

Global textile business sentiment dips in March 2025 despite cautious optimism: ITMF

FW

The global textile industry experienced a slight downturn in March 2025, according to the latest Global Textile Industry Survey (GTIS) released by the International Textile Manufacturers Federation (ITMF). While the sector had shown a slow but steady recovery since November 2023, recent findings reveal a more complex picture marked by regional divergence, cautious optimism, and persistent structural issues.

Business sentiment deteriorated slightly at the global level, though East Asia and North & Central America saw marginal improvements from low baselines. Garment producers remained the most resilient across the textile value chain. Despite current challenges, expectations for the fourth quarter of 2025 were generally optimistic, particularly in Africa and the Americas. East Asia, however, stood out for its more pessimistic outlook. Producers of garments, fibres, and finished fabrics expressed the strongest optimism, in contrast to subdued expectations in the technical and home textiles segments.

Order intake, which had been recovering, lost momentum in March. East Asia and Europe saw declines, while South-East Asia remained stable. Garment producers led in maintaining order volumes. Globally, order backlogs dropped slightly to an average of 2.2 months, with Europe outperforming due to its robust manufacturing base. Capacity utilization stood steady at 73 per cent, bolstered by strong performance in Asia.

Inventory levels started to rise, particularly among yarn producers, while garment manufacturers maintained lean stocks in response to market uncertainty. Demand remained the biggest concern, cited by 62 per cent of respondents, followed by geopolitical tensions (41 per cent). Although concerns over energy and raw material costs eased slightly, worries about interest rates and new sustainability regulations are intensifying, pointing to ongoing challenges ahead for the global textile sector.