

## Global Yarn and Fabric Output up in Q2/2014

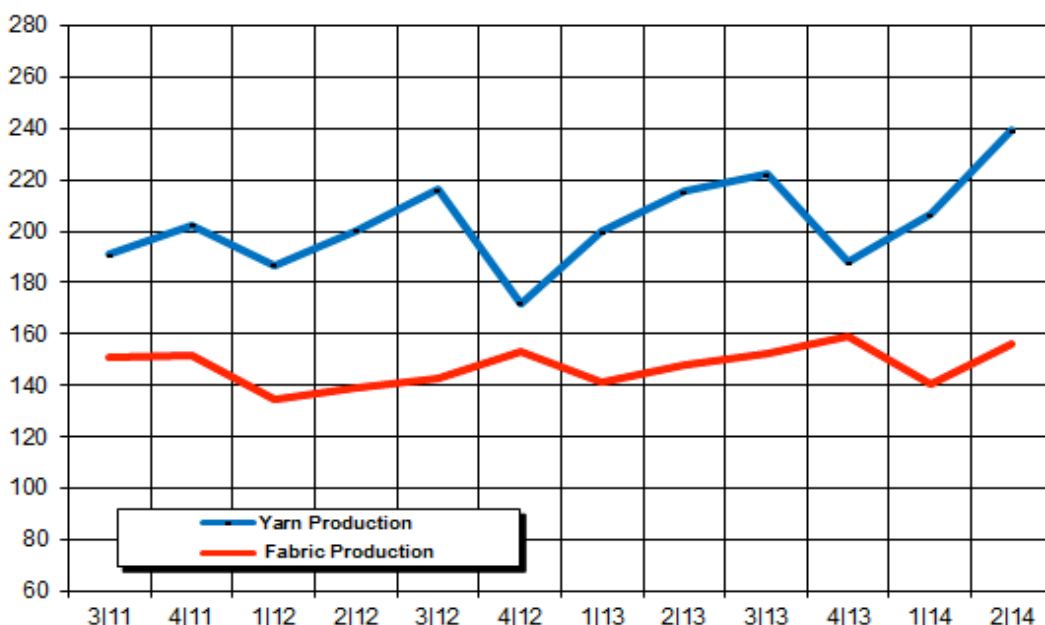
**Estimates (Q3/2014) and Outlook (Q4/2014)  
for Global Yarn and Fabric Output are Positive**

Global **yarn production** increased in Q2/2014 compared to the previous quarter due to higher output in Asia, South and North America and despite a drop in Europe. Also on an annual basis yarn production increased though only as a result of higher output in Asia with South America, North America and Europe recording reductions. It has to be pointed out that Asia's production is traditional significantly higher in the second quarter compared to the first one as a result of fewer working days in China in the first quarter due to the Chinese New Year holidays. Worldwide **yarn stocks** remained practically unchanged in Q2/2014 in comparison to the previous quarter with stocks falling in South America and Europe which were offset by higher inventories in Asia. Year-on-year global yarn stocks jumped due to higher inventories in Europe and especially in Asia and in spite of plummeting inventories in South America. **Yarn orders** in Q2/2014 were up in Brazil but down in Europe both in comparison to the previous quarter and year-on-year.

Global **fabric production** rose in Q2/2014 with all regions except Europe contributing to this growth. On an annual basis world fabric production was up as well with Asia, Europe and South America recording higher output. World **fabric stocks** in Q2/2014 were lower due to decreases in inventories in South America and Europe, while inventories in Asia and North America increased slightly. Also on an annual basis global fabric inventories fell due to reductions in South America and Europe and despite higher inventories in Asia and North America. **Fabric orders** in Europe recorded a reduction in the Q2/2014 while they rose in Brazil. Year-on-year fabric orders were higher in Europe but lower in Brazil.

## World Production Yarns & Fabrics

Index: Avr. Q1-Q4 2003 = 100



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**Estimates for yarn production** for Q3/2014 are positive in Asia, North and South America but negative in Europe.

**Estimates for fabric production** for Q3/2014 are positive in Asia and South America but negative in Europe.

The **outlook for yarn production** for Q4/2014 is positive in Asia and stable in Europe.

The **outlook for fabric production** for Q4/2014 is positive in Asia and stable in Europe.

In comparison to the first quarter global **yarn production** increased in Q2/2014 by 15.9% due to higher output in Asia (+17.0%), South America (+5.9%) and North America (+3.5%) and irrespective of lower production in Europe (-3.2%). Also in comparison to last year's quarter global yarn output was up by +11.1%. This increase was a result of a surge in yarn production in Asia (+12.5%), while output declined in South America (-14.5%), North America (-1.1%) and Europe (-0.3%).

In comparison with the previous quarter world **fabric production** rose in Q2/2014 by +11.3%. Asia and South America recorded higher output levels (+13.2% and +2.9%, respectively), while Europe's production declined by -0.5%. Year-on-year world fabric production rose as well (+5.5%) with all regions contributing to this growth, especially Asia (+6.2%) followed by Europe (+3.7%) and South America (+0.9%).

Global **yarn inventories** were practically unchanged (+0.1%) in Q2/2014 with Asia's inventories going up by +1.2% and South America's and Europe's falling by -9.8% and -1.2%, respectively. On an annual basis global yarn inventories jumped by +9.5% due to a surge in Asia (+13.5%) and a slight increase in Europe (+1.2%) and despite a drop in South America (-20.3%).

Global **fabric stocks** in Q2/2014 fell by -2.4%. In South America and Europe inventories were reduced by -9.8% and -6.1%, respectively, whereas fabric stocks slightly increased in Asia (+0.7%) and in North America (+0.2%). In comparison to last year's quarter world fabric stocks decreased by -3.1% with reductions in South America (-13.7%) and Europe (-4.1%) which were not offset by increases in Asia (+1.1%) and North America (+0.7%).

In Q2/2014 **yarn orders** in Brazil were up by +7.5% and down in Europe by -4.1%. On an annual basis yarn orders increased in Brazil by +8.5% and fell in Europe by -3.1%.

**Fabric orders** in Q2/2014 rose in Brazil in comparison to the previous quarter by +7.5% but were down in comparison to last year by -2.9%. In Europe fabric orders were lower in Q2/2014 compared to Q1/2014 (-3.7%) but higher on an annual basis by +2.2%.

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