

PRESS RELEASE

(Karachi, November 5, 2010): Mr. Mohammad Jawed Chinoy, Zonal Chairman, Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA) in his statement to the press has emphasized that good retail sales results in the EU has created extraordinary demand for garments from Pakistan since Bangladesh and China are already fully booked. In order to benefit from this developing situation, we have to materialize these orders from which an increase of 20-25% in garment exports can be anticipated if proper policies are adopted.

Cotton which is like soft white gold has gone from the hands of growers and manufacturers into the hands of speculators like huge pension funds and big buying houses which are now taking speculative position in this product. Since the global production of cotton is around 116 million bales while the demand is around 120 million bales and reserves of 47 million bales, cotton prices have to come to a realistic position in the coming days. The same situation happened in oil industry two years back.

In view of the above Pakistan should be the one taking full advantage of this situation where a lot of jobs can be created by the value-added garment sector. Therefore we demand that Pakistan being the net importer of cotton and yarn, should restrict exports of raw cotton and cotton yarn unless other countries like India also start observing free market mechanism for cotton.

We should realize that due to this developing situation a lot of jobs can be created in the value added garment sector and Pakistan can earn also additional foreign exchange, he observed.