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NEWS CLIPPINGS –21-08-2018

MCX Signs MOU With Indian Cotton Federation	**Indianfonline** https://www.indiainfoline.com/article/capital-market-commodity-futures-mid-session-commentary/commodities-buzz-mcx-signs-mou-with-indian-cotton-federation-118082000120_1.html

Multi Commodity Exchange of India Ltd (MCX) signed a MoU with Indian Cotton Federation (ICF) at a conference 'Gobal Cotton Scenario' jointly organised by ICF and Indian Cotton Association (Bathinda). ICF, formerly known as SICA, the South India Cotton Association is a premier organization representing the Textile Industry, Cotton Brokers & Cotton Growers of India.

The MoU with MCX will enable ICF's members to effectively participate in the Exchange's knowledge-sharing initiatives to understand the benefits, techniques and strategies of risk management using cotton futures contracts. The agreement is further designed to facilitate potential collaboration in areas such as organising awareness events for cotton value chain participants, including farmers across the southern belt; installation of price ticker board at Textile parks; and joint representation to Ministries & Regulators for further development of the sector, among other activities. India is the leading producer of cotton in the world, followed by China and the US. As per the Governments third advance estimates, Indian cotton production in 2017-18 (July-June) is estimated at 3.6 crore bales, higher than last years production of 3.4 crore bales. According to Cotton Association of India (CAI), the country's cotton exports are estimated to be around 100 lakh bales (of 170 kg each) during the 2018- 19 (marketing year) period. The overall cotton shipment is likely to cross 70 lakh bales during the ongoing 2017-18 marketing year (October to September).

Cotton crop hit as fields dry up	**Tribune India** https://www.tribuneindia.com/news/punjab/cotton-crop-hit-as-fields-dry-up/640267.html

The affected farmers have requested the state to order a special girdawari to sanction compensation Some farmers of Dharampura village, 11 km from here, have started uprooting cotton plants that did not bear flowers. Farmers Rajinder Kumar, Dharamvir, Rameshwer and Hari Ram said 'narma' cotton plants had been damaged as the irrigation authorities could not make adequate canal water available to the villages which were fed by the Daulatpura minor and those located at the tail-end of the canal system in the subdivision.

Drought-like conditions were primarily responsible for the losses suffered by farmers, said Sahib Ram, another farmer. Sources in the Irrigation Department said funds were not released for the reconstruction of sub-canals for the past few years, adding that cleaning was also delayed due to late allocation of funds. This affected water supply to some of the villages. "When the cotton crop needed water instantly, the rotation system was enforced, citing a fall in the water level in dams. Many farmers missed their turn to irrigate fields due to this system. They have suffered due to repeated closure of sub-canals from April, when experts had advised to sow cotton," said Devi Lal. The affected farmers have requested the state government order a special girdawari to sanction compensation.

A. Cotton		
Spot price (Ex-Gin) 28.5 to29 mm		
Rs/Bale	Rs/Candy	USD Cent/lb
22660	47400	86.87
Domestic Futures (Ex-Gin) July		
Rs/Bale	Rs/Candy	USD Cent/lb
23740	49094	89.97
International Futures		
NY ICE USD Cents/lb. (Dec 2018)		82.70
ZCE Cotton: Yuan/MT (Jan 2019)		15790
ZCE Cotton: USD Cents/lb.		88.77
Cotlook A Index - Physical		92.90
B. Currency		
USD/INR	Close	Previous Close
Spot	69.599	69.825

Cotton Guide

Cotton future advanced marginally on Monday's trading session to end the December future at 82.70 cents up 131 points from the previous close. The last week loss was around 384 points. The other months settled from 52 to 135 points higher. On the trading front, volume was 22,172 contracts. Cleared Friday were 16,346 contracts. China's ZCE futures had a 2nd day of small gains. That was notable given that the previous 5 sessions had lower closes for a cumulative loss of almost 5 percent.

