

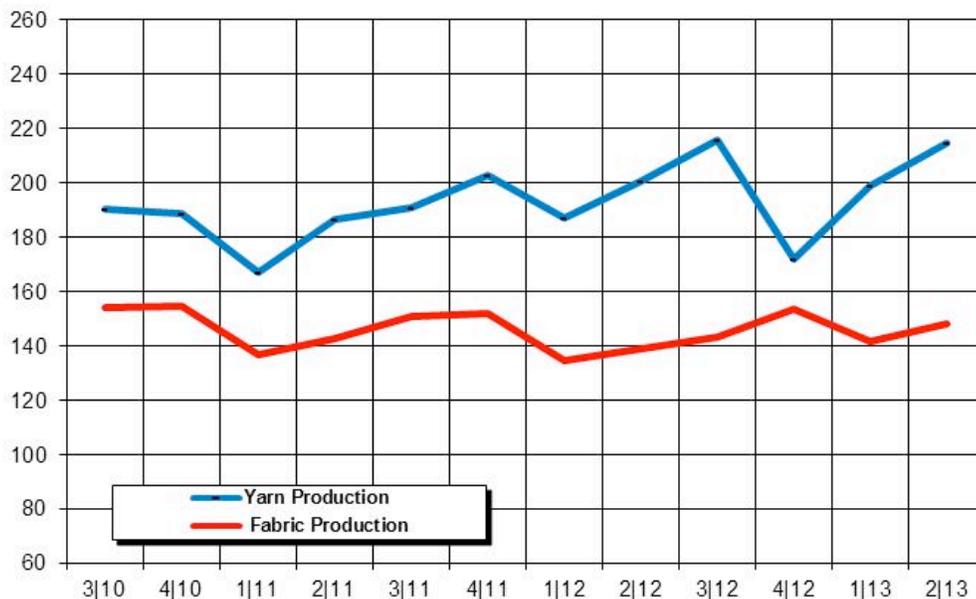
## World Yarn and Fabric Production up in Q2/2013 Estimates (Q3/2013) and Outlook (Q4/2013) for Global Yarn and Fabric Output are Positive in Asia and Negative in Europe

Global **yarn production** increased in Q2/2013 in comparison to the previous one as a result of higher output in Asia, North and South America while production remained practically unchanged in Europe. Year-on-year global yarn production was up as well with Asia and South America recording higher and Europe and North America lower output. Worldwide **yarn stocks** were slightly higher due to higher inventories in Europe and Asia while stocks in South America were down. On an annual basis global yarn stocks were up with all regions recording higher inventories. **Yarn orders** in Europe and Brazil fell in Q2/2013. Also compared to last year's quarter yarn orders fell both in Europe and Brazil.

Global **fabric output** was up in Q2/2013 as a consequence of higher production in Europe, South America and Asia. Year-on-year production rose in Asia and Europe but dropped in South America. **Fabric stocks** were down globally as a result of lower inventories in South America, whereas stocks remained practically unchanged in all other regions. In comparison to last year's quarter worldwide fabric stocks fell due to lower inventories in South America, North America and Europe with stocks up in Asia. Fabric orders in Brazil soared in Q2/2013 but decreased in Europe. On an annual basis fabric stocks were up in Brazil but down in Europe.

### World Production Yarns & Fabrics

Index: Avr. Q1-Q4 2003 = 100



**Estimates for yarn production** for Q3/2013 are positive in Asia, neutral in North and South America and negative in Europe. **Estimates for fabric production** for Q3/2013 are positive in Asia, neutral in North and South America and negative in Europe. The **outlook for yarn production** for Q4/2013 is positive in Asia and neutral in Europe and South America. The **outlook for fabric production** for Q4/2013 is positive in Asia and neutral in Europe and South America.

In comparison to the previous quarter world **yarn output** rose in Q2/2013 by +7.7% due to higher output in Asia (+ 8.2%) – particularly in China (+9.9%) – as well as in North America (+4.8%) and South America (+3.1%) and despite a reduction in Europe (+0.1%). In comparison to Q2/2012 global yarn production rose by +7.0% as a result of higher production levels in Asia and South America (+7.6% and +4.6%, respectively) and irrespective of lower output levels in North America and Europe (-8.0% and -1.7%, respectively).

Compared with the previous quarter global **fabric production** rose in Q2/2013 by +4.8% with all regions recording increases (Asia: +5.4%, South America: +3.0% and Europe: +0.4%). Year-on-year global fabric production was up as well with Asia recording a production jump of +9.6% and Europe of +4.2%, while South America recorded a slump of -20.8%.

Global **yarn inventories** were slightly higher (+0.8%) in Q2/2013 due to higher stocks in Europe (+4.4%) and Asia (+1.2%), with stocks in South America down by -1.9%. On an annual basis global yarn inventories rose by +3.5% with all regions reporting higher stocks (Asia: +2.7%, Europe: +0.9% and South America: +0.3%).

Global **fabric stocks** in Q2/2013 fell by -2.2% resulting from lower inventories in South America (-7.8%) and despite higher stocks in North America (+0.7%). Global fabric stocks were down year-on-year by -4.6% resulting from lower stocks in South America, North America and Europe (-20.0%, -2.3% and -1.8%, respectively). Fabric stocks in Asia on the other hand rose by +1.1%.

**Yarn orders** in Europe and Brazil fell in Q2/2013 by -5.5% and -1.5%, respectively. Compared to last year's quarter, yarn orders dropped in Brazil by -15.8% and in Europe by -3.7%.

In Q2/2013 **fabric orders** jumped in Brazil by +25.6% but were down in Europe by -1.7%. On an annual basis they were up in Brazil by +1.2% but fell in Europe by -0.3%.

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