The Southern India Mills' Association
Post Box No. 3783, 41 Race Course, Coimbatore - 641 018
Phone: 0422 4225333 | Fax: 0422 4225366
E-mail: info@simamills.org | Web: www.simamills.org

# NEWS CLIPPINGS –09-10-2018

| **Cotton output may fall 4.7% due to scant rainfall, pink bollworms: CAI** | **Business Standard**<br>https://www.business-standard.com/article/markets/cotton-output-may-fall-4-7-due-to-scant-rainfall-pink-bollworms-cai-118100900044_1.html |
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Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to bollworms

Cotton production in 2018-19 is likely to fall 4.7 per cent from the previous season to 34.8 million bales, as scant rainfall and an attack of pink bollworms are expected to squeeze crop yields, the head of a leading trade body told Reuters. The drop in output could limit exports from the world's biggest producer of the fibre amid rising demand from top consumer China and in turn support global prices, which are hovering near their lowest level in more than nine months hit last week.

"In Gujarat, we are expecting a big drop in production due to dry weather," said Atul Ganatra, president of the Cotton Association of India (CAI).

Gujarat, the country's top cotton producing state, received 28 per cent lower rainfall than normal in the June-September monsoon season, according to the India Metrological Department.

The western state's fibre output is estimated to drop 14.3 per cent from a year earlier to 9 million bales in the new marketing season that started on October 1, he said.

In Maharashtra, the country's second-biggest cotton producer, output is expected to ease to 8.1 million bales from 8.3 million bales due to an attack of the pink bollworm pest, Ganatra said.

Indian farmers have adopted genetically-modified seeds known as Bt cotton that are resistant to bollworms, but it has not stopped the infestations.

Pink bollworms consume the fibre and seeds inside a cotton plant's boll, or fruit, and yields fall.

Gujarat and Maharashtra account for more than half of the country's total cotton production.

"Due to less production exports are likely to reduce and import is likely to increase," he said.

Pakistan, China, Bangladesh and Vietnam are key buyers of Indian cotton. In 2017-18, India exported 6.9 million bales of cotton. Demand for Indian cotton is robust this year from China as a trade war is prompting the world's top consumer to avoid imports from the United States.

| India and US bilateral trade rises 119% since 2007 at $126.2 billion | Business Standard https://www.business-standard.com/article/economy-policy/india-and-us-bilateral-trade-rises-119-since-2007-at-126-2-billion-118100801056_1.html |
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In the imports bracket, India was the United States' 11th largest supplier of goods in 2017

Bilateral trade of goods and services between India and the US has gone up by 119 per cent since 2007, touching $126.2 billion, according to the data collated by the office of the United States Trade Representative (USTR).

According to the data, exports were valued at $49.4 billion and imports were worth $76.7 billion. The US goods and services trade deficit with India was $27.3 billion in 2017.

The data comes at a time when the two nations are locked in a trade war.

"India is our ninth largest goods trading partner with $74.3 billion in total (two-way) goods trade during 2017. Goods exports totaled $25.7 billion and goods imports totaled at $48.6 billion. The US goods trade deficit with India was $22.9 billion in 2017," said USTR on its website. While India was the United States' 15th largest goods export market in 2017, the latter exported $25.7 billion of goods to India, up by 18.7 per cent ($4.1 billion) from 2016 and up 71.6 per cent from 2007.

US exports to India accounted for 1.7 per cent of overall US exports in 2017. The top export categories in 2017 were precious metals and stone (diamonds) at $7 billion, mineral fuels ($2.8 billion), aircraft ($2.2 billion), machinery ($2.1 billion), and optical and medical instruments ($1.4 billion). US exports of services to India were estimated at $23.7 billion in 2017, 15.2 per cent ($3.1 billion) more than 2016, and 174 per cent higher than 2007 levels. Leading services exports from the US to India were in the travel, intellectual property (computer software, audio and visual related products), and transport sectors.

