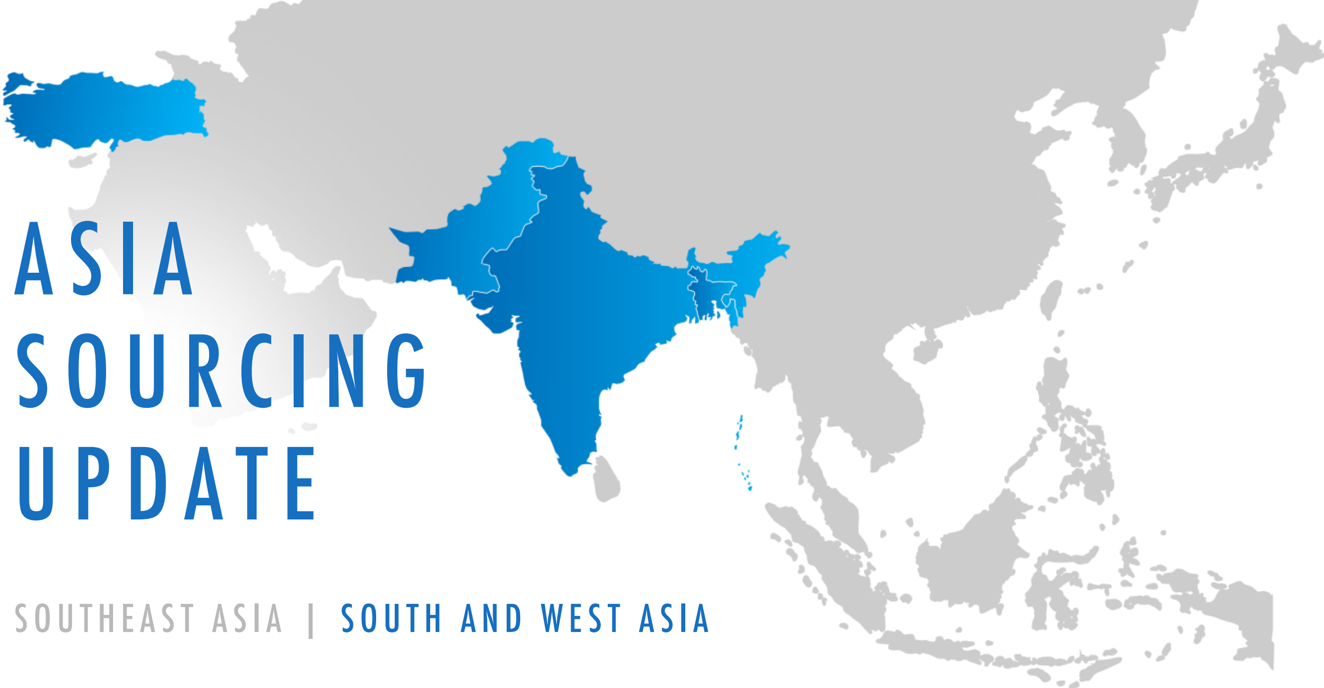

ASIA SOURCING UPDATE

SOUTHEAST ASIA | **SOUTH AND WEST ASIA**

JUNE 2020

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- Exports plunge by 82.9% yoy in April amid COVID-19 pandemic
- Government announces stimulus packages worth 1 trillion takas to date
- Over 400 RMG factories remain closed due to lack of orders

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- Manufacturing sector records another sharp contraction in May amid nationwide lockdown restrictions
- Second tranche of relief measures announced to support pandemic-hit economy
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- Manufacturing conditions continue to deteriorate in May
- Exports of apparel shrink by 20.1% yoy in January–April
- Government's relief package against COVID-19 exceeds 250 billion liras

IN THE NEWS

BANGLADESH

EXPORTS PLUNGE BY 82.9% YOY IN APRIL AMID COVID-19 PANDEMIC

Bangladesh's exports in April plunged by 82.9% yoy to US$520.01 million, according to provisional data released by the Export Promotion Bureau, as global demand for goods shrank and production in the country was suspended due to lockdowns amid the COVID-19 pandemic.

Readymade garment (RMG) exports declined by 84.9% yoy to US$366.58 million in April. Exports of leather products and footwear, the country' second highest export earner, registered a year-on-year decline of 77.9% in April.

