

Textile Weaving

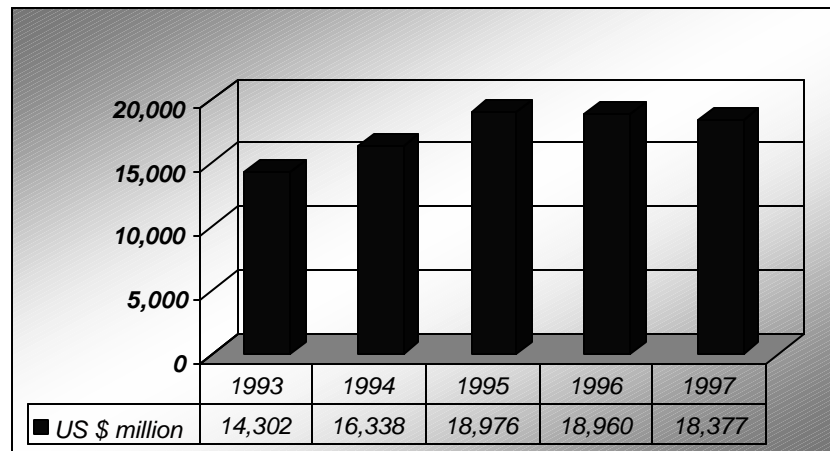


Small and Medium Enterprise Development Authority
GOVERNMENT OF PAKISTAN

Weaving

Global Trade of Fabric

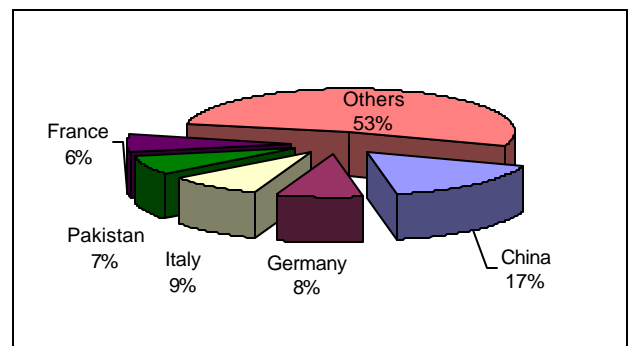
Broadly fabric is classified into two groups, one representing cotton and blends and the other representing synthetic and artificial. The overall market of fabric (cotton and blended) is US\$ 18 billion. With the average growth rate of around 7%, over five years the growth in the fabric exports remained stagnant from 1995 through 1997.



Global Woven Cotton/Blended Fabric Exports

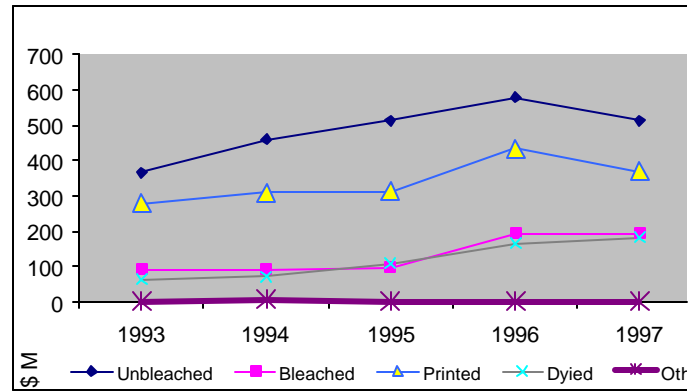
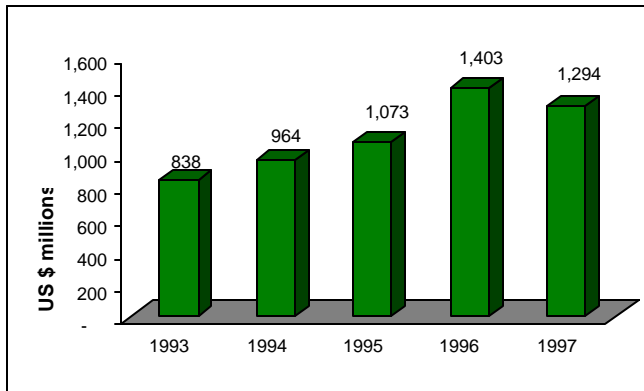
Pakistan's Share in World Fabric Trade

Out of a total market of US \$ 18 billion, almost 50% of the exports are generated from Asia. China is the market leader in fabric exports with US\$ 3 billion worth of exports, giving it a 17% share in the global exports. Pakistan has a decent position in the global export market of fabrics with a 7% share. The market share of Pakistan is slightly higher than that of India, which has 6% share.



