

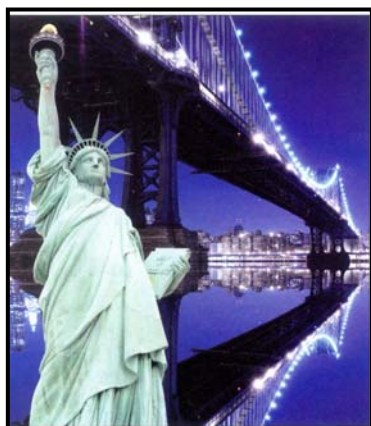
# USA – A Stable Market for Indian Apparel Export in 2011



Source: Apparel India

## USA – A Stable Market for Indian Apparel Export in 2011

**Source: Apparel India**



For more than five decades, the economy of USA has achieved steady growth, low unemployment and inflation, and rapid advances in technology. The country has the largest and most technologically powerful economy in the world, with a per capita GDP of \$47,400. In this market-oriented economy, private individuals and business firms make most of the decisions, and the federal and state governments need goods and services predominantly in the private marketplace.

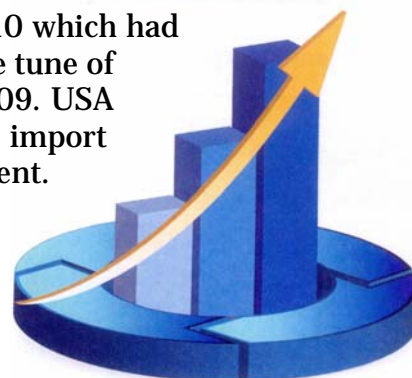
US business firms enjoy greater flexibility than their counterparts in Western Europe and Japan in decisions to expand capital plant, to layoff surplus workers, and to develop new products. It is the second largest economy in the world in PPP GDP terms and the third largest populous in the world.

**Detailed macro-economic indicators of USA are given in Table-1**

Table1: Key Macro-Economic Indicators of USA		
Details	Year	Figures
Population	(2010 est.)	313,232,044
Population Growth Rate	(2010 est.)	0.963%
GDP (Purchasing Power Parity - PPP)	(2009 est.)	\$14.72 trillion
Annual Rate of Inflation	(2009 est.)	1.4%
GDP Per Capita (PPP)	(2010 est.)	\$47,400
Industry	(2010 est.)	22.2%
Major Ports	Baton Rouge, Corpus Christi, Houston, Long Beach, Los Angeles, New Orleans, New York, Plaquemines, Tampa, Texas City	

**Source: World Fact Book, CIA**

Total export of USA stood at US\$ 1,289,059 million in 2010 which had increased by 20 per cent from 2009 and import were to the tune of US\$ 1,935,599 million, almost 23 per cent higher than 2009. USA exported around 2 per cent of total export to India and in import from the world, India accounted for less than 1.5 per cent. India's share in USA's export has increased by 0.2 per cent in 2010 from 2009 while its share in import has remained stagnant since 2009.



In USA's total export, apparel sector accounted for less than 0.5 per cent share while the import accounted for around 4 per cent in 2010.

Apparel import stood around US\$ 72,525 million in 2010 which has increased by 15 per cent from the previous year. The import of knitted garments has predominantly increased in the last three years. India accounted for 4 per cent share in USA's total apparel import from the world. In the last three years there has been an increase of India's share in the US import. Import from India had grown by 9.5 per cent in 2010 from the previous year.

**Table 2 highlight the segment wise import of USA from the world and India**

Table 2: USA's Import of Apparel From World and India, US\$ million									
Years	World			India			India's Share in %		
	61	62	RMG	61	62	RMG	61	62	RMG
2008	37380	35719	73099	1331	1790	3122	3.6	5.0	4.3
2009	33366	30923	64289	1237	1649	2886	3.7	5.3	4.5
2010	38320	34205	72525	1417	1741	3159	3.7	5.1	4.4
Growth 2010/2009	14.8	10.6	12.8	14.6	5.6	9.5			

Source: GTIS, 2010

China is the top most apparel supplier to USA. India is the sixth largest apparel supplier after China, Vietnam, Indonesia, Bangladesh, and Mexico. China accounts for almost 40 per cent share in USA's total apparel import from the world while India accounts for 4 per cent in 2010. Vietnam which is the second largest apparel supplier to USA, accounts for 8 per cent share in total apparel import.

