

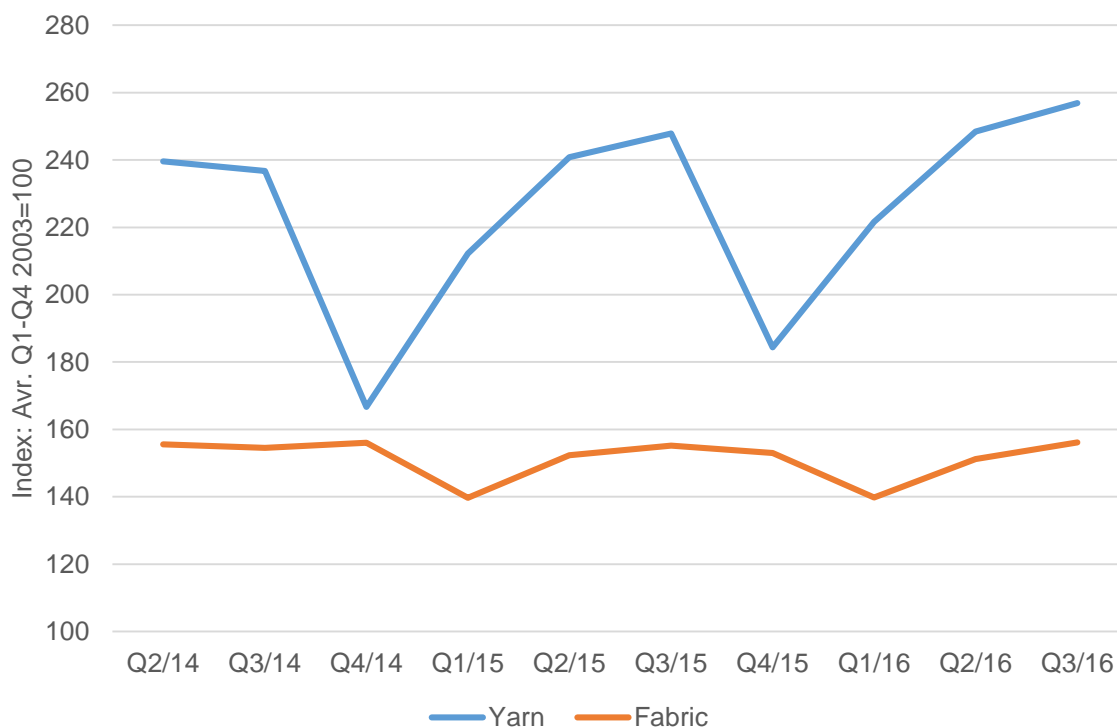
Global yarn and fabric output up in Q3/2016

Estimates and outlook for global yarn and fabric output signal unchanged development for Q4/2016 and a decline for Q1/2017.

The global **yarn production** increased in Q3/2016 quarter-on-quarter. Thereby, output in Asia and South America rose. In Europe and the USA the yarn production fell. On an annual basis, the global yarn production in Q3/2016 increased versus Q3/2015. Global yarn stocks climbed in Q3/2016 quarter-on-quarter. Yarn stocks were reduced in South America. In Asia, they increased. Year-on-year, global yarn stocks declined. **Yarn orders** in Europe and in South America fell quarter-on-quarter. Compared to the same quarter a year ago, yarn orders increased in South America and fell in Europe.

Global **fabric production** increased in Q3/2016 against Q2/2016 due to increases in Asia and South America. In contrast, Europe's fabric production decreased. Global fabric output improved moderately year-on-year in Q3/2016. Thereby, Asian and South American output climbed moderately, while it fell in Europe. In Q3/2016, worldwide **fabric stocks** fell quarter-on-quarter. Fabric inventories were reduced in South America and increased moderately in Asia and North America. Year-on-year, fabric stocks declined. European and South American **fabric orders** decreased quarter-on-quarter. On a yearly basis South America's fabric orders increased and Europe's fell.

World production of yarn and fabrics



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Estimates indicate an unchanged global yarn and fabric production for Q4/2016.

The **global outlook for yarn and fabric production** signals a decline for Q1/2017.

In Q3/2016, global **yarn production** increased by 3.4% quarter-on-quarter. Thereby, Asian yarn output strengthened by 3.7% quarter-on-quarter and by 2.6% in South America. In Europe and North America it fell by 13.3% and 1.4%, respectively. Global yarn output increased by 3.7% in Q3/2016 versus Q3/2015. In Asia yarn output improved by 3.5% year-on-year and in South America by 21%. In Europe and North America yarn output declined by nearly 4% year-on-year and by 7.8%, respectively.

Global **fabric production** increased by over 3% in Q3/2016 against the previous quarter. While Asian and South American output grew by over 4% each, European fabric production fell by nearly 15% quarter-on-quarter. Year-on-year, global fabric output improved moderately by 0.6% in Q3/2016. Thereby, Asian production increased by 0.6% and South America's output improved by 4.7%. Europe's fabric output fell by nearly 7% year-on-year.

Global **yarn inventories** increased in Q3/2016 by 4.8% quarter-on-quarter with increases of 5.7% in Asia. In contrast, in South America inventories fell by 1.4%. In Q3/2016, the annual percentage change of global yarn inventories recorded a decrease of nearly 6%. Thereby, European yarn stocks increased by 5% year-on-year. Asian yarn stocks, however, fell by nearly 7% annually and South American stocks diminished by 0.6%.

Worldwide **fabric stocks** fell by 1.4% quarter-on-quarter in Q3/2016. The major culprit was South America, where stocks were reduced by nearly 8%. In the Asia and North America fabric stocks were increased moderately. On a yearly basis, global fabric inventories in Q3/2016 decreased by 5%. Asia's fabric stocks decreased by 0.4% annually and South America's inventories fell by over 16%. In Europe stocks declined by over 2%, while in North America they increased by 0.8% year-on-year.

In Q3/2016, European **yarn orders** fell by 5% quarter-on-quarter and by 2% year-on-year. In South America they fell by over 11% quarter-on-quarter and increased by over 100% year-on-year. European **fabric orders** in Q3/2016 fell by nearly 10% quarter-on-quarter and by 11.5% year-on-year. South American fabric orders in Q3/2016 fell by 3% quarter-on-quarter and increased by 10% year-on-year.

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