More than 25% of the textile and clothing exports from Pakistan comprise of woven fabrics which includes both the pure cotton and the blended fabrics. During 1997 Pakistan exported US\$ 1.3 billion worth of fabric. This translates into an increase of 54% in the total value of exports from 1993. The average growth of export during this period was around 12%.

Exports of Fabrics from Pakistan



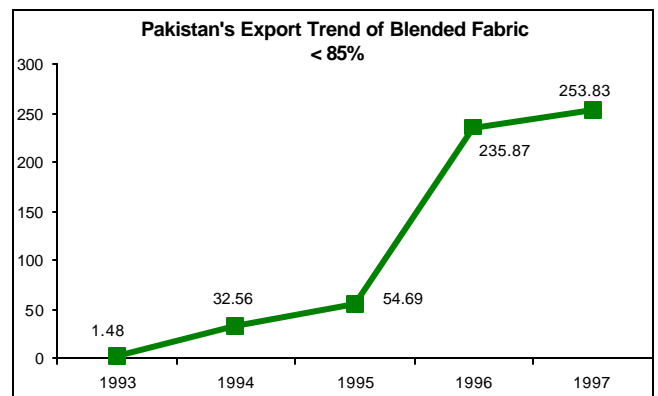
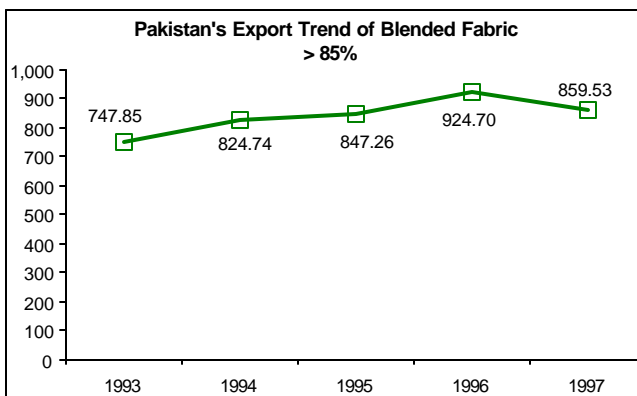
Cotton Vs Blended Fabrics - Pakistan's Exports

Traditionally, Pakistan has concentrated on the exports of cotton based fabrics. Initially, the importance of man-made fibres was completely ignored. Over the years the global consumption pattern also seem to have shifted towards the blended fabric categories where cotton is blended in different proportions with other man made fibres such as polyester, nylon, acrylic and viscose etc.

Pakistan is a late starter in the export markets of blended fabrics. The exports of cotton fabrics from Pakistan have almost remained stagnant over a period of five years. The average growth has been around 4%. Whereas, the exports of blended fabric, observed for a similar period, show a tremendous increase. This sharp increase in the exports of blended fabric, with an average growth of 600%, relates to the increased demand of such fabrics in the international markets.

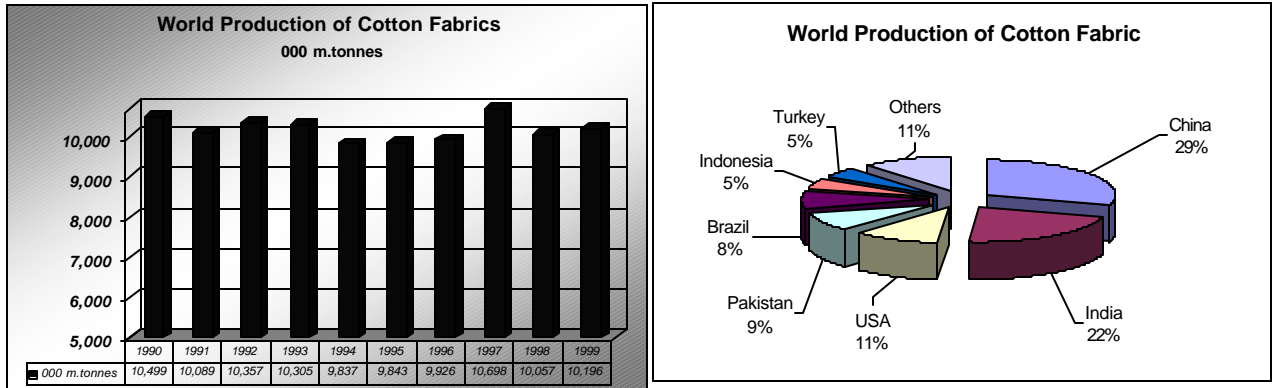
Export Trends of Blended Fabric > 85% Cotton

