

MONTHLY REPORT

Cotton and Yarn Statistic



REMARKABLE INFORMATION



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INTERNATIONAL NEWS



Steady rise of yarn prices ties Bangladeshi apparel exporters in knots

“ Once orders for readymade garment export as well as for locally produced textiles have increased, mills have leveraged the demand to increase the price of yarn to make up for years of losses and static inventory.
Faruque Hassan, President, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) ”

Bangladesh's biggest foreign exchange revenue is from readymade garment exports wherein it enjoys the position of being the world's second largest exporter after China. When this South Asian nation's apparel exporters face a challenge due to escalating yarn prices in the domestic market, it puts this competitive sector that works in slim margins and places the sector in a precarious position. Bangladesh's textile mills have cited multiple reasons why they have been forced to increase the price of yarn and they are legitimate reasons.

Buy local yarn, save the dollar

Bangladesh has been facing serious foreign exchange shortage for last few years and managed to secure a IMF loan, at the beginning of the year. The Bangladesh Textile Mills Association (BTMA), has been continually urging local manufacturers and exporters of readymade garments to buy locally

produced yarn and save forex spent on importing. Industry leaders, economists and government advisors have also promoted this idea on how to support the local textile mills and prevent stockpiling of inventory and save the dollar for importing more important items.

Moreover, local garment manufacturers prefer using locally-made yarn instead of imported ones to maintain the current lead times of 45 to 60 days demanded by buyers, whereas earlier it was 90 to 120 days. However, textile mills have had to contend with high energy costs and higher cost of raw material, necessitating them to increase yarn prices.

The most -consumed 30-carded yarn, used for less expensive, more basic projects, has been selling between \$3.50 and \$3.60 per kg whereas it was \$2.90 to \$3.10 a month ago, say textile mill owners. Faruque Hassan, President, Bangladesh Garment Manufacturers and

Exporters Association (BGMEA), say as orders for readymade garment export as well as for locally produced textiles have increased, mills have leveraged the demand to increase the price of yarn to make up for years of losses and static inventory.

RMG manufacturers face the heat

Readymade garment makers are rightfully perplexed by the price rise as it cuts drastically into their already slim margins, prompting them to head for sources that are cheaper. BGMEA spokesperson Mohammed Ali Khokon stated that in the first week of July 2023, the price of 30-card yarn in the domestic market stood at \$ 3.20 per ounce and that within the month, jumped to \$ 3.50, and increase of \$0.30 cents. Indeed, Khokon understands that textile mills have been operating under losses for a while with energy and raw material costs on an upward spiral, it hits the RMG sector hard.

Apparently, BGMEA members had agreed to pay a slight premium to purchase locally-produced yarn in show of solidarity and support but the recent price spikes are beginning to hurt their interests.

Many BGMEA members are of the idea that yarn be imported as they can source at lesser price. However, there are two roadblocks to this as well – the

lead time will become longer and affect the running of production to meet deadlines. The other crucial problem is that Bangladesh's foreign currency reserves are being built on by the government, making it difficult for individual manufacturers secure dollars for importing yarn that is readily available in the country.

At the moment, Bangladesh

needs to leverage the increase in orders and make the most of their competitive pricing – the two bodies BTMA and BGMEA need to work with the government to sort out the bottleneck.

Source: Fashionating world

Guide on successful market entry strategy for cotton yarn in the European Union

In recent years, the European Union has seen a growing demand for cotton yarn. With an import value of \$2.0 billion in 2022, there are ample opportunities for businesses to enter and succeed in this market.

However, like any market, a successful market entry strategy is crucial for achieving sustainable growth. In this guide, we will provide you with valuable insights, official data sources, and help from authorities to help you navigate the cotton yarn market in the European Union.

Official Data Sources and Help from Authorities

Official data sources play a vital role in understanding market trends, buyer preferences, and competition. Here are a few reliable sources:

- **Eurostat:** Eurostat is the statistical office of the European Union, providing official EU statistics on a wide range of topics, including trade data. It offers comprehensive information on import and export volumes, values, and trends.
- **National Statistical Institutes:** Each member state of the European Union has its own National Statistical Institute, which offers valuable insights

into market demand and consumption patterns.

In addition to official data sources, seeking help from authorities can be beneficial. Authorities such as trade associations, chambers of commerce, and trade promotion agencies can provide you with market intelligence, trade regulations, and networking opportunities. They can also guide you through the legal and administrative procedures required for market entry.

Top 5 European Union Countries for Import Value of Cotton Yarn

Understanding the key import destinations in the European Union will help you focus your market entry efforts. Here are the top 5 countries based on import value of cotton yarn in 2022:

1. **Italy:** Italy imported cotton yarn worth \$526.4 million in 2022. It presents a significant market

opportunity with its textile industry's strong presence and high demand for raw materials.

2. **Portugal:** Portugal imported cotton yarn worth \$462.6 million in 2022. It is known for its textile tradition, making it an attractive market for cotton yarn suppliers.

3. **Germany:** Germany imported cotton yarn worth \$269.1 million in 2022. Its strong manufacturing sector and demand for quality textiles make it an interesting market for cotton yarn suppliers.

4. **France:** France imported cotton yarn worth \$122.9 million in 2022. The French textile industry is known for creativity and high-end products,

creating opportunities for suppliers of cotton yarn.

5. **Poland:** Poland imported cotton yarn worth \$105.4 million in 2022. It has a growing textile industry and serves as a gateway to other Eastern European markets.

Trade Shows and Exhibitions

Trade shows and exhibitions are excellent platforms for showcasing your products, networking with industry professionals, and learning about the latest market trends. Here are a few notable events related to the cotton yarn industry:

- **ITMA:** ITMA is the world's largest textile and garment technology exhibition. It provides an opportunity to meet textile industry professionals from around the world, including the European Union.

➤ **Première Vision Paris:** Première Vision Paris is a leading textile trade show where you can explore trends, innovations, and connect with potential customers in the European Union.

➤ **Munich Fabric Start:** Munich Fabric Start is an international trade fair for fabrics and textiles. It attracts professionals and buyers from various European Union countries, presenting a great opportunity for cotton yarn suppliers.

IndexBox Market Intelligence Platform

The IndexBox platform offers detailed research and analysis on various industries, providing valuable insights and forecasts to support your market entry strategy. In conclusion, entering the cotton yarn market in the European Union requires a well-planned market entry strategy.

By utilizing official data sources, seeking help from authorities, focusing on key import destinations, and

leveraging trade shows and exhibitions, businesses can position themselves for success. The IndexBox platform can also be a valuable resource to gain market intelligence and make informed decisions.

Source: Indexbox



Trends to watch in cotton yarn industry

The cotton yarn market is witnessing some exciting trends as the demand for eco-friendly and high-quality textiles rises. Here are a few significant changes that are influencing this industry's future:

Sustainable procurement:

As customer concern over environmental effect grows, manufacturers are giving sustainable cotton yarn procurement top priority. In order to ensure a smaller carbon footprint and encourage ethical agricultural techniques, they are actively looking for suppliers who use cotton that is organic and produced in a responsible manner.

Fiber technology innovation:

The cotton yarn business is observing notable developments in fiber technology. Longer staple lengths, increased strength, and greater dyeability, among other innovations, are enabling producers to create superior-quality yarns that satisfy the changing demands of textile makers.

Circular Economy Initiatives:

The cotton yarn business is actively looking for ways to lessen

waste and encourage recycling, embracing the idea of a circular economy. Companies are investing in innovative recycling methods that allow cotton fibers to be recovered from post-consumer or post-industrial waste, resulting in a closed-loop production cycle that is sustainable.

The cotton yarn business is undergoing a digital transformation that is improving operational effectiveness and quality assurance. Artificial intelligence, IoT, and data analytics are being used to boost efficiency and cut costs by streamlining supply chain management, monitoring inventory levels, and optimizing production processes.

Customization and Personalization: The cotton yarn sector is adjusting to meet different customer needs as consumer preferences become increasingly varied. A broad variety of colors, textures, and blends are now available from manufacturers, enabling textile makers to design distinctive goods that appeal to their target audiences.

Global Market Expansion: Production and consumption



trends are changing in the cotton yarn sector. Due to favorable environmental circumstances and low labor costs, new regions in Africa, Central Asia, and South America are gaining ground while established manufacturers like India and China continue to dominate the market.

Professionals in the cotton yarn sector can take advantage of possibilities, promote innovation, and satisfy the constantly shifting needs of the global textile market by keeping up with these developments.

Source: Ravirajsinh

China's cotton output set to fall 1 year after US' Xinjiang ban, as focus shifts to food security, quality



The US' Uygur Forced Labour Prevention Act, which went into effect in June 2022, has effectively blocked American imports of all products wholly or partially sourced from the Xinjiang Uygur autonomous region. Photo: Xinhua

One year after a US import ban was implemented, China has grown less cotton in its Xinjiang Uygur autonomous region, with a significant drop in output expected this year amid a quality push and food security drive.

China, which provides over 20 per cent of the world's cotton, mostly from the western region of Xinjiang, may see its production fall by more than 10 per cent as it places an emphasis on quality over quantity and makes room for crops, according to analysts and farmers.

"The government has been committing to high quality development of the cotton industry for years, and achieved visible progress in the past year, as fields believed not to be best for the growth of cotton are switched to other crops," said a statement from Beijing Cotton

Outlook Consulting.

She expects output in Xinjiang to fall by 11 per cent in 2023 from last year to 5.57 million tonnes, while China's overall output is expected to fall by 11.8 per cent from 2022 to 5.98 million tonnes.

Beijing has ramped up efforts in recent years to increase grain production amid concerns over food security, including a nationwide campaign to reclaim farmland and adjust the crops that are sowed.

The shrinking cotton acreage is also in line with the global trend as farmers opt to grow less after an increase in costs and fall in prices reduced profits last year, added Beijing Cotton Outlook Consulting.

Extreme weather, including heavy wind and rain, in the spring and a month-long heatwave in the past month, may contribute to a fall in yield in parts of Xinjiang.

"Europe and North America

used to be the major market for our high-end yarn, but now it's going to domestic factories or those in the Middle East and Africa, where they are sold at a lower price. Therefore profits are becoming smaller," said Tiemenguan farmer Jin.

China has been losing its global market share in apparel, according to the World Trade Organization's "World Trade Statistical Review 2023". Apparel exports from China accounted for 31.7 per cent of the world's total by value last year, down from around 38 per cent during the 2015-18 period, the review showed. Despite remaining as the world's leading apparel exporter, shipments from China grew by just 3.6 per cent by value last year, lower than the 5 per cent global average growth, it added.

Source: SCMP

India to extend QCO on cotton for one year

India has decided to extend the Quality Control Order (QCO) on cotton for an additional year in response to strong protests from the ginning industry. Initially, the Indian government had granted a three-month extension until November 2023. Organizations representing the ginning industry had called for a complete rollback of the stringent quality control measures.

As per a notification issued by the Ministry of Textiles, the implementation date for the Cotton Bales (Quality Control) Order 2023 has been pushed to August 27, 2024, from its original date of August 28, 2023. The ginning industry had raised objections primarily due to the rigorous standards imposed by the quality control order. The situation was further complicated because the QCO mandates significant investments in modern machinery, and the ginning industry is predominantly composed of Micro, Small, and Medium-sized Enterprises (MSMEs) that typically operate with basic machinery.

These MSMEs encounter challenges in upgrading their facilities to meet the modernization requirements imposed by the order. Various industry bodies, including the Cotton Association of India (CAI), and other industry organizations had sought a two-year extension, arguing that implementing the QCO in its entirety all at once would be impractical.

Source: Textile today

<https://vcosa.vn>

<https://vietnamyarnprice.com>

Power of AI technology in the textile sector



Artificial intelligence is a computer system that imitates human intelligence processes. It can create precise solutions by simulating human systems of thought or action. Since the pandemic, almost all industry's work has gone digital.

AI is currently used to enable digitization, increase demand for quality products and drive efficient business growth. The textile industry is also slowly adopting AI and automation to transform their production processes, manufacturing, customer relations, etc.

Our textile industry activities are divided into specific segments. We need some skilled manpower to work on this type of work. Besides, there are constant changes in the design field based on demand. In that case, the inability of someone to understand the new design can bring big problems.

