

Jute Market Report for March 2026

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Bangladesh

Raw Jute: In March 2026, the Bangladesh Ministry of Textiles and Jute took a stricter approach to raw jute exports in order to safeguard domestic supply, particularly in response to ongoing shortages in the local market. As part of this, exports of raw jute have been placed under tighter control, including a requirement for prior approval before shipment.

While there have been discussions within the sector regarding possible approvals for larger export volumes toward the end of March, no such approvals, such as for a 6,000-ton shipment, have been officially issued. At the same time, the government continues to emphasize the promotion of value-added and environmentally friendly jute products in international markets.

In this context, secure payment mechanisms, including Advance Telegraphic Transfer (Advance TT), are generally encouraged to ensure financial reliability in export transactions. It is noteworthy that Advance TT payments in this case were received on 8 September 2025. Subsequently, the Ministry of Textiles and Jute formally recommended to the Ministry of Commerce that exports be permitted against such Advance TT receipts. However, as of the date of this report, no official directive or ordinance has been issued by the Ministry of Commerce in this regard. Given the current regulatory framework, shipment of raw jute against the received Advance TT remains pending.

The state minister for Textiles and Jute has said that the government is working to reopen closed jute mills through a leasing process in order to create more employment opportunities in the country. Nine jute mills have already been leased out, where about 7,200 people are currently employed, which is a positive sign for both production and job creation.

Under the Ministry of Textiles and Jute, National Jute Day 2026 was celebrated across the country on March 6 with the theme “Develop the jute industry, create employment.”

The minister emphasized that exporting raw jute is no longer profitable, so the government is focusing on increasing exports of processed jute products, offering tax exemptions and other incentives to entrepreneurs in this sector. Highlighting the importance of jute to the country’s history, tradition, and economy, he said that Bangladesh has earned 418.69 million US dollars from the export of jute and jute products up to December of the current fiscal year, which is higher than the same period last year. He also expressed optimism that the jute sector will play a vital role in achieving the government’s goal of building a one trillion-dollar economy by 2034.

New Crop: Since mid-month of the period under review, sowing of Meshta and White Jute has commenced, primarily in low-lying areas including Greater Mymensingh, Tangail, Sirajganj, Netrokona, Madaripur, and Shariatpur. Weather conditions during the sowing period have been favorable, supporting good crop establishment. Sowing of Tossa Jute has not yet begun and is expected to start in April, depending on the occurrence of adequate rainfall.



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Local demand for raw jute remained robust across jute yarn and twine spinning mills as well as composite jute mills throughout the month under review. However, tight raw jute supply, combined with a sharp and sustained increase in input costs, put significant pressure on the market. As supply and demand moved further out of balance, price volatility increased and procurement became less predictable.

As a result, many industry participants struggled to secure sufficient volumes of raw jute at workable prices, affecting production planning, capacity utilization, and margins.

Local raw jute market situation: Local demand for raw jute remained stable prior to the Eid holidays, up to mid-March. Following the holidays, the market has begun to rise again amid reports that the Ministry of Textiles and Jute may permit the export of 6,000 tons.

As highlighted in the recent report, the availability of Tossa and Meshta of higher qualities has sharply declined in the local market. The limited quantities that are available are being traded at prices beyond market regulation. Consequently, buyers are compelled to procure these fibers at elevated costs, raising significant concerns among industry stakeholders regarding supply stability and future pricing trends.

Local prices of raw jute consequentially increased further by about USD 50.00 to 60.00 per mton during the month under review.

Raw Jute exports Figure: Raw jute exports from July 2025 up to October 2025 of the fiscal year 2025-2026 were 83,931 bales against 237,031 bales during the same period 2024-2025 which represents another notable decline in export volume.

Weather condition: During the first half of the month under review, the country experienced relatively low to moderate temperatures. However, during the second half of March, rainfall began in several places across Bangladesh. These weather patterns are beneficial for the sowing of raw jute.

Jute Yarn and Twine: Due to the ongoing war situation, export demand from key markets such as Turkey, Uzbekistan, and other Middle Eastern countries for jute yarns and twines of both higher and lower qualities has declined during the month under review. Although some suppliers have already concluded business in these regions, many remain concerned about the safety of shipments amid the conflict. However, a few suppliers have taken the risk and proceeded with shipments.

On the other hand, persistently high prices have also contributed to a slowdown in actual business activity across these Middle Eastern markets.