Export Trends of Blended Fabric < 85% Cotton



Global Production of Cotton Fabrics and Pakistan's Share

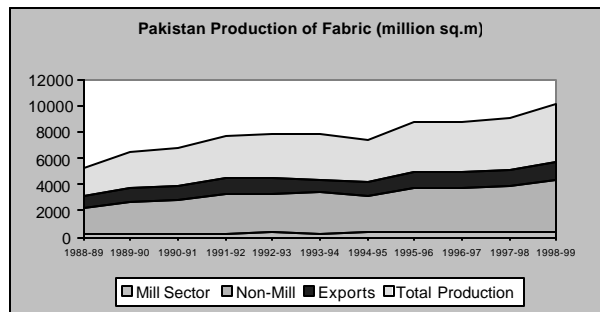
The latest world production figures for only cotton fabrics are available. Since cotton fabrics comprise majority of the fabric exports from Pakistan, an analysis of the global production trends can provide important insights on Pakistan's position.



The estimated global production of fabric is around 10.2 million metric tonnes. There has been a negative average growth rate of 0.2% over the period of 10 years from 1990 to 1999. Considering the growth in world population and increased demand of textile clothing, which is not supported by the global cotton fabric production. This is explained by the increased consumption of blended and man made fabrics.

Pakistan is fourth largest producer of cotton fabric in the world. The estimated share of Pakistan in the global cotton fabric production is 9%. The production has increased at a tremendous pace, it was 2.2 billion square meters in 1990, which increased almost 64% and currently is 3.6 billion square meters. This rapid increase in production is mainly driven by the growth of the shuttles waving industry in the country.

The estimated production of total fabric in Pakistan during 1998-99 was 4.4 billion square metres. Around 1.3 billion sq. m. of the fabric produced is exported, which accounts for 30% of the total domestic production. The total domestic production of fabric is estimated at 3 billion sq. m. The growth in exports does seem to have kept pace with the increased production.



Pakistan's Major Trade Partners - Fabrics

Woven fabric including pure cotton, blended and the manmade woven fabric accounts for one third of total textiles and clothing exports from Pakistan. Total fabric exports from Pakistan were US\$ 1.2 billion in 1997. Unprocessed fabric constitutes 40% of total fabric exports from Pakistan. Major importing countries of Pakistani woven fabric are Hong Kong, USA, U.K., Dubai, China, Australia and Italy.

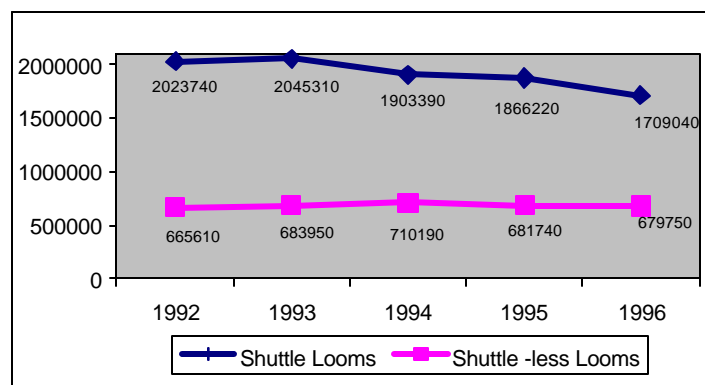
Pakistan Exports of Cotton & Blended Fabrics

