ITMF NEWS LETTER

International Textile Manufacturers Federation
Wiedingstrasse 9, CH - 8055 Zürich, Switzerland
Tel: (+41-44) 283 63 80 · Fax: (+41-44) 283 63 89
EMail: secretariat@itmf.org · Web: **www.itmf.org**

No. 123 – September 2026

This edition opens on a sad note. We mourn the passing of Binod Kumar Patodia (1944–2026), whose leadership and commitment to the textile industry and to ITMF will be greatly missed. Our thoughts are with his family and friends.

The ITMF & IAF World Convention 2026 in Fortaleza, Brazil, co-hosted by ABIT, is now just days away, and more than 400 delegates have already registered. Under the theme "Future in Motion: Transformation, Innovation and New Realities", the conference comes at the right time.

The results of our 40th Global Textile Industry Survey show that the business situation and order intake have improved slightly, but they remain in negative territory. Weak demand is still the industry's main concern, and higher energy and raw material prices are adding to the pressure. Expectations have risen, but they rest more on hope than on concrete signals.

In his partner article, Gherzi's Robert Antoshak strikes a similar note: the industry is still growing, but the quality of that growth has changed. Mills are becoming the strategic bottleneck, and traceability is now part of the product.

You will also find news on ITMF's activities in Tajikistan and Egypt, on upcoming trade fairs in Casablanca and Singapore, and on the new VDMA Textile Machinery board.

We look forward to welcoming many of you in Fortaleza.



Mr. Olivier Zieschank
director, ITMF

Contents

OBITUARY
- Binod Kumar PATODIA (1944-2026)

ITMF NEWS
- ITMF & IAF 2026 in Brazil co-hosted by ABIT – Registration has reached already 400+ delegates
- ITMF Vice President addresses Intl. Textile Forum in Tajikistan
- ITMF and IAF met Egyptian textile industry leaders in Cairo

PARTNER NEWS
- The Fiber Year 2026 and The Fabric Year 2026: 50% discount for ITMF members
- 23rd Maroc in Mode Show to take place in Casablanca, 3–5 November 2026
- APTEXPO 2026: Asia-Pacific textile and apparel supply chain meets in Singapore
- VDMA Textile Machinery re-elects Dr Janpeter Horn and sets course for ITMA 2027

UPCOMING EVENTS

PARTNER ARTICLES
- Full factories, thin margins: Gherzi's 2026-2030 outlook for the global textile and apparel industries

REPORT ON THE 40TH GLOBAL TEXTILE INDUSTRY SURVEY
- Article 1: Business situation improves slightly, but most regions and segments remain negative
- Article 2: Business expectations are up slightly, but built on hope
- Article 3: Order intake stays weak, with South America at a record low
- Article 4: Order backlog is down slightly
- Article 5: Capacity utilisation slightly up at 71% on average
- Article 6: Demand remains top worry with cost factors up visibly
- Article 7: Order cancellations stay low globally, but rise among finishers
- Article 8: Inventory levels remain low, higher in the Americas

OBITUARY

Binod Kumar PATODIA (1944-2026)

In Memory of Mr. B. K. Patodia

Chairman, GTN Textiles

With the passing of Mr. B. K. Patodia, the Indian and international textile community has lost a visionary entrepreneur, a dedicated industry leader, and a valued friend. His lifelong commitment to cotton spinning extended far beyond the success of his own business. He believed in cooperation, in the strength of industry associations, and in the importance of sharing knowledge across borders.

Organizations depend on individuals who believe in their purpose and devote their time and experience to advancing their mission. This is particularly true of non-profit associations. Mr. Patodia exemplified this spirit. Throughout his working life, he combined entrepreneurial ambition with a deep sense of responsibility towards the wider textile community.

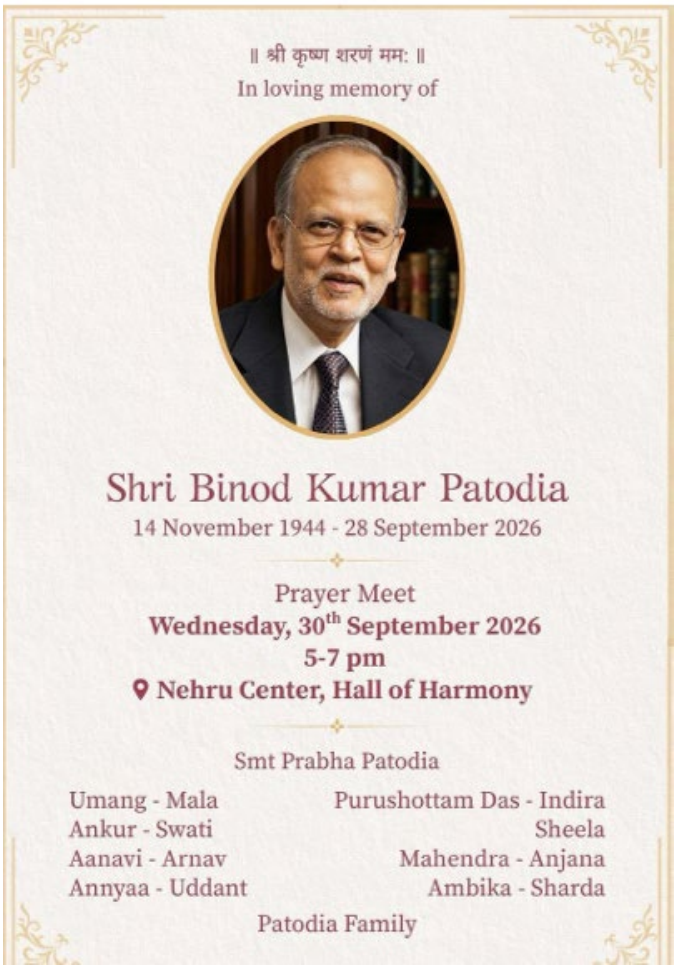
As Chairman of GTN Textiles, he built a successful cotton spinning business, continually striving for excellence. At the same time, he worked tirelessly through local, regional, and national associations to strengthen India's cotton spinning industry. His approach encompassed the entire production chain from cotton growing, harvesting, and ginning to transportation and spinning technology. He understood that lasting improvements required close cooperation among all those involved.

For decades, Mr. Patodia was a respected source of advice for industry associations and the Government of India.

From the 1980s onwards, he played an instrumental role in establishing Indian cotton yarn in international markets. His contribution helped strengthen India's position in the global textile industry, and its influence continues to be felt today.

Within ITMF, we had the privilege of benefiting from his knowledge, commitment, and friendship for more than 30 years. He wanted India to be an active and visible participant in the international textile community, sharing its achievements and perspectives with colleagues worldwide. Equally, he was eager to learn from developments elsewhere and from the experience of fellow industry leaders. This exchange was always reciprocal. His international colleagues gained greatly from his insights and practical experience.

The friendships he formed through ITMF were an important part of this engagement. They reflected his conviction that personal relationships and mutual understanding provide a strong foundation for cooperation across countries and industries.



Mr. Patodia made particularly valuable contributions to ITMF's Spinners Committee, in which he represented India for many years. The committee worked to improve cotton fibre quality in line with modern spinning requirements, encourage better harvesting, handling, and ginning practices, and promote the mechanical testing of raw cotton. Its visits to cotton-producing countries brought together breeders, farmers, ginners, traders, and spinners. Mr. Patodia frequently participated, sharing his expertise while remaining open to new ideas and approaches.

He also helped bring these exchanges to India. Together with Mr. Suresh Kotak, Chairman of Kotak Ginning & Pressing, he organized Spinners Committee visits in 2008 and 2013. These visits highlighted progress in Indian cotton production and encouraged further improvements. His extensive understanding of the cotton trade also enriched discussions within ITMF's Joint Cotton Committee, where spinners and traders considered how trade rules could respond to changing business conditions.

His longstanding involvement led to his election to the ITMF Advisory Board, which subsequently merged with the ITMF Board. In this role, he represented India with distinction and helped make ITMF more responsive to the needs of its members.

When ITMF introduced Corporate Membership in 2000, his company and that of his brother were among the first to join. He subsequently encouraged many other Indian companies to become members, helping broaden the Federation's international business community.

A particularly memorable expression of his commitment was the ITMF Annual Conference in Jaipur in 2016. Mr. Patodia proposed this distinctive location and helped bring the conference to India, coordinating efforts with Mr. Suresh Kotak, Mr. Prem Malik, Mr. R. K. Dalmia, Mr. Naishadh Parikh, and the CITI team. The gathering in Rajasthan became a highly successful and enduringly memorable occasion.

Together with Mr. Mohamed Bashir, ITMF Past President, he also played an important role in finding a practical solution that enabled CITI to re-join ITMF.

His constructive approach and willingness to explore new possibilities helped bring about a change in ITMF's statutes, restoring an important institutional link between India and the Federation.

Mr. Patodia's legacy lies both in his business achievements and in his sustained service to the industry. He led by example, shared generously of his experience, and understood that progress depended on cooperation.

At ITMF, we will remember him with profound respect and gratitude—as an outstanding representative of India's textile industry, a committed advocate for the global textile community, and a friend whose contribution will endure. We extend our sincere condolences to his family, the staff at GTN Textiles, and all those who had the privilege of knowing and working with him.

Mr. Juan Parés
President
For the Board & Past Presidents

Mr. Christian Schindler
Director General
For the Secretariat

EXECUTIVE SUMMARIES

Full factories, thin margins: Gherzi's 2026-2030 outlook for the global textile and apparel industries

[1]

Gherzi's 2026–2030 outlook argues that the industry is still growing, but the quality of that growth has worsened: full factories can still lose ground as unit values slide. Final sewing is shrinking in China, but fabric production largely stays there, so diversification often only moves the risk. Polyester dominates fibre growth, while recycled fibres are losing share. Mills are becoming the strategic bottleneck, and traceability data is now part of the product. Technical textiles offer the strongest growth.

> read more

ITMF ARTICLE - EXECUTIVE SUMMARIES

Business situation improves slightly, but most regions and segments remain negative


[2]

The global business situation improved slightly to -23pp but remains weak amid high uncertainty. Higher energy prices since the Iran war are fueling inflation, and weak demand remains the main concern. Only South Asia (+13pp) and Africa (+9pp) are positive, while North & Central America (-56pp) is weakest. Fibre producers (+17pp) lead, while finishers (-42pp) lag.

> read more

Business expectations are up slightly, but built on hope

[3]

Business expectations improved to +19pp, in sharp contrast to the current situation, but they rest more on hope than on concrete signals, with 46% expecting no change. Africa (+59pp) is by far the most optimistic region, while East Asia (-20pp) and Southeast Asia (-6pp) remain pessimistic. Fibre producers (+67pp) are the most confident segment, while textile chemical & dye suppliers (-40pp) are the most pessimistic.

> read more

[1] This Photo by Unknown Author is licensed under CC BY-NC-ND
[2] This Photo by Unknown Author is licensed under CC BY-SA-NC
[3] This Photo by Unknown Author is licensed under CC BY-SA

Order intake stays weak, with South America at a record low



Global order intake improved slightly to -24pp but remains weak, and rising costs and inflation make a significant recovery unlikely in the next six months. Africa (+28pp) and South Asia (+18pp) are the only positive regions, while South America (-69pp) has hit a record low. Fibre producers (+27pp) lead, while finishers (-50pp) lag.

