



ASIA SOURCING UPDATE

SOUTHEAST ASIA | SOUTH AND WEST ASIA

DECEMBER 2014

HIGHLIGHTS

IN THIS ISSUE

In the news
Major economic indicators
Daily exchange rates

Fung Business Intelligence Centre

10/F LiFung Tower,
888 Cheung Sha Wan Road
Kowloon, Hong Kong
T: (852) 2300 2470
F: (852) 2635 1598
E: lfdc@lf1937.com

BANGLADESH » P.2

- Exports of non-leather footwear rise 11.5% yoy in July-October
- Growing number of global brands source from the denim sector
- First Dhaka Apparel Summit identifies infrastructure as top reform priority

INDIA » P.3

- Apparel exports surge by 17.6% yoy in April-September
- “Make in India” campaign launched to boost manufacturing
- IKEA plans to double its sourcing volume in India by 2020

PAKISTAN » P.4

- Inflation drops to eleven-year low as oil prices fall sharply
- Sporting goods demonstrate high potential for sourcing
- MOU on sustainable cotton production signed
- GIZ sponsors social standards program for textile industry

TURKEY » P.6

- Real GDP growth slows to 1.7% yoy in 3Q14
- Apparel exports plummet in November

GENERAL » P.6

- The US Department of Labour releases updated list of goods produced by child labour and forced labour
- Gap and TAU Investment announce supply chain partnership



IN THE NEWS

BANGLADESH



EXPORTS OF NON-LEATHER FOOTWEAR RISE 11.5% YOY IN JULY-OCTOBER

As the country's exports of non-leather footwear have grown rapidly in recent years, the Export Promotion Bureau (EPB) started releasing export figures of non-leather footwear as a separate category in the beginning of this fiscal year. According to the EPB, during the July-October period, exports of non-leather footwear rose 11.5% yoy to reach US\$58.4 million.

According to industry insiders, orders of non-leather footwear are increasingly being shifted from China to Bangladesh as production in the former gets more expensive. Bangladesh is now supplying sports shoes, sandals, flip-flops and boots to leading global retailers including H&M, Decathlon, Kappa, Skechers, Fila and Puma.

Fortuna Leather Craft Ltd., which has set up a separate unit to produce polyurethane (PU) leather, has 800,000 pairs of PU leather shoes scheduled for shipment in March next year, according to the company's chairman. Karnaphuli Shoe Industries Ltd., a subsidiary of the Korea-based Youngone Group that makes fashionable canvas and athletic shoes, is also witnessing high export growth of non-leather footwear. The company exports 60,000-70,000 pairs of non-leather shoes each week to Decathlon, The North Face and Puma, among others, according to a senior official of the company.

BANGLADESH

GROWING NUMBER OF GLOBAL BRANDS SOURCE FROM THE DENIM SECTOR

On 11-12 November, the first Bangladesh Denim Expo was held in Dhaka to showcase the potential

of the country's denim industry. 50 companies from 15 countries participated.

Bangladesh is the second largest producer of denim apparel after China. In 2012, it shipped over 185 million pieces of denim jeans worldwide. These included 117 million pieces of denim apparel to the EU, second only to China, and 67 million pieces of denim apparel to the US, third only after China and Mexico.

An increasing number of global retailers and big-name brands are sourcing jeans and denim products from Bangladesh. They include H&M, Uniqlo, Levis, Nike, Tesco, Wrangler, s.Oliver, Hugo Boss, Puma, Primark, JC Penney, C&A, Tommy Hilfiger, Inditex, Walmart, M&S, Calvin Klein, Diesel, Gap, Chanel, Dior and G-Star.

The strength of Bangladesh's denim sector lies in its strong and growing backward linkages into weaving and spinning. According to Mostafiz Uddin, organizer of the Expo and managing director of Denim Expert Ltd., there are currently 25 denim fabric manufacturers in Bangladesh, which produce around 20 million yards of fabric per month and meet about 40% of the need of domestic manufacturers; the rest of the demand is fulfilled by imported fabrics mainly from China, India and Pakistan.