Exporters said that the fall was unavoidable as exports came almost to a halt in April due to the COVID-19 pandemic. They said that global buyers cancelled or halted many export orders and the Bangladeshi manufacturers failed to produce the rest of the orders as factories remained closed for one month in April due to the pandemic.

According to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), work orders worth more than US$3 billion were cancelled or kept on hold since March. Mohammad Hatem, senior vice-president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) estimated that the country's RMG exporters would have to face challenges for at least six more months as the placing of new orders by western buyers was still uncertain.

Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB) attributed the fall in exports to the temporary closure of retail stores in major markets of the sector including Germany, Italy, France, the US and Japan, according to the LFMEAB president Md Saiful Islam in a press release.

BANGLADESH

GOVERNMENT ANNOUNCES STIMULUS PACKAGES WORTH 1 TRILLION TAKAS TO DATE

To tackle the economic impacts caused by the COVID-19 pandemic, the Bangladeshi government has announced stimulus packages worth over 1 trillion takas so far. Below is a summary of measures targeted toward export-oriented industries.

The first stimulus package, announced on 25 March, allocated 50 billion takas for the payment of salaries and allowances of workers and employees in export-oriented industries.

The second stimulus package, announced on 5 April, totaled 677.5 billion takas. This support aims to help both local and export-oriented sectors which are affected by the pandemic. Of this amount, 300 billion takas will be distributed by banks as working capital loan facilities to larger companies and the service sector at a 9% interest rate. The businesses will pay 4.5% interest while the rest will be subsidized by the government. Meanwhile, 200 billion takas was allocated to micro, small and medium enterprises (MSMEs), including the cottage industries, as working capital loan. The loans carry an interest rate of 9%, of which 4% is paid by the concerned businesses while the government will subsidize the remaining 5%.

The third package, announced on 7 April, concerns the allocation of an additional 127.5 billion takas to the Bangladesh Bank's Export Development Fund (EDF), which will be increased from US$3.5 billion to US$5 billion to facilitate import of raw materials under back-to-back letters of credit. The interest rate charged by the EDF has been reduced from the previous 2.73% to 2%.

With the expansion of the EDF, the central bank expanded the lending limit for textile and garment factories from US$25 million to US$30 million, according to a circular issued on 17 May.

Under the fourth package, the Bangladesh Bank launched on 12 April a 50 billion takas pre-shipment credit refinance scheme with reduced interest rate for the exporter-oriented industries. The interest rate under the scheme was 6% for borrowers, while banks would obtain the fund from the central bank at 3%. The facility thus enhances banks' lending capacity and provides incentives for banks to offer pre-shipment financing to exporters.

BANGLADESH

OVER 400 RMG FACTORIES REMAIN CLOSED DUE TO LACK OF ORDERS

Some 419 readymade garment factories in Bangladesh have remained closed as of 20 May as global buyers halted placing new orders amid the COVID-19 pandemic.

Production in 348 member factories of the BGMEA and 71 member factories of the BKMEA had been suspended since the last week of March. Of the 348 BGMEA members stated above, 268 were closed temporarily due to lack of orders, while 80 were closed permanently. Of the 71 BKMEA member factories that remained closed for the last two months, a few of them went for permanent closure.

The country's textile and apparel trade bodies announced production closure on March 25 in line with the general holidays announced by the Bangladeshi government to contain the COVID-19 outbreak in the country. Factory owners started reopening the factories from 26 April with the consent from the government.

According to BGMEA data, a total of 1,150 member factories reported that global buyers had cancelled orders with a total value of US$3.18 billion amid the COVID-19 pandemic.

While there was no exact data of employment by the 348 factories that remained closed, BGMEA president Rubana Huq estimated that 400,000–500,000 workers might be impacted. ■

INDIA

MANUFACTURING SECTOR RECORDS ANOTHER SHARP CONTRACTION IN MAY AMID NATIONWIDE LOCKDOWN RESTRICTIONS

India's manufacturing sector suffered from another sharp deterioration in May following the nationwide lockdown implemented for more than two months. The seasonally adjusted IHS Markit India Manufacturing Purchasing Managers' Index (PMI) rose to 30.8 in May from 27.4 in April, remaining far below the no-change threshold of 50. PMI reading in April pointed to the sharpest contraction of the sector since the data series began over 15 years ago.

