Jute Market Report for October 2025

3rd November 2025

Bangladesh

Raw Jute: To increase the domestic supply of raw jute and reduce its price in support of local industries—particularly jute bag manufacturing—the government has continued the conditional ban on raw jute exports. Under this policy, exporters must obtain prior government approval before making any shipments.

The restriction was introduced to address declining domestic production, rising prices, and shortages of raw jute for local mills. Exporters seeking to ship raw jute must apply for government authorization, and only specific quantities are permitted once approval is granted.

Recently, raw jute prices have risen sharply, reaching Tk 4.300–4.400 per maund, up from Tk 3.400–3.700 in previous months. The increase reflects both strong international demand and tight domestic supply.

In response to continued demand from major raw jute–importing countries and persistent requests from exporters, the government is reviewing export orders received after 8 September. The review primarily covers transactions supported by Telegraphic Transfers (TTs) and Letters of Credit (LCs) already received by exporters.

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 continued to act as active buyers, making regular purchases to meet their requirements in order to maintain uninterrupted production operations.

Local raw jute market situation: Due the absence of carryover stock from the previous crop year and speculative stockpiling by traders anticipating further price hikes, raw jute prices have risen sharply since the beginning of the current season. At present, high-quality raw jute is selling for around Tk 4.300 per maund (40 kg).

As a result, local jute yarn and twine spinning mills, along with composite mills, are facing severe challenges due to higher input costs and limited raw material availability. These factors have caused significant disruptions in production activities.

According to local sources, market activity has intensified, particularly among solvent jute yarn and twine spinning mills, raw jute traders, and stockists. These buyers have been aggressively procuring raw jute to build adequate stocks in anticipation of further price increases or potential supply shortages.

Local prices of raw jute continued to rise during the month under review, increasing by approximately USD 30,00- 40,00 per mton. This upward trend reflects sustained domestic demand and limited supply in the market.

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: DEUTDEHHXXX)
IBAN: DE10 2007 0000 0010 9520 00
DZ Bank AG (BIC: GENODEFF200)
IBAN: DE42 2006 0000 0000 1382 08

Persönlich haftende Gesellschafterin: Wilhelm G. Clasen Services GmbH, Sitz Hamburg | Amtsgericht Hamburg, HRB 92992 | Geschäftsführer: Peter Clasen, Thomas Bressler, Oliver Reimer-Wollenweber

Raw jute exports from July 2024 to May 2025 amounted to 767.569 bales, against 1.135.978 bales during the same period in 2023/24. This represents a notable decline in export volume, largely attributed to the government's conditional export restrictions and tight domestic availability.

Weather: During the month under review, the entire country experienced a favorable mix of sunshine and moderate rainfall, providing suitable conditions for jute cultivation and post-harvest processing activities.

Jute Yarn and Twine: Export demand for jute yarns and twines of both higher and lower qualities from regular importing countries like Turkey and Iran showed an upward trend during the month under review.

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, also showed an upward trend. However, most buyers refrained from placing large orders due to prevailing market volatility and uncertainty over raw material prices.

Local demand for both Sacking and Hessian quality jute yarns and twines for packaging purposes also strengthened during the month under review, supported by increased activity in domestic industries.

The raw jute market situation particularly affected small and medium-sized local jute mills, forcing many to reduce production capacities, while some are struggling to keep their operations running. A few smaller and mid-sized mills have already been compelled to shut down their operations.

As a result of the significant rise and somewhat unexpected of raw jute market prices, export prices for both high and low quality of jute yarn and twine increased further by about USD 70,00- 80,00 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 continued at a steady level during the month under review.

India continued as an active buyer, particularly for unstitched Binola and B-Twill fabrics.

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

Local demand for Sacking and Hessian quality jute yarn and twine, primarily for packaging purposes, remained stable during the month under review.

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

Hessians:	increased by approx. 8 %
Sacking:	increased by approx. 10 %
CBC:	increased by approx. 8 %

Miscellaneous: We quote from The Business Standard dd 27th October, 2025:

"Bangladesh seeks waiver on jute duty as exports to Pakistan plunge to $23 million in FY24.

Bangladesh has formally requested Pakistan to waive existing tariffs on jute and jute products to reverse a drastic decline in exports, a demand made during the ninth Joint Economic Commission (JEC) meeting between the two nations today (27 October). The JEC meeting, held at the NEC conference room in Sher-e-Bangla Nagar was led by Finance Adviser Salehuddin Ahmed and Pakistan's Minister of State for Petroleum, Ali Pervaiz Malik.

Bangladesh highlighted that jute and jute products account for 38% of all its exports to Pakistan, yet this trade has collapsed in recent years. Specifically, Bangladesh's export of jute and jute-based goods to Pakistan plummeted from $63 million in the 2021-22 fiscal year to just $23 million in the 2023-24 fiscal year.

To mitigate this, the country specifically sought duty-free market access for its jute and agricultural products. While the total volume of trade between Bangladesh and Pakistan is currently less than $1 billion, both countries emphasized the need to jointly explore and capitalize on untapped potential in various sectors.

"This meeting is being seen as a highly significant and meaningful step that will give new momentum to bilateral relations between the two countries," said Adviser Salehuddin. He added that special emphasis was placed on cooperation in trade and economic sectors, including agriculture, food processing, IT and pharmaceuticals.

Meanwhile, the Pakistani delegation noted that trade between the two countries is under $1 billion, highlighting a huge potential for growth."

Source: The Business Standard dd 27th October, 2025

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India

Raw Jute: Market prices quoted by the Jute Balers Association (JBA) end of last month were fixed as follows: TD-4 IRs 9.900 and TD-5 IRs 9.400 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 742.000 bales during the month of September (against 428.000 bales in August). At the end of September, raw jute stock with jute mills were 622.000 bales.

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

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

Weather: During the month under review, the monsoon has receded, though occasional cyclonic rains still occur. Overall, sunshine conditions have improved considerably.

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

Prices for Hessians presented themselves at IRs 165.000 per mton at the time when this report was published. Selective mills are asking for premium of 3 per cent against prices quoted by „standard mills".

Price of Sackings is prevailing at IRs 133.000 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. Order volume for November is also expected to be at about 250.000 bales.

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

Jute goods production of IJMA jute mills and jute mills reporting to IJMA for September 2025 were 103.800 mtons in total of which 2.100 mtons were jute yarns/twines. ■

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