to promote the energy efficiency and environmental protection. Another NDRC report on the transformation of the economic development pattern delivered to the standing committee called for optimizing the financial expenditure structure to increase input in public welfare and step up efforts to expand the social security coverage. The government had drafted a plan on regional development to transfer industries in affluent eastern areas to central and western regions. The commission said in a report that China would maintain a proper lending scale under the guidance of the Central Bank to avoid credit fluctuations and establish 1,300 rural financial institutions to encourage lending in rural areas. The State Council announced in November that China would reduce the intensity of carbon dioxide emissions per unit of GDP in 2020 by 40 to 45 percent compared with the level of 2005.

Source: Xinhua via CNTEX

China 2009 cotton output down 14.6 pct at 6.4 mln T

DATE: 2010-02-28

- China produced 6.4 mln T of cotton in 2009, down 14.6 pct
- In line with estimates of National Bureau of Statistics
- Lower output could lead to more foreign imports (Adds more details)

China, the world's largest cotton consumer, produced 6.4 million tonnes of cotton in 2009, down 14.6 percent from 2008, National Bureau of Statistics figures showed on Thursday. The figure was in line with earlier estimates by the bureau, but lower than the agricultural ministry's forecast of 6.7 million tonnes.[ID:nTOE5BM034]

Lower domestic output could prompt China, the world's largest cotton importer, to buy more from abroad to meet demand from its textile industry, with exports seen improving this year. China's cotton imports in January rose 286.4 percent from a year ago to more than 301,359 tonnes. January imports were also up 39 percent from December when Beijing completed sales of domestic stocks. Transport problems have blocked supplies from the country's largest cotton area of Xinjiang, triggering tight supplies. In January, imports from India surged 2,866 percent from a year ago to 171,998 tonnes while imports from the United States, the largest exporter, fell 15 percent on year. (For details, search on SOF/CN). China's exports of textile products and garments in January rose 2.3 percent from a year ago, official figures showed.

Source: Reuters via CNTEX

China Textile Industry Report 2009/10 - 2010 Outlook

DATE: 2010-02-28

Domestic markets boom continues

In Oct., 2009, the IMF increased its 2010 forecast for China's GDP. In July it forecast China's economy would grow 8.5% next year. In the latest GDP forecast, China will grow 9% in 2010. The World Bank in Nov. also raised its forecasts for Chinese growth this year and projected a slightly faster pace of expansion in 2010. Gross domestic product would increase 8.4% this year and 8.7% in 2010 on the back of massive fiscal and monetary stimulus, the bank said. China's consumer confidence index (CCI) rose to 103.9 in the fourth quarter last year, up 3.1 percentage points from the previous quarter, said a report released on Jan. 26 by the China Economic Monitoring & Analysis Center under the National Bureau of Statistics. Textile industry analysts generally agree that, 2010 growth rate of textile and garment industry in domestic market is likely to reach 20-25 percent compared with 2009.

Organization	Release Date	China Growth (%)	
		2009	2010
IMF	Jul. 2009	7.5	8.5
IMF	Oct. 2009	8.5	9.0
World Bank	Jun. 2009	7.2	7.7
World Bank	Nov. 2009	8.4	8.7

China's economy shot back to nearly double-digit growth in 2009 after nearly standing still at the end of 2008. "In 2010, active fiscal policies will continue, and this means we cannot weaken the intensity of fiscal support for economic development, avoiding the losses to our achievements that would come from an excessively early exit." Chinese Finance Minister Xie Xuren made the comments at a policy-setting meeting in Jan. Xie said that efforts to expand domestic demand would include policies to raise incomes, especially for poorly paid workers and farmers; continued spending on public works, including schools and hospitals; and taxation changes.