On the domestic front the prices for remaining stocks of 2017-18-crop Shankar-6 fell over the weekend to Rs. 47,250 per candy, ex-gin (86.40 US cents per lb at today's exchange rate). Rates for Punjab J-34 are firm at Rs. 4,813 per maund (83.85 cents per lb). The rupee has regained some ground against the dollar today. Therefore, the MCX cotton future has closed the session at Rs. 23440 up by Rs. 140 from previous close. We think the market to remain sideways to today. The trading range for the day would be Rs. 23300 to Rs. 23600 per bale.

China's Reserve Auction improved over last week's meager turnover, likely the result of a near 4 cent drop in the base price this week. Chinese State Reserve cotton on Monday's auction had a turnover rate of 44.82 percent, spinners only. Offered were 30,015.424 tons (137,861 bales); and sold were 13,452.7 tons (61,788 bales). The cumulative turnover rate is 56.49 percent (offered versus sold). This auction series started at 24.1 million bales and 15.34 million bales remain.

Published after the close, was the USDA US Crop Progress report for the week ended August 5th. Conditions overall slightly improved. Today's report showed cotton: 86 percent setting bolls (5-year average 86 percent); and 17 percent opening bolls (5-year average 12 percent). Technically, it appears a short-term bottom is in place. The bulk of the daily work is 'down,' but the long-term uptrend that began in November 2017 hasn't been broken in decisive fashion. The zone of support from roughly 7900 to 8200 is the long-term razor's edge. The bulls need to continue to defend this area. Resistance is the 8300-to-8350 area and 8600.

FX Update:

Indian rupee has opened marginally higher in early trades today to trade near 69.615 levels against the US dollar. The currency is seeking support from stabilization in domestic equity market and decline in US Dollar. The Dollar has come under pressure following Trump's comments. US President Trump yesterday in an interview expressed displeasure over Fed's stance of tight monetary policy and also accused China and Europe of currency manipulation. The gains may be capped amid ongoing trade worries and financial turmoil in Turkey. For the day we expect Rupee to continue to trade with positive bias. USDINR may trade in a range of 69.4-69.8 and bias may be on the downside.

USDA Estimates Reduction In Indian Cotton Plantation For MY 2018/19	**Indianfoonline** https://www.indiainfoline.com/article/capital-market-commodity-futures-pre-session-commentary/usda-estimates-reduction-in-indian-cotton-plantation-for-my-2018-19-118082000022_1.html

As per the latest update from United States Department of Agriculture (USDA), Indias cotton area for MY 2018/19 is being forecasted at 11.8 million hectares, 100,000 hectares lower than the official USDA estimate. The reduction in area is primarily in the two major cotton growing states of Gujarat and Maharashtra. Deficit rains and pest pressures have prompted farmers to either plant alternate crops, or delay/abandon planting altogether. According to the Ministry of Agriculture and Farmers Welfare (MOAFW), planted area reached 11.26 million hectares as of August 9, 2018 compared to their final estimate of 11.71 million hectares in MY 2017/18. Although planted area is 4 percent lower than last year, it is still 2 percent higher than the 5-year average of 11.05 million hectares.

Central Maharashtra indicates a significant part of cotton area has shifted to soybeans and fodder maize. Farmers have reduced cotton area, but continue to plant BT cotton despite issues of pest resistance, as it remains a remunerative crop. The plants are in the early vegetative stage, with farmers mostly undertaking weeding operations. The number of rainy days in July in major cotton districts have ranged between 5-15 days (refer to Table 1) prompting farmers to either delay planting or plant alternate crops. Farmers indicated that input costs related to fertilizers and insecticides have increased from last year, but that labor costs have a significant impact on the overall cost of production. USDA forecasts lower cotton area planted than last year in Maharashtra, but expects similar yields as last year, as resurgence in the second half of monsoon season will improve crop development.