> read more

Order backlog is down slightly



The global order backlog shortened slightly to 2.3 months. It has stayed between 2 and 2.5 months since mid-2023, which shows that most companies are working on confirmed orders only. Africa (3.3 months) and East Asia (2.8 months) report the longest backlog, while South America has the shortest at 1.2 months. By segment, textile machinery manufacturers lead with 3.8 months, while spinners are at the bottom with around one month.

> read more

Capacity utilisation slightly up at 71% on average



[4]

Global capacity utilisation rose to 71%, above the November 2023 record low of 68% but still well below the levels above 80% seen before late 2022. Demand has stayed weak for more than three years, and supply and demand still appear out of balance. Trends such as sustainability regulation and second-hand markets suggest consumption will grow more slowly. South Asia leads at 78%, while North & Central America (63%) trails.

> read more

Demand remains top worry with cost factors up visibly



[5]

Weak demand remains the industry's main concern (56%), especially in the Americas and Europe. Cost-related concerns are rising, led by high raw material (42%) and energy prices (41%). Geopolitical worries have eased to 36%, from 46% in July, as their impact is increasingly felt through production costs. In response to US tariffs, companies mainly diversify into non-US markets (29%), invest in automation (23%) or absorb the higher costs (23%).

> read more

Order cancellations stay low globally, but rise among finishers



[6]

Order cancellations over the past four months declined and remain low at around 2% on average. They are highest in the Americas, at 4.5% in North & Central America and 4.2% in South America, though both have fallen since July. South Asia has the lowest rate at 1.6%. Finishers are the most affected segment (4.4%), with cancellations rising in three consecutive surveys, while fibre producers are the least affected (0.9%).

> read more

Inventory levels remain low, higher in the Americas



[7]

The global inventory index slipped slightly to -11, which shows inventories remain low. The Americas are the only regions with a positive index: South America is at +36 and North & Central America at +12. Combined with their weak order intake, this points to a build-up of unsold stock there. Southeast Asia is at a record low of -37. In the US, retail inventories keep growing while wholesale inventories remain below pre-pandemic levels.

> read more

[4] This Photo by Unknown Author is licensed under CC BY
[5] This Photo by Unknown Author is licensed under CC BY-NC
[6] This Photo by Unknown Author is licensed under CC BY
[7] This Photo by Unknown Author is licensed under CC BY-NC

ITMF NEWS

ITMF & IAF 2026 in Brazil co-hosted by ABIT – Registration has reached already 400+ delegates

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

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 Vice President addresses Intl. Textile Forum in Tajikistan



Mr. Mustafa Denizer

On September 23rd, 2026, the 2nd International Textile Forum Tajikistan was held in Dushanbe, Tajikistan. ITMF Vice President, **Mr. Mustafa Denizer**, addressed the Forum in the Ministerial Opening Session highlighting the role ITMF plays as a unique international platform for the global textile value chain. He emphasized the wide range of publications, surveys, reports, etc. as well as the webinars, workshops and conferences which allow ITMF members to better understand the evolution of the global textile and textile machinery industry. He encouraged Tajikistan's cotton and textile industry to engage internationally and to make use of ITMF's unique platform by attending its events and by actively participating in its activities.

The Director General of ITMF, **Mr. Christian Schindler**, moderated the session "*Digitalization, Automation & AI*" with panelists from Bajaj Steel Industries (India), a producer of ginning machinery, as well as LMW (India) and Rieter (Switzerland), producers of spinning machinery. The panelists shared how digitalization enabled and accelerated the automation process until today with the result that fewer and fewer people are needed in ginning and spinning mills. The continued automation process is driven by both rising labor costs but also by a lack of talents / workers in practically all textile producing countries.

In his **opening remarks** Mr. Schindler Mr. Schindler referred to the webinar series about "*AI in the Textile Value Chain*" which ITMF organized in collaboration with the Insitut für Textiltechnik (ITA) at the RWTH University of Aachen between 2024-2026. Based on these webinars a White Paper will be published later this year at the ITMF Annual Conference 2026 in Brazil. One important finding is the following:

"For engineers, IT specialists, and operational managers, AI relies on an existing digital and organizational foundation: data quality, system integration, and explainable outputs are prerequisites for meaningful use. ... Human expertise remains central - for interpreting outputs, handling exceptions, and ensuring accountability - making continuous learning and cross-functional collaboration critical."

ITMF and IAF met Egyptian textile industry leaders in Cairo



f.l.t.r.: Dr. Hany Kadah (ECAHT), Mr. Matthijs Crietee (IAF), Dr. Dalia Saber (ECAHT), Mr. Mohamed Kassem (ITMF & ECAHT), Ms Sherin Hosni (AECE), Dr. Christian Schindler (ITMF), Mr. Khaled El Behairy (ECTI).

In the middle of October ITMF Director General, Mr. Christian Schindler travelled to Cairo, Egypt, together with Mr. Matthijs Crietee, Secretary General of IAF, to meet with ITMF Board Member, Mr. Mohamed Kassem, and representatives of the Egyptian Chamber of Apparel & Home Textile Industries (ECAHT), a member of ITMF, as well as the Egyptian Chamber of Textiles Industries, and the Apparel Export Council of Egypt.

They discussed the current global business environment with a special focus on Egypt. As the latest ITMF's Global Textile Industry Survey (GTIS) revealed, companies from North Africa report a rather good business situation and are also optimistic about the outlook. Together they also discussed the upcoming exhibition Destination Africa 2026 which will be held from November 14-15,2026 in Cairo, Egypt, as well as a possible joint event.

PARTNER NEWS

The Fiber Year 2026 and The Fabric Year 2026: 50% discount for ITMF members



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

- **50% discount:** ITMF-members may purchase a license for the new 2026 edition for an attractive price of
  - The Fiber Year: CHF 900.- instead of CHF 1'800.-
  - The Fabric Year: CHF 1'250.- instead of CHF 2'500.-
- **Tailor-made packages for ITMF member associations:** ITMF members that are associations can contact The Fiber Year GmbH directly to negotiate their price package for their own members.

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

The new publications offer a comprehensive view on the latest trends and developments in the global textile value chain– from fibers to fabric.

The Fiber Year (download overview here)

includes **world natural and manmade fibers**, **latest trade data**, **country profiles for 20 major industries** and the comprehensive **statistical appendix**

The Fabric Year (download overview here)

includes **world fabrics production across knitted, woven and nonwoven technologies, latest production dynamics for top 20 industries**

IMPORTANT: indicate your affiliation with ITMF when ordering the publication

23rd Maroc in Mode Show to take place in Casablanca, 3–5 November 2026



After a successful 22nd edition in 2025, with more than 200 exhibitors from over 22 countries, the Maroc in Mode (MIM) Show returns for its 23rd edition from 3 to 5 November 2026 at OFEC in Casablanca. It will run alongside the 4th Moroccan Edition of the Textile Series of Exhibitions.

AMITH and CEMS-Global USA, two ITMF members, organise both events. Last year's show was held under the theme "Morocco, the Smart Hub for Global Textile". It covered the whole value chain, from fibres and fabrics to machinery, chemicals and finished apparel, and offered expert conferences on innovation, sustainability and traceability. This year's edition is again an opportunity for manufacturers, buyers, sourcing professionals and industry associations to explore Morocco's textile and apparel industry and its growing role in global supply chains.

> read more

APTEXPO 2026: Asia-Pacific textile and apparel supply chain meets in Singapore



After a strong 2025 edition, the 3rd Asia-Pacific Textile and Apparel Supply Chain Expo (APTEXPO) will take place from 11 to 13 November 2026 at the Marina Bay Sands Expo & Convention Centre in Singapore. Last year's show had more than 100 exhibitors and drew visitors from leading global brands and retailers. Its summit focused on resilient and sustainable supply chains, circularity and the role of AI in fashion. Pre-registrations for this year already include visitors from 12 countries and regions across Asia, the Middle East and Europe, and 70% of new visitors hold senior management or C-suite positions. The expo covers the full supply chain, from fibres and chemicals to fabrics, garments, brands, retail and technology. It is founded by the ASEAN Federation of Textile Industries (AFTEX) and the China National Textile and Apparel Council (CNTAC), hosted by the Singapore Fashion Council, and organised by MP Singapore and CCPIT TEX.

> read more

VDMA Textile Machinery re-elects Dr Janpeter Horn and sets course for ITMA 2027



At its General Meeting in Hanover at the end of September, VDMA Textile Machinery elected its Executive Board for 2026–2030. Dr Janpeter Horn (A. Herzog Maschinenfabrik) was confirmed as Chairman, with Regina Brückner (Brückner Trockentechnik) and Verena Thies (Thies) as Deputy Chairs. The twelve-member board takes office at a demanding time. The German textile machinery sector expects nominal turnover to fall by 14% in 2026, although order intake is stabilising, and it faces strong Asian competition and difficult business conditions in Europe. "The challenges are considerable, yet we possess the innovative strength, the expertise and the technological leadership to actively shape these changes," said Dr Horn. The board's next milestone is ITMA 2027 in Hanover, where the industry plans to show its capabilities to the world

> read more

UPCOMING EVENTS

2026

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

ÖWAV Textile Seminar
October 7, 2026
Vienna, Austria

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

Internationa Textile Conference 2026
November 26-27, 2026
Aachen- Dresden-Denkendorf, Germany

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

ICAC's 84th Plenary Meeting
March 24-26, 2027
Alexandria, Egypt

Milano Fashion & Jewel 2027
February 20-22, 2027
Milano, Italy

ITMA 2027
September 16-22, 2027
Hannover, Germany

PARTNER ARTICLES

Full factories, thin margins: Gherzi's 2026-2030 outlook for the global textile and apparel industries

by Robert P. Antoshak, Managing Partner, Gherzi Americas



[8]

The mood in a lot of boardrooms this year runs darker than the numbers. Yet global fiber production hit a record in 2024, apparel still crosses borders in huge volume, and technical textiles keep picking up work in hospitals, on highways, in cars and on farms.

My partners Radhika Shrinivas and David Uricoli and I spent much of this year on a report that tries to square that gap. It's called Global Textile & Apparel Strategic Outlook 2026-2030, and its central argument fits on an index card. The industry is still growing. What's changed is the quality of the growth.

Growth with less room for error

Volume used to be a decent stand-in for health. It isn't anymore. A factory can run full and still lose ground when unit values slide.

Our base case calls for low-to-mid single-digit growth through 2030 across most of fashion and apparel, with technical textiles growing faster and synthetics leading fiber volume.

We built upside and downside cases too. Treat them as stress tests. A strategy that only holds up when demand, freight, cost and regulation all behave is, as we put it in the report, a weather forecast with a logo.

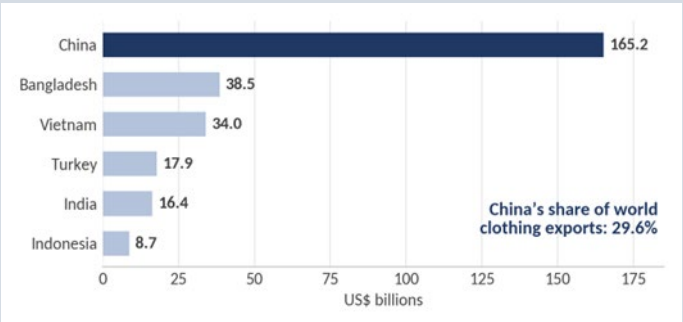
China still holds the fabric

Buyers talk a lot about leaving China. Final sewing does move, to Vietnam, Bangladesh, India, Mexico, Central America and North Africa. The fabric often stays put, along with the yarn and trims. China still ships 29.6% of the world's clothing exports, and its reach upstream runs deeper than that number suggests. Enforcement has noticed. A garment sewn in Cambodia can still be held at a U.S. port if nobody can document where its cotton came from.

