Insights Brief Series #4 | July 2026

US-Israel-Iran Regional Crisis 2026

Textile & Fashion Retail Outlook For OIC Countries

Sector profile | Direct & Domino impact | Strategic options

DinarStandard
GROWTH STRATEGY RESEARCH & ADVISORY

Brand name of Strategy Insights, Inc.

Disclaimer & Sources

Methodology notes, data sourcing, and limitations of this analysis

This Insights Brief has been prepared by DinarStandard LLC ("DinarStandard"), a Strategy Insights, Inc. brand, for informational purposes only and does not constitute investment, legal, or policy advice. The analysis, opinions, and scenario-based projections contained herein are derived from publicly available data, proprietary research methodologies, and expert consultations conducted between March and April 2026.

All forward-looking statements are inherently uncertain and should not be construed as forecasts or guarantees of future performance. DinarStandard does not guarantee the accuracy, completeness, or timeliness of any third-party data cited herein and assumes no liability for decisions made based on this material. Given the rapidly evolving nature of the crisis, conditions may have materially changed since the data was collected and analysis was completed. Readers are advised to verify information independently before making decisions. Reproduction or redistribution of this document without prior written consent from DinarStandard is prohibited.

Key data sources include: IMF, World Bank, IEA, WTO, SESRIC, COMCEC, DinarStandard SGIE 2024/25, ITC Trade Map, UNCTAD, Oxford Economics, IRENA, LSEG Refinitiv, SIPRI, Goldman Sachs, FAO, UNHCR, SWF Institute, Lloyd's of London, and expert interviews.

All data points have been attributed to their original sources throughout the presentation. Where ranges are provided, they reflect variance across multiple source estimates.

Insights Brief Series

Sequential deep-dives across the OIC industry clusters, building on the macro framing of Brief #1

BRIEF #1
APRIL 2026
OIC Overview
Macro framing, scenarios, and the 11-cluster impact matrix.
✓ ISSUED

BRIEF #2
MAY 2026
Food & Agriculture
Sector profile, direct and domino impact, and options.
✓ ISSUED

BRIEF #3
JUNE 2026
Islamic Finance
Banking, sukuk, funds, takaful, the financial rails, and de-dollarisation.
✓ ISSUED

BRIEF #4
JULY 2026
Textile & Fashion Retail
Modest fashion, China+1, and nearshoring.
● THIS EDITION

BRIEF #5
FORTHCOMING
Tourism & Hospitality
Halal travel, aviation, and Gulf hospitality.
FORTHCOMING

BRIEF #6
FORTHCOMING
Healthcare & Pharma
Generic localisation and medical supply chains.
FORTHCOMING

Disclaimer & Sources

Methodology notes, data sourcing, and limitations of this analysis

Key data sources include: IMF, World Bank, IEA, WTO, SESRIC, COMCEC, DinarStandard SGIE 2024/25, ITC Trade Map, UNCTAD, Oxford Economics, IRENA, LSEG Refinitiv, SIPRI, Goldman Sachs, FAO, UNHCR, SWF Institute, Lloyd's of London, and expert interviews.

All data points have been attributed to their original sources throughout the presentation. Where ranges are provided, they reflect variance across multiple source estimates.

Key Question & Thesis

Framing the core strategic question for OIC governments and corporates

DinarStandard

KEY QUESTION

What are the medium-term (1–2 year) and long-term (3–5 year) strategic options for OIC* governments and corporates to achieve economic stability and growth amid the US-Israel-Iran regional crisis?

CONTEXT

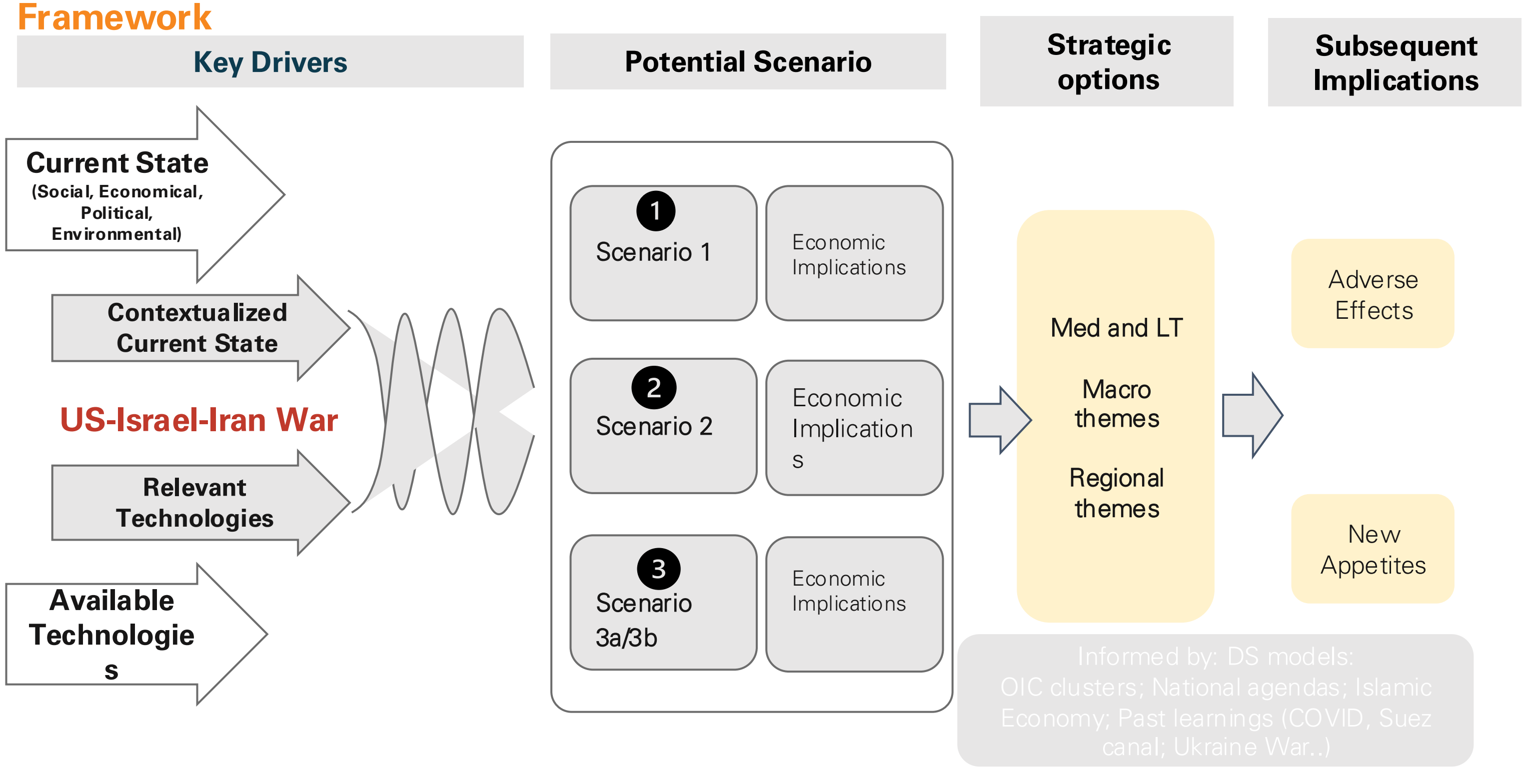
The February 28 event and subsequent closure of the Strait of Hormuz triggered the largest oil supply disruption in modern history. Energy is the primary economic driver from which cascading effects originate — inflation, supply chain disruptions, fiscal strain, and food insecurity are all downstream consequences of the energy shock. For textile and fashion retail, the shock now runs through synthetic fibre costs, apparel manufacturing, retail margins, and changing consumer spending patterns, which this brief examines.