Besides, the works of the textile industry are very delicate; so many

times people make mistakes. But automated machines with artificial intelligence are less likely to make mistakes. Besides, the population is constantly increasing; it is essential to increase production to meet their needs.

But when man-operated, both increasing and decreasing production in those areas is problematic. Because people cannot work more than the

prescribed speed. But using artificial intelligence machines does not have to face these problems. So today, processes are automated with the help of modern technologies like AI to perform human tasks more efficiently and faster.

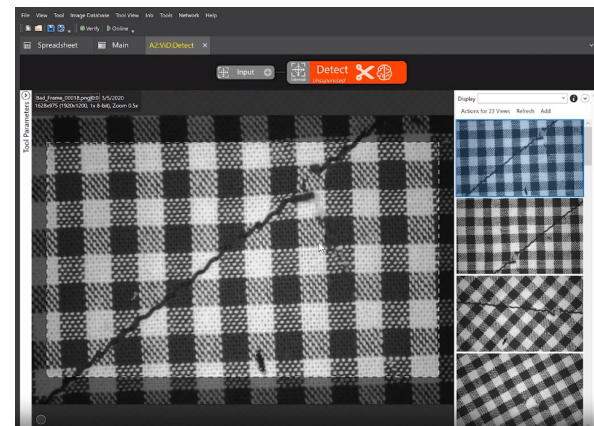
How can the application of artificial intelligence change the textile industry?

Fabric Pattern Inspection

Some AI techniques like Artificial Neural Networks can be used to detect defects in various processes such as fabric inspection, knitting, weaving. Inspection of fabric patterns at various stages like knitting, braiding, weaving etc. by AI techniques helps reduce the workload and reduce pattern

errors with precision.

Also an AI-enabled view-based inspection can improve efficiency and reduce human error. An example of AI technology is Cognex ViDi which can automatically check fabric patterning.



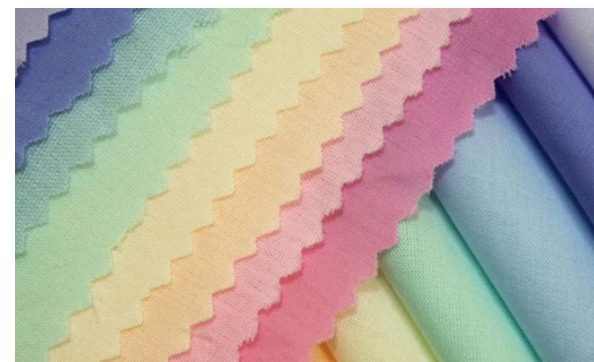
Color Management

Color matching is another area where artificial intelligence is being used in the textile industry to ensure that the original color design matches the color of the finished textile. The Color of any product is an important factor in the textile industry.

The Appearance of a

textile product indicates its quality. If the color of the product is not correct, it is judged as unsatisfactory.

To solve this problem, AI techniques can be used which helps in improving accuracy and efficiency.

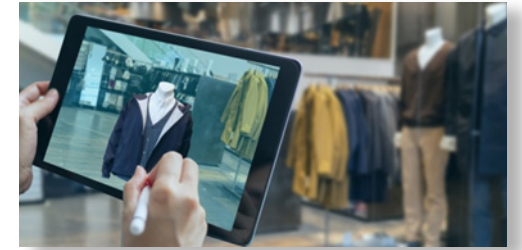


AI in Design

Designers in the textile industry can use AI to create new designs. Designers working with AI analyze data about customer preferences and trends to create new ideas that are more likely to

sell well.

AI's speed and efficiency allow designers to create designs faster and more cheaply.



Yarn Manufacturing

Manufacturing has been completely transformed by the use of AI in almost every process of yarn production, from blow room, carding, drawing to packing.

AI-based control panels have also helped in increasing the quality and reducing the cost of production by

setting all the necessary parameters of production.

Yarn grading errors have been reduced through the application of artificial intelligence which has enabled better fabric grading. As a result, the physical properties of the textile are improved.



Quality Control

Quality control is traditionally achieved through physical inspection of skilled workers in the textile industry. There are many uses of AI to ensure uniformity and quality in this sector such as yarn manufacturing and garments.

Top production and quality are ensured with the latest machines and technologies like TPI Tester, Autoburst 70, Digital Tachometer

CE, Moisture Meter Digital and Stroboscope.

Premier Art-II instruments are used to test raw cotton properties like MIC, color, length, strength, uniformity etc. Uster Tetser-6 is a complete test center system used for process measurement and control from carding to winding.



Sales and Marketing

The use of AI in sales and marketing of textile products has become increasingly important in today's fast-paced business environment. Using AI in sales can analyze large amounts of customer data to identify potential customers.

Also facilitates the sales process by promoting products to customers. It uses software tools that process large datasets to save time, sell efficiently and increase conversions.



Fabric Grading

Various AI techniques in the textile industry have enabled excellent fabric grading processes for consistent results.

For example, through the use of

artificial neural networks it will be possible to accurately measure the fineness, strength and length of the fiber.



AI in Pattern Generation

An important step in textile production is pattern making which enables computerized pattern making by designers. Designers help design the structure of the pattern and also provide 3-D images of the fabric and design which makes visualization

easier.

CAD software is used in the textile industry for digitizing, pattern making, grading and marker planning which helps in increasing productivity and improving product quality.



Supply Chain Management

Supply chain management in fashion integrates various business processes, activities, information and resources. Standard supply chain management provides a smooth flow of materials between retailers and manufacturers that can manage costs and business competitiveness.

Hence it requires large storage space, transportation, a well-equipped warehouse, documentation etc. AI-enabled technologies such as NLP, virtual assistance; AI robotics etc. can help automate transportation and packaging in the textile industry.



Challenges

Although the use of artificial intelligence is very beneficial for our textile industry but still it has some disadvantages. The biggest problem is that many people involved in the textile industry will lose their jobs. In addition, there is a shortage of skilled manpower in the use of artificial intelligence machines. These are the issues to be faced in the use of artificial intelligence in the textile industry.

As a solution to these problems, first of all we have to arrange employment in other industries or elsewhere for the manpower involved in the textile industry whose jobs will be reduced due to the use of artificial intelligence. Secondly, those who do not have the skills to use artificial intelligence should be trained through various workshops.



Conclusion

Artificial intelligence in the textile industry brings cutting-edge revolution and disruption by integrating features such as quality, production, cost, applied mathematical methods management, information, just-in-time manufacturing and digital integrated manufacturing.

and accuracy in operations which leads to improved profitability. It will be used more in the future.

This changing sector is using artificial intelligence to keep pace with the latest trends and developments that will enable the textile industry to move forward internationally.

Artificial intelligence is already proving to be very useful in the industry helping to drive greater efficiency

Source: Textile focus

Extreme heat and flooding could cost apparel industry heavy

A new report by Cornell University's Global Labor Institute and Schrodgers reveals that extreme heat and flooding are threatening the growth of the apparel industry. The research finds that these climate risks could result in significant disruption days and production losses, slowing down the industry's growth and putting \$65 billion worth of apparel exports at risk - equivalent to a 22% decline - between now and 2030 for four countries (Bangladesh, Cambodia, Pakistan and Vietnam).

Delhi, Bangkok and the Dongguan-Guangdong-Shenzen regions of China all stood out for their vulnerability.

In addition to the economic impacts, the report also highlights the human cost of climate change for apparel workers. Heat and flooding can have a serious impact on worker health and safety, leading to illnesses, injuries and lost wages.

The report calls for brands, investors and regulators to take action to address these risks, including supporting adaptation measures, developing regulations that include standards and protocols for heat and flooding, and ensuring that social protection systems are in place for workers.

It also shows that heat and flooding will result in nearly 1 million fewer jobs created, due to slower growth from lost production.

The report also finds that heat and flooding risks are a widespread issue and not limited to the four countries mentioned above. Researchers analyzed the climate-vulnerability of 32 apparel production hubs and found that exposure to these risks is widespread. Specifically, Colombo, Managua, Chittagong, Port Louis (Mauritius), Yangon,

The report's findings are a wake-up call for the apparel industry. Climate change is a real and present danger, and the industry must take steps to mitigate its risks. By taking action now, the industry can protect its workers, its profits, and its future.

Source: Fashionating world

US apparel imports drop by 22.88% in Jan-Jul 2023



In the first seven months of the current year, worldwide imports of apparels by the US declined 22.28 percent to US \$45.74 billion, as against \$58.85 billion in the comparable period of the previous year.

US clothing imports from its biggest source China reached \$9.12 billion between January and July 2023, compared to \$12.80 billion in the same months of 2022.

Imports from Bangladesh, the second biggest source, totaled \$4.56 billion during the period under review as against \$5.69 billion in the corresponding period of 2022.

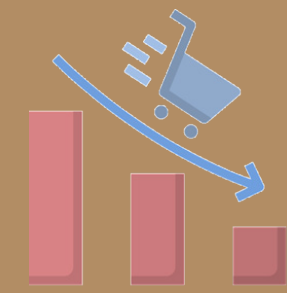
"Shipments from Vietnam stood at \$8.21 billion during the first seven months of 2023, which was \$10.91 billion between January and July 2022," according to US Department of Commerce's Office of Textile and Apparel data.

Garment imports from India in the period between January to July of 2023, declined to \$2.91 billion, when compared with \$3.69 billion in similar months of the earlier year.

US apparel shipments from Indonesia dived 27.26 percent year on year to \$2.47 billion during the January-July 2023 period.

US shipments of clothing from Cambodia slipped sharply by 32.10 percent from a year ago period to \$1.79 billion in the months under review.

Source: Textile today

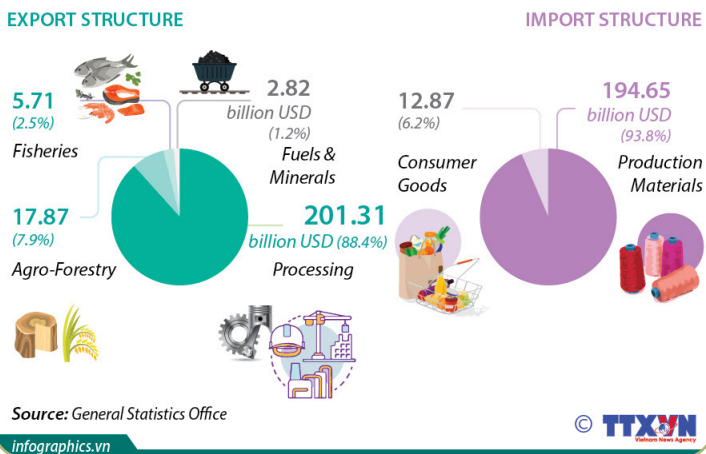
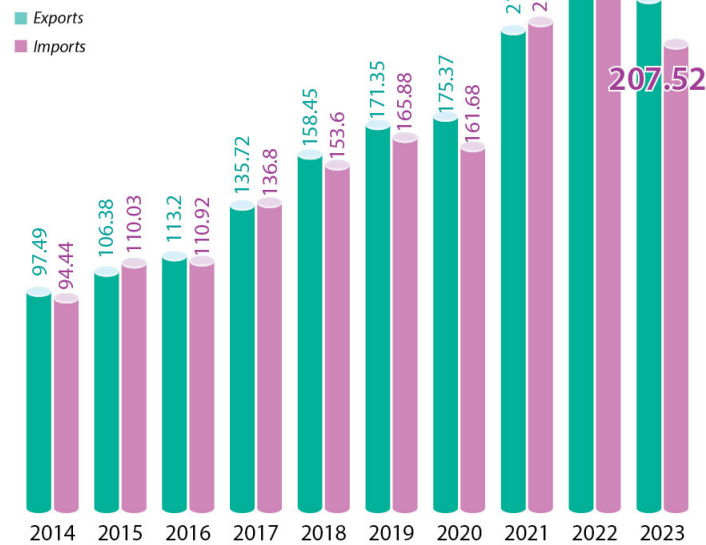


NATIONAL NEWS

FIRST 8 MONTHS OF 2023 TRADE SURPLUS AT 20.19 BILLION USD



IMPORT-EXPORT REVENUE IN FIRST EIGHT MONTHS OVER YEARS (billion USD)



Merchandise export and import clearly show signs of recovery



Merchandise export and import activities have shown signs of steady recovery recently. (Source: VnEconomy)

In recent economic update for August 2023, the World Bank in Vietnam reported that economic indicators show exports and imports of goods continued to decline in August by 7.3% and 8.1%, respectively, compared to the same period last year.

