



Monthly Newsletter

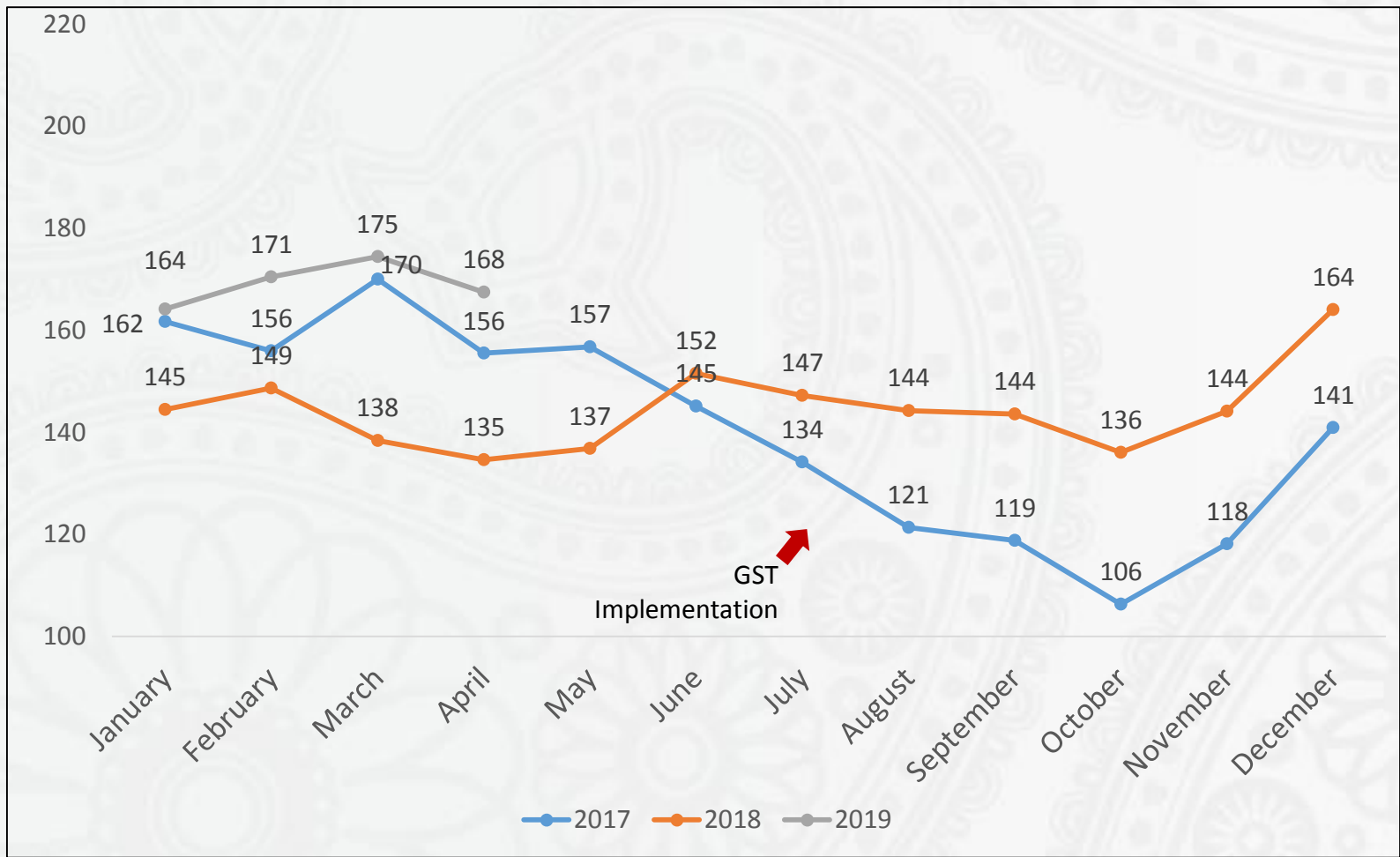
June 2019 Edition



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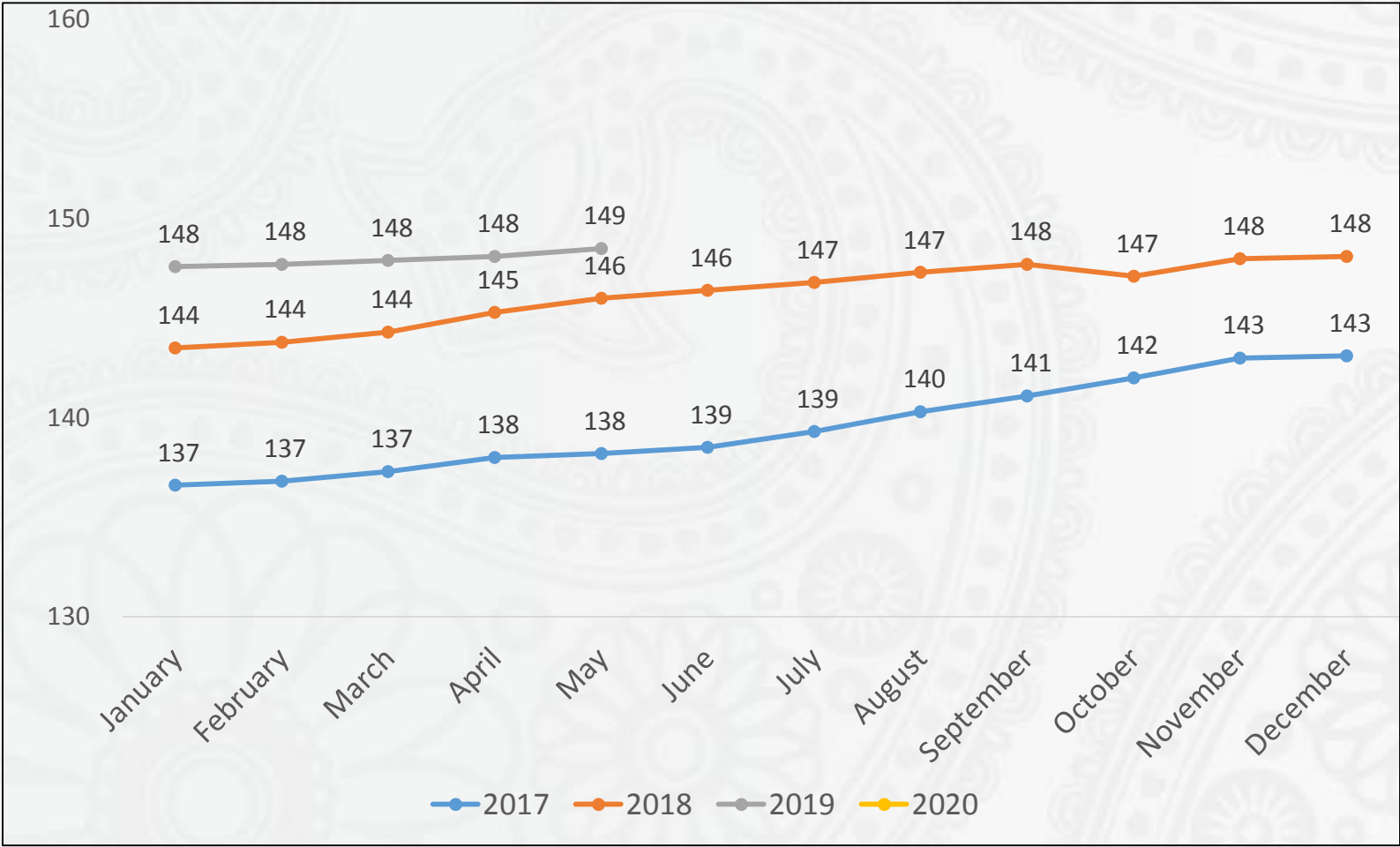
- The apparel IIP in April 2019 was 168, which has shown a decline of 4% from March 2019. The index has declined after continuously growing for the past two months.
- The apparel CPI in May 2019 was 149, which has increased by 1 point as compared to April 2019.
- The apparel exports in April 2019 stood at US\$ 1,409, which have posted a growth of 4% as compared to April 2018. Among the top 10 markets, apparel exports to Nigeria and Saudi Arab have shown a significant jump of 238% and 72%, respectively. However, the export value is very low.
- The apparel imports in April 2019 stood at US\$ 68 million, which is 23% higher than that in April 2018. Imports from China has increased by 50%, while that from Bangladesh has registered a growth of 24%.
- As per the financial filings for Q4 FY 2019, select fashion brands & retailers have shown a decline in their operating profit margins as compared to Q3 FY 2019.
- Analysis of financial fillings for FY 2019 over FY 2018 highlights the following:
 - Shoppers Stop has shown a phenomenal growth with an operating profit margin of 7.4% in FY 2019 as compared to 3.7% in FY 2018.
 - Majority of analyzed garment manufacturing companies reported growth in their operating profit margins with Page Industries and Kitex Garments registering operating profit margins higher than 20%.

Apparel Index of Industrial Production (IIP) Update



- The apparel IIP showed a decline in April 2019 after exhibiting growth for the past two months. With a value of 168, the apparel IIP was 4% lower than March 2019.

Apparel Consumer Price Index (CPI) Update



- The apparel CPI in May 2019 was 149, which has increased by 1 point as compared to April 2019.
- As compared to May 2018, the apparel CPI increased by 2%.

Monthly Apparel Exports Update

In US\$ Million	FY 2019	FY 2020	YoY Change	MoM Change
Apr	1,352	1,409	4%	-18%
YTD	1,352	1,409	4%	
Provisional Data for Latest Month				
May	1,339	1,528	14%	

- The apparel exports in April 2019 stood at US\$ 1,409 million, showing an **increase of 4%** from April 2018.
- However, as compared to March 2019 (US\$ 1,718 million), the apparel exports have declined significantly by 18%.
- The quick estimates for May 2019 indicate 14% growth on YoY basis.

