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NEWS CLIPPINGS –21-09-2018

Elango elected as Chairman of SIMA CDRA	Covai Post https://www.covaipost.com/coimbatore/elango-elected-as-chairman-of-sima-cdra/

R.Elango elected as Chairman of SIMA Cotton Development and Research Association (CDRA) for the year 2018-19.

R Ravichandran was elected as deputy chairman and G Venkatramachandran, as Vice-Chairman of the Association for the period at the 43rd Annual General Meeting held here. SIMA CD&RA is a registered non-profit organization, established in 1974 by the textile mills in the Southern States of Tamil Nadu, Andhra Pradesh, Karnataka and Pondicherry. Its main objective is to promote the development of cotton farming for enhancing cotton production, productivity and fibre quality so that the raw cotton may be made available at reasonable price to the textile mills.

It supplements the efforts of the State and Central Governments and other agencies in promoting the increased production of quality cotton to meet the demands of the textile industry.

Textile Sector Skill Council elects T Rajkumar as chairman	Fibre 2 Fashion https://www.fibre2fashion.com/news/textile-news/textile-sector-skill-council-elects-t-rajkumar-as-chairman-244652-newsdetails.htm

Textile Sector Skill Council (TSC), formed on the initiative of Confederation of Indian Textile Industry (CITI) for creating a pool of skilled workforce for the textile and clothing sector, has elected T Rajkumar as chairman. DL Sharma was elected vice chairman at TSC's 18th Board Meeting, held immediately after the annual general meeting in New Delhi.

Soon after taking over as chairman, Rajkumar thanked immediate past chairman Sanjay K Jain for discharging responsibilities of TSC with utmost care. He assured the Board Members that he is dedicated to take TSC activities to the next level.

Set up under the aegis of National Skill Development Corporation (NSDC), TSC is an industry driven non-profit organisation, which is governed by 14 major textile industry associations and export promotion councils. It has representatives from Textile Research Associations and NSDC on its board.

TSC received Champion Sector Skill Council Award from Union minister of finance Arun Jaitley last year.

A. Cotton		
Spot price (Ex-Gin) 28.5 to29 mm		
Rs/Bale	Rs/Candy	USD Cent/lb
22278	46600	82.12
Domestic Futures (Ex-Gin) July		
Rs/Bale	Rs/Candy	USD Cent/lb
22440	46939	82.72
International Futures		
NY ICE USD Cents/lb. (Dec 2018)		78.47
ZCE Cotton: Yuan/MT (Jan 2019)		16060
ZCE Cotton: USD Cents/lb.		90.24
Cotlook A Index - Physical		91.30
B. Currency		
USD/INR	Close	Previous Close
Spot	72.379	72.975

Cotton Guide:

The week is about to end today and most of the commodities have observed price volatility. As far as cotton is concerned it plunged sharply from its previous week's close. The Indian cotton for the old crop 2017-18 has declined below Rs. 47000 per candy, new crop arrivals have started to come in with minimal flow; the future contract for October delivery trades at MCX has declined over Rs. 500 per bale and end the session at Rs. 22270. In the similar lines the ICE cotton has also declined this week from the high of 83+ cents and currently trading around 78.40 cents per pound. Ever since it broke this week below 80.40 key support level the market moved into another weaker zone. We think market might remain under stress unless until huge amount of buying takes places, mills fixes their unfixed positions and the spec funds involve in fresh buying. We see 78/77 is now the key support level for the near term. Market should appreciate the same and move gradually onto higher side. However, 80.40/81 will now be considered as immediate strong resistance level.

More on the market the USDA Weekly Export sales report was released on Thursday evening. Total combined net sales for the week ended September 13th were 134,400 bales (upland 130,700; Pima 3,700). That included 100 bales in cancelations. The top 4 buyers so far this season are: China 1,975,900 bales (shipped 118,100 bales); Vietnam 1,866,800 bales (shipped 276,000 bales); Mexico 968,800 bales (shipped 100,800 bales); and Indonesia 931,500 bales (shipped 127,600 bales). Weekly shipments were 157,600 bales (upland 148,900/pima 8,700). 45-1/2 weeks remain in the season.