**Table 3 highlights the top four apparel import partners of USA**

Table 3: Top four Apparel Suppliers to USA, US\$ Million							
Rank in 2010	Partner Country	2008	2009	2010	% Share		% Change
					2009	2010	2010/2009
	World	73099	64289	72525	100.00	100.00	12.81
1	China	24000	24365	28777	37.90	39.68	18.11
2	Vietnam	5152	5006	5798	7.79	7.99	15.82
3	Indonesia	4035	3869	4436	6.02	6.12	14.64
4	Bangladesh	3355	3344	3848	5.20	5.31	15.06

Source: GTIS, 2010

**Figures 1 & 2 depict the share of partners in the apparel import of USA and how the share has changed in 2010**



**USA Apparel Import At HS 4 Digit**

USA imports 34 products at HS 4 digit from the world and among these 34 items, all categories had registered an increase in import from the last year. From India only, 20 categories which were imported, registered positive growth from the previous year and the rest of the 14 categories experienced negative growth.

**Table 4 indicates the top import categories at HS 4 digit and the share of India in these categories**

Table 4: US Import of Top three items from the World, at HS 4 digit										
HS Code	Description	Import From World, US\$ Million		% Share 2010	% Change 2010/2009	% Share of India in Total import from World 2010	Import From India, US\$ Million		% Share in Total Import from India 2010	% Change 2010/2009
		2009	2010				2009	2010		
6110	Sweaters, Pullovers, Vests Etc, Knit Or Crocheted	12068	13363	34.87	10.73	3.2	358	422	29.76	8
6204	Women's Or Girls' Suits, Ensemble Etc, Not Knit Etc	9936	10546	30.83	6.14	5.4	590	569	32.68	-3.54
6203	Men's Or Boys' Suits, Ensembles Etc, Not Knit Etc	6881	7543	22.05	9.61	2.8	225	212	12.15	-5.81
US Import of Top three items from India, at HS 4 digit										
6204	Women's Or Girls' Suits, Ensemble Etc, Not Knit Etc	9936	10546	30.83	6.14	5.4	590	569	32.68	-3.54
6110	Sweaters, Pullovers, Vests Etc, Knit Or Crocheted	12068	13363	34.87	10.73	3.2	358	422	29.76	18
6206	Women's Or Girls' Blouses, Shirts Etc Not Knit Etc	2200	2316	6.77	5.27	15.7	300	364	20.9	21.28

Top two categories imported from the world are 6110 and 6204 while top two import categories from India were 6204 and 6110. The categories which registered decline were 6207, 6217, 6215 and 6213. Import from India registered maximum growth in 6116 product category.

### USA Apparel Import at HS Six Digit

There are 225 apparel items imported by USA at HS 6 digit from the world. In 2010, there were 176 product categories that registered positive growth while rest of the 49 categories registered decline from the previous year. In case of import from India, 87 product categories registered decline and rest of the 138 categories registered increase in the import from last year.

### Table 5 indicates the top three import items from the world and India

Table 5: US Import of Top three items from World, at HS 6 digit										
Commodity	Description	US import from World, US\$ million		% Share	% Change	% Share of India in Total Import from world	US Import from India, US\$ million		% Share in Total Import from India	% Change
		2009	2010	2010	2010/2009	2010	2010	2010	2010	2010/2009
611020	Sweaters, Pullovers Etc, Knit Etc, Cotton	8043	8761	22.86	8.93	4.5	332	396	0.02	19.3
620462	Women's Or Girls' Trousers Etc Not Knit, Cotton	5038	5200	15.2	3.22	3.5	219	183	10.53	-16.4
620342	Men's Or Boys' Trousers Etc, Not Knit, Cotton	4701	5156	15.07	9.66	2.5	149	127	7.3	-14.8
US Import of top three items from India, at HS 6 digit										
611020	Sweaters, Pullovers Etc, Knit Etc, Cotton	8043	8761	22.86	8.93	4.5	332	396	27.92	19.3
620630	W/G Blouses Shirts & Shirt Blouses Cotton, Not Knit	1385	1499	4.38	8.23	21.0	261	315	18.11	20.7
620520	Men's Or Boys' Shirts, Not Knit, Of Cotton	2103	2589	7.57	23.14	8.3	175	214	12.3	22.3

**Originally Published in Apparel India, April-2011**

**Image Courtesy: garmentnews.com**