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Textile Specialty Market Stores Become Investment Hotpoint

DATE: 2010-04-23

Puyuan Wool Sweater Market in Tongxiang, Zhejiang attracts the attention of investors from Shaoxing. They are inquiring about buying one or more stores in this market. China Textile City in Keqiao and Wool Sweater Market in Puyuan are two special textile market in Zhejiang province, and leading in their field. The two markets have the similar upgrading schedule and similar projects. China Textile City has its Dongshenglu Market; while Puyuan has a Central Trade Center. The former is state-owned; the later is state-owned shares. This might has some difference in the management and operation.

It is commonly known that private capital is active in Zhejiang. Shaoxing people has invested six billion yuan in China Textile City and become the "landlord", which also lessen the pressure of local government to promote the development of textile specialty market.

Source: CTEI News

Export of Textile & Clothes Exceed Expectation in 1st Quarter

DATE: 2010-04-23

The export of textile and clothes in first quarter reached 39.245 billion USD, up 15.20% year over year. Of which, the textile export was 15.207 billion USD, up 26.54%; clothes 24.039 billion USD, up 9.03%. The growth trend is continuing, and even faster than that in same period last year. It is believed that the export price of textile & clothes is going to increase further in the near future. Both the volume and value are growing. Considering the recovery of western economy, the export growth rate of this year is expected to be at least 10%.

Source: CTEI News

Importers Concern about Clothes Quality

DATE: 2010-04-23

According to the latest Quality Inspection Report of imported products from Zhejiang Provincial Administration for Industry & Commerce, nearly 60% of imported clothes had quality problems. The industry watcher said importer should pay more attention on the quality of textile material and clothes. The Zhejiang Administration for Industry & Commerce conducted a random inspection on 85 batches of imported clothes in Hangzhou, Ningbo and Taizhou. 37 batches are qualified; 48 batches failed the inspection. The qualification rate is only 43.5%.

The unqualified Jeans and T-shirt come from 11 countries including Italy, Morocco, and South Korea. The involved brands include Hermes, Versace, ZARA and other 30 international brands. The major problems are color-fastness, pH value, formaldehyde content, and substandard labels.

Source: CTEI News

Industry Upgrading Promote Export Growth

DATE: 2010-04-23

According to Shaoxing Customs, the export of textile & clothes reached 1.07 billion USD from Jan. to Feb. in this city, up 74.9% from same period last year. Of which, the export of textile was 1.01 billion USD, up 76.8%; clothes 60 million USD, up 48.4%. The growth trend is encouraging. The export growth rate in Shaoxing is faster than the average rate in the whole country. This connects to the industry upgrading of this city. Shaoxing released its Invigorating Plan for Textile Cluster last year, and constructed its goals as textile manufacturing center, trade center and innovation center. With all the favorable policies and support, this industry kept its steps in the upgrading and turned the export to positive growth since last Nov.

“Although the export is recovering, we need to know that the overall recovery of textile industry is not clear. This industry is still suffering from labor shortage and order losses, as well as the raw material price raise, production cost increase and RMB appreciation. All those factors could influence the export for this year.” Some insider said.

Source: CNTEX

China slaps duties on nylon imports from US and others

DATE: 2010-04-23

China on Thursday slapped anti-dumping duties on certain nylon imports from four trade partners, with the highest tariff imposed on material from the United States. The move comes a day after Washington launched an investigation into alleged dumping of aluminium parts known as extrusions from China, and could raise tensions between the two sides. China's commerce ministry said importers will have to pay an anti-dumping duty of 29.3 - 96.5 per cent on nylon6 imported from the United States. Nylon6 is a compound widely used in the auto, textile and food sectors.

Tariffs ranging from 4 - 23.9 per cent will be imposed on nylon6 imports from the European Union, Russia and Taiwan, the ministry said on its website. The penalties will be effective for five years. The ministry did not disclose the value of the products. Dumping occurs when a foreign company sells a product in another market at less than its normal value -- generally taken to mean the price in the domestic market or the production cost. The US Commerce Department said Wednesday it had opened an investigation into alleged dumping of aluminium extrusions from China that was helped

Source: China Textile Network Company

by possible government subsidies. Aluminium extrusions are used in window and door frames and sills, gutters, solar power frames, automotive parts, furniture parts and a variety of other consumer and industrial goods. The latest spat could raise tensions between the two countries, which have been at loggerheads over a range of issues including China's currency which critics say has been kept low to give its exporters an unfair advantage.

Source: *economictimes via CNTEX*

Chinese show appetite for Indian cotton and yarn

DATE: 2010-04-22



The bilateral trade between India and China has increased manifold in recent years. But imports from China mainly constitute finished good products, while exports from India to China are mostly raw materials, like raw cotton and yarn, when considering shipments from the textile value-chain. Experts are of the opinion that China has a big manufacturing setup, which along with being quality conscious is also extremely cost-competitive in production of finished goods, which gives it the edge in the global markets, vis-vis countries like India and other Asian countries.

According to them, Indian cotton and cotton yarn is of world-class quality, the reason for which, the Chinese prefer to import these from India. They add by saying that if we decide not to export these materials, the focus of the Chinese textile importers could shift to other countries, with similar capabilities. Speaking to Fibre2fashion Mr DK Nair, Secretary General of Confederation of Indian Textile Industry (CITI) said that, China is a very competitive country in manufacturing of apparels and does not need to import the same, while it is hungry for the raw materials required to feed the sector. The bilateral trade value between the two countries is growing at a very fast pace and diplomatic relation notwithstanding, bilateral trade between India and China is growing by more than 50 percent year-on-year and is slated to cross the \$100-billion mark in three years.