FOCUS: Medium-term (1–2 years) and Long-term (3–5 years) strategic options | Short-term crisis response excluded | *OIC: Organisation for Islamic Cooperation

Methodology

Leveraging DinarStandard's proprietary Innovation Megatrends Framework to drive scenario analysis and strategic options

Adapted DS Innovation Megatrends Framework



Output: Insights Brief Report format linked to a series of Roundtables. First Report sets macro framing; follow-up Updates cover sector/country level deep-dives.

EXPERT INTERVIEWS

Primary validation from senior economists at IsDB, Bank Indonesia, ICDT, and DinarStandard's global partner network spanning 50+ years of combined OIC advisory experience across trade, finance, and policy.

SECONDARY RESEARCH

Trusted global sources: IMF, World Bank, IEA, WTO, FAO, UNCTAD, SIPRI, Goldman Sachs, Oxford Economics, Lloyd's of London, and LSEG Refinitiv. All data points attributed per slide for independent verification.

AI USAGE

AI tools assisted with data synthesis, scenario modelling support, and drafting. All outputs reviewed, validated, and refined by DinarStandard's senior analysts and subject-matter experts.

Crisis Scenarios — Four Paths

DinarStandard

Each scenario carries different economic implications — Scenario 1 is the primary basis for strategic planning

LOWEST DISRUPTION 1

Scenario 1: Ceasefire — New Normal

Both parties declare ceasefire. New equilibrium in Iran-GCC and GCC-US relations. Multipolar realignment. Iran-Russia-China energy axis deepens.

Implications:

GCC: Accelerated diversification.
Intra-OIC trade corridors strengthened.
De-dollarisation momentum.
Most conducive to OIC strategic autonomy.

MODERATE DISRUPTION 2

Scenario 2: Civil Unrest in Iran

Internal civil disturbance in Iran leads to a fractured, Syria-like situation causing wider regional destabilisation. Energy prices volatile.

Implications:

GCC: Partial recovery but extended instability.
Energy exports resume slowly over 6–12 months.
OIC fragmentation risk.
Humanitarian spillover and refugee flows increase.

HIGH DISRUPTION 3

Scenario 3a: Protracted War — Iranian Resistance Escalates

Iran's resistance escalates; Israel continues military operations. Full-scale war of attrition. COVID-era emergency for supply chains.

Implications:

GCC: GDP contraction 8–14% (Goldman Sachs).
Mass capital flight.
Food crisis deepens.
OIC splits between US-aligned and Russia-China blocs.

SEVERE DISRUPTION 3

Scenario 3b: Protracted War — Civil Unrest Compounds

Continued military conflict compounded by internal civil unrest within Iran and neighbouring states. Multiple fronts destabilise broader region.

Implications:

GCC: Worst-case fiscal and humanitarian outcomes.
Extended Hormuz closure.
SWF liquidation to cover deficits.
Regional refugee crisis intensifies.

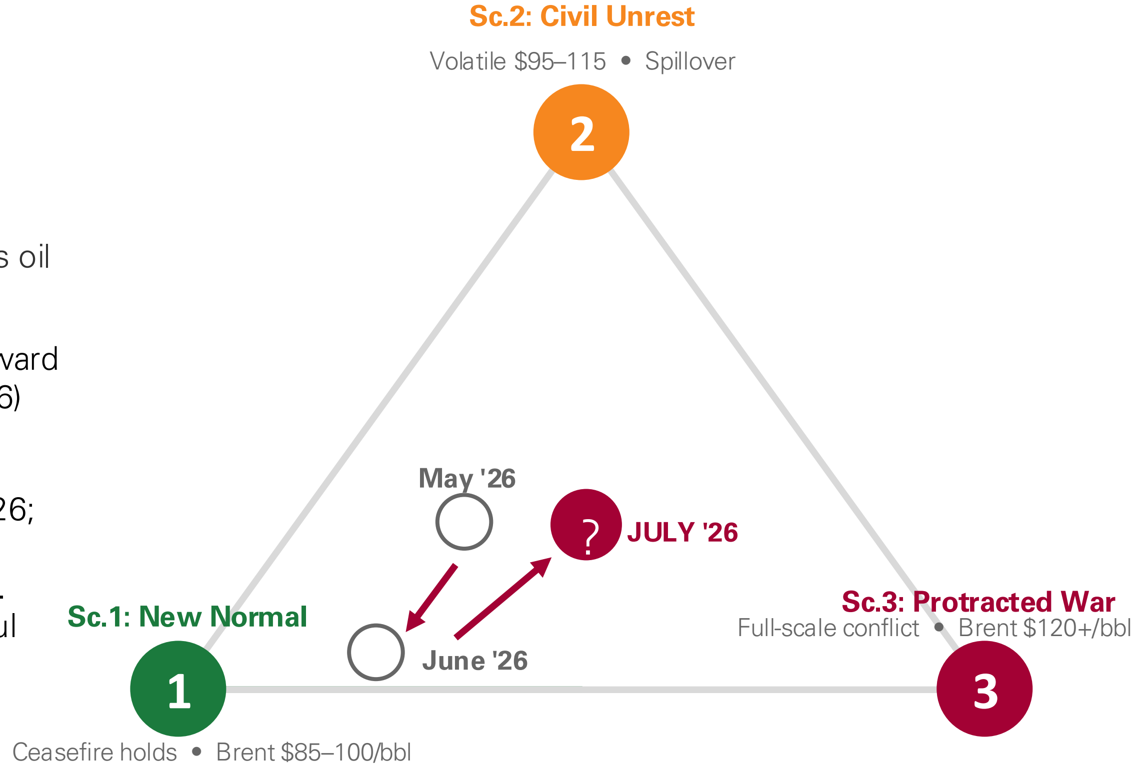
Scenario 1 is the primary scenario for strategic positioning planning. All scenarios carry long-term risk perception premiums that affect the investment environment.