Diversify, by all means. Just give the board an accurate description of what you did. If sewing leaves China and the fabric doesn't, the risk has changed address.

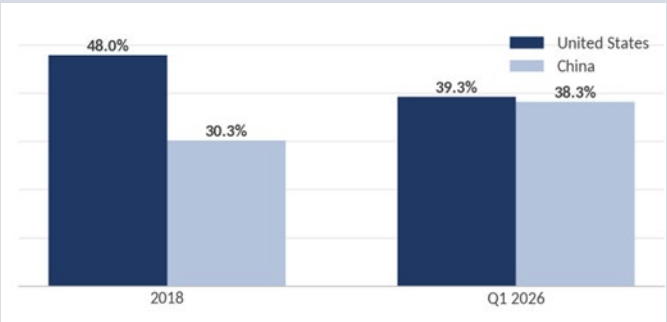
Nearshoring runs into the same wall. It works for replenishment basics, uniforms, workwear and programs

Figure 1: China remains the largest clothing exporter in 2024



Selected clothing exporters, 2024, US$ billions. Source: WTO, World Trade Statistics 2025

Figure 2: China has nearly caught the U.S. in Mexico's textile imports



Share of Mexico's textile imports at two reporting points, not a continuous series. Source: CANAINTEX / Gherzi Americas, Q1 2026.

[8] This Photo by Unknown Author is licensed under CC BY-NC-ND

[continues] where carrying inventory costs more than labor. Move only the sewing and keep buying fabric from Asia, and most of the speed and much of the duty benefit disappear. Mexico shows the problem in miniature. China's share of Mexican textile imports climbed from about 30% in 2018 to 38% in the first quarter of this year, within a point of the U.S. share. Mexico's apparel prospects depend a good deal on closing that gap.

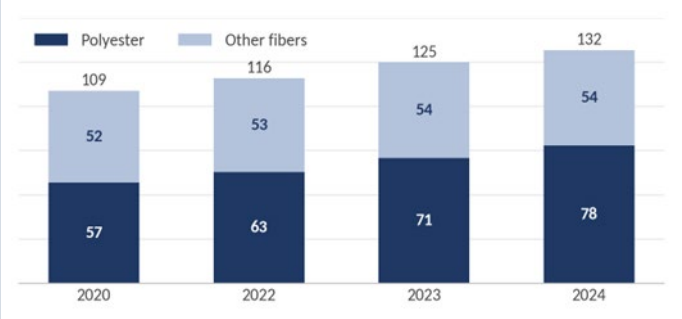
Tariffs add their own drag on decisions, and I don't expect a calm tariff environment this decade. Anyone carrying duty as a static line item is underpricing the next five years.

Polyester pays the bills

The fiber data doesn't care what gets said on sustainability panels. Global output reached 132 million tonnes in 2024, and polyester accounted for 78 million of it. Textile Exchange puts 2030 at 169 million tonnes if current trends hold. Polyester wins on cost, strength, blendability and sheer availability.

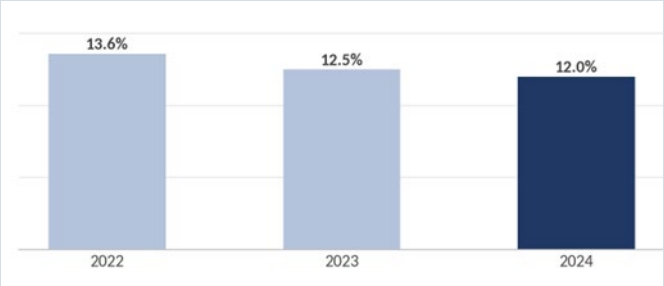
Recycled polyester grew in volume and still lost share, slipping to 12% of polyester supply in 2024 because virgin output grew faster. Less than 1% of all fiber came from recycled textiles. Recycling needs scale and economics that survive a drop in virgin polymer prices, and neither has arrived. The practical work is cutting virgin dependence, improving durability, controlling shedding and designing for end of life.

Figure 3: Fiber production keeps expanding



Global fiber production, million tonnes. Source: Textile Exchange, Materials Market Report 2025..

Figure 4: Recycled polyester loses share as virgin output grows



Recycled share of polyester supply. Source: Textile Exchange, Materials Market Reports 2024 and 2025.

Cotton gets tough love. It fights polyester on cost and consistency every season, and its future depends on traceability and claims that don't outrun the evidence. Use it where it wins on hand, comfort, durability or identity. Quit leaning on the porch-swing version of the story.

The mill is the bottleneck

If ITMF members read one section, I'd point them here. The industry still talks as if sourcing starts at the sewing line. Yarn, fabric, dyeing and finishing decide what can be made, how fast it moves, whether it qualifies for a trade preference and whether a brand's claim survives an audit. Sewing capacity can be added in a hurry. Fabric capability can't.

That gives mills more strategic weight, and it comes with a bill. Brands say they'll reward mills that invest in documentation and cleaner processing. Fewer do once a cheaper quote shows up. Treat data as part of the fabric: fiber-origin records, chemical inventories, test reports, lot traceability. Buyers won't pay for every data field. More of them will walk away from mills that can't supply one. A mill that brings only a price list gets treated like one.

Capital sits underneath all of it. Suppliers can't finance the industry's future out of squeezed margins, and a cheap supplier that can't cover payroll, maintenance, compliance and raw materials is a future disruption with a purchase order attached. As wages rise, the only durable answer is productivity, and most of it will come from better management well before robots enter the picture.

Technical textiles and the EU invoice

The best structural growth story belongs to products most consumers never see. Technical textiles go into filtration, medical products, geotextiles, cars and defense, and demand follows infrastructure and healthcare spending more than spring color stories. Long approval cycles keep low-end players out and let mills with engineering depth compete on performance, far from markdown math.

Europe, meanwhile, is turning textile waste into a producer invoice. Extended producer responsibility and digital product passports will reach mills in Asia and the Americas that may never sell a meter to a European shopper, because big brands won't run one data system for Europe and a second for everyone else. Sustainability is moving from poetry to accounting.

Capable or exposed

By 2030 the dividing line runs between companies that are capable and companies that are exposed. Cheap and slow is a weak position. So is fast and undocumented.

Associations have a role here beyond fighting the latest fire. They can build shared traceability tools, collect better

data, put mills and brands in the same room and explain the industry to officials before bad policy hardens into law. We complain a lot that governments don't understand textiles. Sometimes we haven't explained ourselves very well.

You can read the full report free at GherziAmericas.com. Its base, upside and downside cases give companies a practical way to test how fiber economics, trade policy, capacity and regulation could affect their plans through 2030. That is also the work we do at Gherzi Americas: testing assumptions before they become expensive commitments. Tell me where we got it wrong at r.antoshak@gherzi.com. I'd rather hear it now than in 2030.

We titled the closing chapter "A Harder, Better Industry Is Possible." I believe the first half without reservation. The second half depends on whether the industry stops mistaking noise for strategy.

REPORT ON THE 40th GLOBAL TEXTILE INDUSTRY SURVEY

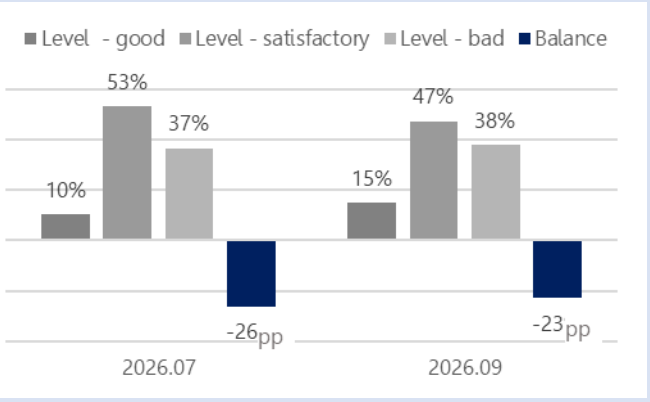
Article 1: Business situation improves slightly, but most regions and segments remain negative

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

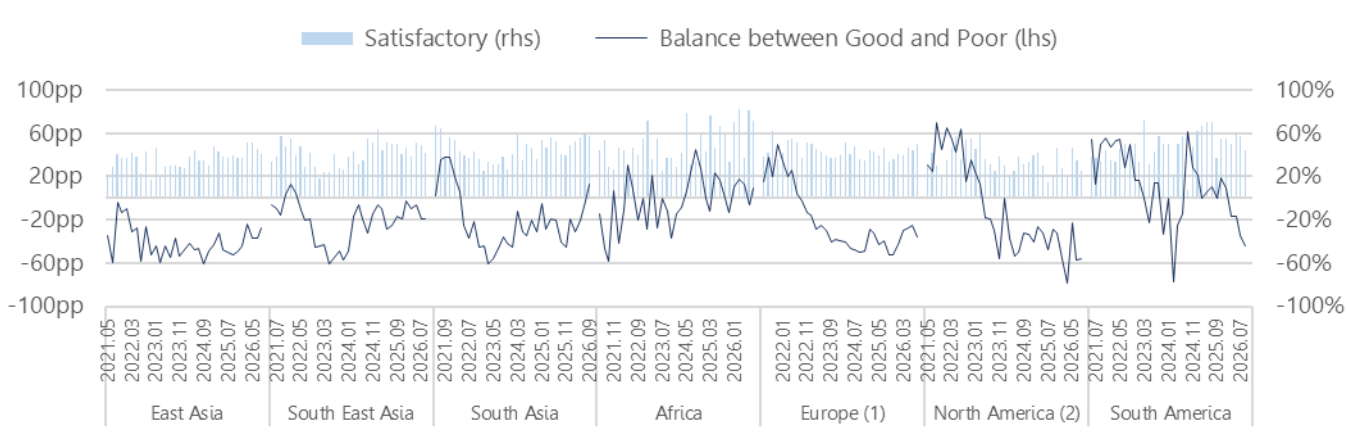
The 40th ITMF Global Textile Industry Survey (GTIS) was conducted in the second half of September 2026. Worldwide, 15% of participants described their business situation as "good," 47% as "satisfactory," and 38% as "bad" (see Graph 1). The balance of -23 percentage points (pp) is a slight improvement since July and well above the last low of -46pp recorded in November 2023 (see Graph 5).

While the business situation has improved and is well above its low recoded level, it remains in an unsatisfactory area that is far from usual. Unfortunately, it is now safe to equate it to a new normal marked by enormous uncertainty and unpredictability.