On the other side of the market, China's ZCE futures took a breather on Thursday and almost ended unchanged. They still finished at their lowest levels since May 10th. Chinese State Reserve cotton on Thursday's auction had a turnover rate of 72.15 percent, spinners only. Offered were 30,061.528 tons (138,073 bales); and sold were 21,688.0573 tons (99,613 bales). The cumulative turnover rate is 58.9 percent (offered versus sold). This auction series started at 24.1 million bales and 13.09 million bales remain.

On the technical front, it was a down day but also an inside day. A short-term bottom may be in, but the bulls have a lot of work to do before there can be any confidence in that. A close decisively above 8050 would be a good indication that a significant bottom is in. However, the market's technical structure is currently weak enough to make such an occurrence unlikely in the short term. The technical recommendation is to sell rallies using 8000+ to gauge entry and risk/reward. The 200-day moving average finished at 8052. The supports can be seen 78/77. The daily structure is almost oversold.

Currency Guide:

Indian rupee has opened higher by 0.4% to trade near 72.08 levels against the US dollar. Rupee has edged up amid general correction in US dollar and stability in Asian and global equity markets. The US dollar has weakened against major currencies as watered down market reaction to US-China trade worries has reduced safe haven demand. China's pledge to refrain from yuan devaluation also lent some support to rupee and other emerging market currencies. Rupee has also benefitted from reports that Reserve Bank of India may supply dollars to oil importers. As per Bloomberg reports, RBI is said to study the possibility of selling USD directly to oil companies. Rupee is also supported by market expectations that Indian government may announce import restrictions to limit dollar outflow. However, trade worries and contagion concerns are far from over and this will limit any major appreciation in rupee. USDINR may trade in a range of 71.5-72.3 and some rupee appreciation is likely on improved risk sentiment.

Samara-Amazon bags Aditya Birla Group's retail chain More for Rs 42 bn	**Business Standard** https://www.business-standard.com/article/companies/samara-amazon-bags-aditya-birla-group-retail-chain-more-for-rs-42-bn-118092000029_1.html

Almost 11 years after setting up the food and grocery retail business, Aditya Birla Group on Wednesday signed a deal to sell Aditya Birla Retail (ABRL) to home-grown private equity fund Samara Capital and global e-commerce giant Amazon.

The Group did not disclose the value of the deal, but sources said it was around Rs 42 billion. The buyers, they said, would take Rs 40 billion debt in ABRL, which runs stores under the 'More' brand.

The Birlas are likely to end up with losses amounting to Rs 70 billion in the venture, given that they had invested Rs 110 billion of personal capital, by way of both equity and debt of ABRL, said sources.

ABRL took more than Rs 10 billion of debt from various unlisted group companies. The debt, as it is not being taken over by Samara and Amazon, has to be written off. ABRL's accumulated losses, which crossed Rs 67 billion in 2016-17, may have risen further in the year ended March 2018. The company's financials for 2017-18 are not available.

RKN Retail and Kanishtha Finance and Investment, the two holding companies of ABRL, sold almost 100 per cent in the company to Witzig Advisory Services, a back-end company owned by the Samara Alternative Investment Fund. Amazon's financial commitment to the partnership is not known yet.

Amazon did not reply to *Business Standard*'s queries. An email sent to Aditya Birla Group and Samara Capital did not elicit any response.

More is the fourth-largest supermarket chain in the country and runs 490 supermarkets and 20 hypermarkets.

ABRL posted losses of Rs 6.44 billion in FY17, though sales went up 20 per cent to Rs 41.96 billion. ABRL is Amazon's second investment in the country's brick-and-mortar retail space after the e-commerce firm's investment arm Amazon.com NV Investment Holdings acquired a 5 per cent stake in department store chain Shoppers Stop for about Rs 1.80 billion in September last year.

Besides competition from kirana stores, More, like other retail chains, faced low margins in food and groceries. Experts said frequent changes in the top management and strategy, wrong selection of stores, and heavy corporate expenses took a toll on ABRL's business.

Revenue shortfall may limit the scope of GST rate cuts	**Live Mint** https://www.livemint.com/Politics/SYounKVIXwIcsG2TYdDhaL/Revenue-shortfall-may-limit-the-scope-of-GST-rate-cuts.html

The rising gap between goods and services tax (GST) targets and actual revenue collections may limit the scope for large-scale rate cuts, with states favouring stabilization in revenues before any further rate reduction. As a result, the next meeting of the GST Council on 28-29 September is unlikely to feature major rate cuts to accommodate demands from the micro, small and medium enterprises (MSMEs).