Pulse Check — Where Are We Heading?

The crisis timeline through early July 2026, and where the trajectory sits across the three scenarios

1	**Sc.1: New Normal** The ceasefire holds and trade reopens.
2	**Sc.2: Civil Unrest** Conditions stay volatile with spillover.
3	**Sc.3: Protracted War** Full-scale conflict continues.

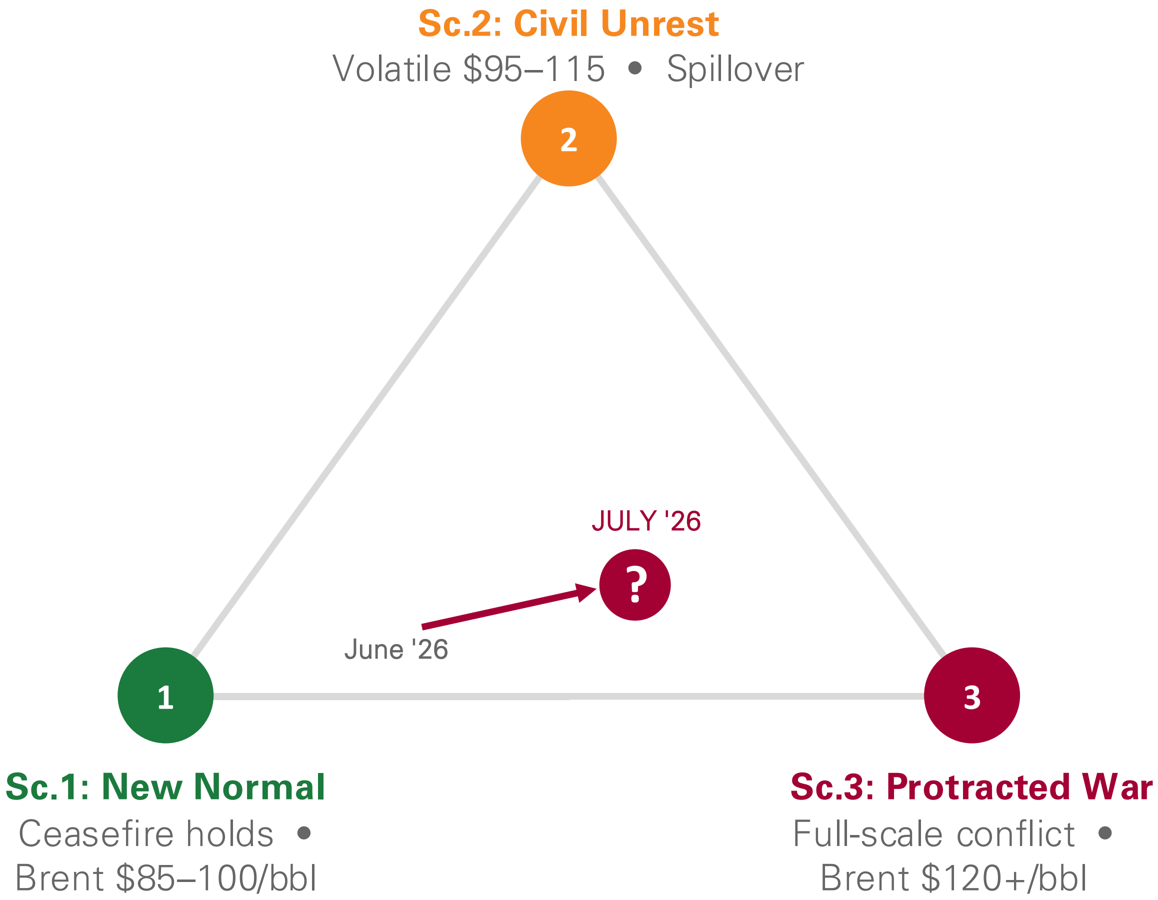
FEB 28	US- and Israel-led strikes on Iran begin. Brent crude jumps 8 percent in two trading days, from $71.3 to $77.2 per barrel. (CRS, 2026)
MAR 4	Iran declares the Strait of Hormuz closed. About one fifth of the world's oil normally passes through the Strait. (CRS, 2026)
JUL 1	Indirect US–Iran talks resume in Doha as mediators report progress toward implementing the June agreement. (Reuters, 1 Jul 2026; AP, 1 Jul 2026)
JUL 7–8	The ceasefire unravels after attacks on commercial shipping. The US resumes strikes on Iran and reinstates oil sanctions. (Reuters, 8 Jul 2026; AP, 8 Jul 2026)
JUL 12–19	US–Iran strikes continue as threats to Strait of Hormuz shipping persist. Brent crude rises above US$90/bbl. (Reuters, 18 Jul 2026; CNBC, 18 Jul 2026)



TREND TO WATCH: The June ceasefire has failed to deliver a lasting de-escalation. Renewed military strikes, attacks on commercial shipping and continued disruption to the Strait of Hormuz suggest the trajectory has shifted back toward Scenario 2 (Civil Unrest), with an elevated risk of escalation toward Scenario 3 if diplomacy fails.

Pulse Check — Where Are We?