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Export demand from other international markets, including India, African countries, Europe, India, China, Vietnam, and other Asian regions, for jute yarns and twines of both higher and lower qualities remained steady during the first half of the month under review. However, a significant decline in demand was observed during the second half of the month.

Local demand for Sacking and Hessian quality jute yarn and twine, primarily for packaging purposes, remained sluggish during the month under review, with limited procurement activity observed in the domestic market.

Situation of local mills: In view of the high market prices and the scarce availability of fiber, several local jute yarn and twine spinning mills have already been forced to suspend production, with more mills expected to follow soon. Those factories that continue to operate are running well below their capacities, having reduced production from three shifts per day to just one. Most international buyers have been shocked by the high prices and, as a result, have refrained from placing larger orders.

Export price: As a result of the continued rise of raw jute market prices, export prices for both high and low quality of jute yarn and twine increased on an average by about USD 50.00-70.00 per mton during the month under review.

Jute Goods: Export demand from buyers in Europe, Australia, and the USA for both Hessians and Sackings increased only marginally during the month under review, even though mills received steady inquiries before Eid holidays. However, during the second half of the month, inquiries from these regions declined. African buyers maintained regular interest in Sackings, but but high prices kept actual purchases low.

Export demand from countries such as India, South Korea, the U.A.E., Indonesia, other Middle Eastern nations, China, and Vietnam was observed to be lower during the month under review. India, in particular, continued as an active buyer for unstitched Binola and B-Twill fabrics.

Local demand for Hessians and Sackings for packaging purposes remained steady throughout the month under review.

Demand for Jute CBC (carpet backing cloth) from major importing markets like Europe, USA, New Zealand and Japan remained subdued during the month under review. Amid ongoing global market uncertainty, buyers remained cautious, keeping export market activity limited.

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

Hessians:	increased by approx. 6-7 %
Sacking:	increased by approx. 8 %
CBC:	increased by approx. 6 %



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Miscellaneous: State Minister for Textiles and Jute: Government is taking initiatives to increase the use of jute products. We quote from the *Business in Bangladesh* dd 12th March 2026:

“State Minister for Textiles and Jute Md. Shariful Alam said, ‘We are taking initiatives to increase the use of jute products everywhere, starting from the workplace. We are working to increase the use of jute bags in various activities of the Ministry of Disaster Management, Agriculture, Food and Commerce. There is so much diversity of jute products spread all over Bangladesh, which I witnessed at this fair.’

The state minister said these things during an exchange of views after visiting the Jute and Multipurpose Jute Products Fair 2026 organized by the ministry at the Bangladesh Shilpakala Academy on Wednesday (March 11, 2026).

In response to a question from a journalist, the state minister said, ‘The government’s plan is to support and encourage entrepreneurs, especially in the rural economy, through which they will play a supporting role in employment and the economy. The tradition of golden fibers has been retained by the rural people of the country. We will take steps to solve the problems that exist to take it forward.’

At that time, Secretary of the Ministry of Textiles and Jute, Managing Director of the Jute Diversification and Promotion Center and other concerned persons were present. Earlier, the state minister for Textiles and Jute inspected the stalls of the fair and praised the products and assured the government’s support in resolving the problems of entrepreneurs.

It is worth noting that on the occasion of National Jute Day 2026, the Ministry of Textiles and Jute organized the Multipurpose Jute Products Fair 2026 at the Bangladesh Shilpakala Academy. A total of 72 stalls have been set up at the fair, most of the stalls are made by trained entrepreneurs of the JDPC under the Ministry of Textiles and Jute. This fair will continue until March 14.”

Source: *Business in Bangladesh* dd 12th March 2026

Maritime Transport: The recent escalation around Iran is causing acute disruptions in maritime trade, as the Persian Gulf and the Strait of Hormuz represent critical chokepoints in global supply chains. As a result, sailing schedules, port calls, and network structures are shifting significantly, leading to longer transit times and reduced reliability. At the same time, freight costs are rising sharply, driven by higher bunker costs and emergency surcharges such as war risk premiums and conflict-related carrier surcharges that are also affecting Asia–Europe and Asia–U.S. rates.

At the same time, container availability remains highly imbalanced as disrupted rotations and port omissions delay equipment repositioning to required locations. Overall, the combination of elevated base freight rates and layered surcharges is significantly increasing total logistics costs, amplifying volatility and uncertainty across global supply chains.

