

# Monthly Update – India's Apparel Exports

India's apparel exports grew sequentially in July 2021, post contraction for three consecutive months

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- India's apparel exports grew ~39% on a sequential basis and stood at US\$ 1.39 billion in July 2021, owing to easing of lockdown restrictions in India as well as globally, and a healthy pick-up in demand. This was followed by a decline in three consecutive months on a sequential basis.



- On a YoY basis, growth in India's apparel exports appeared healthy at ~31% in July 2021 owing to the low base effect (~22% YoY decline reported in July 2020). In comparison to the year prior to that (July 2019), India's apparel exports stood ~2% higher in July 2021.



- In May 2021, India's apparel exports to the US and the EU (incl. UK), put together, increased by ~245% on a YoY basis, however, there was a 10% decline on a MoM basis. YoY growth is explained by a low base effect.



- Cotton apparels' share in the apparel export mix of India continued to be the highest at ~52% in May 2021, followed by ~23% share of MMF apparels.



- US apparel imports surged ~55% YoY in June 2021 in US\$ terms and stood at US\$ 6.16 billion. The optically steep increase is explained by a low base effect. Overall in Q1 FY2021, US apparel imports in value terms surged ~79% on a YoY basis, with a marginally higher growth in volume terms.



- Apparel imports by the EU contracted by ~15% sequentially in May 2021, following a similar decrease in the previous month. In recent months, average monthly imports by the EU have remained ~10-15% lower than the pre-Covid levels



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