

**EXTRACT**
**Content:**

- **Chemical fiber industry led biggest profit gain in the January-November 2009 period**
- **Indonesia considers delaying implementation of China-ASEAN FTA**
- **China domestic textile and garment market likely grows 20-25% in 2010**
- **Underwear special fund established in China**
- **Textile and garment exports registered growth in Dec.**
- **Jiangxi Textile & Garment Export recovered in first 11 Months**
- **The decline in China Textile Exports narrowed**
- **Investment in Textile and Garment accelerated in first 11 Months**
- **China fashion federation found**

**Chemical fiber industry led biggest profit gain in the January-November 2009 period**

DATE: 2010-01-22

China chemical fiber industry ranked first in the growth of profit per capita in the January-November period.

Table . Profit index of China textile enterprises from Jan. to Nov. 2009

	capital		profit per capita		profit rate		total capital velocity	
	profit rate		2009	y/y %	2009	y/y %	2009	y/y %
	2009	y/y %						
	%	%	CNY10,000 per capita	CNY10,000 per capita	%	%		
China textile industry as a whole	4.27	0.53	1.23	0.25	4.04	0.48	1.38	0.00
Coton textile	4.18	0.15	1.37	0.20	3.94	0.12	1.40	-0.01
Dyeing & Printing	3.82	0.46	1.49	0.28	3.64	0.42	1.31	0.01
Wool textile	4.46	0.05	1.87	0.18	4.19	0.01	1.30	0.03
Linen textile	2.54	0.20	0.55	0.15	2.42	0.19	1.20	0.09
Silk textile	2.85	0.42	0.92	0.21	2.74	0.38	1.17	-0.01
Textile manufactured products	4.67	0.37	1.66	0.29	4.37	0.31	1.46	0.01
Knitting	3.97	0.47	0.92	0.18	3.75	0.43	1.38	-0.01
Garment	5.04	0.33	0.97	0.16	4.71	0.29	1.64	0.03
Chemical fiber	3.41	2.21	<b>2.73</b>	1.78	3.30	2.13	1.04	-0.08
Textile Machinery	4.47	0.56	1.73	0.46	4.27	0.50	1.03	0.04

Source: CTEI News

## **Indonesia considers delaying implementation of China-ASEAN FTA**

DATE: 2010-01-22

---

Indonesia has said it will soon discuss with China its plan to delay the implementation of the China-ASEAN Free Trade Agreement (FTA) which came into effect on January 1 this year. President Susilo Bambang Yudhoyono said his government has to protect the interests of its people, but at the same time does not want to be seen as to renege on the agreement which was first mooted in Indonesia. The Indonesian leader stressed that Jakarta will continue to cooperate with ASEAN and its other partners. The Indonesian parliament has called on the Yudhoyono administration to delay and renegotiate the China-ASEAN FTA after fears that the agreement may hurt local industries.

Indonesian lawmakers have listed 15 local industries that needed to be protected, including footwear, textile, and food and beverages. They have given the government six months to take the necessary steps in addressing the issue. There are fears that Southeast Asia's largest economy could see thousands of citizens lose their jobs if local companies cannot compete with cheaper Chinese products entering into Indonesia. Indonesia's Trade Ministry has already informed the ASEAN Secretary-General of its intention to renegotiate.

Source: [www.channelnewsasia.com](http://www.channelnewsasia.com) via CNTEX

## **China domestic textile and garment market likely grows 20-25% in 2010**

DATE: 2010-01-22

---

According to statistics, China's domestic clothing consumption averaged an annual growth rate of 14.72 percent from 2001 to 2008, 2009 growth rate is expected to remain more than 15 percent, although exposed to the international financial crisis, clothing consumption becomes a major boost to China's textile industry. Along with the steady and rapid development of China's economy, demand for textiles in automotive, construction, health, energy, aerospace, agriculture industries are also on the rise. 2008 industrial textile volume exceeded 6 million tons, accounting for 17 percent of total textile fiber processing volume in China. 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.

In the first three quarters of 2009, China's GDP grew 8.9 percent year on year. Real growth of total retail sales of social consumer goods was 17.0 percent, accelerating 2.8 percentage points compared with a year earlier, set another all-time high. In last November alone, total clothing retail sales increased by 25.8 percent compared with the same period of the previous year, 10 percentage points higher than the growth rate of retail sales of social consumer goods as a whole, and 3.1 percentage points higher than the previous month. Taking into account the huge population base, as well as continued growth of national economy in the future, domestic sales of textile and garment industry will show sustainable growth in the future.

Source: [www.ccfgroup.com](http://www.ccfgroup.com) via CNTEX

## **Underwear special fund established in China**

DATE: 2010-01-20

---

China's first underwear technology fund, Zhengmintai China Knitting (Underwear) Fund is established recently. It is also the first special fund in the textile industry of China. This fund is supported by China Knitting Association. Zheng Mintai, the president of Embry Form Holding

Source: China Textile Network Company

Co.,Ltd. donate ten million yuan to the Light of Textile Technology and Education Fund to establish a special fund for underwear industry. This fund is particularly for the design, technology innovation, equipment research of underwear, as well as the market demand and trend research. It is aimed at improving the R&D power of Chinese underwear industry and construct a platform for its development.

The Zhengmintai China Knitting (Underwear) Fund is a first-ever special research program which take the design innovation, technological innovation and industrial transformation of underwear from the textile industry. The establishment of this special fund would play a positive role as the stimulus and impetus for the development of Chinese underwear industry.

Source: CTEI News

## **Textile and garment exports registered growth in Dec.**

DATE: 2010-01-19

---

Fresh data shows that China's textile and garment exports registered growth in Dec. 2009. According to China Customs, value of textile and garment goods delivered amounted to \$16.787 billion in Dec. 2009, up 4.49 per cent y/y.