Saurashtra region in Gujarat indicates that farmers have replanted cotton in major cotton growing districts as lack of adequate moisture in July led to crop failure. Farmers have shifted acreage from groundnut (peanut) to cotton due to poor price realization from groundnuts last year. While there is a marginal increase in cotton acreage, the prolonged dry spell is affecting the plant development, and is expected to have a significant impact on cotton yields if rains are not received in the next 15 days. According to the Gujarat State Agriculture Department, cotton sowing as of August 6, has reached 2.66 million hectares as compared to 2.65 million hectares last year. The normal area (previous three years average) planted during the same time is 2.6 million hectares. The percentage of non-BT cotton planted in the state has increased by 34 percent compared to last year, and the overall share of non-BT cotton area has risen from

15 percent to 20 percent. But farmers continue to prefer planting BT cotton due to its relative drought tolerance over competing crops, and wide planting window.

Rain woes continue	**The Hans India** http://www.thehansindia.com/posts/index/Warangal-Tab/2018-08-21/Rain-woes-continue/406844

A fresh spell of rain on Monday disrupted normal life across the erstwhile district of Warangal. As a result, several low-lying areas in the region were under a sheet of water. Rainwater entered into residential area of Bhavani Nagar in Hanamkonda forcing the people to stay in knee deep waters.

In Jayashankar-Bhupalpally district, streams and rivulets continue to overflow for the last six days disrupting road links to several villages. With the Kappavagu in full flow, Mangapet-Ramachandrunipet road taken a dent. In Mangapet mandal, farmers appeared gloomy due to washing away of paddy transplantations in their fields.

Narasimha Nagar, Gandhi Nagar, Sanagakunta, Puredpally and Narendraraopet villages remained cut off with the overflowing of streams.

In Warangal Rural district, heavy rain left cotton fields in Atmakur, Shayampet and Damera mandals under a sheet of water.

Meanwhile, Godavari river continues to receive huge inflows. The water level at Ramannagudem under Mangapet mandal has reached 8.25 meters.

With the water entering the open cast sector 1 and 2 areas, Singareni authorities suspended mining operations. About 48,000 tonnes of coal production was affected, it’s learnt.

Centre, states differ over who will foot bill for MSME tax break	**Live Mint** https://www.livemint.com/Politics/HZ26ugCcfr6rOPntXRcuPL/Centre-states-differ-over-who-will-foot-bill-for-MSME-tax-b.html

Proposal seeks to share financial burden between centre and states, which the latter are opposing

Differences have emerged between the centre and states over who will foot the bill for a big tax break for micro, small and medium enterprises (MSME) that is in the works—partial tax exemption from the Goods and Services Tax (GST) for entities with up to ₹1.5 crore sales.

The proposal which is now being examined by a ministerial panel led by Union minister of state for finance Shiv Pratap Shukla seeks to share the financial burden between the centre and states, which the states are opposing.

The original proposal, discussed at the last GST Council meeting on 4 August, sought to give relief on the central government component of GST (CGST) for businesses with sales upto ₹1.5 crore, similar to the excise duty exemption small businesses enjoyed in the pre-GST era. That would have led to the Union government alone losing revenue as states would continue to charge state GST on these firms, the equivalent of Value Added Tax (VAT) which they were liable to pay in the earlier regime.

The Union government now wants that states too share the burden. "The ideal way to give relief is to refund 50% of the total taxes paid by businesses with sales upto ₹1.5 crore. That means, half of CGST and half of SGST may be refunded through a scheme," an official familiar with the discussions between central and state authorities said on condition of anonymity.

"States, however, say the proposal was the Centre's baby and that it alone should take the revenue hit," said this person.

A second person who also did not wish to be identified said states are unlikely to yield on this issue and that the Centre may have to bear the burden on its own. This may mean that the relief for small tax payers is lower than what was initially envisaged.

"The refund may be only 15-20% of the CGST component if states don't agree to share the financial burden," the person said.

Around 2.8 million units were registered under Central Excise with the central government.

The second person added that the GST impact on smaller units may be overstated.

There was no credit available for excise duty, unlike that in GST. The net tax incidence may be 1-2% of the value of the product, the second person added.