BANGLADESH

FIRST DHAKA APPAREL SUMMIT IDENTIFIES INFRASTRUCTURE AS TOP REFORM PRIORITY

The first Dhaka Apparel Summit was held on 7-8 December, as a platform to bring garment manufacturers and exporters, leading global brands, investors, experts and policymakers together to shape an effective roadmap for the development of the country's garment sector. Organized by the Bangladesh Garment

Manufacturers and Exporters Association (BGMEA) and Brand Forum Bangladesh, the Summit hosted nine discussion sessions covering issues crucial for driving the country's garment industry towards its goal of achieving export earnings of US\$50 billion by 2021.

During the Summit, the BGMEA conducted a survey among the participants to identify what they think the garment sector's priorities should be. Results of the survey show that 'infrastructure, power and gas' topped their list of concerns, followed by 'workers and managers' safety awareness', 'access to low-cost financing', 'political stability', 'knowledge and education', 'ethical pricing' and 'relationship between buyers and suppliers'.

The Dhaka Apparel Summit has issued a set of recommendations based on the survey, and the country's Commerce Minister Tofail Ahmed has promised that the government will respond by formulating proper policies for the sustainable growth of the garment sector. ■



APPAREL EXPORTS SURGE BY 17.6% YOY IN APRIL-SEPTEMBER

India's apparel exports rose by 17.6% yoy to US\$8.3 billion in the first half of the current fiscal year (April 2014 - March 2015), according to the Apparel Export Promotion Council (AEPCC).

The strong growth is attributable to a steady improvement in global demand and the rising competitiveness of India's apparel products over those made in China and Bangladesh. The two countries, one experiencing soaring production cost and the other tackling factory compliance issues, are reportedly losing buyers' orders to India.

According to data released by the Office of Textiles and Apparel (OTEXA), the value of all apparel products that the US imported during January-October this year increased by 3.1% yoy. While Vietnam (+15.6% yoy) and India (+6.2% yoy) led

the growth in apparel exports to the US during the ten-month period, China (+0.7% yoy) and Bangladesh (-2.5% yoy) lost their luster. Apparel exports from Indonesia (-2.3% yoy) and Cambodia (-2.0% yoy) to the US also registered a decline in the period.

INDIA

"MAKE IN INDIA" CAMPAIGN LAUNCHED TO BOOST MANUFACTURING

On 25 September, the Indian government launched an ambitious "Make in India" campaign with an aim of attracting more investment in the manufacturing sector and transforming the country into a global manufacturing hub. The campaign includes plans to cut red tape and provide better infrastructure, and to create a better business environment. 25 sectors, including automobiles, chemicals, biotechnology, leather, textiles and garments, are identified as sectors that have the best chances to compete globally.

Following the launch of the campaign, a raft of initiatives and measures have been taken, one of the most significant being the amendments to the labour laws. Among the most restrictive and complex in the world, India's labour regulations have long been considered a major hindrance to the growth of the manufacturing sector. In mid-October, the government simplified a handful of labour rules and made factory inspections more transparent so as to curb harassment by government inspectors. An amendment to the labour laws was also passed in late November to streamline hiring procedures for "small establishments" (business entities employing up to 40 employees).

At the same time, three key power projects have been unveiled recently to secure better access to electricity. These projects include Deendayal Upadhyaya Gram Jyoti Yojana (a rural electrification scheme), the North Eastern Region Power System Improvement Project and the Integrated Power Development Scheme.

We believe these changes, albeit piecemeal in nature, have laid down building blocks for India's manufacturing sector to flourish in the long run. The manufacturing sector currently contributes only 16% to India's GDP, and policymakers plan to raise this ratio to 25% and create 100 million new jobs by 2022.

INDIA

IKEA PLANS TO DOUBLE ITS SOURCING VOLUME IN INDIA BY 2020

Encouraged by positive changes made by the Modi-led government towards a more business-friendly environment, the Swedish furniture giant IKEA recently launched a "Make More in India" initiative to expand its supplier base in the country. According to the initiative, the company plans to double its sourcing from India by 2020, for all outlets worldwide including its future outlets in India.

Having been sourcing from India for the past 27 years, IKEA currently has 48 local suppliers and sources about 315 million euros (US\$390 million) worth of products made in the country. As part of the initiative, two seminars will be held in Mumbai and Bangalore in the coming January to enroll new suppliers. IKEA is looking for new suppliers for existing categories such as textiles and rugs, as well as new categories including furniture, mattresses, and sustainable materials like bamboo and acacia.