In the imports bracket, India was the United States' 11th largest supplier of goods in 2017. US goods imports from India totaled $48.6 billion in 2017, which surged by 101.9 per cent from 2007. The imports from India account for 2.1 per cent of overall US imports in 2017. The top import categories during the last calendar year were precious metal and stone (diamonds) ($10 billion), pharmaceuticals ($6.1 billion), mineral fuels ($2.7 billion), machinery ($2.5 billion), and miscellaneous textile articles ($2.5 billion).

The US also imported $2.6 billion of agricultural products from India during the period under review. In the services category, $28.1 billion were imported from India. The imports of services were about nine per cent more than 2016, and a whopping 183 per cent greater than 2007 levels. "Leading services imports from India to the US were in the telecommunications, computer, and information services, research and development, and travel sectors," USTR said in its report.

| India may see strong growth in cotton yarn exports in FY19: Icra | Hunter Info<br>http://hunterinfo.in/2018/10/08/india-may-see-strong-growth-in-cotton-yarn-exports-in-fy19-icra/ |
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The surge in export demand for cotton yarn over the past few months has come as a major respite for the domestic spinners, who had reported a multi-year low profitability during FY2018 amid multiple headwinds. Even though the pace of growth is likely to moderate during the year with the base effect setting in, India is set to record strong growth in cotton yarn exports during FY2019, according to an ICRA report released on Monday.

Commenting on the emerging trends, Mr. Jayanta Roy, Senior Vice-President and Group Head, Corporate Sector Ratings, ICRA, says, "Even though trends in domestic consumption of cotton yarn remain unencouraging, strong revival in export demand augurs well for profitability of domestic spinners as it has enabled them to pass on the increase in raw material costs, unlike last year. This together with access to low-cost cotton from the previous harvest season has helped the domestic spinners maintain the improvement trajectory in profitability in H1 FY2019."

The revival in export demand has enabled ICRA's sample of large spinning companies report a comfortable volumetric growth of 5% Y-o-Y in Q1 FY2019, which together with a 7% Y-o-Y increase in average yarn realisations to Rs. 211/kg has translated into a growth of ~12% in sales turnover during the quarter. The growth rate appears comfortable, when viewed in comparison to a growth of 5-6% reported by the sample during FY2017 and FY2018 amid multiple demand-side pressures. The aggregate operating margins also improved to 12.2% in Q1 FY2019 vis-a-vis 11.6% in Q4 FY2018, after having remained subdued at 9-11% during the preceding four quarters. As a result, the aggregate interest cover improved to 3.8x in Q1 FY2019 from 3.1x in Q1 FY2018, despite an increase in interest outgo due to an increase in the inventory-led working capital requirements.

While the strong Y-o-Y growth of 56% in cotton yarn exports during four months of FY2019 driven by a more than two-fold increase in exports to China, is partly attributable to the low base effect, as exports were down by 56% Y-o-Y in four months FY2018, it has also been driven by competitive Indian cotton and yarn prices. Indian cotton prices increased at a relatively slower pace vis-a-vis the international prices during the seven-month period ended May 2018, reporting a 6% increase in US dollar terms vis-a-vis a 20% increase in the international cotton prices during the same period. As a result, the spread between domestic and international cotton prices, which typically averages at 5%, increased to 12% in the quarter-ended March 2018 before peaking at 16% in the quarter-ended June 2018. This, together with rupee depreciation, made Indian cotton as well as cotton yarn considerably competitive in the global markets during the months of March, April and May 2018, shoring up demand for the Indian cotton and cotton yarn.

With increased demand, the Indian cotton prices increased by ~9% in the month of June 2018 and stayed firm thereafter, before correcting marginally in September 2018 with the onset of the harvest season. As a result, the spread between the domestic and international cotton prices narrowed significantly and is estimated at ~8% for the quarter-ended September 2018.

