ITMF NEWS LETTER

International Textile Manufacturers Federation
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No. 121 – July 2026

This edition of our newsletter reveals much valuable information. On the ITMF side, registration is gaining traction for the ITMF & IAF 2026 Conference in Brazil, co-hosted by ABIT — we warmly encourage you to secure your place. We also report on ITMF's active engagement at Bharat-Tex 2026 in India, and on two major publications: ITIS 2024, documenting consolidation amidst difficult market conditions, and the 48th ITMSS, which shows textile machinery deliveries declining in most segments in 2025.

From our partners, ITMF members benefit from a 50% discount on The Fiber Year 2026 and a reduced rate for S&P Global's petrochemicals fundamentals course on textiles. Further highlights include a benchmarking study of India's apparel export strategy against China, Bangladesh, and Vietnam, and the growing momentum of ATTI across Bangladesh, Türkiye, and Pakistan.

Finally, eight articles present the results of the 39th GTIS in detail. Together they offer a comprehensive snapshot of where the global textile industry stands in mid-2026.

We wish you an insightful read.

Mr. Olivier Zieschank
director, ITMF

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EXECUTIVE SUMMARIES

Business situation deteriorates slightly but remains above 2023 lows

[1]

The 39th ITMF Global Textile Industry Survey (mid-July 2026) shows a global business situation balance of -26pp, down since May 2025. South Asia reports the strongest regional reading (-3pp) and North & Central America the weakest (-58pp), while machinery manufacturers still record the lowest segment indicator at -40pp, despite a slight improvement.

> read more

Business expectations remain positive despite a dip


[2]

The latest GTIS finds a global balance of +14pp for the expected business situation in 6 months, down from the previous survey. Africa (+50pp) and South Asia (+32pp) are the most optimistic regions, and machinery industry the most confident segment (+36pp). Spinners and textile chemical producers were the least optimistic.

> read more

Order intake remains at 2026 average level

The latest GTIS puts the global order intake balance at -27pp, down from the previous survey. Africa leads regionally at 0pp, South America trails at -58pp, and fabric producers report the weakest segment reading at -46pp. Machinery manufacturers and chemical producers were the only segments on a positive trend, albeit still in negative territory.

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Order backlog edges down to 2.3 months

According to the July 2026 GTIS, the average order backlog worldwide stands at 2.3 months, slightly lower than in the previous survey. South-East Asia reports the longest backlog at 2.9 months, while machinery manufacturers lead all segments at 4.2 months, on a positive trend.

> read more

Capacity utilization slips to 71%


[3]

The Mid-July 2026 GTIS puts the global capacity utilization rate at 71%, down from the previous survey. South-East Asia leads regionally at 75%, while yarn producers report the highest segment rate at 81% and fabric producers the lowest at 68%.

> read more

Demand and geopolitics dominate textile industry concerns as cost pressures recede


[4]

According to ITMF's latest Global Textile Industry Survey, "Demand" (56%) and "Geopolitics" (46%) top the list of concerns for the next 6 months worldwide. Demand worries are most acute in the Americas and Europe, while East Asia is chiefly preoccupied with raw material prices and South Asia with geopolitics. Tariff and inflation concerns continue to fade globally.

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Order cancellations remain low, strongest in the Americas

[5]

The July 2026 GTIS shows order cancellations over the past 4 months at 2% globally, continuing to decline. North & Central America reports the highest regional rate at 5.3%, while textile chemical/dyes/auxiliary producers lead the segments at 7.1%.

> read more

Inventory levels stay below average despite a slight increase


[6]

The July 2026 survey puts the global inventory index at -10, up from -16 in the previous survey. South America reports the highest regional level at +33, while South-East Asia and Africa share the lowest at -23. Among segments, brands and retailers lead at +33 and machinery manufacturers trail at -37.

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ITMF NEWS

ITMF & IAF 2026 in Brazil co-hosted by ABIT – Registration is Open!

BRAZIL 2026 INTERNATIONAL CONFERENCE
OCTOBER 14 - 15 | FORTALEZA
Hosted by:

Register here

This year's ITMF & IAF Conference 2026 will be held in the city of Fortaleza, Brazil, from October 14-15, 2026. The event will be co-hosted by ABIT, the Brazilian Textile & Apparel Industry Association.

The convention will be held under the theme "*Future in Motion – Transformation, Innovation and New Realities*" with a great line up of speakers, including 2 keynotes addresses by:

Paulo Portas, Former Deputy Prime Minister and Foreign Minister, Portugal - *Geopolitics and Geoeconomics: Trends in a Transforming World*

Monica Magalhães, Futurist and Founder of Moovers, Brazil - *Closing Keynote*

The preliminary program features a 2-day conference as well as a golf tournament, committee meetings, and factory visits (see below timeline). For more information and future updates, please click here.

Preliminary Conference Timeline	**October 2026**	**Oct. 12**	**Oct. 13**	**Oct. 14**	**Oct. 15**	**Oct. 16**
		Golf tournament	Internal Meetings	Conference Day 1	Conference Day 2	Factory visit

ITMF publishes ITIS 2024: consolidation amidst difficult market conditions

International Textile Industry Statistics (annual)
(formerly International Cotton Industry Statistics)
latest issue: Vol. 67/2024 - published in July 2026

ITMF has published the 67th edition of its International Textile Industry Statistics (ITIS), covering installed capacity and raw material consumption in the short-staple organised (spinning mill) sector across virtually all textile-producing countries. The edition presents results for the reference year 2024, released as part of ITMF's continuing revision of the capacity and consumption time series.

The figures point to consolidation under difficult market conditions. The estimated global number of installed short-staple spindles fell to 219 million and installed open-end rotors to 9.6 million, both slightly below their 2023 levels. Installed air-jet spindles continued to rise and remained dominated by China, indicating a gradual substitution towards higher-performance technologies.

Installed shuttle-less looms were stable at 1.67 million, up 0.3% on the year, with 83% of them located in Asia and Oceania. Total raw material consumption in the short-staple organised sector edged down to 42 million tonnes, even as consumption of cellulosic and synthetic fibres rose slightly.

> read more

ITMF publishes 48th ITMSS: 2025 shipments down in most segments

International Textile Machinery Shipment Statistics - ITMSS
latest issue: Vol. 48/2025– published in July 2025

ITMF has released the 48th edition of its International Textile Machinery Shipment Statistics (ITMSS), covering deliveries in 2025 across six segments: spinning, draw-texturing, weaving, large circular knitting, flat knitting and finishing. The survey was compiled in cooperation with more than 200 textile machinery manufacturers, representing a comprehensive measure of world production.

Spinning was the exception to a broadly weaker year. Shipments of new short-staple spindles rose 3.3% to 6.11 million units, with 95% going to Asia and Oceania, where deliveries grew 8.5%. China, India, Bangladesh, Indonesia, Uzbekistan and Pakistan were the six largest investors. Open-end rotor shipments also increased, reaching 645,000 units, of which 94% went to Asia and Oceania.

Elsewhere the picture was negative. Long-staple spindle deliveries fell sharply, draw-texturing spindles declined by 23% and shuttle-less looms by 28%, to 164,000 units. Large circular knitting machines dropped by 13% to 24,500 units and electronic flat knitting machines by 22% to 106,000 units. Finishing was the only other segment to grow, with total deliveries up 8%.

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ITMF actively engages at Bharat Tex 2026

Bharat-Tex 2026 was the 3rd edition of India's largest global textile trade fair showcasing innovation, sustainable fabrics, apparel, and fashion. More than 20’000 textile products were on display on an area of 1.6 million square feet with more than 130’000 trade visitors, including more than 7’000 overseas buyers. At this year’s Bharat-Tex 2026 ITMF was actively involved in several activities of the exhibition’s side program.

1) ITMF President, **Mr. Juan Parés**, participated as a panelist in a high-profile session jointly organized by ASSOCHAM (Associated Chambers of Commerce & Industry of India) and ITMF. The session’s topic was “*Scaling through synergy – building local capability to power global textile value chains*”. The other panelists were

Mr. Updeep Singh Chatrath, Chairman ASSOCHAM National Council on Textiles and Technical Textiles & CEO – Odisha and Resident Director, Welspun World **| Mr. Neeraj** Jain, Managing Director, Vardhman **Textiles | Mr.** Manmohan Singh, Group Executive Director & Chief Marketing Officer, Grasim Industries (Aditya Birla Group)

In a short introductory presentation ITMF Director General, **Mr. Christian Schindler**, provided an overview of the state of the global textile industry based on ITMF’s statistical data (ITMSS, ITIS and IPCC) and surveys (GTIS).

2) As an Honorary Guest of the **CITI Textile Sustainability Awards 2026**, **Mr. Parés** delivered an address about the relevance and importance of sustainability in the global textile value chain.

3) **Mr. Schindler** moderated the session “*Smart factories& industry 5.0 – the future of textile manufacturing*” which was jointly organized by CITI and Gherzi. The session’s panelists were:

Mr. Ashwin Chandran, Chairman, CITI &CMD, Precot **| Mr. D.** Anandakumar, Director, Morgan **Tecnica | Mr.** Prasant Deka, MD, Rieter**, India | Mr**. S. Rajasekaran, President-Operations, Textile **machinery, LMW |** Mr. G. Radhakrishnan, MD, Sieger Spintech

PARTNER NEWS

The Fiber Year 2026: 50% discount for ITMF members

The ITMF is very proud to collaborate with The Fiber Year GmbH by offering ITMF-members the new edition of "The Fiber Year 2026 (TFY)" at a special discount. Two offers are available to ITMF members:

- **50% discount for ITMF members:** ITMF-members may purchase a license for the new 2026 edition for an attractive price of CHF 900.- instead of CHF 1,800.-.
- **Tailor-made packages for ITMF member associations:** ITMF members that are associations can contact The Fiber Year directly to negotiate their own price package for their own members.

