Kanwar Usman
Head of Textiles

Forecasting Global Textiles Demand and Supply: Trends and Insights
### World Major Textile Sectors and Products

**$Billion**

#### Major Textile Sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>2003 % Share</th>
<th>2022 % Share</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knitted Apparel</td>
<td>101</td>
<td>298</td>
<td>24%</td>
</tr>
<tr>
<td>Woven Apparel</td>
<td>122</td>
<td>261</td>
<td>28%</td>
</tr>
<tr>
<td>Home Textiles</td>
<td>25</td>
<td>85</td>
<td>6%</td>
</tr>
<tr>
<td>Cotton, Yarn and Fabrics</td>
<td>44</td>
<td>63</td>
<td>10%</td>
</tr>
<tr>
<td>Man-made filaments &amp; Fabrics</td>
<td>33</td>
<td>58</td>
<td>8%</td>
</tr>
<tr>
<td>Knitted Fabrics</td>
<td>18</td>
<td>43</td>
<td>4%</td>
</tr>
<tr>
<td>Man-made staple Fibers, Yarns &amp; Fabrics</td>
<td>24</td>
<td>39</td>
<td>6%</td>
</tr>
<tr>
<td>Nonwovens</td>
<td>12</td>
<td>31</td>
<td>3%</td>
</tr>
<tr>
<td>Impregnated, coated Fabrics</td>
<td>14</td>
<td>29</td>
<td>3%</td>
</tr>
<tr>
<td>Carpets &amp; Floor Coverings</td>
<td>9</td>
<td>17</td>
<td>2%</td>
</tr>
<tr>
<td>Special Woven Fabrics</td>
<td>10</td>
<td>13</td>
<td>2%</td>
</tr>
<tr>
<td>Wool, Yarn and Fabric</td>
<td>12</td>
<td>12</td>
<td>3%</td>
</tr>
<tr>
<td>Vegetable Fibers, Yarn &amp; Fabrics</td>
<td>3</td>
<td>6</td>
<td>1%</td>
</tr>
<tr>
<td>Silk, Yarn &amp; Fabrics</td>
<td>2</td>
<td>2</td>
<td>1%</td>
</tr>
</tbody>
</table>

#### Top Export Products on Fiber Classification

<table>
<thead>
<tr>
<th>Product</th>
<th>2003</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knitted T-shirts of cotton</td>
<td>181</td>
<td>645</td>
</tr>
<tr>
<td>Knitted Jerseys, pullovers, cardigans of cotton</td>
<td>248</td>
<td></td>
</tr>
<tr>
<td>Knitted Jerseys, pullovers, cardigans of man-made fibres</td>
<td>314</td>
<td></td>
</tr>
<tr>
<td>Men's or boys' trousers of cotton</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Women's or girls' trousers of cotton</td>
<td>23</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** ITC
Leading Textile Exporters

$Billion

China Textile Exports

After China Leading Textile Exporters

EU Textile Exports

Bangladesh Textile Exports

Source: ITC
Leading Textile Importers
$\text{billion}$

**US Textile Imports**
- Raw-Semi Processed Materials
- Value Added
- Total Textiles

**EU Textile Imports**
- Raw-Semi Processed Materials
- Value Added
- Total Textiles

**Germany Textile Imports**
- Raw-Semi Processed
- Value Added
- Total

Leading Importers after US
- Germany
- France
- Japan
- Italy
- UK
- China
- Spain
- Netherlands
- Viet Nam
- South Korea

Source: ITC
Textiles Exports & Imports 2023 – Quarterly $billion

USA Quarterly Textile Imports

EU Quarterly Textile Imports

China Quarterly Textile Exports

EU Quarterly Textile Exports

Source: ITC
Global Apparel Market

$ billion

Source: Statista
Apparel Market – 2022
$\text{billion}$

Source: Statista
Commodity Prices

Source: World Bank
World Textile Fiber Demand

World Population

World Textile Fibre Demand

World Per Capita Textile Fibre Consumption – End Use

By Region Per Capita Fiber Consumption – End Use

Source: ICAC: World Textiles Demand
World Textile Fiber Demand

Chemical Fiber Production Million Tonnes

Mill Use – Cotton Consumption By Region Million Tonnes

Cotton - Non Cotton Kg / Per Capita Consumption

End Use - Cotton Consumption By Region Million Tonnes

Source: ICAC: World Textiles Demand
Inflation: Average Consumer Prices (Percent)

- World: 5.8%
- Advanced Economies: 3.0%
- Emerging Markets & Developing Economies: 7.8%
- Emerging & Developing Asia: 2.7%
- Sub-Saharan Africa: 13.1%

Source: IMF October 2023
World GDP Growth (Percent)

Source: IMF October 2023
Fashion Industry Charter for Climate Action

• Initiated by fashion stakeholders under UN Climate Change in 2018
• Launched at COP24, Katowice, Poland - December 2018
• Renewed the commitments at COP26, Glasgow, UK - November 2021

• Key Vision:
  • Achieve net-zero emissions by 2050
  • Aligns with the goal of keeping global warming below 1.5°C.

• Objective: Determine pathways for the textile, clothing, and fashion industry to commit to holistic climate action
Financing Requirement

- Estimated $30 billion investment is required each year
- Approximately Sixty per cent of the financing is needed for addressing issues around energy, water and waste
## Market Access

|--------|--------|--------|--------|
| • Standard GSP: partial or full removal of customs duties on two-thirds of tariff lines for low and lower-middle income countries  
• GSP Plus: GSP+ slashes tariffs to 0% for vulnerable low- and lower-middle income countries on two-third of tariff lines  
• Everything but Arms: Providing Least Developed them with duty-free access to the EU market for all products except arms and ammunition | • Trade and development agreements negotiated between the EU and African, Caribbean, and Pacific (ACP) countries and regions  
• Rule of Origin are designed to determine which products can benefit from duty-free access when exported to the EU  
• EPA has no end date, and are permanent – gives peace of mind to investors, therefore, help countries to attract investment | • To strengthen and enhance U.S.-sub-Saharan Africa trade relations and to foster economic development in the region  
• AGOA provides beneficiary countries with duty-free access to the U.S. market for over 1,800 products, in-addition to GSP products  
• There are exceptions, such as the "third-country fabric" provision, which allows lesser-developed AGOA countries to use yarn and fabric from non-AGOA countries | • Allows a wide array of products from beneficiary countries to enter the United States duty-free  
• To be eligible for the GSP, a country must meet certain criteria related to economic development, governance, labor rights, and intellectual property rights  
• However, currently it is expired since Dec 2020 |
• 5+ billion Internet Users Worldwide
• Global E-Commerce Sales has reached to $5+ trillion
• In textiles E-Commerce share has been readjusting
• A combined strategy of digitalization by physical stores and reciprocal action by E-Commerce player
• The digitization of the supply chain benefitting E-Commerce

Source: Statista
Technology and Innovation

- Automation
- Quality and Cost Management Systems
- Efficiency and Maintenance
- Flexibility and High Production Machines
- Innovative Ideas
- Energy & Chemical Efficient
- Sustainability
- Recycling
Challenges and Opportunities - Year 2024

Source: IMF