

ABSTRACT

Textile industry of Pakistan is the backbone of our economy. It contributes approximately 60% of our exports. It was being anticipated that after implementation of WTO Pakistan textile industry will be greatly affected. In this thesis a study has been carried out to see the expected effect of WTO on textile industry in Pakistan. For this purpose an ARIMA model is selected to forecast the export of textile and clothing of Pakistan. The methodology has been given with the reference to Box and Jenkins approach to ARIMA model building. The data is collected about yearly export of textiles and clothing of Pakistan from 1970 to June 2005. Soft wares like SPSS and Microsoft Excel have been used for this analysis.

The value for 2004-2005 is forecasted and it is compared with actual value to see that whether there is any effect of WTO or not on our textile and clothing export. A comparison of Pakistan textile and clothing export with other world leading textile and clothing exporters like China, India, U.S.A and Turkey, is also carried out through graphs.

Finally conclusions and suggestion about the export of textile and clothing of Pakistan are given. It was found that Pakistan does not have significant effect of the implementation of WTO on its textile industry