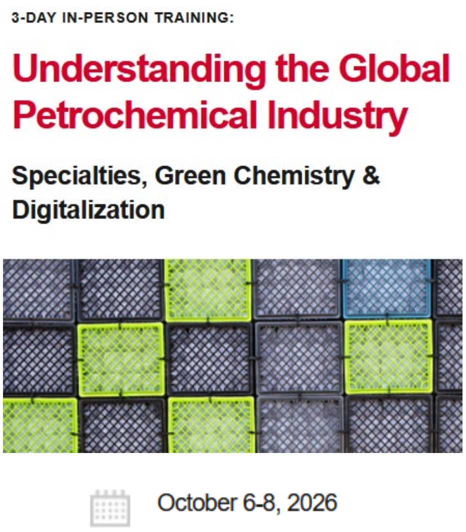
Please contact Andreas Engelhardt at info@thefiberyear.com for the discount or a tailor-made package.

The new 400+ page TFY 2026 offers a comprehensive view on latest trends and developments in the global textile value chain– from fibers down to nonwovens – taking into account more than 700 company news. Especially in these turbulent times, TFY 2026 helps to better understand the ongoing and underlying dynamics of the global textile industry.

Download overview here to get more information on the report that include **world natural and manmade fibers**, **latest trade data**, **country profiles for 20 major industries** and the comprehensive **statistical appendix**

IMPORTANT: indicate your affiliation with ITMF when ordering the publication

S&P Global offers a discount to ITMF members for petrochemicals fundamentals course on textiles



S&P Global Commodity Insights will hold a three-day in-person training course, "**Understanding the Global Petrochemical Industry: Specialties, Green Chemistry and Digitalization**", at its Frankfurt office from October 6–8, 2026. ITMF members can register at the equivalent price of the super early bird rate of USD 3,800 using the promotional code ITMF.

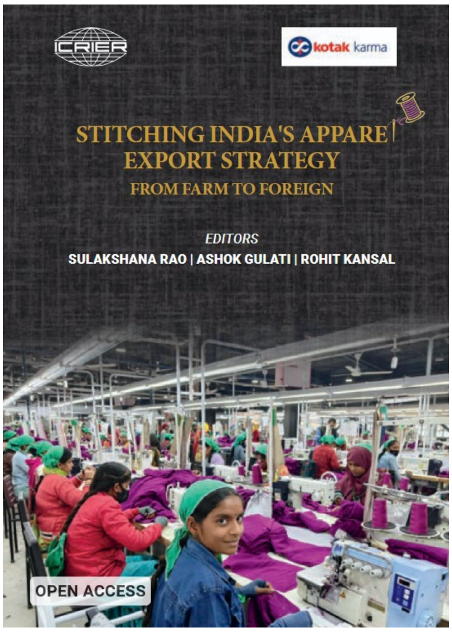
The programme covers petrochemical feedstocks — natural gas, NGLs, petroleum, coal and bio-based materials — and the industry's seven basic building blocks: syngas, ethylene, propylene, C4 olefins, benzene, toluene and xylenes. It follows each building block through its value chain to commodities including PE, PP, PVC, PS/EPS, PET and methanol, and covers specialised product areas such as polyurethanes, nylons, synthetic rubbers and acrylics.

The course is led by Jeff Plotkin, Vice President, Chemical and Energy Training at S&P Global Commodity Insights.

> read more

Register here
Please contact Lalaine Trinidad (ltrinidad@spglobal.com) if you have any problems completing the registration

Stitching India's Apparel Export Strategy": a benchmark of India against China, Bangladesh and Vietnam



A new open-access book, *Stitching India's Apparel Export Strategy: From Farm to Foreign*, examines why India's share of global apparel exports has remained at around 3% for nearly two decades, while Bangladesh and Vietnam expanded theirs from 2.2% and 1% in 2000 to 9% and 6% respectively by 2024. The book was launched by India's Union Minister of Textiles, Shri Giriraj Singh, at Bharat Tex 2026.

Its central contribution is a comparative policy analysis of China, Bangladesh and Vietnam across five pillars of competitiveness: scale and ecosystem; capital; labour and skilling; clusters and institutions; and market access and trade facilitation. It draws lessons from China's vertically integrated clusters and concessional finance, Bangladesh's financing architecture built around apparel cash flows, and Vietnam's alignment of investment promotion, trade agreement use and industrial infrastructure.

Further chapters address India's cotton sector, the shift towards man-made fibres, and company case studies. The book closes with a reform roadmap supporting India's ambition of becoming a USD 100 billion textile and apparel exporter

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ATTI gathers pace across Bangladesh, Türkiye and Pakistan

ATTI, the manufacturer-led Apparel and Textile Transformation Initiative supported by ITMF and the International Apparel Federation (IAF), has expanded to a third country. In June 2026 ATTI signed a Memorandum of Understanding with the Pakistan Readymade Garment Manufacturers and Exporters Association (PRGMEA), establishing ATTI Pakistan alongside the pioneer chapters in Bangladesh and Türkiye. Work with PRGMEA on the national needs assessment is now under way.

In Türkiye, seven leading brands and seven manufacturers and sourcing agents met at İHKİB in Istanbul in June 2026 and committed to forming the ATTI Transformation Council. The Council will oversee implementation of the Transformation Plan devised in February 2026 and includes technical working groups on energy and water. Gökcenur Uysal has joined the team as ATTI Türkiye Coordinator.

In Bangladesh, the needs assessment continues through desk research, key informant interviews, manufacturer surveys and focus groups. The Findings Report will be published in October 2026, timed to the ITMF & IAF Conference in Fortaleza, Brazil, with a Transformation Workshop following in Dhaka in November. ATTI will also be present at COP31 in Antalya, Türkiye.

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UPCOMING EVENTS

2026

Intertextile SHANGHAI home textiles
August 18-20, 2026
Shanghai, China

Intertextile SHANGHAI apparel fabrics
August 25-27, 2026
Shanghai, China

CAITME 2026
September 08-10, 2026
Tashkent, Uzbekistan

Dornbirn Global Fiber Congress 2026
September 16-18, 2026
Dornbirn, Austria

International Textile Forum
September 23, 2026
Dushanbe, Tajikistan

TITAS 2026
October 6-8, 2026
Taipei, Chinese Taipei

ITMF&IAF Conference 2026
October 14-15, 2026
Fortaleza, Brazil

ICA Trade Event
October 14-15, 2026
Istanbul, Turkiye

Maroc In Mode
November 3-5, 2026
Casablanca, Morocco

Venice Sustainability Forum
November 5-6, 2026
Venice, Italy

APTEXPO 2026
November 11-13, 2026
Singapore

Destination Africa
November 14-15, 2026
Cairo, Egypt

Cotton USA™ Summit
November 16-18, 2026
Scottsdale, Arizona, USA

ITMA Asia & CITME 2026
November 20-24, 2026
Shanghai, China

INDIA ITME 2026
December 4-9, 2026
New Delhi, India

7th Sustainability Talks Istanbul
December 8, 2026
Istanbul, Türkiye

2027

heimtextil 2027
January 12-15, 2027
Frankfurt, Germany

ITMA 2027
September 16-22, 2027
Hannover, Germany

REPORT ON THE 39th GLOBAL TEXTILE INDUSTRY SURVEY

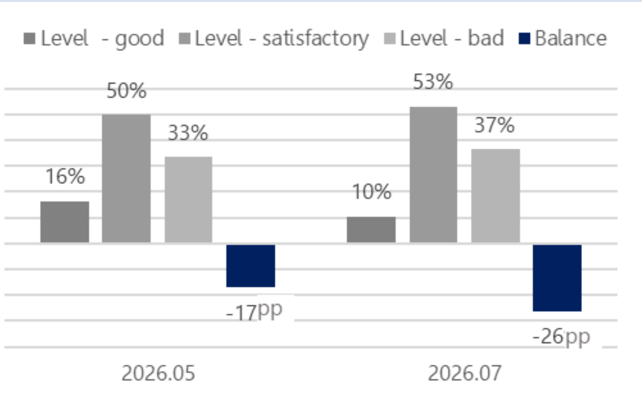
Article 1: Business situation deteriorates slightly but remains above 2023 lows

by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

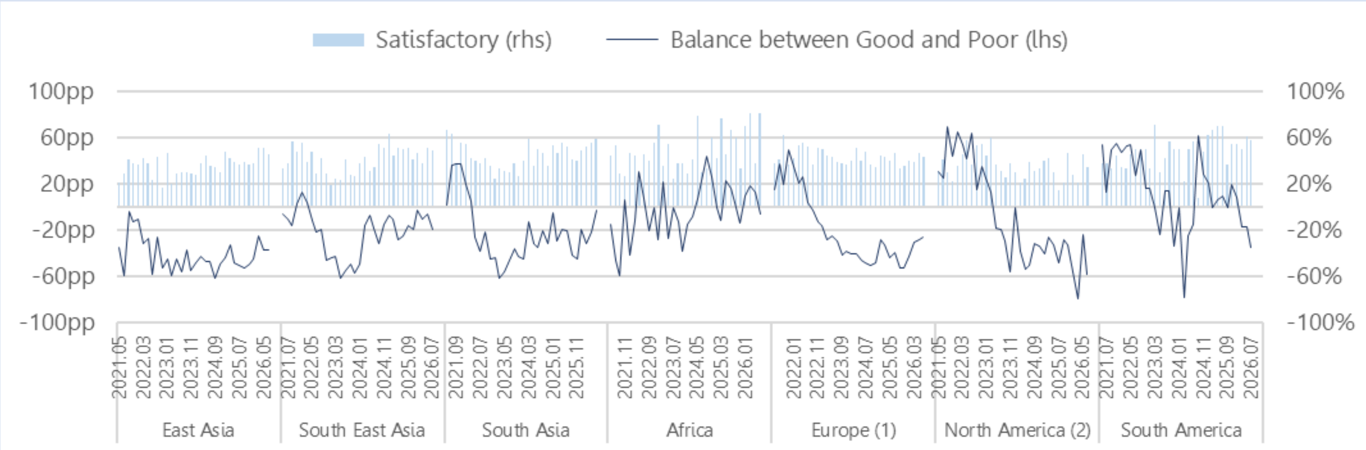
The 39th ITMF Global Textile Industry Survey (GTIS), conducted in mid-July 2026, found that 10% of participants worldwide rated their business situation as "good," 53% as "satisfactory," and 37% as "bad." The resulting balance of -26 percentage points (pp) has weakened over the past two months, remaining in a negative range of around -15 and -30pp.