The central government, concerned about the revenue shortfall, is also reaching out to states to understand the reasons behind it.

With anti-tax evasion measures like the e-way bill kicking in, tax authorities were targeting monthly GST revenues of ₹1 trillion in 2018-19. The collections have not kept pace with these targets, except in April and that too because of spillover tax payments from the previous year.

The large-scale rate cuts on white goods effected in July have led to a further fall in revenues in August. So far this year, the total shortfall in GST collections from targets was at ₹16,473 crore with the average monthly collection at ₹96,705 crore.

A state finance minister, who did not wish to be identified, said that with GST revenue is yet to stabilize, the scope for further rate cuts was limited. "Even if there is a rate cut in the 28-29 September meeting, it will be on insignificant items with very limited revenue repercussions," he said.

A central government official, who did not wish to be identified, said there is an expectation that revenue will pick up in the festive season as consumer demand increases. "But one will have to wait and see by how much collections increase," he said.

Worried about the pace of growth of GST revenues, finance secretary Hasmukh Adhia is touring states like Uttarakhand, Himachal Pradesh and Bihar which have reported a major shortfall in revenues to understand the reasons for the revenue shortfall.

In terms of absolute numbers, Karnataka received the highest amount of compensation from the central government in 2017-18 of ₹7,535 crore for revenue shortfall in the GST regime, followed by Punjab (₹4,618 crore), Gujarat(₹4,277 crore) and Maharashtra (₹3,077 crore). To be sure, Gujarat and Maharashtra have now recovered most of these losses.

"In the case of economically strong states, although the compensation received may be higher in absolute numbers, the revenue shortfall as a percentage of state tax receipts may not be high. Union revenue secretary is looking into the issue of revenue shortfall," said a member of the GST Council who declined to be named. Punjab, for example, lost receipts from the pre-GST era tax on procurement of agriculture goods, which has been subsumed into GST, said the council member.

Punjab finance minister Manpreet Singh Badal said in his FY19 budget speech in March that uncertainty around tax receipts in the initial months of GST implementation impacted the state's ability to release funds for development work. Former Karnataka chief minister Siddaramaiah said in March that frequent changes in the GST regime and glitches in the IT system had affected tax receipts.

"Any volume growth in consumer goods sales driven by the recent tax rate cuts should benefit GST collections in coming months," said Abhishek Jain, tax partner, EY India.

Easier tax refund regime for exporters in the works	**Economic Times** https://economictimes.indiatimes.com/news/economy/policy/easier-tax-refund-regime-for-exporters-in-the-works/articleshow/65891926.cms

The government is examining the tax refund mechanism for exporters under goods and services tax (GST) and may announce some measures over the next few days to streamline the process and speed up repayments. "Some measures are being looked at…," a senior official told ET, adding that these could be unveiled by the weekend.

Exporters say delay in refund under GST impacts business and raises working capital cost. Last week, Finance Minister Arun Jaitley had said the government would take steps to boost exports.

The Central Board of Indirect Taxes and Customs (CBIC) has taken several steps to ease the process of refund for exporters, but some issues persist. It has had a detailed discussion with industry representatives on the issues faced by them in getting refunds seamless.

The government is now looking at all the procedures, as also execution issues at the central and state government levels, which are impacting exporters.

According to the official, it could consider some procedural relaxations to make refunds seamless and easier. The restriction on inputs imported under some exemption notifications retrospectively is in focus, the official said, adding that the government could consider restricting refund of taxes only for those exports that use inputs under some exemption notification.

Industry representatives say challenges are more on account of state tax authorities lacking familiarity with some export schemes. State officers, they said, demand different set of documents and withhold refunds even after they have been sanctioned by the Centre. This is especially so in cases of services exports.

Sometimes refunds are rejected due to minor issues such as change in the jurisdiction of officers. The jurisdiction office appearing on the GSTN portal may be different from the actual jurisdiction in the record of the department, and that sometimes leads to issues despite instructions from the CBIC that the issue should not hold up refunds.