The GST Council on 14 August issued the terms of reference for the Shukla panel, which allows it to come up with an interim report on all MSME-related issues it is looking into, before the next GST Council meeting on 28-29 September.

The Council also gave it enough flexibility to consider all proposals discussed during the last Council meeting as well as any new ones received afterwards, said the person cited above. This gives greater room to accommodate new suggestions on the proposals.

The central government is keen to give relief to the MSME sector which suffered earlier due to the disruption triggered by the November 2016 demonetization and the July 2017 rollout of GST. Small businesses and traders are also politically relevant as they form a key support base of political parties, including the BJP.

MSMEs form the backbone of India's economy. According to data available with the government, more than 63 million MSME units are engaged in manufacturing, services and trade—more than half of them are in rural areas—and account for about 110 million jobs. These companies account for 29% the country's GDP.

Bangladesh set to cut RMG export tax by 40pc, corporate tax by 20pc	New Age http://www.newagebd.net/article/48753/govt-set-to-cut-rmg-export-tax-by-40pc-corporate-tax-by-20pc

The government is set to cut the source tax on export earnings for readymade garment sector by 40 per cent and exporters' corporate tax by 20 per cent amid hectic lobbying by them.

The source tax on RMG export earnings will be cut to 0.60 per cent from the existing 1 per cent while corporate income tax rate for the RMG manufacturers and exporters is also likely to be cut to 12 per cent from 15 per cent, said finance ministry officials.

National Board of Revenue already sent a summery to law ministry for vetting after government high-ups made a decision on the issue, finance ministry officials involved with the development told New Age on Thursday. They said that the government decided to cut the export tax rate and restore the corporate tax rate for apparel industry after exporters intensified their pressure putting forth possible increase in their cost of production due to implementation of upcoming new wages for workers.

Apparel exporters also argue that Bangladeshi exporters are facing stiff competition in global market for the rise in production cost.

The government may have considered the issues while deciding tax rate cut, they think. The probable reduced source tax will also be applicable for all other exporters like frozen food and leather sectors. The rate of export source tax was 0.70 per cent for the sector in the last FY 2018.

NBR officials said that the government would offer the benefit with retrospective effect from July 1. Source tax deduction authorities, mainly banks, will adjust the amount deducted in the last one and a half month from the applicable tax in coming days.

A statutory regulatory order will be issued soon in this regard.

The government in the budget for the current fiscal year 2018-2019 increased the withholding tax, known as source tax, on export earnings for apparel sector to 1 per cent in a bid to boost revenue generation from the sector.

The rate of source tax was increased to 1 per cent in last fiscal year 2017-2018 which was later lowered to 0.70 per cent through a statutory regulatory order which expired on June 30, 2018.

In the budget, the government also increased corporate tax rate to 15 per cent for the sector from that of 12 per cent in previous FY 2018. Corporate tax rate for green building certificate holding apparel companies, however, increased to 12 per cent in the year from the previous 10 per cent. Bangladesh Garment Manufacturers and Exporters Association and Bangladesh Knitwear Manufacturers and Exporters Association have been demanding withdrawal of export tax for the sector for next three years since announcement of the budget proposals on June 7. The associations also demanded reinstatement the corporate tax rate to previous rate.

Apparel sector leaders have also intensified their lobbying with the government over the issues.

Tax authorities were forced to backtrack from its position to increase the tax rate for the apparel sector contributing more than 80 per cent of total export earnings. But the contribution of the RMG manufacturers and exporters in revenue collection was very insignificant, officials said. NBR in FY 2015-2016 collected only Tk 1,484 crore as source tax mainly from RMG export.

EU, 11 others back US complaint against India's export subsidies at WTO	**Economic Times** https://economictimes.indiatimes.com/news/economy/foreign-trade/eu-11-others-back-us-complaint-against-indias-export-subsidies-at-wto/articleshow/65465089.cms

The European Union, Russia, China, Japan and eight other countries have backed the US complaint against India's export promotion schemes at the World Trade Organisation (WTO).

