

ACCORDING TO THE PROJECTIONS OF THE CONFINDUSTRIA MODA RESEARCH CENTER, IN 2022 ITALIAN TEXTILES POSTED RECORD VALUES. IN FACT, ITALIAN TEXTILES OVERPERFORMED IN TERMS OF BOTH SALES AND EXPORTS THE RESULTS OF THE 4 YEARS PRIOR TO THE PANDEMIC PERIOD. IN 2022, SALES TOTALED APPROXIMATELY EURO 8.1 BILLION (+32.4% ON A Y-O-Y BASIS), WHILE EXPORTS ROSE TO NEARLY EURO 4.6 BILLION (+31.9%). THE TRADE BALANCE OF THE INDUSTRY CLIMBED TO EURO 2,190 MILLION WITH AN INCREASE OF NEARLY EURO 400 MILLION OVER 2021. IN THE FIRST NINE MONTHS, CHINA-HONG KONG, WITH A TOTAL OF APPROXIMATELY EURO 264 MILLION, CONFIRMED ITS STATUS AS THE FIRST EXPORT MARKET, AHEAD OF FRANCE AND FOLLOWED IN ORDER BY GERMANY, ROMANIA, TUNISIA, SPAIN, TURKEY AND THE USA. IMPORTS ALSO ROSE SIGNIFICANTLY (+44.7% OVER THE COMPARATIVE JANUARY-SEPTEMBER 2021 PERIOD) 60% CONCENTRATED IN 3 COUNTRIES: CHINA (29.7%), TURKEY (19.8%) AND PAKISTAN (8.6%).

### The projected balance for 2022

According to the preliminary projections of the Confindustria Moda Research Center, based on the reference economic scenario and internal sample surveys – the 2022 balance of Made-in-Italy textiles (including wool, cotton, linen, silk and knits) remains decidedly positive. Overall sales are estimated to rise by +32.4%, reaching Euro 8.1 billion and thus contributing 13.1% to the overall result of the Textiles-Fashion Apparel industry (see Figure 1).

Also the comparison with the pre-pandemic levels shows a growth trend. In fact, sales were +7.1% higher than the result recorded in 2019.

The result was definitely influenced by the positive trend in export sales, but the domestic market, mainly focused on the production of high-end products often destined for subsequent export, also proved satisfactory.

In 2022 Made-in-Italy textiles are expected to grow by +32.4% over 2021. The industry has fully returned to the pre-pandemic levels: the 2019 values were exceeded by +7.1%

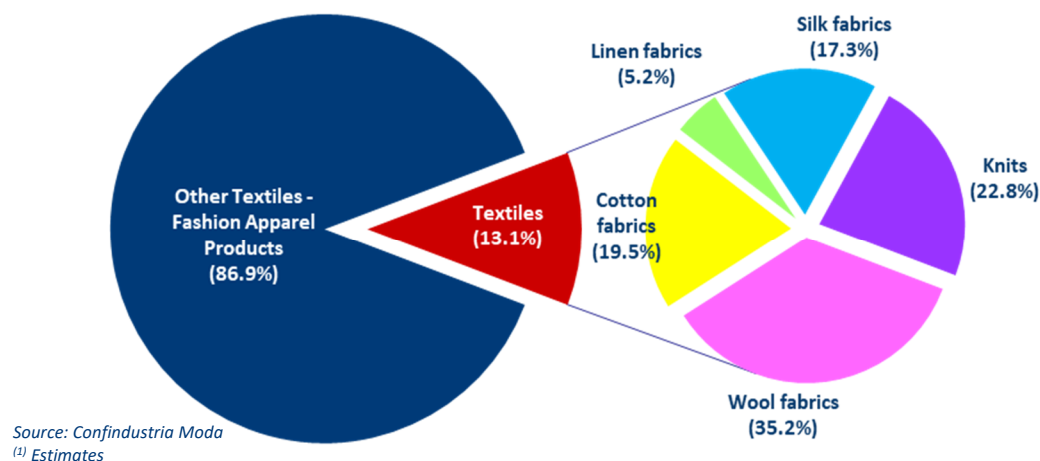
**Table 1 – The Italian textile industry<sup>(1)</sup> (2016-2022<sup>2</sup>)**  
(in millions of today's euro)

