

## ITALIAN MEN'S FASHION IN 2021-22

Notes by Centro Studi di Confindustria Moda for



### Performance on foreign markets in 2021

With 2020 now behind it, Italian men's fashion promptly witnessed a change in pace over the course of 2021, with foreign trade once again returning to a trend of extremely favorable dynamics. According to ISTAT data, exports for that year were up by +13.4%, for a total of ca. 7.2 billion euros, while imports grew by +8.2%, arriving at 4.9 billion euros.

From January-December 2021 menswear exports grew by +13.4%, with imports up by +8.2%...

Despite the favorable performance over 2020, Italian men's fashion has still not managed to close the gap with pre-pandemic levels; with 2021 export values down by -5.3% when compared to those of 2019 (for a little less than 404 million euros in absolute terms); while the gap with import levels is more significant and equal to -13.4% (corresponding to a loss of ca. -756 million euros).

...while foreign sales are down by -5.3% when compared to 2019

In reference to Italy's top customer markets, of note is the fact that both the EU and the extra-EU areas were favorable to the industry, while growing however at rhythms very different from one another of +22.2% and +7.1% respectively. The EU market absorbs a 45.1% share of Italy's total sector exports, while the extra-EU area leads the way as the top "buyer", absorbing 54.9% of total men's fashion exports. Similarly, in the case of imports, 45.3% of menswear fashion enters our country from the EU, while 54.7% is guaranteed by the extra-EU.

In the period in question, the first destination for *Made in Italy* menswear was Switzerland, up +15.1%, thereby confirming itself to be the logistics-commercial platform for the main *griffes* in menswear; while absorbing 12.2% of total sector exports. This is followed by Germany with an 11.2% share, and France, which accounts for 10.7%, with both markets experiencing a growth trend of over +20% and respectively recording +21.1% and +22.6%. China then jumped up to fourth place, surpassing the USA, thanks to an extremely favorable average annual growth rate equal to +58.8%, for a total of 523 million euros (7.3% of the total). Hong Kong instead, coming in at tenth place, is characterized by a drop-off in Italian sector exports of around -3.4%.

Last year the first destination for Made in Italy menswear was Switzerland, followed by Germany, France, and China, which jumped up to fourth place

Analogously to the results of the other leading markets, also exports to the USA, the fifth market, were characterized by a positive trend, but at less "intense" rhythms: it closes the year up +12,5%, for a value of half a billion euros.

Spain records a positive uptrend equal to +19,1%, while South Korea experiences a similarly positive trend equal to +22.9%.

A positive performance also characterized the USA, Spain, and South Korea



Running counter to the sector average, among the top 15 “customers” in men’s fashion are also nations that have experienced a drop-off in Italian sales: in addition to the previously mentioned case of Hong Kong, the United Kingdom experienced a not insignificant downtrend of -32.0%, thereby absorbing 6.3% of the total, while Japan experienced a downtrend of -6.6%, dropping below 300 million euros.

Running counter to the sector average, men’s fashion exports to the United Kingdom, Japan, and Hong Kong experienced a downtrend

Finally, the destinations that account for 3.3% to 1.8% of the total sector export share all experienced growth in Italian men’s fashion exports: among these are included the Netherlands (with a +17.7% increase), Russia (+3.8%), Belgium (+33.9%), Poland (+60.2%), and finally Austria (+11.2%).

Looking beyond the uptrend over 2020, which is especially good for most of the destinations, with just a few exceptions, it’s expedient to compare these results with more normal market conditions, such as those characterizing pre-pandemic levels. In this perspective, there emerges a difference between those countries that have fully recovered from the repercussions of the Covid-19 pandemic and those markets that have not yet managed to close the gap. The first four leading markets have not only made up for the losses resulting from the negative economic trend of 2020 but have even surpassed 2019 levels: Switzerland is up +6.7%, Germany up +9.5%, and France up +6.6%. China even showed an astounding variation of +50.0% over 2019, for a value of 170 million euros, which is incredible when considering that only two years ago China was in eighth place, right behind Hong Kong. A surplus of +31.9% also characterizes sales to South Korea.

Top customer markets have surpassed the levels of 2019...

