

THE ITALIAN YARN INDUSTRY IN 2024-2025

Notes by the Office of Economic Studies at Confindustria Moda

The preliminary balance sheet for 2024

In 2024, the negative dynamic registered the previous year was expected to continue for the Italian yarn industry (understood to include the production of wool, cotton and linen yarns).

According to the preliminary notes of the Office of Economic Studies at Confindustria Moda, based on macro-variables as well as internal Sample Surveys, the yarn industry turnover was predicted to be down by an average of -6.2% on an annual basis. The sectorial turnover was, therefore, expected to drop to 2.7 billion euros.

In 2024 the turnover of the Italian yarn industry was estimated to have fallen by -6.2%

Table 1 - – The Italian yarn industry⁽¹⁾ (2019-2024*)
(Millions of Euros at current value)

	2019	2020	2021	2022	2023	2024*
Fatturato	2.774	2.020	2.600	3.243	2.886	2.706
Var. %		-27,2	28,7	24,7	-11,0	-6,2
Valore della produzione	1.706	1.243	1.603	1.993	1.770	1.652
Var. %		-27,1	28,9	24,3	-11,1	-6,7
Esportazioni	809	651	837	986	868	833
Var. %		-19,6	28,6	17,8	-12,0	-4,1
Importazioni	837	594	807	1.134	938	797
Var. %		-29,1	35,8	40,6	-17,2	-15,1
Saldo commerciale	-28	57	31	-148	-70	36
Consumo apparente	1.734	1.187	1.572	2.140	1.841	1.616
Var. %		-31,6	32,5	36,1	-14,0	-12,2
Indicatori Strutturali (%)						
Esportazioni/Fatturato	29,2	32,2	32,2	30,4	30,1	30,8
Importazioni/Cons. apparente	48,3	50,0	51,3	53,0	51,0	49,3

Fonte: Confindustria Moda su dati ISTAT e Indagini interne

⁽¹⁾ Filati lanieri, cotonieri e linieri

* Stime

Pitti Immagine srl
Via Faenza, 111 - 50123 Firenze
T +39 055 369 31
F +39 055 369 32 00
www.pittimmagine.com

C.F., P.IVA e n° iscriz. Reg. imprese – Firenze: 03443240480 | Cap. Soc. 648.457 Euro interamente versato



The adverse evolution regarded all Italian yarn industry sectors: wool yarns (the predominant sector with a share of around 83% of the total sector turnover) were down, as were cotton and linen yarns.

The weakness of the yarn market also emerged from an analysis of the production price index trend monitored by ISTAT [Italian National Institute of Statistics] (measurement of monthly price variations in the first stage of commercialization of Italian manufactured goods): in the case of yarn manufacturers (ATECO CB13.1), from January to October 2024 this index recorded a negative variation of -3.9%.

Looking again at the sectorial balance sheet, the value of production (a variable intended to estimate the value of Italian production, net of the marketing of imported yarns) was expected to fall by -6.7%.

On the foreign trade front, an annual drop in Italian yarn industry exports of -4.1% was estimated; at the same time, imports were expected to be down by -15.1%. These trends would bring the foreign sector turnover to 833 million euros, while imports should drop to 797 million. The incidence of exports on the total turnover would, therefore, be 30.8%.

The predicted dynamics for entry and exit flows from Italy would result in a foreign trade surplus of around 36 million euros (in 2023, there was a deficit of -70 million).

The national market, as a result of the apparent consumption variable, also worsened: in fact, an average annual drop of -12.2% was expected.

Finally, on the employment front, in line with the overall adverse economic scenario, based on data provided by companies in response to a survey carried out by Confindustria Moda on a panel of members, the Italian yarn industry was expected to end 2024 with a (slightly) lower number of employees than the previous year.

Foreign trade in the first nine months of 2024

If we focus our analysis on the first nine months of 2024, the ISTAT data available to date provides a more detailed breakdown, by goods categories, of exchanges with foreign markets. In this period, the yarn industry, as a whole, registered a double figure fall in terms of exports (-11.5%); in parallel, imports were also down (-18.9%). In the period studied, the value of exported Italian yarns dropped to 613.1 million euros, while the value of imported yarns fell to 608.9 million.

The yarn industry trade balance was, therefore, positive, to the tune of 4.2 million: the sum of the surpluses recorded for wool and needlework yarns managed to compensate for the deficit in the other goods categories.

For exports an average loss of -4.1% was estimated; at the same time imports were expected to be down by -15.1%

In 2024 the foreign trade balance was around 36 million euros

From January to September 2024 yarn exports fell by -11.5% and imports by -18.9%

Foreign sales of all types of yarn were down, except for needlework yarns which were up by +0.6%



All the types of yarn considered here presented negative dynamics for foreign sales, except for needlework yarns which grew by +0.6%. Looking in more detail at wool yarns, there was a decrease in exports of both carded and worsted yarns: the former were down by -8.4%, and the latter by -13.5%. Mixed chemical fiber-wool yarns registered the worst dynamic for the yarn industry, losing -26.7%. Cotton yarn exports experienced a drop of -12.4%, while linen yarns recorded a reduction in foreign sales of -4.1%.

