

Textile exports contract by 3.1% YoY in February

Garment exports shrink by 15% YoY

- Textile exports declined slightly during Feb-2021, by 3.1% YoY to US\$1.23bn, compared to US\$1.27bn in the same month last year.
- It is unfortunate that at a time when there is a golden opportunity to increase exports, there is a severe shortage of raw material (owing to massive rains at the time of cotton harvest and the pest attacks). Yet a good chunk of the raw material is being exported.
- Yarn exports (23% YoY) and knitwear exports (13% YoY) depicted an increasing trend during the month. On the other hand, cotton cloth exports (-21% YoY), a direct recipient of yarn, dropped sharply. Similarly, readymade garments exports (-15% YoY) also experienced a contraction during the month.
- Cumulatively, textile exports increased by 6.7% YoY during 8MFY21, on the back of home textile items such as bed wear and towels, as well as knitwear.
- Local downstream textile associations have repeatedly been requesting a relaxation in duties on yarn imports as well as permission for import from the region. Unless some breathing space is provided on this front, growth in textile exports might continue to face some resistance from the prevailing supply bottleneck in the short term.

Textile Exports

(US\$ mn)	Feb-21	Feb-20	YoYΔ	Jan-21	MoMΔ	8MFY21	8MFY20	YoYΔ
Total	1,234	1,274	-3.1%	1,323	-6.7%	10,000	9,373	6.7%
Cotton Yarn	120	98	23.2%	86	40.3%	607	737	-17.7%
Cotton Cloth	149	189	-21.3%	151	-1.6%	1,235	1,378	-10.4%
Knitwear	292	258	13.0%	325	-10.3%	2,467	2,090	18.0%
Bedwear	203	206	-1.2%	219	-7.3%	1,817	1,598	13.7%
Towels	77	80	-3.6%	88	-11.5%	611	525	16.3%
Garments	238	280	-15.0%	283	-15.7%	2,012	1,961	2.6%
Others	154	162	-5.2%	171	-10.3%	1,252	1,083	15.6%

Source: PBS, JS Research

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