

Cotton Industry in Korea

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1. Spinning Facility

	2013	2014	2015	2016
No. of Spindles	1,304,096	1,327,616	1,112,472	1,024,488
Rate(%)	1.8	↓7.1	↓9.8	↓8.3

◇ Decrease of spinning facilities because of the recession

2. Production

Production	2013	2014	2015	2016
Cotton Yarn	187	177	163	138 (65%)
Cotton Blended Yarn	69	68	63	53 (25%)
Synthetic Spun Yarn	27	26	20	22 (10%)
Total	283	271	246	213 (100%)

- ◇ Production in thousand tons
- ◇ Decrease of 13.4% in 2016 compared to 2015
 - ◇ Slowdown in demand
 - ◇ Reduce in Production

3. Export and Import – Cotton Yarn

- ◇ Export

- ◇ Decline of cotton yarn price
- ◇ Reduced cotton consumption

- ◇ Import

- ◇ Decrease of imports from major countries (India, Pakistan, and etc.)
- ◇ However, there was an increase in cotton yarn imports from Vietnam

	2014		2015		2016	
	Amount	Weight	Amount	Weight	Amount	Weight
Export	2.9 (↓6.7)	78 (1.7)	2.3 (↓20.7)	71 (↓9.7)	1.6 (↓30.4)	53 (↓25.3)
Import	5.3 (↓20)	138 (↓17.8)	4.7 (↓10.3)	137 (↓0.5)	4.6 (↓2.1)	144 (5.2)

*hundred million, thousand tons, () YoY growth rate

3. Export and Import – Cotton Fabric(Woven)

- ◇ Export

- ◇ Continuous decline in exports to major exporting countries (China, US, Hong Kong, and etc.)

- ◇ Import

- ◇ Decrease of imports from major countries (China, Pakistan, and etc.)

	2014		2015		2016	
	Amount	Weight	Amount	Weight	Amount	Weight
Export	4.2 (↓6.3)	36 (↓9.5)	3.9 (↓6.3)	33 (↓8.4)	3.5 (↓10.3)	30 (↓9.1)
Import	4.2 (↓2.0)	71 (↓2.9)	3.9 (↓6.8)	75 (4.3)	3.5 (↓10.3)	73 (↓2.7)

*hundred million, thousand tons, () YoY growth rate

3. Export and Import – Cotton Fabric(Knit)

◇ Export

- ◇ Exports to major export markets such as Vietnam and Indonesia have been steadily decreasing since 2014

	2014		2015		2016	
	Amount	Weight	Amount	Weight	Amount	Weight
Export	8.8 (↓5.6)	104 (↓6.2)	7.6 (↓13.5)	97 (↓6.6)	6.7 (↓11.8)	92 (↓5.2)
Import	0.1 (↓0.8)	2.7 (↓8.0)	0.13 (25.0)	3.2 (21.1)	0.13 (-)	3.0 (↓6.3)

*hundred million, thousand tons, () YoY growth rate

4. Outlook of Cotton Industry in Korea

◇ 1. Continuing overseas investment

- ◇ Because the domestic production cost is increasing, we are continuing to invest in Vietnam to advance into domestic market

	2014. December	Percentage(%)	2016. December	Percentage(%)	Rate of Change
Domestic Facilities (thousand spindles)	1,233	78.7	1,020	64.1	↓17.3
Overseas Facilities (thousand spindles)	334	21.3	570	35.9	70.7
Total	1,567	100.0	1,590	100.0	1.5

5. Investments in Spinning Mills Overseas

Country	No. of Investors	No. of Spindles	Rate(%)
Vietnam	6	389,680	68
China	2	96,896	17
Egypt	1	66,912	12
Indonesia	1	16,976	3
Total		570,464	100



Thank You