The decline in exports was due to decreases in key manufactured exports such as smartphones (-14.6%), machinery (-17.9%), textiles and garments (-17.8%) and footwear (-19.3%). The falling exports directly impacted imports of raw materials and inputs, leading to declines in textile, electrical equipment and machinery imports as well.

“However, monthly export and import activities have seen continuous improvements since May, indicating export declines may have bottomed out,” - the report noted.

Merchandise export and import activities have shown signs of steady recovery recently. According to Vietnam Customs, the country’s total export turnover in the second half of August (16-

31/8) reached US\$18.23 billion, rising as much as 26.2% (an increase of \$3.79 billion) compared to the first half of August 2023.

Export turnover in the second half of August increased over the first half for some major export groups such as: machinery, equipment, tools and parts up \$545 million (up 35.6%); computers, electronic products and components up \$525 million (up 22.1%); textiles and garments up \$347 million (up 22.4%); phones and components up \$309 million (up 12.8%); steel of all kinds up \$239 million (up 102%); marine products up \$125 million (up 33.9%); fruits and vegetables up \$109 million (up 61%)...

Thus, by the end of August, Vietnam’s total export turnover reached \$228.17 billion, still down 9.8%, equivalent to a decrease of \$24.79 billion compared to the same period in 2022. However, the rate of decline has been lower than in previous months.

Source: International Newspaper

HSBC: Vietnam continues to top region with FDI attraction



Production of textile and garment at a foreign invested company.

Since Vietnam’s renovation reforms in 1986, the country has received substantial FDI inflows, turning itself into a rising star in the global manufacturing supply chain.

Despite severe trade challenges, Vietnam continues to be on the frontline to absorb quality FDI. This information was reported in the Asean Perspectives, released by HSBC on Tuesday (12/9).

According to HSBC economists, ASEAN attracted a record high of almost 17 per cent of global FDI in 2022, nearly double from four years ago. This achievement is a clear reflection of ASEAN’s strong fundamentals, favourable demographics, and competitive supply chains.

That said, it is worth noting that not everyone benefits to the same extent. Over 65 per cent of the region’s FDI has poured into Singapore, equivalent to as much as 25 per cent of its GDP on average. But this is in part due to its strategic position as a key

financial centre.

Malaysia and Vietnam have gained substantial FDI. As an example, new FDI into Vietnam’s manufacturing sector so far this year is already more than in each of the past three years. Indonesia’s FDI has not yet picked up notably, but its industrial transformation is gathering investor attention.

There are two obvious supply chains benefitting the most: the tech industry and electronic vehicles (EV). Singapore, Malaysia and Vietnam are three outperformers in the former, while Indonesia and Thailand are key beneficiaries in the latter.

To see the power of FDI, Malaysia now has a 45 per cent global market share in a semiconductor subsector. Outside of manufacturing, ASEAN’s financial services have gained

momentum, but this is mostly geared to Singapore.

When thinking of FDI and the benefits it can deliver, Vietnam naturally stands out. Since Vietnam’s renovation reforms in 1986, the country has received substantial FDI inflows, turning itself into a rising star in the global manufacturing supply chain. While much of the investment initially entered the lower value-add textile and footwear space, Vietnam has quickly climbed up the value chain, growing into a key hub for electronics assembly.

Much of the success in tech is thanks to Samsung’s multi-year FDI roadmap in Vietnam: with an investment of US\$18 billion over the last two decades, half of Samsung’s global smartphone production is from Vietnam. This has also incentivised other

tech giants, particularly Apple, to expand their operations.

Despite severe trade challenges, Vietnam continues to be on the frontline to absorb quality FDI. Greenfield FDI rose 40 per cent year-on-year in the first eight months of 2023, with manufacturing alone accounting for 85 per cent of new FDI.

In particular, new FDI into manufacturing YTD has surprisingly exceeded that for the whole year in each of the past three years. Despite a trade downturn, the trend provides hope for Vietnam to see a strong rebound when the cycle turns.

Traditionally, intra-ASEAN, the US and the EU have been early movers of investing in ASEAN. In the manufacturing space,

ASEAN's backbone of FDI, has seen heavy influence from Japanese and Korea investors. The former has turned Thailand into a regional hub for automobiles, and the latter has transformed Vietnam into an emerging centre for consumer electronics.

China, compared to others, is no doubt a late comer. That said, China has been expanding its investment footprint to ASEAN and catching up with peers swiftly. While the US and the EU remain two sizeable investors, they are largely important sources for the



Vietnam continues to top region with FDI attraction (Photo: VNA)

financial sector and manufacturing, typically geared towards advanced manufacturing.

Source: VNS

Three additional countries have been granted preferential import-export tax treatment under the CPTPP Agreement

Decree No. 68/2023/ND-CP has added Malaysia, Chile and Brunei to be eligible for Vietnam's preferential export tax and special preferential import tax rates under the CPTPP agreement period from 2022 to 2027.



Malaysia, Chile and Brunei will be eligible for preferential export and import tax rates according to the CPTPP agreement from 2022 to 2027.

The government issued Decree No. 68/2023/ND-CP on September 7, 2023 amending and supplementing some articles of Decree No. 115/2022/ND-CP dated December 30, 2022 by the Government promulgating the Schedule of Vietnam's Preferential Export Tax and Special Preferential Import Tax to implement the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) for the period 2022-2027.

Specifically, Decree No. 68/2023/ND-CP adds Malaysia, Chile and Brunei to be eligible for Vietnam's preferential export tax and special preferential import

tax rates to implement the CPTPP agreement period from 2022 to 2027.

Decree No. 68/2023/ND-CP takes effect from the date of signing (September 7, 2023).

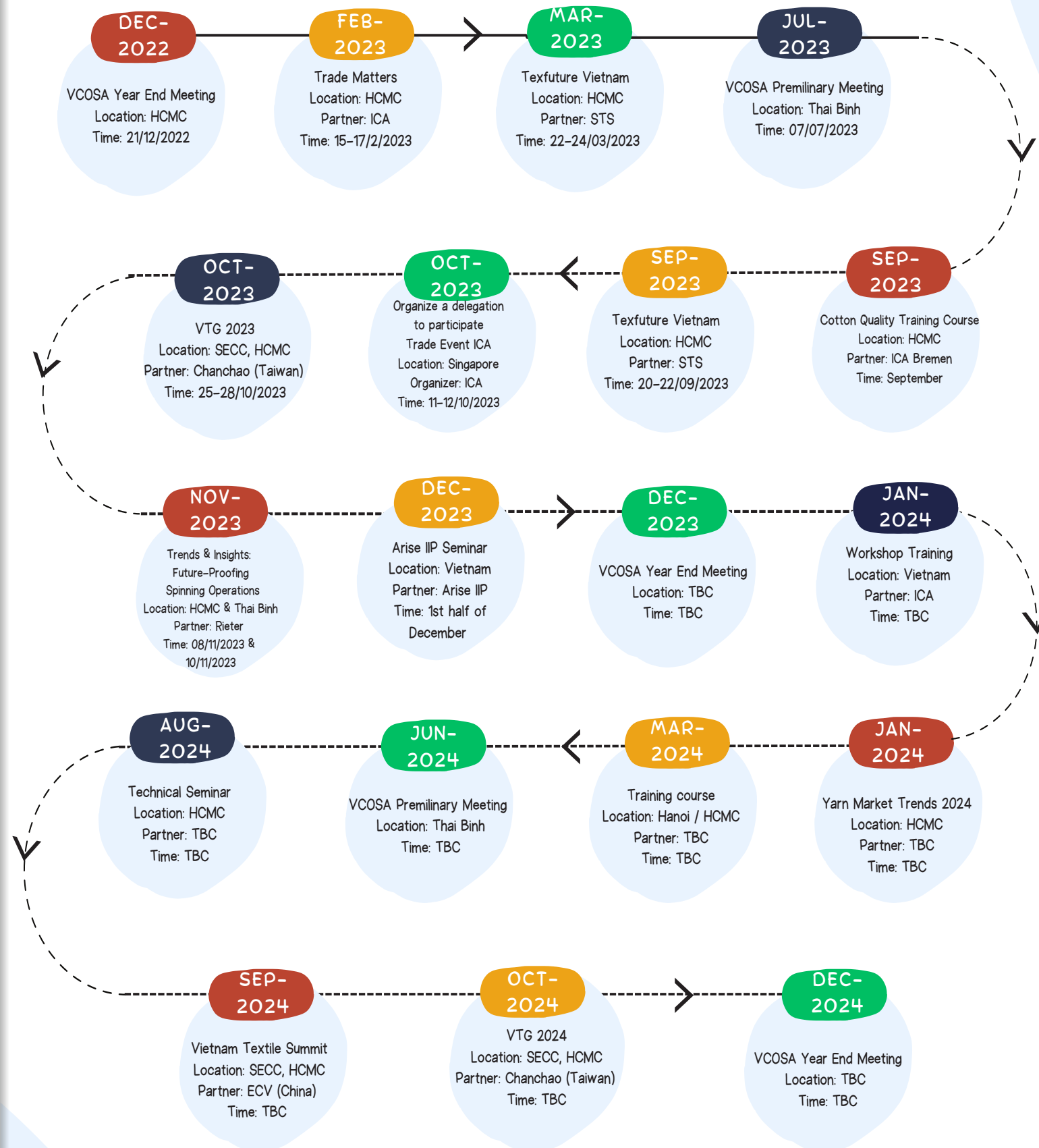
Decree No. 68/2023/ND-CP clarifies that for customs declarations of goods exported from Vietnam to Malaysia or imported into Vietnam from Malaysia registered from November 29, 2022 to before September 7, 2023; for customs declarations of goods exported from Vietnam to the Republic of Chile or imported into Vietnam from the Republic of Chile registered from February 21, 2023 to before September 7, 2023;

for customs declarations of goods exported from Vietnam to Brunei or imported into Vietnam from Brunei registered from July 12, 2023 to before September 7, 2023, if they fully meet the conditions to enjoy the preferential export tax and special preferential import tax stipulated in Decree No. 115/2022/ND-CP dated December 30, 2022 of the Government, Decree 68/2023/ND-CP and have paid tax at a higher rate, the customs authorities will process the overpaid tax amount according to regulations of tax management law.

Source: BNEWS

VCOSA EVENT TIMELINE

VIETNAM COTTON & SPINNING ASSOCIATION



ORBIT RING-TRAVELER SYSTEM

The reference to spin faster and better

The key to success of a ring spinning mill lies in its ability to produce flawless quality with the highest possible production speed. Selecting the best ringtraveler system is crucial here. ORBIT allows exceptional speeds above 23 000 rpm without compromising quality.

When the spindle speed is increased, the frictional power between the ring and the traveler, and thus the heat generation, increases exponentially. When speeds are too high, C-shaped travelers are therefore thermally damaged and fail.

Increase in speed and production

The ORBIT features a large contact surface between the ring and the traveler (Fig. 1), which is four to five times bigger than that of a T-flange ring. This drastically reduces the pressure and thus the heat generation. It also provides more stable running conditions and allows the traveler weight to be reduced, so speeds above 23 000 rpm can be reached.

The size of the yarn passage also plays an important role (Fig. 1), especially when processing man-made fibers which are prone to heat damages. The ORBIT ringtraveler system benefits from a large yarn passage which minimizes thermal damages for better yarn quality.

Zero compromise on quality

The large contact area of ORBIT between the ring and traveler contributes to the gentle handling of fibers. The stable running conditions coupled with the reduced surface pressure and the optimal heat conduction result in low yarn breakage rates. Recent tests (Fig. 2) conducted at spinning mills across the world confirm that even at higher speeds, the ORBIT shows better results in yarn quality than traditional systems.

Often imitated but never duplicated, the ORBIT ring-traveler system (Fig. 3) is the reference for spinning at the highest speed. With a wide scope of applications for all kinds of fibers, with yarn counts between Ne 20 and Ne 80, the ORBIT ring-traveler system is the solution to reach higher production and, in some cases, even better quality.