In September, IKEA signed a Memorandum of Understanding (MoU) with the government of Telangana, a southern state in India, for establishing its first Indian store there. The furniture maker has also asked the state government for 500 acre of land near Hyderabad, the capital of Telangana, to build an industrial park for its suppliers, both local and foreign.

IKEA is among the first single-brand retailers with 100% foreign ownership to tap into the Indian market. It plans to open 25 retail outlets in India over the next decade. ■

PAKISTAN



INFLATION DROPS TO ELEVEN-YEAR LOW AS OIL PRICES FALL SHARPLY

After rebounding to 7.7% yoy in September from 7.0% yoy in August, inflation – as measured by the year-on-year increase in consumer price index – trended downward again. Inflation fell to 5.8% yoy in October and further to 4.0% yoy in November, the lowest in eleven years.

Falling prices of crude oil and commodities in the global market contributed to price decreases in petroleum products and slowdown in food inflation in the domestic market. A breakdown of the consumer price index shows that, in November, the sub-category 'food and non-alcoholic beverages' declined by 0.5% from a month ago and increased by 1.1% from a year ago. Petroleum-related sub-categories 'kerosene oil' and 'motor fuel' posted declines of 12.3% and 9.8% respectively in November, compared to the same month last year.

In view of the falling crude oil prices in the global market, the federal government announced a price reduction on petroleum products by up to 11.2% starting from 1 November. This was the single largest reduction in almost ten years. Prices of petrol, high speed diesel, high octane blending component (HOBC), light diesel oil and kerosene oil were all subject to downward adjustment. The reduction in crude oil prices also led to a cut in electricity price by 2.32 rupees per unit (announced on 12 December) as the country relies on petroleum-based fuel for power generation.

PAKISTAN

SPORTING GOODS DEMONSTRATE HIGH POTENTIAL FOR SOURCING

Pakistan's exports of sporting goods registered a robust growth of 8.8% yoy to reach US\$108.4 million in the period July to October, according to data released by the Pakistan Bureau of Statistics (PBS). Exports of football, which accounts for

almost half of all exports of sporting goods in the four-month period, increased by 10.3% yoy, while exports of gloves surged by 33.4% yoy to reach US\$38.8 million.

Pakistan's sporting goods manufacturing industry has regained worldwide recognition after being one of the suppliers of the official football "Brazuca" for this year's FIFA World Cup. The "Brazuca" is considered the most high-tech football designed for tournaments so far. The last time when the country produced World Cup footballs traced back to 1982, though major international retailers have been continuously sourcing footballs from Pakistan. The child labour scandals in the 1990s tarnished the image of Pakistan's hand-stitched football industry. Since then, international brands have been working closely with factories and non-governmental organizations to enforce stringent checks on labour compliance.

Pakistan's sporting goods industry is located in and around the famous industrial centre of Sialkot, a city in the northeast of the Punjab province. The country produces a wide range of sporting goods, including sportswear, leather balls, leather gloves, sports shoes, rackets and gymnastic items. Durability and superior quality are considered main strengths of sporting goods made in Pakistan.

PAKISTAN

MOU ON SUSTAINABLE COTTON PRODUCTION SIGNED

Better Cotton Initiative (BCI) and the All Pakistan Textile Mills Association (APTMA) have signed an agreement to implement sustainable processes in cotton production in Pakistan. APTMA will be the implementing agency within Pakistan to promote 'better cotton' – cotton produced under a more economically, environmentally and socially sustainable method. The agreement is expected to contribute to Pakistan's commitment to sustainability and drive market demand for Pakistani textile products.

Production of 'better cotton' in Pakistan has increased from 163,000 metric tons in 2013 to

293,000 metric tons in 2014. The rise indicates that both the supply and demand for 'better cotton' have been increasing.

Global retailers such as Adidas, H&M, IKEA, Marks & Spencer and Nike have set targets to achieve 100% 'better cotton' in their supply chains by 2020. Other apparel retailers, including Bestseller, Hemptex, Inditex, Lindex, Migros, MQ Fashion, VF Corporation and Walmart, are also using more 'better cotton' in their supply chains.

