Evolving Patterns of World Apparel Trade amid Trump's Hiking Tariffs

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Since Trump's second term began in early 2025, the world apparel trade has faced significant challenges caused by unpresented hiking tariffs and trade policy uncertainty. Both fashion companies and their suppliers have struggled to mitigate the ongoing tariff impacts, from diversifying sourcing bases and diverting export markets to adjusting pricing. These mitigation strategies have also resulted in a noticeable but nuanced shift in the patterns of world apparel trade, creating both winners and losers.

Based on the latest monthly trade data collected from the World Trade Organization (WTO) and other international organizations, this article highlights the evolving patterns of world apparel trade in 2025 amid Trump's hiking tariffs. The findings offer valuable input for the fashion business community and policymakers to understand the apparel-specific impacts of tariffs from a global perspective and to support the development of related response strategies.

GDP Growth, Apparel Tariff Rates and Apparel Import Growth in 2025

Items	GDP growth in 2025	Apparel import tariff rate in 2025	Apparel import growth in 2025
US	2.0%	22.3%	1.7%
EU	1.4%	11.5%	10.7%
UK	1.3%	11.4%	11.5%
Japan	1.1%	8.9%	6.2%

The GDP growth data was collected from the IMF forecast released in October 2025. The apparel tariff rates refer to the applied simple average tariff rates published by the World Trade Organization (WTO) and the United States International Trade Commission (USITC) as of December 2025. The apparel import data covered the value of imports from January to October, gathered from the World Trade Organization. Apparel refers to the SITC code 84.

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Pattern 1: Trump's hiking tariffs appeared to suppress the U.S. import demand for clothing compared with other major import markets. Data from the IMF shows that among the world's top apparel import markets, the U.S. enjoyed faster GDP growth in 2025 than the European Union (EU), the United Kingdom (UK), and Japan. Despite this economic advantage, U.S. apparel import value grew by only 1.7% in the first ten months of 2025, far below the 6-11% growth seen in those other markets. Such contrasting performance highlighted the negative effects of tariffs on the volume of U.S. apparel imports. Notably, in the first ten months of 2025, the average applied U.S. import tariff rate on apparel exceeded 22%, more than twice the rates imposed by the EU, UK, and Japan. Other recent industry studies also indicated that U.S. consumers have scaled back clothing spending due to increasing worries about the tariff-driven inflation and economic uncertainty.

Apparel Export Growth by Destination: 2025 vs. 2024 (Jan to Oct)

Exporters/Importers	US	EU	UK	Japan
China	−29.9%	15.0%	13.6%	2.1%
Vietnam	13.7%	17.6%	12.1%	11.6%
Bangladesh	18.6%	16.1%	25.9%	11.3%
Cambodia	28.5%	26.1%	28.1%	15.3%
India	12.8%	13.6%	11.2%	16.8%
Indonesia	13.5%	9.8%	−4.1%	0.9%
Pakistan	14.0%	16.9%	15.1%	−2.2%
Türkiye	−5.6%	−7.3%	−1.9%	−6.0%
Mexico	1.6%			
El Salvador	−3.2%			
Guatemala	−5.8%			

Note: Due to the low volume of apparel exports from Mexico, El Salvador and Guatemala to the EU, UK and Japan, no data was available. The growth rate was calculated based on export value.

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EU as a Percentage of Total Apparel Exports (by value)

Exporters	2023	2024	2025	2025 vs. 2024
China	17.1%	17.5%	18.9%	1.5
Cambodia	31.4%	32.5%	31.4%	−1.1
India	28.2%	28.1%	28.5%	0.4
Indonesia	12.3%	11.9%	11.9%	0.0
Jordan	6.1%	6.3%	6.7%	0.4
Pakistan	42.8%	43.9%	43.1%	−0.9
Sri Lanka	30.4%	29.2%	31.3%	2.2
Mexico	0.2%	0.2%	0.2%	0.1
El Salvador	1.3%	1.0%	1.5%	0.5
Guatemala	1.3%	1.2%	1.3%	0.0
Türkiye	60.3%	61.3%	60.4%	−0.9

Data covered January to October each year. 2025 vs. 2024 referred to the percentage change

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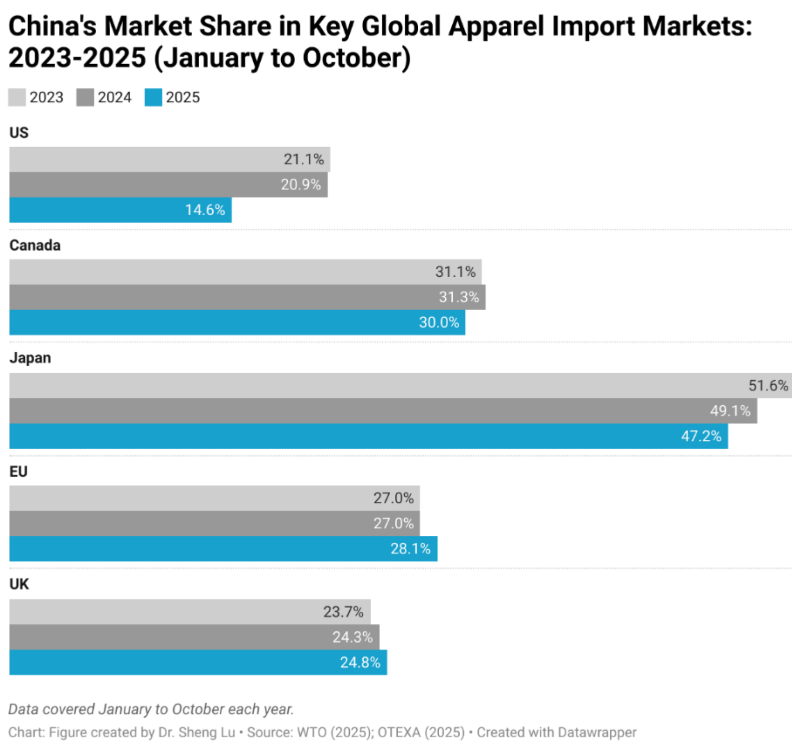
Pattern 2: Facing higher tariff barriers in the U.S. market, several leading apparel-supplying countries have been diverting exports to the EU and the UK to mitigate tariff impacts. For example, while China's apparel exports to the U.S. decreased by nearly 30% from January to October 2025 compared with a year ago under Trump's "reciprocal tariffs," its exports to the EU and the UK over the same period increased by 15% and 13.6%, respectively. As a result, the EU and the UK together accounted for 22.6% of China's total apparel exports in the first ten months of 2025, much higher than 21.1% and 20.2% over the same period in 2024. Similarly, the EU also became a more important export market for Vietnam, Bangladesh, India, and Sri Lanka in the first ten months of 2025 than a year ago, as these countries face substantial "reciprocal tariffs" in the U.S. market.