"Notwithstanding the healthy demand prospects in the export markets in the near term, considering the still higher-than-usual spread levels, the spike in growth rate of exports witnessed is likely to moderate during H2 FY2019 with the arbitrage opportunity as well as the base effect fading out," Mr. Roy added.

Other factors apart, competitive pressures from Vietnam and China's focus on improving cotton availability situation, are also expected to moderate the export demand for India's cotton yarn going forward. Nevertheless, given the strong growth reported during four months of FY2019, cotton yarn exports for the full year are expected to report a healthy growth in FY2019.

| **Cotton industry body trims production estimates** | **Financial Express** https://www.financialexpress.com/market/commodities/cotton-industry-body-trims-production-estimates/1342221/ |
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The apex cotton trade body has brought down the crop size at 348 lakh bales for 2018-19 amid fears of an impact of yield at the conclusion of the Cotton meet in Aurangabad.

Cotton Association of India (CAI), in its first crop estimates, has reduced the cotton crop size for 2018-19 at 348 lakh bales (of 170 kg each) from 365 lakh bales in 2017-18. The reduction in crop estimate has been mainly attributed to the adverse impact of a drought-like situation in key growing regions of Gujarat, Maharashtra and Karnataka.

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According to Atul Ganatra, president, CAI, five cotton growing states in the country are facing problems at present. As per the CAI estimates, cotton crop in the largest grower Gujarat is set to decline by about 15 lakh bales from 105 lakh bales last year to about 90 lakh bales projected for 2018-19. The state faced overall rainfall deficit of about 23% till October 5.

Also, Maharashtra, Andhra Pradesh and Karnataka are projected to have lower crop too.

The maximum problem this year is in Gujarat. The state which gives the highest cotton production in India is facing overall 30% rain deficit. The rain deficit is more than 50% in 9 cotton growing districts of the state and 3 districts have already announced drought where the rain deficit is around 75%. Yield in Gujarat is also likely to reduce drastically," he said. Ganatra noted that despite almost similar cotton sowing as that of last year, cotton crop this year may be lower due to deficient rains in cotton growing states. As per the central government data, cotton sowing was reported at 120.64 lakh hectare for 2018-19 as against 121.72 lakh hectare in 2017-18. Marathwada — the largest cotton growing area in Maharashtra is also facing a similar situation as Gujarat and yield in Marathwada is likely to reduce drastically because of rain deficit. "Due to this we have reduced Maharashtra crop by 2 lakh bales i.e. 81 lakh bales from last year's 83 lakh bales. Actually, Maharashtra crop size is 90-95 lakh bales and Gujarat crop size is 75 lakh bales but from Maharashtra 10-15 lakh bales raw cotton goes to Gujarat and therefore pressing figures of Gujarat are at 90 lakh bales and Maharashtra 81 lakh bales.

| Cotton corpn steps in, farmers not enthused | Tribune India https://www.tribuneindia.com/news/punjab/cotton-corpn-steps-in-farmers-not-enthused/665602.html |
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Cotton Corporation of India (CCI) representatives on Monday visited Bathinda, Malout and Abohar markets to make purchases but were shunned by farmers, apparently because the corporation wished to carry out direct purchase and the farmers did not want to antagonise 'arhtiyas' (commission agents).

The corporation's Bathinda branch head, Brijesh Kasana, admitted the farmers were reluctant to sell their produce to them. "Rising cotton prices in the market could be one of the reasons," he pointed out. He stressed they would purchase cotton with moisture content between 8-12 per cent and not beyond. However, Ashok Kapur, a former president of the North India Cotton Association, attributed the farmers' reluctance to their long-time association with the arhtiyas. He said the corporation must initiate confidence-building measures and acquaint the farmers with the new system. Interestingly, the BKU (Ekta-Ugrahan) had staged a protest outside the CCI office here on Saturday, urging it to lift cotton. On the corporation's claim that they were getting a lukewarm response in mandis, he called it "a mere ploy to dodge purchase".