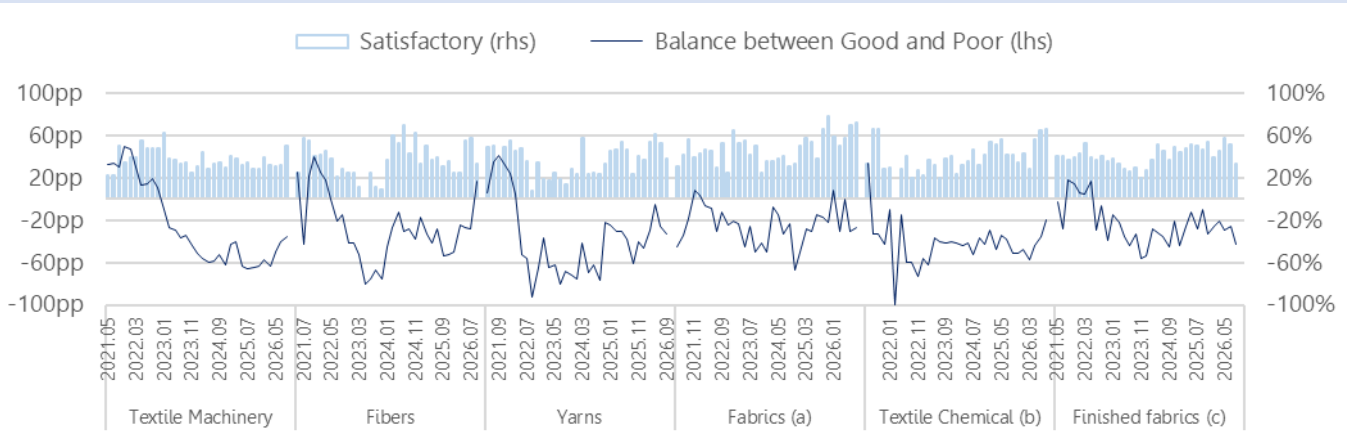
Graph 1: **Business situation** (World balance*) in Sept 2026



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

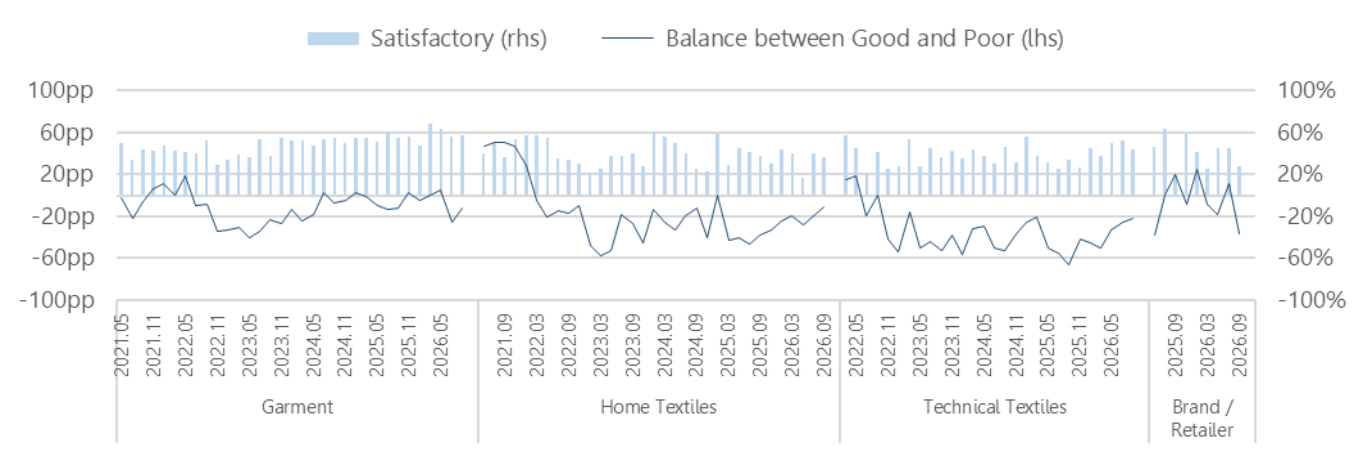


Graph 3: **Business situation by segment** since May 21 - upstream



(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: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

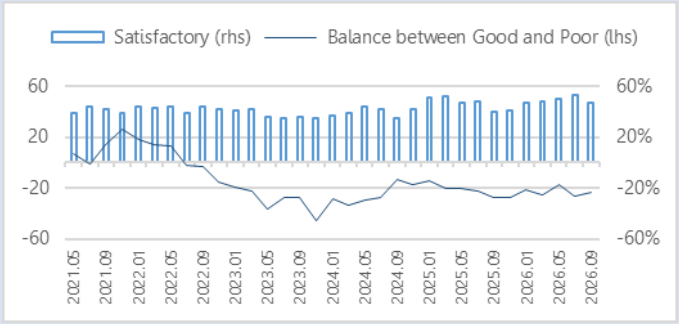
Graph 3: **Business situation by segment** since May 21 - downstream



*Balance = share of respondents answering good vs. poor Source: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

Since 2022 with the start of the Russian invasion of Ukraine, the world economy was confronted with major global disruptions of enormous scale and scope. In 2022 inflation – driven by soaring gas and oil prices in the aftermath of the war in Ukraine – peaked but fell afterwards. In 2025, the US-administration introduced sweeping tariffs across most sectors and for most countries disrupting global textile and apparel trade. In 2026, the US and Israel attacked Iran resulting in rising oil and gas prices. In such an environment, neither business nor consumer sentiment are likely to recover. On the contrary, rising global energy prices have once more caused inflation rates around the world to increase with all the negative repercussions for consumption and investments.

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



*Balance = share of respondents who answer good vs. poor | Source: 8-40th ITMF Global Textile Industry Survey (21-29.09.2026) | pp : percentage point | last data point = Sept 2026

Looking at the major concerns of the GTIS in September (see Article 6) it is no surprise that weak demand is once again the major concern among survey participants.

Weak demand is a consequence of rising energy, raw material or logistical costs which result in higher inflation rates. They remained high at around 3.5% in August in the US and jumped in the Euro-Area from 3.4% in August to 3.8% in September. Given the level and duration of elevated energy prices – crude oil is currently hovering above USD 90, approx. 50% higher compared to pre-Iran-war levels – it is more likely that inflation will accelerate than slow down. It is important to note that prices of refined products like gasoline, diesel as well as aromatics in the textile industry are significantly above pre-war levels. Gasoline prices in the US stood around USD 3.75 per Gallon before the start of the Iran-war and have reached in September levels of more than USD 6.30, the highest in the history of the US. Logistical costs are also seeing upward pressure due to longer shipping routes since the Strait of Hormuz and the Strait of Bab al-Mandab (Red Sea) are mostly avoided, and the port of Dubai is not accessible as usual.

In such a geopolitical and geoeconomic environment companies are cautious and more likely to hold back investments. This can be seen especially when looking at the business situation of the segment textile machinery (see Graph 3 and text below). Since more than 3 years textile machinery companies are suffering from a lack of investments in new machinery. While the low of -60pp was overcome, the current level of -35pp is still significantly below the global average of -23pp and far from a healthy level.

The restructuring and consolidation of the global textile value chain in terms of capacities and location is in full swing. The industry is developing towards a new equilibrium. It seems that in the future the focus of companies will be more on resilience than on efficiency. Companies must be much more conscious of risks with regard to climate, politics, energy, compliance, trade, or sustainability.

By region, South Asia (+13pp) and Africa (+9pp) are the only regions with a positive balance. South Asia has improved in three consecutive surveys. Within South Asia, India is benefitting from a large domestic market and an improving tariff environment. Africa as a whole is benefiting from a very advantageous geographic location regarding important consumer markets (Europe and the USA), mostly very low labor and energy costs (e.g., Egypt), and attractive tariffs. Southeast Asia (-19pp) and East Asia (-27pp) remain negative but have improved since July. Conditions are weakest in Europe (-36pp), South America (-44pp) and North & Central America (-56pp). Europe and South America have both deteriorated since July, and South America has been sliding since November 2025. In North & Central America, nearly two-thirds of participants (65%) describe their business as bad, although the balance has recovered from its record low of -79pp in March 2026.

By segment, the two ends of the value chain are faring better than the middle. Fibre producers are the only segment in positive territory (+17pp). The reason for this can be explained by the distortion of the synthetic fibers markets caused by the war in Iran. It caused many producers to operate at reduced capacities in order to avoid losses. This resulted in a reduced supply and higher prices. The lack of availability of polyester fibers helped increase the consumption of cotton and cellulosic fibers. Some spinners that were forced to increase the share of more expensive cotton/cellulosic fibers in their blends had to take a hit.

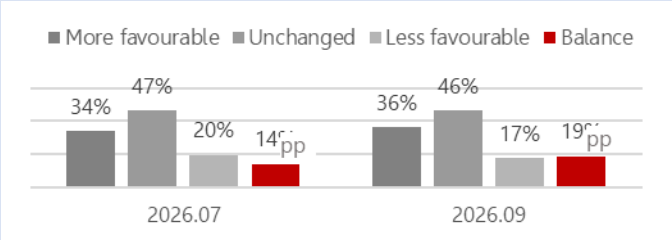
In other segments, home textile producers (-11pp) and garment manufacturers (-11pp) are the closest to neutral. The intermediate stages are the most pessimistic. Not a single weaver or knitter reported good business (-27pp), and spinners (-33pp) and finishers (-42pp) have both worsened since the last survey. Finishers are the weakest segment overall, with 56% of participants reporting bad business.

Article 2: Business expectations are up slightly, but built on hope

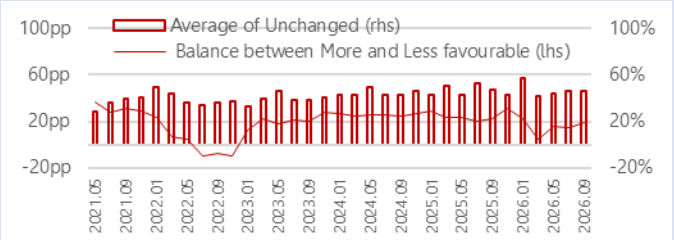
by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

In the 40th ITMF Global Textile Industry Survey (GTIS), conducted in the second half of September 2026, 36% of participants worldwide expect their business situation to become more favourable within six months (see Graphs 1 and 2). Another 46% expect no change and 17% expect deterioration. The resulting balance of +19pp improved since July and stands in sharp contrast to the current business situation (-23pp). This increase is certainly welcome. It is driven by a very strong optimism in Africa and South Asia. Other regions like South America and Europe contributed to this improvement to a lesser extent (see Graph 3 and text below).