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Amid these developments, a long-standing contractual principle is gaining renewed relevance: The “Termination of Voyage” clause. We quote from the Kuehne+Nagel SeaNews:

“One clause that usually sits quietly in the Bill of Lading has suddenly become very real again: Termination of Voyage. In simple terms, it allows a carrier, VOCC or NVOCC, to stop short of the contracted destination and discharge cargo at a safe alternative port if continuing the voyage would expose the vessel, crew or cargo to abnormal risk. War, sanctions, closed ports—this is exactly the type of situation it was designed for.

The principle itself is not new. It goes back to the Rhodian Sea Laws, which already established that when a voyage is put at extraordinary risk, preserving the ship and cargo takes precedence over strict contractual performance, with consequences then shared or redistributed. Different mechanism, same philosophy as General Average.

For cargo owners, the impact is quite concrete. Once the carrier discharges at an intermediate port, its obligation is largely fulfilled. From there on, costs and risks move back to the cargo interest, such as storage, re-forwarding, delays, often in places that were never part of the original plan.

Insurance helps, but only to a point. Standard “all risks” cover will typically respond to physical loss or damage, but not to delay or the broader cost of disruption. And in the current environment, anything war-related sits under separate cover, sometimes with limitations or exclusions exactly where you would need it most.

On the Middle East situation: What we are seeing now is a textbook case. Vessels are skipping calls or entire regions, cargo is being discharged at hubs like Jeddah or Salalah, and then feedered onward where possible. This is already creating congestion at those nodes and knocking onto the wider network; missed connections, longer lead times, and growing uncertainty on final delivery.

In that context, Termination of Voyage is no longer a legal footnote. It is actively shaping how cargo moves and where cost, risk, and complexity ultimately land across global supply chains.”

Source: Kuehne+Nagel SeaNews Newsletter dd 31st March 2026

India

Raw Jute: Market prices quoted by the Jute Balers Association (JBA) end of last month were fixed as follows: TD-4 IRs 16,500 and TD-5 IRs 16,000 per 100 kgs, which reflects yet another sharp jump in raw jute prices and a new historic peak.

The minimum support price for season 2026-27 increased to IRs 5,925 per 100 kgs.

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As expected, prices continued to rise steadily and are now climbing sharply as supply remains tight and stocks are decreasing.

Because of strict regulations, strong sowing results, and high prices, the stored stocks are likely to be sold soon. Prices may then adjust slightly.

Local supplies of raw jute to Indian jute mills were ruling around 349,000 bales during the month of February (compared to 406,000 bales in January). At the end of February, raw jute stock with jute mills were 570,000 bales.

Crop 2025/26: There is no official estimate yet for the overall crop volume. Deliveries to IJMA mills from July 2025 to March 2026 are about 4.1 million bales. Including deliveries outside IJMA mills and upcountry consumption, the total should be around 5.0 million bales. With at least one million bales held in inventory at the Mukam level, the total crop volume is therefore estimated to be between 6.0 and 6.5 million bales.

New Crop: Sowing reports are positive. In Assam, about 75% of sowing is complete, and in North Bengal around 70% has been done. South Bengal is expected to start sowing in about a week. Early indications suggest that the area under cultivation could increase by approximately 30% in the new season.

Weather: The India Meteorological Department (IMD) expects more heatwave days than usual from April to June, especially in the east, north, and central regions. At the same time, above-normal rainfall is expected in April, which could lower temperatures in some areas. Overall, the summer outlook shows a mix of hot spells and occasional rain. Presently the weather is beneficial for the sowing of raw jute.

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

Prices for Hessians increased and are now at IRs 210,000 per mton at the time when this report was published. Selective mills are asking for a premium of 5 % to the prices quoted by "standard mills".

Price of Sackings increased slightly and is now at IRs 190,000 per mton, with selective mills asking for a premium of 3 % for exports to the prices quoted by "standard mills".

There were no domestic buyers for Sackings except for mandatory government orders during the month under review.

B-Twills: The Indian government ordered around 200,000 bales of B-twill sacks during the month under review, as expected. Order volume for April is also expected to be at 200.000 bales.



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As mentioned in previous reports, there is still a backlog of deliveries from mills for orders placed through November, caused by unworkable prices. The total quantity impacted is still not known exactly but estimated to be around 250,000 bales.

CBC: There is no specific news at this time. However, reports indicate a decline in new orders, as offers from Bangladesh are upto 20% lower, thereby gaining a competitive advantage.

Jute goods production of IJMA jute mills and jute mills reporting to IJMA for February 2026 were 67,100 mtons in total of which 2,500 mtons were jute yarns/twines. ■

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