However, it is uncertain whether relying more on exports to the EU and UK can be a sustainable strategy to offset Trump's tariffs over the long term. Notably, the relatively slow and stagnant economic growth outlook in the EU and UK suggests that their apparel import demand could be limited. Meanwhile, the influx of cheap imports, particularly from Asia, may also trigger new political pressure on EU policymakers to act to protect the local apparel manufacturing industry, which remains a key sector with significant economic and social impacts.



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Pattern 3: Except for the case in the U.S., China's market share remained relatively stable in other key apparel import markets. Both trade statistics and industry surveys show that U.S. fashion companies have been "reducing China exposure" in recent years in response to the growing perceived sourcing risks, from forced labor, and geopolitical tensions to much higher tariff barriers. As such, in the first ten months of 2025, China only accounted for 14.8% of U.S. apparel imports, much lower than 20.9% from a year ago and hitting a record low in decades.

In contrast, China's market share in other key apparel imports around the world appeared more stable. For example, in Canada and Japan, China still accounted for more than 30% of their total apparel imports in the first ten months of 2025. In the EU and UK, China's market share so far in 2025 has even increased compared to 2023 and 2024. The results indicate that, from a global perspective, China remains a key apparel sourcing base for fashion companies despite Trump's hiking tariffs. The results also reveal fashion companies' nuanced China sourcing strategy, which appears to be more complex and subtle than simply "decoupling" or "de-risking."

China's Apparel Export Growth in 2025 (January to October)

Importers	Growth rate	Share in China's total apparel exports
World	−3.7%	
Chile	18.8%	1.70%
Brazil	12.0%	1.01%
Kenya	31.5%	0.50%
Cambodia	64.4%	0.49%
Tanzania	52.8%	0.47%
Indonesia	15.4%	0.43%
Togo	29.6%	0.40%
Peru	33.8%	0.38%
Argentina	151.9%	0.25%
Colombia	21.3%	0.24%
Ghana	10.2%	0.24%
Haiti	93.1%	0.04%
Mauritius	27.5%	0.04%
Madagascar	24.4%	0.04%

Growth rate was based on export value.

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Pattern 4: Apparel-producing countries in Asia, South America, and Africa faced growing pressure from Chinese products in the domestic market. According to data from the World Trade Organization, to reduce dependence on the U.S. market amid Trump's higher tariffs, China has not only diversified its apparel exports to other traditional markets such as the EU, UK, and Japan, but also actively explored emerging markets in Asia, South America, and Africa, particularly those members of the "Belt and Road Initiative." For example, in the first ten months of 2025, China's apparel exports to Cambodia unusually surged by 4.4% from a year ago. The same trend applied to China's exports to Indonesia (up 15.4%), Kenya (up 31.5%), Tanzania (up 52.8%), Chile (up 18.8%), and Mauritius (27.5%). However, given their limited incomes and clothing consumption, these emerging markets together accounted for only a relatively small share (i.e., less than 10%) of China's total apparel exports. Nonetheless, the rising apparel imports from China have led to growing concerns from the local garment industry in these developing countries. If this trend persists, it might further complicate the geopolitical relationship between China and these developing countries in establishing a collaborative supply chain partnership for the textile and apparel industry.

Pattern 5: No evidence suggested that Trump's hiking tariffs have benefited near-shoring. In the U.S. market, despite lower "reciprocal tariff" rates than their competitors and additional preferential duty benefits under free trade agreements, Western Hemisphere apparel suppliers have not yet increased their exports. Instead, during the first ten months of 2025, Mexico and Central American countries even lost market shares to Asian countries in the U.S. market. Likewise, in the EU, near-shoring supplies such as Türkiye also experienced a decrease in market share during the same period.

The results echo findings of recent studies showing that fashion companies are increasingly seeking suppliers who can offer competitive prices and sourcing flexibility and agility amid rising tariffs and policy uncertainty. As a result, established Asian suppliers with sufficient production capacity seem to have benefited the most from the current market environment.

Overall, the findings indicate that Trump's hiking tariffs have impacted the world apparel trade far beyond the U.S. market. As the high tariff rates are expected to stay in 2026, we might see trade diversion and price competition among key suppliers become more evident in the new year ahead. On the other hand, the findings call for greater attention to the tariff's impacts on small and medium-sized apparel exporting countries, especially those in Asia, South America, and Africa that are less competitive than established, mature suppliers. The ripple effects of the hiking tariffs could increase competition pressures on these small players, resulting in more vulnerability in their export-oriented garment sector and millions of workers.

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