Waiting for overseas market recovery

Organization	U.S.		Eurozone		Japan	
	2009	2010	2009	2010	2009	2010
UN	- 2.5	2.1	- 4.1	0.4	- 5.6	0.9
OECD	- 2.5	2.5	- 4.0	0.9	- 5.3	1.8
IMF	- 2.7	1.5	- 4.2	0.3	- 5.4	1.7
World Bank	Nov. 2009		8.4	Nov. 2009		8.7

The Conference Board, a New York-based research group, said its Consumer Confidence Index rose to 52.9 in December, from an upwardly revised 50.6 in November. A more optimistic outlook for business and labor market conditions was the driving force behind the increase in the expectations index. Consumers' evaluation of the job market was mixed. The percentage of those claiming jobs are currently hard to get fell to 48.6% from 49.2%, but the number of consumers claiming that jobs are "plentiful" fell to a new low to 2.9% from 3.1%.

The European Commission's closely watched consumer confidence indicator for the 27-member EU rose from minus 14.3 in December to minus 13.3 in Jan.2010. But while the data showed the mood among consumers in the broader EU improving this month, it remained almost unchanged in the 16-member eurozone. Japan's consumer confidence index posted the second straight monthly drop, falling to 37.6 in December from 39.5 in November, when it showed its first drop in 11 months, as more people became concerned about their job security and incomes six months ahead, according to Cabinet Office. Anyway, continuity in the demand for the Chinese textile covering in the U.S., Japan and EU markets is keeping the hopes of Chinese exporters alive that after the recession. Moreover, a decade after it was first mooted, the world's largest free-trade area by population came broadly into effect on January 1st. The agreement between China and the ten-country Association of South-East Asian Nations (ASEAN) covers nearly 1.9 billion people. In terms of economic value, this is the third-largest regional agreement, after only the EU and NAFTA. Cooperation between China and ASEAN nations will offer further impetus to China textile export.

Vulnerabilities and risk

It is not contradictory for China to amass a larger share of wealth and power while still suffering from domestic vulnerabilities. In 2010, China textile industry needs to remain vigilant about international pressure for renminbi revaluation. Few questions loom larger with currency strategists this year than whether. China is under growing pressure from its international trading partners, led by the US, Europe and Japan, to let the renminbi rise. Meanwhile, trade barriers and material price rising (e.g. raw materials prices) will affect the export of China's textile industry and further exacerbate competition on textile market.

Source: CTEI Exclusive

China Textile Industry Report 2009/10 - 2009 Review

DATE: 2010-02-28

Textile industry signaled recovery

"Revitalization Plans for the Textile Industry" was passed in early 2009. One year after China launched the stimulus package and regained economic growth momentum, the textile industry has overcome serious difficulties and has made new developments.

Source: China Textile Network Company

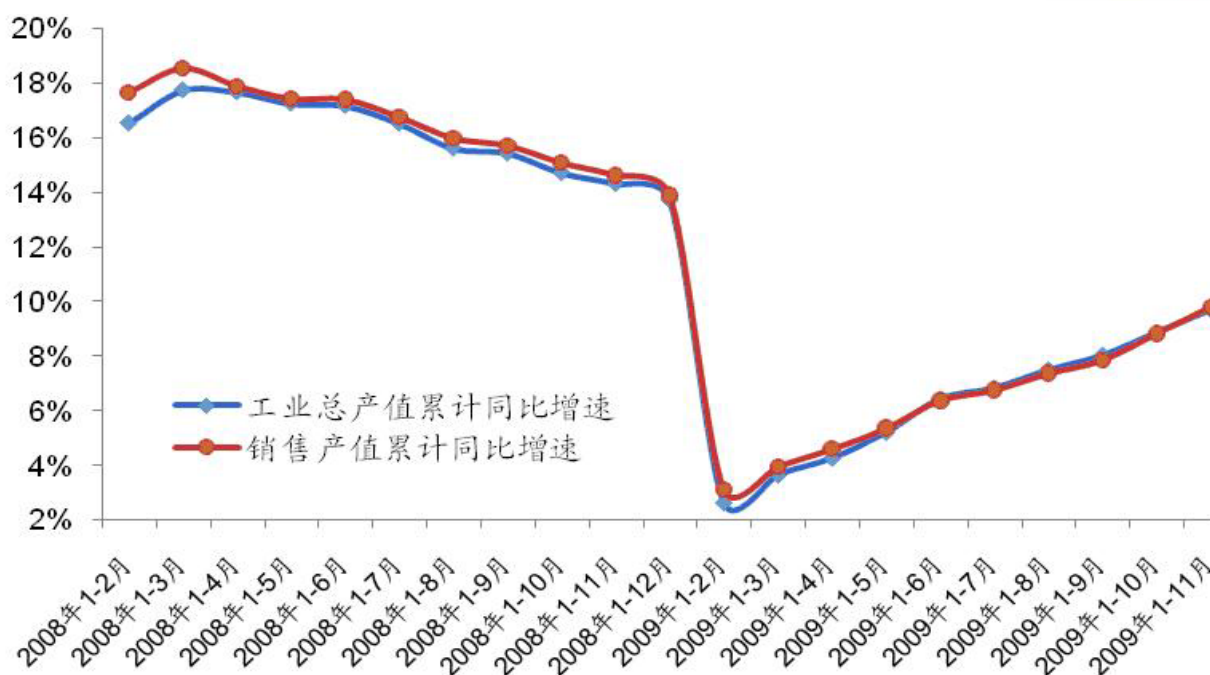
Domestic markets returned to the spotlight