As far as incoming flows were concerned, from January to September 2024 the evolution of wool yarn imports was negative; carded yarns were down by -14.9% and, above all, worsted yarns showed a loss of -33.9%. Imports of mixed chemical fiber-wool yarns also decreased, like cotton yarns: the former fell by -28.2%, and the latter by -11.7%. However, imports of linen and needlework yarns grew with increases of respectively +8.0% and +12.8%.

Table 2 – Italian Yarn Industry Foreign Trade: Analysis by Sub-Sector
(period: January-September 2024)

	Import		Export		Saldo
	Mil. Euro	Var. %	Mil. Euro	Var. %	Mil. Euro
Filati cardati di lana	50	-14,9	141	-8,4	91
Filati pettinati di lana	175	-33,9	199	-13,5	24
Filati chimici/lana	54	-28,2	44	-26,7	-9,2
Filati per aguglieria	7	12,8	67	0,6	59
Filati di cotone	229	-11,7	128	-12,4	-101
Filati di lino	94	8,0	34	-4,1	-60
Totale Filati	609	-18,9	613	-11,5	4

Fonte: Confindustria Moda su dati ISTAT

The overall adverse economic situation that characterized the Italian yarn industry in 2024 also emerged from an analysis of the trends experienced by the main destination markets for sales of each type of yarn.

From January to September 2024, the main destination markets for exports of carded wool yarns were all down compared to the previous year, except for Hong Kong which, with a rise of +15.4%, was in first place, becoming the top client for carded yarns with a 17.7% share of total sector trade. The United Kingdom, which fell to second position, posted a loss of -16.4%, recording a share of 13.0%. Turkey was confirmed in third place with a modest drop of -1.1%, resulting in an incidence of 9.6%. It was followed by Portugal and South Korea, which were down by respectively -6.6% and -10.5%. Romania continued to lose ground, from the top positions held until 2021, it was now in sixth place, registering a fall of -7.0%. Direct sales to Bulgaria (-9.9%), China (-19.7%), Tunisia (-11.0%) and Croatia (-52.3%) were also characterized by a negative dynamic.

In the period studied, the top client for worsted wool yarns was France which was up by +2.2%, accounting for 13.9% of the total exports for this goods category. Turkey rose to

Exports of carded yarns were down for all the main countries, except for Hong Kong

Foreign sales of worsted wool yarn increased in France and Turkey unlike sales in all the other countries

Mixed chemical fiber-wool yarns fell in all the main outlet markets, except for Serbia

Foreign sales of cotton yarns towards the top clients were down, except for Spain



second position and, unlike carded wool yarns, experienced an increase of +7.9%, ensuring 11.2% of the exports. It was followed by the other partners that all recorded falls in sales from Italy: Romania was down by -24.6%, Portugal by -8.9% and Germany by -19.5%. Hong Kong and China registered reductions, respectively of -6.1% and -5.8%. Finally, finishing off the top 10, there were double-digit losses for the United Kingdom (-18.5%), Bulgaria (-32.9%) and the Czech Republic (-49.4%).

In the first nine months of 2024, the foreign turnover of mixed chemical fiber-wool yarns also decreased in the main outlet markets for this type of yarn. More precisely, France and Turkey, the first and second destination markets together absorbed 27.5% of exports. Both showed decreases, albeit at different paces: the former was down by -1.9% and the latter by -17.1%. There was also a decrease for Bulgaria which recorded a variation of -0.6%, resulting in an incidence of 7.7%. This was followed by six destinations that presented losses: Croatia (-42.7%), Portugal (-13.4%), Romania (-32.3%), Germany (-30.4%), Spain (-48.9%) and Hong Kong (-0.9%). These drops were contrasted by the increase experienced by Serbia (+13.5%).

With regard to cotton yarns, from January to September 2024 direct flows in the top ten markets all showed adverse dynamics compared to the same period in 2023, except for Spain (which, with a rise of +7.5%, was in seventh position). Germany, still in first place with an incidence of 17.5% on the total cotton yarns exported from Italy, fell to -9.1%. It was followed by the Czech Republic and Hungary, down respectively by -1.6% and -7.4%. Exports to France were also down by -18.1%, similar to the United Kingdom (-19.5%). Portugal – with a share of 4.7% of the total – dropped by -11.9%. Finally, there were also decreases for Croatia (-16.4%), Austria (-36.6%) and Turkey (-16.2%).