Satish Bansal, a leading commission agent, said they had already taken up the matter with the Union Government, urging that the old practice, under which they were paid 2.5 per cent commission on every cotton purchase by the corporation, be restored. "We have been left out completely," he rued

Sukhmandar Singh, a farmer from Jaisinghwala village, who sold cotton at Rs 5,240 per quintal in the Bathinda market on Monday, said: "We cannot think of moving away from the old system. We have a strong bond with the arhtiyas, who come to our aid whenever needed."

On the other hand, cotton growers in Fazilka complained that the corporation had yet to enter the local market.

They said had to sell to private traders at Rs 5,050-5,270 per quintal against the MSP

(minimum support price) of Rs 5,350 per quintal.

| Goods transport strike continues | New Age http://www.newagebd.net/article/52659/goods-transport-strike-continues |
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Apparel business and supply chain largely affected as owners and workers of goods transports continued partial work abstention across the country for the second consecutive day on Monday for an indefinite period. Bangladesh Goods Transport Owners and Workers' Unity Council observed the strike to press home their seven-point demands including changes to the newly enacted Road Transport Act-2018. The changes included demands that no case be filed for road accident under section 302 of Penal Code, cancellation of Tk 5 lakh fine and all road accident-related cases be bailable.

Bangladesh Garment Manufacturers and Exporters Association leaders requested the transport leaders to withdraw the strike as it badly affected the country's export and import activities.

After a meeting with the home affairs minister Asaduzzaman Khan in chair at his Dhanmondi residence in Monday night, the council leaders allowed goods-laden transports carrying garment and perishable products to enter and leave Dhaka division.

To take decision on allowing other goods-laden transports, the leaders are scheduled to meet the home minister and law minister Anisul Huq at the secretariat today at 2:00pm, said the council convenor Makbul Ahmed. As transport workers in Chattogram, Feni, Bagura, Naogaon, Rangpur and Chapainawabganj districts expressed solidarity with the strike on Monday, no goods-laden transports entered or left the capital and other districts under Dhaka division, said the leaders.

In the capital transport workers held processions taking position at Jurain, Shympur, Tejgaon, Kanchpur, Jatrabari and Gabtoli areas, all day long.

In Jurain, Shympur Bazar, Jatrabari and Kanchpur areas they rubbed burnt oil on the faces of transport workers and physically assaulted those who ran goods-laden transports on these roads defying the strike. The council convenor Makbul Ahmed and member secretary Md Tajul Islam vowed to continue the strike till their demands would be met.

Earlier on Monday, BGMEA president Siddiqur Rahman told New Age that they had talked with shipping minister Shajahan Khan, home affairs minister Asaduzzaman Khan and the transport leaders on Monday and urged them to withdraw the strike.

Shipping minister is also the executive president of Bangladesh Road Transport Workers' Federation. 'We are not able to send our export goods to Chattogram or to receive import goods from the Chattogram Port either. As a result many factories are feared to be closed down and there is risk of orders getting cancelled,' Siddiqur said.

He said there were about 3,000 factories in Dhaka division facing the risk of losses due to the strike. Between Sunday and Monday he had received phone calls from owners of at least a hundred apparel factories who feared considerable losses.

If the strike continued, it would be an absolute disaster, he added.

Chattogram Prime Mover Trailer Sramik Union general secretary Abu Bakar Siddiqui alleged that though they did not join the work abstention they had received some complaints from the drivers who left Chattogram for Dhaka. 'They were stopped by some workers on Dhaka-Chattogram Highway at Pagla area under Narayanganj who seized the vehicles documents, beat and assaulted the drivers of Prime Movers,' he told New Age correspondent in Chattogram.

The prices of some vegetable items including brinjals, tomatoes, radishes and gourds at the capital city's various kitchen markets have slightly increased due to the strike.

Monday also saw Tk 5 to Tk 10 increase per kilogram in the prices of these vegetables at Hatirpool kitchen market and Tk 10 to Tk 15 increase in the kitchen markets at Azimpur area.