The crisis timeline through early July 2026, and where the trajectory sits across the three scenarios



MAJOR DEVELOPMENT

ONGOING Brent oscillating $103–117/bbl (vs Sc.1 path $85–100). Urea +46% MoM in March. Bangladesh rice +60–80%. Iran wheat flour +200% YoY.

Source: EIA STEO May 2026; FAO; World Bank

JUL 7 A ceasefire unravels after attacks on commercial shipping. The US resumes strikes on Iran and reinstates oil sanctions. (Reuters, 8 Jul 2026; AP, 8 Jul 2026)

Source: PBS NewsHour June 14, 2026; AP / Reuters June 14–15, 2026; Britannica 2026 Iran war

TRAJECTORY: The June ceasefire has failed to deliver a lasting de-escalation. Renewed military strikes, attacks on commercial shipping and continued disruption to the Strait of Hormuz suggest the trajectory has shifted toward Scenario 3.

Sources: Wikipedia (2026 Iran war, 2026 Iran war ceasefire, 2026 Strait of Hormuz crisis); UK House of Commons Library CBP-10637 (May 2026); EIA Short-Term Energy Outlook May 2026; World Bank Commodity Markets Outlook April 2026; FAO Chief Economist briefing March 2026; PBS NewsHour; AP; Reuters; Al Jazeera; CNBC; Britannica (June 2026).

Pre-Crisis Baseline — Textile & Fashion Retail Ecosystem

The OIC enters the crisis with an integrated textile ecosystem spanning fibre production, manufacturing and retail, supported by a structural trade surplus and a growing Muslim consumer market.

Fashion Retail

MUSLIM CONSUMER SPEND

$374B

Projected to reach US$444B by 2029, making modest fashion one of the largest Islamic lifestyle sectors.

Synthetic Fibers

TOTAL OIC EXPORTS

$8.98B

Türkiye, Indonesia and Malaysia anchor the OIC's upstream synthetic fiber and yarn production.

Fabrics

TOTAL OIC EXPORTS

$10.57B

Türkiye, Indonesia and Malaysia provide the manufacturing base supplying both OIC and global apparel producers.

Apparel and Footwear Manufacturing

TOTAL OIC EXPORTS

$66B

The OIC includes several of the world's largest apparel exporters, led by Türkiye, Pakistan and Indonesia.

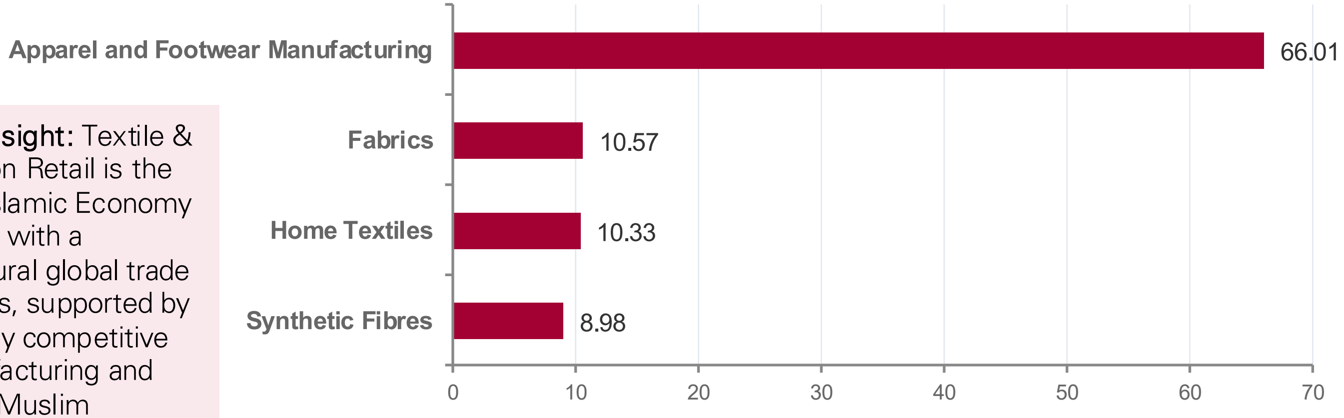
Home and Made-up Textiles

TOTAL OIC EXPORTS

$10.32B

Home textiles remain an important export segment, particularly for Türkiye and Pakistan.

OIC Textile & Apparel Exports by Value Chain Segment, 2024 (US$ billion)



Key Insight: Textile & Fashion Retail is the only Islamic Economy sector with a structural global trade surplus, supported by globally competitive manufacturing and rising Muslim consumer demand.

WHY THE OIC STARTS FROM A POSITION OF STRENGTH

Manufacturing Base
The OIC hosts globally competitive textile and apparel exporters, with Türkiye, Bangladesh, Pakistan, Indonesia and Morocco serving regional and international markets.

Consumer Market
Muslim consumer spending on clothing and footwear reached US$347B in 2024 and is forecast to exceed US$444B by 2029, providing strong long-term demand.

Strategic Advantage
Unlike many Islamic Economy sectors, the OIC is a net exporter of textile and apparel products, providing a stronger starting position than sectors that rely predominantly on imports.

Sources: DinarStanard SGIE 25/26, ITC TradeMap

Recap — Impact Across OIC Regional Clusters

DinarStandard

Summary of the five-region impact picture from Brief #1, with the Textile and Fashion Retail exposure highlighted for each cluster

$9.2T	$786B	$91B	$114B	81%
Total OIC GDP	11-cluster VA at risk (Sc.1)	Textile & Fashion Retail VA at risk	OIC textile import gap	Textile & apparel demand sourced from outside the OIC

GCC

~$2.2T GDP

MEDIUM

CROSS-SECTOR IMPACT

Revenue windfall offset by 70% food import disruption and 99% desalination dependency. Cereal imports run 85–93% of consumption.

TEXTILE & FASHION RETAIL

$25.8B in textile & fashion imports (23% of OIC total); leads downstream apparel (44%).

West Asia and North Africa (ex-GCC)

~$1.2T GDP

MEDIUM

CROSS-SECTOR IMPACT

Suez revenue collapsed 61% to $3.99B. Egyptian remittances $32B at risk; wheat dependency compounds inflation pressure.

TEXTILE & FASHION RETAIL

$24.1B in textile & fashion imports (21% of OIC total); Egypt anchors apparel production.

South & SE Asia

~$2.9T GDP

CRITICAL

CROSS-SECTOR IMPACT

Remittance disruption to Pakistan ($30B) and Bangladesh ($21B). Indonesia 2026 energy subsidies budget +$5.9B.

