



Apparel and Footwear: Half-Year Update

June 2023

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Overall, apparel and footwear's sales forecasts see mild growth downgrade

Upgrades or downgrades vs annual research for all 16 markets in scope

Global inflation moderates only gradually as price pressures show signs of persistence

The many drivers of inflation within apparel and footwear

Raw materials and transport costs are the highest concerns among industry players

Select commodity prices show increased raw material costs for textile industry since 2020

Consumers expected to focus more on essential purchases

Company news: Primark's sales on the rise, but inflation and weak Sterling shrink its profits

Company news: "Dollar shop" marketplace Temu is thriving in inflation-weary US market

Company news: Western luxury houses bank on China's reopening to boost global growth

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India: Economic growth to ease, but will remain one of the strongest economies globally

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Key findings: Inflation and uncertainty drive diversification in retail and source markets

APPENDIX

Real GDP annual growth forecasts and revisions Q2 2023 vs Q4 2022

Real GDP annual growth forecasts and revisions Q2 2023 vs Q4 2022

Inflation forecasts and revisions Q2 2023 vs Q4 2022

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