The main factor explaining this overall deterioration is a statistical artifact related to Africa reporting a positive balance of +12pp last May, a clear outlier at the time that pushed the global indicator upwards, and a negative business situation at -6pp in July (see Graph 2 and paragraph below).

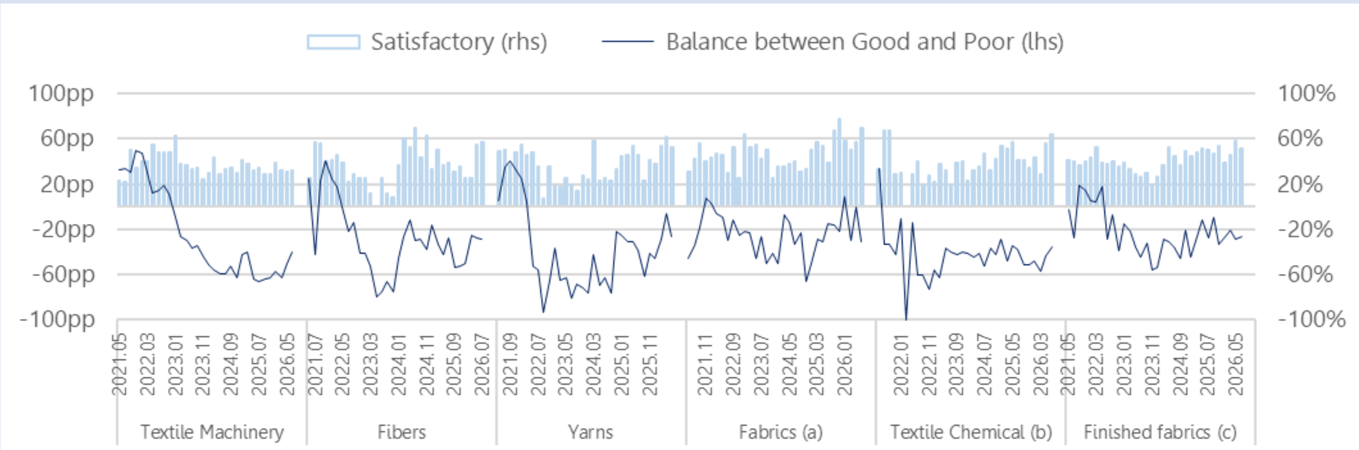
Graph 1: **Business situation** (World balance*) in Jul 2026



Graph 2: **Business situation by region** since May 21

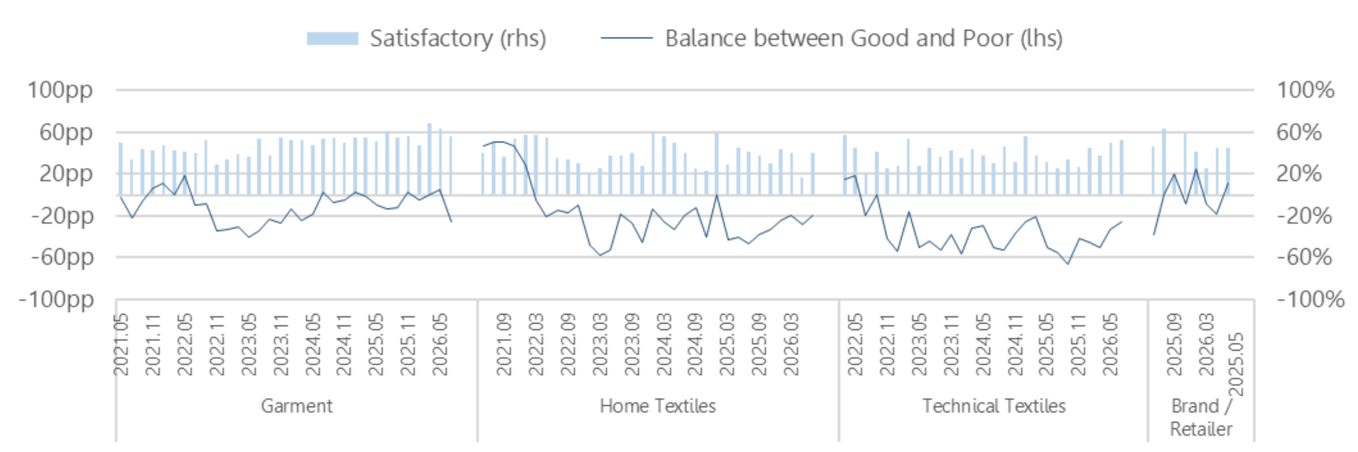


Graph 3: **Business situation by segment** since May 21 - upstream



(1) incl. Türkiye and Central Asia | (2) incl. Central America | (a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabrics *Balance = share of respondents answering good vs. poor Source: 8-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

Graph 3: **Business situation by segment** since May 21 - downstream



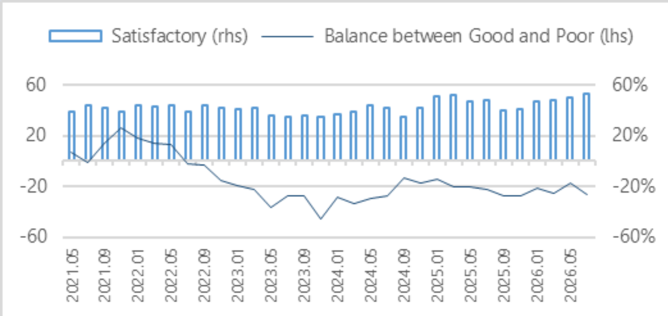
*Balance = share of respondents answering good vs. poor Source: 8-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

In reality the overall circumstances have not changed much in the last 2 months as the wars in Ukraine and Iran are raging on. However, new developments like the Houthi rebels in Yemen announcing a blockade of Saudi ships in the Red Sea make logistics even more complicated and risky and eventually more expensive. The oil price is going up and down between USD 70 and 100 depending on the state of the negotiations/ bombardments between the US and Iran. It is evident that these circumstances are increasing costs on the supply side and do not strengthen consumer confidence on the demand side.

In this context it is important to understand the concern of the respondents. Weak demand remains the biggest concern (56%), followed by geopolitics (46%) and high raw material prices (35%) and high energy prices (27%, see Article 6). Interestingly, tariffs (10%) are not a major concern anymore. On the other hand, lack of talent/labor is becoming a more serious challenge. It seems clear that the global textile value chain was and continues to undergo some structural adjustments with regard to capacity adaptations across regions. At the same time, it is important to take note of the fact that the level of respondents with a satisfactory business situation is very high (53%). Together with the 10% with a good business situation the number reaches almost two-thirds.

Regionally, South Asia recorded the strongest indicator at -3pp, followed by Africa (-6pp), South-East Asia (-19pp), and Europe (incl. Türkiye and Central Asia) (-26pp). South America (-35pp) and East Asia (-37pp) came in weaker, with North and Central America at the bottom at -58pp (see Graph 2). With Africa now also recording a negative balance, all regions find themselves in negative territory and most of them experienced a decline.

Graph 5: **Business situation** (World balance*) since May 21



*Balance = share of respondents who answer good vs. poor | Source: 8-39th ITMF Global Textile Industry Survey (14-22.07.2026) | pp : percentage point | last data point = Jul 2026

This signals that currently there are no regional growth pockets.

By **producer type**, brands and retailers were the only segment with a positive balance, at +11pp, although participation in the group is not yet representative. Home textiles producers followed at -20pp and garment producers at -25pp, while machinery manufacturers reported the weakest reading at -40pp (see Graph 3). Several segments - including finished goods, home textiles, and technical textiles producers - nonetheless show improving long-term trends.

The most visible change compared to May 2026 is the deterioration of the garment segment from +5pp in May to -25pp in July. One reason for this drop might be that some brands/retailers in Europe are ordering less due to new EU regulations about how to treat unsold merchandise. It is no longer allowed to simply destroy unsold textile products

Article 2: Business expectations remain positive despite a dip

by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

In the July 2026 edition of the ITMF Global Textile Industry Survey (GTIS), 34% of participants worldwide anticipated a more favorable business situation in 6 months, 47% expected no change, and 20% foresaw a less favorable one (see Graph 1 and 2). The resulting balance of +14 percentage points (pp) declined compared with the May 2026 survey (+16pp).

While the outlook is positive the change is minimal. Instead of focusing on the balance, it is probably better to highlight the high share of participants (47%) that do not see any change in six months' time. Given the global economic and political circumstances there seems no substantial reason to believe that the business expectations are going to improve significantly.

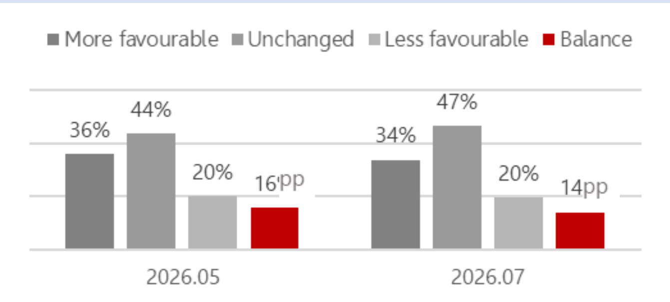
While there is no real light at the end of the tunnel, the 34% optimistic respondents (more favorable) might believe that it cannot get worse and/or that the industry's consolidation process and investment pause eventually must come to an end.

The concerns of the industry continue to be from both the demand side (weak demand) and the supply side (high costs for energy, raw materials, logistics). As outlined in Article 1, geopolitical uncertainties around the wars in Ukraine and Iran, US tariffs, etc. are not supporting consumer confidence but are squeezing the profit margins.