West Karwan Bazar Multipurpose Cooperative Association leader Md Selim confirmed that prices of kitchen goods are on the rise in the market as no goods-carrying transports could enter the capital for two consecutive days. New Age correspondents in Gazipur, Tangail and Narayanganj reported that no goods-laden vehicles could enter or leave these districts.

New Age Correspondent in Jashore reported that several trucks laden with imported goods from India left for Dhaka from Benapole land port but remained stranded at several places on their way to the capital, Benapole Customs Clearing and Forwarding Agents' Association joint secretary Mohsin Milon confirmed.

However movements of goods-laden trucks towards other districts were not completely halted. Trucks plied major highways and roads in the districts.

New Age correspondents in Rajshahi and Naogaon reported that no goods-laden transports plied the roads in these districts as these were to enter the Dhaka division.

New Age correspondent in Chattagram reported that the strike did not hit the port city hard as goods-carrying vehicles were seen running till the evening.

This strike might affect the business of the city if it continued for long, said Chittagong Chamber of Commerce and Industry director Anjan Shekhar Das.

New Age correspondent in Sylhet reported that till Monday night the strike did not affect the Sylhet region and the coal transportation at the Tamabil Land Port continued unabated.

The Council additionally demanded the release of all arrested transport owners and workers, relaxation of regulations in issuance of heavy vehicle licences and an end to police harassment.

| **Rupee fall to hurt export, but import silver lining** | **Daily New nation**<br>http://m.thedailynewnation.com/news/191613/rupee-fall-to-hurt-export-but--import-silver-lining |
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The current 'free fall' of Indian rupee against the US dollar will benefit Bangladesh's imports while its exports to face greater challenges in the Indian market, say economists and businessmen on Monday.

They also said that the fall in rupee against the greenback will boost Bangladesh's import from India and consequently it may widen its trade deficit with India further.

The value of Indian rupee has fallen around 15 per cent against the surging dollar this year, making it one of the world's worst performing currencies, according to Indian media reports.

"Falling rupee will erode competitiveness of local merchandises and subsequently it will hurt Bangladesh's exports to India," Dr Zahid Hussain, Lead Economist, World Bank's Bangladesh office, told The New Nation yesterday. India is the second largest trade partner for Bangladesh after China and the two-way trade between the two countries touched US$ 9.49 billion in the last fiscal year (2017-18).Â  During the period, Bangladesh's import from India reached US$ 8.61 billion while export stood at US$873 million, recording a trade deficit of US$7.74 billion.

"A weaker rupee makes import expensive for India while exports cheaper in dollar terms. Indian exports to Bangladesh will fuel if the rupee continues to fall and it will therefore push up trade imbalance between the two countries further," said Dr Zahid Hussain. He observed that Bangladesh's exports to India remained low and was confined to limited items despite India grants duty-free market access to local merchandises. It is yet to exploit the facility due to lack of export diversification. Bangladesh exports goods including raw jute, jute goods, frozen food, agri-products, woven garments, knitwear, leather and chemical products while imports goods including automobile, textiles and textile articles, products of the chemical or allied industries, machinery and mechanical appliances. "Depreciated rupee has added an extra advantage to Indian manufacturers while exporting common products like garments, shrimp and jute to third countries. This will definitely cause diversion of trade from Bangladesh," M Shafiul Islam Mohiuddin, President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) told The New Nation yesterday. He also said that India is a key competitor of Bangladesh in global garments export and both the countries compete for same markets. Fall in exchange rate of rupee made Indian apparel items more competitive. It will cause reduction in Bangladesh's share of global export orders by diverting those to India.