On the other hand, the USA and Spain, despite the positive results in 2021, remain below 2019 levels by -20.1% and -13.3% respectively: in absolute value these variations correspond to a loss of around -128 million euros for the USA and an almost -58-million-euro loss for Spain. Russia, which was characterized by not especially positive results in 2021, is down by -11.4% from 2019 levels (for a loss of almost 20 million euros in absolute value):

... while several markets are still however below 2019 values

A cause for major concern is the English market: the downtrend in 2021, following that of 2020, sees Italian exports down by -46.5% when compared to 2019 (around 393 million euro less); and similarly, Japan is down by -18.3% (almost 60 million euro less). As far as imports are concerned, between January and December 2021, China experienced a slight downtrend (-1.5%), while accounting for 13.6% of total sector imports. Bangladesh, in second place, is slightly up by around +1.2%. Characterized by a much more sustained rhythm of growth are imports from France (+22.5%) and Spain (+28.0%), as well as from the Netherlands (+30.4%) and Belgium (+27.5%), which represent entryways into Europe for Asian markets. Romania is instead down by -5.1%.



**Table 1 – Italian Men's (\*) Fashion: Foreign Trade by Country**  
(January - December 2021)

1) Imports				2) Exports			
Paesi di origine	Mil. di Euro	Var. %	Quota %	Paesi di destinazione	Mil. di Euro	Var. %	Quota %
<b>TOTALE</b>	<b>4 892</b>	<b>8,2</b>	<b>100,0</b>	<b>TOTALE</b>	<b>7 172</b>	<b>13,4</b>	<b>100,0</b>
<i>di cui:</i>				<i>di cui:</i>			
<i>Intra UE27 post-Brexit</i>	2 219	17,9	45,3	<i>Intra UE27 post-Brexit</i>	3 234	22,2	45,1
<i>Extra UE27 post-Brexit</i>	2 674	1,4	54,7	<i>Extra UE27 post-Brexit</i>	3 938	7,1	54,9
<i>I primi 15 fornitori</i>				<i>I primi 15 clienti</i>			
Cina	667	-1,5	13,6	Svizzera**	876	15,1	12,2
Bangladesh	577	1,2	11,8	Germania	801	21,1	11,2
Francia	422	22,5	8,6	Francia	765	22,6	10,7
Spagna	324	28,0	6,6	Cina	523	58,8	7,3
Romania	298	-5,1	6,1	Stati Uniti	509	12,5	7,1
Paesi Bassi	297	30,4	6,1	Regno Unito	451	-32,0	6,3
Tunisia	233	2,1	4,8	Spagna	378	19,1	5,3
Belgio	208	27,5	4,3	Giappone	267	-6,6	3,7
Germania	204	22,0	4,2	Corea del Sud	259	22,9	3,6
Turchia	202	20,4	4,1	Hong Kong	244	-3,4	3,4
Vietnam	117	8,1	2,4	Paesi Bassi	235	17,7	3,3
Albania	116	19,8	2,4	Russia	155	3,8	2,2
Portogallo	111	26,0	2,3	Belgio	135	33,9	1,9
Cambogia	108	15,6	2,2	Polonia	133	60,2	1,9
Pakistan	108	17,8	2,2	Austria	127	11,2	1,8

Fonte: Confindustria Moda su ISTAT

(\*) These aggregates include Junior product data

(\*\*) Considered primarily as a logistic-commercial platform.

Extremely positive dynamics likewise characterize Germany and Turkey, which are both up by +20.0%.

Looking at men's fashion foreign trade no longer in terms of country, but in terms of product category, an excellent performance characterizes knit outerwear exports, which are up +23.1% on an annual basis, along with leather apparel (+23.2%), though the value for this category is much lower. Fabric outerwear exports have grown by +7.2%, while shirtwear is up by +5.2%. Foreign tie sales instead continue to be characterized by a downtrend, with an average drop of -13.6% annually. When compared with 2019, knitwear and leather exports are on the rise, with the former at +7.3% and the latter at +2.9%. The other three goods categories making up men's fashion are still below 2019 levels: with apparel exports down by -11.6% and shirtwear exports down by -19.2%, while the foreign sale of ties has dropped-off by -50.5%.

In the case of imports, the most dynamic goods category, with an increase equal to +18.4%, remains knitwear, while fabric outerwear does not go beyond +1.4%. Leather clothing imports were instead up by +9.4%, while shirtwear and ties imports are both down by -4.4% and -25.3% respectively.

In terms of product, the best performer is knitwear, with exports up by +23.1%



**Figure 1 – Italian Men's Fashion: Foreign Trade by Product**  
(January-December 2021)



Source: Confindustria Moda su ISTAT

At the time this note was written, the data regarding the first few months of the year was not yet available, and so it was not possible to gauge the reaction of men's fashion to the new difficulties arising from the war between Russia and Ukraine, a market which is not especially dynamic for the sector as previously mentioned (accounting for a 2.2% share of total sector exports in 2021), and to new outbreaks of Covid-19 in Asia. The greatest concerns in the short term are those regarding rising costs in terms of energy, freight costs and transportation, procurement/delivery lead times, as well as the possible slowdown in demand resulting from a context of greater uncertainty.

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