



FREE sample
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We have chosen an outstanding series of articles to please our readers this month. You will learn in Article 1 to 3 that perceptions in the ITMF Corona-Survey have barely changed between May and July 2021. It is the first time in 1,5 years that respondents don't revise their expectations between two surveys! Is this a sign that stability is coming back? Are textile manufacturers able to plan future activities with some more confidence and accuracy?

If this is the case, there is a chance that the current logistical disruption lasts until the first semester of 2022 as predicted in Article 4 and that spinning capacities keep increasing as expressed in Article 5. In any case, Peter Gnägi's insightful pieces of advice on the management of cyclical businesses come handy at this point to help distinguish between profit and performance, notions that often get confused during business up- and downswings (see Article 6).

However successful a company is today, Navdeep Sodhi reminds us in Article 7 that its long-term survival strongly depends on being sustainable. Once the next "wave" of structural changes hits the textile industry, it might be too late for manufacturers to react. Now is the time to take the matter into our own hands and steer the change.

I'd also like to acknowledge the work of hpo forecasting here (see "Quarterly Economic Commentary"). hpo's research team is thorough and sharp. We are thankful to welcome their recurring contribution in this newsletter and encourage you, our readers, to follow it and contact hpo for details.



Olivier Zieschank
director, ITMF

MENU

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REPORT: THE 9th ITMF CORONA-SURVEY

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QUARTERLY ECONOMIC COMMENTARY

EXECUTIVE SUMMARIES

Article 1: Business situation remains in positive territory though on a lower level

Companies in the textile industry recorded a good order intake in July 2021 which they expect to improve significantly by January 2022. Nevertheless, stark differences remain between regions and segments.

[> read more \(for members only\)](#)

Article 2: Order backlog unchanged compared to May 2021

On average order backlog did not change much since the last survey in May 2021. Also, companies do not expect order backlog to be reduced any time soon.

[> read more \(for members only\)](#)

Article 3: Capacity utilization rates remain stable with differences between regions and segments

Companies along the global textile value chain recorded capacity utilization rates of around 70% in July 2021. Differences between regions and segments indicate that the value chain is not yet balanced.

[> read more \(for members only\)](#)

Article 4: Logistical disruptions to persist into 2022

Almost 85% of all companies are anticipating that logistical problems continue to disrupt the global textile value chain into the first half of 2022. Companies are suffering from ultra-high transportation costs.

[> read more \(for members only\)](#)

Article 5: Attractiveness of the spinning industry increases

Increased investment in spinning machinery is likely to continue as the segment appears to be more competitive than before. These are the result of the latest Gross Spinners Margin analysis.

[> read more \(for members only\)](#)

Article 6: Management of a cyclic business, part 2

An important part of the management of cyclic business is monitoring the financial figures of the company. A practical example used by a textile machinery manufacturer over many years is explained.

[> read more \(for members only\)](#)

Article 7: Policy Perspectives for a new textile economy

The global textile industry is undergoing a step change called the 'Second Wave'. The 'Third Wave' is coming, the industry needs to prepare itself with a commensurate policy response.

[> read more \(for members only\)](#)

Partner news

DNFI Award 2021 - Deadline 10 Sept, apply NOW



DNFI Award 2021

Deadline approaching

"Extraordinary research has been showcased by DNFI over the last four years. Winners of the Innovation Award experienced increased awareness of their work and the potential for natural fibres to be used in products that raise producer welfare, improve consumer experiences, and reduce environmental impacts.

The DNFI Innovation Award recognizes research that all of us who advocate for natural fibres can be proud of."

Quote: Dr. Terry Townsend, DNFI Member and International Cotton Industry Consultant.

[> read more](#)

60th Dornbirn global fibre congress on 15 - 17 September 2021 – ONLINE EVENT



The annually held Dornbirn-GFC is organized by the Austrian Fibers Institute, located in Vienna. The Austrian Fibers Institute was founded in 1960 from fiber producers and the Austrian textile industry with the aim • to support the market launch of fibers and products made out of it • to enable an information an experience exchange between producers, processors of textiles, nonwovens and other applications of man-made fibers • to get in contact with technical colleges, universities and organisations with a similar target • the organisation of the Dornbirn-GFC as a platform for an international experience exchange in close cooperation with CIRFS, the European man-made fibers association

[> read more](#)