According to the news release by IHS Markit, new orders, manufacturing output and firms' purchasing activity continued to fall in May, although the rates of decline moderated slightly from April's unprecedented contractions. Staffing levels continued to decline, and the rate of reduction accelerated to the fastest in the survey's history.

On the price front, both input prices and output prices continued to drop, while the latest declines were considerably softer than those recorded in April.

Regarding the 12-month outlook, Indian manufacturers remained optimistic in May, as they hoped for a rebound in demand once lockdown restrictions were lifted.

India's nationwide lockdown, first put in place on 24 March, was extended further till the end of May. On 30 May, the Indian government announced that the ongoing lockdown would be further extended till 30 June in so-called containment zones that continue to report high numbers of COVID-19 infections, while extensive relaxations including reopening of restaurants, religious places and shopping malls would be implemented elsewhere in a phased manner from 8 June. Factories, shops and office establishments that are allowed to reopen need to follow standard operating procedures (SOPs) set by the government.

INDIA

SECOND TRANCHE OF RELIEF MEASURES ANNOUNCED TO SUPPORT PANDEMIC-HIT ECONOMY

On 13 May, Finance Minister Nirmala Sitharaman announced the second tranche of relief measures to boost the economy battered by weeks-long lockdown to contain the COVID-19. These fresh measures, together with the first tranche of fiscal measures announced on 26 March and monetary measures taken by the central bank, are worth 20 trillion Indian rupees (US$265 billion) and equivalent to nearly 10% of India's GDP.

While the first tranche of the relief package is tepid, the second tranche of measures are focused on various vulnerable sectors and groups in the economy, including micro, small and medium enterprises (MSMEs), migrant workers, farmers and street vendors.

As part of the fresh measures announced, collateral-free automatic loans worth 3 trillion rupees are now available for MSMEs with a turnover of up to 1 billion rupees. The collateral-free automatic loans, which are expected to benefit 4.5 million MSMEs, will have a moratorium period of 12 months, and can be repaid over a four-year period. Besides, the definition of MSMEs has been revised, with higher investment caps and an additional criterion of turnover. Further, the government said it would no longer allow global tenders for government procurement of up to 2 billion rupees, therefore giving more opportunities for MSMEs to participate in tender process.

According to a KPMG report published in April, India's MSMEs provide employment to more than 114 million people and contribute around 30%–35% to the country's GDP. A study by the All India Manufacturers' Organisation (AIMO) estimated that around 25% of MSMEs in India would face closure if the lockdown due to COVID-19 pandemic went beyond four weeks and this number would rise to 43% if the lockdown extended beyond eight weeks.

Meanwhile, the Finance Minister also announced a scheme for free foodgrain supply to over 80 million migrant workers, who are neither the National Food Security Act nor State Card beneficiaries in the state where they are stationed, for two months. An additional "affordable rental housing scheme" for migrant workers was also announced.

INDIA

INDIA LOOKS TO LURE COMPANIES MOVING OUT OF CHINA

City lockdown, factory closures and logistics disruptions arising from the unprecedented COVID-19 pandemic have prompted multinational companies to rethink their supply chains to avoid over-reliance on a single location, particularly China, for sourcing or manufacturing. For years, China has been the world factory for many industries and an important hub of global supply chains.

The Indian government has recently stepped up efforts to attract manufacturers seeking to move out of China. In April, the government reached out to more than 1,000 companies in the US through overseas missions to offer incentives to those considering production diversification away from China, reported *Bloomberg*. It is also reported that India has set aside a total land area of 461,589 hectares across the country for manufacturers moving out of China.

Electrical, pharmaceuticals, medical devices, electronics, heavy engineering, solar equipment, food processing, chemicals and textiles are said to be among the priority sectors for promoting manufacturing. According to *Bloomberg*, India's investment promotion and facilitation agency has received enquiries mainly from Japan, the US, South Korea and China for investing in India post-COVID-19 pandemic. State governments, such as Uttar Pradesh, Karnataka, Andhra Pradesh and Tamil Nadu, are working on plans to drive this trend, by setting up task forces or facilitating investment process, etc.