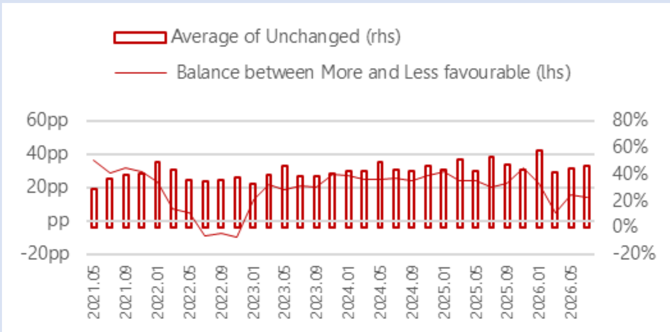
Regionally, Africa reported the most optimistic outlook at +50pp, despite easing slightly from its recent peak, followed by South Asia at +32pp - up for the second consecutive survey and much improved from its low of -31pp in July 2022 (see Graph 3). Europe (incl. Türkiye and Central Asia) stood at +15pp, North & Central America at +12pp, and South America at +8pp. Only East Asia (-4pp) and South-East Asia (-14pp) reported negative expectations.

Africa is a region that has been benefitting from geopolitical disruptions and uncertainty. It is seen as a region that gains from a. geographical proximity to

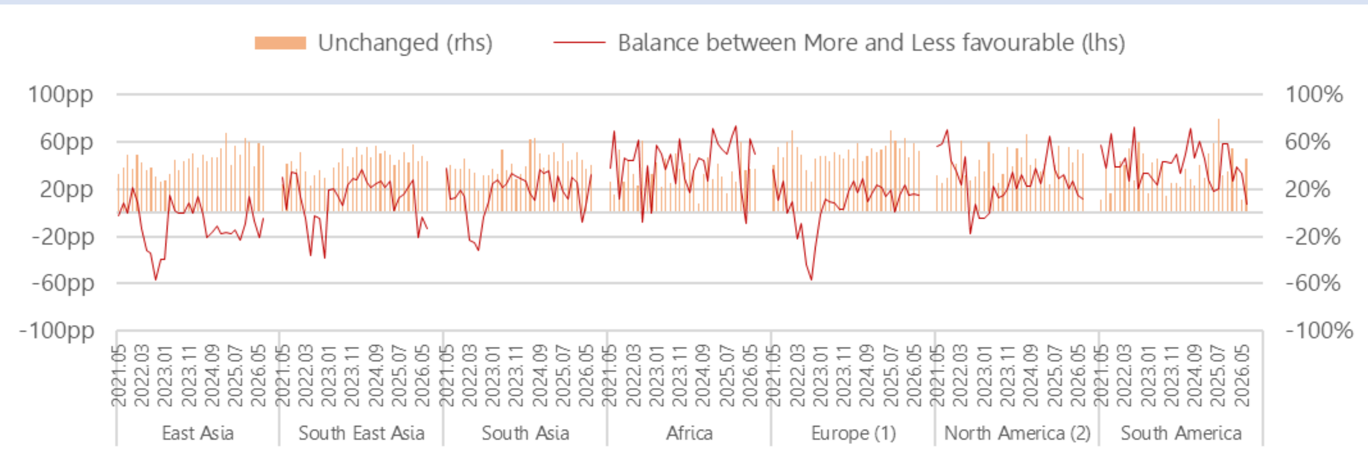
Graph 1: **Business expectations** (World balance*) in Jul 2026



Graph 2: **Business expectations** (World balance*) since May 21



Graph 3: **Business expectations by region** since May 21

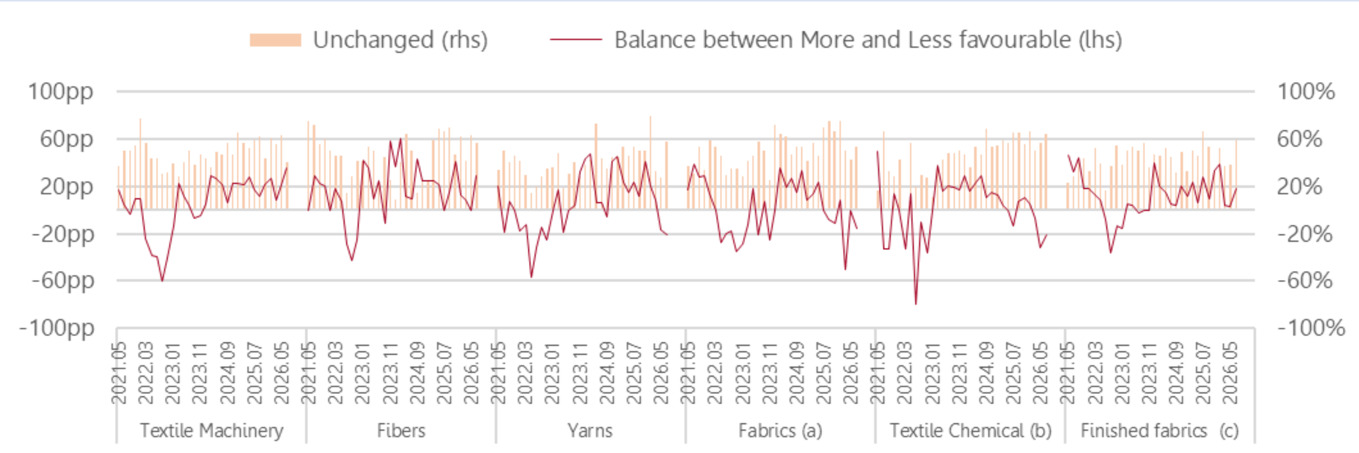


(1) incl. Türkiye and Central Asia | (2) incl. Central America | Balance = share of respondents who answer more or less favourable
Source: 8-39th TMF Global Textile Industry Survey (39th:14-22.07.2026) | last data point = Jul 2026

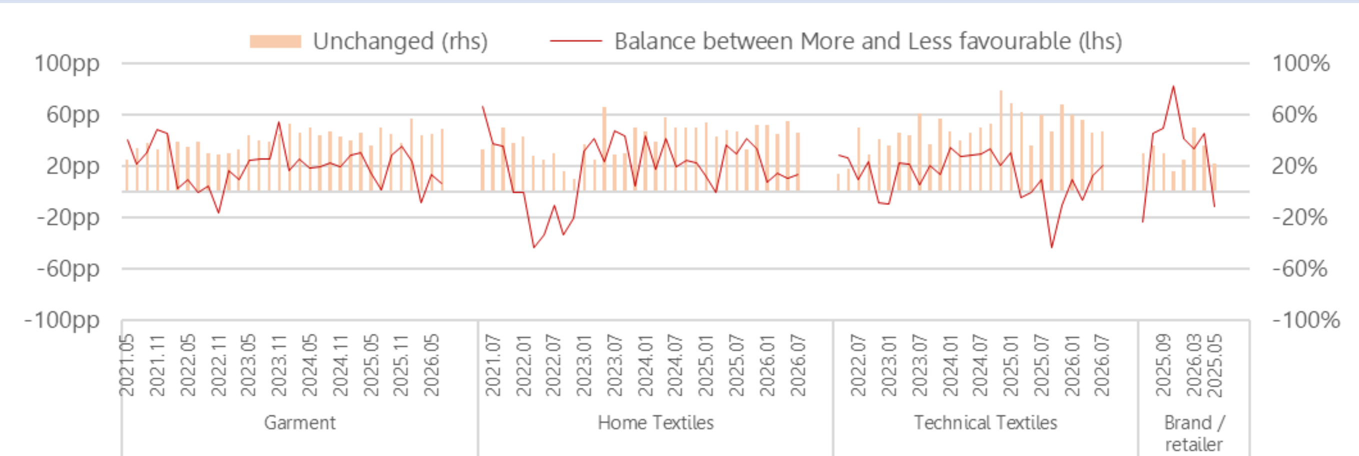
[continues] Europe, b. tariff advantages with the US, and c. low labor costs (especially Egypt). India's growing domestic market is helping the industry to benefit from external shocks that might result from tariffs. This is explaining to a certain extent why South Asia is more optimistic than the other Asian regions. The positive outlook in Europe is partially correlated with the improved perspectives of the textile machinery industry, albeit from a very low base.

By **producer type**, machinery manufacturers indeed expressed the highest expectations at +36pp, followed by fiber producers at +29pp and technical textiles producers at +21pp (see Graph 4). Home textiles producers reached +13pp, improving on the previous survey, while garment producers eased slightly to +7pp. Brands and retailers slipped to -11pp and both spinners and textile chemical/dyes/auxiliary producers reported the least favorable outlook at -21pp.

Graph 4: **Business expectations by segment** since May 21 - upstream



Graph 4: **Business expectations by segment** since May 21 - downstream



(a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabrics | Balance = share of respondents who answer more or less favourable | Source: 8-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

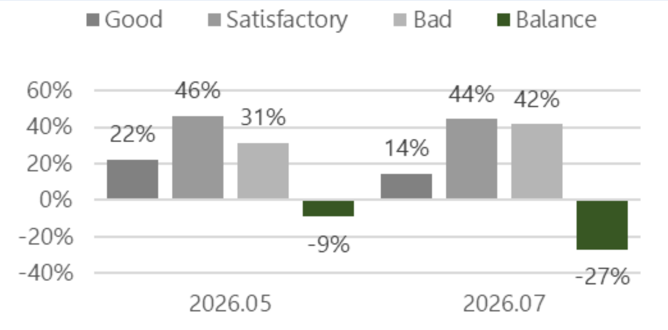
Article 3: Order intake remains at 2026 average level

by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

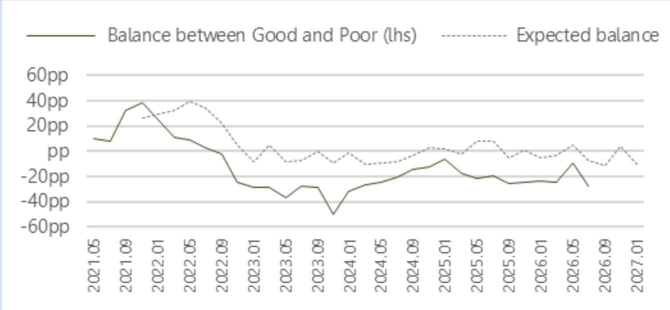
The ITMF Global Textile Industry Survey (GTIS) of July 2026 found that 14% of respondents worldwide rated their order intake as "good," 44% as "satisfactory," and 42% as "bad" (see Graphs 1). The resulting balance of -27 percentage points (pp) fell compared with the May 2026 survey (-9pp). It seems that the relatively improved result of -9pp in May – up from -24pp in March – was an outlier and that the disappointing July results are merely indicating a back to normal.