In 2009, many Chinese textile and garment enterprises have felt the chill and turned their eyes away from European and American markets and focused back on the domestic market. From Jan. to Nov., domestic sales of statistics-worthy Chinese textile enterprises edged up 14.05 percent y/y to CNY2674.033 billion, accounting for 79.89 percent of the total. It is important to note that garment sales in the domestic markets have jumped by more than 21.77% y/y. Besides, construction and auto fields are new growth points for nonwovens. Data shows that sales of textile belt and curtain fabric in the domestic markets were up 25.16 percent y/y.



Manufacturing and sales rebounded

Manufacturing and sales of China textile industry rebounded in 2009. Looking further, the total industrial production value of 52963 statistics-worthy Chinese textile enterprises increased 9.71 percent y/y to CNY3426.804 billion in Jan.-Nov. 2009, 4.62% higher than the growth rate of the Jan.-Feb. 2009 period; The sales value were CNY 3347.067 billion in Jan.-Nov. 2009, 9.82% year on year, 6.69% higher than the growth rate of the Jan.-Feb. 2009 period.



The decline in exports narrowed

Fresh data shows that, in Dec. 2009, China's textile and garment exports registered first positive growth since Apr. 2009. According to China Customs, exports value of textile and garment amounted to \$16.787 billion in Dec. 2009, up 4.49 per cent y/y. Accumulated exports value of textile and garment (not including No.94 category) in the Jan.-Dec. 2009 period amounted to \$167.024 billion, down 10.07 per cent y/y. The decline in accumulated textile and apparel exports was being constantly reduced and the tendency of rebound is increasingly obvious.

Continuity in the demand for the Chinese textile covering in the world market was keeping the hopes of exporters alive that after the recession. From Jan. to Nov. 2009, China's accumulated textile and garment export value to the United States, EU and Japan amounted to \$78.818 billion, which accounted for 51.14 percent of China's total textile and apparel export value. According to CNTAC, in Jan.-Nov. China's textile and garment exports value to the United States edged up 1.53% year-on-year to \$25.34 billion, accounting for 40.22 percent of the United States' total textile and garment imports; China's textile and garment exports value to Japan edged up 0.26% year-on-year to \$20.1 billion, accounting for 78.45 percent of Japan total textile and garment imports

Leading index turned upward

As you can see from the table, most industrial index in 2009 have sent clear signals that the growth of industry is accelerating. From Jan. to Nov. 2009, total profit for statistics-worthy textile enterprises was CNY133.149 billion, up 25.39%, 36.40 percentage points higher than the growth rate of the Jan.-Feb. period.

Labor Productivity		Finished goods turnover		Profit rate		Ratio of output of new products	
01.- 11.	y/y change	01.- 11.	y/y change	01.- 11.	y/y change	01.- 11.	y/y change
CNY34 4800 per capita	10.22 %	14.68/y	8.26 %	4.04 %	0.48 %	6.49 %	0.23 %

Source: CTEI Exclusive

Source: China Textile Network Company