About Rieter

Rieter is the world's leading supplier of systems for short-staple fiber spinning. Based in Winterthur (Switzerland), the company develops and manufactures machinery, systems and components used to convert natural and man-made fibers and their blends into yarns. Rieter is the only supplier worldwide to cover both spinning preparation processes and all four end-spinning processes currently established on the market. Furthermore, Rieter is a leader in the field of precision winding machines. With 17 manufacturing locations in ten countries, the company employs a global workforce of some 4 900, about 18% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. www.rieter.com

About Bräcker

Bräcker, the world's leading supplier of rings and travelers for ring spinning systems, is a subsidiary of the Rieter Group. Bräcker, based in Pfäffikon ZH (Switzerland), creates customer value through system expertise, innovative solutions, after sales excellence and global presence. The company manufactures its main products – rings and travelers for ring spinning machines – in Pfäffikon and Wintzenheim (France). In addition, Bräcker offers grinding machines used for maintenance of cots. www.bracker.ch

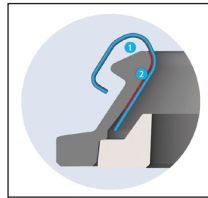


Fig. 1: With its large yarn passage (1) and contact area (2), the design of the ORBIT ring-traveler system allows exceptional speeds above 23 000 rpm without compromising quality. PP-ID: 96537

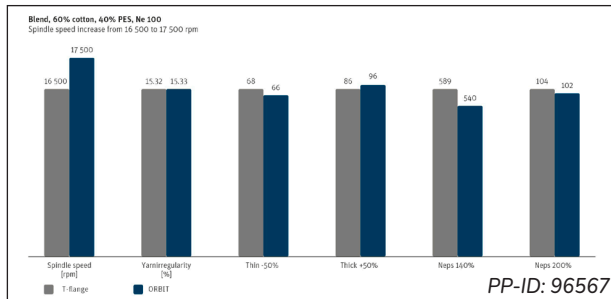
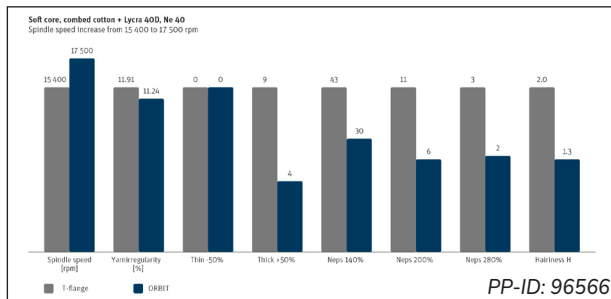
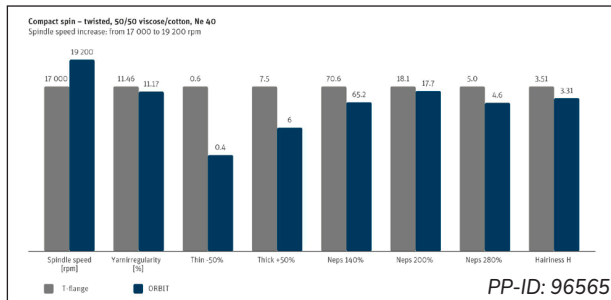


Fig. 2: Recent tests conducted at spinning mills across the world confirm that even at higher speeds, the ORBIT shows better results in yarn quality than traditional systems.



Fig. 3: ORBIT allow speeds above 23 000 rpm without ever compromising on quality. PP-ID: 96499

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Make the Difference

SFB Ring and Ring Traveler System

At highest speed to best yarn quality

VCOSA'S ACTIVITIES

- On September 8, 2023, VCOSA participated in the Business Association Federation's meeting with the topic "UPDATE ON MACROECONOMIC / BUSINESS SITUATION & DISCUSSION ON SUPPORTING PRIVATE ENTERPRISES IN Q4 2023" presided over by PSD Committee in Hanoi. The meeting revolved around updating issues, forecasting the economic/business situation for the last three months of the year, and discussing the directions for supporting private enterprises in Q4/2023.



Mrs. Pham Thi Ngoc Thuy, Executive Director of PSD Committee and Mr. Nguyen An Toan, VCOSA's Chairman



Mr. Nguyen An Toan, VCOSA's Chairman shared at the meeting

- Later that day, VCOSA joined an online meeting with Mr. Tran Phu Son, Head of Representative Office in Hanoi - Industrial Growth Platform, Inc (IGPI), to further discuss collaboration in organizing programs such as trade shows, exhibitions, seminars, etc., combining introductions and seeking partnerships to expand the Japanese market for VCOSA' members.
- On September 9, 2023, at the invitation of His Excellency Marco Farani, Ambassador Extraordinary and Plenipotentiary of Brazil to Vietnam, and Mrs. Donatella Natili, Mr. Nguyen An Toan, VCOSA's Chairman, attended the high-level diplomatic reception at the Brazilian Embassy and the concert commemorating the 201st National Day of the Federative Republic of Brazil, held at the Hanoi Opera House.



The Brazilian Ambassador to Vietnam, H.E. Mr. Marco Farani, and Mrs. Donatella Natili, along with senior officials of the Brazilian Embassy welcoming Mr. Nguyen An Toan, VCOSA's Chairman to the event.



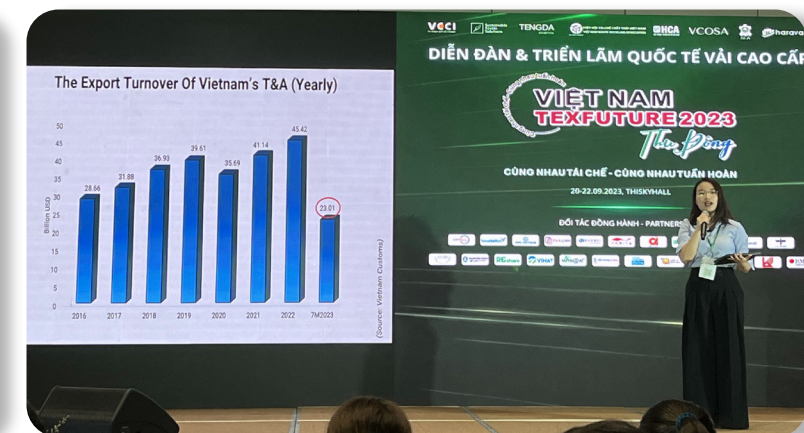
- On September 11, 2023, VCOSA organized an online meeting with OE spinning companies to discuss and agree on opinions and proposals regarding the HS code application for imported cotton as raw material for OE yarn production. On September 15, 2023, the document was sent to relevant authorities (contact VCOSA to receive a scanned copy of the official letter). The objectives were: (1) to assist OE spinning companies in Vietnam in not incurring additional cost burdens during the import procedures and licensing for these raw materials and (2) to propose specific and detailed regulations for relevant agencies to ensure consistent implementation by enterprises, avoiding waste of time and resources for all parties involved.
- On September 18, 2023, VCOSA continued to participate in a series of meetings with Illies Vietnam to discuss and develop a seminar program aimed at providing valuable information to the fiber, yarn, and textile industry in Vietnam. The event is scheduled to be held in two venues, Ho Chi Minh City and Thai Binh, in November 2023.
- On September 20, 2023, as a co-organizer, VCOSA participated in the opening ceremony of the **Texfuture Fall Winter 2023 premium fabric exhibition** held at THISKYHALL Conference Center. On the second day of the exhibition (September 21, 2023), Ms. Duong Thuy Linh, VCOSA Vice General Secretary and Head of External Relationships delivered a speech at the conference regarding the current situation of the textile and garment industry, the operational status of the spinning industry in Vietnam, and the forecasts for the second half of 2023 for T&A Industry in Vietnam.



Mr. Nguyen An Toan, VCOSA's Chairman and other organizations' leaders at the opening ceremony of the Texfuture Fall-Winter 2023 exhibition



VIP delegation attended the tour at the exhibition



Ms. Duong Thuy Linh, VCOSA's Vice General Secretary and Head of External Relationships delivered a speech at the seminar at the exhibition

- On September 22, 2023, in accordance with the authorization of the Chairman, Ms. Do Pham Ngoc Tu, Vice Chairman and Secretary-General of VCOSA, received a delegation from the Non-Governmental Organizations Department (NGOD) for inspection, following the report outline attached to the Plan No. 114/QD-BNV dated February 23, 2023, by the Ministry of Home Affairs. Mr. Ta Tan, Deputy Head of the NGOD and Head of the inspection delegation, concluded during the meeting, encouraging and motivating VCOSA to continue its operations in line with the defined direction and mission.
- On September 26, 2023, VCOSA welcomed representatives from Arise IIP at the headquarters to further discuss the upcoming collaboration plan for organizing a seminar in Vietnam, led by Arise IIP.
- On September 28, 2023, at the Sheraton Hotel, VCOSA attended a meeting with leaders from Cotton USA and representatives from CCI in Vietnam to discuss future collaboration programs between the two parties.
- On September 29, 2023, VCOSA participated in Cotton Day 2023, an event organized by CCI, held at the Sheraton Hotel.

Warmly welcome new member joining VCOSA in September 2023:



THAI PHUONG PRODUCTION AND TRADING CO., LTD.

HOẠT ĐỘNG BÊN LỀ TRIỂN LÃM FRINGE PROGRAMME



HỘI THẢO VTG

Các chuyên gia và diễn giả hàng đầu trong lĩnh vực sẽ trao đổi về những giải pháp, công nghệ, và kỹ thuật tiếp thị mới nhất.

VTG SEMINARS

The lecture will feature user solutions, the latest technology, and marketing techniques.

RA MẮT SẢN PHẨM MỚI

Đơn vị triển lãm trực tiếp ra mắt và giới thiệu về công nghệ, sản phẩm, và dịch vụ mới nhất đến từ doanh nghiệp.

NEW PRODUCT LAUNCH

Exhibitors alone are eligible to take part as a speaker and present their most recent technology, products, and services.

ĐĂNG KÝ THAM QUAN THEO NHÓM GROUP VISIT

Nếu công ty của bạn có nhóm 20 người trở lên đi tham quan triển lãm, chúng tôi hoan nghênh bạn sử dụng dịch vụ xe đưa đón MIỄN PHÍ. Chúng tôi sẽ sắp xếp phương tiện xe từ công ty của bạn đến triển lãm.

If your company has a group of more than 20 people coming to visit, we welcome you to use our shuttle service.

We will arrange free transportation from your company to the exhibition hall.



Triển lãm Quốc tế lần thứ 21
NGÀNH DỆT MAY VIỆT NAM

VTG

The 21st Vietnam International
Textile & Garment
Industry Exhibition

Thư Mời
Invitation

Trung tâm Hội chợ & Triển lãm Sài Gòn (SECC)
Saigon Exhibition and Convention Center
Tp Hồ Chí Minh, Việt Nam
Ho Chi Minh City, Vietnam

2023 | **25-28**
Oct. 25th - 28th | **Tháng 10**



*Bỏ qua xếp hàng,
Tiết kiệm thời gian!
Skip the queue,
Save your time!*

ĐĂNG KÝ ĐIỆN TỬ E-REGISTRATION

- 1** Quét mã QR code
Scan the QR Code
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Confirm personal basic information and complete the registration procedure
- 4** Xuất trình [Mã QR Chan Chao] của bạn tại quầy Đăng ký trước để nhận thẻ vào cửa
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Thư mời này không thể thay thế vào cửa. Để tiết kiệm thời gian, xin quý khách vui lòng đăng ký trước. This invitation does not guarantee admission. For time-saving, Pre-registration is strongly recommended.

Quy định vào cửa / Admission

Chỉ dành cho khách tham quan thương mại và chuyên ngành. Trẻ em dưới 16 tuổi không được phép vào khuôn viên triển lãm. Trade visitors and professionals only. Children under 16 are not admitted entry.