According to data released by India's Department for Promotion of Industry and Internal Trade, foreign direct investment (FDI) equity inflows in India amounted to US$36.77 billion in the first three quarters of the 2019-20 fiscal year (April 2019 – March 2020), an increase of 9.8% from a year ago. Singapore, Mauritius, Netherlands, Japan and the US were the top five investors in India in terms of FDI equity inflows during the period.

While India slashed its corporate tax rate last year to make it competitive to attract foreign investment, the country scored poorly in terms of attracting foreign firms relocating from China amid the China–US trade war. A study conducted by Japanese financial group Nomura found that among 56 firms relocating production from China between April 2018 and August 2019, 26 of them shifted to Vietnam, 11 to Taiwan and eight to Thailand, while only three chose India. Stringent land acquisition and labour laws, infrastructure constraints and red tape are some of the biggest impediments for companies looking to invest in India. ■

PAKISTAN

EXPORTS PLUNGE BY 54.2% YOY IN APRIL

Due to order cancellations and deferrals amid the COVID-19 pandemic, Pakistan's exports plummeted by 54.2% yoy to US$957.3 million in April, according to data released by the Pakistan Bureau of Statistics. Compared to March 2020, exports in April contracted by 47.2% in US dollar terms.

The collapse of demand triggered by stringent social distancing measures to contain the COVID-19 in North American and European countries — top export destinations for Pakistani goods — brought down the country's total export earnings in April. In particular, exports of textiles and garments, which accounted for over half of the country's exports prior to the pandemic, plunged by 64.5% yoy to US$403.8 million in the month. Major export categories within the group, including knitwear (-61.8%), woven garments (-73.4%) and bed linen (-57.5%), all posted drastic year-on-year declines.

Meanwhile, the country's imports continued their downward trend in April, with a year-on-year contraction of 32.0%. Thanks to the continued contraction of imports, Pakistan's trade deficit narrowed by 25.2% yoy in the first ten months of the current fiscal year (July 2019 – June 2020), providing some relief for the Pakistani economy that has been struggling with high fiscal and current-account deficits and depleting foreign exchange reserves.

PAKISTAN

TEXTILE AND GARMENT SECTOR STARTS TO RECEIVE NEW ORDERS

As European countries have gradually eased lockdown restrictions, Pakistan's textile and garment sector has reportedly received new export orders. The country's garment industry has been exempted from the nationwide lockdown restrictions since early April, while textile mills in some states were not allowed to reopen till early May.

'We have received new export orders for those textile products which are mainly used in hospitals like white bed-sheets, white gowns and white t-shirts,' Asif Inam, former vice-chairman of the All Pakistan Textile Mills Association (APTMA) confirmed to *The Express Tribune*. The orders are a mix of new ones and those which were put on hold amid the COVID-19 pandemic. The reliance on exporting low-cost and basic products, such as readymade garments, bed sheets and hosiery, instead of high-end and fashionable items, may serve as a short-term advantage for Pakistan's textile and garment sector to weather such an unprecedented crisis.

Meanwhile, the sector has reportedly been receiving a large number of overseas enquires for millions of pieces of caps, isolation gowns, overalls and other cotton-based protective gear from foreign retailers, governments and militaries. Nishat Mills, which was among the first manufacturers in Pakistan to receive such kind of export orders, began mass production of cloth masks in mid-March and would start shipping from this month.

The Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) urged the government to take an aggressive approach to liberalise the export of personal protective equipment (PPE) made of both non-woven and woven fabrics and in different colours (mainly white, light blue and light green), citing examples of Bangladesh, India, Vietnam and Cambodia which have already converted their apparel production capacity to manufacture PPE for export.

In April, the Pakistani government lifted the export ban on cloth masks and sanitisers, while export of certain PPE, such as N-95 and surgical face masks, gloves and goggles, remains prohibited.

PAKISTAN

GOVERNMENT TAKES UNPRECEDENTED STEPS TO COUNTER EFFECTS OF COVID-19 CRISIS

In late March, the federal cabinet approved a relief package worth 1.2 trillion Pakistani rupees (US$7.5 billion) to mitigate the impacts of the COVID-19 outbreak. Part of the package will be funded by support from the International Monetary Fund, the World Bank and the Asian Development Bank. The package consists of a wide range of fiscal measures, including tax breaks, cash transfers, tax refunds, and subsidies on electricity bill and fuel prices.