The official said the government could look at providing a reconciliation mechanism for exporters to understand against which claims they have received the refund amount for integrated GST rebate claim.

Experts say the government must provide some new formulation to assuage exporters' concern on refunds.

"Integrated GST refunds have streamlined largely except for internal container depots, but input tax credit refund still remains an issue," said Ajay Sahai, director-general of Federation of Indian Export Organisations. "The government needs to address the situation expeditiously."

Anita Rastogi, partner at PwC, said, "It is an expectation from the government to formulate a solution to eradicate the concern of businesses.

Ideally, the methodology may be prescribed where the restriction shall be applicable only on those outputs which are exported after using the inputs procured under the said notifications."

No GST slab cuts if govt revenue doesn't increase: Report	Business Today https://www.businesstoday.in/current/economy-politics/no-gst-slab-cuts-if-govt-revenue-doesnt-increase-report/story/282654.html

While the Finance Ministry is targeting monthly GST collections at Rs 1 lakh crore for this fiscal on the back of anti-tax evasion measures like the e-way bill, the actual mop up has fallen short of the target month after month.

I n July, the GST Council had announced the biggest rate cut since last November and slashed the levy on several items. But an encore at the upcoming meeting of the GST Council appears highly unlikely at this juncture. A state finance minister told Mint that with GST revenue is yet to stabilise, the scope for further rate cuts was limited. "Even if there is a rate cut in the September 28-29 meeting, it will be on insignificant items with very limited revenue repercussions," he added.

While the Finance Ministry is targeting monthly GST collections at Rs 1 lakh crore for this fiscal on the back of anti-tax evasion measures like the e-way bill, the actual mop up has fallen short of the target month after month. The collections stood at Rs 94,016 crore in May, Rs 95,610 crore in June, Rs 96,483 crore in July and Rs 93,960 crore in August. The sole exception was the month of April, when the numbers exceeded the target courtesy spillover tax payments from the previous year.

As a result, the next meeting of the GST Council is unlikely to feature major rate cuts to accommodate demands from the micro, small and medium enterprises (MSMEs). The daily added that the central government is also reaching out to states to understand the reasons behind the dip in collections - finance secretary Hasmukh Adhia is touring states like Uttarakhand, Himachal Pradesh and Bihar, which have reported a major shortfall in revenues.

The government's concern is understandable, given that the Centre has agreed to compensate the states for revenue loss on account of GST implementation for a period of five years. The loss of revenue to a state is calculated based on the difference between the actual realisation to a state under GST regime and the tax revenue it would have got under the old indirect tax regime after considering a 14% increase over the base year of 2015-16.

According to FinMin, in the last fiscal, the average revenue gap of all states was around 17%. In terms of absolute numbers, Karnataka received the highest amount of compensation from the central government in 2017-18 of Rs 7,535 crore for revenue shortfall in the GST regime, followed by Punjab (Rs 4,618 crore), Gujarat(Rs 4,277 crore) and Maharashtra (Rs 3,077 crore). To be sure, Gujarat and Maharashtra have now recovered most of these losses.

"In the case of economically strong states, although the compensation received may be higher in absolute numbers, the revenue shortfall as a percentage of state tax receipts may not be high," a member of the GST Council told the daily. Punjab, for example, lost receipts from the pre-GST era tax on procurement of agriculture goods, which has been subsumed into GST. The upcoming festive season may prove to be a silver lining for GST collections assuming the recent tax rate cuts will drive volume growth in consumer goods sales. A central government official told the daily that there is an expectation that revenue will pick up in the festive season as consumer demand increases. "But one will have to wait and see by how much collections increase," he added.

Review GST provisions for exports: Manpreet writes to Jaitley	Hindustan Times https://www.hindustantimes.com/punjab/review-gst-provisions-for-exports-manpreet-writes-to-jaitley/story-CDKKH2gTWWCUe0NGqVn33N.html

Even as the slide in rupee should cheer exporters, Punjab's small scale industry has not able to cash in on it. State finance minister Manpreet Badal has written to Union finance minister Arun Jaitley urging him to address issues in the Goods and Services Tax (GST) regime at such a critical time.

The letter says with the rupee crossing the 72 mark against the US dollar and the country's current account deficit burgeoning, this is a time to undertake a quick review of the GST provisions to ensure that exports are not impinged in any manner.

