

# Jute Market Report for September 2025

-1/5-

7<sup>th</sup> October 2025

## Bangladesh

**Raw Jute:** During the month under review, raw jute demand has significantly increased from major importing countries such as India and Pakistan, as well as others including China, Nepal, Vietnam, Russia, and Tunisia.

Simultaneously, domestic demand local jute yarn and twine spinning mills as well as composite jute mills, has also risen. However, a shortage of raw jute of higher qualities was observed in the local market.

**Local Demand:** Throughout the month under review, demand for raw jute remained strong and consistent, driven primarily by local jute yarn and twine spinning mills, composite jute mills, and raw jute processing units. These sectors were active buyers, making regular purchases to meet their ongoing production requirements.

**Local raw jute market situation:** According to local sources, the absence of carryover stock from the previous crop year has led to heightened activity in the local raw jute market. Solvent jute yarn and twine spinning mills, raw jute traders, and stockists have been aggressively purchasing raw jute to build adequate stocks, anticipating potential price hikes or supply shortages.

Accordingly, export prices of raw jute increased further by approximately USD 60,00-70,00 per mton during the month under review.

Raw jute exports from July 2024 to April 2025 amounted to 648.374 bales against 963.146 bales during the same period in 2023/24.

Due to reduced crop production this year compared to the growing demand from domestic mills, both the Bangladesh Jute Spinners Association (BJSA) and the Bangladesh Jute Mills Association (BJMA) urged the Bangladesh Government to impose a ban on raw jute exports. Their aim is to ensure smooth supply of raw jute for local industries and to promote the export of finished jute products. Under the new policy, exporters must apply to the Ministry for export permission, and shipments will only be permitted for the quantities approved by the authorities.

Due to the shortage of production and growing demand, raw jute prices have surged significantly, reaching seasonal highs. Local mills are facing serious difficulties in purchasing raw jute at these high prices, which is adversely affecting their production costs.

According to historical data, annual jute production was around 9.0 million bales, while local factories required about 5.0 to 5.5 million bales. However, due to rising demand for jute yarn and composite jute products, local mills are projected to need at least 6.5 million bales this year. Unfortunately, this year's crop output is reported to be lower than expected.



# Jute Market Report for September 2025

-2/5-

7<sup>th</sup> October 2025

Industry sources estimate that BJSA alone requires 3.5 million bales, BJMA 2.0 million bales, and an additional 1.0 million bales are consumed locally for ropes and other uses. Although the projected production was 7.5 million bales, the actual output is estimated to be closer to 6.5 million bales, indicating a significant shortfall.

On the other hand, raw jute exporters are facing considerable challenges due to the sudden imposition of the export ban. They have requested the government to allow shipment of consignments for which payments and Letters of Credit (LCs) have already been received from their international buyers. The government is currently reviewing the data and considering this matter before making a final decision.

**Weather:** During the month under review, the entire country faced a good mix of sunshine and moderate rainfalls.

**Jute Yarn and Twine:** Export demand for jute yarns and twines of both higher and lower grades from regular importing countries like Turkey and Iran was slow compared to the previous month.

Demand for jute yarns and twines of both higher and lower qualities from other international markets such as China, Vietnam, Indonesia, Malaysia, Uzbekistan, USA, Europe and countries of the Middle East, was on a more or less regular level during the month under review. Most buyers placed orders according to their current demand.

Local demand for both Sacking and Hessian quality jute yarns and twines for packaging purposes declined during the month under review.

Situation of local mills: Major solvent local jute mills continued actively purchasing large volumes of raw jute, trying to secure their required annual quotas regardless of the prevailing price. As pointed out before, the willingness to pay high prices to ensure uninterrupted production has driven the market upwards and reduced availability of raw jute for smaller players. On the other hand financially less solvent mills are struggling to purchase their minimum required raw jute to operate their mills.

As a result of the continuous rise of raw jute market prices, export prices for both high and low quality of jute yarn and twine increased further by about USD 40,00- 50,00 per mton, during the month under review.

**Jute Goods:** Regular export demand for both Hessians and Sackings from buyers in Europe, Australia, USA and from African countries was observed during the month under review.

Demand from countries such as India, South Korea, U.A.E., Indonesia, Iran, China and Vietnam was at a steady level during the month under review.

---

**WILHELM G. CLASEN GmbH & Co. KG**  
Burchardstraße 17  
20095 Hamburg, Deutschland  
Amtsgericht Hamburg, HRA 120531

Tel. +49 40 32 32 95-0  
Fax +49 40 32 19 16  
info@wgc.de | www.wgc.de  
USt.-ID-Nr. DE307976040

Deutsche Bank AG (BIC: DEUTDE33HAN) |  
IBAN: DE10 2007 0000 0010 9520 00  
DZ Bank AG (BIC: GENODE33HAN) |  
IBAN: DE42 2006 0000 0000 1382 08

# *Jute Market Report for September 2025*

-3/5-

7<sup>th</sup> October 2025

India maintained a steady demand for unstitched Binola and B-Twill fabrics.

Demand for Jute CBC (carpet backing cloth) from major importing markets like Europe, UK, Australia, Japan, Korea and Turkey remained on a regular level during the month under review.

Local demand for Hessians and Sackings for packaging purposes was observed less during the month under review.

During the month under review, export prices developed as follows:

Hessians:	increased by approx. 4 %
Sacking:	increased by approx. 3 %
CBC:	increased by approx. 4 %

**Miscellaneous:** The price of raw jute has hit a record high this harvesting season. We quote from The Financial Express dd Sept. 1st, 2025:

„Jute prices hit record high: The price of raw jute has hit a record high this harvesting season due to growing demand both at home and abroad.