THÔNG TIN CHUNG GENERAL INFORMATION

Ngày / Date

25/10 - 27/10 09:00 - 17:00
28/10 09:00 - 15:00

Địa điểm / Venue

Trung tâm Hội chợ và Triển lãm Sài Gòn (SECC)
799 Nguyễn Văn Linh, Phường Tân Phú, Quận 7, TP.
Hồ Chí Minh, Việt Nam

Ban tổ chức Organizer

- Ministry of Industry & Trade Vinexad National Trade Fair & Advertising J.S.C (VINEXAD)
- Yorkers Trade & Marketing Service Co., Ltd.

Đồng tổ chức Co-organizer

- Guangdong Sewing Equipment Chamber Commerce
- Hong Kong Apparel Machinery Association
- Paper Communication Exhibition Services

Quản lý chương trình / Show Management

- Chan Chao International Co., Ltd

Đơn vị hỗ trợ chính thức / Official Supporters

- Vietnam Cotton & Spinning Association (VCOSA)
- Association of Garment-Textile-Embroidery-Knitting in HCM City (AGTEK)
- Vietnam Association of Mechanical Industry (VAMI)

VCOSA

HẠNG MỤC TRIỂN LÃM EXHIBITION PROFILE



- Máy dệt và phụ kiện
- Máy may và phụ kiện
- Thiết bị in ấn
- Da giày

- Textile Machinery & Accessories
- Garment Machinery & Accessories
- Printing Equipment
- Footwear



- Tơ sợi, sợi filament, sợi dệt
- Vải chế biến
- Vải theo cấu trúc
- Các loại phụ kiện

- Fibers, Filaments, Yarns
- Fabrics by Processing
- Fabrics by Structural
- Accessories



- Thuốc nhuộm
- Bột màu hữu cơ
- Trợ chất dệt nhuộm
- Hoá chất dệt may
- Dụng cụ và thiết bị

- Dyestuff
- Organic Pigment
- Auxiliary
- Textile Chemical
- Instruments & Equipments

REPORT AND DATABASE

1. Monthly Import Statistics

Items	Aug-2023		Compared to the previous month (%)		8 months 2023		Compared to the same period last year (%)	
	Qty (1,000 MT)	Value (Mil. USD)	Qty	Value	Qty (1,000 MT)	Value (Mil. USD)	Qty	Value
Cotton	121.9	245.2	-6.0	-8.0	880.7	1,916.7	-4.3	-24.8
Fiber & Yarn	84.6	181.4	8.1	8.5	672.7	1,416.1	-8.1	-23.8
Fabric	-	1,084.0	-	11.4	-	8,478.0	-	-17.8
Accessories	-	538.1	-	5.6	-	3,931.6	-	-15.3
TOTAL	-	2,048.6	-	4.4	-	15,742.4	-	-20.4

According to the latest customs data, Vietnam's cotton imports in August saw a decrease both in volume and value compared to the previous month. Specifically, the volume of cotton imports in the month reached 121.9 thousand tons, marking a 6.0% decrease compared to July. In terms of value,

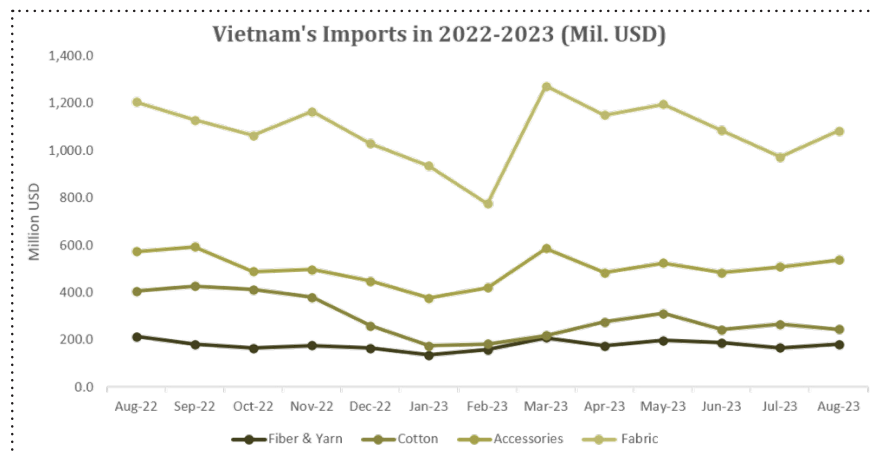
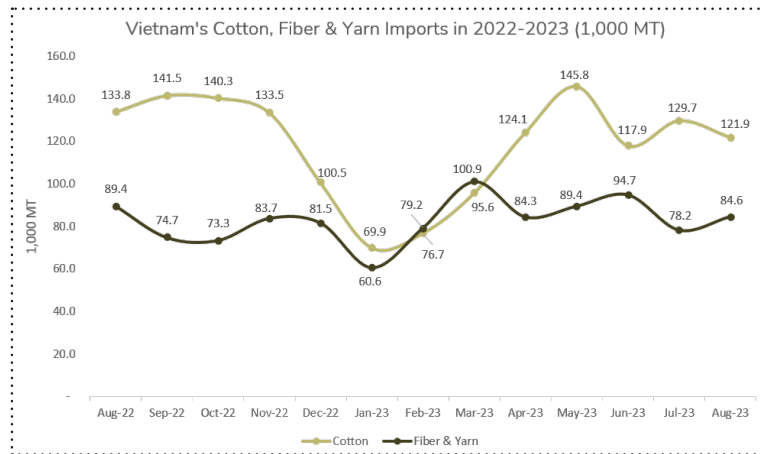
cotton imports were estimated at 245.2 million USD, an 8.0% decrease from the previous month.

Notably, while cotton imports decreased, fiber and yarn imports increased during the same period. Specifically, the volume of fiber and yarn imports reached 84.6 thousand tons in August, showing an 8.1% increase compared to the previous month. In terms of value, there was also an 8.5% increase, totaling 181.4 million USD.

In the first eight months of 2023, both cotton and fiber/yarn imports recorded decreases in volume and trade value compared to the same period last year.

- Cotton imports in the first eight months of the year reached 880.7 thousand tons, down by 4.3% compared to the same period last year. In terms of value, cotton imports amounted to 1.916 billion USD, showing a more significant decrease of 24.8% compared to the first eight months of 2022.
- Fiber and yarn imports reached 672.7 thousand tons, representing an 8.1% decrease. The value of fiber and yarn imports also decreased by 23.8%, reaching 1.416 billion USD.

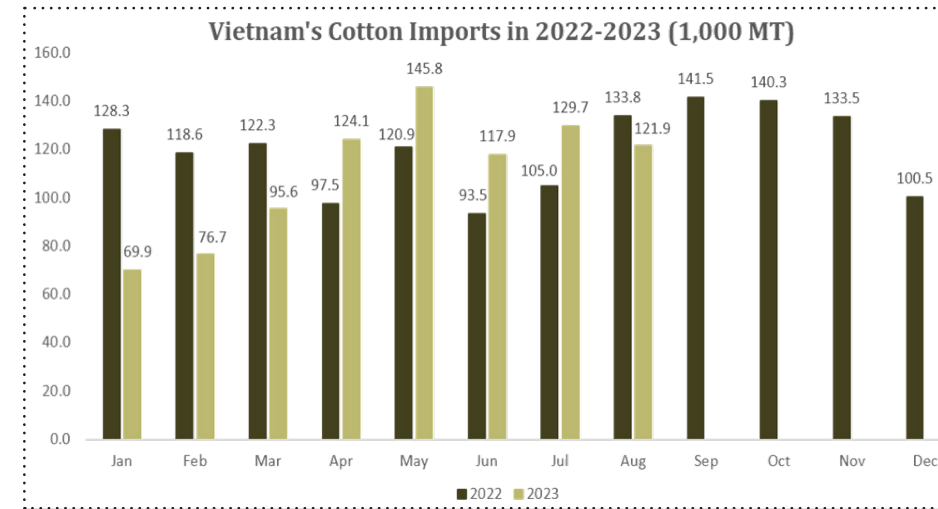
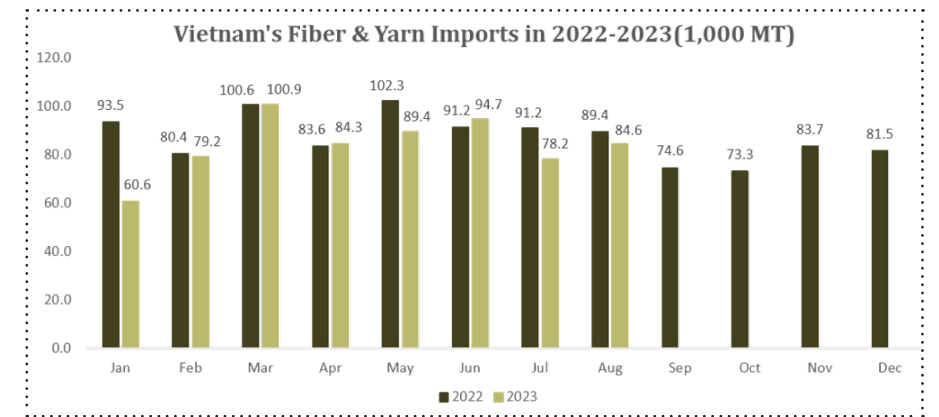
Cotton imports in August reached 121.9 thousand tons, reflecting a 6.0% decrease compared to July. Meanwhile, fiber and yarn imports in August saw a notable increase of 8.1% compared to July, totaling 84.6 thousand tons.



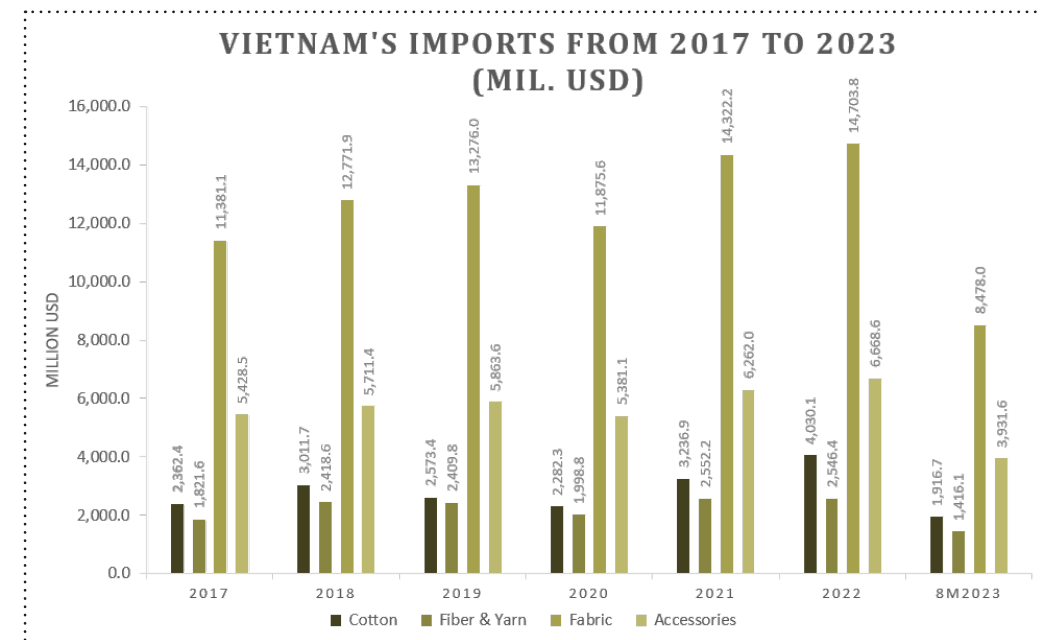
In general, imports of textile raw materials increased compared to the previous month, with the exception of cotton.

- Fiber and yarn imports surged by 8.5% to reach 181.4 million USD.
- Cotton imports, on the other hand, decreased by 8% to 245.2 million USD.
- Imports of raw materials and accessories for textile, leather and footwear industry saw a 5.6% increase, totaling 538.1 million USD.
- Fabric imports soared by 11.4% to the highest level at 1.084 billion USD.

Preliminary statistics reveal that in August 2023, Vietnam imported 84.6 thousand tons of fiber and yarn. Compared to the previous month, this import volume increased by 8.1%. However, when compared to the same period last year, it decreased by 5.4%.



In August 2023, Vietnam imported 121.9 thousand tons of cotton, marking a 6% decrease compared to the previous month and an 8.9% decrease compared to the same period last year.