	2016	2017	2018	2019	2020	2021	2022 <sup>(2)</sup>
<b>Sales</b>	7 839	7 882	7 947	7 555	5 307	6 115	8 094
Var. %		0,5	0,8	-4,9	-29,7	15,2	32,4
<b>Production value</b>	6 011	6 025	6 041	5 711	4 049	4 688	6 070
Var. %		0,2	0,3	-5,5	-29,1	15,8	29,5
<b>Exports</b>	4 294	4 322	4 305	4 121	3 009	3 474	4 581
Var. %		0,6	-0,4	-4,3	-27,0	15,4	31,9
<b>Imports</b>	2 000	2 003	1 889	1 868	1 401	1 705	2 391
Var. %		0,1	-5,7	-1,1	-25,0	21,8	40,2
<b>Trade balance</b>	2 294	2 319	2 416	2 253	1 609	1 768	2 190
<b>Apparent consumption</b>	3 716	3 706	3 625	3 457	2 440	2 919	3 880
Var. %		-0,3	-2,2	-4,6	-29,4	19,6	32,9
<b>Structural indicators (%)</b>							
Exports/Sales	54,8	54,8	54,2	54,5	56,7	56,8	56,6
Imports/Apparent consumption	53,8	54,0	52,1	54,0	57,4	58,4	61,6

Source: Confindustria Moda on ISTAT data and internal surveys

(1) Silk, wool, cotton, linen and knits. (2) Estimates

**Figure 1 – The role of textiles in the Italian Textile-Fashion production chain (2022)<sup>(1)</sup>**  
(% on sales)



An analysis of the segments shows positive double-digit variations. Wool is the main segment, accounting for 35.2% of Made-in-Italy textiles, followed by knits (22.8%), with cotton making for 19.5%.

if we consider the trend of the ISTAT index of industrial production (which measures the monthly evolution of the volume of industrial production), we see dynamic performances posted by knits, which recorded a +7.7% increase in the January-September 2022 period over the same period in 2021, and woven fabrics, up +11.1%.

The value of production (whose projections the Confindustria Moda Research Center calculates separately, considering the value of total sales net of the portion deriving from the sale of imported products) showed a positive performance, with an expected +29.5% growth trend over 2021.

In 2022, the survey carried out by Confindustria Moda on a panel of companies adhering to SMI, revealed that wool fabric manufacturers recorded a drop in the employment rate. In the first January-March quarter the reduction amounted to -9.0%, in the second quarter -6.3% and in the third quarter -1.2%.

In 2022, the performance of trade “from” and “to” Italy showed a double-digit growth rate: exports are expected to close with a +31.9% increase over the 12 months while imports should rise by +40.2%. Overall exports would thus surpass Euro 4,580 million (exceeding the 2021 result by about Euro 1,100 million), while imports would total approximately Euro 2,400 million.

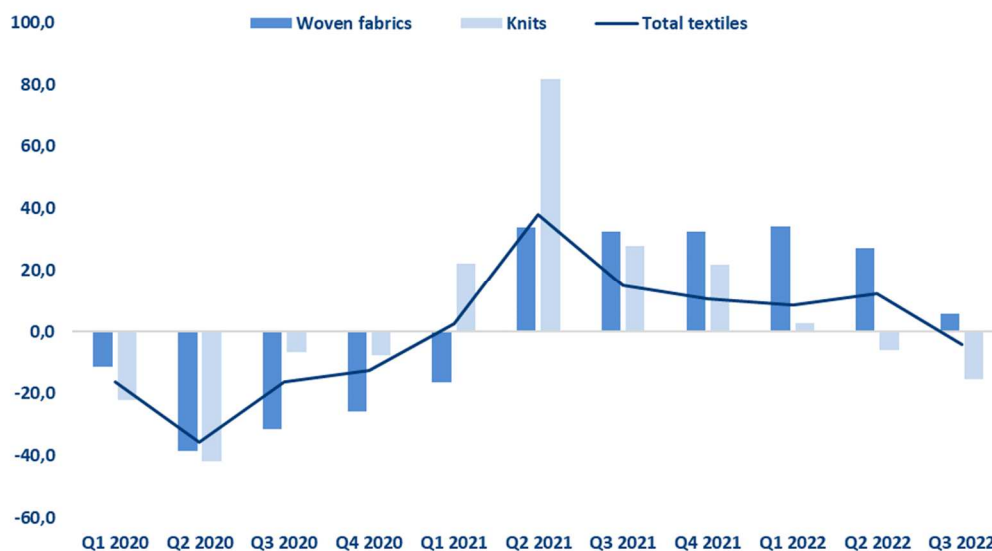
As a result of the abovementioned positive performance of exports, the trade surplus for the industry is expected to rise by nearly Euro 400 million over 2021, topping Euro 2,190 million.

The value of production is expected to grow by +29.5% over 2021

Exports are estimated to grow by 31.9% on a y-o-y basis, imports +40.2%

The domestic market (estimated by the “apparent consumption” projections) and often represented by the luxury brands, recorded a positive performance again, up +32.9% on a y-o-y basis.