These countries have joined the dispute as third parties. The US has challenged almost all of India's export programmes at the WTO saying they will harm its workers, citing the Agreement on Subsidies and Countervailing Measures (ASCM). It pegged the subsidies at $7 bn "The number of third parties in the issue is a matter of concern and has serious implications. They are backing the complainant," said a person aware of the development.

Negotiators had expected other countries to join the dispute when it began in March.

Former commerce secretary Rita Teaotia has said there was a "real" possibility that India could lose the trade dispute.

"It is a much larger issue now with the number of countries targeting India," the person added. Brazil, Canada, China, Egypt, the EU, Japan, Kazakhstan, Korea, Russia, Sri Lanka, Taiwan and Thailand have become third parties in the dispute.

"All these are interested parties because some countries have market access issues with us while others have problems related to RCEP," said a Delhi-based trade expert.

China, Korea, Japan and Thailand are members of the Regional Comprehensive Economic Partnership (RCEP) trade agreement along with India and have been pressuring it for deep duty cuts on at least 90 per cent of the traded goods. "Sri Lanka wants to benefit from us losing our export incentives because it competes with us in many exports," the expert explained.

The WTO has set up a panel under the Philippines' Jose Antonio S Buencamino as the two sides have failed to find a mutually agreed solution through consultations. The panel's other members are South Africa's Leora Blumberg and Switzerland's Serge Pannatier.

"There is pressure on India to prepare its defence because the setting up of the panel is an important step forward," said a negotiator. The panel has to circulate its report to all WTO members within 90 days of the date of its composition and the establishment of its terms of reference.

Rupee might stabilise at 68-69 a dollar: Garg	The Hindu https://www.thehindu.com/business/Economy/rupee-might-stabilise-at-68-69-a-dollar-garg/article24724907.ece

The Economic Affairs Secretary was speaking at an interactive session organised by the Merchants' Chamber of Commerce & Industry in Kolkata.

The rupee, which has taken a severe battering of late, is expected to stabilise at 68-69 per US dollar level riding on positive capital inflows this month, Economic Affairs Secretary Subhas Chandra Garg on Saturday said.

The rupee is already Asia's worst performing currency and had touched an all-time low of 70.09 per US dollar on Tuesday.

According to Mr. Garg, the current turmoil in Turkey, triggered by U.S. sanctions, had not affected the perception of India. The flow of foreign portfolio investments (FPI) had not altered either and there had been no outflow in July, Mr. Garg said while speaking at an interactive session organised by the Merchants' Chamber of Commerce & Industry here.

During the first three months, there had been outflow of capital and in the last year the total outflow was $ 20 billion, he added.

"If oil prices do not rise further, the chances of the rupee stabilising at 68-69 level is more," Mr. Garg said.

When asked how the rupee will be affected if China devalued its currency, he said that for the first time in the last 20 years, the Chinese economy had experienced current account deficit (CAD).

"Now China's exports and imports are altering fundamentally. So far, the depreciation of the Chinese yuan was not so high. Even if the Chinese currency is devalued, India will not be affected as long as the depreciation of all currencies vis-a-vis the dollar was similar," he added.

There would be no problem as terms-of-trade would not change, Mr. Garg said. "However, we are watching closely to what extent China devalues its currency," he said. Owing to high oil prices, India's CAD had risen to 1.9 per cent for which the rupee was depreciating. This called for a need for higher capital inflows, he added.

Bihar weavers to get identity	Telegraphindia https://www.telegraphindia.com/states/bihar/bihar-weavers-to-get-identity-253415

The Bihar government plans to emboss the Handloom Mark to all handloom cotton and silk products woven in the state for the sake of authenticity and transparency in subsidy distribution. It will also help identify which product has been woven where and by whom.

"We are planning to start labelling all handloom products in the state with the Handloom Mark, which is provided by the central government. It will help differentiate handloom products with power loom and mill products. It will also cut out fake products," said principal secretary, industries, S. Siddharth.

