World Yarn Output up but Fabric Output down in Q1/2014
Estimates for Q2/2014 for Global Yarn and Fabric Output are Positive

Global yarn production increased in Q1/2014 compared to the last quarter in 2013 due to higher output in Asia, North America, and Europe, and despite a drop in South America. On an annual basis yarn production increased as well even though output levels were lower in South and North America. Worldwide yarn stocks decreased slightly in comparison to the previous quarter as a result of lower inventories in South America and Europe. Year-on-year global stocks jumped with higher stock levels in Asia and Europe and despite lower ones in South America. Yarn orders in Europe and Brazil were up in Q1/2014. Compared to last year’s quarter yarn orders were lower in Europe and in Brazil.

Global fabric production was down in Q1/2014 as a consequence of lower fabric production in Asia with South America and Europe recording higher output levels. Year-on-year world fabric production decreased slightly with Asia’s output having shrunk and Europe’s and South America’s having grown. Worldwide fabric stocks were lower in Q1/2014 with South and North America recording lower stock levels and despite higher ones in Asia and Europe. On an annual basis fabric stocks fell as well as a result of decreasing stocks in South America and despite higher stocks in Asia, North America and Europe. Fabric orders rose in Q1/2014 both in Europe and Brazil. Also in comparison to last year’s first quarter fabric orders were up in Europe and Brazil.
Estimates for yarn production for Q2/2014 are positive in Asia and North America, unchanged in South America but negative in Europe. Estimates for fabric production for Q2/2014 are positive in Asia and Europe and unchanged in South America.

The outlook for yarn production for Q3/2014 is positive in Asia and unchanged in Europe. The outlook for fabric production for Q3/2014 is positive in Asia and Europe.

In comparison to the last quarter in 2013 global yarn production increased in Q1/2014 by +10.0% due to higher output levels in Asia (+11.0%), North America (+3.2%) and Europe (+0.5%) and in spite of a drop in South America (-8.2%). In comparison to Q1/2013 global yarn output had increased as well (+3.3%) with production in Asia and Europe up by +4.0% and +3.0%, respectively, while a decline was recorded in South and North America (-16.8% and -1.7%, respectively).

In comparison with the previous quarter world fabric production fell in Q1/2014 by -11.6% as a result of a reduction in Asia (-14.3%) and despite higher output levels in South America (+11.0%) and Europe (+2.9%). Year-on-year fabric production worldwide decreased slightly by -0.6% which could be attributed to a decrease in Asia (-1.2%) that could not be offset by increases in Europe (+4.0%) and South America (+1.0%).

Global yarn inventories fell slightly (-0.8%) in Q1/2014 as a result of reduced stocks in South America (-8.0%) and Europe (-0.6%) while stocks in Asia were unchanged. On an annual basis, global yarn stocks jumped by +11.1% due to higher inventory levels in Asia (+14.4%) and Europe (+6.9%).

Global fabric stocks in Q1/2014 fell by -1.0%. In South America they declined by -4.1%, while Europe and Asia recorded increases of +2.0% and +0.1%, respectively. In comparison to last year’s quarter global fabric stocks decreased as well as result of lower tocks in South America (-11.8%) and despite higher inventories in Europe (+2.2%), North America (+0.9%) and Asia (+0.4%).

In Q1/2014 yarn orders jumped by +21.8% in Brazil and by +1.0% in Europe. Compared to last year’s quarter yarn orders were down in Europe (-4.2%) and in Brazil (-0.5%). In Q1/2014 fabric orders increased both in Brazil and Europe by +6.9% and +5.1%, respectively. Also on an annual basis fabric orders rose by +13.5% in Brazil and by +6.6% in Europe.

July 2014