"But the silver lining is that we can save over $1.2 billion, which is 15 per cent of our total import from India. Bangladesh could be benefitted immensely from cheaper Indian import while turning them to value added products for exports," said Mohiuddin. "The fall in value of Indian currency can be both negative and positive for local economy when India remains Bangladesh's second largest trading partner," Dr Ahsan H Mansur, Executive Director of Policy Research Institute (PRI) told The New Nation. He said falling exchange rate of rupee against dollar has become a 'boon' for importers while bane for exporters as the situation makes import cheaper while exports less competitive. "But the situation may be short-lived as the Indian currency is expected to rebound any time," he added. Indian rupee on Monday traded around 74.05 per dollar. The Indian currency touched a record low of 74.22 per dollar on Friday, according to Indian media reports.

| **Amazon bets on fashion to acquire new customers** | **Retail Economics** https://retail.economictimes.indiatimes.com/news/e-commerce/e-tailing/amazon-bets-on-fashion-to-acquire-new-customers/66121948 |
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Mumbai/Kolkata: Amazon India said its upcoming five-day sale will be the biggest ever for fashionbusiness on the back of nearly 3000 additional brands and 60% higher fulfilment capacity over last year, and claimed it is already the biggest platform for fashion and lifestyle products sold online.

The US headquartered online giant will launch Great Indian Festival sale from 10-15 October and hope fashion business will help acquire new consumers. One in every three new customer on its platform already comes through fashion. "Several things have come together this year. We have partnered with over 21000 brands across 10 lakh styles and a total inventory of nearly 40 million units. We have grown close to 2X for this Diwali as compared to previous year," said Arun Sirdeshmukh, head of fashion portfolio at Amazon India. "Also, prime was relatively new for us last year but we now get a third of our business through prime membership."

Apparel and accessories contributes roughly 8% or $56 billion of India's retail market of $710 billion, making it an attractive source of profits for Amazon compared to other deep-discounted segments such as electronics. However, unlike markets such as the US and China where fashion penetration is nearly 10-15%, the online reach in India is 3-4%.

Amazon wants to change that - it has created a large portfolio of products embedded with Indian festivities during the sale which, it expects can draw millions of consumers. For instance, it will have 3000 brands in ethnic wear, nearly four times bigger than any other online ethnic wear store. It has also partnered over 1500 weavers and craftsmen along with state co-operatives across India to sourced handicraft and handloom products. "These products have always been relevant and now even more in vogue. But unlike brands, most of these merchandise are not really accessible," added Sirdeshmukh.

Top lifestyle retailers expect upcoming festive season sales to be stronger than last year despite high fuel prices pinching pockets and depreciating rupee creating pricing pressure on imported merchandise. For them, sales peak during the festive season despite full-priced merchandise. Amazon is keen to ride on the festive sentiment, offline too.

Amazon, through the foreign portfolio investor route, acquired a 5% stake in department store chain Shoppers Stop last year. Now, it has created special experience zones at few Shoppers Stop stores where customers can buy using amazon device, integrated the department chain's loyalty membership for additional benefits on its platform and will also access four fulfilment centres.

It has also scaled up its celebrity brand portfolio with exclusive brands - Just F (Jacqueline Fernandes), Prowl (Tiger Shroff), D:FY (Hardik Pandya), Rheson (Sonam Kapoor) as well as exclusive partnerships with brands such as New Balance, Under Armor for the festive season.

| **Export earnings up by over 50% in September** | **Retail Economics**<br>https://retail.economictimes.indiatimes.com/news/e-commerce/e-tailing/amazon-bets-on-fashion-to-acquire-new-customers/66121948 |
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Bangladesh’s export earnings rose by over a half in September to $3.15 billion, the highest receipt the country has made since July 2012, according to data of the Export Promotion Bureau (EPB).

Driven mainly by the apparel sector and the delivery of shipments pending from August, exports posted a sharp rise of 54.64% in September.

In August, the country's export earnings posted a near 12% negative growth as the Eid-ul-Azha holidays hindered production in the manufacturing sector, and particularly in the apparel industry.

"There was roughly a ten-day vacation (when) the production activities of the RMG sector remained suspended and shipments were largely halted," Bangladesh Garment Manufacturers and Exporters Association (BGMEA) senior vice president Faruque Hassan told the Dhaka Tribune.