**Fig. 2 – Textiles: ISTAT index of industrial production (corrected for calendar effects, base year 2015=100), I quarter 2020 – III quarter 2022**  
(Var. % trend)



Source: Confindustria Moda on ISTAT data (cod. ATECO 2007 CB13, CB132, CB1391)

The analysis carried out by ISTAT on physical manufacturing (see Figure 2) reveals that woven fabrics are confirming the positive trend recorded at the end of 2021. The first quarter of 2022 closed with a +34.3% increase over the first quarter of 2021; the second quarter recorded a +27.1% variation and also the third quarter reflected a +5.8% uptrend. The comparative analysis with 2019 values shows reductions of -0.5% in the January-March period, -4.0% in the July-September period and only a +4.5% recovery in the April-June period. In the January-March 2022 period knits were up +2.7%, but the trend reversed in the second quarter, when the ISTAT production index recorded a -5.9% reduction, followed by a -15.4% drop in the third quarter. The value of knits was lower than the one recorded in the comparative period of 2019 for the first and second quarters (-2.4% and -0.5%, respectively) while in the third quarter it exceeded by +1.1% the result registered in the July-September 2019 period.

The nine-month period of 2022 posted a +22.5% trend for woven fabrics and -5.9% for knits. The comparative analysis with 2019 values shows a positive performance by +0.3% for woven fabrics and -0.8% for knits.

Domestic demand is expected to rise by +32.9%

In the January-September 2022 period the ISTAT industrial production index for woven fabrics recorded a +22.5% growth rate

## 2. Exports and imports in the first nine months of 2022

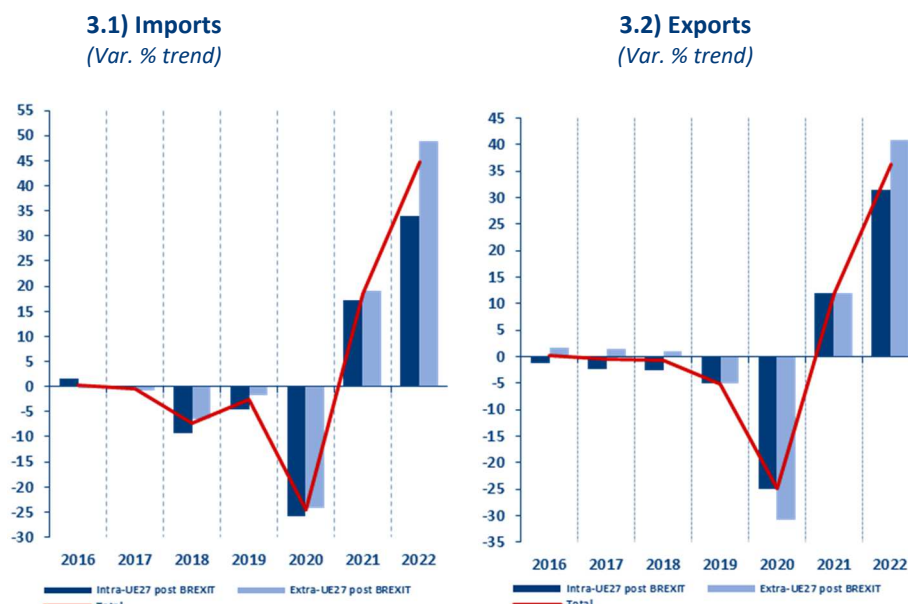
The analysis of exports and imports of knits and natural fiber-dominated woven fabrics (see Figure 3 Note 1) reveals that in the January-September 2022 span exports – which in 2021 had recorded a +11.9% uptrend – accelerated even more, with a positive performance of +36.2%. Therefore, exports totaled Euro 2,778 million, topping by approximately Euro 738 million the previous year's result. The comparative analysis with 2019 export values regarding woven fabrics presents a +9.8% recovery, equal to Euro 248 million in absolute terms. In the January-September 2022 span exports grew +9.8% also in terms of volume.

Concurrently, imports also recorded positive results both in terms of value (+44.7%) and tonnage (+10.9%).

In the January-September 2022 period exports were up +36.2%...

... imports +44.7% %

**Fig. 3 – Textile exports and imports: breakdown by geographic macro-area <sup>(1)</sup>**  
(January-September 2016-2022)



<sup>(1)</sup> The products analyzed here represent a sub-group (including only woven fabrics with at least 50% natural fiber) of those used to calculate the industry's total results, reported in Table 1. Conversely, Table 1 also considers woven fabrics with a percentage of natural fiber below 50% and the rest composed of man-made fibers. Knits are instead considered as a whole in both aggregates.