Imports of several key textile raw materials for Vietnam's textile and apparel industry have shown signs of decline in the first eight months of 2023 amid the global economic backdrop influenced by inflation and other factors.

Specifically, the trade value of cotton imports amounted to 1.916 billion USD, marking a significant 24.8% decrease compared to the same period last

year. Similarly, fiber and yarn imports saw a decline of 23.8%, totaling 1.416 billion USD.

For fabrics, the trade value of imports reached 8.478 billion USD, indicating a decrease of 17.8%. Meanwhile, materials for the textile, leather, and footwear industries also experienced a 15.3% decrease, reaching 3.931 billion USD.

1.1. Raw cotton imports are starting to rise once more

According to statistics from the General Department of Customs, cotton imports to Vietnam in July 2023 amounted to 129.69 thousand tons, with a total value of 266.43 million USD. This represents a 10% increase in volume and a 9.6% increase in value compared to June 2023. However, when compared to July 2022, there was a 23.7% increase in volume but a 14.2% decrease in value.

In the first seven months of 2023, the cumulative cotton imports to Vietnam reached 759.29 thousand tons, valued

at 1.67 billion USD. This indicates a 3.4% decrease in volume and a significant 21.9% decrease in value compared to the same period in 2022.

The consecutive increase in cotton raw material imports, particularly starting from April 2023, can be attributed to the resurgence in global cotton prices, driven by a combination of factors including the weakening of the US dollar and a resurgence in oil prices.

Notably, imports of cotton by foreign-invested enterprises in July 2023 reached 79 thousand tons, valued at 166

million USD. This marks a 14.1% increase in volume and an 11.7% increase in value compared to June 2023. However, when compared to July 2022, there was a 7.4% increase in volume but a 26.7% decrease in value. Over the first seven months of 2023, these enterprises imported 499 thousand tons of cotton valued at 1.14 billion USD, representing a 5% decrease in volume and a 22.4% decrease in value compared to the same period in 2022. These enterprises accounted for 65.8% of the total volume and 68.3% of the total value of cotton imports nationwide.

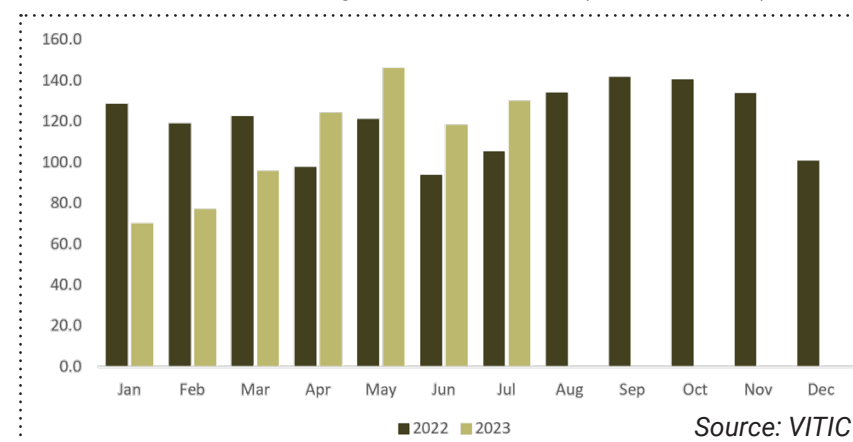
In the first seven months of 2023, Vietnam sourced cotton from 11 markets, which is an increase of one market compared to the same period in 2022. Import volumes of cotton from all major markets to Vietnam showed significant increases compared to the same period in 2022, except for the Brazilian market, which experienced a decrease. Here are the details:

Imports of cotton from the United States, the largest supplier in the first seven months of 2023, reached 338 thousand tons, valued at 747 million USD. This represents an 11.4% increase

81.4% increase in volume and a 25.1% increase in value compared to July 2022.

Additionally, cotton imports from several other markets saw substantial decreases in volume in the first seven months of 2023 compared to the same period in 2022, including a 61.9% decrease from India, a 90% decrease from Argentina, and an 80% decrease from Ivory Coast

Vietnam's cotton imports in 2022-2023 (thousand tons)



in volume but a 15.8% decrease in value compared to the same period in 2022. It accounted for 44.6% of the total cotton imports. In July 2023 alone, cotton imports from this market reached 50.67 thousand tons, valued at 106.34 million USD, reflecting a 28.1% decrease in volume and a 28.7% decrease in value compared to June 2023, as well as a 10.4% decrease in volume and a 38% decrease in value compared to July 2022.

Cotton imports from Australia ranked second, with import volumes reaching 172 thousand tons, valued at 395 million USD. This marked a significant increase of 107.5% in volume and a 70% increase in value compared to the same period in 2022. In July 2023 alone, cotton imports from Australia reached 47.21 thousand tons, valued at 100.94 million USD, indicating a 167.1% increase in volume and a 168.3% increase in value compared to June 2023, as well as an

Vietnam's cotton imports

Country	Jul-2023		Compared to Jun-2023 (%)		Compared to Jul-2022 (%)		7 months 2023		Compared to 7 months 2022 (%)	
	Qty (tons)	Value (1,000 USD)	Qty	Value	Qty	Value	Qty (tons)	Value (1,000 USD)	Qty	Value
Total	129,695	266,439	10.0	9.6	23.7	-14.2	759,292	1,672,484	-3.4	-21.9
USA	50,678	106,348	-28.1	-28.7	-10.4	-38.0	338,397	747,118	11.4	-15.8
Australia	47,215	100,949	167.1	168.3	81.4	25.1	172,365	395,854	107.5	70.0
Brazil	13,965	28,428	30.3	27.4	89.0	28.8	108,389	260,557	-42.7	-48.7
India	6,965	11,211	82.0	81.8	94.9	111.7	33,614	57,005	-61.9	-71.5
Indonesia	306	547	-30.6	-24.4	-3.5	-12.9	3,778	6,403	20.3	44.0
Argentina	388	736	580.7	687.9	-71.6	-81.4	2,982	6,191	-90.9	-92.9
Ivory Coast	675	966	-6.6	-24.6	-50.1	-72.6	3,309	4,965	-80.7	-88.4
Korea	163	432	-65.8	-47.3	-35.6	-11.5	1,808	3,707	6.5	17.2
China	20	23					137	293	-40.2	-35.5
Pakistan	26	29					175	251	-78.4	-79.0

Source: VITIC

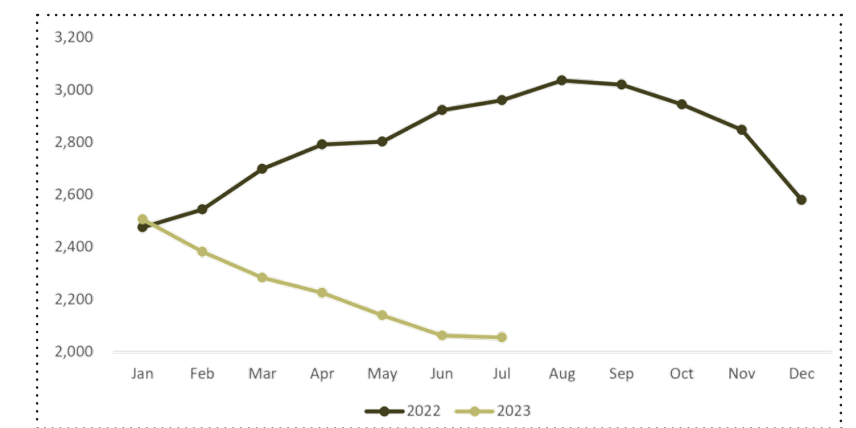
The price of cotton imports into Vietnam in July 2023 stood at 2,054 USD per ton, reflecting a 0.4% decrease compared to June 2023 and a significant 30.6% decrease compared to July 2022.

Therefore, July 2023 marked the eleventh consecutive month of declining cotton import prices into Vietnam since reaching its peak in August 2022.

In the first seven months of 2023, the average price of cotton raw material imports into Vietnam reached 2,203 USD per ton, marking a significant 19.2% decrease compared to the same period in 2022.

Regarding average cotton import prices from major markets in July 2023, there was a slight decrease compared to June 2023, with the exception of cotton import prices from the Argentine market, which increased by 15.7% to 1,897 USD per ton, and cotton import prices from the Indonesian market, which increased by 9% to 1,788 USD per ton.

The average import price of cotton in 2022-2023 (USD/ton)



Import price of cotton

Country	Jul-2023 (USD/ton)	Compared to Jun-2023 (%)	Compared to Jul-2022 (%)	7 months 2023 (USD/ton)	Compared to 7 months 2022 (%)
Total	2,054	-0.4	-30.6	2,203	-19.2
USA	2,098	-0.9	-30.7	2,208	-24.4
Australia	2,138	0.5	-31.1	2,297	-18.1
Brazil	2,036	-2.3	-31.8	2,404	-10.4
India	1,610	-0.1	8.7	1,696	-25.1
Indonesia	1,788	9.0	-9.8	1,695	19.7
Argentina	1,897	15.7	-34.5	2,076	-21.5
Ivory Coast	1,431	-19.2	-45.0	1,500	-40.1
Korea	2,650	53.8	37.3	2,050	10.0
China	1,175		-51.0	2,135	7.9
Pakistan	1,102		-38.2	1,435	-2.7
Taiwan				1,102	

Source: VITIC

In July 2023, the global textile and apparel market showed signs of improvement. According to the Global Textile and Apparel Industry Survey (GTIS), the global textile and apparel industry is on a path to recovery, with low inventory levels and a slight increase in revenue.

The overall improvement in global demand for textiles and apparel has had an impact on

cotton prices. The United States, for example, plans to grant an additional cotton import quota with sliding tariffs of up to 750,000 tons for state-owned companies. This move is expected to further boost demand for cotton in the coming months.

Given the upward trend in global cotton prices, it is anticipated that the prices of cotton raw material

imports into Vietnam will also see slight increases.

Alongside this, the global textile and apparel market is showing signs of revival, indicating that cotton raw material imports into Vietnam are likely to increase in the near future.

1.2. Import prices for fiber remain stable at a low level

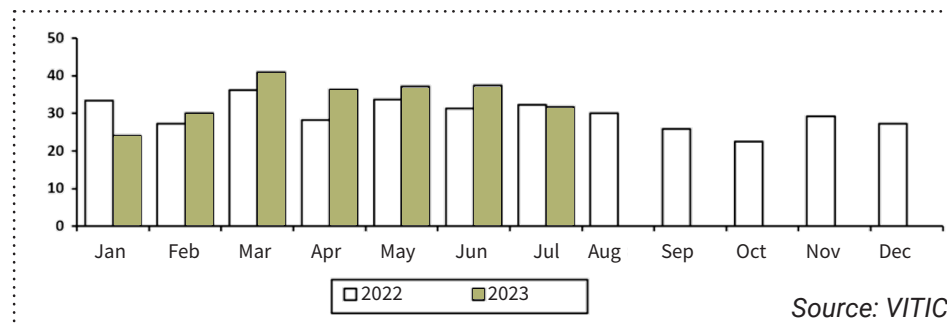
According to statistics from the General Department of Customs, Vietnam imported 30.72 thousand tons of fiber in July 2023, with a total value of 38.59 million USD. This represents an 18.1% decrease in volume and a

17.2% decrease in value compared to June 2023, as well as a 4.8% decrease in volume and a 25.8% decrease in value compared to July 2022.

In the first seven months of 2023, the cumulative fiber raw

material imports into Vietnam reached 236 thousand tons, valued at 306 million USD. This indicates a 6.3% increase in volume but a 3.1% decrease in value compared to the same period in 2022.

Vietnam's fiber imports in 2022-2023 (thousand tons)



Source: VITIC

In the first seven months of 2023, Vietnam imported fiber from 33 markets, which is an increase of 8 markets compared to the same period in 2022. Here are specific details about some of these markets:

China remains the largest supplier of fiber to Vietnam. In July 2023, the volume of fiber imports from China reached 13.62 thousand tons, valued at 15.41 million USD. This marked a significant 29.8% decrease in volume and a 31.5% decrease in value compared to June 2023, as well as a 2.3% decrease in volume and a 25.8% decrease in value compared to July 2022. Over the first seven months of 2023, fiber imports from China into Vietnam reached 112.31 thousand

tons, valued at 130.53 million USD, accounting for 47.5% of the total volume of imports. This represents a 14.2% increase in volume and a 0.6% increase in value compared to the same period in 2022.

