

In 2015, employment in the textile and clothing sector managed to get off the ground. Looking at the qualitative indicators from the European Commission's business surveys, consumer confidence slightly increased in the EU, however negative prospects in the sector's business development are suggested.

I. EU28 Short-term business statistics

Methodological note: the short term indices are based on the new NACE Rev.2 and the year base 2010=100

Due to positive evolution in the retail sales and growing exports of textile and clothing goods, in 2015* industry's **turnover** experienced a moderate increase of +1%, following a climb of companies' turnover in the clothing industry (+1.5%) and a slight growth in the textile industry (+0.5%), as compared with the last year.

In 2015, the **retail sales'** evolution has shown a sustained growth rate (+2.7%). In various EU countries the retail developed differently. Sales in Austria, Germany and the Netherlands remained stable when Bulgaria and Finland registered decreasing sales over the period. All the other EU countries recorded a continuous growth of their retail turnover.

According to the Commission's latest survey [1], **consumer confidence** slightly increased in the EU (+0.7), reflecting two opposing trends: while consumers were more positive regarding their personal finances (expected financial situation, future savings), their views on future unemployment deteriorated.

In 2015, **employment** turned positive in the clothing sector (+0.3% as compared to 2014) and went slightly up in the textile industry (+0.6%), confirming recent positive trend.

The European textile and clothing **production** was -1.7% lower than in same period of the previous year. The output went down by -0.7% in the man-made fibres industry, by -1% in textiles and by -2.3% in the clothing sector. However, performance achieved in the clothing industry improved since the beginning of the year and the evolution during the third quarter turned positive compared to the last year.

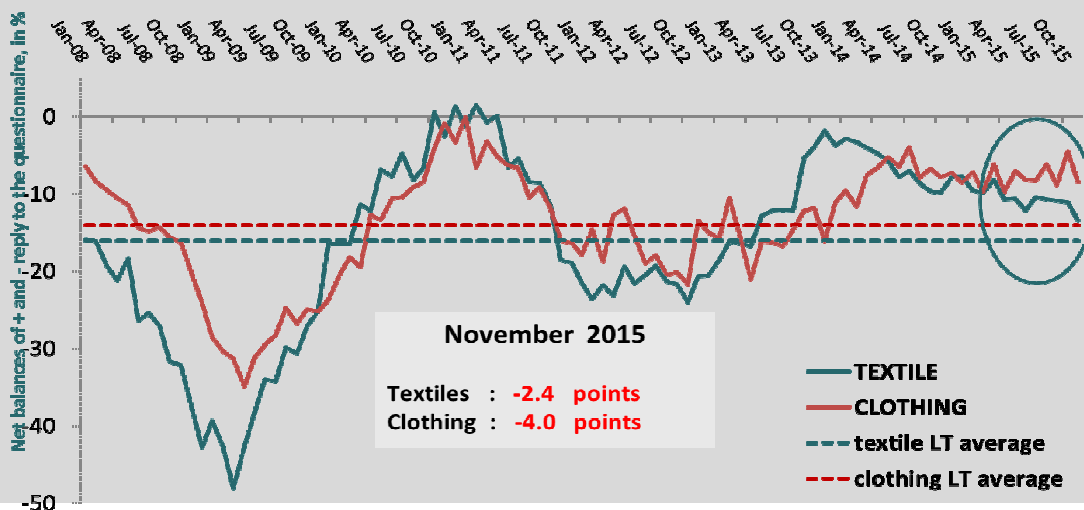
The Commission latest survey (2), revealed that the **industry confidence** deteriorated in both the textile and clothing industry (by respectively -2.4 and -4 points at EU level).

* further refers to first nine months of 2015

(1) DG ECFIN flash estimate, January 2016 For more info: http://ec.europa.eu/economy_finance/db_indicators/surveys/index_en.htm

(2) EU Commission's survey: European business cycle indicators and Business Consumer Survey (subsector database)

EU T&C Business confidence indicator*



* Average of production expectations (3 months), current overall order books and current stock of finished products

II. EU-28 Import and export statistics

In 2015, EU **imports** picked up by +10.2% in value terms, due to sharp increase from some Asian countries. Extra-EU textile imports increased by +8.9% and clothing imports by +10.6%. Imports from the Mediterranean area (Turkey, Egypt, Morocco, and Tunisia) achieved a modest growth or even decreased over the period.