Specifically, for small and medium-sized enterprises (SMEs), which constitute nearly 90% of all the enterprises in Pakistan and employ around 80% of the non-agricultural labour force, financial support of 100 billion rupees will be provided in the form of relief on electricity bill payments and bank loans. The government has also announced a risk-sharing mechanism to support concessional bank loans to SMEs to prevent layoffs during the lockdown period.

In addition, the government has recently accelerated tax refunds and released cash subsidies to export-oriented manufacturers to improve their liquidity position.

To fuel new investment in modernising or expanding existing production facilities, the State Bank of Pakistan has announced a subsidised Temporary Economic Relief Facility, under which subsidized loans will be provided to eligible new investment projects.

Provincial governments in Pakistan have also announced fiscal measures, broadly consisting of cash grants to the low-income households, tax relief and additional health spending.

In view of the difficulties every sector was facing amid the nationwide lockdown, Pakistan's Prime Minister Imran Khan announced the easing of lockdown restrictions in phases from 9 May, even though the COVID-19 outbreak in the country had not passed its peak. Factories and shops have been allowed to reopen following Standard Operating Procedures (SOPs) set by the government. On 1 June, the number of new confirmed cases in Pakistan reached 2,964, bringing the total confirmed cases to over 72,000, according to the World Health Organization. ■

TURKEY

MANUFACTURING CONDITIONS CONTINUE TO DETERIORATE IN MAY

The Istanbul Chamber of Industry Turkey manufacturing purchasing managers' index (PMI), a composite single-figure indicator of manufacturing performance, rose to 40.9 in May from 33.4 in April, indicating a continued contraction of the manufacturing sector amid the COVID-19 crisis. The PMI reading in April marked the steepest slowdown of the manufacturing sector since the global financial crisis.

According to the PMI press release, both output and new orders continued to contract in May, albeit at slower rates than in April, as some firms reported resumption of operations during the month. Meanwhile, manufacturers scaled back employment for the second straight month, albeit at a softer pace, as the majority of companies kept staffing levels unchanged. Purchasing activity also continued to moderate.

The latest PMI survey also showed substantial supply chain disruptions caused by the COVID-19 pandemic, with suppliers' delivery times lengthening sharply again in May. Receiving inputs from abroad was reportedly particularly difficult.

On the price front, a weak Turkish lira led to upward pressure on input prices, which rose at the fastest rate in a year. In response, manufacturers increased their output prices, the inflation of which was higher than that seen in April.

Positive signs of normalization in the manufacturing sector have emerged since early May, said Turkish Industry and Technology Minister Mustafa Varank at a virtual meeting organised by the Foreign Economic Relations Board on 20 May. Electricity consumption in Organised Industrial Zones (OIZs) has started to rise since the beginning of May, while all main automotive factories have resumed operation. There is also recovery in the textile, food, chemical, pharmaceutical and packaging industries, he added.

TURKEY

EXPORTS OF APPAREL SHRINK BY 20.1% YOY IN JANUARY–APRIL

Turkey's exports of apparel amounted to US$4.8 billion in January–April, down sharply by 20.1% compared to the same period last year, according to data released by the İstanbul Apparel Exporters Association (İHKİB). In April, only US$575.8 million worth of apparel products were exported, a 61.7% plunge compared to the same month last year.

In the four-month period, Germany, Spain and the UK were the top three markets of Turkey's apparel products. Exports to these three markets amounted to US$891.8 million, US$576.6 million and US$433.3 million, respectively, with a year-on-year contraction rate of 10.2%, 26.2% and 30.7%. Among the top ten markets, only Netherlands recorded a positive year-on-year growth of 7.0% in apparel imports from Turkey in the period.

By major product group, Turkey exported US$2.3 billion worth of knitted apparel, US$1.8 billion of woven garments and US$610.7 million of home textiles and other readymade products during the January–April period, with a year-on-year decline of 22.9%, 21.2% and 3.2%, respectively.

According to the Central Bank of the Republic of Turkey, capacity utilization rate of the apparel manufacturing industry stood at 47.1% in April, far lower than 83.4% in March 2020 and 83.2% in April 2019.