Thailand is the second-largest market for fiber imports into Vietnam. In July 2023, fiber imports from Thailand reached 5.6 thousand tons, valued at 6.81 million USD. This indicated a 30.1% increase in volume and a 33.3% increase in value compared to June 2023, as well as a 32.9% increase in volume and a 1.5% increase in value compared to July 2022. Over the first seven months of 2023, fiber imports from Thailand into Vietnam reached 31.8 thousand tons, valued at 38.65

million USD, accounting for 10.2% of the total volume of fiber imports. This represents a 22.3% increase in volume and a 7.6% increase in value compared to the same period in 2022.

Generally, in the first seven months of 2023, fiber imports from the main supplying markets to Vietnam have increased, with the exception of imports from the South Korean market, which decreased by 37.9% in volume. Additionally, it's worth noting that fiber imports from some markets, such as Bangladesh, Austria, and Hong Kong, have shown significant growth in the first seven months of 2023.

Vietnam's fiber imports

Country	Jul-2023		Compared to Jun-2023 (%)		Compared to Jul-2022 (%)		7 months 2023		Compared to 7 months 2022 (%)	
	Qty (tons)	Value (1,000 USD)	Qty	Value	Qty	Value	Qty (tons)	Value (1,000 USD)	Qty	Value
Total	30,727	38,595	-18.1	-17.2	-4.8	-25.8	236,530	306,754	6.3	-3.1
China	13,625	15,416	-29.8	-31.5	-2.3	-25.8	112,313	130,536	14.2	0.6
Thailand	5,604	6,817	30.1	33.3	32.9	1.5	31,815	38,659	22.3	7.6
Korea	2,369	3,460	3.7	-13.4	-56.7	-61.7	15,869	30,191	-37.9	-29.7
Indonesia	1,790	2,030	-51.0	-50.2	25.0	-14.1	24,156	28,226	43.8	27.7
Taiwan	3,014	3,577	19.5	19.5	-19.5	-35.1	20,652	24,361	-36.0	-44.7
Bangladesh	1,012	827	-51.6	-52.5	444.1	394.3	12,718	14,834	977.3	1,285.0
Japan	225	1,039	-32.9	12.2	-65.9	-58.8	2,147	6,076	-0.3	-10.8
Singapore	413	1,026	46.2	35.6	-38.1	-36.2	2,021	5,624	-17.0	-15.8
India	1,280	2,113	354.2	397.5	48.5	80.1	3,415	5,321	-63.5	-50.6
Malaysia	349	441	-42.7	-48.5	-10.9	-12.4	2,540	3,154	16.9	12.6
USA	91	116	135.9	105.7	3,991.2	488.4	907	2,788	89.3	85.5
Austria	106	274	-57.5	-59.3			954	2,434	804.9	554.1
Hong Kong	391	657	-33.7	4.7	11,550.1	980.5	1,344	1,960	293.4	129.8
Greece	190	411	-55.3	-65.5			760	1,955	-13.5	-31.5

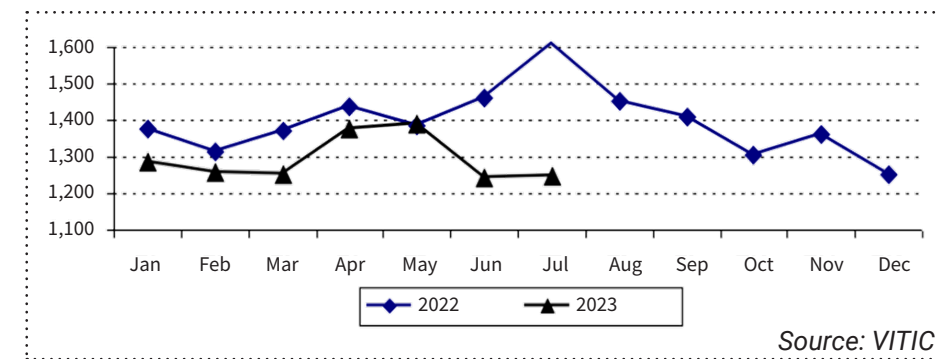
Source: VITIC

In July 2023, the average price of fiber imports into Vietnam reached 1,256 USD per ton, representing a 1% increase compared to June 2023 but

a significant 22% decrease compared to July 2022. Over the first seven months of 2023, the average price of fiber imports into Vietnam reached 1,297 USD

per ton, marking an 8.8% decrease compared to the same period in 2022.

The average import price of fiber in 2022-2023 (USD/ton)



Source: VITIC

Import price of fiber

Country	Jul-2023 (USD/ton)	Compared to Jun-2023 (%)	Compared to Jul-2022 (%)	7 months 2023 (USD/ton)	Compared to 7 months 2022 (%)
Total	1,256	1.0	-22.0	1,297	-8.8
China	1,131	-2.4	-24.1	1,162	-11.9
Thailand	1,216	2.5	-23.6	1,215	-12.0
Korea	1,460	-16.5	-11.7	1,903	13.3
Indonesia	1,134	1.6	-31.3	1,168	-11.2
Taiwan	1,187	-0.1	-19.4	1,180	-13.7
Bangladesh	818	-1.9	-9.2	1,166	28.6
Japan	4,619	67.1	20.7	2,829	-10.5
Singapore	2,487	-7.3	3.1	2,783	1.4
India	1,651	9.5	21.3	1,558	35.3
Malaysia	1,263	-10.0	-1.7	1,242	-3.7
USA	1,279	-12.8	-85.6	3,074	-2.0
Austria	2,583	-4.3		2,552	-27.7
Hong Kong	1,681	57.9	-90.7	1,459	-41.6
Greece	2,161	-22.8		2,574	-20.8

Source: VITIC

On the global market, according to information from the Global Textile Network Information Center (<https://www.tnc.com.cn/info/>), the price of polyester fiber in China has recently increased. It reached 7,500 CNY/ton on August 23, 2023, compared to 7,265 CNY/ton on July 18, 2023.

While the world fiber prices have seen a slight increase, the recovery in demand from the global textile market, along with the broader demand for textile-related raw materials, suggests that the fiber market will likely recover in the near future.

According to the International

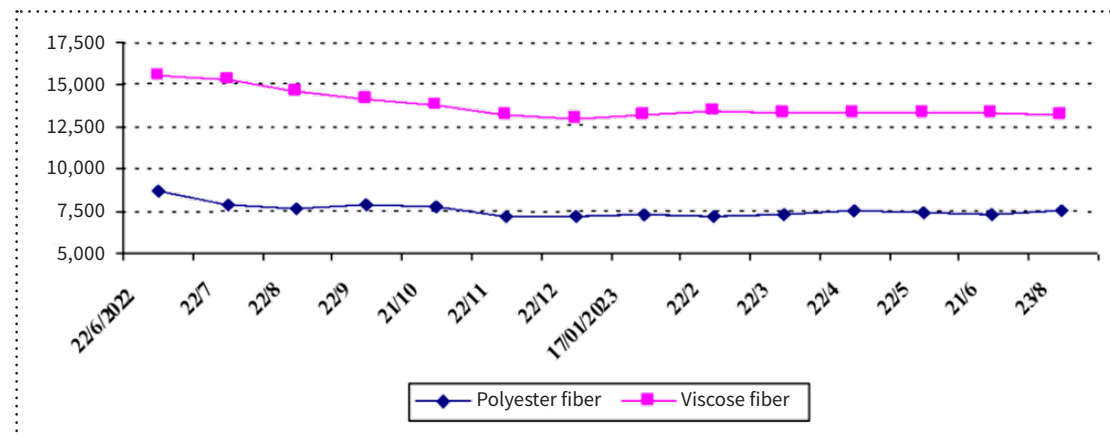
Textile Manufacturers Federation (ITMF), the global textile industry is on a path to recovery as companies in the sector adapt to challenging environments and make improvements. The value of exports in the global textile industry has significantly improved, signaling a recovery in consumption demand within the industry.

Specifically, there have been fewer cancellations of orders globally as most companies in the textile supply chain report average or low inventory levels, reducing the need for unnecessary cancellations. Notably, 96% of

global apparel manufacturers report average or low inventory levels, while inventory levels for fiber and yarn producers remain high.

Currently, the price of importing fiber into Vietnam remains low. However, with positive signals of recovery in the global textile industry and recent increases in world fiber prices, this presents an opportunity for Vietnamese businesses to take advantage of the current relatively low prices and increase imports of this raw material to meet future production demands.

The average price of Polyester fiber and Viscose fiber in China during 2022-2023



Source: Global Textile Network Information Center

2. Monthly Export Statistics

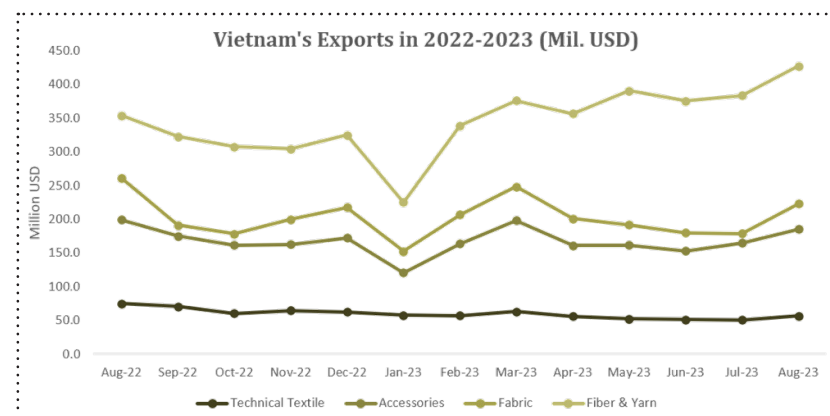
Items	Aug-2023		Compared to the previous month (%)		8 months 2023		Compared to the same period last year (%)	
	Qty (1,000 MT)	Value (Mil. USD)	Qty	Value	Qty (1,000 MT)	Value (Mil. USD)	Qty	Value
Fiber & Yarn	174.2	427.5	12.1	11.3	1,162.8	2,878.6	6.8	-16.6
Textile & Apparel (include fabric)	-	3,448.8	-	5.5	-	22,512.9	-	-14.4
- Fabric	-	223.0	-	24.4	-	1,593.4	-	-17.7
Accessories	-	185.3	-	12.4	-	1,311.2	-	-16.4
Technical Textile	-	57.0	-	12.4	-	445.3	-	-26.5
TOTAL	-	4,118.6	-	10.4	-	27,148.0	-	-18.5

In August 2023, the volume of fiber and yarn exports reached 174.2 thousand tons, marking a 12.1% increase compared to the previous month. The export turnover amounted to 427.5 million USD, representing an 11.3% growth compared to July.

Over the first 8 months of 2023, fiber and yarn exports totaled 1.16 million tons, reflecting a 6.8%

increase compared to the same period last year. However, the export turnover decreased by 16.6%, reaching 2.878 billion USD.

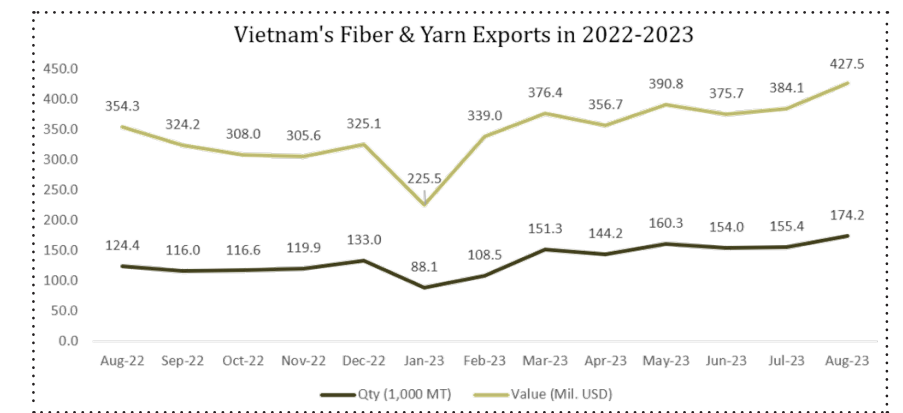
Overall, fiber and yarn exports continue to show growth in volume amidst a global trend of decreasing export prices due to inflation. This is a positive sign for the textile industry in Vietnam.