- **Textile** imports coming from EU top-10 suppliers were all up in value terms, except from Egypt (stable). Among the main suppliers, the US and China witnessed the highest growth with respectively +16.6% and +13%, followed by Pakistan (+11.8%).
- **Clothing** imports coming from most Asian countries recorded double digit growth rates. The top supplier, China, recorded a +7.4% increase, with €23 billion of clothing articles sold to the EU market. In second place, Bangladesh recorded a +24.5% increase. Strong imports' upturns were also observed from Cambodia (+31%), Pakistan (26%), Vietnam (+25%) and India (+11%). With a +75% increase, Myanmar is now part of the top-20 EU's clothing suppliers.

Import **prices** increased in both textile products (+9%) and clothing articles (+16%).

EU textile and clothing **exporters** succeeded in gaining further market shares in third countries, but the expansion remained moderate (+3.8%) despite the favorable €/US \$ exchange rate evolution. Textile exports grew by +3.6% while clothing exports increased by +4.1%, as compared the last year. In price terms, the average export prices went slightly up.

- **Textiles'** sales to the U.S. - EU's top market, recorded a noticeable growth rate (+17%) thanks to a favorable exchange rate. Moreover, EU exporters were able to noticeably increase their textiles' sales to Hong Kong (+8.7%) and China (+7.6%). On the contrary, exports to Russia (-28%) and Ukraine (-5%) slipped back again, as economy remains depressed in these markets.
- **Clothing** exports to its main customers indicated some divergent trend. It shows a noticeable growth in the U.S., Hong Kong, South Korea, China and the UAE (with rates around +20%) and a dramatic drop on the Russian market (-30%), following the economic and political turmoil. Clothing exports to the Chinese market experienced once more a significant expansion, which made China the 6th largest EU customer.

This evolution impacted the overall **trade balance** of the EU-28 which deficit deteriorated further in value, by + 15% (+27% for textiles and +13.5% for clothing).

Data Source: Euratex based on Eurostat figures.



I- EU28 Economy - Short-term business statistics

(Source: Euratex based on Eurostat data)

Production	Annual*, based on previous year %			Year-to-date*	Quarter*, based on same quarter of previous year			
	12/11	13/12	14/13		2014Q4	2015Q1	2015Q2	2015Q3
% Evolution								
Manufacturing	-2,2	-0,5	2,1	1,9%	1,3	1,5	1,8	1,8
Man-Made fibres (1)	-16,3	5,8	0,9	-0,7%	0,4	-2,1	0,0	0,0
Textile	-5,5	0,2	2,6	-1,0%	0,3	-1,1	-1,1	-1,5
Clothing	-6,0	-3,9	-1,7	-2,3%	-1,8	-6,2	-1,8	1,3

* Data adjusted by working days

(1): Euro area (19 countries)

Employment	Annual**, based on previous year %			Year-to-date**	Quarter**, based on same quarter of previous year			
	12/11	13/12	14/13		2014Q4	2015Q1	2015Q2	2015Q3
% Evolution								
Manufacturing	-0,5	-1,1	0,4	1,0%	0,9	1,1	1,1	0,9
Textile	-2,7	-3,8	-1,3	0,6%	1,1	1,4	0,6	-0,1
Clothing	-2,4	-3,6	-1,8	0,3%	-0,5	0,4	-0,5	1,0

