Yarn and fabric production decreased in Q1/18

Global yarn production decreased by -9% between Q4/17 and Q1/18. Output reductions in Africa (-13%), Asia (-11%), and Europe (-1.5%) have cancelled out the increase in Brazil (+12%) and the relatively small improvement in the U.S.A (+3%). Most responding countries from Africa, Asia, and North America are optimistic about the evolution in Q2/18 while Europe and Brazil expect a decline in production. Global yarn stocks decreased in all regions in Q1/18 except in Brazil (+1.5%). The strongest reduction occurred in Asia (-6%), followed by Europe (-3%), and Egypt (-1.5%). Altogether, yarn stocks reach 89% of their previous year level for the same quarter. Global yarn orders decreased in all countries by -5% on average, except in Japan where it increased by +2%.

Global fabric production decreased from Q4/17 to Q1/18 by -10% at world level. It fell by -12% in Asia, -5% in Africa and -2% in Europe. It increased by +1% in Brazil. The world output level now reaches 96% of its Q1/17 level. South Africa, Pakistan, and Turkey expect a further increase in fabric production in Q2/18. All other countries foresee stability or decrease. In Q1/18, the global fabric stock level grew by +1%. It was driven by Brazil's stocks improvement of +5%, which was sufficient to bring fabrics stocks 13% over their Q1/17 level. Fabric stocks remain stable in Asia, Europe, and the U.S.A. They continue to steadily drop in Egypt and South Africa and constantly increase in Brazil. The global fabric orders have reduced between Q4/17 and Q1/18 by 6%. Europe's small improvement (+2%) was balanced out by reductions in Brazil and Africa (-10% and -18%, respectively), which brought the global index to 88% of its previous year level.