Country wise Apparel Exports Update

In US\$ Million	April 2018	April 2019	Change	% Growth
USA	338	353	15	4%
UK	162	144	-18	-11%
Germany	99	83	-16	-16%
Spain	75	74	-1	-1%
France	69	60	-9	-13%
Saudi Arab	32	55	23	72%
Netherlands	32	32	0	0%
Japan	27	29	2	7%
Nigeria	8	27	19	238%
Others	338	364	26	8%
Total (without UAE)	1,180	1,221	41	3%
UAE	172	188	16	9%
Total	1,352	1,409	57	4%

- Among the top 10 markets, apparel exports to Nigeria and Saudi Arab have shown a significant jump of 238% and 72%, respectively. However, the export value is very low.
- The apparel exports to Germany, France and UK have declined.

Monthly Apparel Imports Update

In US\$ Million	FY 2019	FY 2020	YoY Change	MoM Change
Apr	56	68	23%	-22%
YTD	56	68	23%	

- The apparel imports in April 2019 stood at US\$ 68 million, which is **23% higher** than that in April 2018.
- As compared to March 2019 (US\$ 87 million), the apparel imports have declined significantly by 22%.

Country wise Apparel Imports Update

In US\$ Million	April FY 2018	April FY 2019	Change	% Growth
Bangladesh	17	21	4	24%
China	10	15	5	50%
Spain	8	9	1	13%
Hong Kong	3	5	2	67%
Sri Lanka	5	4	-1	-20%
Vietnam	1	1	0	0%
Cambodia	1	1	0	0%
UK	1	1	0	0%
Turkey	1	1	0	0%
USA	0.3	1	0.7	233%
Others	9	9	0	0%
Total	56	68	12	23%

- Imports from Bangladesh, the largest apparel exporter to India, has **increased by 24%** in April 2019 as compared to April 2018.
- India's apparel imports from China have also **increased by 50%** in April 2019.
- USA has gained a position in the top 10 apparel supplying nations. However, the import value is very miniscule.

Financial Health of Select Brands, Retailers and Manufacturers

	Company	Revenue from Operations (Rs. Crores)						Operating Profit Margin					
		FY 2018	FY 2019	Q1 FY 2019	Q2 FY 2019	Q3 FY 2019	Q4 FY 2019	FY 2018	FY 2019	Q1 FY 2019	Q2 FY 2019	Q3 FY 2019	Q4 FY 2019
Fashion & Lifestyle Brands and Retailers	Aditya Birla Fashion & Lifestyle	7,181	8,118	1,914	2,007	2,282	1,915	4.6%	5.3%	4.1%	5.6%	6.1%	5.4%
	Future Lifestyle Fashions	4,219	5,377	1,268	1,222	1,616	1,271	7.2%	7.4%	6.9%	6.9%	8.3%	7.0%
	Shoppers Stop	3,591	3,481	827	865	999	791	3.9%	7.4%	5.5%	6.2%	9.7%	7.8%
	Trent	2,066	2,532	591	616	656	669	10.3%	9.3%	11.7%	10.0%	11.2%	4.8%
	V-Mart Retail	1,222	1,434	361	262	466	345	11.1%	8.9%	12.2%	-1.2%	15.9%	3.6%
	V2 Retail	559	748	188	156	241	164	9.7%	3.9%	11.0%	-18.1%	13.0%	3.5%
Apparel Manufacturers	Page Industries	2,552	2,852	815	691	738	608	21.4%	22.3%	23.6%	21.7%	23.1%	20.4%
	Gokaldas Export	1,026	1,173	285	294	266	326	-1.2%	3.8%	2.8%	1.9%	4.7%	5.3%
	Pearl Global	711	840	175	216	188	262	2.8%	5.3%	0.9%	2.3%	11.4%	6.5%
	S P Apparels	628	778	176	178	211	213	14.6%	16.4%	13.9%	14.3%	20.1%	16.7%
	Kitex Garments	557	607	123	168	136	180	23.5%	26.0%	29.9%	28.8%	20.7%	24.6%
	Kamadgiri Fashion Limited	332	319	67	83	81	87	4.5%	3.7%	2.4%	3.9%	3.4%	4.9%
	Celebrity Fashion	204	231	47	58	40	86	3.0%	3.9%	0.6%	4.5%	7.2%	3.8%
	E-Land Apparel	184	172	43	38	44	47	-41.6%	-23.0%	-24.6%	-22.2%	-30.6%	-14.9%
	Bang Overseas	169	154	46	48	28	32	3.5%	2.7%	0.6%	6.7%	2.8%	-0.6%



Thank you!