

## The global trend in yarn production seems to change course in Q2/2019

**Global yarn production** increased by +17% from Q1/19 to Q2/19. Higher output levels were observed in Asia (+20%), Europe (+3%\*), and the U.S.A. (+1.4%). The overall Asian result is driven by a +27% increase in Chinese yarn production. Within the Asian region, only Korea, Rep. recorded a production drop (-1.4%). Other decreasing trends are observed in Brazil (-2.2%) and Egypt (-16%). Forecasts for Q2/19 are optimistic in Pakistan, Chinese Taipei, and South Africa. **Global yarn stocks** decreased by -4.7% in Q1/19. This results from the stagnation of European and Egyptian stocks and their decrease in the Asian region (-4.3%) and Brazil (-22%). The decrease in Asia is led by contractions in India and Korea, Rep. Altogether, yarn stocks reached 98% of their Q2/18 level. **Global yarn orders** are contracting in all surveyed countries. A reduction of -15% from Q1/19 to Q2/19 is recorded at world level. Yarn orders in Q2/19 represent 82% of the previous year's level for the same quarter.

**Global fabric production** increased by +2.4% from Q1/19 to Q2/19. An output raise is recorded in China (+6.7%), Japan (+5.9%), Turkey (+3.4%), South Africa (+3.1%) and Brazil (+1.3%). A strong decrease in fabric production is observed in Italy (-26%), Egypt (-19%) and Spain (-10%). The world output level now reaches 89% of its Q2/18 level. Output levels are expected to further decrease in Q3/19 in Egypt, Germany, Italy, and Spain and improvements are foreseen in South Africa, Pakistan and Chinese Taipei. **Global fabric stocks** have decreased between Q1/19 and Q2/19, driven by a drop of -30% in Brazil. An increase in fabric stock was only recorded in Chinese Taipei (+27%) while levels in the rest of the world were stagnating. Global fabrics stocks were 91% of their previous year's level. **Global fabric orders** have increased by +8.7% in Q2/19, led by Brazil with +14% improvement, and reached 82% of their Q2/18 level.

World Production of Yarn and Fabric