Farmers are happy with better prices, but jute factories are struggling as traders are hoarding large volumes of raw jute. Prices may even cross the record set in 2001, they say. In major jute-producing areas such as Pabna, Tangail, Rajbari, Faridpur, Gopalganj, Shariatpur, and Madaripur, raw jute is selling at Tk 4,000-4,300 per maund (37.32 kg)-an all-time high for any harvesting season.

Md Atiar Rahman, a farmer and part-time rickshaw driver from Pabna, says he sold jute from his five bighas of land at Tk 3,800-4,000 per maund in mid-August. Including the sale of jute sticks, he made a profit of about Tk 15,000 per bigha. "Last year, I cultivated eight bighas, but this year many farmers reduced their jute land areas. Prices have now gone above Tk 4,200 in local markets," he said.

He also has mentioned that seasonal traders (farias) were buying large amounts on behalf of big traders and exporters. Bangladesh Jute Spinners Association (BJSA) president Tapas Pramanik has told the FE that while it is good news that farmers are getting fair prices, a large share is being stockpiled by traders to push prices even higher.

He says factories will need at least 6.5 million bales of jute this year, but production seems unsatisfactory. According to him, BJSA alone needs 3.5 million bales, the Bangladesh Jute Mills Association (BJMA) requires 2.0 million bales, while another 1.0 million bales are used locally for ropes and other products. Although the government estimates production at 7.5 million bales, he

# Jute Market Report for September 2025

-4/5-

7<sup>th</sup> October 2025

believes the actual figure is closer to 6.0 million bales. Another jute mill owner says a large portion of raw jute has already been exported to India through sea routes.

"Raw jute is being unloaded in Mumbai. Indian traders are importing heavily, and they are also funding Bangladeshi middlemen to secure supplies for their factories," he says. On the other hand, India has restricted Bangladesh jute goods through antidumping duties and through ban on land ports for Bangladeshi jute products, he says.

Former BJSA chairman Md Zahid Mian suggested that the government impose an export ban to ensure local factories get enough raw materials. He warns that if the current trend continues, prices may exceed the 2021 record of Tk 6,200 per maund, which caused severe problems for jute goods manufacturers. During that time, polypropylene yarn gained more popularity as buyers shifted away from expensive jute products, he says.

He says regenerated cotton yarn use in carpets has also increased, as cotton rugs are easier to fold. "We lost around 30 per cent of our market in FY21 and FY22, and exports have been falling since then. To increase exports, we need to regain our traditional buyers," he says.

Data from the Export Promotion Bureau (EPB) shows that jute and jute goods exports have been declining since FY'22. Export earnings from the jute sector was \$1.16 billion in FY21, then dropped to \$1.13 billion in FY22, \$911.51 million in FY23, \$855.23 million in FY24, and finally \$820.16 million in FY25. "

Source: The Financial Express dd 1st September, 2025

## India

**Raw Jute:** Market prices quoted by the Jute Balers Association (JBA) end of last month were fixed as follows: TD-4 IRs 9.675 and TD-5 IRs 9.175 per 100 kgs, representing another increase of raw jute prices. The minimum support price for season (2025-26) remains at about plus 6 % to IRs 5.650 per 100 kgs.

Observers expect the price level to remain high, and traders are likely to build up their inventories at this price level. Any quantities offered were quickly absorbed by the market during the month under review.

Local supplies of raw jute to Indian jute mills were ruling around 428.000 bales during the month of August (against 446.000 bales in July / *i.e., not 545.000 bales as previously stated*). At the end of August, raw jute stock with jute mills were 478.000 bales.

**Crop:** Latest information indicate that the expected area brought under cultivation in season 2025/26 is ruling around 480.000 hectares.

# Jute Market Report for September 2025

-5/5-

7<sup>th</sup> October 2025

The carry forward estimates remained around 1,5 Mio. bales. Latest information on crop size for 2025/26 are vaguely indicating 5,5 to 6,0 Mio bales in total.

Harvesting activities were almost completed prior to the Puja festival (Sept. 28<sup>th</sup> – Oct. 2<sup>nd</sup>). However, the arrivals have not improved significantly, which is currently about 50% of the normal rate. Observers continue to report that the low arrival volume would indicate a smaller crop volume, as otherwise much higher arrival volumes would have to be expected given the current high prices and the festive season.

**Weather:** Throughout the month under review the country continued to experience heavy rainfalls, which may have an impact on the crop quality. Upon arrival, crop moisture content was reportedly between 20 and 23 percent. There is an urgent need for good sunshine.

Kolkata experienced 50 percent excess rain (465 mm) during the month under review and recorded a seasonal excess of 23 percent. Light rain is expected to continue until at least 20<sup>th</sup> October. South Bengal experienced 230 mm rain which is about 13 percent below normal during the month under review but recorded a seasonal excess of 8 percent. Heavy and destructive rainfalls were reported in North Bengal, the downpour caused landslides and even casualties, and left many areas cut off.

**Jute Goods:** Situation during the month under review presented itself as follows:

Prices for Hessians presented themselves at IRs 158.000 per mton at the time when this report was published. Selective mills are asking for premium of 2,5 per cent against prices quoted by „standard mills”.

Price of Sackings is prevailing at IRs 128.000 per mton with selective mills asking for premium of 3,5 per cent for exports against prices quoted by „standard mills”.

**B-Twills:** The Indian government ordered around 250.000 bales of B-twill sacks during the month under review, as expected. Order volume for October is expected to be at about 200.000 bales. There is no significant backlog of supply.

Orders for Jute Carpet Backing Cloth remain slow, there are no specific reports about orders.

Jute goods production of IJMA jute mills and jute mills reporting to IJMA for August 2025 were 108.000 mtons in total of which 2.800 mtons were jute yarns/twines.

--0000OO0000--