Due to the COVID-19 pandemic, Turkish garment manufacturers have been facing a massive build-up of inventory and severe cash crunch, as many large-volume orders were cancelled by the US and European brands. In early May, the Turkish Clothing Manufacturers' Association (TGSD) wrote to overseas buyers to voice their concerns over the effects of cancelled orders on the industry, calling for concerted efforts between brands and suppliers to cope with the crisis.

TURKEY

GOVERNMENT'S RELIEF PACKAGE AGAINST COVID-19 EXCEEDS 250 BILLION LIRAS

The Turkish government's economic measures to counter the impacts of the COVID-19 pandemic so far exceeded 250 billion Turkish liras (US$36.8 billion), said Treasury and Finance Minister Berat Albayrak at a virtual meeting with top Turkish business executives on 20 May. The funding provided under the package equals to 5% of the country's GDP.

The Economic Stability Shield package, introduced on 18 March and initially set at 100 billion liras, includes a number of measures aimed at mitigating the potential economic fallout of the COVID-19 outbreak and providing businesses with the liquidity required to continue operations. Key support measures include: 1) raising minimum pension and cash assistance to households in need; 2) postponing taxes and social security premiums for six months for affected industries; 3) extending individual and corporate income tax filing deadlines; 4) providing wage subsidies for affected firms that are forced to reduce or suspend operations due to the pandemic.

In addition, the Credit Guarantee Fund limit was doubled to 50 billion liras, providing liquidity to small and medium-sized enterprises and companies facing cash shortage and collateral deficit, while the government-backed credit insurance limit was increased from 25 million liras to 125 million liras. Meanwhile, inventory financing support is provided for exporters to help them maintain the capacity utilization rates.

To pump more liquidity into the economy, the central bank on 21 May delivered the ninth-straight policy rate cut within a year, bringing the one-week repo rate from 8.75% to 8.25%. While there was a pronounced economic weakening in April, there were signs of bottoming-out following the steps taken towards partial normalization in the first half of May, the monetary authority said in a statement.
■

MAJOR ECONOMIC INDICATORS

BANGLADESH

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20
Quantum index of medium and large-scale manufacturing (yoy growth %)	1.6	13.5	–	–	–	–
Consumer price index (yoy growth %)	6.1	5.8	5.6	5.5	5.5	–
Exports (yoy growth %)	-10.7	2.9	-1.7	-1.8	-18.3	-82.9
Exports (US$ mn)	3,055.9	3,525.1	3,617.3	3,322.4	2,732.0	520.0
Of which:						
Knitwear (US$ mn)	1,271.3	1,396.2	1,414.2	1,278.7	1,055.8	180.1
Woven garments (US$ mn)	1,240.0	1,539.2	1,625.0	1,505.6	1,200.4	194.5
Home textile (US$ mn)	59.1	71.5	72.6	83.4	72.1	22.7
Footwear* (US$ mn)	67.9	79.3	80.5	74.2	52.0	10.3
Leather products (US$ mn)	20.4	21.1	22.4	23.0	22.6	3.6
Imports (yoy growth %)	-10.6	3.1	-15.0	–	–	–
Imports (US$ mn)	3,986.6	4,647.0	4,712.0	–	–	–

** Includes leather footwear.*
Source: Bangladesh Bureau of Statistics, Bangladesh Bank, Export Promotion Bureau

INDIA

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20
Quarterly GDP* (real yoy growth %)	4.1 (3Q19)			3.1 (4Q19)		
Index of industrial production (yoy growth %)	2.1	0.4	2.1	4.6	-16.7	–
Manufacturing PMI (IHS Markit)	51.2	52.7	55.3	54.5	51.8	27.4
Wholesale price index* (yoy growth %)	0.6	2.8	3.5	2.3	1.0	–
Consumer price index* (yoy growth %)	5.5	7.4	7.6	6.6	5.8	–
Exports (yoy growth %)	-0.3	-1.8	-1.7	2.9	-34.6	-60.3
Exports (US$ mn)	25,981.9	27,357.4	25,970.3	27,647.3	21,406.4	10,356.1
Of which:						
Knitwear (US$ mn)	528.5	717.4	639.5	629.4	479.3	–
Woven garments (US$ mn)	530.1	692.0	813.4	848.5	641.2	–
Footwear (US$ mn)	197.7	234.7	239.0	218.7	152.0	–
Furniture (US$ mn)	140.7	171.3	179.7	168.8	126.0	–
Imports (yoy growth %)	-12.7	-8.8	-0.8	2.5	-28.7	-58.7
Imports (US$ mn)	38,106.1	38,611.3	41,144.7	37,497.5	31,164.6	17,121.1
Trade balance (US$ mn)	-12,124.2	-11,253.8	-15,174.4	-9,850.2	-9,758.2	-6,765.0