"Punjab's small scale industry has been impacted severely by GST issues. I have written to the Union FM based on suggestions received during my interaction with exporters. We need to improve ease of doing business for exporters as well as cut the cost of compliance," he told HT.

Among the measures suggested by him are that exporters be allowed duty-free import of inputs meant to be used for export products. "This concession is no more available to exporters who have first exported and later wish to replenish the inputs. It is wrong to deny the benefit on the grounds that the exporter has already fulfilled the export obligation and doesn't require inputs as the import of inputs is a continuous process for future exports. This will help exporters in better working capital management and reduce the need for refunds, with all the accompanying hassles," the letter states.

The FM has also called for restoring other pre-GST sops such as advance authorisation for deemed exports. This benefit too has been withdrawn under the GST regime.

Deemed exports, Manpreet says, should be entitled to all the benefits that are available for physical exports. "A dollar earned is a dollar saved and there is no need to make any distinction between the two in GST," he added.

He has also asked the union minister to restore the benefit of refund of GST paid on exports as the decision has been made with retrospective effect making exporters run for cover. "The fact that this decision has been taken without the GST Council, itself is highly questionable, as to whether such decision of a far-reaching consequence can be taken by the GST implementation committee," he adds.

India may look to lock in oil futures to stem rupee slide	Live Mint https://www.livemint.com/Politics/Ce9vWZ0f2Q1Uq2Q3RYgIsJ/India-may-look-to-lock-in-oil-futures-to-stem-rupee-slide.html

The government is planning to ask state oil firms to lock in their crude futures purchase prices, a government source said on Thursday, anticipating a spike when US sanctions on Iran snap back again in November.

The move would be another step to tackle a slide in the rupee, as oil prices are putting pressure on India, which imports some 80% of its crude demand. Its currency has fallen sharply this year against the US dollar, amid a wider sell-off in emerging markets.

“The futures should be locked in when crude price is down,” said the source, who is familiar with deliberations on the matter, adding the step should have been taken earlier.

The rupee, Asia’s worst performing currency this year, has depreciated about 12% year-to-date against the US dollar, closing at 72.39 on Wednesday, after a record low of 72.99 on Tuesday. Markets were closed on Thursday.

The government is expected to announce a set of measures to discourage non-essential imports to stem the slump in the currency.

Separately, a senior finance ministry official said there was a view that the rupee could weaken further in the next two months if proposed steps failed to kill “speculation in the rupee market”.

“The gap between the announcement of steps and action is creating a space for speculation. We have to stop this,” said the official.

Officials at oil companies said they were open to the idea of locking in futures if the government asked.

A senior official at Indian Oil Corp, a state-owned oil marketing company, said they were considering some options in terms of forward contracts. He declined to give details saying this was “market sensitive information”.

An official at BPCL, another state-owned oil firm, said they were trying to hedge margins, under a policy reviewed every quarter.

BPCL is also studying a proposal to buy dollars directly from the Reserve Bank of India instead of the market, in a bid to quell strong dollar demand that is denting the rupee.

“Whenever, there is sharp volatility in exchange rates, this dollar window is opened. We’re studying the proposal,” he said.

Another official at state-run HPCL said the government had not officially asked for it to examine forward contracts. “In case it is needed, or the government wants us to, we will then look into it,” the HPCL official said.

The officials declined to be named as the proposals are still under consideration.

India’s risk-averse state-owned refiners have in the past been reluctant to engage in futures trading or hedging strategies, fearing administrative blow-back if bets go wrong. The refiners typically buy up to 70% of their oil needs through term deals and the remainder through spot markets. Unlike state refiners, private players Reliance Industries and Nayara Energy use hedging tools to lock in costs on the international market.

Indian economy to reach $5 trillion by 2022, says PM Modi	Live Mint https://www.livemint.com/Politics/wF1bAFdx5k2pITqj13WzJL/Indian-economy-to-reach-5-trillion-by-2022-says-PM-Modi.html

Prime Minister Narendra Modi on Thursday said the size of the Indian economy will double to $5 trillion by 2022 with manufacturing and agriculture contributing $1 trillion each.

