

World Yarn and Fabric Production up in Q3/2013

Estimates for Q4/2013 for Global Yarn and Fabric Output are Positive.

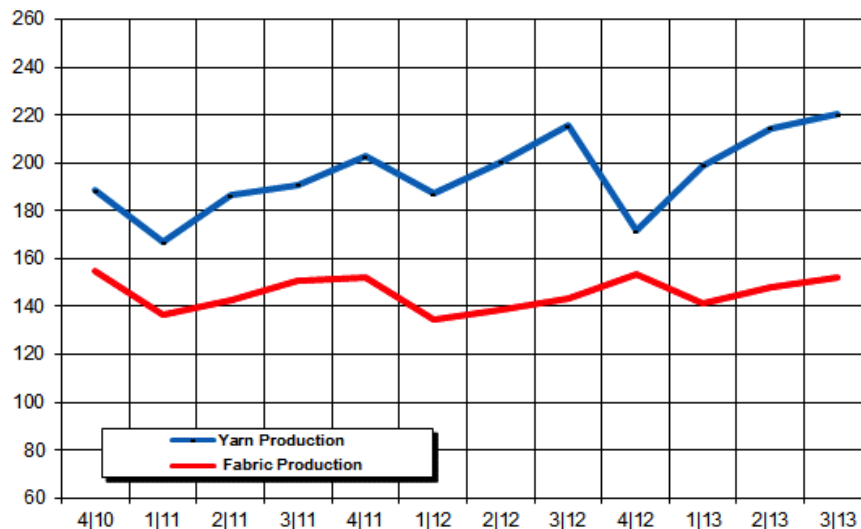
Outlook for Q1/2014 for Global Yarn and Fabric Output is Positive.

Global **yarn production** increased in Q3/2013 in comparison to the previous one as a result of higher output in Asia, North and South America while production fell in Europe. Year-on-year global yarn production was up as well with all regions recording higher output levels. Worldwide **yarn stocks** were slightly lower due to lower inventories in South America, Asia and Europe. On an annual basis global yarn stocks were up with all regions recording higher inventories. **Yarn orders** in Europe and Brazil rose in Q3/2013. Compared to last year's quarter yarn orders were higher in Europe but lower in Brazil.

Global **fabric output** was up in Q3/2013 as a consequence of higher production in South America and Asia and despite lower output in Europe. Year-on-year fabric production rose in Asia and Europe but dropped in South America. **Fabric stocks** were slightly higher globally as a result of higher inventories in Europe and Asia, while stocks were reduced in South and North America. In comparison to last year's quarter worldwide fabric stocks fell due to lower inventories in South and North America with stocks up in Europe and Asia. Fabric orders in Europe rose in Q3/2013 in Europe but decreased in Asia. On an annual basis fabric stocks were up in Brazil and Europe.

World Production Yarns & Fabrics

Index: Avr. Q1-Q4 2003 = 100



Estimates for yarn production for Q4/2013 are positive in Asia and Europe and unchanged in North and South America. **Estimates for fabric production** for Q4/2013 are positive in Europe and North America and unchanged in Asia and South America. The **outlook for yarn production** for Q1/2014 is slightly positive in Asia and unchanged in Europe and South America. The **outlook for fabric production** for Q1/2014 is positive in Asia and South America and unchanged in Europe.

In comparison to the previous quarter world **yarn output** rose in Q3/2013 by +2.8% due to higher output in South America (+3.0%), Asia (+2.9%) as well as in North America (+2.3%) and despite a reduction in Europe (-2.8%). In comparison to Q3/2012 global yarn production rose by +2.3% as a result of higher production levels in South America (+5.0%), North America (+4.7%), Europe (+3.1%) and Asia (+2.2%).

Compared with the previous quarter global **fabric production** rose in Q3/2013 by +2.9% with South America and Asia recording higher outputs of +4.3% and +3.7%, respectively, while Europe's production fell by -7.2%. Year-on-year global fabric production was up as well (+6.6%) with Asia recording a production jump of +9.3% and Europe of +3.2%, while South America recorded a slump of -19.5%.

Global **yarn inventories** were slightly down (-0.6%) in Q3/2013 due to lower stocks in South America (-3.3%), Europe (-0.3%) and Asia (-0.2%). On an annual basis global yarn inventories rose by +9.4% with all regions reporting higher stocks (Asia: +10.3%, Europe: +0.6% and South America: +0.4%).

Global **fabric stocks** in Q3/2013 increased slightly by +0.3% resulting from higher inventories in Europe (+1.3%) and Asia (+0.5%) and despite lower stocks in South America (-0.6%) and North America (-0.2%). Global fabric stocks were down year-on-year by -4.8% resulting from lower stocks in South America and North America (-22.3% and -2.1%, respectively). Fabric stocks in Europe and Asia on the other hand rose by +1.5% and +1.1%, respectively.

Yarn orders in Europe and Brazil were up in Q3/2013 by +36.9% and +2.0%, respectively. Compared to last year's quarter, yarn orders surged in Europe by +35.6% but dropped in Brazil by -11.1%.

In Q3/2013 **fabric orders** rose in Europe by +1.2% but were down in Brazil by -0.1%. On an annual basis they were up in Brazil by +8.8% and in Europe by +4.1%.

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