PAKISTAN

GIZ SPONSORS SOCIAL STANDARDS PROGRAM FOR TEXTILE INDUSTRY

The German Federal Enterprise for International Cooperation, also known as the GIZ, has sponsored a two-year project to promote social standards in the textile and garment industry in Punjab. The cost of the project is estimated at 1.7 million euros (about US\$2.1 million). Partners of the project include the government of the Punjab province, the Pakistani government's Ministry of Textile, the Trade Development Authority, and the All Pakistan Textile Mills Association.

Funded by the German Federal Foreign Office, the project was aimed at helping the local textile and garment industry comply with international labour standards, so that Pakistan can maintain its EU Generalised Scheme of Preferences (GSP) Plus status. The EU GSP Plus scheme, which offers more trade benefits than the regular GSP benefits, requires its beneficiary countries to implement international conventions relating to human and labour rights, environment and good governance.

The project's areas of intervention will include improving working conditions and developing appropriate communication platforms between the government, employers and workers. It will also provide reliable data on the pilot measures at factory level, which will be used to convince employers of the benefits of adopting social sustainability practices. The project is expected to improve the overall social performance of the local textile and garment industry. ■

TURKEY



REAL GDP GROWTH SLOWS TO 1.7% YOY IN 3Q14

Turkey's GDP grew 1.7% yoy in 3Q14, the slowest pace since late 2012. The growth was slower than the revised 2.2% yoy increase recorded in 2Q14 and 4.8% yoy growth in 1Q14.

The governor of Turkey's Central Bank attributed the economic slowdown to weak agricultural output resulting from bad weather, as witnessed by the fact that by economic activity, the agriculture sector contracted by 4.9% yoy in 3Q14, while the manufacturing sector expanded by a robust 2.2% yoy. By the expenditure approach, household consumption, which makes up two-thirds of the Turkish economy, edged up by 0.2% yoy in 3Q14, while gross fixed capital formation declined by 0.4% yoy.

The weak performance in 3Q14 makes it unlikely that the growth for the whole year of 2014 can meet the government's target of 3.3%, which was already revised downward by 0.7% in October amid increased geopolitical tension in Iraq and the fragile recovery in the EU.

TURKEY

APPAREL EXPORTS PLUMMET IN NOVEMBER

Turkey's apparel exports fell by 8.9% yoy to US\$1.51 billion in November, compared to a 12.7% yoy growth in October, according to data released by the Istanbul Textile and Apparel Exporters' Union (ITKIB).

By export destination, apparel exports to the EU dropped by 11.7% yoy in November, compared to an 11.4% yoy increase in the previous month. Among the top ten export destinations, eight of them recorded a year-on-year decline in the month, including Germany (-13.4%), the UK (-5.2%), Spain (-16.2%), France (-24.9%), Netherlands (-13.4%), Italy (-12.9%), Denmark (-20.6%) and the

US (-18.9%). Meanwhile, Turkey maintained strong year-on-year export growth for the remaining two export destinations in the top-ten list, Iraq (+15.6%) and Romania (+72.9%) in the same month. Turkey's exports to the following countries also registered a year-on-year increase in the month: Poland (+6.4%), Ukraine (+22.7%), Saudi Arabia (+20.0%) and Algeria (+7.3%).

In January-November, Turkey's apparel exports amounted to US\$17.38 billion, up by 9.1% over the same period of last year. Apparel exports to the EU, which accounted for 75% of Turkey's total apparel exports, rose by 10.1% yoy in the eleven-month period.

Sluggish retail sales in Europe have led to a contraction in apparel imports from Turkey. The Eurozone Retail PMI, compiled and released by Markit, showed that retail sales in the region fell for the fifth consecutive month in November. ■

GENERAL

THE US DEPARTMENT OF LABOUR RELEASES UPDATED LIST OF GOODS PRODUCED BY CHILD LABOUR AND FORCED LABOUR

On 1 December, the US Department of Labour's Bureau of International Labour Affairs released the sixth edition of the 'List of goods produced by child labour or forced labour', which adds 2 new categories (alcoholic beverages and meat), 1 new country (Yemen) and 11 new line items (a line item is a combination of a category and a country). Countries on the list range from Afghanistan to Zambia, with Bangladesh, Myanmar, Cambodia, China, India, Pakistan and Indonesia included.