TEXTILE & FASHION RETAIL

$37.2B in textile & fashion imports (32% of OIC total); South Asia is most impacted for Man-Made Filaments, Fibres, & Cotton.

Central Asia (incl. Türkiye)

~$2.5T GDP

MEDIUM

CROSS-SECTOR IMPACT

Türkiye managing 3.6M refugees and Middle Corridor activation. Kazakhstan grain harvest cushions some regional pressure.

TEXTILE & FASHION RETAIL

$20.7B in textile & fashion imports (18% of OIC total); #2 in Apparel & Footwear (21%).

Sub-Saharan Africa

~$0.5T GDP

LOW

CROSS-SECTOR IMPACT

+60% wheat price surge directly hits 22 OIC SSA members. Fertilizer scarcity threatens 2026–27 planting cycles.

TEXTILE & FASHION RETAIL

$5.6B in textile & fashion imports (5% of OIC total); ties North Africa in Footwear (7%).

Sources: WDI Table 4.2 (2024); IMF WEO April 2024; SESRIC OIC Economic Outlook 2025; DinarStandard SGIE 2024/25; FAO; UNHCR; Suez Canal Authority. See Brief #1 for full regional impact matrix.

DinarStandard

Recap from Brief 1 — Strategic Positioning Summary

Six cross-cutting themes from Brief #1 define how OIC member states convert crisis exposure into structural advantage

POSITIONING THESIS: Short-term crisis response is necessary but insufficient. Medium- (1–2 yr) and long-term (3–5 yr) repositioning is what converts a shared disruption into asymmetric advantage — and Textile & Fashion Retail is one of the six themes where regional sourcing, digital transformation and modest fashion can drive long-term competitiveness.

01 Energy Transition & Sovereignty

Renewable scale-up, pipeline bypass routes, green hydrogen hubs, OIC energy grid interconnection.

02 Food & Agricultural Sovereignty

Emergency grain reserves via IOFS, Indonesia–GCC corridor, OIC agricultural self-sufficiency, Africa as food hub, alt proteins.

03 Intra-OIC Trade Acceleration

Activate TPS-OIC (37 member states), scale Duqm/East Africa corridors, OIC common market, smart-port integration.

• TEXTILE & FASHION RETAIL RELEVANT

04 Tech Sovereignty & AI Readiness

Sovereign cloud and AI in GCC, Malaysia as neutral semiconductor hub, OIC semiconductor corridor by 2030.

• TEXTILE & FASHION RETAIL RELEVANT

05 Islamic Finance Infrastructure

CIPS/mBridge for OIC settlement, war-resilient sukuk, OIC payment union, de-dollarised settlement network.

06 Halal Economy Buildout

Harmonise certification via SMIIC (–30–50% cost), boycott-to-brand shift, $608B halal import market capture by 2030.

• TEXTILE & FASHION RETAIL RELEVANT

Themes 03, 04, and 06 are directly textile and fashion retail-relevant. This brief expands the Textile & Fashion Retail positioning detail; subsequent briefs will follow the same pattern for other clusters.

02

Textile & Fashion Retail Deep Dive

Two Types of Impact: Supply vs Demand

DinarStandard

The crisis reshapes the Textile & Fashion Retail value chain through higher production costs and changing consumer demand — both must be tracked.

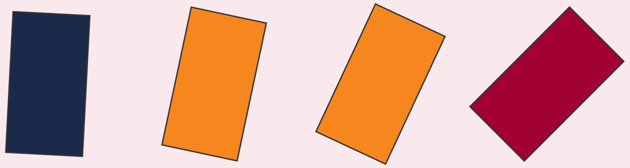
SUPPLY IMPACT

TEXTILE VALUE CHAIN

Production costs rise across the value chain.

- Synthetic fibre feedstocks
  Polyester, nylon, acrylic and elastane costs rise with higher oil prices.
- Manufacturing & logistics
  Energy, freight, insurance and sourcing costs increase across textile production.
- Regional supply chains
  Import-dependent manufacturers face greater sourcing risk and longer lead times.

DEMAND IMPACT



Consumer spending shifts across apparel markets.

- Inflation pressure
  Higher living costs reduce discretionary apparel spending.
- Changing consumer behaviour
  Demand shifts toward value retailers, durable purchases and circular fashion.
- Retail margin pressure
  Higher input costs become harder to pass on as consumer spending weakens.

Supply-side impacts emerge within weeks. Demand-side impacts develop over months but reshape competitiveness for years — influencing the 2027–29 outlook.

The Transmission Chain: From Oil to OIC Wardrobes

DinarStandard

Oil price shocks cascade through petrochemicals, textile manufacturing and apparel production before reaching OIC retail and modest fashion markets.

	INPUT	PRODUCER	MARKET	BUSINESS IMPACT	END-MARKET IMPACT
1 **Synthetic Fibres** HS 54-55	Saudi/UAE petrochemicals (PTA, MEG) become more expensive	China & Türkiye polyester production costs rise	Synthetic fabric prices increase	OIC apparel manufacturers face higher fabric costs	**Higher prices for polyester-based modest wear** **ABAYAS, HIJABS & POLYESTER APPAREL** Expected Timing: Q3 2026 – Q2 2027
2 **Fabrics** HS 56-60	Higher energy & dyeing costs	Türkiye, Pakistan & Bangladesh knitting costs rise	Fabric lead times lengthen	Regional garment production slows	**Longer lead times for fashion collections** **KNITWEAR, ATHLEISURE & MODEST BASICS** Expected Timing: Q3 2026 – Q2 2027
3 **Apparel Manufacturing** HS 61-62	Higher freight & marine insurance	Bangladesh & Pakistan export costs rise	Apparel sourcing costs increase	GCC & OIC manufacturers face higher production costs	**Margin pressure on apparel brands & retailers** **OUTERWEAR, ABAYAS & MODEST DRESSES** Expected Timing: Q4 2026 – Q3 2027
4 **Fashion Retail**	Inflation reduces purchasing power	Retailers face weaker consumer demand	Apparel prices outpace discretionary spending	Consumers shift toward value retailers	**Consumers shift to value fashion** **VALUE APPAREL, BASICS & HIJABS** Expected Timing: Q4 2026 – Q3 2027
5 **Home & Made-up Textiles** HS 63	Manufacturing & transport costs rise	Pakistan & Türkiye home textile exports become costlier	Retail prices increase	Household textile demand softens	**Slower demand for home textiles** **BED LINEN, PRAYER MATS & HOME TEXTILES** Expected Timing: 2027–2028

