



INTERNATIONAL TEXTILE MANUFACTURERS FEDERATION
FEDERATION INTERNATIONALE DES INDUSTRIES TEXTILES
INTERNATIONALE VEREINIGUNG DER TEXTILINDUSTRIE

PRESS RELEASE - STATE OF TRADE REPORT Q4 / 2009

New Global Yarn and Fabric Production Highs

North America with Record Lows

Global recovery in yarn and fabric production continued in the 4th quarter of 2009 from their lows in the 4th quarter of 2008. Yarn and fabric production rose in Asia and Europe, whereas South and North America recorded reduced output levels compared to the previous quarter. Production in North America reached lowest levels ever. Global yarn stocks fell slightly mainly due to lower inventories in Asia while those in the other regions remained almost unchanged. Global fabric stocks increased as a consequence of a considerable jump of inventories in South America and a modest increase in Asia and despite lower inventories in North America and Europe. Orders of yarn and fabrics increased in Europe while they dropped significantly in Brazil.

World yarn production rose by +6.1% in the 4th quarter of 2009 in comparison to the previous one. This is underlining the upward trend which could be observed since the 1st quarter of 2009. While Europe and Asia recorded increases of +12.8% and +5.5%, respectively, yarn production in North and South America fell by -2.6% and -10.2%, respectively. This was the lowest level ever recorded in North America. In comparison to last year's quarter Asia and Europe saw significant higher output levels with +13.7% and +8.8%, respectively, whereas South America remained unchanged and North America recorded a fall of -9.5%.

Fabric production grew worldwide by +4.0% in the 4th quarter of 2009. Again Europe and Asia recorded higher output levels of +18.8% and +5.0%, respectively, whereas South and North America reported significant lower output levels of -17.2% and -7.3%, respectively. Like in yarn production this was the lowest output level ever recorded in North America. Year-on-year global fabric production increased by +9.3% as a result of higher output in Asia (+11.9%). Europe and South America on the other hand recorded production levels which were slightly below the ones of the previous year (-1.9% and -2.8%, respectively), while North America output level dropped markedly by -16.8%.

World yarn inventories fell slightly by -0.9%. In Asia they were reduced by -1.4% and in Europe by only -0.1% and rose slightly in South America by +0.4%. On an annual basis world yarn stocks were down by -5.4% as levels fell in South America by -21.6%, in Asia by -5.5% and in Europe by -3.8%.

Fabric stocks were up globally by +5.6% with South America recording a jump of +35.9% and Asia a small increase of +1.5%. In Europe inventories fell slightly by -0.2% and in North America by -2.6%, the lowest levels ever recorded in both regions. As compared to the 4th quarter of 2008, global fabric inventories increased by +7.4%. In South America stocks soared by +30.8% and rose in Asia by +9.3%. On the other hand inventories in North America dropped by -16.9% and decreased by -2.85 in Europe.

In Europe yarn and fabric orders continued to recover somewhat by +2.6% and +1.7%, respectively, whereas Brazil recorded significant lower orders (-12.4% and -27.0%, respectively). On an annual basis yarn orders in Europe and Brazil were up by +4.3% and +16.8%, respectively, whereas fabric orders were down by -7.8% and -20.3%, respectively.

In the 3rd quarter of 2009 both yarn and fabric orders experienced a strong increase. Yarn and fabric orders in Europe grew by +5.5% and +5.1%, respectively and those in Brazil even jumped by +19.1% and +10.0%, respectively. On an annual basis yarn and fabric orders in Europe were still down by -2.4% and -12.1%, respectively, whereas in Brazil they rose by +6.6% and +4.0%, respectively.

April 2010

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