** Financial year in India starts in April. Due to limited market transactions during nationwide lockdown, the general wholesale price index and the general consumer price index were not released for the month of April.*
Source: Ministry of Commerce & Industry, Ministry of Statistics and Programme Implementation, IHS Markit PMI reports

PAKISTAN

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20
Quantum index of large-scale manufacturing (yoy growth %)	-3.6	10.0	-5.9	-0.2	-23.0	–
Consumer price index* (yoy growth %)	12.7	12.6	14.6	12.4	10.2	8.5
Exports (yoy growth %)	9.4	-3.9	-2.8	13.8	-8.1	-54.2
Exports (US$ mn)	2,010.8	1,992.6	1,978.5	2,140.4	1,813.9	957.3
Of which:						
Garments (US$ mn)	517.5	522.7	514.0	538.9	418.8	153.7
Bed linen (US$ mn)	195.5	184.4	194.1	205.8	163.7	76.8
Towels (US$ mn)	65.4	61.4	65.3	79.5	67.3	18.3
Leather products (US$ mn)	45.8	47.6	44.0	43.3	39.2	11.9
Sporting goods (US$ mn)	24.0	24.7	23.7	24.9	22.5	7.4
Imports (yoy growth %)	-14.0	-8.3	-7.4	-1.7	-19.4	-32.0
Imports (US$ mn)	3,940.4	4,037.3	4,135.4	4,073.0	3,316.0	3,204.1
Balance of trade (US$ mn)	-1,929.6	-2,044.7	-2,157.0	-1,932.6	-1,502.1	-2,246.9

** Consumer price index has been rebased from the 2007-08 fiscal year to the 2015-16 fiscal year.*

Source: Pakistan Bureau of Statistics, State Bank of Pakistan

TURKEY

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20
Quarterly GDP (real yoy growth %)	6.0 (4Q19)			4.5 (1Q20)		
Industrial production index, manufacturing (yoy growth %)	5.1	9.5	8.0	9.1	-1.9	–
Industrial turnover index, manufacturing (yoy growth %)	9.8	16.6	19.9	17.7	5.3	–
Manufacturing PMI (Istanbul Chamber of Industry)	49.5	49.5	51.3	52.4	48.1	33.4
Producer price index (yoy growth %)	4.3	7.4	8.8	9.3	8.5	6.7
Consumer price index (yoy growth %)	10.6	11.8	12.2	12.4	11.9	10.9
Exports (yoy growth %)	-0.9	5.1	5.9	2.0	-18.1	-41.4
Exports (US$ mn)	16,243.2	15,388.3	14,694.1	14,605.2	13,373.3	8,989.5
Of which:						
Knitwear (US$ mn)	836.7	698.3	758.7	733.0	584.7	270.9
Woven garments (US$ mn)	541.9	481.9	603.3	640.7	489.3	199.2
Furniture (US$ mn)	375.8	380.9	329.6	333.1	293.8	176.9
Imports (yoy growth %)	11.9	19.8	18.8	9.8	3.1	-25.0
Imports (US$ mn)	18,228.4	20,054.9	19,206.6	17,633.4	18,811.9	13,553.3
Balance of trade (US$ mn)	-1,985.2	-4,666.5	-4,512.5	-3,028.2	-5,438.6	-4,563.8

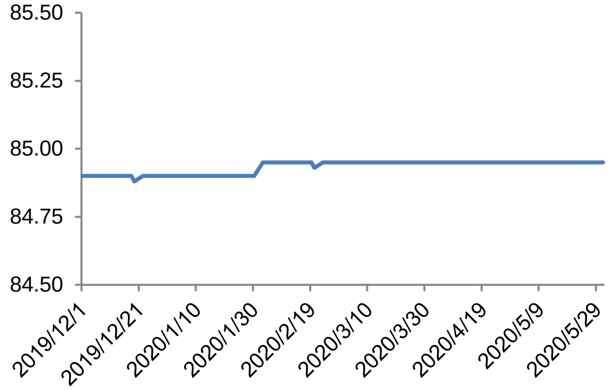
Source: Turkish Statistical Institute, Istanbul Chamber of Industry PMI reports