Speaking at the foundation laying ceremony of the India International Convention and Expo Centre, Modi cited the recent announcement of the merger of Dena Bank, Vijaya Bank and Bank of Baroda to create the country's third-largest lender and said the government would not shy away from taking tough decisions in the national interest.

The Indian economy, he said, will grow at over 8%, with massive employment generation in the IT and retail sectors. Macroeconomic fundamentals of the economy were strong, he added.

The government's push for Make in India had led to 80% of mobile phones currently in use being manufactured within the country, helping save Rs 3 lakh crore in foreign exchange.

The government, he said, had courage to take bold decisions. The Prime Minister cited the roll-out of the Goods and Services Tax (GST) among the bold measures taken by the government.

Wage hike to put Bangladesh RMG sector in dire straits	The New Age http://www.newagebd.net/article/51135/wage-hike-to-put-bangladesh-rmg-sector-in-dire-straits

enior vice-president of Bangladesh Garment Manufacturers and Exporters Association Faruque Hassan shares his views with New Age senior staff correspondent Moinul Haque

The newly announced minimum wages for the workers at Tk 8,000 will put up a big challenge for the country's readymade garment sector making it tough to remain competitive in the international market, forewarns Faruque Hassan.
Asked why, he explains that the prices of products have not been increased but cost of doing business went up gradually in recent years, which will put the sector under pressure.

The factory owners, he observes, will have to accept the new minimum wages as the amount is going to be settled through negotiation in the government-set minimum wage board and the hike in wages will blunt the competitiveness of Bangladesh's readymade garment sector in the global market.

This, he fears, may lead to the closure of many factories.

'We want to pay our workers more but first of all we have to remain competitive. If the sector loses its competitiveness, employment generation will be hit hard,' he warns.

The government, he suggests, should provide support to the sector as it will be difficult for the factories to afford Tk 8,000 as minimum wage.

He says RMG sector has created a vast workforce, especially female workforce, in the country and adds that the sector played an unbelievable role in women empowerment in Bangladesh.

If the sector loses its competitiveness, he warns again, new employment generation will come to an end.

Faruq apprehends that the new wages may lead to manpower cut in the RMG sector as factory owners will have to introduce automatic and semi-automatic machines to enhance productivity to minimise the cost. Small and medium factories will be affected most due to the increase in minimum wages and it will also hurt the large factories, which he says will force them to go for increased productivity and efficiency to meet the increased cost.

The country's RMG sector is passing thorough difficult time as cost of doing business is going up every year due to hike of utility bills, port congestion and transport cost, he enumerates.

Many factories have been forced to close down their business in the face of growing challenges and the number of active BGMEA member factories came down to 3,000 from 7000 in recent years, Faruq says. In fixing minimum wages, all have to keep in mind that readymade garment in Bangladesh is only the competitive product in the global market and the lion share of foreign currency comes from the sector, he points out. 'We have no core raw materials of textile sector. Cutting and sewing is the main strength of our sector but our competitor countries including India, Vietnam and Sri Lanka have their own raw materials like cotton and petro chemicals and they have scope to offer more competitive prices than Bangladesh,' Faruq mentions. Opposing the demand of labour rights groups, the BGMEA leader says that considering the economic situation of the country the demand for Tk 16,000 as minimum wages is not logical.

'They can demand but they should consider whether the amount will be sustainable for the sector or not,' he puts forth. Faruq, however, posits that it would have been possible for the sector to pay its workers more if the buyers would share their responsibility.

'Within a few months of the implementation of new wage, its impacts will become evident,' he notes. Demanding export-friendly exchange rate, the BGMEA leader says that most of the competitor countries devalued their currencies against dollar but taka has remained stable.

'We never demand a massive devaluation but an export-friendly rate is important to remain competitive on the global market. If the sector loses business, the country will be loser, the workers will be losers as no other export sector beyond RMG will flourish in the country,' he concludes in a note of warning.

Crude oil futures stable ahead of OPEC meeting in Algiers	S& P Global https://www.spglobal.com/platts/en/market-insights/latest-news/oil/092118-crude-oil-futures-stable-ahead-of-opec-meeting-in-algiers

Crude oil futures were stable to slightly lower during mid-morning trade in Asia Friday as market participants adopted a wait-and-watch approach ahead of OPEC's meeting in Algiers over the weekend to discuss future production policy.