Just like business situation (see Article 1), the global textile industry's order intake also remains in negative territory. After the low at the end of 2023 a steady recovery process was in place until it was interrupted in 2025 by the introduction of sweeping US tariffs. In 2026 the Iran war added to the complexity of geopolitics and increased the uncertainty and unpredictability. Higher energy prices are accelerating inflation which in turn is dampening demand.

Graph 1: **Order intake** (World balance*) in **Jul 2026**



Graph 2: **Order intake** (World balance* and expectations)



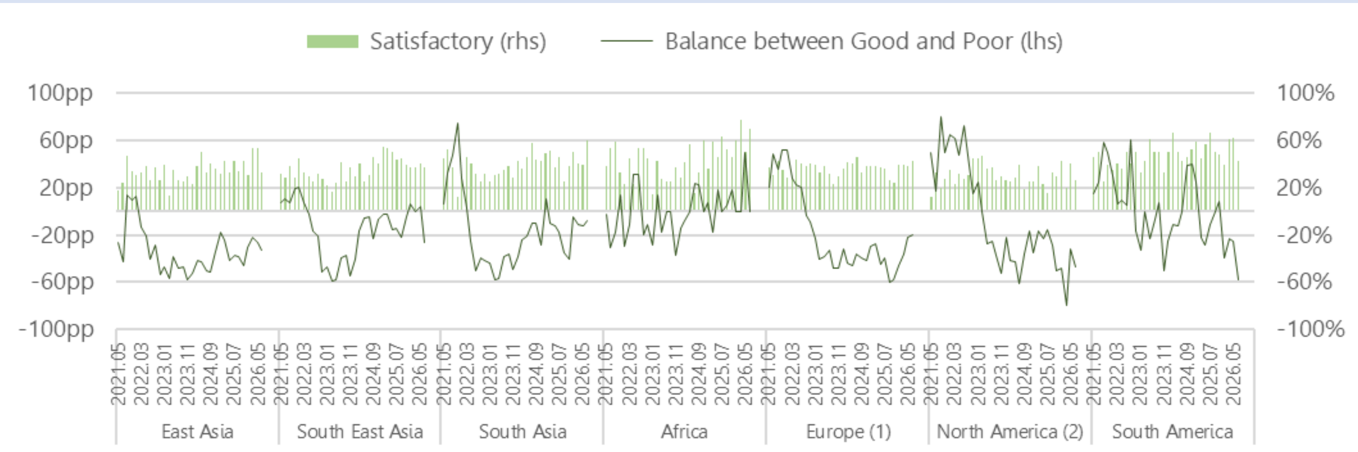
*Balance = share of respondents who answer good vs. poor | Source: 8-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

Expected order intake also fell from +4pp to -10pp supporting the view that order intake is unlikely to recover in the coming months (see Graph 2).

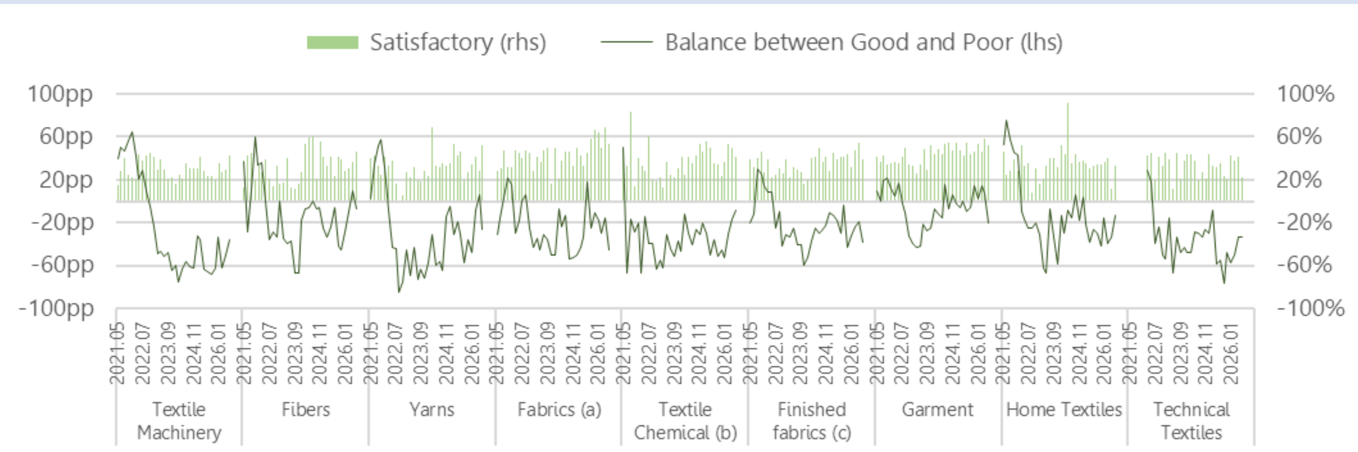
Regionally, Africa posted the strongest indicator at 0pp, followed by South Asia (-8pp), Europe (incl. Türkiye and Central Asia) (-19pp), South-East Asia (-26pp), and East Asia (-33pp). The weakest readings came from the Americas, with North & Central America at -47pp and South America at the bottom at -58pp (see Graph 3).

By **producer type**, fiber producers and textile chemical/ dyes/auxiliary producers recorded the strongest indicator at -8pp, followed by home textiles producers (-13pp), and garment producers (-20pp). Spinners (-26pp), technical textiles producers (-33pp), and machinery manufacturers (-36pp) came in weaker, while fabric producers (woven and/or knitted) reported the lowest indicator at -46pp. Machinery manufacturers and chemical producers were the only segments on a positive trend, albeit still in negative territory (see Graph 4).

Graph 3: **Order intake by region** since May 21



Graph 4: **Order intake by producer type** since May 21



B(1) incl. Türkiye and Central Asia | (2) incl. Central America (a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabrics | Balance = share of respondents answering good vs. poor | Source: 8-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

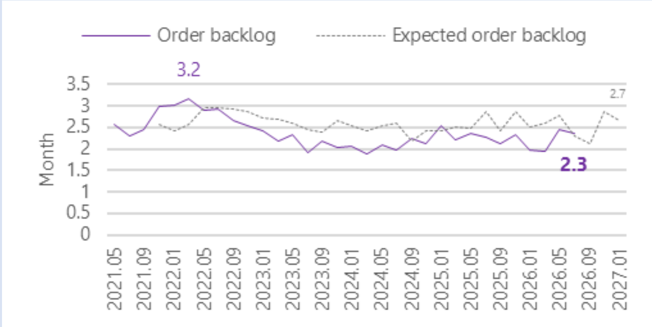
Article 4: Order backlog edges down to 2.3 months

by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

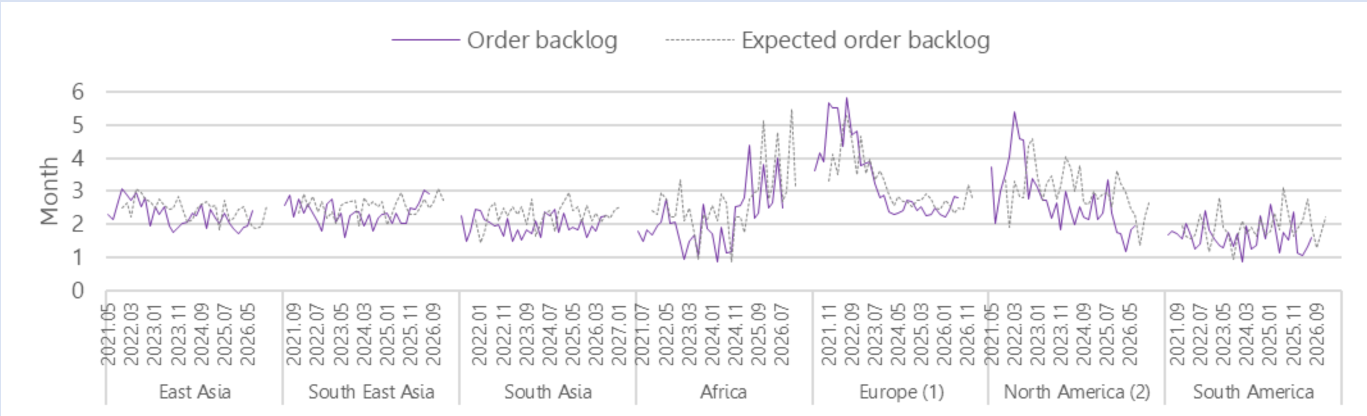
According to the mid-July 2026 edition of the Global Textile Industry Survey (GTIS), the average order backlog worldwide stood at 2.3 months, down slightly from the May 2026 survey.

In line with order intake and the other business indicators also order backlog dropped on average globally from 2.5 months in May to 2.3 months in July. Nevertheless, this value is still visibly above the low of 1.9 months and near the average of the last 5 years. The peak of 3.2 months in early 2022 during a period of strong (pent-up) demand is unlikely to be achieved anytime soon.

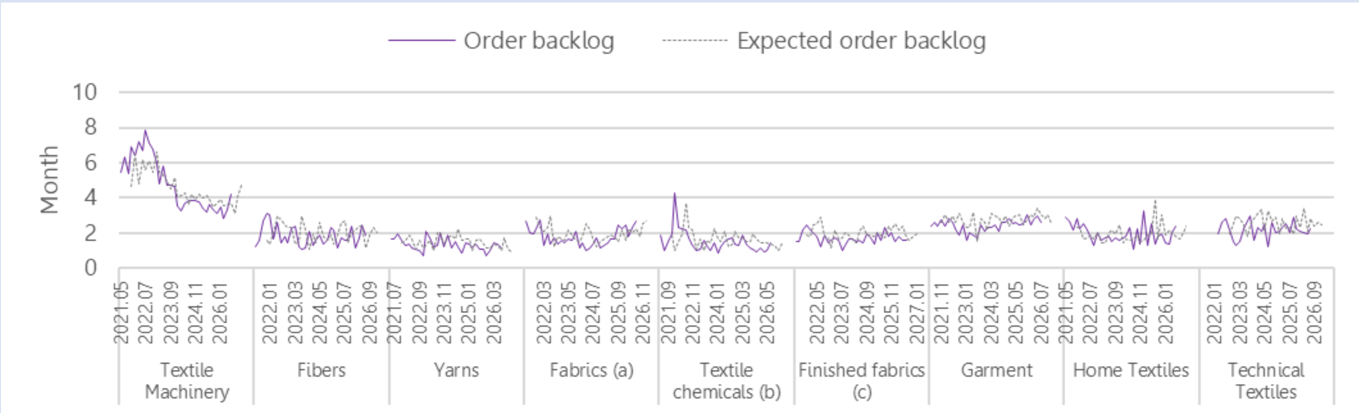
Graph 1: **Order backlog** (World average) since May 21



Graph 2: **Order backlog by region*** since May 21 (in Months)



Graph 3: **Order backlog by producer type*** since May 21 (in Months)



(1) incl. Türkiye and Central Asia | (2) incl. Central America | (a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabrics | *average | Source: 8th-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

Expected order backlog in six months' time also fell from 2.9 months to 2.7 months (see Graph 1). The hope that order backlog will increase based on stronger order intake seems to fade away again.