DAILY EXCHANGE RATES

DECEMBER 2019 – MAY 2020

BANGLADESHI TAKA

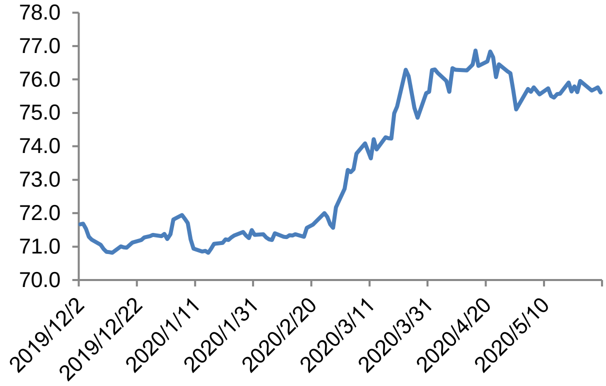
USD:BDT buy rate



Source: Bangladesh Bank

INDIAN RUPEE

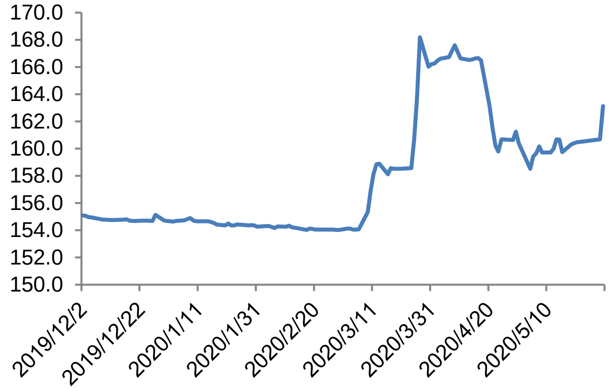
USD:INR spot rate



Source: Bloomberg

PAKISTANI RUPEE

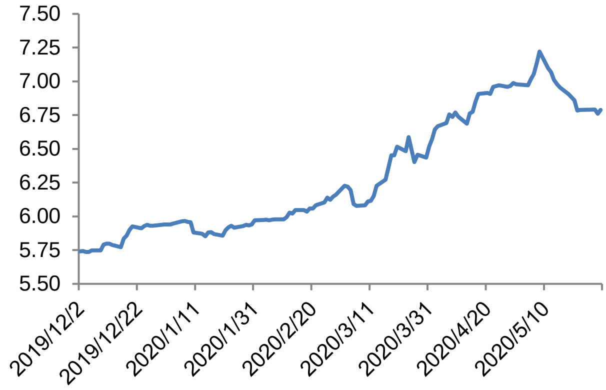
USD:PKR weighted average customer buy rate



Source: State Bank of Pakistan

TURKISH LIRA

USD:TRY buy rate



Source: Central Bank of the Republic of Turkey

FUNG BUSINESS INTELLIGENCE

Fung Business Intelligence collects, analyses and interprets global market data on sourcing, supply chains, distribution, retail and technology.

Headquartered in Hong Kong, it leverages unique relationships and information networks to monitor, research and report on these global issues with a particular focus on business trends and developments in China. Fung Business Intelligence makes its data, impartial analysis and specialist knowledge available to businesses, scholars and governments through regular research reports and business publications.

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About Fung Group

Fung Holdings (1937) Limited, a privately-held business entity headquartered in Hong Kong, is the major shareholder of the Fung Group of companies, whose core businesses operate across the entire global supply chain for consumer goods including trading, logistics, distribution and retail. The Fung Group comprises 42,000 people working in more than 40 economies worldwide. We have a rich history and heritage in export trading and global supply chain management that dates back to 1906 and traces the story of how Hong Kong and the Pearl River Delta emerged as one of the world's foremost manufacturing and trading regions. We are focused on both creating the Supply Chain of the Future to help brands and retailers navigate the digital economy as well as creating new opportunities, product categories and market expansion for brands on a global scale.

For more information, please visit www.funggroup.com.

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