Siddharth added that the state government will give subsidy ranging from 10 to 20 per cent to weavers only on those products that carry the Handloom Mark. The step will bring transparency in subsidy distribution, as the the number printed on the label will denote who wove what and where.

At present, there are around 6,741 active handlooms in Bihar with unique identification numbers, while the state government is trying to increase the number to 10,000.

The Handloom Mark scheme was launched in 2006 under the office of the development commissioner for handlooms, with the textiles committee under the ministry of textiles as the implementing agency to give a collective identity to handloom products that would help guarantee for the buyer that the product being bought is genuinely hand-woven.

The National Institute of Design (NID), Ahmedabad, had designed its logo from the interlocking of the warp and the weft to form a three-dimensional cube.

So far, Bihar has been using Handloom Mark labels in the satrangi chadar - the hospital bedsheet scheme meant for government hospitals since 2017-18. The government now wants to expand to all products, except low-priced ones such as gamchha (towel), lungi and handkerchief.

Industries department officials said the challenge was to supply enough Handloom Mark labels to weavers, as the textile ministry offices in Varanasi and Calcutta are not providing it in adequate numbers.

Bihar State Handloom Cooperatives Union chairman Naquib Ahmad said even the central agencies were not giving the required number of Handloom Mark labels to handloom cooperatives. "I have directed my officials to look into the matter and pursue it even at the central government's level, if needed," said Siddharth, when asked about the issue.

China tariffs to raise costs from cradle to grave in U.S.'	**The Hindu** https://www.thehindu.com/business/Industry/china-tariffs-to-raise-costs-from-cradle-to-grave-in-us/article24738474.ece

American firms warn administration against new duties

A broad cross-section of U.S. businesses has a message for the Trump administration: new tariffs on $200 billion of Chinese imports will force Americans to pay more for items they use throughout their daily lives, from cradles to coffins.

Six days of public hearings on the proposed duties of up to 25% will start on Monday in Washington as part of President Donald Trump's and the U.S. Trade Representative's efforts to pressure Beijing for sweeping changes to its trade and economic policies.

Unlike previous rounds of U.S. tariffs, which sought to shield consumers by targeting Chinese industrial machinery, electronic components and other intermediate goods, thousands of consumer products could be directly hit with tariffs by late September.

The $200 billion list targets seafood, furniture and lighting products, tires, chemicals, plastics, bicycles and car seats for babies.

"USTR's proposed tariffs on an additional $200 billion of Chinese imports dramatically expands the harm to American consumers, workers, businesses, and the economy," the U.S. Chamber of Commerce said in written testimony for the hearing.

The top U.S. business lobbying group said the administration lacks a "coherent strategy" to address China's theft of intellectual property and other harmful trade practices and called for "serious discussions".

Mid-level Trump administration officials and their Chinese counterparts are expected to meet later this week in Washington to discuss their trade dispute. But it is unclear whether the talks will have any effect on the implementation of U.S. tariffs and retaliation by China.

In more than 1,400 written comments submitted to USTR that will be echoed in the hearings, most businesses argued that the tariffs will cause harm and higher costs for products ranging from Halloween costumes and Christmas lights to nuclear fuel inputs, while a small number praised them or asked that they be extended to other products.

'Safety of children'

Graco Children's Products Inc. said tariffs "will have a direct negative impact on our company, American parents and most importantly the safety of American children."

The company said higher prices may prompt more parents to buy car seats, swings and portable play yards on the second-hand market.

"The proposed tariffs may force parents to use unsafe sleeping environments or let children dangerously co-sleep with parents," Graco wrote.

The tariff "only causes a children safety issue; it will not convince China to change its policies."

Evenflo Feeding said the tariffs will hit manual breast pumps "and would cause disproportionate economic harm to U.S. interests."

At the other end of the life cycle, Centennial Casket Corp.