Source: CTEI News

## **Jiangxi Textile & Garment export recovered in first 11 Months**

DATE: 2010-01-19

---

According to Nanchang Customs, the export of textile and garment recovered quickly in first 11 months in Jiangxi Province. The export of textile and garment was 1.35 billion USD, up 7% year over year, and four points higher than that in first 10 months.

Source: CTEI News

## **The decline in China Textile Exports narrowed**

DATE: 2010-01-18

---

This is a crucial moment for China's textile export industry, which is in the midst of deep economic downturn. In the January-November 2009 period, the decline in accumulated textile and apparel exports was being constantly reduced and the tendency of rebound is increasingly obvious. Textile export, we have come so far. We have seen so much. But there is so much more to do. In the Jan.-Nov. 2009 period, China's textile and garment total exports amounted to \$154.120 billion, dropping 11.02 percent y/y, slightly narrowed by 0.6 percentage points from the Jan.-Oct. 2009 period. Of which, textile exports plummeted 10.66 percent to \$57.634 billion; Garment exports plummeted 11.24 percent to \$96.486 billion.

### **Textile export experienced positive growth for first time in Nov.**

In Nov. 2009, textile export value experienced positive growth for first time this year. Looking further, textile export value increased 7.17 percent y/y to \$14.349 billion. The increase was due to the low level of the export in last Nov. when the crisis broke out.

Garment and accessories exports, on the other hand, decreased by 17.64 percent in Nov. 2009. The slowdown was mainly caused by the rising labor and other costs, dismal overseas demand as well as the rise of trade protectionism.

**Market shares in the U.S., EU and Japan did not change**

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 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 to the United States edged up 1.53% year-on-year to \$25.34 billion. Exports to Japan edged up 0.26% year-on-year to \$20.1 billion.

	EU			Japan			The United States		
	Export value (\$ 100 million)	y/y %	Proportion %	Export value (\$ 100 million)	y/y %	Proportion %	Export value (\$ 100 million)	y/y %	Proportion %
<b>Textile &amp; apparel</b>	333.78	- 8.13	21.66	201.00	0.26	13.04	253.40	1.53	16.44
<b>textile</b>	77.83	- 12.55	13.50	41.59	5.77	7.22	71.24	-7.70	12.36
<b>apparel</b>	255.95	- 6.69	26.53	159.42	-1.08	16.52	182.17	5.66	18.88

After global economic crisis, China was increasingly focusing more on developing markets for growth. Unfortunately, emerging markets may not be able to consume as much of the Chinese goods as the US or Europe did simply because consumers in those markets do not have the purchasing power. From Jan. to Oct. 2009, China's accumulated textile and garment export value to non-EU and non-U.S. countries were \$95.401 billion, down 14.87% y/y. Of which, textile export value to non-EU and non-U.S. countries were \$42.727 billion, down 11.03% y/y; apparel export value \$52.675 billion, down 17.75%.

**Cotton and chemical fiber manufactured products still the main force**

Cotton and chemical fiber manufactured products are China's most important two major export sectors. According to China Customs, in the Jan.-Nov. 2009 period , the exports of China's cotton textile amounted to \$16.125 billion, dropping 16.38 percent y/y; cotton garment \$39.808 billion, down 13.60% y/y; chemical fiber textile \$27.126 billion, down 10.53%; chemical fiber garment \$34.868 billion, down 3.59%. The exports of China's cotton and chemical fiber manufactured products accounted for 76.52 percent of China's total textile and apparel export value.

category	textile		apparel	
	Jan.- Nov.	y/y	Jan. - Nov.	y/y
<b>cotton products</b>	161.25	- 16.38	398.08	- 13.60
<b>wool products</b>	13.62	- 25.20	50.34	- 20.83
<b>linen products</b>	5.54	- 11.10	0.00	0.00
<b>silk products</b>	9.77	- 7.19	13.43	- 23.31
<b>Chemical fiber products</b>	271.26	- 10.53	348.68	- 3.59
<b>others</b>	114.90	0.68	154.33	- 15.89

**Price continued to fall while competitiveness index climbed up**

In Nov. 2009, export price index of China's textile and apparel were 94.74% and 99.58% respectively, down 5.26% and 0.42% compared to Nov. 2008.

Export competitiveness index for some products, on the other hand, climbed up. Looking further, export competitiveness index for knitted garments and accessories climbed up to 97.67% in Nov. 2009 from 93.66% in 2002; Export competitiveness index for woven garments and accessories climbed up to 95.74% in Nov. 2009 from 92.83% in 2002.

*Source: CTEI News*

## **Investment in Textile and Garment accelerated in first 11 Months**

DATE: 2010-01-18

---

According to Ministry of Industry and Information Technology, the investment in textile and garment industry grew 11.4% and 15% year over year respectively in first 11 months, 1.1 and 1.8 points higher than those in first 10 months. While the investment in chemical fiber industry went down 14.3%.

The textile export turned to be better. On Nov. the export value of textile grew 7.3% year over year (for Oct. this figure was minus 4.8%). Export of garment this month went down 17.7%, 1.4 points lower than that in previous month.

*Source: CTEI News*

## **China fashion federation found**

DATE: 2010-01-18

---

China Fashion Federation celebrated its founding on Dec. 11th. It is sponsored by four organizations under CNTAC, including China Textile Information Center, China Garment Association, China Fashion Color Association and National Textile Development Center. It aims at developing a new cross linking business model covering fashion brand, media brand and business channel.

China Fashion Federation will serve its members with lifestyle research, fashion trend forecast and release, brand launch, sales channel match-making and so on. According to Sun Ruizhe, the Vice President of CNTAC, this federation is going to become the national team to transmit Chinese fashion culture.

*Source: CTEI News*