

MONTHLY REPORT

COTTON AND YARN STATISTIC

VIETNAM COTTON AND SPINNING ASSOCIATION

Collected & Edited: Information and Communication Dept.



REMARKABLE INFORMATION

International news

- ✦ Significant reduction in 2023-24 season cotton consumption
- ✦ Chinese cotton yarn imports up a massive 90.2% in November
- ✦ Bangladesh spinners push for mandatory 70 per cent cotton yarn procurement from local mills by garment manufacturers
- ✦ Chinese investment sought in Bangladesh yarns & fabrics sector
- ✦ QCO may push polyester yarn prices up in India
- ✦ India may restructure customs duty on knitted fabric to curb imports
- ✦ Conductive, cotton-based fiber for smart textiles
- ✦ Red Sea crisis escalates costs & delays for Asian textile exports
- ✦ Bangladesh's textile sector thrives with surging MMF imports
- ✦ High interest rates impact the Indonesian textile & garment sector

National news

- ✦ The forecast is that cotton import prices will increase in the coming month
- ✦ Imported yarn prices continued to decrease
- ✦ Export of fiber and yarn continued to recover
- ✦ Vietnam's imports and exports in the first half of January 2024 reached nearly \$30 billion
- ✦ Textile and garment industry recovery may be slower than expected
- ✦ Crystal Group 'planning' \$200m fabric, garment factory in Vietnam
- ✦ What challenges will Vietnam's textile and garment industry face in 2024?

Highlight news of the month

- * Monthly cotton & polyester price comparison
- * E.U. clothing imports: latest trends (monthly)
- * U.S. apparel imports: November 2023
- * Recycled polyester prices: China, India, Pakistan (quarterly)
- * Bangladesh yarn market prices (quarterly)
- * Cotton outlook

INTERNATIONAL NEWS

Significant reduction in 2023-24 season cotton consumption



reduced US production by 80,000 tons due to a noteworthy decline in cotton cultivation area.

Import volumes have been reduced by 20,000 tons. Still, USDA also maintained high expectations for Chinese imports, which were again increased by 110,000 tons to 2.5 million tons, while imports of Pakistan were down 40,000 tons

due to reduced demand for imports.

Consumption has been significantly reduced by 280,000 tons, with consumption in India, Turkey, and Pakistan lowered by 70,000 tons, 20,000 tons, and 40,000 tons, respectively. Export volumes are reduced by 20,000 tons, mainly due to a slight reduction in expected Indian exports.

In its latest cotton report, the US Department of Agriculture (USDA) forecast that there will be a significant reduction in usage in the 2023-24 season, resulting in cotton global ending stocks shifting from a decrease in the earlier report to an increase in the January report.

USDA also made a few adjustments to the monthly cotton supply and demand estimates for the 2022-23 season by making only minor revisions to production and consumption, resulting in very minimal overall changes compared to the December report.

USDA increased the 2023-24 production by 60,000 tons due to a 110,000-ton growth in China's output. However, the agency

Ending stocks also increased by 430,000 tons, with cotton stocks mounting in India and China.

There is a reduction of 740,000 tons in annual output, but the weak outlook for consumption recovery points to an unfavorable supply and demand situation in global cotton markets.

Source: *Textalks*

Chinese cotton yarn imports up a massive 90.2% in November

Chinese cotton yarn imports in November stood at 153,300 tons, a massive increase of 90.2 percent from a year ago month. Among imports of cotton yarn from various countries in November, those from Vietnam accounted for 45 percent, Pakistan 19 percent and India 13 percent.

71 percent of cotton yarn imports from Vietnam were for open end yarn and cotton yarn with count below 32's.

On the other hand, India's total cotton yarn exports in September was 103,100 tons, up a significant 289.6 percent year on year, while in October it stood at 100,600 tons, again up 254.27 percent.

Experts aver that Indian cotton yarn exports which were sluggish for a long period, have now started picking momentum.

Source: *Textile Insights*



REPORT AND DATABASE

1. Monthly Import Statistics

Items	Dec-2023		Compared to the previous month (%)		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	
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Vietnam's cotton imports in December 2023 saw a slight increase compared to the previous month, with volumes rising 1.1% and value increasing 1.7%. However, for the full year of 2023 compared to the same period last year, both volumes and value

declined significantly at -6.8% and -29.7% respectively.

Vietnam's imports of fiber and yarn continued to show a disparity between volumes and value in December 2023. Specifically, import volumes fell 4.2% month-on-month while value increased

slightly by 1.2%. For the full year of 2023 compared to the same period last year, fiber and yarn imports registered a modest volume increase of 0.7% but value declined by -13.9%.

Vietnam imported 121.2 thousand tons of cotton in December 2023, an increase of 1.1% compared to the previous month. Yarn and fiber imports were 95.4 thousand tons, down 4.2% month-on-month.

Vietnam's Cotton, Fiber & Yarn Imports in 2022-2023 (1,000 MT)

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— Cotton — Fiber & Yarn

The cotton import turnover in December 2023 reached 241.2 million USD, up slightly 1.7% compared to the previous month. For fiber and yarn, the import turnover reached 196.5 million USD, up slightly 1.2% compared to the previous month.

Notably, the fabric import turnover decreased 2.9% to 1.14 billion USD. Finally, the import turnover of raw materials for textile and garment industry also decreased slightly 1.7% to 527.6 million USD.

Vietnam's Imports in 2022-2023 (Mil. USD)

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— Fiber & Yarn — Cotton — Accessories — Fabric

Preliminary statistical information shows that in December 2023, Vietnam imported 95.4 thousand tons of fiber and yarn.

This import volume decreased 4.2% compared to the previous month and increased 17% compared to the same period last year.



In December 2023, Vietnam imported 121.2 thousand tons of cotton, up 1.1% compared to November 2023 and up 20.6% compared to the same period of 2022.

In general, this is a positive signal, showing that the demand for raw materials for Vietnam's garment industry has increased strongly during this time.



In general, the import turnover of raw materials for the garment industry in 2023 decreased compared to the same period last year.

Among them, cotton decreased the most, with an import turnover of \$2.83 billion, down 29.7% compared to 2022.

Fiber and yarn also decreased by 13.9% (\$2.19 billion), fabric decreased by 11.5% (\$13.02 billion), and raw materials for textile and garment industry decreased by 9.9% (\$6 billion).

3. Monthly Cotton & Polyester Price Comparison

Cotton prices fell in December in China, India, and Pakistan, compared to average levels in the previous month. The cotton market indicator lost 548 Chinese yuan per metric ton or 3.3%, 1,483 Indian rupees per candy or 2.6%, and 436 Pak. Rupees per maund or 2.5%.

For additional resources, please contact VCOSA.

Cotton Prices in US\$ Terms: 1-Year Index

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Polyester Prices in US\$ Terms: 1-Year Index

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Source: ET

Cotton / PSF Spread: Last 12 Months

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Cotton/Polyester Price Difference in China, India and Pakistan

In Yuan per Metric Ton, Indian Rupee per Kilo and Pakistani Rupee per Kilo

In US Cents per Lb

Average price in past months

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Cotton market information system - Vietnam Cotton

Source: ET

Hello
February

Happy
LUNAR NEW YEAR
2024



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