

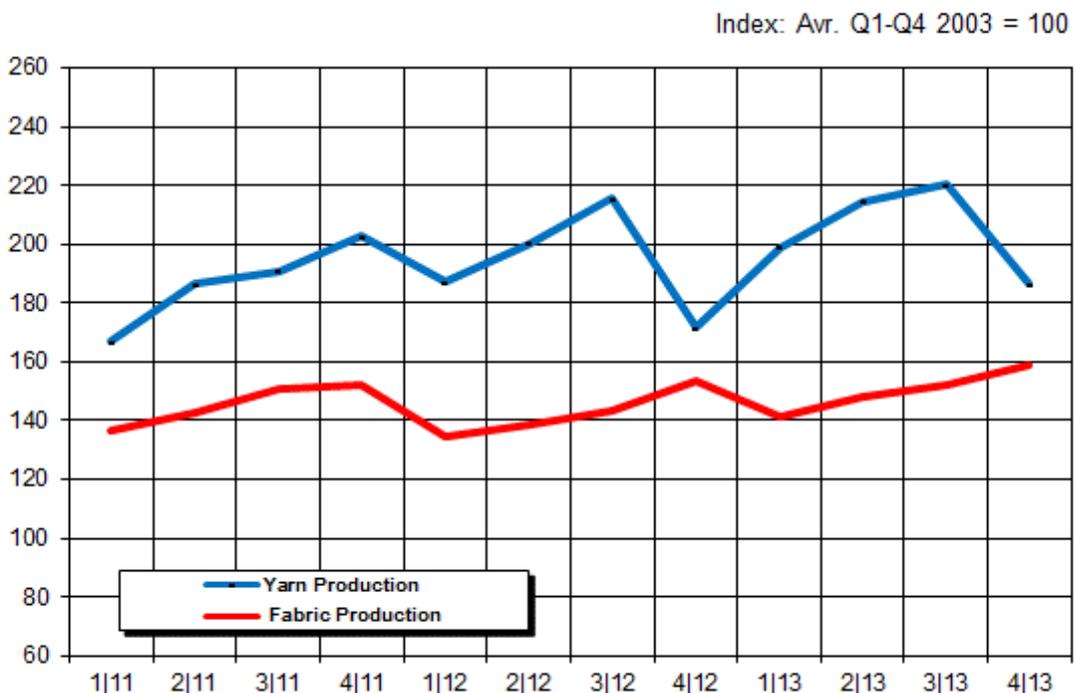
World Yarn Output down but Fabric Output up in Q4/2013

Estimates for Q1/2014 for Global Yarn and Fabric Output are Positive

Global **yarn production** dropped in Q4/2013 in comparison to the previous quarter as a result of lower output in Asia, South and North America while production in Europe was up. Year-on-year global yarn production was up with all regions – except South America – recording higher output levels. Worldwide **yarn stocks** rose due to higher inventories in Europe and Asia and despite lower ones in South America. On an annual basis global yarn stocks were up as well in all regions, except in South America. **Yarn orders** in Europe increased slightly but dropped in Brazil in Q4/2013. Compared to last year's quarter yarn orders were lower both in Brazil and Europe.

Global **fabric output** was up in Q4/2013 as a consequence of higher production in Europe and Asia and despite lower output in South America. Year-on-year world fabric production rose due to increases in Asia and Europe and despite a drop in South America. **Fabric stocks** were slightly higher globally as a result of higher inventories in North and South America, while stocks were reduced in Europe and Asia. In comparison to last year's quarter worldwide fabric stocks fell due to lower inventories in South and North America while stocks rose in Asia and Europe. Fabric orders in Brazil and Europe decreased in Q4/2013. On an annual basis fabric stocks were up both in Brazil and Europe.

World Production Yarns & Fabrics



Estimates for yarn production for Q1/2014 are positive in Asia, Europe, North and South America. **Estimates for fabric production** for Q1/2014 are positive in Asia, Europe and South America and negative in North America. The **outlook for yarn production** for Q2/2014 is positive in Asia and unchanged in Europe and South America. The **outlook for fabric production** for Q2/2014 is positive in Asia and unchanged in Europe and South America.

In comparison to the previous quarter world **yarn output** dropped in Q4/2013 by -15.4% due to lower output in Asia (-16.1%), South America (-14.7%) as well as in North America (-6.7%) and despite an increase in Europe (+4.6%). In comparison to Q4/2012 global yarn production rose by +8.7% as a result of higher production levels in Asia (+9.6%), North America (+5.0%), Europe (+0.7%) irrespective of a decline in South America (-6.7%).

Compared with the previous quarter global **fabric production** rose in Q4/2013 by +4.3% with Europe and Asia recording higher outputs of +6.4% and +5.6%, respectively, while South America's production fell by -15.3%. Year-on-year global fabric production was up as well (+3.5%) with Asia recording a production jump of +5.4% and Europe of +2.0%, while South America recorded a slump of -19.8%.

Global **yarn inventories** were up by +1.2% in Q4/2013 due to higher stocks in Europe (+3.3%) and Asia (+1.4%) with stocks in South America down by -0.7%. On an annual basis global yarn inventories rose by +3.9% with Europe's yarn inventory up by +4.6% and Asia's by +3.2%. In South America yarn stocks were reduced by -5.5%.

Global **fabric stocks** in Q4/2013 increased slightly by +0.1% resulting from higher inventories in North America (+1.5%) and South America (+0.4%) and despite lower stocks in Europe (-1.1%) and Asia (-0.2%). Global fabric stocks were down year-on-year by -3.1% resulting from lower stocks in South America and North America (-16.8% and -0.2%, respectively). Fabric stocks in Asia and Europe on the other hand rose by +0.9% and +0.2%, respectively.

Yarn orders in Q4/2013 were up in Europe by +0.8% and down in Brazil by -18.7%. Compared to last year's quarter, yarn orders recorded a fall in Brazil and Europe of -15.8% and -0.3%, respectively.

In Q4/2013 **fabric orders** fell in Brazil by -7.7% and by -2.9% in Europe. On an annual basis they were up in Brazil by +25.1% and in Europe by +3.8%.

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