



Monthly Newsletter

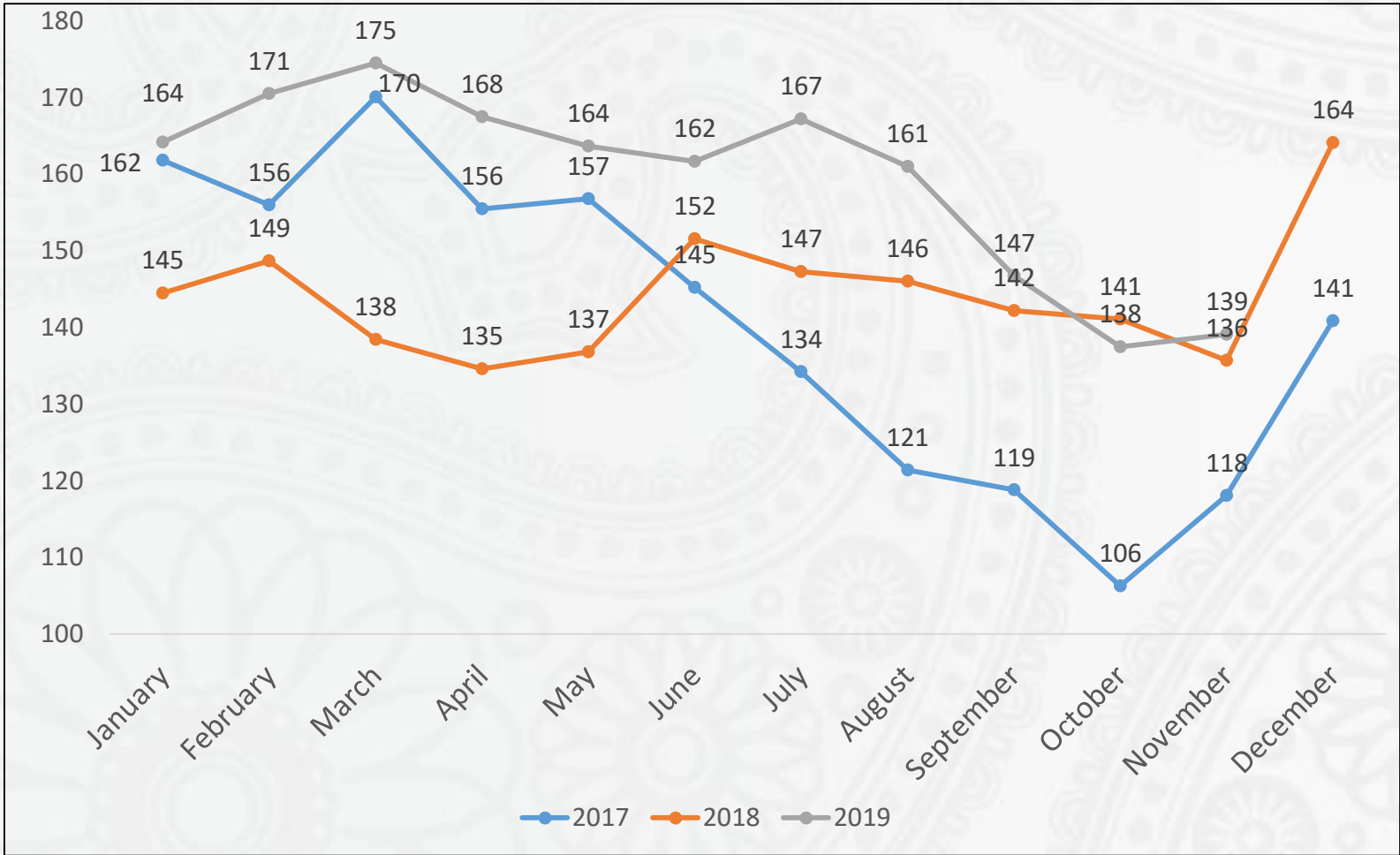
January 2020 Edition



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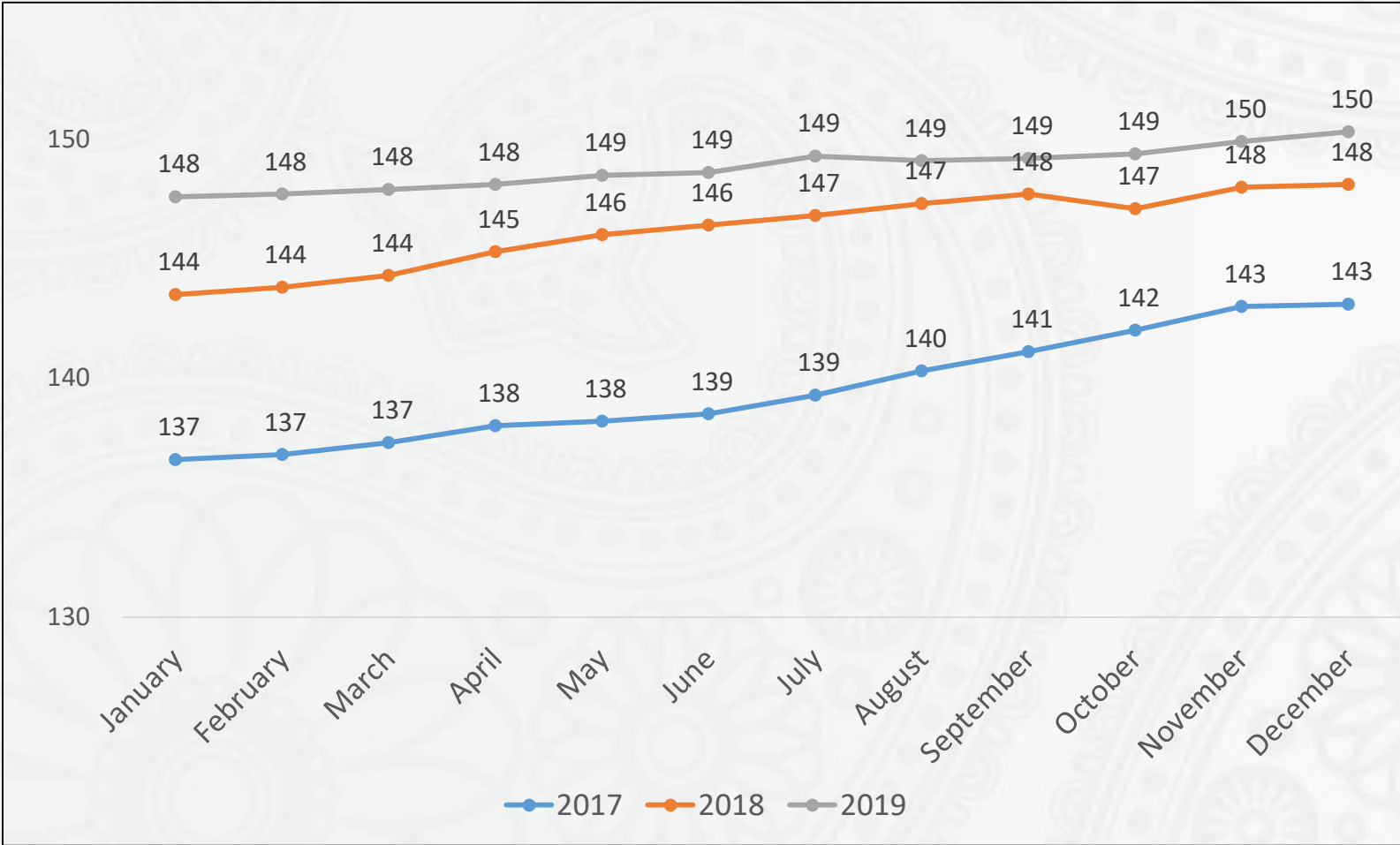
- The apparel IIP was valued at 139 in November 2019, recording an increase of 3% as compared to that in November 2018 and an increase of 1% as compared to that in October 2019.
- The apparel CPI has remained constant at a value of 150 in December 2019, while it recorded a minute increase of 1% as compared to that in December 2018.
- The apparel exports in November 2019 stood at US\$ 1,059 million, showing a 5% decrease from that in October 2019 and 6% decrease from that in November 2018. The apparel exports to the largest market USA increased by 6% in Apr-Nov 2019 as compared to that in Apr-Nov 2018, while those to Saudi Arab and Nigeria increased by 47% and 68%, respectively. However, the apparel exports to other major markets declined.
- The apparel imports in November 2019 stood at US\$ 104 million, showing a 7% decrease from that in October 2019 and 11% increase from that in November 2018. Apparel imports from Bangladesh, the largest apparel exporter to India, has increased by 13% in Apr-Nov 2019 as compared to that in Apr-Nov 2018. India's imports from China have also increased by 11%.
- Analysis of financial filings of select apparel manufacturers and fashion brands & retailers for Q2 FY 2020 over Q2 FY 2019 highlights the following:
 - Most of the companies have shown an increase in their operating revenue
 - The fashion brands & retailers have shown an improvement in their Operating Profit Margin (OPM) with V2 Retail's OPM showing a significant improvement from -18.1% in Q2 FY 2019 to 2.5% in Q2 FY 2020.
 - Majority of the apparel manufacturers have shown a decline in their OPM. However, Celebrity Fashion has shown a significant improvement in its OPM from 4.5% in Q2 FY 2019 to 32.4% in Q2 FY 2020.