New line items added to the list include garments from Bangladesh; cotton and sugarcane from India; alcoholic beverages, meat, textiles and timber from Cambodia; and palm oil from Malaysia – all made by child labour; as well as electronics from Malaysia produced by forced labour.

The 'List of goods produced by child labour or forced labour' was first published in 2009 and is now updated by the US Congress every two years. It is also known as the TVPRA list, as it is mandated by the Trafficking Victims Protection Reauthorization Act of 2005. The 2014 update includes 136 goods, 74 countries and 353 line items.

The List of Goods Produced by Child Labour or Forced Labour is available at <http://www.dol.gov/ilab/reports/child-labor/list-of-goods/>

GAP AND TAU INVESTMENT ANNOUNCE SUPPLY CHAIN PARTNERSHIP

On 3 December, Gap Inc. and TAU Investment Management, a US private equity firm established to generate returns by upgrading supply chains and by investing to enhance the operational performance of manufacturers, entered into a partnership to 'promote best-in-class innovations and support the development of more sustainable,

efficient, and improved garment factories and mills across Southeast Asia'. The new partnership establishes Gap as the first 'anchor brand' in TAU's strategic network of apparel and other corporate relationships.

Under the agreement, TAU will treat suppliers referred by Gap as a priority for review in its deal pipeline, while Gap will consider TAU's future-transformed factories for inclusion among its preferred suppliers. The innovative partnership is expected to advance positive changes within the garment industry.

TAU recently launched a global fund targeting textile and apparel manufacturers in emerging markets, including Bangladesh, Indonesia, China, Cambodia and Turkey. The global fund has a target of raising US\$1 billion and will focus principally on Asia – with a cap of 20% of the total fund being deployed in any single country. The fund intends to buy minority stakes in factories and then upgrade environmental standards, improve labour conditions, and install technology that can raise productivity and increase transparency.

MAJOR ECONOMIC INDICATORS

BANGLADESH

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Quantum index of medium and large-scale manufacturing (yoy growth %)*	8.7	-	-	-	-	-
Consumer price index (yoy growth %)*	7.0	7.0	6.9	6.8	6.6	-
Exports (yoy growth %)	3.5	-1.4	7.3	-1.4	-7.6	9.3
Exports (FOB, US\$ mn)	2,800.2	2,982.7	2,159.5	2,552.9	1,957.6	2,417.4
<i>Of which:</i>						
Knitwear (US\$ mn)	1,130.7	1,307.9	898.4	1,064.1	788.0	939.4
Woven garments (US\$ mn)	1,183.1	1,210.1	815.3	937.3	731.5	999.2
Home textile (US\$ mn)	63.6	59.2	56.8	68.9	50.8	62.9
Footwear (US\$ mn)	56.4	64.2	61.5	61.2	41.0	46.9
Leather products (US\$ mn)	22.0	22.9	17.7	17.8	12.4	17.0
Imports (yoy growth %)	10.2	3.0	36.7	8.2	-	-
Imports (C&F, US\$ mn)	3,247.1	3,147.8	3,630.8	3,547.3	-	-

* The quantum index of medium and large-scale manufacturing and the consumer price index use 2005-06 as the base year.
Source: Bangladesh Bureau of Statistics, Bangladesh Bank, Export Promotion Bureau

INDIA

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Quarterly GDP (real yoy growth %)*	5.7(1Q14)		5.3(2Q14)		-	
Index of industrial production (yoy growth %)	4.3	0.9	0.5	2.8	-4.2	-
Manufacturing PMI (HSBC)	51.5	53.0	52.4	51.0	51.6	53.3
Wholesale price index (yoy growth %)	5.7	5.4	3.9	2.4	1.8	0.0
Consumer price index (yoy growth %)	7.5	8.0	7.8	6.5	5.5	4.4
Exports (yoy growth %)	10.2	7.3	2.4	2.7	-5.0	7.3
Exports (FOB, US\$ mn)	26,479.7	27,727.6	26,958.2	28,903.3	26,094.1	25,960.6
<i>Of which:</i>						
Readymade garments (US\$ mn)	1,425.0	1,452.7	1,383.8	1,293.6	1,194.6	1,202.3
Cotton yarn and fabrics (US\$ mn)	794.0	887.0	935.5	943.7	895.7	938.6
Imports (yoy growth %)	8.3	4.3	2.1	26.0	3.6	26.8
Imports (CIF, US\$ mn)	38,243.0	39,956.2	37,796.8	43,150.7	39,451.5	42,821.6
Trade balance (US\$ mn)	-11,763.2	-12,228.6	-10,838.6	-14,247.4	-13,357.5	-16,861.1

