



INTERNATIONAL TEXTILE MANUFACTURERS FEDERATION
FEDERATION INTERNATIONALE DES INDUSTRIES TEXTILES
INTERNATIONALE VEREINIGUNG DER TEXTILINDUSTRIE

PRESS RELEASE - STATE OF TRADE REPORT Q3 / 2009

High Global Textile Production Levels

Textile Orders on the Rise Again

The 3rd quarter of 2009 confirmed the strong rebound of global textile production observed in the previous quarter. Both global yarn and fabric production rose modestly in almost all regions, especially in South America, while North America recorded stagnant output. Global yarn stocks fell slightly as a consequence of significant lower stocks in South America and Europe and despite slightly higher inventories in Asia. Global stocks of fabrics soared driven by Asia and South America, while Europe and North America saw inventories fall. Orders of yarn and fabrics in Europe and Brazil jumped significantly, especially in Brazil.

World yarn production rose in the 3rd quarter 2009 by +1.3% as compared to the previous quarter, confirming the impressive rebound of the 2nd quarter (+22%). With the exception of North America (-2.3%) all regions recorded increases, especially South America (+5.0%), Europe (+4.5%) and Asia (+1.2%). Nevertheless, in comparison to last year's quarter only Asia experienced growth (+4.9%), while yarn production in North America, South America and Europe were still considerably below last year's levels (-24.6%, -5.3% and -4.5%, respectively).

Fabric production also grew worldwide by +1.2% in the 3rd quarter of 2009. Global fabric production increased or remained stable in all regions. In Asia and North America fabric production was unchanged compared to the previous quarter. Europe on the other hand recorded a slight increase of +0.9%, while fabric production in South America surged by +18.1%. Year-on-year global fabric production was up by +4.2% due to higher outputs in South America (+11.8%) and Asia (+6.1%), while North America and Europe still recorded significantly lower production levels (-17.1% and -17.9%, respectively).

Global yarn inventories were almost unchanged (-0.6%) in the 3rd quarter of 2009 as compared to the previous one. Yarn stocks plummeted in South America by -15.3% and decreased in Europe by -3.2% but remained stable in North America and rose by +1.3% in Asia. On an annual basis yarn stocks were down by -2.3% globally with South America, Europe and Asia seeing reductions of -10.3%, -3.4% and -2.0%.

The level of global fabric stocks jumped in the 3rd quarter of 2009 worldwide from its lowest levels in years by +5.3%. While inventories in North America and Europe continued falling by -7.7% and -1.5%, respectively, reaching new lows, those in South America and Asia grew by +3.3% and +10.5%, respectively. In comparison to last year's 3rd quarter, inventories rose by +2.2% on a global scale. This increase was a result of higher stocks in Asia only (+9.8%), while those in North America, South America and Europe fell by -18.3%, -3.8% and -3.3%, respectively.

In the 3rd quarter of 2009 both yarn and fabric orders experienced a strong increase. Yarn and fabric orders in Europe grew by +5.5% and +5.1%, respectively and those in Brazil even jumped by +19.1% and +10.0%, respectively. On an annual basis yarn and fabric orders in Europe were still down by -2.4% and -12.1%, respectively, whereas in Brazil they rose by +6.6% and +4.0%, respectively.

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