

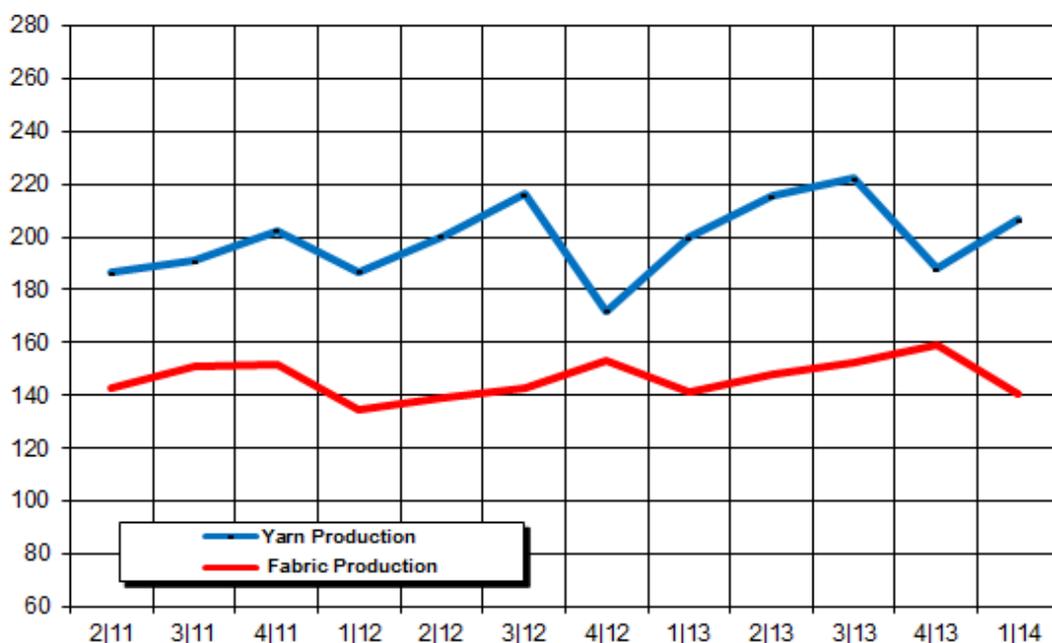
World Yarn Output up but Fabric Output down in Q1/2014 Estimates for Q2/2014 for Global Yarn and Fabric Output are Positive

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.

World Production Yarns & Fabrics

Index: Avr. Q1-Q4 2003 = 100



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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 stocks 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