Top 15 OIC Textile and Fashion Categories Ranked by Impact

DinarStandard

Weighted Index = Combined Score × 2024 import share | Higher = greater OIC food-system exposure

Pre-crisis							Crisis impact	
#	HS Ch.	Category	2024 Imports ($B)	Supply Impact (0-9)	Demand Impact (0-9)	Combined Score (0-18)	Weighted Index	Tier
1	Ch.54	Man-Made Filaments	$13.8	8	5	13	156.9	Tier 1 –Acute
2	Ch.55	Man-Made Staple Fibres	$11.5	8	5	13	130.6	Tier 1 –Acute
3	Ch.61	Apparel, Knitted	$15.5	4	5	9	122.2	Tier 3 –Demand Drag
4	Ch.52	Cotton	$16.8	5	3	8	117.4	Tier 2 –Cost Shock
5	Ch.64	Footwear	$13.0	5	4	9	102.5	Tier 2 –Cost Shock
6	Ch.62	Apparel, Not Knitted	$14.4	3	5	8	100.8	Tier 3 –Demand Drag
7	Ch.60	Knitted/Crocheted Fabrics	$9.1	6	4	10	79.6	Tier 2 –Cost Shock
8	Ch.63	Other Made-Up Textiles	$5.9	5	3	8	41.4	Tier 2 –Cost Shock
9	Ch.56	Wadding, Felt & Nonwovens	$3.7	5	3	8	25.6	Tier 2 –Cost Shock
10	Ch.59	Impregnated/Coated Fabrics	$3.6	5	3	8	25.1	Tier 2 –Cost Shock
11	Ch.57	Carpets	$2.3	6	3	9	18.3	Tier 2 –Cost Shock
12	Ch.58	Special Woven Fabrics	$2.3	3	3	6	12.0	Tier 4 –Watch
13	Ch.53	Other Vegetable Fibres	$1.5	3	3	6	7.9	Tier 4 –Watch
14	Ch.51	Wool	$0.8	2	3	5	3.4	Tier 4 –Watch
15	Ch.50	Silk	$0.1	2	3	5	0.6	Tier 4 –Watch

Tier 1 (Acute) = high Supply AND Demand | Tier 2 (Cost Shock) = high Supply only | Tier 3 (Demand Drag) = high Demand only | Tier 4 (Watch) = low on both

Top 5 Impacted Categories — OIC Importers

DinarStandard

South Asia is most exposed to upstream supply chain disruption, while the GCC faces the greatest downstream trade risk from Hormuz

Man-Made Filaments (Ch.54)

Tier 1 –Acute

OIC Import Value by Region

1. South Asia — $3.0B (22%)
2. North Africa — $2.7B (19%)
3. Central Asia + Türkiye — $2.4B (17%)
4. Southeast Asia — $2.3B (17%)
5. GCC — $1.6B (11%)
6. West Asia — $1.4B (10%)
7. Sub-Saharan Africa — $0.5B (4%)

Man-Made Staple Fibres (Ch.55)

Tier 1 –Acute

OIC Import Value by Region

1. South Asia — $3.0B (26%)
2. North Africa — $2.2B (19%)
3. Central Asia + Türkiye — $2.2B (19%)
4. Southeast Asia — $1.3B (12%)
5. GCC — $1.3B (11%)
6. West Asia — $0.8B (7%)
7. Sub-Saharan Africa — $0.6B (6%)

Apparel, Knitted (Ch.61)

Tier 3 –Demand Drag

OIC Import Value by Region

1. GCC — $6.8B (44%)
2. Central Asia + Türkiye — $3.3B (21%)
3. Southeast Asia — $1.7B (11%)
4. West Asia — $1.5B (10%)
5. North Africa — $1.1B (7%)
6. Sub-Saharan Africa — $0.8B (5%)
7. South Asia — $0.2B (1%)

Cotton (Ch.52)

Tier 2 –Cost Shock

OIC Import Value by Region

1. South Asia — $9.3B (55%)
2. Central Asia + Türkiye— $2.5B (15%)
3. North Africa — $2.1B (12%)
4. Southeast Asia — $1.9B (11%)
5. West Asia — $0.4B (2%)
6. Sub-Saharan Africa — $0.3B (2%)
7. GCC — $0.3B (2%)

Footwear (Ch.64)

Tier 2 –Cost Shock

OIC Import Value by Region

1. GCC — $5.1B (39%)
2. Central Asia + Türkiye — $2.7B (21%)
3. Southeast Asia — $1.9B (14%)
4. North Africa — $1.0B (7%)
5. Sub-Saharan Africa — $1.0B (7%)
6. West Asia — $0.8B (6%)
7. South Asia — $0.4B (3%)

- Two Acute chapters (Man-Made Fibres) are the most geographically SPREAD OUT, with no region above 26%.
- By contrast, Cotton (55% South Asia) and Apparel (44% GCC) are the two MOST concentrated chapters, yet neither is rated Acute.

Top 5 Impacted Categories — Suppliers to OIC

DinarStandard

China dependence amplifies supply chain risk, supplying over one-third of OIC imports across the five categories