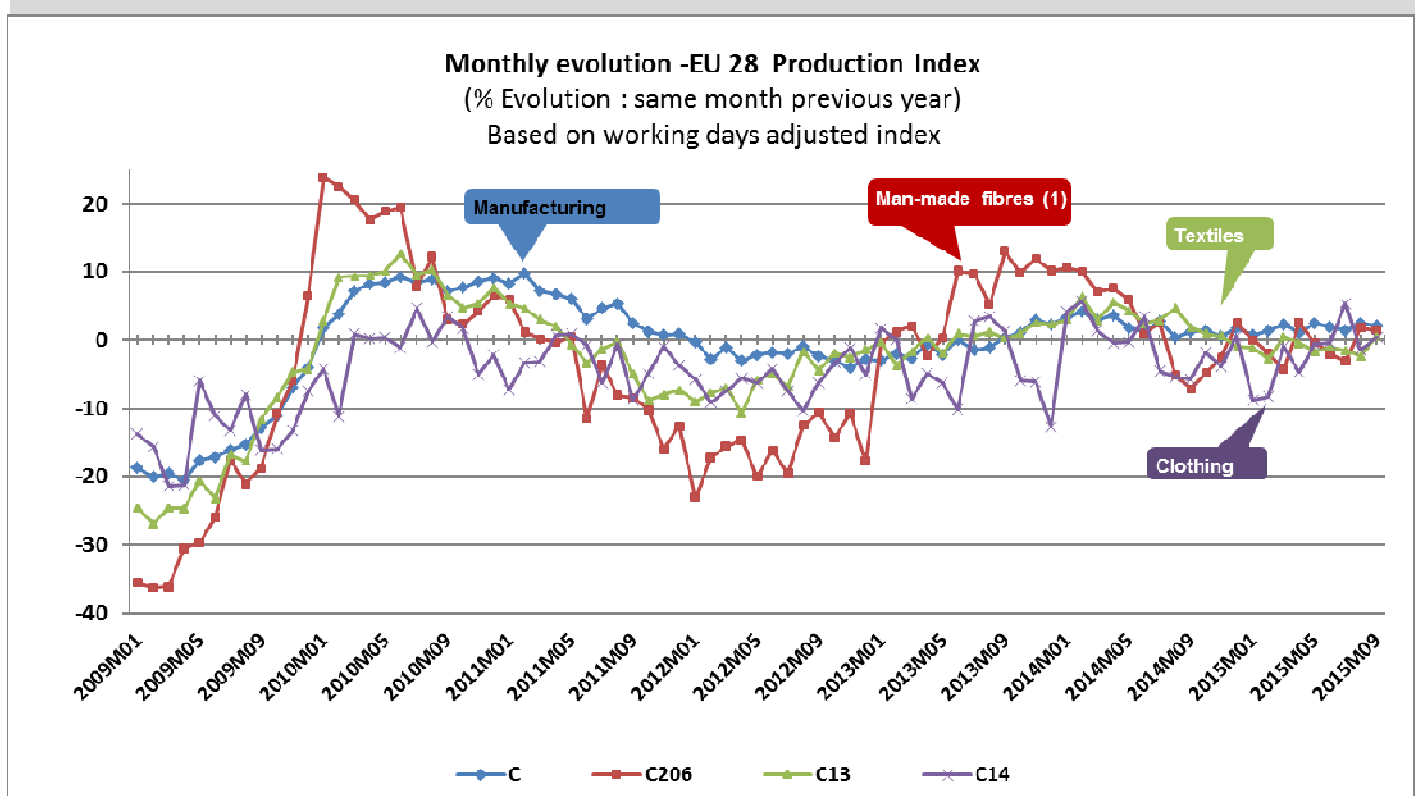
** Gross data

Turnover	Annual*, based on previous year %			Year-to-date*	Quarter*, based on same quarter of previous year			
	12/11	13/12	14/13		2014Q4	2015Q1	2015Q2	2015Q3
% Evolution								
Manufacturing	-0,3	-1,1	1,5	1,1%	0,7	0,4	2,1	1,0
Textile	-4,0	-0,1	2,8	0,5%	0,6	0,0	0,7	1,0
Clothing	-3,8	-3,2	1,9	1,5%	2,6	0,4	6,0	-0,7

* Data adjusted by working days

Retail sales	Annual, based on previous year* %			Year-to-date*	Quarter*, based on same quarter of previous year			
	12/11	13/12	14/13		2014Q4	2015Q1	2015Q2	2015Q3
% Evolution								
T&C, Footwear, Leather	-0,5	-0,1	1,9	2,7%	0,8	0,9	3,5	3,4

* Data adjusted by working days



(1): Euro area (19 countries)

II- EXTRA EU28 Trade - Import and export statistics

(Source: CITH based on Eurostat data)

