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NEWSLETTER



Premier fabric studio based in Sri Lanka

FACTS

As the world economy recovers from the severe 2020 downturn, global cotton consumption is expected to grow by 4.1% in 2021/22 season. This will be the second year where the global cotton consumption will trump the global cotton production. The latest USDA report featured world cotton production at 113.3 million and global mill consumption forecasts 117.5 million.

The global trade forecast increased 610,000 bales to 44.5 million. If realized, this ranks as the fourth highest on record and would be the greatest trade volume since 2012/13. China being at the forefront has a forecast of 1/4th (11 million) from the total imports.

In 2020 total cotton imports to China increased by 16.8 per cent year-on-year to 2.16 million tonnes, even though during the first few months of the pandemic there had been a hit to Chinese imports.

Overall, strong cotton consumption growth in 2021-22 and tightening stocks are expected to support prices with the A-Index forecast up 7 cents to 90 cents/pound for the marketing year.

World Cotton Production

million 480 lb. bales	2019/20	2020/21	
		Feb	Mar
China	27.3	29.0	29.0
India	29.5	29.0	29.0
United States	19.9	15.0	14.7
Brazil	13.8	12.0	11.5
Pakistan	6.2	4.5	4.5
Rest of World	25.5	24.7	24.6
World	122.1	114.1	113.3

World Cotton Mill-Use

million 480 lb. bales	2019/20	2020/21	
		Feb	Mar
China	33.0	39.5	39.5
India	20.0	24.3	24.3
Pakistan	9.2	10.2	10.3
Bangladesh	6.9	7.4	7.5
Turkey	6.6	7.3	7.5
Rest of World	26.9	28.5	28.4
World	102.6	117.2	117.5

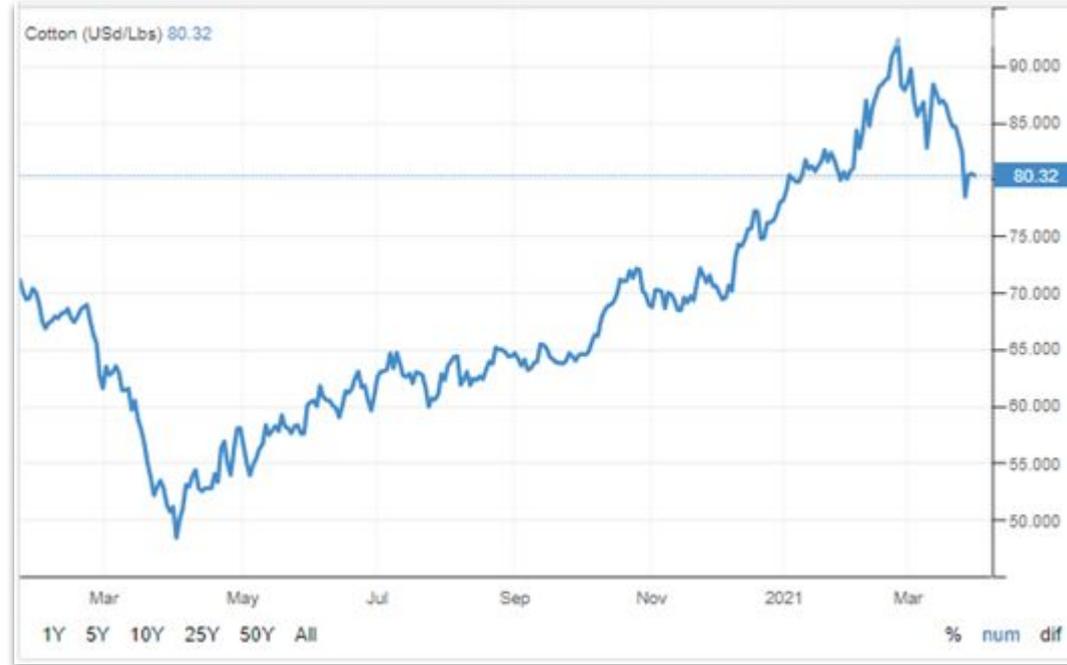
World Cotton Imports

million 480 lb. bales	2019/20	2020/21	
		Feb	Mar
China	7.1	11.0	11.0
Bangladesh	7.5	7.0	7.2
Vietnam	6.5	6.7	6.8
Pakistan	4.0	5.0	5.2
Turkey	4.7	4.6	4.8
Rest of World	10.9	9.6	9.5
World	40.7	43.9	44.5

PRICE OUTLOOK

The May NY/ICE futures contract rose from values near 85 cents/lb one month ago to levels approaching 94 cents/lb on February 24th. Declines in late February and early March lowered values to 88 cents/lb. On March 9th, prices fell the limit to 84 cents/lb.

Cotlook's A Index climbed from 90 cents/lb one month ago to 99 cents/lb on February 25th. Today's A Index stands at 80.32 cents/lb.



In international terms, the China Cotton Index (CC Index 3128B) increased from 110 to 117 cents/lb between early February and early March. In domestic terms, values climbed from 15,600 to 16,700 RMB/ton.

In international terms, Indian cotton prices (Shankar-6 quality) gained alongside NY/ICE futures, but the increase was only from 76 to 80 cents/lb. In domestic terms, values increased from 43,500 to 45,800 INR/candy

In international terms, Pakistani prices trended consistently higher. Between early February and the present, values climbed from 81 to 95 cents/lb. In domestic terms, prices increased from 10,800 to 12,200 PKR/maund.



FUTURE

Industry shows that the US ban, combined with a boycott by the Western apparel industry, could now result in more demand for raw cotton from India, particularly from the US, Vietnam and Bangladesh, who would have otherwise depended on China.

China's cotton exports in 2019 were \$14.1 bn, equaling 26.6% of total global exports, while India contributed 11.8 per cent, worth \$6.3 billion and less than half of China's worldwide export. This is the gap that India must aim to fill.



FASHION AND INNOVATION

Digital avatars point the way in fashion industry innovation

The University's Department of Fashion and Textile has been working with luxury designer fashion retailer Nomad Atelier of Barnsley to improve its online shopping experience. And with an eye on better sustainability, it has also introduced groundbreaking digital 'avatars' to model clothes to reduce waste in resources.

The project 'Web-based digital applications for independent UK fashion manufacturers' took the patterns of Nomad's garments and used the Pattern Design Software program to digitise them. After considerable amount of refining, an avatar was produced where a figure wearing the exact garments from Nomad moves around on screen to give an idea of how they would look and fit to a person's own specifics. This gives the viewer a new kind of personal shopping experience that aligns with a world where in-person visits to Nomad's shop cannot currently take place.



FASHION AND SUSTAINABILITY

Lycra company introduces EcoMade Fibers made from 100% Textile Waste

The Lycra Company is launching Coolmax and Thermolite EcoMade fibers made from 100% textile waste as the result of a strategic collaboration with Itochu Corporation, a Japanese trading company.

A unique depolymerization and refining process is used to convert the textile waste, which consists of scraps from garment manufacturers, into fibres with properties comparable to virgin polyester. The new fibres are available in filament and staple forms, suitable for common textile processes and insulation batting uses.

Coolmax and Thermolite have been made from recycled raw materials such as recycled PET bottles for many years and the company will continue to offer these products in parallel with those made from textile waste.

