

## Global Yarn and Fabric Output up in Q4/2014

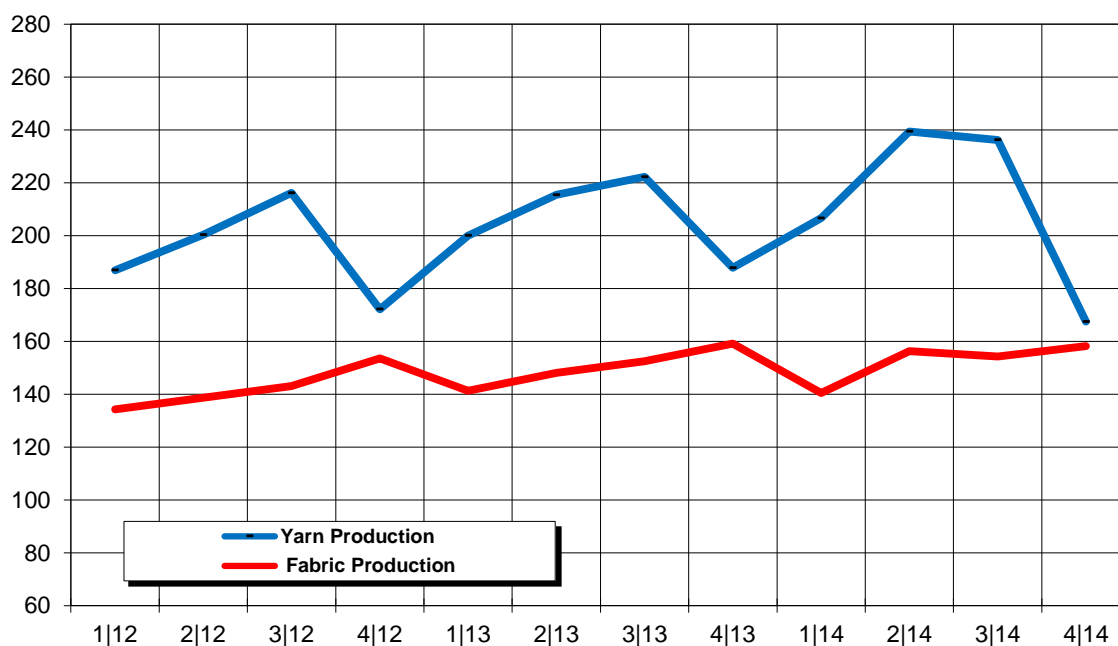
### Positive Estimates (Q1/2015) and Outlook (Q2/2015) for Global Yarn and Fabric Output

Global **yarn production** fell in Q4/2014 compared to the previous quarter due to a strong decline in Asia and decreases in North and South America. Yarn output in Europe, on the other hand, increased quarter-on-quarter. On an annual basis, the global yarn production decreased the first time since Q4/2012. All regions saw declines. Thereby, in Asia and South America output fell strongest. Worldwide **yarn stocks** fell in Q4/2014 in comparison to Q3/2014. Thereby, yarn stocks in Asia and South America were reduced, while they rose in Europe. Year-on-year, global yarn stocks fell due to a reduction in inventories in Europe and South America. **Yarn orders** in Brazil fell quarter-on-quarter in Q4/2014 after two consecutive increases. In Europe, in contrast, they increased moderately. However, on an annual basis the pattern changed. Brazilian orders rose massively as previous year's base was exceptionally low. European orders, on the other hand, fell year-on-year.

Global **fabric production** rose in Q4/2014 compared to the previous quarter in tow with strong increases in Asia and Europe. Fabric output in South America, instead, fell. On an annual basis world fabric production fell moderately due to declines in Asia. In Europe and South America output rose. World **fabric stocks** were increased quarter-on-quarter in Q4/2014. Thereby, stocks in North and South America climbed, while they were decreased in Asia and Europe. Year-on-year, the picture was mixed with increases in Asia and North America and decreases in Europe and South America. Overall, global fabric inventories fell annually. **Fabric orders** in Q4/2014 rose in Europe and fell in Brazil quarter-on-quarter as well as year-on-year.

## World Production Yarns & Fabrics

Index: Avr. Q1-Q4 2003 = 100



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**Estimates for yarn production** for Q1/2015 are positive in Asia and negative in Europe. For South America estimates indicate an unchanged output. The same pattern applies to the **estimates for the fabric production** for Q1/2015.

The **outlooks for yarn and fabric production** for Q2/2015 are positive in Europe and in Asia.

In Q4/2014, global **yarn production** fell by 29% quarter-on-quarter. The reason for the strong decline were exceptionally weak figures from Asia. Asian yarn production fell by 31% quarter-on-quarter. In contrast, in Europe output climbed by 5.3%, while in North and South America yarn output fell by 7.6% and 8% in Q4/2014 compared to Q3/2014. In comparison to Q4/2013 worldwide yarn production fell by nearly 10.9% in last year's final quarter. Thereby, in Asia output fell by 11.5%. Annual growth rates in Europe declined by 3.3% and in North America and South America by 0.2% and 5.4% respectively.

Global **fabric production** climbed by 2.6% in Q4/2014 compared to the previous quarter. The strongest increase was recorded in Europe with 7.9% followed by Asia with 2.4%. In South America fabric output fell by 1.4%. In contrast, global fabric output decreased by 0.4% year-on-year as Asian production fell by 1%. Europe and South America recorded increases of 1.9% and 3.2% respectively.

Global **yarn inventories** were reduced by 1.1% in Q4/2014 quarter-on-quarter. Thereby, Asian and Southern American inventories fell by 0.5% and 7.6%. European stocks were increased by 3.4%. On an annual basis, global yarn inventories fell by 0.9% due to a strong reduction in South America (17.4%). In Asia yarn stocks rose by 1% and in Europe they fell by 2%.

Worldwide **fabric stocks** in Q4/2014 were increased by 1.4% compared to the previous quarter with North and South America contributing positively. Stocks in Asia and Europe were reduced by 0.4% and 1.5% respectively. In contrast, global fabric inventories in Q4/2014 were reduced by 0.7% year-on-year. While fabric stocks were raised by 0.5% in Asia and 1.4% in North America, they fell by 1.1% and 4.3% in Europe and in South America respectively.

In Q4/2014 **yarn orders** in Brazil fell by 4% quarter-on-quarter and climbed by 0.8% in Europe. On an annual basis yarn orders increased in Brazil by 32.8% and fell in Europe by 1.6%. **Fabric orders** in Q4/2014 declined by 20.8% in Brazil compared to the previous quarter, while they rose by 4.5% in Europe. Year-on-year, Brazilian fabric orders fell by 3.8% whereas in Europe they rose by 1.2%.

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