Jute Market Report for August 2025

4th September 2025

Bangladesh

Raw Jute: During the month under review, raw jute demand from India and Nepal increased notably. Indian buyers were actively in the market for BTR HD, BTR NB KS, BTR NB CS, BTR BS, BTR SMR, and BTCB cuttings, and placed orders in the range of 6.000 to 7.000 mtons. Nepal placed orders of about 2.000 mtons of all grades of Long Tossa Jute, specifically BTR HD, BTR KS, BTR CS, as well as BTCB cuttings. However, due to high price levels, demand from other major importing countries—such as Pakistan—remained subdued, with negligible buying volumes.

Other international buyers from importing countries such as China, Vietnam, Russia, and Tunisia were in the market but decided not to place larger orders and to continue covering short-term demand only during the month under review, largely due to ongoing increases in raw jute prices.

Local jute yarn and twine spinning mills as well as composite jute mills and raw jute processing units remained actively in the market throughout the month, making regular purchases to cover their production requirements.

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 during the month under review. 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 40,00-50,00 per mton during the month under review.

We quote from the Financial Express dd 1st September, 2025: "The price of raw jute has hit a record high this harvesting season due to growing demand both at home and abroad. […] 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. […]

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 believes the actual figure is closer to 6.0 million bales. […]

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: Financial Express dd 1st September, 2025

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Raw jute exports from July 2024 to March 2025 amounted 567.819 bales against 825.746 bales during the same period in 2023/24.

New Crop: Recent reports indicate a significant decline in both the quality and quantity of White Jute and Meshta (Kenaf) crops this year. This is mainly due to unfavorable weather conditions during the harvesting period – see also our market report from last month. Local sources estimate a decline of 25–30% compared to last year. While these figures remain unofficial and should be interpreted with caution, growing evidence suggests they may accurately reflect the actual situation on the ground.

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 was on a regular level during the month under review.

Demand for jute yarns and twines of both higher and lower grades 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 were actively purchasing large volumes of raw jute, trying to secure their required annual quotas regardless of the prevailing price. 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 facing difficulties 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 30,00- 40,00 per mton, during the month under review.

Jute Goods: Export demand for both Hessians and Sackings from buyers in Europe, Australia and the USA increased during the month under review. Regular demand for Sackings was observed from African countries. Demand from countries such as India, South Korea, U.A.E., Indonesia, Iran, China and Vietnam was on a regular level during the month under review.

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

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Demand for Jute CBC (carpet backing cloth) from major importing markets like Europe, UK, Australia, Japan, Korea and Turkey was 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. 4-5 %
Sacking:	increased by approx. 5-6 %
CBC:	increased by approx. 3-4 %

Miscellaneous: The Financial Express reported on 24th August, 2025 that Jute spinners demand an export ban on raw jute and mandatory jute packaging:

“The Bangladesh Jute Spinners Association (BJSA) Saturday has called for a ban on raw jute exports and full enforcement of the mandatory jute packaging law. The association has raised this demand as export of jute and jute goods has been steadily declining in the international market. The decision came at the 464th board meeting of the association held on the day at its conference room in the city, chaired by BJSA Chairman Tapas Pramanik.

The meeting was informed that while the global demand for jute goods was falling, raw jute exports were making it difficult for local mill owners to purchase raw jute at fair prices. Middlemen were also creating an artificial crisis by hoarding raw jute during the harvest season.

On top of this, suspension of exports through Indian land ports and the imposition of antidumping duties on jute goods put the sector in further trouble. The meeting has decided that since the government has identified four promising sectors -- leather goods, jute goods, agricultural products, and pharmaceuticals -- for special priority after Bangladesh's graduation from the least developed country (LDC) club, the jute sector must also be developed with the highest priority attached to it.

The association has stressed speedy implementation of the ongoing initiative to declare jute goods as agro-processed products and increase export incentives. It also has recommended that the committee formed under the Jute Directorate ensure proper pricing, payment, and supply of jute sacks while fully enforcing the Jute Packaging Act 2010 so that supply and demand are not disrupted.

To resolve the issue of export through land ports, BJSA and BJMA (Bangladesh Jute Mills Association) agreed to jointly appeal to the concerned government authorities.

The meeting also has supported a complete ban on raw jute export in the present context. Speakers at the meeting have said that if the law is strictly enforced and raw jute exports are stopped, the jute industry will be revitalized and export growth can be regained."

Source: The Financial Express dd 24th August, 2025

Maritime Transport: The ups and downs of US tariff policy pose major challenges for the shipping industry, as they are accompanied by corresponding ups and downs in demand and freight rates. This is all the more serious given that operations are hampered by congested seaports and the tense security situation in the Red Sea. The export-oriented German economy, which handles almost two-thirds of its trade by sea, is feeling this particularly hard. Conversely, the situation in container shipping is considered a barometer of the economic situation. Shipping companies are temporarily benefiting from companies stocking up on goods to hedge against US tariffs or shipping them to target markets. Ultimately, however, uncertainty is the greatest challenge, as insiders say. If companies cannot plan properly, they are cautious, and this harms trade.

Source: The Frankfurter Allgemeine Zeitung dd 15th August, 2025

India

Raw Jute: Market prices quoted by the Jute Balers Association (JBA) end of last month were fixed as follows: TD-4 IRs 9.100 and TD-5 IRs 8.600 per 100 kgs, representing a sharp increase of raw jute prices. The minimum support price for season (2025-26) so far remains at about plus 6 % to IRs 5.650 per 100 kgs.

Local supplies of raw jute to Indian jute mills were ruling around 545.000 bales during the month of July (against 372.000 bales in June). At the end of July, raw jute stock with jute mills were 636.000 bales.

Crop: Latest information indicate that the expected area brought under cultivation in season 2025/26 is ruling around 500.000 hectares. However, the reliability of that figure is still questionable and more clarity about the overall crop figures will come after a couple of weeks, only.

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. The plants growth is reported as normal, meanwhile reaching heights of 10ft to 15ft.

Harvesting activities is at peak levels presently. However, the arrivals are low at about 150.000 maunds (1 maund = 37,32 kg), which is currently about 40% of the normal rate. Observers report that the low arrival volume could 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.

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Weather: Throughout the month under review regular rainfalls were reported, while certain districts were suffering from heavy rainfalls, which may have an impact on quality of the plants. Little sunshine has been reported during the month under review, the weather was rather cloudy.

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

Prices for Hessians presented themselves at IRs 152.000 per mton at the time when this report was published. Selective mills are asking for premium of 2 per cent against prices quoted by „standard mills".

Price of Sackings is prevailing at IRs 125.000 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 350.000 bales of B-twill sacks during the month under review. Order volume for September is expected to be at about 250.000 bales. There is a backlog of supply of about 50.000 bales.

Orders for Jute Carpet Backing Cloth were slow and not consistent.

Jute goods production of IJMA jute mills and jute mills reporting to IJMA for July 2025 were 102.500 mtons in total of which 3.700 mtons were jute yarns/twines.

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