Table 3 - Exports of Yarns for Industry: Country-by-Country Analysis
(period: January-September 2024)

Tab. 3.1 - Carded wool and fine-hair yarns

Tab. 3.2 - Worsted wool and fine-hair yarns



Paesi di destinazione	Milioni di Euro	Var. %	Quota %
TOTALE	141	-8,4	100
<i>di cui:</i>			
Intra UE post Brexit	49	-17,9	34,6
Extra UE post Brexit	92	-2,4	65,4
<i>I primi 10 clienti</i>			
Hong Kong	25	15,4	17,7
Regno Unito	18	-16,4	13,0
Turchia	14	-1,1	9,6
Portogallo	9	-6,6	6,1
Corea del Sud	7	-10,5	4,8
Romania	7	-7,0	4,8
Bulgaria	6	-9,9	4,2
Cina	6	-19,7	4,1
Tunisia	6	-11,0	4,1
Croazia	5	-52,3	3,3

Paesi di destinazione	Milioni di Euro	Var. %	Quota %
TOTALE	199	-13,5	100
<i>di cui:</i>			
Intra UE post Brexit	116	-16,1	58,1
Extra UE post Brexit	83	-9,7	41,9
<i>I primi 10 clienti</i>			
Francia	28	2,2	13,9
Turchia	22	7,9	11,2
Romania	20	-24,6	10,0
Portogallo	17	-8,9	8,6
Germania	14	-19,5	6,8
Hong Kong	13	-6,1	6,4
Cina	12	-5,8	5,8
Regno Unito	9	-18,5	4,7
Bulgaria	7	-32,9	3,7
Repubblica Ceca	5	-49,4	2,7

Tab. 3.3 - Cotton yarns

Paesi di destinazione	Milioni di Euro	Var. %	Quota %
TOTALE	128	-12,4	100
<i>di cui:</i>			
Intra UE post Brexit	90	-10,2	70,1
Extra UE post Brexit	38	-17,1	29,9
<i>I primi 10 clienti</i>			
Germania	22	-9,1	17,5
Repubblica Ceca	12	-1,6	9,1
Ungheria	11	-7,4	8,2
Francia	10	-18,1	7,4
Regno Unito	6	-19,5	4,9
Portogallo	6	-11,9	4,7
Spagna	6	7,5	4,7
Croazia	5	-16,4	4,1
Austria	5	-36,6	3,8
Turchia	5	-16,2	3,7

Tab. 3.4 - Mixed chemical fiber-wool yarns

Paesi di destinazione	Milioni di Euro	Var. %	Quota %
TOTALE	44	-26,7	100
<i>di cui:</i>			
Intra UE post Brexit	28	-32,0	63,5
Extra UE post Brexit	16	-15,2	36,5
<i>I primi 10 clienti</i>			
Francia	6	-1,9	14,2
Turchia	6	-17,1	13,3
Bulgaria	3	-0,6	7,7
Croazia	3	-42,7	6,6
Portogallo	3	-13,4	6,6
Romania	3	-32,3	6,4
Germania	3	-30,4	5,9
Spagna	2	-48,9	5,5
Hong Kong	2	-0,9	3,4
Serbia	1	13,5	3,2

Source: ISTAT data processed by Confindustria Moda

Moving on to illustrate the import figures according to country of procurement, again in the period January-September 2024, China was confirmed as the top supplier of carded wool yarns despite registering a decrease of -18.5%; it was followed by Lithuania, which limited the loss to -3.9%. The United Kingdom and Poland both recorded negative variations, but of different entities: the former was down by -6.7% and the latter by -42.6%. Thanks to a steady increase, India jumped to fifth place and now accounted for 1.1% of imports of carded wool yarns. These five nations were responsible for 97.5% of total sector imports.

The top six “suppliers” of worsted wool yarns ensuring 87.2% of total imports in the period studied experienced significant negative dynamics. Imports from Romania fell by -39.3%, those from Bulgaria by -28.2% and from Poland by -26.5%. The Czech Republic registered a decrease

The main suppliers of carded wool yarns experienced negative dynamics, except for India



of -32.5%, and China of -38.8%. Finally, India, after the three-figure growth recorded in the same period in 2023, dropped by -31.9%.

With regard to mixed chemical fiber-wool yarns, the top five suppliers (accounting for 83.4% of the total) presented different dynamics. Romania, the top supplier, was down by -28.6%, followed by Turkey which also dropped by -25.6%. Conversely, Bulgaria and Spain, the third and fourth procurement markets, grew respectively by +5.8% and +1.6%. However, Serbia registered a negative dynamic (-3.2%).

Finally, 83.2% of cotton yarn imports came from the top five suppliers which displayed divided trends in the first nine months of 2024. Turkey, the top supplier with a share of 32.8%, recorded growth of +0.8%; while India, in second place, was down by -12.1%. Egypt, in third place, ended the nine months with a positive dynamic of +9.4%; while there was a significant slowdown for China (-23.5%) and for Pakistan (-39.5%).

Cotton yarn imports registered divided trends

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