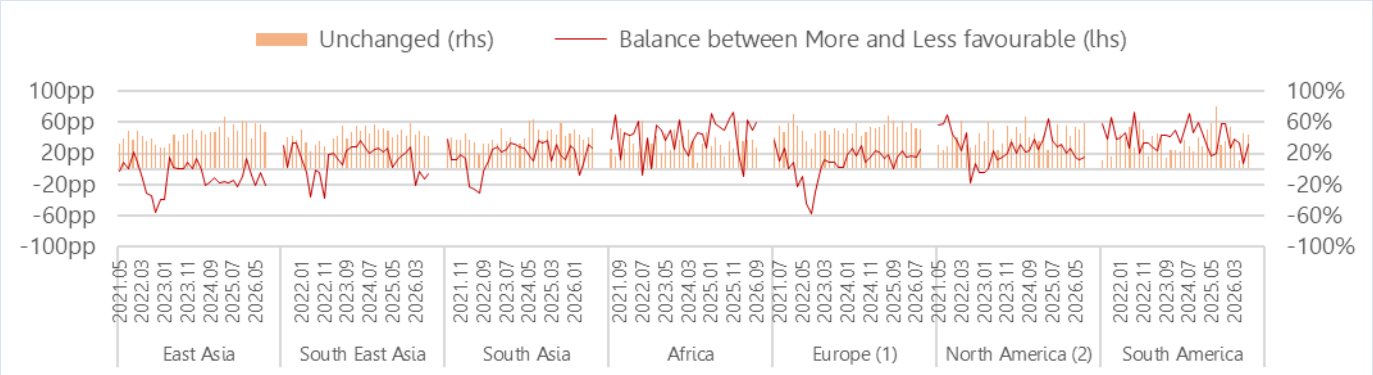
Graph 1: **Business expectations** (World balance*) in Sept 2026



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: 8-40th TMF Global Textile Industry Survey (40th:21-29.09.2026) | last data point = Sept 2026

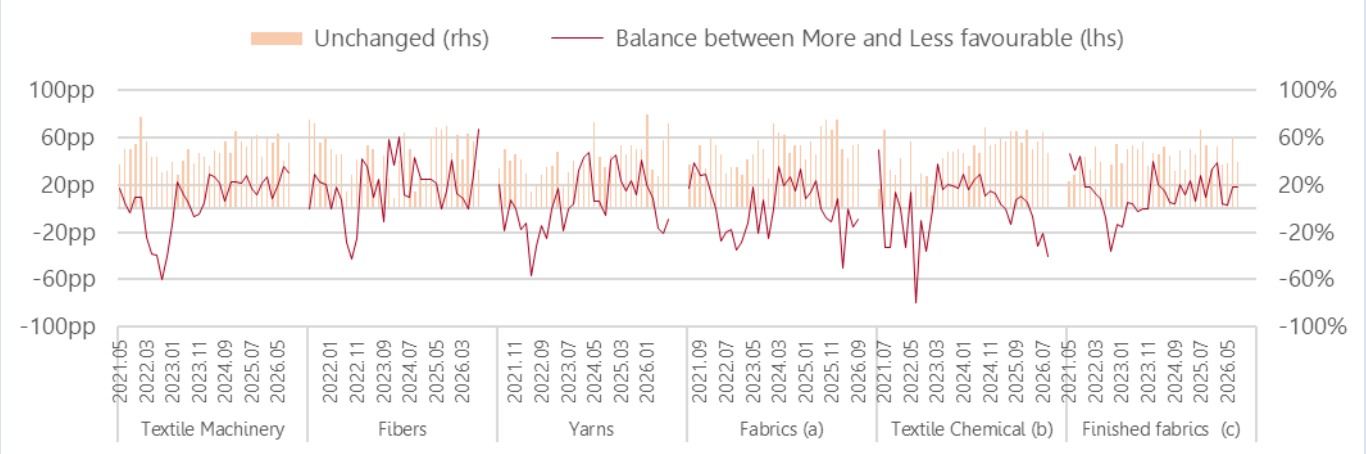
The fact that 46% of respondents do not expect the situation to change in 6 months' time shows that a good number of companies do not see any kind of concrete signals that would lead to a more positive development. Uncertainty and unpredictability dominate the outlook. Should the wars in Ukraine and Iran or the trade war between the US and the rest of the world come to an end, this indicator would probably explode. Until such news emerges, it is unlikely that the current level of around +20pp which is based on hope more than anything else will be lifted to higher levels.

By region, all regions except East and Southeast Asia are optimistic (see Graph 3). Africa leads by far (+59pp), with two-thirds of participants expecting an improvement. It is followed by South America (+31pp), South Asia (+28pp), Europe (+24pp) and North & Central America (+16pp).

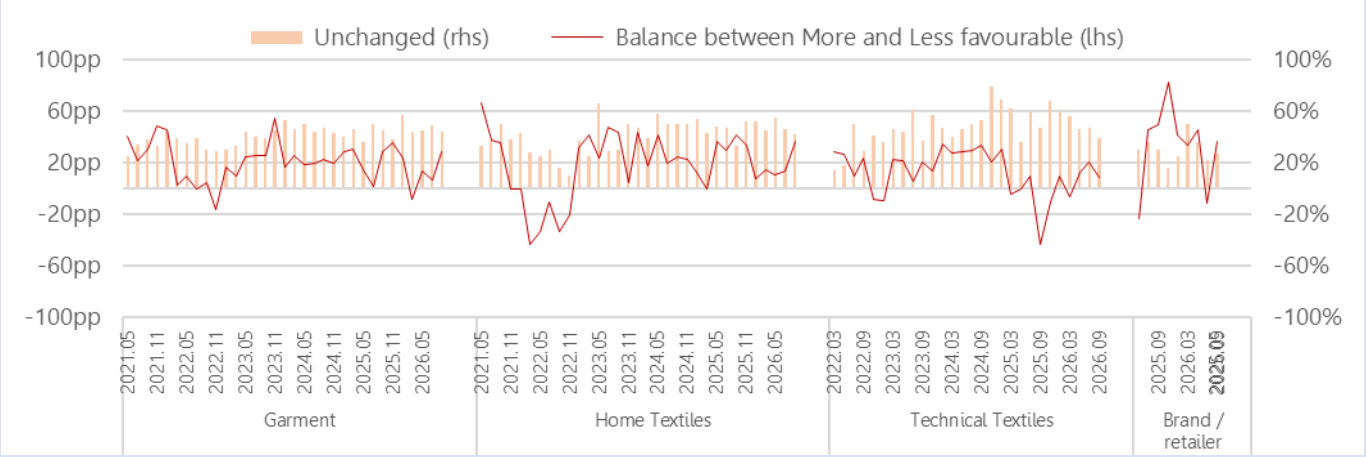
The regions with the weakest current conditions are among the most hopeful. South America's balance jumped from its low of +8pp in July to +31pp. By contrast, Southeast Asia (-6pp) and East Asia (-20pp) remain pessimistic, and East Asia's outlook has worsened since July.

By segment, most segments expect improvement. Fibre producers are the most optimistic (+67pp), and none of them expects a deterioration. Home textile producers (+37pp), garment manufacturers (+29pp) and textile machinery manufacturers (+30pp) are also clearly positive. Finishers are the weakest segment today but still expect improvement (+18pp). Only three segments are pessimistic: weavers & knitters (-9pp), spinners (-10pp) and textile chemical & dye suppliers (-40pp).

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: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

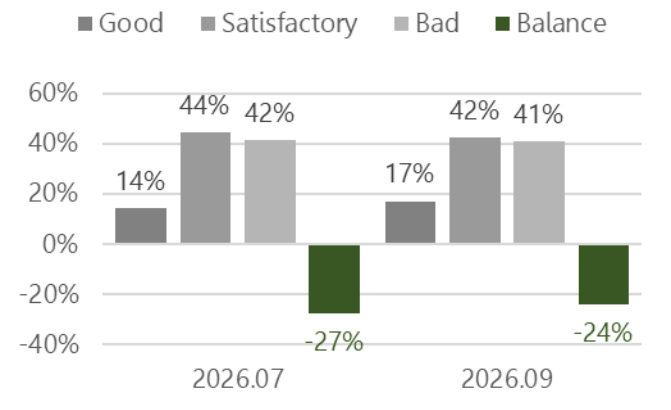
Article 3: Order intake stays weak, with South America at a record low

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

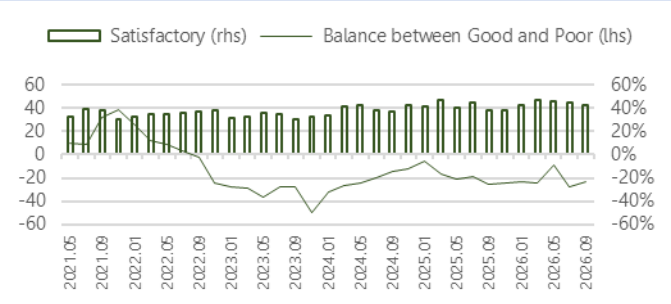
The 40th ITMF GTIS, conducted in the second half of September 2026, shows that order intake remains weak worldwide (see Graphs 1 and 2). Only 17% of participants rated it as "good," compared with 42% "satisfactory" and 41% "bad." Nevertheless, in September the balance improved from -27pp to -24pp and remains well above the low of -50pp in November 2023.

The correlation between global order intake and global business situation is strengthening. If the order intake is good on average it is also likely the case for the business situation. In September 2026 this connection can once more be observed. Here the drivers were Africa and South Asia (see Graph 4), whereas order intake in South and North & Central America dragged down the average.

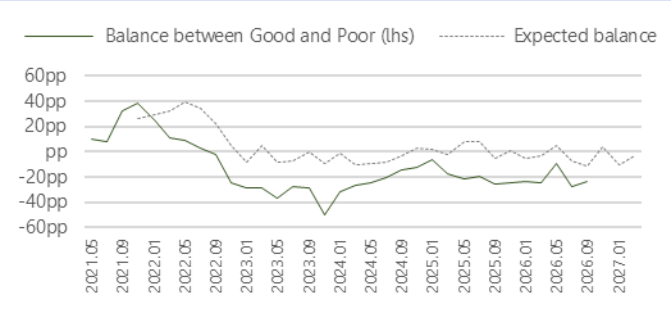
Graph 1: **Order intake** (World balance*) in **Sept 2026**



Graph 2: **Order intake** (World balance*) since May 21



Graph 3: **Order intake** (World balance* and expectations)

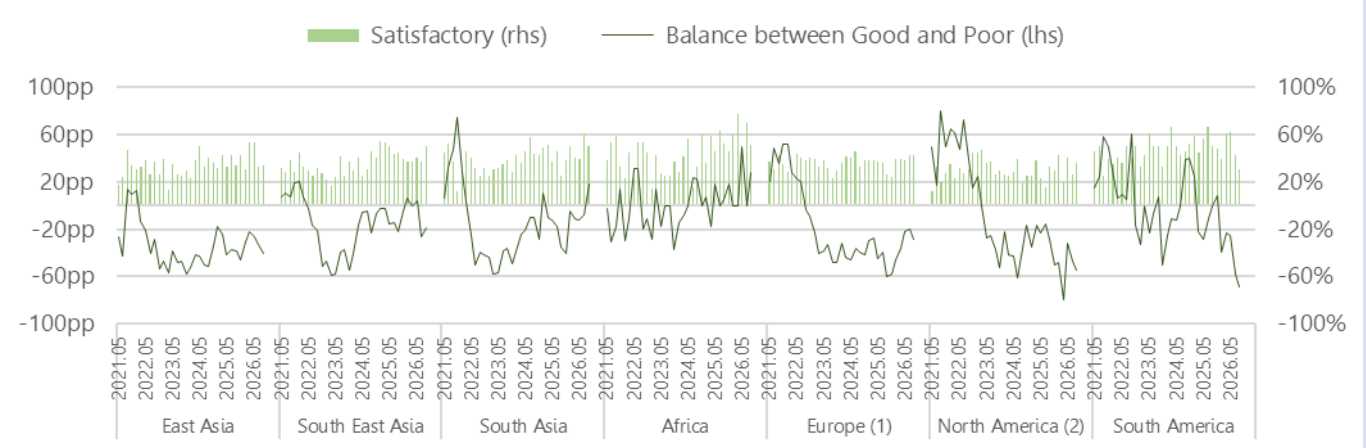


*Balance = share of respondents who answer good vs. poor | Source: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

With weak demand as the major concern (see Article 6) going forward due to rising costs and inflation rates, which reduce disposable income, it is likely that order intake will not improve significantly in the next six months (see Graph 3).