"As a result, it hurt the total export earnings as the sector contributes over 83% to the country's overall export proceeds. Since the pending shipment was delivered in September, the overall export as well as the apparel export posted a robust growth.

"In addition, there are more work orders coming from the buyers in recent period compared to the previous year as the safety standard improvement in local readymade garment industries restored buyers' confidence on Bangladesh," said Hassan, who is also the managing director of the Giant Group.

Meanwhile, in the first quarter of the current fiscal year, EPB data shows that Bangladesh's export earnings have risen 14.75% to $9.94 billion.

"The positive sign in the export earnings is a balanced growth took place in other sectors beyond the RMG industry," Centre for Policy Dialogue (CPD) research Director Khondaker Golam Moazzem told the Dhaka Tribune.

"If the growth was demand-driven, in the coming months Bangladesh's export would see even better and steady growth as the US job market has been enthusiastic, creating more demands and enhancing purchase capacity of US consumers."

Apparel sector in driving seat for the sharp rise

The RMG sector has been the catalyst for the sharp rise in export earnings as the sector contributed $8.19 billion to the overall figure of $9.94 billion during the July-September quarter.

This was an increase of 14.66% on the $7.14 billion earned in the same period a year ago.

Of the total, knitwear products earned $4.20 billion posting a 12.27% growth, while woven products contributed $3.98 billion, a rise of 17.30%.

In September alone, the country's export earnings from the apparel sector rose by 51.65% from the same month of the last fiscal year, from 1.62 billion to $2.45 billion.

Exporters seek policy support to retain the growth

In maintaining the growth trend momentum, the sector people sought the continuation of policy supports and the protectionist trade war between the United States and China.

"The global trade situation is now in favour of Bangladesh (since) China has increased tariffs on the import of clothing products from India, while US-China trade war created better opportunities for Bangladesh," Exporters Association of Bangladesh (EAB) President Abdus Salam Murshedy told the Dhaka Tribune.

"To remain competitive in the global market and to retain the growth rate, the government has to be more pro-business by establishing a congenial business environment and offering fiscal incentives."

Salam, also a former president of BGMEA, said the new wage structure will be implemented from December.

"(This) will increase the production cost so the government should lower tax at source for the RMG sector to reduce the burden of new wages", he said.

Export performance of major sector in the first quarter

Among the major sectors, agricultural products have posted a sharp rise by 97.31% to $292.82 million in the first quarter of the current fiscal year, which earned $148 million last year.

In addition, export earnings from the pharmaceuticals sector rose by 24.55% to $30 million, plastic goods by 19.20% to $27 million, and specialized and home textiles by 55% and 4.8% respectively.

However, earnings from leather and leather goods witnessed a 17.46% negative growth to $268 million during the period, which was $324.62 million last year. Jute and jute goods , the third largest export earners, registered a 8.15% negative growth to $217 million.

Exports of frozen and live fish fell to $138 million from $168 million in the same period of the last fiscal year.

| **Ethiopia PM opens industrial park in Oromia region** | **Africa News**<br>http://www.africanews.com/2018/10/07/ethiopia-pm-opens-new-industrial-park-in-oromia-region/ |
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Ethiopia's latest industrial park is located in the Oromia region – the largest and most populous, and home region of Prime Minister Abiy Ahmed.

Abiy was back home to inaugurate the Adama Industrial Park. The parks are central to the country's economic plans and were started years back. Also in attendance was President of the Oromia region, Lemma Megerssa and other regional officials.

The PM's chief of staff wrote on Twitter that the park is "an important addition to a network of world class, sustainable eco-industrial parks in Ethiopia ready for plug and play investment. Productive investments strengthen the base of our economy and generate sustainable jobs."

According to the Ethiopian Investment Commission, EIC, these parks are set up for specific sectors such as textile and apparel, leather and leather products, pharmaceutical, agro-processing etc.