Man-Made Filaments (Ch.54)	Man-Made Staple Fibres (Ch.55)	Apparel, Knitted (Ch.61)	Cotton (Ch.52)	Footwear (Ch.64)
Tier 1 –Acute	Tier 1 –Acute	Tier 3 –Demand Drag	Tier 2 –Cost Shock	Tier 2 –Cost Shock
Top Suppliers	**Top Suppliers**	**Top Suppliers**	**Top Suppliers**	**Top Suppliers**
1. China — $8.7B (63%)	1. China — $5.2B (45%)	1. China — $5.8B (38%)	1. China — $3.5B (21%)	1. China — $6.0B (46%)
2. India — $0.9B (6%)	2. Japan — $0.7B (6%)	2. India — $1.3B (9%)	2. India — $3.3B (20%)	2. Viet Nam — $2.2B (17%)
3. Korea, Republic of — $0.5B (4%)	3. India — $0.6B (6%)	3. Italy — $0.8B (5%)	3. Brazil — $1.7B (10%)	3. Italy — $1.7B (13%)
4. Chinese Taipei — $0.4B (3%)	4. United States — $0.5B (5%)	4. Viet Nam — $0.6B (4%)	4. United States — $1.1B (6%)	4. India — $0.3B (3%)
5. Viet Nam — $0.3B (3%)	5. Thailand — $0.4B (4%)	5. Cambodia — $0.5B (3%)	5. Australia — $0.7B (4%)	5. Cambodia — $0.1B (1%)
6. Other non-OIC — $1.3B (10%)	6. Other non-OIC — $2.1B (18%)	6. Other non-OIC — $2.4B (15%)	6. Other non-OIC — $1.9B (11%)	6. Other non-OIC — $1.1B (8%)
7. Intra-OIC — $1.6B (12%)	7. Intra-OIC— $1.9B (17%)	7. Intra-OIC — $4.1B (26%)	7. Intra-OIC — $4.6B (27%)	7. Intra-OIC — $1.6B (12%)

- China is the largest supplier across all five categories, accounting for between 21% and 63% of OIC imports.
- The two Acute categories—Man-Made Filaments and Man-Made Staple Fibres—also have the lowest Intra-OIC sourcing (12% and 17%), reinforcing their upstream supply vulnerability.
- Apparel and Cotton already have the strongest Intra-OIC supply base (26–27%), showing that regional value chains are achievable where manufacturing capability exists.

Strategic Levers: From Vulnerability to Strategic Options

Four vulnerabilities revealed by the impact analysis map onto four strategic levers, each generating two practical options for governments and industry

V1 · VULNERABILITY
Upstream input dependence
Critical textile inputs remain import-dependent, increasing exposure to petrochemical price volatility.

V2 · VULNERABILITY
Concentrated sourcing
Many OIC apparel producers rely heavily on China-led supply chains, creating exposure to freight disruptions and geopolitical risk.

V3 · VULNERABILITY
Cost & competitiveness pressure
Higher input costs and changing consumer preferences require more productive, sustainable and resilient manufacturing.

V4 · VULNERABILITY
Fragmented fashion ecosystem
Limited regional branding, standards and collaboration reduce the OIC's ability to capture higher-value fashion markets.

L1 · STRATEGIC LEVER
SOVEREIGNTY
Build regional capability in critical textile inputs and manufacturing.

L2 · STRATEGIC LEVER
SOURCING
Diversify production, suppliers and regional trade corridors.

L3 · STRATEGIC LEVER
INNOVATION
Increase competitiveness through technology and sustainable production.

L4 · STRATEGIC LEVER
ECOSYSTEM
Strengthen the OIC textile and modest fashion ecosystem.

01 Synthetic fibre production

02 Integrated Fibre-to-Fashion Value Chains

03 China+1 & near-shoring strategy

04 OIC Textile Trade Corridors

05 Circular textiles & next-generation fibres

06 Smart manufacturing & supply-chain visibility

07 OIC Modest Fashion Accelerator

08 OIC Textile Sustainability Framework

Strategic Options

Eight strategic options with medium-term (1–2 yr) and long-term (3–5 yr) actions for governments and corporates under Scenario 1

	#	Strategic Option	Medium-Term (1–2 yrs)	Long-Term (3–5 yrs)
SOVEREIGNTY	01	Synthetic fibre production	Expand regional polyester and technical fibre production using existing petrochemical capacity	Develop integrated petrochemical-to-textile value chains across the OIC
SOVEREIGNTY	02	Integrated Fibre-to-Fashion Value Chains	Develop textile clusters linking fibre, fabric and garment production	Develop integrated fibre-to-fashion manufacturing ecosystems
SOURCING	03	China+1 & near-shoring strategy	Diversify sourcing toward Türkiye, Central Asia and regional suppliers	Establish resilient multi-country sourcing networks across the OIC
SOURCING	04	OIC Textile Trade Corridors	Remove trade barriers for regional textile sourcing	Enable integrated OIC textile value chains through common trade frameworks
INNOVATION	05	Circular textiles & next-generation fibres	Scale recycled fibres, next-generation materials and textile recycling	Position the OIC as the global hub for sustainable modest fashion
INNOVATION	06	Smart manufacturing & supply-chain visibility	Deploy AI planning, digital product passports and traceability	Build digitally connected textile value chains across the OIC
ECOSYSTEM	07	OIC Modest Fashion Accelerator	Support designers, exporters and Muslim-owned fashion brands	Establish globally recognised OIC modest fashion brands and export platforms
ECOSYSTEM	08	OIC Textile Sustainability Framework	Align sustainability, traceability and product certification standards	Develop a globally recognised OIC textile sustainability framework

Capacity caveat: Implementation should prioritise industrial infrastructure, regional trade integration and common standards, while industry leads investment in manufacturing, innovation and brand development. Initiatives 03, 05, 07 and 08 offer the strongest early competitive advantage.

Strategic Focus by Region

Regional priorities reflect existing manufacturing strengths, supplier concentration and opportunities to expand resilient intra-OIC value chains.— circle size signals depth of focus

DinarStandard

Circle size: large = heavy focus medium = moderate small = light

	Strategic Option	GCC	West Asia ex-GCC	North Africa	Southeast Asia	South Asia	Sub-Saharan Africa	Central Asia (incl. Türkiye)
SOVEREIGNTY	01 Synthetic fibre production	large	medium	small	medium	small	small	large
SOVEREIGNTY	02 Integrated Fibre-to-Fashion Value Chains	medium	medium	large	large	large	medium	large
SOURCING	03 China+1 & near-shoring strategy	medium	medium	large	medium	large	large	large
SOURCING	04 OIC Textile Trade Corridors	large	medium	medium	large	medium	medium	large
INNOVATION	05 Circular textiles & next-generation fibres	medium	small	medium	large	large	medium	large
INNOVATION	06 Smart manufacturing & supply-chain visibility	large	medium	medium	large	medium	small	large
ECOSYSTEM	07 OIC Modest Fashion Accelerator	large	medium	medium	large	medium	small	large
ECOSYSTEM	08 OIC Textile Sustainability Framework	large	medium	medium	large	medium	medium	large
	Priority value chain segments	Knitted apparel Footwear Woven Apparel	Knitted Apparel Man-made Staple Fibres Home Textiles	Fabrics Knitted apparel Woven apparel	Man-Made Filaments Man-Made Staple Fibres Knitted Apparel	Cotton Man-Made Filaments Man-Made Staple Fibres	Knitted apparel Woven apparel Home textiles	Synthetic Fibres Fabrics Apparel Manufacturing