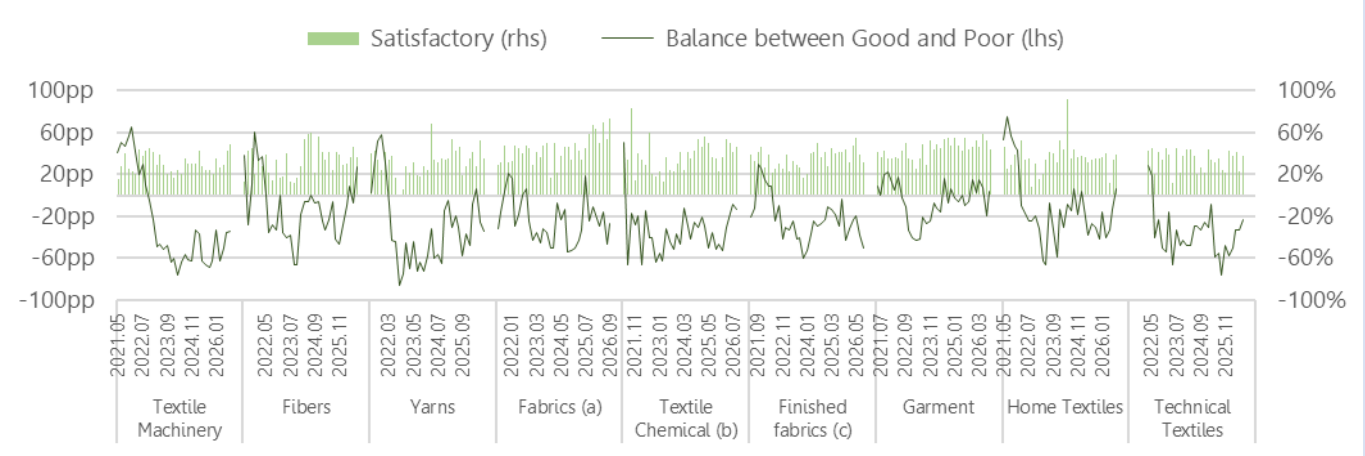
A deeper analysis **by region** reveals the following. Africa (+28pp) and South Asia (+18pp) are again the only regions in positive territory, and South Asia has been improving since November 2025. Southeast Asia (-19pp), Europe (-28pp) and East Asia (-41pp) are negative.

Graph 4: **Order intake by region** since May 21



(1) incl. Türkiye and Central Asia | (2) incl. Central America | Balance = share of respondents answering good vs. poor | Source: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

Graph 5: **Order intake by producer type** since May 21



(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: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

East Asia's balance has declined since May. The Americas are hit hardest. North & Central America (-55pp) has deteriorated since May as well. In South America (-69pp), not a single participant reported good order intake, and the balance is the lowest on record for the region.

By segment, the pattern of the business situation repeats itself: the ends of the value chain are doing better than the middle. Fibre producers (+27pp, with half reporting good orders), home textile producers (+6pp) and garment manufacturers (+4pp) are positive. Weavers and knitters (-27pp), spinners (-35pp) and finishers (-50pp) are deep in negative territory. Finishers and spinners have both deteriorated since May, and 61% of finishers report bad order intake. No weaver, knitter reported good orders.

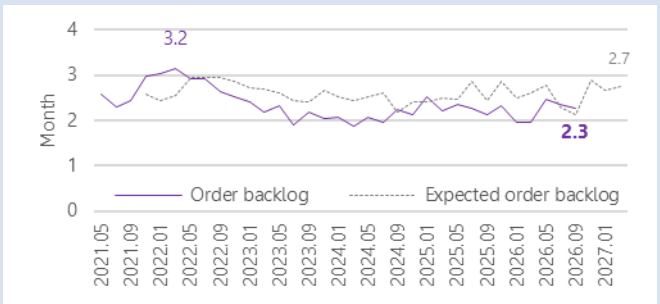
Article 4: Order backlog is down slightly

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

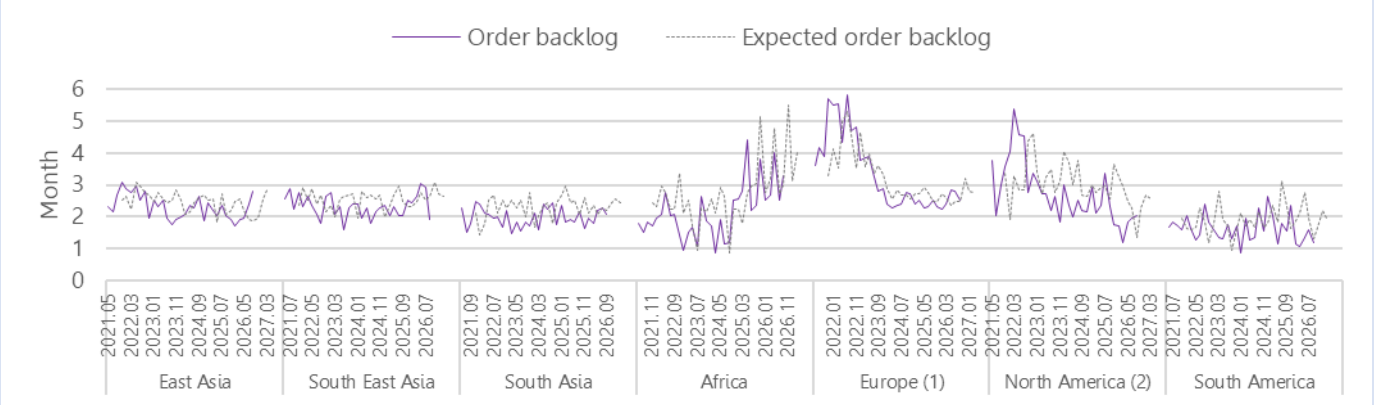
According to the 40th ITMF GTIS, conducted in the second half of September 2026, the average order backlog worldwide stood at 2.3 months (see Graph 1). It shortened in the last two surveys, since May.

Since the middle of 2023 the average global order backlog has been hovering between around 2 and 2.5 months. This signals that the order situation remains very difficult (see Article 3) and that most companies are working on confirmed orders only. This is in line with relatively low inventory levels (see Article 8).

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



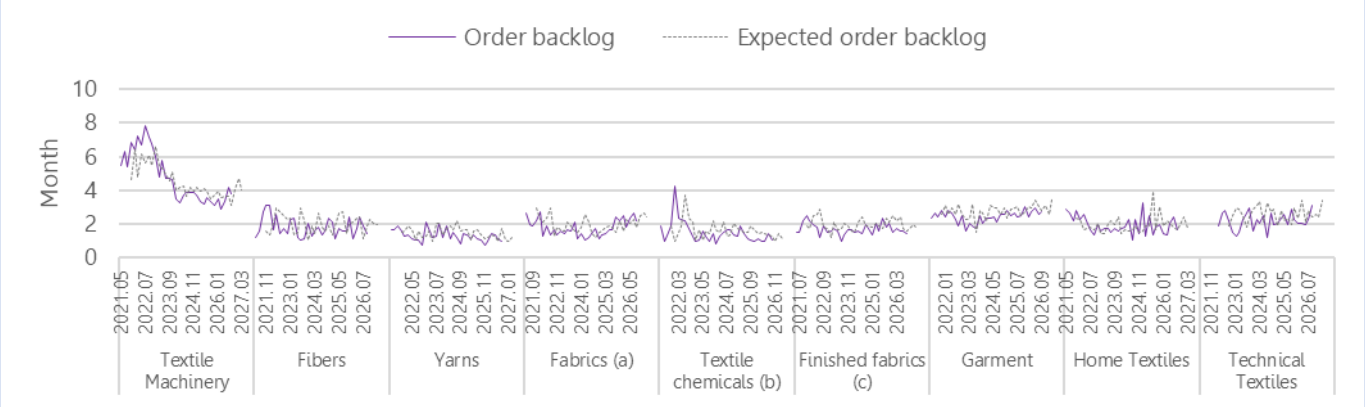
Graph 2: **Order backlog by region*** since May 21 (in Months)



(1) incl. Türkiye and Central Asia | (2) incl. Central America | *average | Source: 8th-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

By region, Africa (3.3 months) and East Asia (2.8 months) report the longest backlogs (see Graph 2). Both have lengthened recently, and East Asia's has grown in every survey since January despite its weak order intake. Europe (2.5 months) – influenced by a relatively high number of textile machinery companies – follows. South Asia (2.1 months), North & Central America (1.9 months) and Southeast Asia (1.9 months) sit below the global average. South America's backlog is the shortest at just 1.2 months. **By segment** (see Graph 3), backlogs are longest for textile machinery manufacturers (3.8 months), technical textile producers (3.1 months) and garment manufacturers (2.7 months). The garment makers' backlog following a slow upward trend. Most other segments hold between 1.4 and 2.2 months of orders. Spinners are at the bottom with just around one month.

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



(a) incl. woven and knits | (b) incl. auxiliary and dyes, (c) incl. dyed, finished and printed fabrics | *average | Source: 8th-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

Article 5: Capacity utilisation slightly up at 71% on average

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

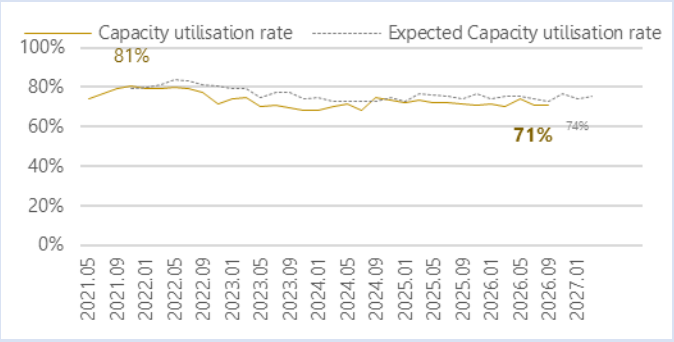
The 40th ITMF GTIS, conducted in the second half of September 2026, shows global capacity utilisation at 71%. This is up from July and above the record low of 68% recorded in November 2023.

At the end of 2022 the capacity utilisation rate dropped from just above 80% to just above 70%. Since then, the entire industry has been suffering from weak demand. While demand in 2021 and 2022 was overheated – driven by strong pent-up demand – it was clear that demand would decrease at some point. But this weakness in demand has persisted for more than 3 years and many companies have reduced their running capacities in the meantime. It seems that there is still an imbalance between supply (capacities) and demand.

Whether demand is going to pick up in the near- or medium-term future is at least doubtful. Next to a growing global population and an increasing middle class, there are several trends that are structurally reducing demand like sustainability (regulation that is strengthening more durable and circular products) or the rise of secondhand apparel markets. In other words, textile and apparel consumption is likely to grow but at a slower pace.

By region, South Asia leads clearly with 78%, and its utilisation has risen in the last two surveys (see Graph 2). Southeast Asia and East Asia follow at 73%, then South America at 72% and Europe at 70%. Africa (67%) and North & Central America (63%) have the lowest rates. Africa's low figure contrasts with its positive business sentiment, and its utilisation has declined since May.

