

TURKISH market for Indian man-made, cotton textiles

Turkey is the seventh largest exporter of textile and apparel products in the world. Over the last five years, Turkey's total textile and apparel exports declined at a CAGR of -0.7% to reach \$26.8 billion in 2017, while imports have reduced at a CAGR of -1.1% to reach \$11.8 billion. Turkey remained the 11th largest importer of T&A products globally. Its textile and apparel trade balance recorded a deficit of \$15 billion in 2017.

Man-made textiles is Turkey's largest imported category, representing 47% of total textile and apparel imports (2017). This is followed by cotton textiles, apparel and others with a share of 26%, 18% and 9% respectively. Top 10 suppliers accounted for ~65% of textile and apparel imports by Turkey. China is the largest supplier accounting for 20% share, followed by India and the US with a share of 8% and 7% respectively. In terms of y-o-y exports to Turkey, all countries exports have grown excluding India and Germany. India's exports to Turkey declined at 3% y-o-y.

India was the second largest supplier of textile and apparel products to Turkey in 2017. India's exports of T&A to Turkey stood at \$0.58 billion in 2017, whereas exports of textile and apparel products witnessed a decline of 9% over the last five years. India's share has also declined

Table 1: Turkey's Total T&A Trade (In US\$ Bn.)

Year	Exports	Imports	Trade Balance
2013	27.7	12.5	15.2
2014	29.4	12.9	16.5
2015	26.3	11.2	15.1
2016	26.2	10.9	15.3
2017	26.8	11.8	15.0
CAGR	-0.7%	-1.1%	-0.3%

Data Source: UN Comtrade

from 7% to 5%. Man-made textiles is the largest category with a share of 73% in India's T&A exports to Turkey. This is followed by cotton textiles and apparel having a share of 20% and 3% respectively.

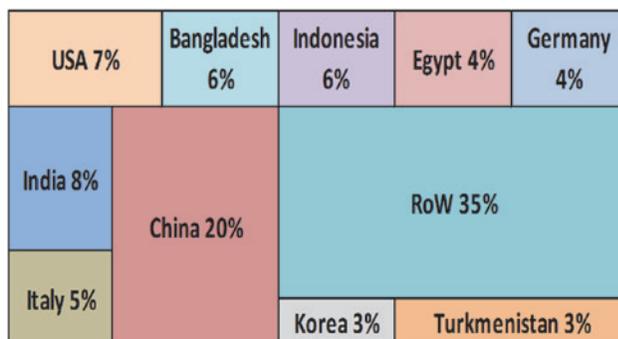
Turkey is one of the major markets for man-made

Figure 1: Category-wise T&A imports by Turkey (2017)



Data Source: UN Comtrade

Figure 2: Top Suppliers of T&A to Turkey (2017)



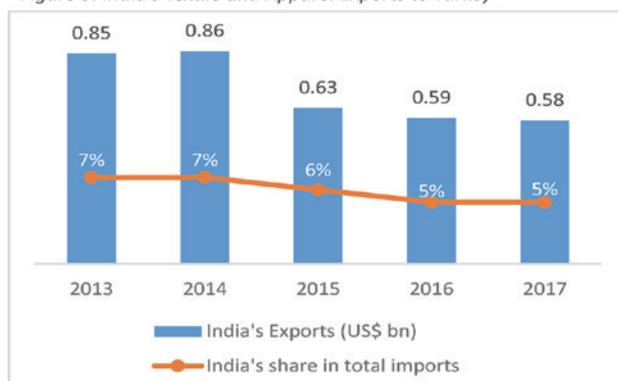
Note: Textiles comprises of fibre, yarn, fabric and home textiles

Table 2: Turkey's Top 10 textile and apparel imported commodities (In US\$ bn.)

S.No	Commodity	2015	2016	2017	CAGR
1	Synthetic filament yarn (no sew thread), not for retail	1.48	1.56	1.68	4%
2	Cotton, not carded or combed	1.23	1.24	1.68	11%
3	Cotton yarn (Not sewing thread) >85% cotton not for retail	0.39	0.38	0.57	14%
4	Artificial Staple fibers, not carded, combed etc.	0.48	0.54	0.55	4%
5	Yarn (no sew thread), synthetic staple fibre, not for retail	0.39	0.4	0.46	5%
6	Woven fabric of synthetic filament yarn, including monofilament 67 DEC	0.46	0.43	0.45	-1%
7	Synthetic staple fibers, not carded, combed etc.	0.38	0.35	0.42	4%
8	Woven cotton fabrics, > 85% cotton, weight over 200g/m ²	0.26	0.27	0.35	11%
9	Women's suits, woven ensemble	0.36	0.31	0.30	10%
10	Yarn of jute & other textile bast fibers	0.2	0.18	0.27	-9%

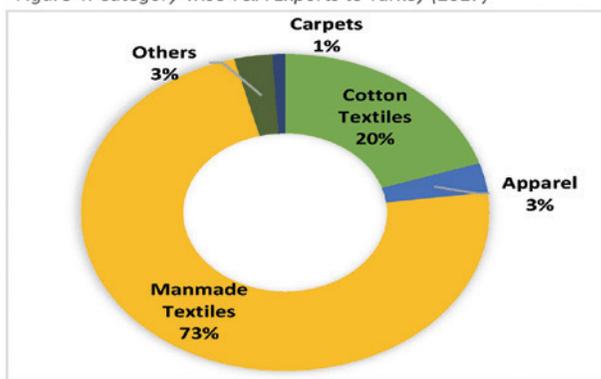
Data Source: UN Comtrade

Figure 3: India's Textile and Apparel Exports to Turkey



Data Source: UN Comtrade

Figure 4: Category-wise T&A Exports to Turkey (2017)



Data Source: UN Comtrade

Table 4: India's potential Categories of exports to Turkey

S.No	Market Segment	Existing Products	New Products
1	Manmade Textiles	<ul style="list-style-type: none"> • Polyester textured yarn other than sewing thread • Polyester yarn of staple fibers mixed with artificial staple fibers, other than sewing thread • Yarn containing more than 85% weight of polyester staple fibers, other than sewing thread 	<ul style="list-style-type: none"> • Yarn other than sewing thread of polyester staple fibers mixed with artificial staple fibers • Woven fabric, > 85% by weight of non-textured polyester filaments • Warp knit fabric, printed • Nonwovens
2	Cotton Textiles	<ul style="list-style-type: none"> • Cotton yarn of combed fibers, containing 85% cotton • Woven plain fabrics of cotton, weave of different colors • Cotton waste other than yarn waste • Woven plain fabric of cotton, printed 	<ul style="list-style-type: none"> • Woven fabrics of cotton, denim • Cotton yarn of uncombed fibers

Data Source: UN Comtrade and Wazir Analysis

based textile products. A large part of the MMF-based fabric manufactured and processed in India are low value added and primarily supplied to the mass domestic market. In order to give a boost to exports, Indian firms need to invest in MMF-based textile manufacturing processes. Also, the firms that are already manufacturing man-made

based textile products should target Turkey as a key market. Moreover, Turkey is also a major importer of cotton textiles. Owing to availability of raw material and infrastructure, Indian firms have a potential to increase their market share in Turkey in cotton textiles as well.