* Financial year in India starts in April.

Source: Ministry of Commerce & Industry, Ministry of Statistics and Programme Implementation, HSBC PMI reports

PAKISTAN

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Quantum index of large-scale manufacturing (yoy growth %)	0.3	1.1	5.3	1.8	-	-
Consumer price index (yoy growth %)	8.2	7.9	7.0	7.7	5.8	4.0
Exports (yoy growth %)	-6.8	-7.9	-3.6	-16.7	5.0	9.5
Exports (US\$ mn)	2,027.4	1,929.5	1,910.9	2,180.6	1,956.9	1,966.0
<i>Of which:</i>						
Garments (US\$ mn)	393.0	425.0	312.9	385.3	389.0	-
Cotton cloth (US\$ mn)	197.7	211.6	190.0	227.2	204.6	-
Bed linen (US\$ mn)	179.7	195.9	151.6	202.4	175.3	-
Towels (US\$ mn)	65.7	64.1	49.3	69.8	69.1	-
Imports (yoy growth %)	10.1	-11.8	32.1	20.3	30.0	-0.6
Imports (US\$ mn)	4,338.0	3,364.9	4,718.0	4,560.9	4,266.0	3,630.0
Balance of trade (US\$ mn)	-2,310.6	-1,435.4	-2,807.1	-2,380.3	-2,309.1	-1,664.0

Source: Pakistan Bureau of Statistics, State Bank of Pakistan, Pakistan Readymade Garments Manufacturers & Exporters Association

TURKEY

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
Quarterly GDP (real yoy growth %)	2.2(2Q14)		1.7(3Q14)		-	
Industrial production index*, manufacturing (yoy growth %)	1.4	3.4	4.2	1.5	2.0	-
Industrial turnover index*, manufacturing (yoy growth %)	13.6	12.7	11.7	6.1	8.0	-
Manufacturing PMI (HSBC)	48.8	48.5	50.3	50.4	51.5	52.2
Producer price index (yoy growth %)	9.8	9.5	9.9	9.8	10.1	8.4
Consumer price index (yoy growth %)	9.2	9.3	9.5	8.9	9.0	9.2
Exports (yoy growth %)	3.9	2.2	2.6	4.2	7.3	-
Exports (US\$ mn)	12,886.4	13,352.6	11,403.0	13,605.4	12,933.2	-
<i>Of which:</i>						
Knitwear (US\$ mn)	855.9	931.5	853.4	906.4	824.4	-
Woven garments (US\$ mn)	538.8	586.4	510.5	542.3	460.0	-
Furniture (US\$ mn)	249.5	246.7	210.9	260.5	230.4	-
Imports (yoy growth %)	-1.0	-13.2	7.1	-0.1	-1.5	-
Imports (US\$ mn)	20,792.2	19,940.3	19,497.9	20,596.0	19,184.9	-
Balance of trade (US\$ mn)	-7,905.8	-6,587.7	-8,094.8	-6,990.6	-6,251.7	-

* Since January 2013, the base year of industrial production index and industrial turnover index has changed to 2010.