Regionally, South-East Asia reported the longest order backlog at 2.9 months, followed by Europe (incl. Türkiye and Central Asia) at 2.8 months, driven by machinery manufactures' disproportional representation in the region, while South America recorded the shortest at 1.6 months.

By **producer type**, machinery manufacturers had indeed the longest order backlog by far, standing at 4.2 months, while spinners registered the shortest at 1.1 months. Fabric producers (woven and/or knitted) have seen their backlog rise for two consecutive surveys, reaching 2.7 months, whereas finished fabrics producers moved in the opposite direction, declining over the same period to 1.6 months. Home textiles producers also improved over the past two surveys, standing at 2.4 months.

Article 5: Capacity utilization slips to 71%

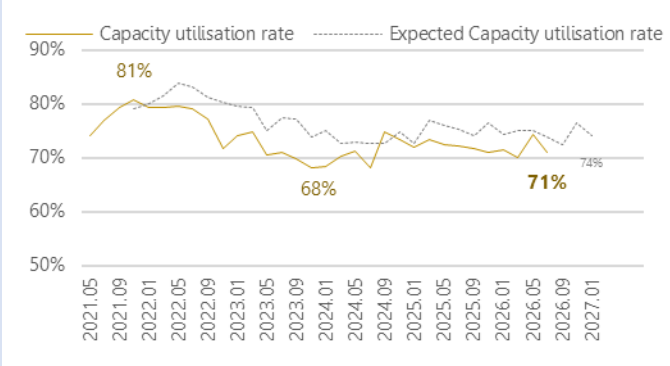
by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

The July 2026 round of the ITMF Global Textile Industry Survey (GTIS) recorded a global capacity utilization rate of 71%, a slight decrease compared with the May 2026 survey.

It can be assumed that the capacity utilization rates on average would be even lower if the capacities were the same as in 2022. Companies along the textile value chain that were struggling with weak order intake and cost pressure for years are likely to have reduced their capacities if technically possible.

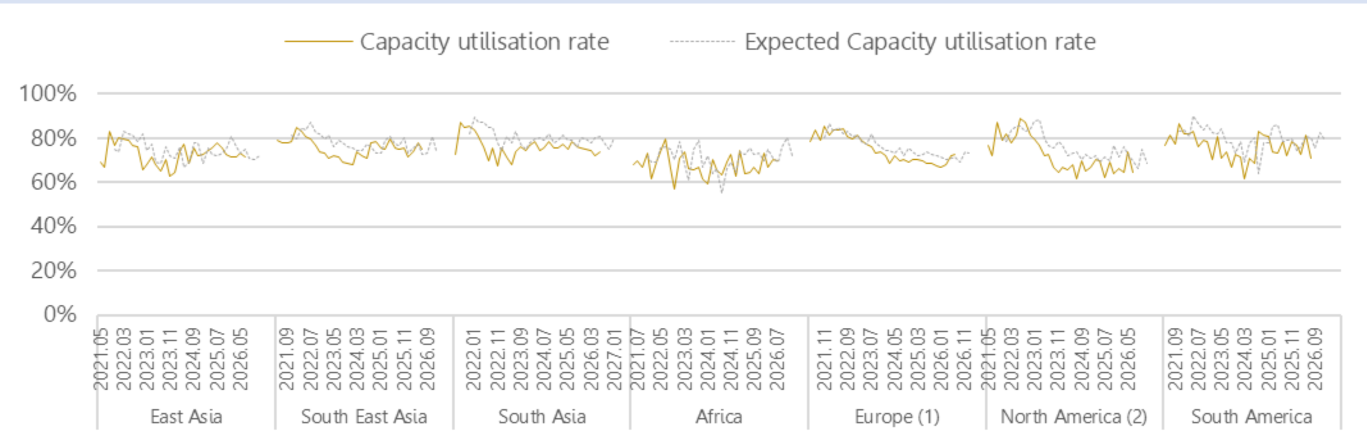
Regionally, South-East Asia reported the highest rate at 75%, followed by South Asia at 74% and Europe (incl. Türkiye and Central Asia) at 72% (see Graph 2). The lowest rate was observed in North & Central America at 64%.

Graph 1: Capacity utilisation rate World average, since May 21

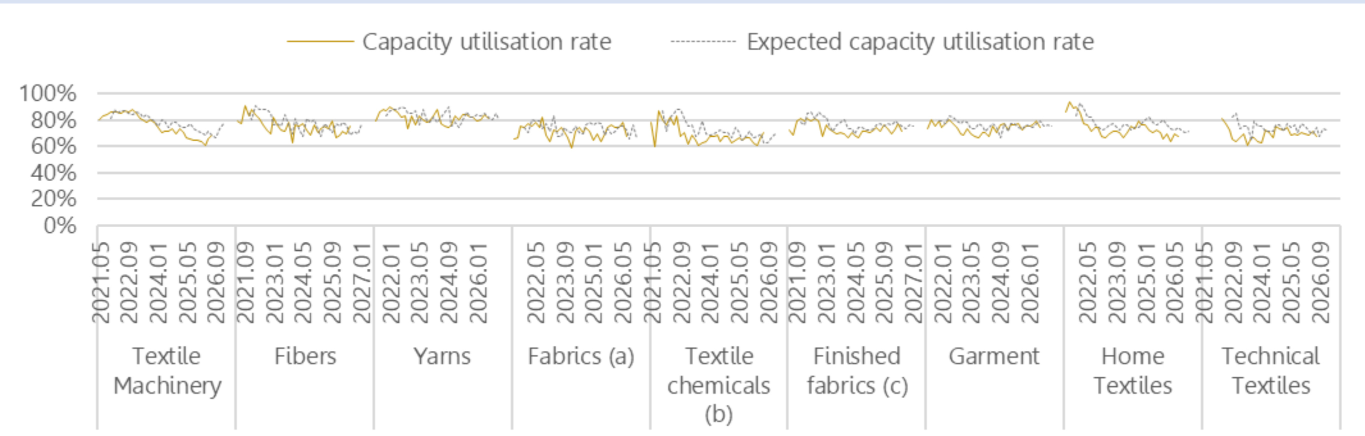


*average | Source: 8-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

Graph 2: Capacity utilisation rate by region* since May 21



Graph 3: Capacity utilisation rate by producer type* since May 21



(1) incl. Türkiye and Central Asia | (2) incl. Central America | (a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabrics | * average | Source: 8-39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026) | last data point = Jul 2026

By **producer type**, spinners led with a capacity utilization rate of 81%, followed by fiber producers at 76% (see Graph 3). Fabric producers (woven and/or knitted) reported the lowest rate at 68%.

Notably, textile chemical/dyes/auxiliary producers and machinery manufacturers have both seen their rates rise for two consecutive surveys, the latter improving since its minimum in March 2026.

Article 6: Demand and geopolitics dominate textile industry concerns as cost pressures recede

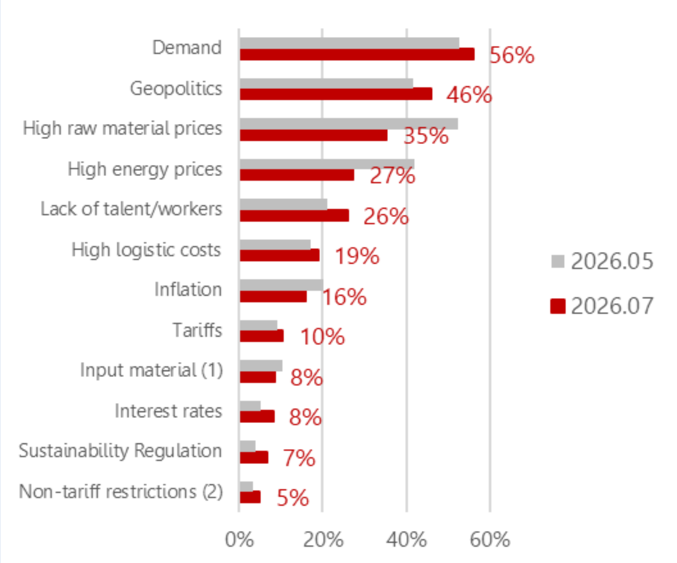
by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

The 39th ITMF Global Textile Industry Survey (GTIS), conducted in mid-July 2026, confirms that "Demand" remains the industry's foremost worry: 56% of participants cited it as a main concern for the coming 6 months, up for the second consecutive survey since March 2026 (49%), though still well below the November 2025 peak of 71% - and a world away from January 2022, when only 17% flagged it.

Geopolitics ranks second at 46%, a structurally elevated concern hovering around 40–50% since 2024 after standing below 10% in early 2022. "High raw material prices" (35%) has receded sharply from its May 2026 spike of 52%, and "High energy prices" similarly dropped to 27% after exceeding 40% in spring 2026. Among mid-tier concerns, "High logistic costs" stood at 19%, and "Inflation" continued to fade at 16%. Most strikingly, "Tariffs" collapsed to just 10% from a peak of 40% in September 2025, while interest rates, input material availability (8% each), sustainability regulation (7%), and non-tariff trade restrictions (5%) stayed marginal.

