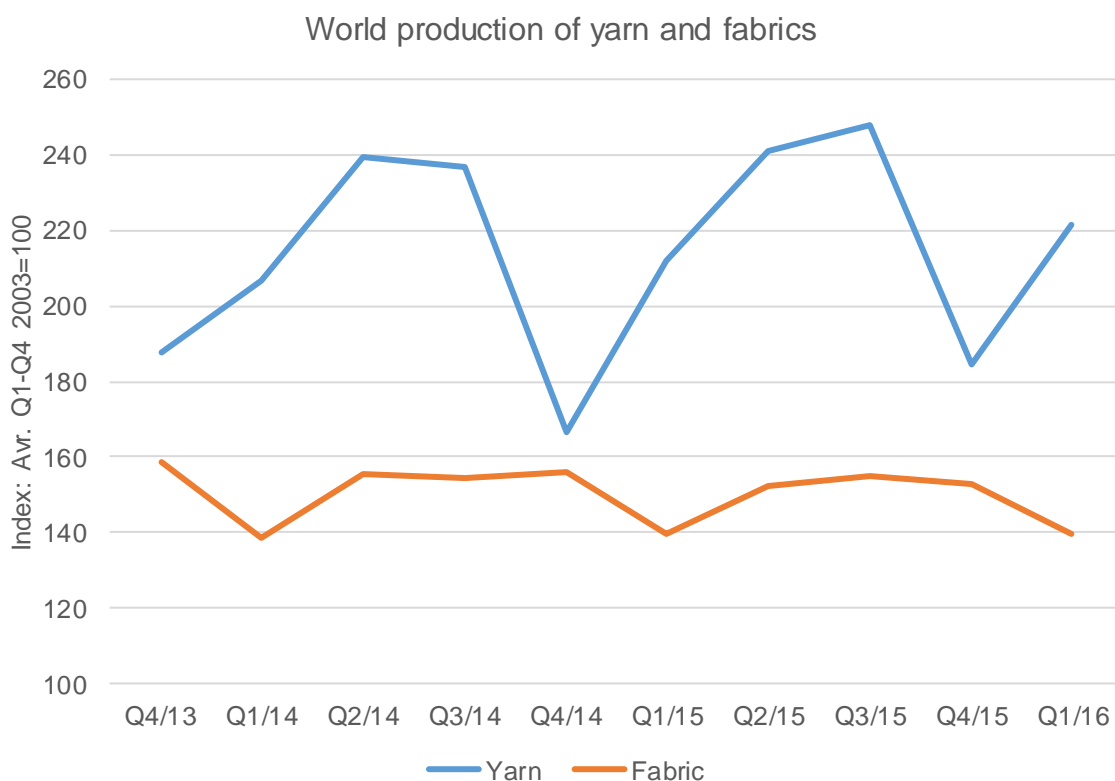


Global yarn output up in Q1/2016 Global fabric output down in Q1/2016

Positive estimates and outlook for global yarn and fabric output for Q2/2016 and Q3/2016

The global **yarn production** increased in Q1/2016 quarter-on-quarter. Thereby, output in Asia and South America rose on a quarterly basis, while it decreased in Europe. On an annual basis, the global yarn production in Q1/2016 improved versus Q1/2015 with positive growth rates in Asia and Europe. Global yarn stocks fell in Q1/2016 quarter-on-quarter. Yarn stocks were reduced in Asia and South America, while they remained unchanged in the other regions. Year-on-year, global yarn stocks increased. **Yarn orders** in Europe and South America improved quarter-on-quarter and year-on-year.

Global **fabric production** fell in Q1/2016 against Q4/2015 due to decreases in Asia and Europe. In South America, in contrast, fabric production increased. Compared to the level of Q1/2015 global fabric output remained unchanged. Thereby, Asian output remained stable, South American output fell and fabric production in Europe rose year-on-year. In Q1/2016, worldwide **fabric stocks** increased moderately quarter-on-quarter. Fabric inventories were reduced in Asia, while they increased in South America. Fabric stocks in Q1/2016 remained unchanged year-on-year. European **fabric orders** decreased quarter-on-quarter and in South America they increased. On a yearly basis fabric orders declined in Europe and in South America.



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Estimates signal an increase of global yarn and fabric production for Q2/2016.

The **global outlook for yarn and fabric production** signals a further improvement for Q3/2016.

In Q1/2016, global **yarn production** increased by 20% quarter-on-quarter. Thereby, Asian yarn output strengthened by 21% quarter-on-quarter and by 29% in South America. In Europe it fell by 4%. Global yarn output grew by 4% in Q1/2016 versus Q1/2015. The annual percentage change of yarn output in Asia and Europe amounted to 5% and 4%, respectively. In North and South America yearly growth rates were in negative territory with over 7% and 6% each.

Global **fabric production** declined by over 8% in Q1/2016 against the previous quarter. While Asian and European output fell by over 10% and 2%, respectively, South American fabric production improved by 31% quarter-on-quarter. Year-on-year, global fabric output remained unchanged in Q1/2016. Thereby, Asian production remained broadly unchanged year-on-year, while South America's output fell by nearly 21%. Europe's fabric output rose by around 9% year-on-year.

Global **yarn inventories** decreased in Q1/2016 by 5% quarter-on-quarter with reductions of 6% in Asia and 1% in South America. In Q1/2016, the annual percentage change of global yarn inventories recorded an increase of nearly 3%. Thereby, European yarn stocks increased by nearly 7% year-on-year and in South America stocks rose by 35%. Asian yarn stocks remained unchanged on an annual basis in Q1/2016.

Worldwide **fabric stocks** remained nearly unchanged quarter-on-quarter in Q1/2016. Thereby stocks in Asia were reduced by less than 1%, while in South America they were increased by over 2%. On a yearly basis, global fabric inventories in Q1/2016 remained nearly unchanged. Europe's fabric stocks decreased in Q1/2016 by 3.5% annually and by nearly 2% in North America. In the other regions stocks were roughly stable on a year-on-year basis.

In Q1/2016, European **yarn orders** rose moderately by 0.5% quarter-on-quarter and by 3% year-on-year. In South America they increased significantly by over 100% quarter-on-quarter and rose by 22% year-on-year. European **fabric orders** in Q1/2016 fell by 2% quarter-on-quarter and by 4% year-on-year. South American fabric orders in Q1/2016 increased by nearly 5% quarter-on-quarter and fell by 23% year-on-year.

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