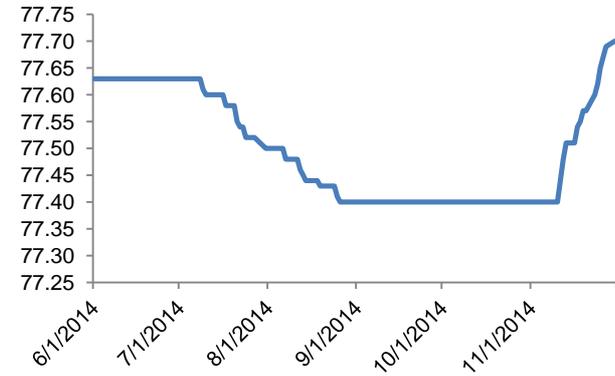
Source: Turkish Statistical Institute, HSBC PMI reports

DAILY EXCHANGE RATES

JUNE - NOVEMBER 2014

BANGLADESHI TAKA

USD:BDT buy rate



Source: Bangladesh Bank

INDIAN RUPEE

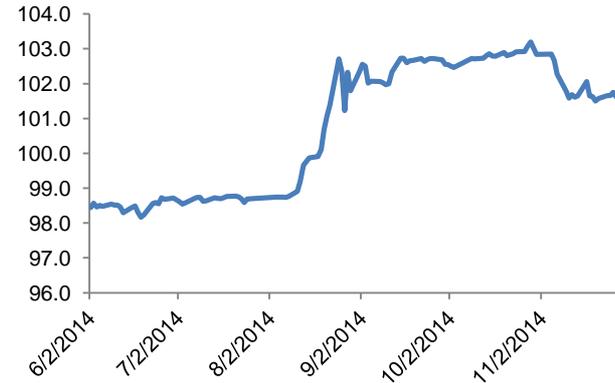
USD:INR RBI reference rate



Source: Reserve Bank of India (RBI)

PAKISTANI RUPEE

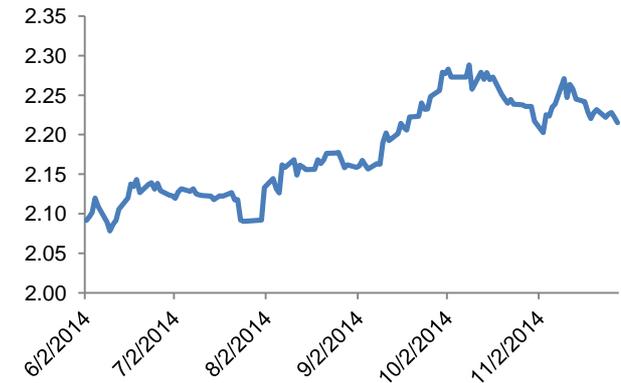
USD:PKR weighted average customer buy rate



Source: State Bank of Pakistan

TURKISH LIRA

USD:TRY buy rate



Source: Central Bank of the Republic of Turkey

THE FUNG BUSINESS INTELLIGENCE CENTRE

The Fung Group is a privately held multinational group of companies headquartered in Hong Kong whose core businesses are trading, logistics, distribution and retailing. The Fung Group employs over 45,000 people across 40 economies worldwide, generating total revenue of more than US\$22.6 billion in 2013. Fung Holdings (1937) Limited, a privately held business entity headquartered in Hong Kong, is the major shareholder of the Fung group of companies.

The Fung Business Intelligence Centre, through its unique relationships, collects and analyses market data on China's economy, with special reference to sourcing, supply chains, distribution and retail. It also produces reports on sourcing and trading in other Asian countries and has recently expanded its research services on the global retail industry, where unprecedented change is being driven by technological innovation, the advent of multi-sales channels and greater supply chain efficiency.

Serving as a knowledge bank for the Fung Group, the Centre also makes its market data and analysis available to businesses, scholars and governments around the world. It is an impartial thought leader on issues shaping the future of manufacturing, distribution, logistics and retailing in China, and retailing globally. It regularly provides advice and consultancy services to internal and external clients.

CONTACT

Fung Business Intelligence Centre
10/F LiFung Tower,
888 Cheung Sha Wan Road
Kowloon, Hong Kong
T: (852) 2300 2470
F: (852) 2635 1598
E: lfdc@lf1937.com

© Copyright 2014 The Fung Business Intelligence Centre. All rights reserved. Though the Fung Business Intelligence Centre endeavours to ensure the information provided in this publication is accurate and updated, no legal liability can be attached as to the contents hereof. Reproduction or redistribution of this material without prior written consent of the Fung Business Intelligence Centre is prohibited.

ASIA
SOURCING
UPDATE