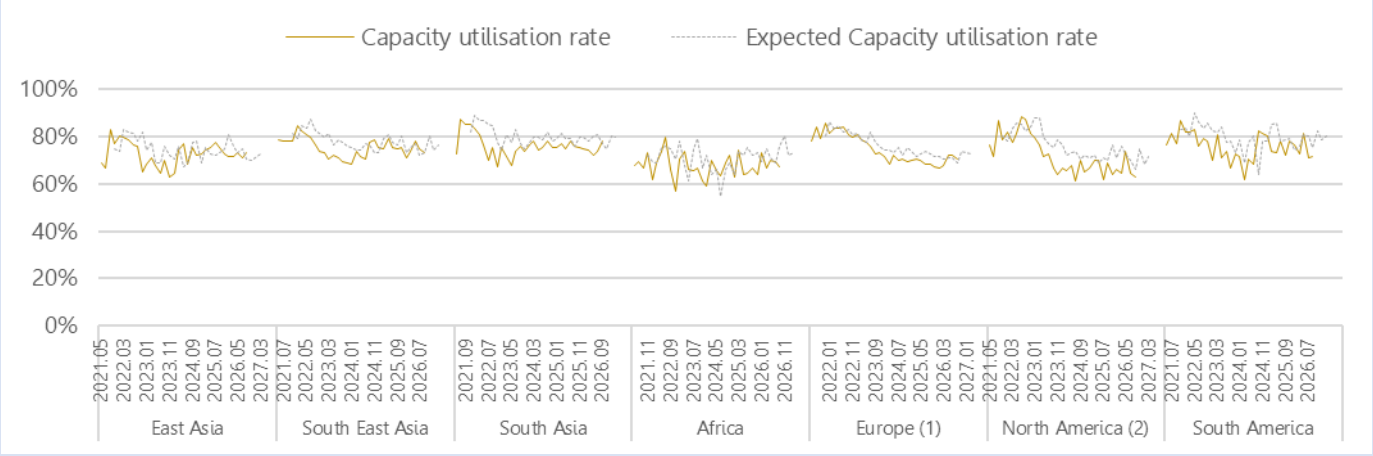
Graph 1: Capacity utilisation rate World average, since May 21



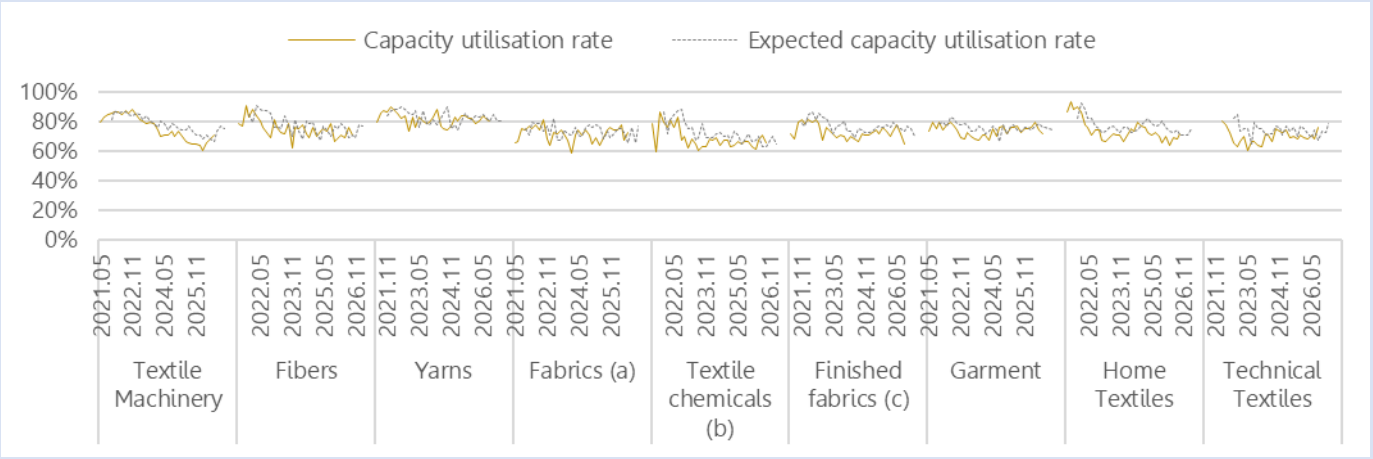
*average | Source: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

By segment, spinners run at the highest utilisation (80%), despite their weak orders and short backlogs (see Graph 3). Technical textile producers (76%) and home textile producers (72%) follow. Most other segments are between 70% and 73%. Finishers and textile chemical and dye suppliers have the lowest rates (65% each). For finishers, this is the lowest level on record, after two consecutive declines.

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: 8-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026) | last data point = Sept 2026

Article 6: Demand remains top worry with cost factors up visibly

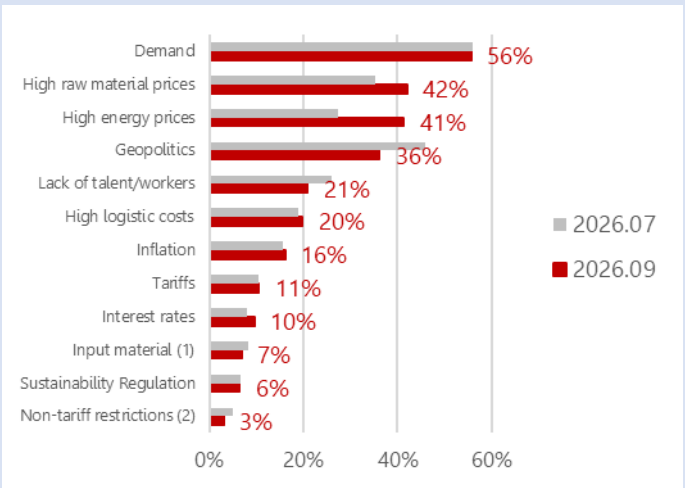
by Christian Schindler, director general, ITMF and Olivier Zieschank, director, ITMF

In the 40th ITMF Global Textile Industry Survey (GTIS), conducted in the second half of September 2026, weak demand remains the industry's main concern (see Graphs 1 and 2). It was selected by 56% of participants worldwide, although this share has declined slightly since July.

Cost-related concerns form the second group, and all of them are on the rise. High energy prices and high raw material prices were cited by 41% and 42% of participants, and both have increased since July. In the cost-related group, they are followed by high logistics costs (21%, rising since May), inflation (17%) and interest rates (9%, rising since May).

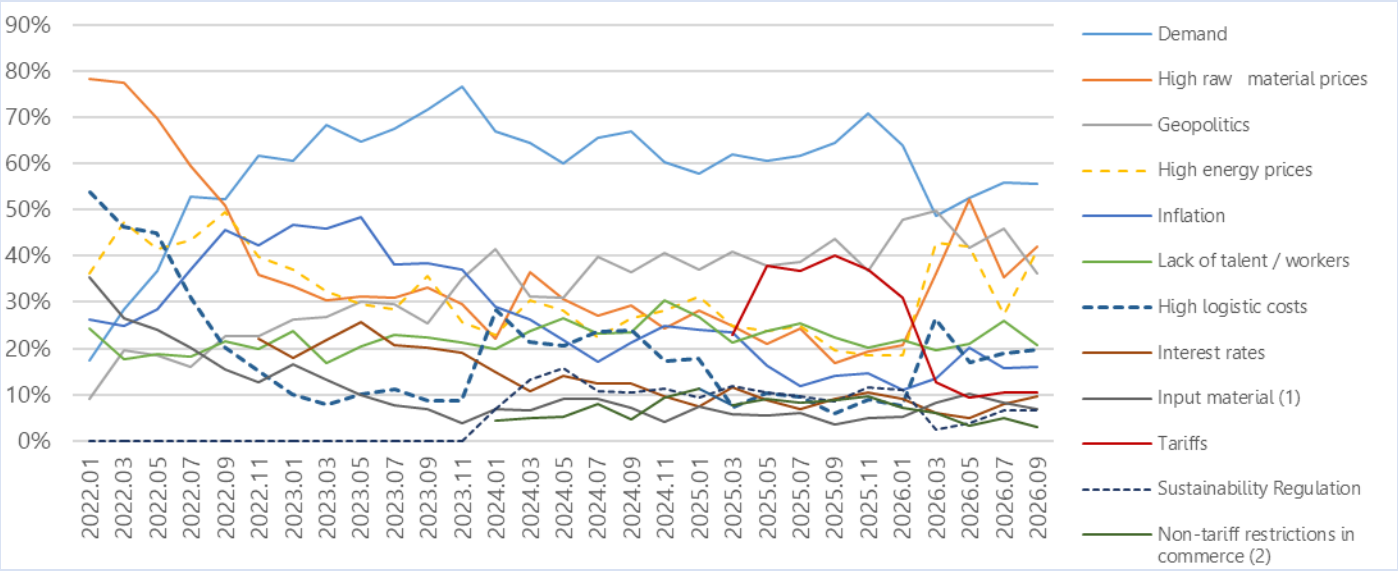
Geopolitical and trade-related concerns are easing, as their consequences on production costs are now felt more strongly. Geopolitics was cited by 36% of participants (down from 46%), tariffs by 11% (almost unchanged) and non-tariff restrictions by 3% (down from 5%).

Graph 1: Major concerns



Source: 40th ITMF Global Textile Industry Survey (21-29.09.2026)

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



(1) Lack of or delayed receipt of | (2) Adoption of non-tariff restrictions in commerce | Source: 8- 40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026)

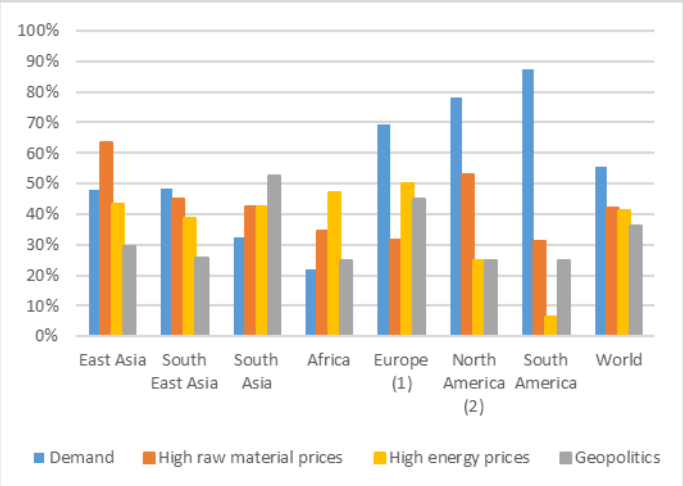
It is noteworthy to see that the lack of talent and workers remains high in such a business environment of relatively weak demand at 21%, oscillating at a stable level, independent of geopolitics.

By region, there is a clear divide in what worries participants most (see Graph 3). In the Americas and Europe, demand dominates. It was cited by 88% of participants in South America, 78% in North America and 69% in Europe, far above any other concern in those regions. In Asia and Africa, worries are more varied. East Asia is most concerned about high raw material prices (64%). In Southeast Asia, demand (48%) and raw material prices (45%) weigh almost equally. South Asia is the only region where geopolitics is the top concern (53%). Especially India is concerned about US-tariffs looming over their export industry. African companies worry most about high energy prices (47%) and least about demand (22%). Energy prices are also a major issue in Europe (50%), but hardly one in South America (6%).