Country	Quantity Square Meters	US \$ 000
HONG KONG	215,634,428	221,324
USA	201,288,235	171,840
UNITED KINGDOM	81,252,570	61,058
DUBAI	57,386,697	57,942
CHINA	53,005,564	53,610
AUSTRALIA	46,750,617	49,116
ITALY	53,708,976	46,989
BANGLADESH	55,395,335	43,291
SOUTH KOREA	32,572,513	28,968
JAPAN	28,760,627	27,473
GERMANY	25,241,432	26,684
ARGENTINA	21,260,991	17,059
CHILE	17,987,208	14,686
FRANCE	11,301,521	9,377
Other	453,619,079	387,394
Total	1,355,165,793	1,216,810

Weaving Technology in the World

Globally there is an apparent shift of weaving technology, from shuttle weaving towards shuttle-less weaving. The shift is very much in accordance with the increase in world demand of clothing that requires high-density fabrics. The quality of fabric required for manufacturing a diverse range of women and men apparel can only be efficiently produced on shuttle-less looms.

Global Growth of Weaving Industry

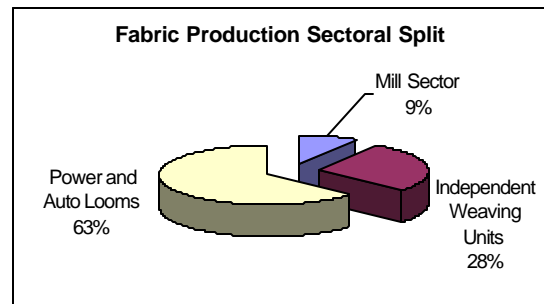


The total number of looms as estimated by ITMF in 1996 was 2.38 million. The split of shuttle and shuttle-less looms was 71.5% and 28.5% respectively. The total number of shuttle looms was more than 2 million in 1992 that declined by almost 15% and during 1996 the world population of shuttle looms was estimated at 1.7 million. The number of shuttle-less weaving machines have been consistently growing during the period from 1992 through 1996. The overall increase in the number of machines is slightly above 2%.

Industry Structure of Pakistan - Weaving

The weaving industry in Pakistan can be broadly classified into three main segments:

1. Composite Weaving Units
2. Independent Shuttle less Weaving Units
3. The Power Loom sector



Composite Weaving Units (Mill Sector)

The composite weaving units comprise of integrated textile mills having their own spinning and dyeing facility. A total of fifty-three such units currently exist. The installed capacity of these units is 14, 130 looms, which also includes the old auto and power looms. The working number of looms in the sector is 6,211. The production of cloth by these units is stuck at 380 million sq.m.

Independent Shuttle less Weaving Units

The number of such units in the country is more than 300. All of these units are equipped with shuttle-less weaving technologies, dominated by the Sulzer projectile looms, which constitutes almost 70% of the equipment installed in the sector. The working number of looms in the sector is approximately 14,500, out of which 5,500 looms are second hand. The rest of the 9,000 looms in the sector include Sulzer projectile looms and rapier looms manufactured by the Sulzer and other Japanese manufacturers including Tsudakoma, Toyoda and Picanol. Modern units in the sector have also inducted new Air-jet looms. The total number of Air-jet looms in both the mill sector and the shuttle less sector is around 3,000. The total fabric production capacity of this industrial segment is around 1.2 billion sqm, which is 28% of the total fabric produced in the country. It can be safely assumed that this sector accounts for more than 40% of the total fabric exports, majority of which comprise of greige fabric.

Power Loom Sector

The power loom sector of Pakistan dominates the fabric production in the country. The manufacturers from this segment are clustered in the city of Faisalabad. Number of looms in each firm varies from 4 to more than 50. The power loom sector accounts for 63% of the total production of fabric. The installed capacity of the power looms is around 215,000. The estimated working

number of machines is not more than 180,000, which also includes 20,000 auto looms. The total fabric producing capacity of these looms is estimated to be 2.8 billion sqm. This segment accounts for more than 50% of the fabric exports.

Artificial and Synthetic Fabric Looms

Another segment represents power looms, which produce synthetic and artificial fabric. Currently an estimated number of 80,000 looms are associated with the production of synthetic fabric. Out of these only 40,000 are operational. More than 800 million sqm of fabric is produced annually by this sector. Instead of cotton and blended yarns, these looms manufacture fabric by using artificial filament yarn such as polyester, nylon, acrylic, etc.