Since the second half of 2022 weak demand has been perceived as the main concern on average globally (see Graph 2). It was normal to see demand weaken after the surge in 2021/2022 with significant pent-up demand after the COVID crisis. Demand did not recover to pre-pandemic levels due to various economic, political, and military disruptions which created a multi-crises environment. All these geopolitical disruptions – for example wars and tariffs – led to higher energy costs which eventually led to rising prices for end-consumer goods and services.

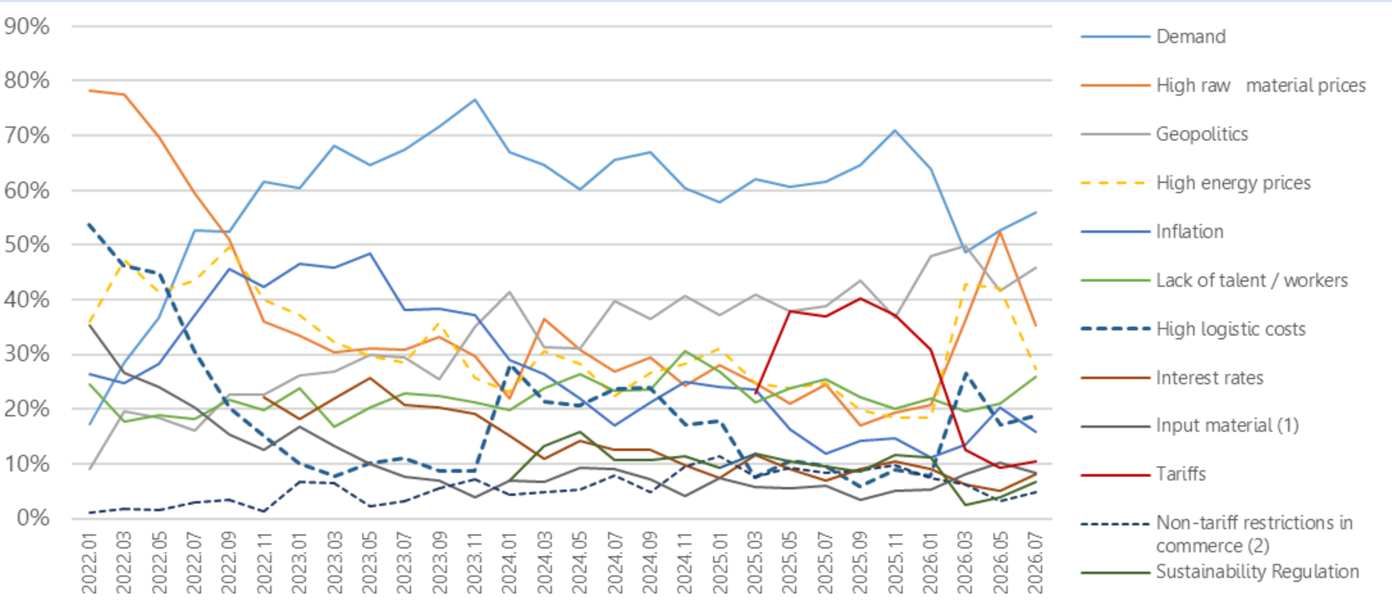
Graph 1: Major concerns



Source: 39th ITMF Global Textile Industry Survey (14-22.07.2026)

Higher inflation rates are also detrimental to consumer spending. But it is important to note that other structural effects have also contributed to weaker demand. For example, the rise of global e-commerce platforms, the reduction of overall spending on textile products as well as the trend towards second-hand clothing lead to weaker demand in the traditional retail businesses.

Graph 2: **Major concerns** since January 2022



(1) Lack of or delayed receipt of | (2) (2) Adoption of non-tariff restrictions in commerce| Source: 8- 39th ITMF Global Textile Industry Survey (39th: 14-22.07.2026)

Turning to the four leading concerns by **region**, worries about **demand** are most pronounced in the western hemisphere and Europe (see Graph 3). South America leads at 77%, closely followed by North America (73%) and Europe (incl. Türkiye and Central Asia) (66%), all well above the world average of 56%. In Asia and Africa, demand ranks lower - 50% in East Asia, 41% in South Asia, 38% in Africa, and just 32% in South-East Asia — and other concerns take precedence.

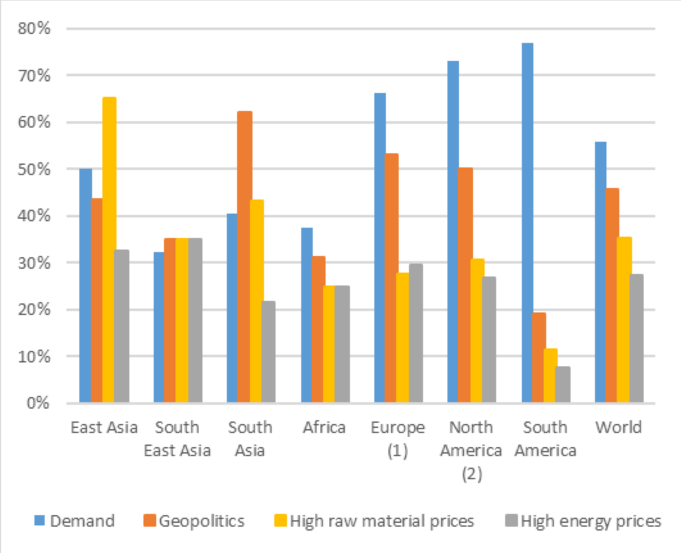
In East Asia, **high raw material prices** dominate at 65%, far above the global 35%, while in South Asia **geopolitics** leads at 62%. South-East Asia shows a notably flat profile, with geopolitics, raw material prices, and energy prices all at 35%, marginally ahead of demand. Africa's readings are comparatively moderate across all four concerns (25–38%), whereas South America combines the highest demand concern with the lowest cost-related worries of any region - 12% for raw material prices and only 8% for energy prices. Geopolitical concern is broadly shared at around 50% in Europe and North America but drops to just 19% in South America.

Overall, the July 2026 picture is one of demand anxiety reasserting itself atop persistent geopolitical unease - concentrated in the Americas and Europe - while Asian producers remain more preoccupied with input costs and regional geopolitics.

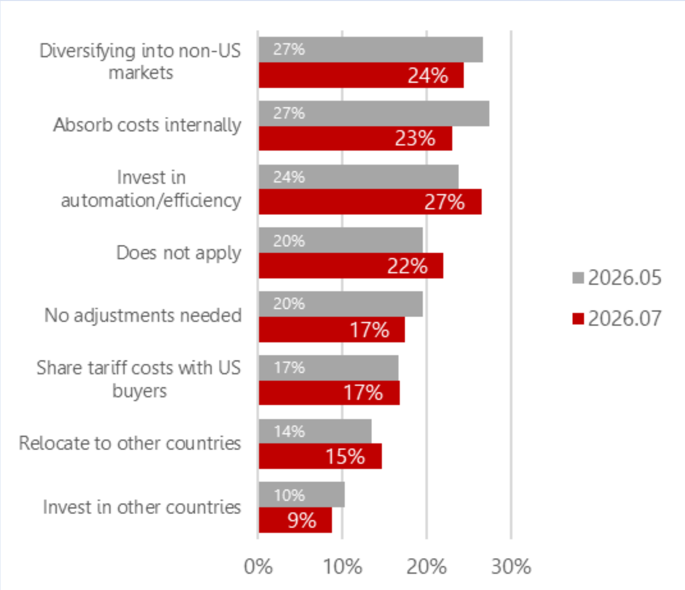
When it comes to the impact of **US-tariffs** (see Graph 4) it is interesting to observe that a relative majority of companies (27%) react with investments in more automation and higher efficiency followed by diversification into non-US markets (24%) and the internal absorption of higher costs (23%).

15% of respondents expressed the view that relocation of production to other countries is a real option (up from 14% in May). 9% replied that investing in other countries is an alternative. This is a slight drop from 10% in May. While this number might look relatively small at first glance it is an indicator that companies are more inclined to invest abroad to become more resilient to changing trade environments.

Graph 3: Major concern by region



Graph 4: Impact of US-tariff on strategy



(1) incl. Türkiye and Central Asia | (2) incl. Central America | Source: 39th ITMF Global Textile Industry Survey (14-22.07.2026)

Article 7: Order cancellations remain low; strongest in the Americas

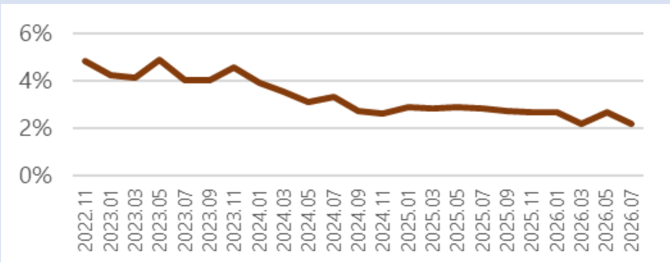
by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

The mid-July 2026 edition of the Global Textile Industry Survey (GTIS) measured the share of orders cancelled in the past 4 months at 2% globally, down from the 3% recorded in May 2026.

It is good news that order cancellations are at the lowest level. While demand is relatively weak and costs are rising, putting profit margins under enormous pressure, it is important that orders are very rarely cancelled.