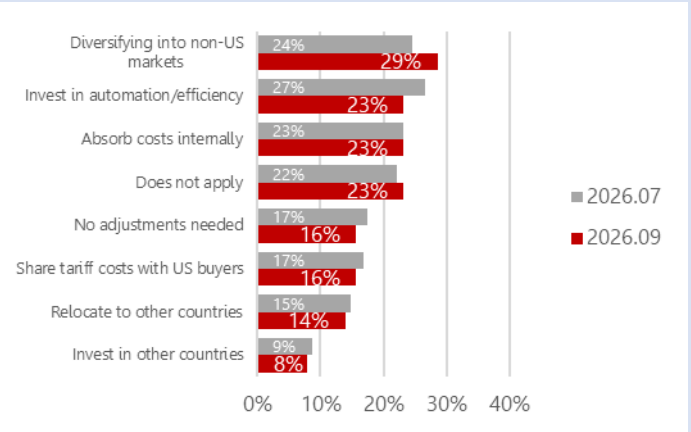
When it comes to **US-tariffs** (see Graph 4) a relative majority of companies (29%) react with diversification into non-US markets followed by investments in more automation and higher efficiency (23%) and the internal absorption of higher costs (23%). These strategies are shorter-term reactions to the new environment.

At the other end of the range of reactions to higher US tariffs are long-term reactions. 14% of respondents expressed the view that relocation of production to other countries is a real option (down from 15% in July). 8% replied that investing in other countries is an alternative (down from 9%). This is an indicator that larger 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: 40th ITMF Global Textile Industry Survey (21-29.09.2026)

Article 7: Order cancellations stay low globally, but rise among finishers

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

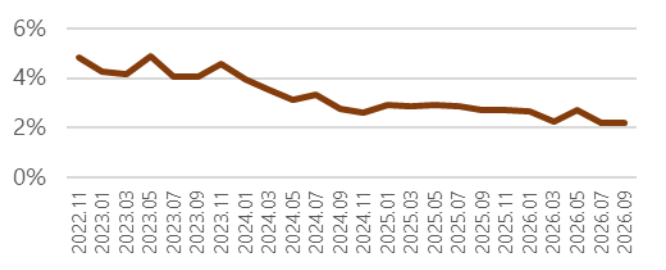
According to the 40th ITMF GTIS, conducted in the second half of September 2026, order cancellations over the past four months have declined worldwide and remain low (see Graph 1).

It is of course good news that order cancellations remain very low at around 2% on average.

By region, cancellations are highest in the Americas (see Graph 2). North & Central America is at an estimated 4.5% and South America at 4.2%, though both have declined since July. East Asia follows at 3.0%. Cancellation rates in Africa (2.9%), Europe (2.1%) and South Asia (1.6%) are lower but have risen since July. South Asia still records the lowest rate of all regions.

By segment, cancellations are more frequent for finishers (4.4%), who have seen cancellations rise in three consecutive surveys (see Graph 3).

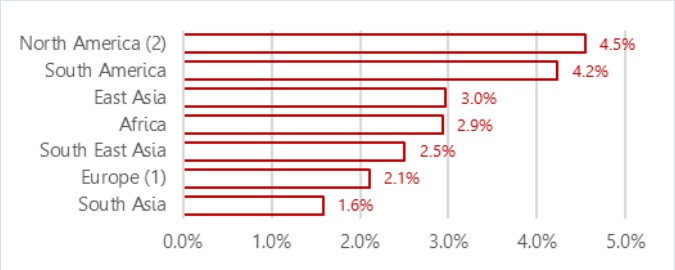
Graph 1: **Order cancellation in the past 4 months**



Source: 39th-40th ITMF Global Textile Industry Survey (40th: 21-29.09.2026)

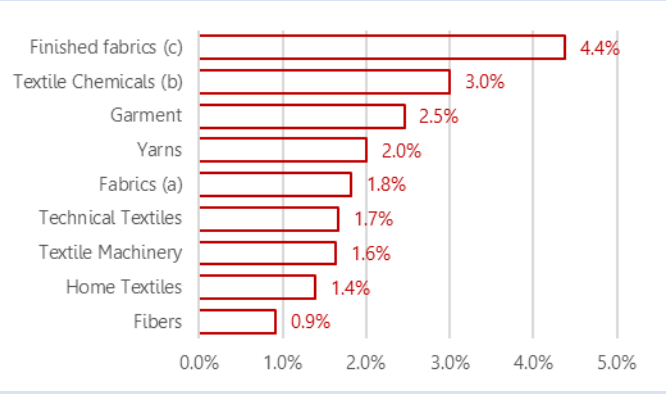
Other segments are below the 3% mark with textile chemicals suppliers at exactly 3%. The least affected segment is fibre producers reporting 0.9% cancellations.

Graph 2: **Order cancellation by region** in Sept 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: 40th ITMF Global Textile Industry Survey (21-29.09.2026)

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



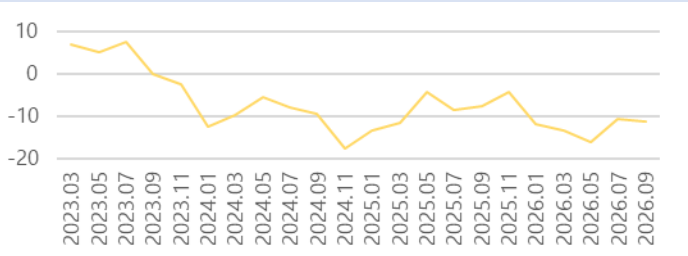
Article 8: Inventory levels remain low, higher in the Americas

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

In the 40th ITMF GTIS, conducted in the second half of September 2026, the global inventory index stood at -11, showing a slight decrease since July but well above the low of -18 in November 2024 (see Graph 1).

By region, the Americas are the only regions with a positive index (see Graph 2). South America is at +36 and has risen since May, and North & Central America is at +12. Combined with their weak order intake, this points to a build-up of unsold stock. Elsewhere, inventories are low. East Asia is at -5, Europe and South Asia at -18 each, and Africa at -19. Southeast Asia is the lowest at -37, its lowest level on record.

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



*(high = 100, average = 0, low = -100) | Source: 40th ITMF Global Textile Industry Survey (21-29.09.2026)

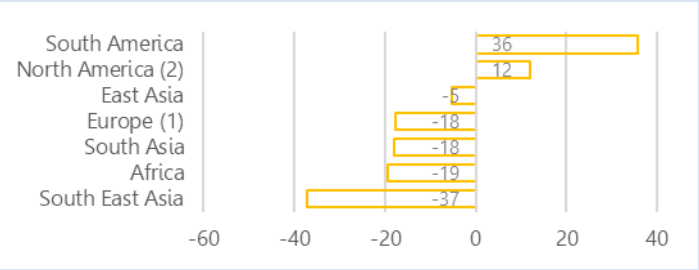
By segment, none reports a positive index (see Graph 3). Weavers & knitters, textile chemical producers and brands and retailers are neutral (0). Spinners and garment manufacturers record levels between -10 and -20. Home textile producers, textile machinery manufacturers, and fibre producers have the leanest stocks, with indexes below -20. Fibre producers reported the lowest index at -27.

The **inventory levels of the US apparel retail and wholesale industry** (July 2026) continue to develop differently (see Graph 4). Retail inventories keep growing steadily along the long-term trend line, which shows that retailers remain confident in consumer demand. Wholesale inventories rose slightly but remain below the long-term trend line.

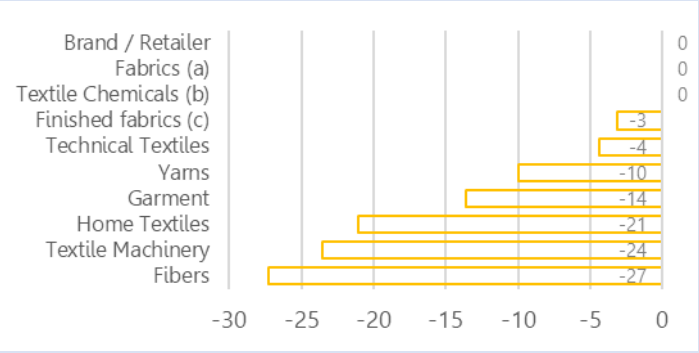
Compared to early 2020, just before the outbreak of the pandemic, retail inventories have increased by around USD 7 billion to around USD 59 billion. Wholesale inventories, on the other hand, were around USD 1.9 billion lower than before the pandemic, a gap that has persisted for several years.

The difference reflects the two segments' different business models. Fast fashion retailers must keep enough merchandise in stock to renew their ranges quickly and avoid empty shelves. Wholesalers keep their inventories to a bare minimum to reduce the risk of unsold goods and markdowns as much as possible.

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

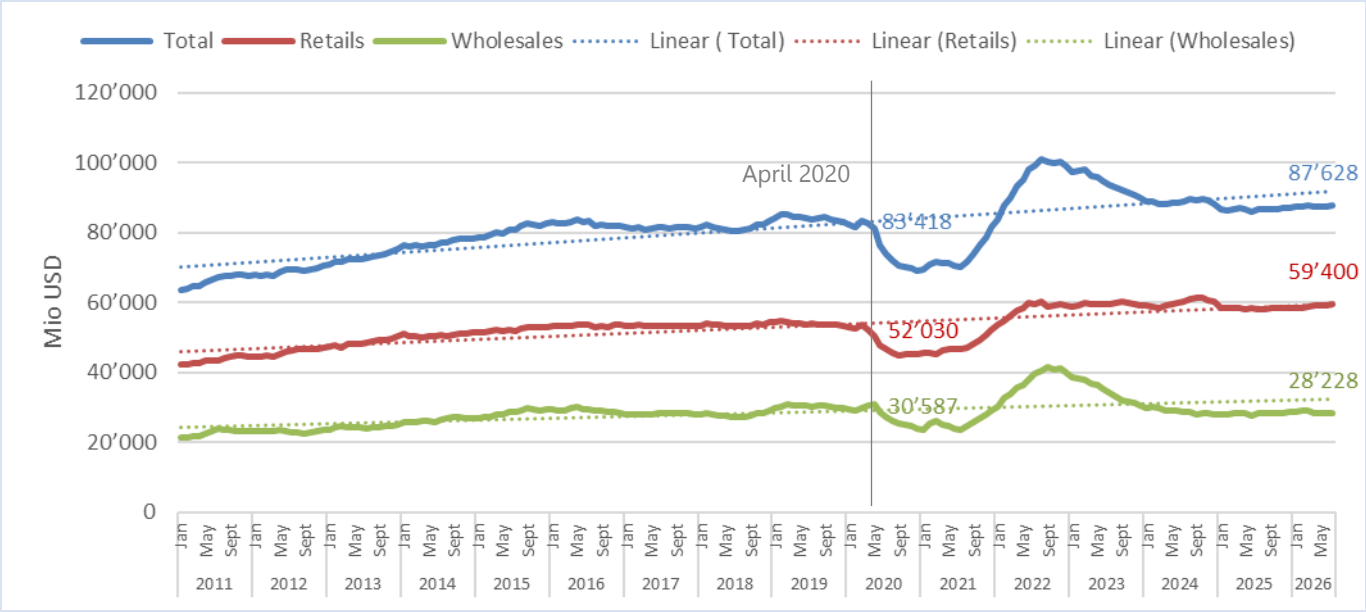


Graph 3: **Inventory level index by segment*** in Sept 2026, How would you rate your current inventory level?



(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 fabric | *(high = 100, average = 0, low = -100) | Source: 40th ITMF Global Textile Industry Survey (21-29.09.2026)

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