Source: *Fibre2fashion News Desk – China via CNTEX*

Theophile Entered Chinese Market

DATE: 2010-04-22

Theophile comes from an old France brand. Sichuan Shengshan Group, the subsidiary of Wuliangye Group acquired the brand ownership and launched it in Chinese market. This brand targets ladies aged from 32-38 as its core customers and built its image as high-end quality fashion clothes. According to Jiang Hengjie, the vice president of China Garment Association, the Theophile is as charming as the Wuliangye, the most famous Chinese liquor. Shengshan Group is the result of the diversification strategy of Wuliangye Group. Now, Shengshan has become one of the largest clothes manufacturers in Southwest China.

Source *CTEi News*

Foreign firms main force backing China's export recovery

DATE: 2010-04-21

Foreign companies in China took the "absolute" lead in China's exports and helped back a recovery in the country's exports last year, according to a report issued Tuesday. Foreign companies, which are better at adapting to the international market, played "an important role" in pushing China's exports to recover last year, said the report titled with "the top 200 companies in China in size of foreign trade in 2009", issued in China Customs magazine, run by the General Administration of Customs. Among the top 200 companies, 153 were foreign-funded in 2009, compared with 141 in 2008. The 200 companies boast combined exports of 250.74 billion U.S. dollars last year.

Huawei Technologies, with the largest exports value of 6.99 billion U.S. dollars last year among domestic companies, ranked the eighth among the top 200, the report said. "Data indicates that foreign companies play an absolutely leading role in China's exports," the report added. Government data showed that China's exports went into the black in December of last year, resuming growth after 13 months of declines. Exports of the top 200 companies topped 322.3 billion U.S. dollars last year, down 6.3 percent from the previous year.

Source Xinhua via CNTEX

China May Face Cotton Supply Shortage, CNCotton Says

DATE: 2010-04-20



China, the world's biggest cotton consumer, may face a domestic supply shortage on falling output and reduced international supplies for import, an analyst at state-backed CNCotton.com said. Domestic consumption may outstrip available supply by 3.5 million metric tons in the 2009-2010 marketing year through Aug. 31, and supply will remain tight next year, Mei Yong, a director at the portal owned by China National Cotton Reserves Corp., said at an April 16 conference in Shandong. China's double-digit economic growth is spurring textile consumption while cotton output last year shrank on reduced planting. Exports of products made with the fiber

surged as textile buyers worldwide replenished inventories that had been depleted during the financial crisis, Mei said.

China may need to import another 1 million tons of cotton to bridge the gap, said Deng Jun, chief economist at Xinhua Futures Co. If China goes to the global market, it will further reduce projected low ending stocks in the U.S. and U.S. cotton prices are very likely to surge as funds won't let such a good investment opportunity pass, he said. The most-active cotton contract in New York last traded at 80.75 cents a pound. Prices have gained 6.8 percent this year after surging 54 percent last year, the most since 1975. Cotton for September delivery traded on the Zhengzhou Commodity Exchange may advance to more than 18,000 yuan (\$2,637) a ton, or over 90 cents a pound for cotton traded in New York, Deng said. The contract settled at 16,790 yuan today.

New High

Whether there is a shortage depends on how demand may play out going into August and September, said Dong Shuzhi, assistant general manager of Jinshi Futures Co., by phone from Shanghai today. It is possible that cotton may reach new high by August, he said. Still, much depends on the uncertain weather and economy, because unemployment in the U.S. remains high and unless global consumers start spending, exports may fizzle, he said. Both Dong and Mei said this year's weather outlook so far for cotton planting isn't good because excessive rain and cold

Source: China Textile Network Company

temperatures have caused delays. This year may be a period of high cotton prices, Mei said, who along with Deng spoke at the conference, which was organized by Xinhua Futures. China's cotton users currently have inventories that may last until July, Mei said, citing her firm's research.

Rising Demand

Yarn producers, who weave cotton into cloth, are racing to meet rising demand from apparel makers, said Liu Shuguang, a manager at Linyi Jinyuan Textile Trade Ltd. in Shandong, China's second-biggest cotton grower. It's been a good year, he said. Even if the government issues additional quotas, it is questionable buyers may be able to secure overseas supplies, Mei said. India, the biggest supplier so far in the current marketing year that began Sept. 1, has basically closed its door on China after it levied a 3 percent tax on cotton exports to ensure its own supply, she said.

The U.S., China's other big supplier, only has about 600,000 tons left for exports based on projected sales for the marketing year less what's already been sold, she said. West Africa, Uzbekistan and Brazil all have little output, while other Asian textile producers such as Pakistan and Bangladesh will compete ferociously for limited global supply. While it's possible the government may sell some of its reserves to boost supply, it will have little effect on the market because of its limited quantity, Mei said without saying how much the actual reserve is.

China's total exports of textile goods in the first quarter gained 15 percent from year ago to \$39.2 billion, the National Development and Reform Commission said April 15, adding demand outlook may slow given uncertainty in global economic recovery. Output of yarn, spun from cotton, gained 20 percent to 5.7 million tons in the first three months from a year ago while imports of cotton in the period gained threefold to 856,000 tons, it said.

Source Bloomberg via CNTEX