

ITMF PRESS RELEASE

International Textile Manufacturers Federation, Wiedingstrasse 9, CH-8055 Zürich, Phone (+41-44) 283 63 80, Fax (+41-44) 283 63 89

World Yarn Production Jumps in Q1/2013

Estimates (Q2/2013) and Outlook (Q3/2013) for Global Yarn and Fabric Output are Positive

Global **yarn production** jumped in Q1/2013 in comparison to the previous quarter as a result of higher output in Asia, North and South America and despite a decrease in Europe. Also on an annual basis global yarn output rose resulting from higher output in Asia, South America and Europe while production fell significantly in North America. Global **yarn stocks** were practically unchanged in Q1/2013 with Europe and Asia recording lower ones and South America slightly higher ones. Also on an annual basis yarn stocks practically did not change. **Yarn orders** in Europe and Brazil were up in the Q1/2013 in comparison to the previous quarter. On an annual basis yarn order increased in Europe but dropped in Brazil.

Global **output of fabric** decreased in the Q1/2013 due to lower production in South America and Asia which could not be set off with increases in Europe. On a year-to-year basis world fabric production was up as a result of higher production in Europe and Asia and despite a reduction in South America. **Fabric stocks** fell worldwide in comparison to the previous quarter due to reductions in South and North America and despite higher stocks in Asia. In comparison to last year's quarter global fabric stocks fell also with lower stocks recorded in South America, North America and Europe which were not compensated by higher fabric stocks in Asia. **Fabric orders** in Q1/2013 rose in Brazil but fell in Europe. Year-on-year fabric orders were down both in South America and Europe.

Estimates for yarn production for the 2nd quarter 2013 compared to the 1st quarter of 2013 are positive in Asia and North America, neutral in South America and negative in Europe. **Estimates for fabric production** for the 2nd quarter 2013 are positive in Asia and Europe and neutral in South America.

The **outlook for yarn production** for the 3rd quarter 2013 compared to the 1st quarter 2013 is positive in Asia and North America, neutral in South America and negative in Europe. The **outlook for fabric production** for the 3rd quarter 2013 is positive in Asia and Europe and neutral in South America.

In comparison to the previous quarter world **yarn output** jumped in Q1/2013 by +21.7% compared to the previous one due to higher output in Asia (+23.6%) – particularly in China (+29.7%) – as well as North and South America (+5.0% and +3.0%, respectively). Production of yarn fell in Europe by -0.9%. Global yarn production increased year-on-year by +11.7%. While Asia (+13.0%), South America (+2.9%) and Europe (+1.4%) recorded higher output levels, yarn production dropped in North America (-18.9%).

Compared with the previous quarter global **fabric output** plummeted by 8.0% due to reductions in South America (-11.9%) and Asia (-8.6%), while Europe recorded an increase of +3.2%. In comparison to Q1/2012 global fabric production was higher (+5.3%) as a result of higher output in Europe and Asia with +7.5% and +7.3%, respectively.

Global yarn inventories decreased slightly by 1.7 % in Q1/2013 with Europe and Asia recording decreases of -2.7% and -2.0%, respectively, while inventories in South America were slightly up (+0.3%). On an annual basis global yarn inventories were slightly down by 1.3%. Yarn stocks in Asia, Europe and South America fell by -1.5%, 0.3% and -0.2%, respectively.

Global **fabric stocks** were reduced by -1.1% in the Q1/2013 in comparison to the previous one. In South America they dropped by -9.6% and in North America by -1.4%, while fabric inventories in Asia were slightly up (+0.5%) and remained unchanged in Europe. Year-on-year global fabric stocks were down by -2.9% with reductions recorded in South America (-14.4%), North America (-7.5%) and Europe (-5.7%), while fabric stocks in Asia were up by +1.2%.

Yarn orders in Europe and Brazil were higher in the Q1/2013 in comparison to the previous quarter. On an annual basis yarn order jumped in Europe (+16.2%) but plummeted in Brazil (-17.6%).

Fabric orders jumped in Brazil in Q1/2013 by +17.9% compared to the previous one and fell slightly in Europe by -0.2%. In comparison to Q1/2012 fabric orders plummeted in Brazil by -14.0% and in Europe by -3.6%.

July 2013