US President Donald Trump's tweet on reducing oil prices also weighed on sentiment, analysts said.

At 10:15 am Singapore time (0215 GMT), November ICE Brent crude futures were down 2 cents/b (0.03%) from Thursday's settle at $78.68/b, while the new front-month NYMEX November light sweet crude contract was 12 cents/b (0.17%) lower at $70.20/b.

OPEC and its partners will meet in Algiers this weekend to discuss production policy measures to offset any loss of Iranian crude barrels as a result of US sanctions that snap back in November.

"With most major producers heading to Algeria to attend the joint ministerial monitoring committee, the focus has been on how the OPEC+ group can mitigate the losses from Iran," ANZ Research analysts said in a note Friday.

Iranian oil minister Bijan Zanganeh on Thursday said he would veto any OPEC deal that imperils Tehran's oil market share, complicating the organization's talks with Russia and other partners to institutionalize their supply management accord beyond this year.

"I will definitely veto any decision that threatens our national interest," Zanganeh said in an interview in his office with reporters from S&P Global Platts and Bloomberg News. "Anyone who says they will compensate for the shortfall in the market is speaking against Iran. This is a 100% political statement, not economic."

OPEC, Russia and nine other non-OPEC partners on June 23 agreed to raise their collective production by 1 million b/d, but have left unsettled how they will distribute the extra barrels.

Sunday's Algiers summit, the first formal meeting of the monitoring committee since the agreement, is intended to address the issue, and OPEC sources have told Platts that the proceedings will expand to include more than 20 ministers from the coalition.

"Implementation of the 1 million b/d increase in production that was decided in June will be discussed at the meeting, as no doubt will the looming Iranian supply outages and the question of whether these should be offset by a further increase in output," said Commerzbank analysts in a note Friday.

"No consensus on this issue is likely," they added.

Meanwhile, US President Donald Trump Thursday tweeted: "We protect the countries of the Middle East, they would not be safe for very long without us, and yet they continue to push for higher and higher oil prices! We will remember" and "The OPEC monopoly must get prices down now!"

The US counts Saudi Arabia, OPEC's de facto leader, as a key ally and will be keen not to see a price surge ahead of the US midterm elections November 6, with Trump's Republican Party at risk of losing control of Congress.

"Sentiment wasn't helped by President Trump tweeting that OPEC must bring prices down now," ANZ analysts said their note.

As of 0215 GMT, the US Dollar Index was up 0.03% at 93.485.

US slaps anti-dumping tariffs on PET resin suppliers	Taipei Times http://www.taipeitimes.com/News/biz/archives/2018/09/21/2003700822

The US Department of Commerce has imposed anti-dumping tariffs on polyethylene terephthalate (PET) resin suppliers from Taiwan and four other nations for selling their products at unfairly low prices in the US market.

The punitive tariffs on PET resin firms from Taiwan, South Korea, Brazil, Indonesia and Pakistan were imposed after the department on Tuesday issued an affirmative final ruling on its investigation into the alleged unfair trade practices.

For Taiwan, anti-dumping tariffs ranging from 5.16 percent to 45 percent have been imposed, the department said.

Far Eastern New Century Corp (遠東新世紀), Far Eastern Textile Ltd (遠東紡織) and Worldwide Polychem (HK) Ltd (環世聚酯香港) face a 5.16 percent anti-dumping rate, while a tariff of 45 percent was imposed on Shinkong Synthetic Fibers Corp (新光合成纖維), it said.

Far Eastern Textile is the largest PET resin maker in Taiwan.

Tariffs ranging from 29.68 percent to 275.89 percent were imposed on PET resin exporters from Brazil; 8.23 percent to 101.41 percent on South Korean firms; 30.61 percent to 53.50 percent on firms from Indonesia; and 43.81 percent to 59.92 percent on exporters from Pakistan, the department said.

PET resin is the raw material used for the production of soda, juice and edible oil containers, as well as a wide range of other products, such as audio/video disks.

“The strict enforcement of US trade law is a primary focus of [US President Donald Trump’s] administration,” the department said in a statement.

“Since the beginning of the current administration, the [department] has initiated 122 new anti-dumping and countervailing duty investigations — this is a 221 percent increase from the comparable period in the previous administration,” it said.