DinarStandard Support

How DinarStandard can help OIC governments and economic agencies navigate this crisis

DinarStandard

1. Consulting

Vulnerability Assessment & Strategic Planning

DinarStandard

- **Supply chain vulnerability diagnostics**: map your Hormuz/Suez corridor exposure, identify single points of failure
- **Halal economy growth positioning:** $2.43T market growing at 8.3% CAGR; boycott-driven consumer shift accelerating
- **Islamic financing strategy:** CIPS/mBridge integration, sukuk structuring, alternative settlement corridors
- **Scenario-based strategic planning:** calibrated to our four crisis scenarios, from ceasefire/new normal to protracted war
- **ImpactIntell signal monitoring:** early-warning alerts on chokepoint shifts, freight changes, and policy moves before they hit your P&L

2. Policy Architect

ImpactIntell

DinarStandard's Proprietary Data Intelligence Platform

Predictive analytics dashboard covering the global Islamic and OIC economy — real-time market sizing, investment tracking, trade flow analysis, and sector benchmarking across 57 OIC member states. Powering the SGIE Report, GIFT Report, and custom client intelligence.

3. Live Sensing

~

Signal Sensing Tool

FEATURED CAPABILITY

Continuous live monitoring of economic, trade, and geopolitical signals across OIC markets. Detects early-warning shifts in supply chains, investment flows, commodity pricing, and policy changes — enabling governments and corporates to move from reactive crisis management to proactive strategic positioning.

Trade & Supply Chain Alerts
Chokepoint disruptions, freight shifts, corridor rerouting

Investment Flow Tracking
FDI, SWF movements, startup funding across OIC

Policy & Sanctions Monitor
Regulatory changes, sanctions risk, currency shifts

DinarStandard Support

Food and Agriculture practice

DinarStandard

Rafi-uddin Shikoh

Managing Partner (GCC / NA / ASEAN)

Email:
rafiuddin.shikoh@dinarstandard.com

Reem El Shafaki

Partner (NA)

Email: reem.elshafaki@dinarstandard.com

Conor Clifford Murphy

Partner (UK / EMEA)

Email:
c.murphy@dinarstandard.com

Atif Raza

Partner (KSA, Pakistan)

Email:
atif.raza@dinarstandard.com

Aaliya Mia

Modest Fashion Sector Lead

Email: aaliya.mia@dinarstandard.com

Glossary

Key terms and abbreviations used throughout this brief

OIC: Organisation of Islamic Cooperation — 57 member states

GCC: Gulf Cooperation Council — Saudi Arabia, UAE, Bahrain, Qatar, Kuwait, Oman

SGIE: State of the Global Islamic Economy — DinarStandard annual report

HS Code: Harmonized System — WCO international product nomenclature

CAGR: Compound Annual Growth Rate

MMF: Man-Made Fibres — synthetic textile fibres including polyester and nylon

China+1: Diversification strategy reducing dependence on China by expanding sourcing to alternative countries

Near-shoring: Relocating production closer to end markets or regional supply chains

SMIIC: Standards & Metrology Institute for Islamic Countries

Halal: Permissible under Islamic law — applied to food, finance, lifestyle

Modest Fashion: Clothing designed in line with Islamic values of modesty while serving mainstream consumer markets

Circular Textiles: Recycling, reuse and resource-efficient production to extend textile lifecycles

TPS-OIC: Trade Preferential System among OIC Member States

IsDB / IDB: Islamic Development Bank

ICDT: Islamic Centre for Development of Trade

IOFS: Islamic Organisation for Food Security

COMCEC: Standing Committee for Economic and Commercial Cooperation of OIC

Digital Product Passport (DPP): Digital record containing product origin, material composition and sustainability information

Traceability: Ability to track materials and products throughout the supply chain

Supply-chain Visibility: Real-time monitoring of suppliers, inventory and logistics across the value chain

MT / LT: Medium-term (1–2 yrs) / Long-term (3–5 yrs)

VA: Value-added (national accounts)

Brent: Brent crude oil — global benchmark

References & Data Sources

All data sources cited in this brief for independent verification

[1] ITC Trade Map — OIC textile and fashion imports ($302B 2024), top importers, top suppliers; 4-digit and 2-digit HS analysis (2017–2024).

[2] DinarStandard, SGIE 2024/25 — global Muslim spending; modest fashion market sizing; OIC adjustment factors; cluster derivation.

[3] SESRIC, OIC Economic Outlook 2025 — OIC GDP ($9.2T)

[4] OECD — Global Value Chains, Supply Chain Resilience and International Trade.

[5] World Bank, Commodity Markets Outlook (April 2026) — Brent baseline; oil supply shocks; commodity price scenarios.

[6] EIA, Short-Term Energy Outlook (May 2026) — Brent forecast; Strait of Hormuz closure projection; oil supply disruption modelling.

[7] WTO Statistics Database / World Trade Statistical Review

[8] COMCEC — TPS-OIC member coverage (37 states); OIC trade facilitation framework.

[9] UNCTAD — global commodity trade disruption; corridor analytics.

[10] Reuters / AP / CNBC

[11] UK House of Commons Library, CBP-10637 (May 2026) — US-Iran ceasefire and nuclear talks 2026.

[12] PBS NewsHour; Al Jazeera; CNBC; AP — daily reporting on ceasefire developments, oil prices, blockade events.

[13] IsDB, ICDT, IOFS —trade architecture references.

[14] Expert interviews — DinarStandard senior analysts and partner network spanning 50+ years of combined OIC advisory experience.

DinarStandard
GROWTH STRATEGY RESEARCH & ADVISORY

Brand name of Strategy Insights, Inc.

Thank You

Insights Brief Series #4

US-Israel-Iran Regional Crisis 2026:
Deep Dive — Textile & Fashion Retail

For questions or to schedule a discussion:
info@dinarstandard.com