



HONG KONG: Chinese currency issue sparks debate

30 March 2010 | Source: Joe Ayling

Apparel experts from different sides of the globe expressed mixed feelings at a conference in Hong Kong today (30 March) about the effect of asking China to revalue its currency.

A leading Indian trade representative has welcomed the proposal, while others believe it is unwarranted.

As reported by just-style last week, the US has put pressure on the Chinese Government to allow its currency to rise in value against the dollar.

Speaking at the annual Prime Source Forum, Primal Udani, chairman of India's Apparel Export Promotion Council, said the measure would be beneficial to Indian trade.

"Our currency in India is not artificially protected and is strengthening over a period of time, and if the Chinese Renminbi was revalued it would make our exports that much more competitive.

"It would bring more balance and also increase Chinese consumption because imports would open up to the Chinese market too."

However, speaking later at the forum, Janet Fox, director of sourcing at JCPenney Purchasing Corp, said that the US may be wiser to "back down a little" on the matter.

She said: "Pushing China to try to do this in a unilateral way is probably not the best way to achieve the end goals. I understand that there's a feeling of unfair advantage but, in the opinion of a retailer, we've got the advantage of good costing and high efficiency from China.

"I don't think the US consumer is quite ready yet to pay higher prices for apparel and textiles out of China."

© 2010 All content copyright just-style.com . Published by Aroq Ltd . Seneca House , Buntsford Park Road , Bromsgrove , Worcs , B60 3DX , UK . VAT No: GB785642391 . Registered in England No: 4307068 . Tel: Intl +44 (0)1527 573 600 . Toll Free from US: 1-866-545-5878 . Fax: +44 (0)1527 577 423 . Email: info@arog.com .