Apparel Index of Industrial Production (IIP) Update



- The apparel IIP was valued at 139 in November 2019, recording an increase of 3% as compared to that in November 2018.
- As compared to October 2019, the apparel IIP showed a minute increase of 1% in November 2019.

Apparel Consumer Price Index (CPI) Update



- The apparel CPI has remained constant at a value of 150 in December 2019.
- As compared to December 2018, the apparel CPI showed a minute increase of 1% in December 2019.

Monthly Apparel Exports Update

In US\$ Million	FY 2019	FY 2020	YoY Change	MoM Change
Apr	1,352	1,409	4%	-18%
May	1,339	1,530	14%	9%
June	1,359	1,233	-9%	-19%
July	1,275	1,366	7%	11%
August	1,293	1,262	-2%	-8%
September	1,105	1,081	-2%	-14%
October	1,132	1,109	-2%	3%
November	1,131	1,059	-6%	-5%
YTD	9,987	10,048	1%	
Provisional Data for Latest Month				
December	1,377	1,409	2%	33%

- The apparel exports in November 2019 stood at US\$ 1,059 million, showing a **decrease of 5%** from that in October 2019.
- As compared to November 2018, the apparel exports **decreased by 6%** in November 2019.
- The provisional data for December 2019 indicates a significant **increase of 33%** on MoM basis and an **increase of 2%** on YoY basis.

Country wise Apparel Exports Update

In US\$ Million	FY19 (Apr-Nov)	FY20 (Apr-Nov)	Change	% Growth
USA	2,565	2,719	154	6%
UAE	1,253	1,102	-151	-12%
UK	1,009	999	-10	-1%
Germany	710	590	-120	-17%
Spain	483	471	-12	-2%
France	447	416	-31	-7%
Saudi Arab	234	345	111	47%
Netherland	289	268	-21	-7%
Italy	239	207	-32	-13%
Nigeria	115	193	78	68%
Others	2,643	2,738	95	4%
Total	9,987	10,048	61	1%

- The apparel exports to the largest market USA **increased by 6%** in Apr-Nov 2019 as compared to that in Apr-Nov 2018.
- The apparel exports to Saudi Arab and Nigeria also **increased by 47% and 68%**, respectively during the same period.
- However, the apparel exports to other major markets **declined**, specially to Germany.