The US International Trade Commission is to issue its final determinations about Nov. 1, the department said, adding that if it makes an affirmative final injury decision, the department would issue anti-dumping orders on PET resin imports from the five nations.

The US is the second-largest buyer of PET resin from Taiwanese firms, Bureau of Foreign Trade data showed.

PET resin exports to the US market last year totaled about US$140 million, 15.2 percent of total outbound PET resin sales by Taiwanese firms, the data showed.

As the tariff rates faced by Taiwanese exporters are relatively low compared with other major exporters to the US, Taiwan has a better chance of maintaining its presence in the US market, the bureau said.

Some Taiwanese PET resin makers have begun relocating their production overseas to reduce the effects of the US tariffs, it added.

'Pakistan needs to enhance potential in sectors other than textile'	**Tribune India** https://tribune.com.pk/story/1807451/2-pakistan-needs-enhance-potential-sectors-textile/

Textile is the major export-oriented industry of Pakistan but the country needs to enhance the potential in other sectors as well, said Hans-Olaf Henkel, head of a six-member delegation of the European Conservative and Reformists Group of Parliamentarians. The delegation was visiting the Lahore Chamber of Commerce and Industry (LCCI) on Wednesday to gain a better understanding of the latest economic and political developments in Pakistan.

Henkel and LCCI President Malik Tahir Javaid discussed in detail the ongoing economic scenario, GSP Plus status for Pakistan and trade and economic ties with the EU. "We see things are improving and getting better as the security condition has improved and we now feel safe here," said the European official. Also speaking on the occasion, Javaid said Pakistan had been awarded the GSP Plus status in 2013. Contrary to expectations, it has resulted in only a marginal improvement in Pakistan's exports to the EU.

Pakistan added to Primark cotton programme	**Eco Textile** https://www.ecotextile.com/2018092023743/materials-production-news/pakistan-added-to-primark-cotton-programme.html

Following a successful first year of retailing apparel which incorporates cotton from the company's Sustainable Cotton Programme, Primark has announced that it will expand the initiative to encompass suppliers in Pakistan – one of its largest existing supplier nations. The next goal set by the retailer is for over 30,000 farmers to be enrolled on the programme by 2022, receiving training and support in order to successfully provide Primark with cotton that adheres to its sustainability criteria.

Textile industry must renovate	Vietnam News https://vietnamnews.vn/economy/466239/textile-industry-must-renovate.html#Mq5oshiyuE0O2YD4.97

The textile and garment industry is likely to face challenges in 2019 as the industry goes through a transition period which requires breakthroughs to shift its position in the global value chain.

This was the highlight of a seminar on the prospects for textile and garment exports held on Thursday within the framework of the three-day Hà Nội Textile & Garment Industry – Fabric & Garment Accessories Expo which will close today.

A representative from the Ministry of Industry and Trade said at the event that 2019 would continue to be a challenging year for the textile and garment industry.

The sector needed to make big changes to shift towards a new position in the global value chain, from Cut-Make-Trim (CTM) to Original Equipment Manufacturing (OEM)/Full Package/Free on Board (FOB) and Original Design Manufacturing (ODM) and Original Brand Manufacturing (OBM) to generate higher added value, experts said.

Experts also said that the Fourth Industrial Revolution would also have significant impacts on the industry, forcing producers to invest more in equipment and staff.

However, experts warned that Việt Nam's textile and garment sector would face fiercer competition from Bangladesh, Cambodia, Laos, Sri Lanka and Myanmar, adding that it was important to enhance competitiveness to be able to grasp opportunities.

Recent analysis by Bảo Việt Security Company said that countries with competitive advantages in garment and textiles would benefit from the growing US-China trade war, including Việt Nam, Bangladesh and Cambodia.

The US was the biggest importer of Vietnamese textile and garment products in 2017. Statistics from the Việt Nam Textile and Garment Association showed that in 2017, textile and garment exports to the US reached US$12.8 billion, accounting for more than 40 per cent of the sector's total export revenue.

Textile and garment export to the US are forecast to reach $13.8-14 billion this year.

Textile and garment export revenue totaled $23 billion in the first eight months of this year, representing a rise of 15 per cent over the same period last year