President Douglas Chen said his Plano, Texas-based company relies exclusively on Chinese-made caskets and the tariffs would cause "great loss" and raise costs for "grieving families purchasing caskets for their loved ones at one of the worst times of their life."

The Internet Association, representing companies including Facebook Inc., Amazon.com Inc. and Alphabet Inc., said the tariffs "would cause disproportionate economic harm to American Internet companies. The list includes products that impact how Internet companies function."

Cost of nuclear fuel

Westinghouse Electric Co. LLC, the leading U.S. nuclear fuel producer, said it relies on China for zirconium and zirconium powders — key inputs for tubes used in nuclear fuel assemblies that it uses at plants in Utah, Pennsylvania and South Carolina.

There is no U.S. source of zirconium so the tariff would "raise the cost for Westinghouse to manufacture nuclear fuel for U.S. commercial nuclear power plants" and ultimately "would increase the cost of electricity to a significant percentage of U.S. electricity consumers."

Vietnam strives to avoid MFN tariffs by EAEU	**Vietnam Plus** https://en.vietnamplus.vn/vietnam-strives-to-avoid-mfn-tariffs-by-eaeu/136642.vnp

The Department of Trade Defence under the Ministry of Industry and Trade will begin releasing Vietnam's export data to the Eurasian Economic Union (EAEU) on a monthly basis to help local businesses avoid Most Favoured Nation (MFN) tariffs. Vietnam and the EAEU signed a free trade agreement on May 29, 2015, which came into force on October 5, 2016.

Under the deal, the EAEU – consisting of Russia, Belarus, Kazakhstan, Armenia, and Kyrgyzstan – committed to eliminating tariff for up to 9,774 tax lines (90 percent) for products imported from Vietnam.

Accordingly, Vietnam's footwear, textiles and garments, and interior design products are eligible for a zero import duty. However, if the volume of these products exceeds the trigger level established in the agreement, the EAEU will adjust the zero import duty to MFN tariffs for six to nine months, depending on the volume.

As of June 2018, the MFN tariffs had been imposed on Vietnamese underwear and children's wear products.

According to the department, there have been no products at risk of tax in 2019. However, domestic businesses should act accordingly to avoid the imposition. Vietnam's customs statistics show trade between the two sides hit 3.9 billion USD in 2017, up 31 percent year-on-year. Last year, Vietnam also recorded a trade surplus of nearly 1 billion USD with the bloc In the first four months of 2018, bilateral trade was at 1.53 billion USD, an annual increase of 35 percent.

Key Vietnamese exports to the EAEU were phones and components, computers and electronic devices, apparel, footwear, fruit and vegetables, coffee, cashew nuts, and seafood. Vietnam mainly imported petrol, oil, steel, fertilisers, and machinery from the EAEU. Commodities from each side supplement each other, thus limiting the disadvantages usually seen with other

Turkish technical textiles exports up 20%	Innovation Textiles https://www.innovationintextiles.com/turkish-technical-textiles-exports-up-20/

Turkey's technical textile exports grew by 20.1% to US$ 898 million in the first half of 2018. The most exported product group from January to June was nonwovens. Exports of these products increased by 30.6% and were worth around US$ 294 million. This product group accounted for 32.7% of total technical textile exports. The second major product group in the first half of 2018 was packaging products, worth around US$ 182 million. Total technical textile exports account for 20.2%.

The product group that recorded the biggest growth in the first half of the year was parachute fabrics. Exports of these products rose by 135.7%, compared to the same period last year.

Germany became the most important export market. Technical textile exports made to Germany during this period were worth US$84 million, with an increase of 23.6%.

The second most important country was Italy, with an export value of US$ 58 million and an increase of 15.8%. The third export market was the USA. This country imported US$ 58.5 million worth of technical textile products from Turkey in the first half of the year. The share of the USA was 6.5%.

Exports worth US$ 480 million were realised in the 28 EU member countries, with an increase of 26.1%. With this exports figure, the share of the EU was 53.4%