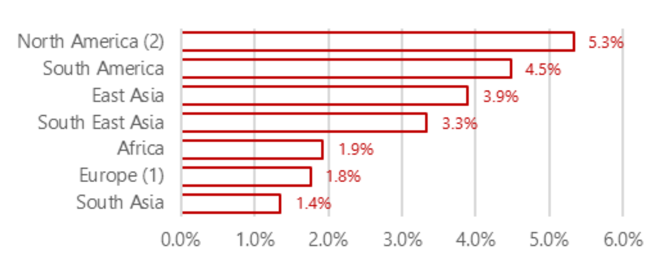
Regionally, North & Central America reported the highest cancellation rate at 5.3%, followed by South

Graph 1: **Order cancellation in the past 4 months**

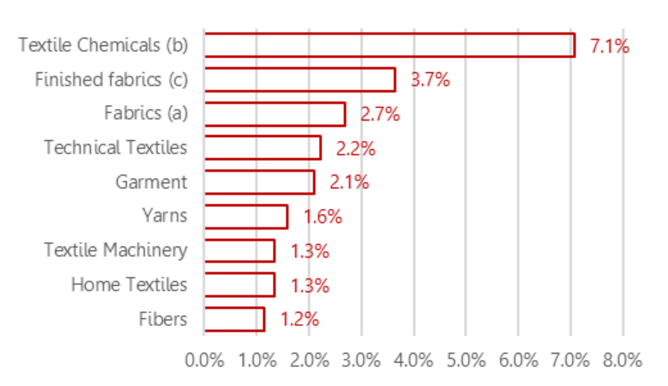


Source: 39th ITMF Global Textile Industry Survey (14-22.07.2026)

Graph 2: **Order cancellation by region** in Jul 2026



Graph 3: **Order cancellation by segment** in Jul 2026



(1) incl. Türkiye and Central Asia | (2) incl. Central America | (a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabrics | Source: 39th ITMF Global Textile Industry Survey (14-22.07.2026)

[continues] America (4.5%), East Asia (3.9%), and South-East Asia (3.3%). Africa (1.9%) and Europe (incl. Türkiye and Central Asia) (1.8%) recorded lower rates, with South Asia the lowest at 1.4%.

By **producer type**, textile chemical/dyes/auxiliary producers reported the highest cancellation rate at 7.1%, followed by finished fabrics producers (3.7%), fabric producers (woven and/or knitted) (2.7%), brands and retailers (2.5%), technical textiles producers (2.2%), and garment producers (2.1%). Spinners (1.6%), machinery manufacturers (1.3%), and home textiles producers (1.3%) came in lower still, with fiber producers recording the lowest rate at 1.2%. Machinery manufacturers have seen their cancellation rate decline steadily over the last three surveys.

Article 8: Inventory levels stay below average despite a slight increase

by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

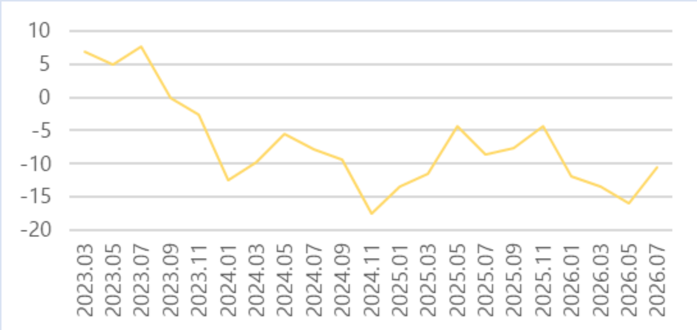
The mid-July 2026 edition of the ITMF Global Textile Industry Survey (GTIS) found a global inventory index of -10, indicating that inventories remain below average overall. The reading improved from -16 in May 2026, ending three consecutive declines since November 2025.

Regionally, only the Americas posted inventories higher than average, with South America at +33 and North and Central America at +13. All other regions reported below-average inventories: South Asia and Europe (incl. Türkiye and Central Asia) both at -16, East Asia at -22, and South East Asia and Africa sharing the lowest reading at -23.

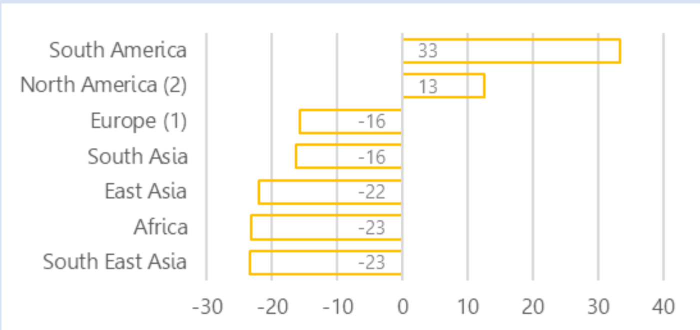
By **producer type**, brands and retailers reported the highest inventory level at +33, followed by fabric producers (woven and/or knitted) and textile chemical/dyes/auxiliary producers, both at +15, and finished fabrics producers at +12. Technical textiles producers stood at +5 and fiber producers at 0, while home textiles producers (-13), spinners (-26), and garment producers (-29) posted negative indexes. Machinery manufacturers recorded the lowest level at -37.

The pattern that emerges is one of inventories accumulating at the consumer end of the value chain while remaining lean upstream. Producers closest to the final customer — brands and retailers, finished fabrics, and fabric producers — hold above-average stocks, whereas upstream segments such as spinners, garment

Graph 1: **Inventory level index*** How would you rate your current inventory level?



Graph 2: **Inventory level index by regions*** in Jul 2026, How would you rate your current inventory level?



(1) incl. Türkiye and Central Asia | (2) incl. Central America | *(high = 100, average = 0, low = -100) | Source: 39th ITMF Global Textile Industry Survey (14-22.07.2026)

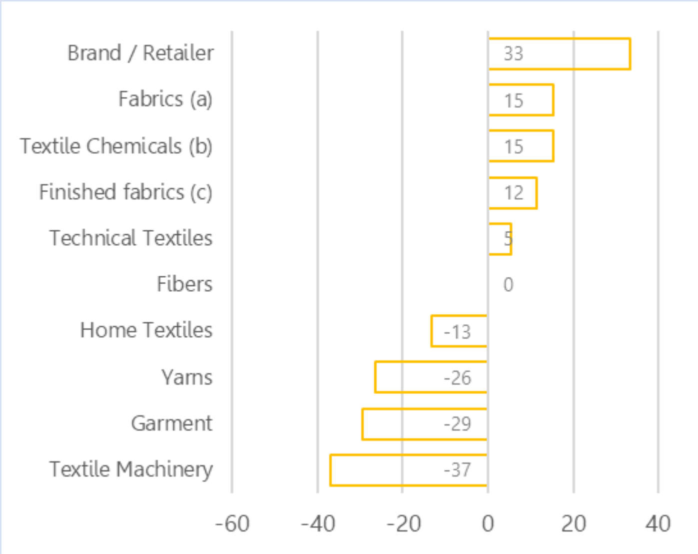
producers, and machinery manufacturers operate with inventories well below normal. This suggests that, amid weak demand, downstream players are absorbing unsold merchandise while manufacturers further up the chain avoid building stock in the absence of firm orders — a caution echoed in the regional picture, where the demand-stricken Americas are precisely the regions carrying the heaviest inventories.

The **US inventory level in the apparel retail and wholesale industry** (May 2026) continues to develop differently (see Graph 4). While retail inventories keep growing along the trendline, the wholesale inventories fell.

Compared to the time in 2020 just before the outbreak of the pandemic, retail inventories increased by around USD 7 billion to around USD 59 billion. On the other hand, wholesale inventories were around USD 1.9 billion lower than they were before the start of the pandemic in 2020.

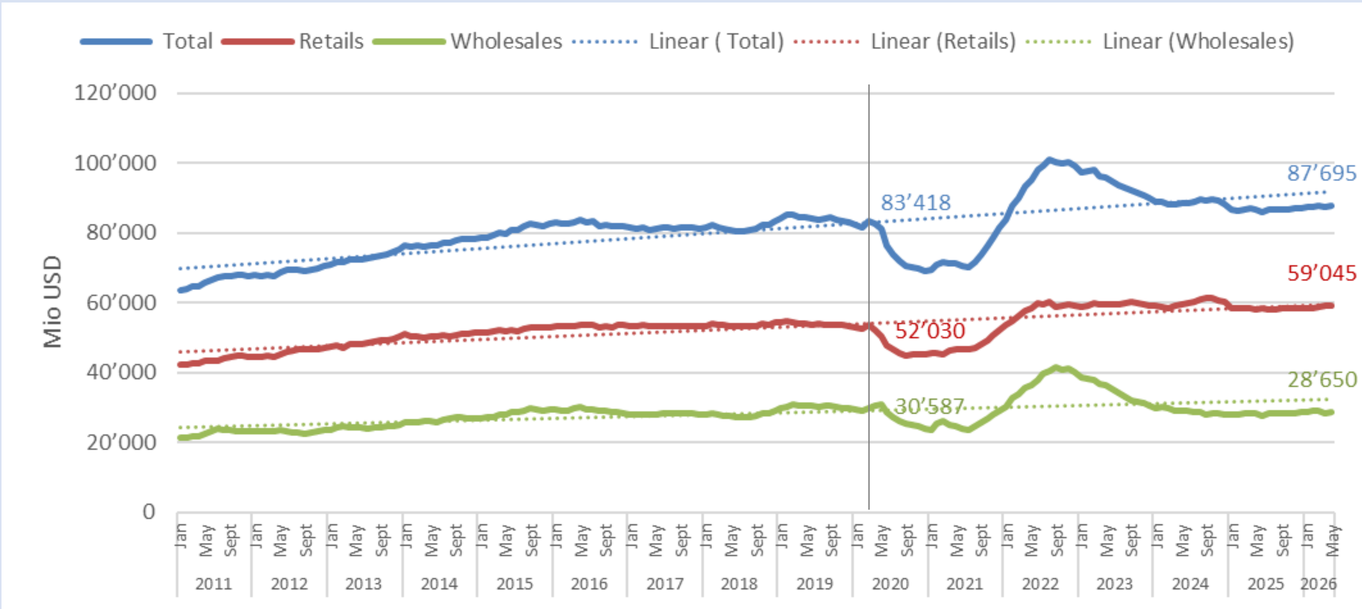
While fast fashion forces retailers to keep enough merchandise in stock, wholesalers keep their inventories to a bare minimum to reduce the risks of unsold goods as much as possible.

Graph 3: **Inventory level index by segment*** in Jul 2026, How would you rate your current inventory level?



(a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabric | *(high = 100, average = 0, low = -100) | Source: 39th ITMF Global Textile Industry Survey (14-22.07.2026)

Graph 4: **Evolution of apparel inventory levels in the USA** [last data point = May 2026] *



* Retail Estimates of End-of-Month Retail Inventories, Clothing and clothing accessories stores, US census | Wholesales: Adjusted estimates of Monthly Sales of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices, Apparel, Piece Goods, & Notions, US census | Source: US Census, illustration: ITMF