000 Euro	IMPORTS			EXPORTS			Trade Balance		
	9m2014	9m2015	% 15/14	9m2014	9m2015	% 15/14	9m2014	9m2015	% 15/14
TOTAL	75.658.028	83.360.686	10,2%	32.134.723	33.367.889	3,8%	-43.523.306	-49.992.797	14,9%
Textile*	19.931.713	21.700.055	8,9%	15.457.897	16.012.619	3,6%	-4.473.816	-5.687.436	27,1%
Clothing **	55.726.316	61.660.631	10,6%	16.676.826	17.355.270	4,1%	-39.049.490	-44.305.361	13,5%

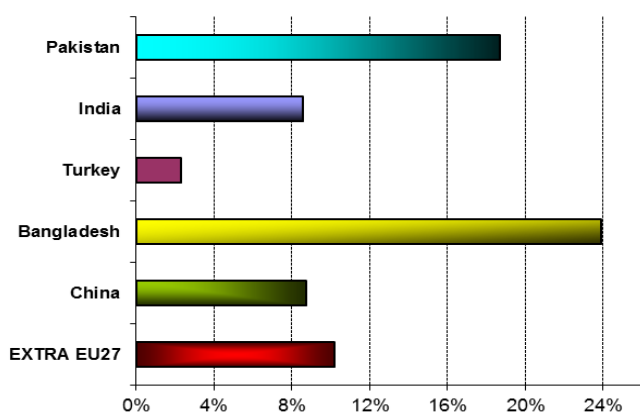
* HS chapters 50-60 + 63

** HS chapters 61 + 62

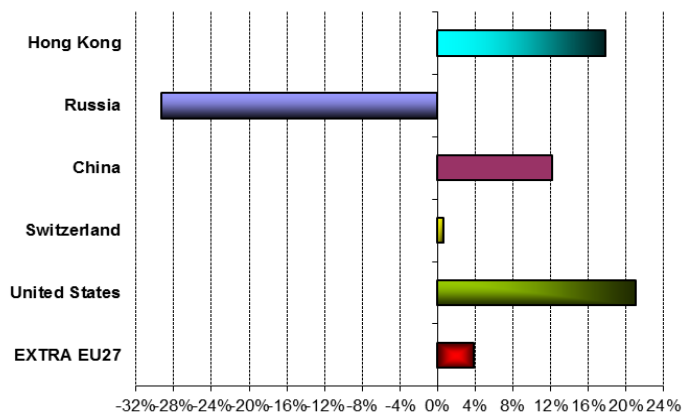
EU28 - TOP TEXTILE AND CLOTHING TRADE PARTNERS

IMPORTS	9m2014		9m2015		Evolution 15/14 %		
	000EUR	Quantity (T)	000EUR	Quantity (T)	EUR	Quantity	Prices
EXTRA EU27	75.658.028	8.706.759	83.360.686	8.540.034	10,2%	-1,9%	12,3%
China	27.887.682	3.082.845	30.332.804	2.898.246	8,8%	-6,0%	15,7%
Bangladesh	8.761.847	812.327	10.855.022	842.161	23,9%	3,7%	19,5%
Turkey	10.408.834	1.099.578	10.651.694	1.131.176	2,3%	2,9%	-0,5%
India	5.609.968	826.268	6.089.963	781.666	8,6%	-5,4%	14,8%
Pakistan	2.899.929	482.820	3.442.264	495.266	18,7%	2,6%	15,7%
EXPORTS	9m2014		9m2015		Evolution 15/14 %		
	000EUR	Quantity (T)	000EUR	Quantity (T)	EUR	Quantity	Prices
EXTRA EU27	32.134.723	3.493.268	33.367.889	3.612.896	3,8%	3,4%	0,4%
United States	3.567.928	257.340	4.319.334	284.499	21,1%	10,6%	9,5%
Switzerland	3.686.786	157.717	3.710.350	153.821	0,6%	-2,5%	3,2%
China	2.101.470	326.177	2.356.705	334.458	12,1%	2,5%	9,4%
Russia	3.230.154	174.204	2.281.348	136.030	-29,4%	-21,9%	-9,6%
Hong Kong	1.648.911	34.551	1.942.405	39.090	17,8%	13,1%	4,1%

EU IMPORTS* (9m2015/9m2014%)



EU EXPORTS* (9m2015/9m2014%)



* Evolutions based on values.