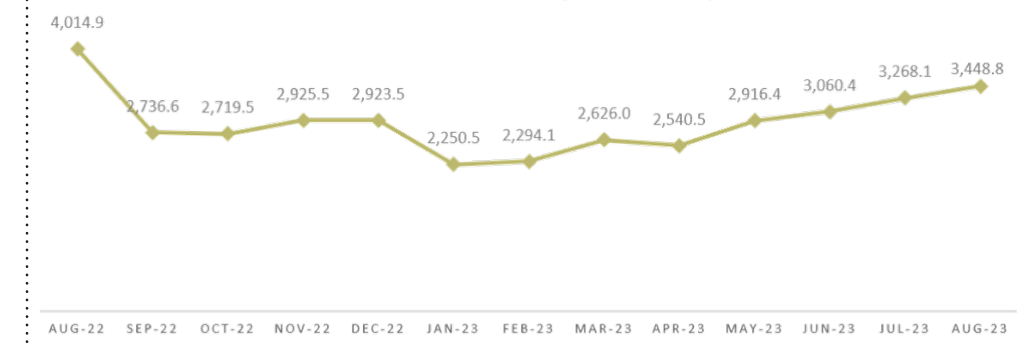
Exports of key textile and garment products from Vietnam saw robust growth in August 2023:

- Fiber and yarn exports reached 427.5 million USD, marking an 11.3% increase compared to the previous month.
- Fabric exports amounted to 223 million USD, showing a strong growth of 24.4% compared to July.
- Exports of raw materials and accessories for the textile and garment industry reached 185.3 million USD, up by 12.4%.
- Technical fabric exports reached 57 million USD, also rising by 12.4% compared to the previous month.

According to customs data, in August 2023, Vietnam exported 174.2 thousand tons of fiber and yarn, marking a 12.1% increase in quantity compared to the previous month. The export value of this commodity reached 427.5 million USD, reflecting an 11.3% growth compared to the previous month.



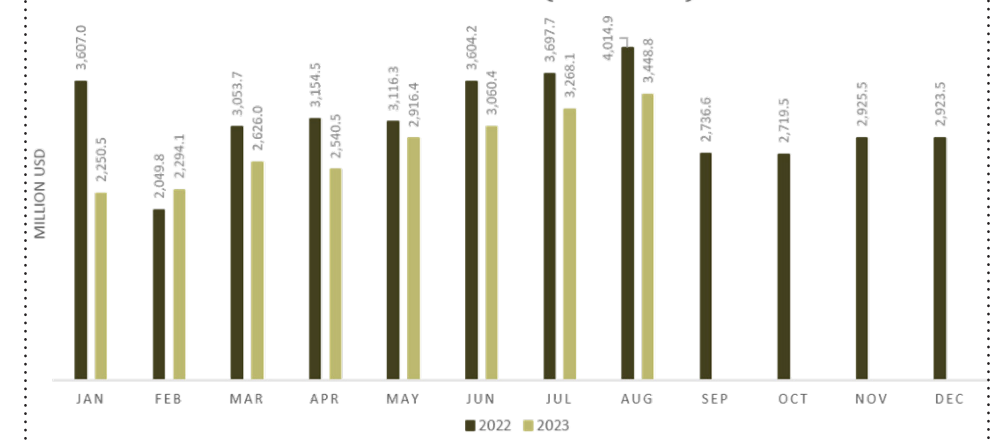
VIETNAM'S TEXTILE & APPAREL EXPORTS IN 2022- 2023 (MIL. USD)



In August 2023, Vietnam's textile and apparel exports exceeded 3.44 billion USD, marking a 5.5% increase compared to the previous month.

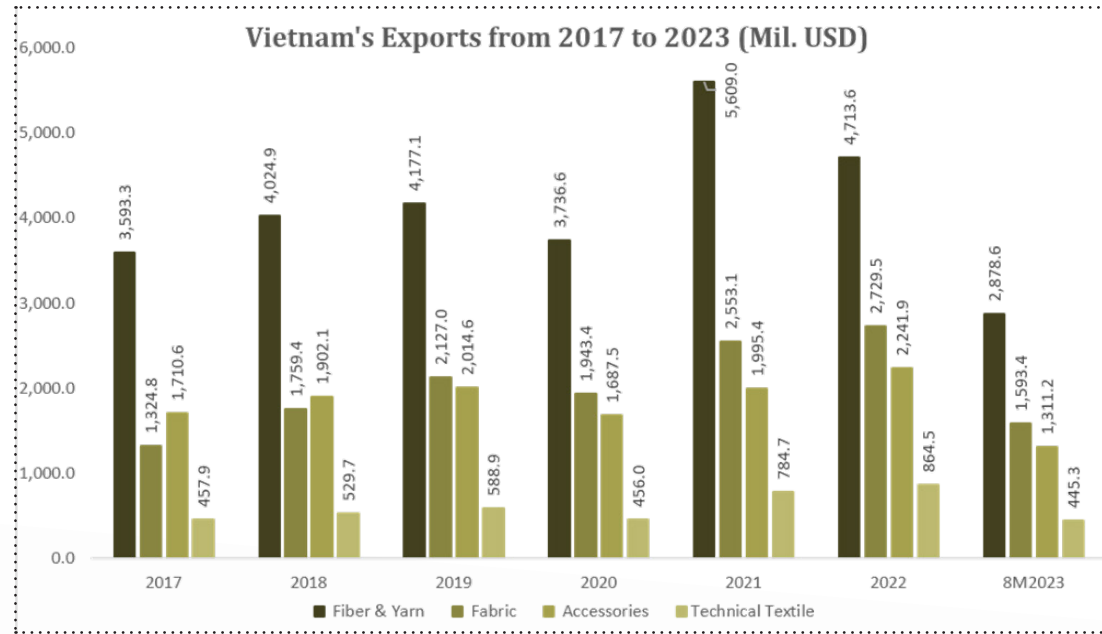
According to preliminary statistics, in August 2023, Vietnam's textile and apparel exports reached 3.448 billion USD, representing a 14.1% decrease compared to the same period last year.

VIETNAM'S TEXTILE & APPAREL EXPORTS IN 2022-2023 (MIL. USD)



- ❖ All data are accurate, relevant and verified from sources: the Ministry of Industry and Trade, General Department of Vietnam Customs, General Statistics Office of Vietnam, International Trade Center, Cotton Incorporated and other reliable sources.
- ❖ This text provides general information. VCOSA assumes no liability for the information given being complete or correct. Due to varying update cycles, statistics can display more up-to-date data than referenced in the text.

Communication and Information Department.



Export figures for the textile and garment industry in the first 8 months of 2023 have all seen declines compared to the same period last year, with technical textile exports experiencing the most significant decrease.

During this period, fiber and yarn exports amounted to 2.878 billion USD, marking a 16.6%

decline. Fabric exports reached 1.593 billion USD, showing a 17.7% reduction. Exports of raw materials and accessories for the textile and garment industry totaled 1.311 billion USD, with a 16.4% drop. Technical textile exports recorded the sharpest decline at 26.5%, amounting to 445.3 million USD.



3. Cotton Outlook

According to the latest report by the US Department of Agriculture (USDA), the global cotton industry is experiencing significant declines in both production and consumption.

Production: The report shows a downturn in production for the second consecutive month, with a sharp drop of over 4.4 million bales compared to previous forecasts. Decreased outputs in regions like West Africa, the United States, Greece, Mexico, and India have overshadowed the rise in production in Brazil.

Consumption: The forecast for consumption has also been reduced by 1.1 million bales, primarily due to diminishing supplies in major consuming nations such as India and China. However, consumption is still

expected to be 5 million bales higher than the previous year.

Global Trade: Global trade projections have been corrected downwards by approximately 600,000 bales to 43.3 million, reflecting the reduced consumption in major importing countries like Bangladesh and Vietnam.

US Exports: The US is not exempt from the downturn, with export predictions reaching an 8-year low at 12.3 million bales. This decline is a consequence of slightly dwindling supplies.

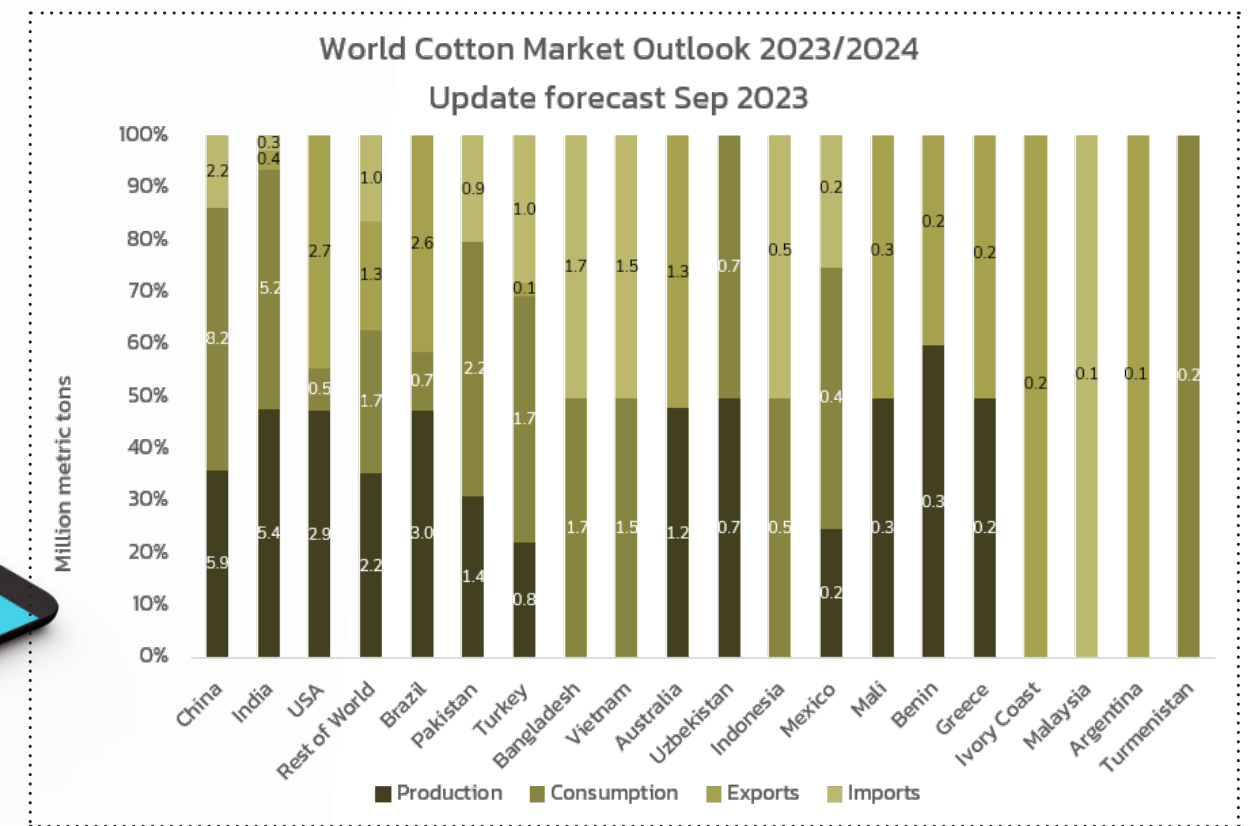
Ending Stocks: Global ending stocks are expected to decrease by over 1.6 million bales, reaching 90.0 million bales. This situation is exacerbated by reduced initial stocks and production surpassing the downward consumption revision.

Price Outlook: Despite the challenges, the US season average farm price for the 2022-23 period is expected to experience a minor increase, rising by 1 cent to stand at 80 cents per pound.

The global cotton industry is currently facing significant challenges in terms of production and consumption. Decreased outputs in various regions and diminishing supplies in major consuming nations have led to a decline in both production and consumption forecasts.

This, in turn, has impacted global trade projections and export predictions. Despite these challenges, there is a minor increase expected in the US season average farm price.

Source: Fibre2fashion



Source: CI

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