Monthly Apparel Imports Update

In US\$ Million	FY 2019	FY 2020	YoY Change	MoM Change
Apr	56	68	21%	-22%
May	67	85	27%	25%
June	73	78	7%	-9%
July	101	109	8%	40%
August	131	127	-3%	16%
September	113	117	4%	-7%
October	110	112	2%	-4%
November	94	104	11%	-7%
YTD	745	802	8%	
Provisional Data for Latest Month				
December	86	96	12%	-8%

- The apparel imports in November 2019 stood at US\$ 104 million, showing a **decrease of 7%** from that in October 2019.
- As compared to November 2018, the apparel imports **increased by 11%** in November 2019.
- The provisional data for December indicates a **growth of 12%** on YoY basis and a **decline of 8%** on MoM basis.

Country wise Apparel Imports Update

In US\$ Million	FY19 (Apr-Nov)	FY20 (Apr-Nov)	Change	% Growth
Bangladesh	240	271	31	13%
China	220	245	25	11%
Spain	65	63	-2	-3%
Hong Kong	31	49	18	58%
Sri Lanka	55	34	-21	-38%
Vietnam	19	27	8	42%
Italy	14	12	-2	-14%
Cambodia	12	12	0	0%
Turkey	11	10	-1	-9%
Indonesia	7	9	2	29%
Others	71	70	-1	-1%
Total	745	802	57	8%

- Apparel imports from Bangladesh, the largest apparel exporter to India, has **increased by 13%** in Apr-Nov 2019 as compared to that in Apr-Nov 2018.
- India has also reported an **increase of 11%** in its apparel imports from China.
- India's apparel imports from Sri Lanka has shown a significant **decline of 38%**.

Financial Health of Select Brands, Retailers and Manufacturers

	Company	Revenue from Operations (Rs. Crores)						Operating Profit Margin					
		FY 2019	Q2 FY 2019	Q1 FY 2020	Q2 FY 2020	Q3 FY 2020	Q4 FY 2020	FY 2019	Q2 FY 2019	Q1 FY 2020	Q2 FY 2020	Q3 FY 2020	Q4 FY 2020
Fashion & Lifestyle Brands and Retailers	Aditya Birla Fashion & Lifestyle	8,118	2,007	2,065	2,297			5.3%	5.6%	11.5%	11.2%		
	Future Lifestyle Fashions	5,377	1,222	1,496	1,458			7.4%	6.9%	12.9%	12.1%		
	Shoppers Stop	3,481	864	832	845			7.4%	6.2%	11.1%	12.8%		
	Trent	2,532	616	767	818			9.3%	9.9%	18.3%	14.2%		
	V-Mart Retail	1,434	262	453	314			8.9%	-1.1%	10.6%	-0.2%		
	V2 Retail	748	156	202	151	219		3.9%	-18.1%	10.1%	2.5%	18.4%	
Apparel Manufacturers	Page Industries	2,852	691	835	775			22.3%	21.6%	22.0%	18.9%		
	Gokaldas Export	1,173	294	341	362			3.8%	1.8%	14.1%	4.6%		
	Pearl Global	840	215	191	229			5.3%	2.2%	5.5%	2.7%		
	SP Apparels	778	177	205	233			16.4%	14.3%	8.2%	12.7%		
	Kitex Garments	607	168	146	196			26.0%	28.7%	20.6%	25.6%		
	Kamadgiri Fashion Limited	319	83	69	87			3.7%	3.8%	1.8%	2.3%		
	Celebrity Fashion	231	58	52	61			3.9%	4.5%	2.9%	32.4%		
	Bang Overseas	154	48	22	25			2.7%	6.6%	38.2%	-0.4%		



Thank you!