Source: Confindustria Moda on ISTAT data

An analysis of exports from a geographic perspective – as indicated in Figure 3 – shows a recovery both for the EU and extra-EU markets. The EU markets accounted for 46.8% of the total, up +31.3%, while the extra-EU markets (making for the remaining 53.2%) were up +40.8%. Also in the case of imports, the two macro-areas confirm the positive trend: EU markets were up +34.0% and the extra-EU markets – making for 73.5% of total imports - rose +48.9%.

Averages by macro-area apart, it is also worth analyzing the performance of the single export markets for Italian textile producers (see Table 2). In the January-September 2022 period, France ranked first, thanks to a +36.8% increase making for 8.5% of total exports. Germany

follows suit with an uptrend in sales equal to +41.8%. China comes in third with a +31.0% growth rate in the same period, making for 6.8% of total exports. Hong Kong, despite recovering +17.2%, ranks eleventh. The China+Hong Kong area, with total exports from Italy of approximately Euro 264 million, would represent the first ranking export market, ahead of France.

Romania is in the fourth position with a +27.3% positive performance, followed by Tunisia, up sharply by +75.5%, making for 5.3% of total sales. Sales to and from Spain and Portugal recorded +12.5% and +26.4%, respectively. An analysis of the top markets shows that Turkey was up +74.6%: outside Europe, the USA rose by +40.6%.

In addition to the comparative analysis of the performance of the markets of Made-in-Italy textiles with 2021, it is also interesting to consider the pre-pandemic results. A majority of the markets seem to have recovered from the hard blow inflicted by the consequences of the health crisis. If we limit the analysis to the top ten markets, only Romania and Portugal did not close the gap, and still present a -3.7% and -5.8% difference, respectively, against the January-September 2019 period. Other important markets raise greater concerns: first and foremost Hong Kong, which compared to the same period of 2019, recorded a -21.2% reduction. Japan and the UK were also down, by -39.1% and -20.6%.

The geographic analysis of imports – characterized by high concentration in the extra-EU universe (73.5%) – confirms the leadership of the first two suppliers, namely China and Turkey. China ranked first again and presented a +96.6% growth rate in the January-September 2022 period, with a 29.7% incidence on total imports; Turkey was second, with a 19.8% share, up +9.3%. Pakistan followed with +57.4%.

Buoyant performances were also recorded by the other minor partners, with shares equal to or lower than 6.0%: imports from Germany were up +53.6%, from the Czech Republic +72.3% and from Spain +22.8%. Egypt rose +100.3% and climbed to the third position. Hungary alone failed to match the trend, and was down -21.6%.

Exports to France  
rose by +36.8%,  
Germany +41.8%

China and Turkey are  
confirmed as main  
suppliers with a 29.7%  
and 19.8% share on the  
total, respectively

**Tab. 2 – Textile imports and exports by country<sup>(1)</sup>**  
(January-September 2022)

2.1) Imports				2.2) Exports			
Supply country	Euro mln	Var. %	% on total	Destination countries	Euro mln	Var. %	% on total
<b>Total</b>	<b>1 463</b>	<b>44,7</b>	<b>100,0</b>	<b>Total</b>	<b>2 778</b>	<b>36,2</b>	<b>100,0</b>
<i>of which:</i>				<i>of which:</i>			
Intra UE27 post Brexit	388	34,0	26,5	Intra UE27 post Brexit	1 299	31,3	46,8
Extra UE27 post Brexit	1 075	48,9	73,5	Extra UE27 post Brexit	1 479	40,8	53,2
<b>The top 15 suppliers</b>				<b>The top 15 customers</b>			
China	434	96,6	29,7	France	235	36,8	8,5
Turkey	289	9,3	19,8	Germany	217	41,8	7,8
Pakistan	126	57,4	8,6	China	188	31,0	6,8
Germany	87	53,6	6,0	Romania	174	27,3	6,3
Czech Republic	66	72,3	4,5	Tunisia	148	75,5	5,3
Spain	37	22,8	2,6	Spain	144	12,5	5,2
Egypt	37	100,3	2,5	Turkey	139	74,6	5,0
Japan	25	20,2	1,7	USA	135	40,6	4,8
India	24	56,5	1,7	Portugal	106	26,4	3,8
France	24	6,8	1,7	Bulgaria	98	27,4	3,5
Hungary	24	-21,6	1,7	Hong Kong	76	17,2	2,7
Uzbekistan	24	29,4	1,6	Poland	76	21,1	2,7
South Korea	22	109,6	1,5	South Korea	74	31,0	2,6
Belgium	21	50,6	1,5	Morocco	66	39,1	2,4
Slovenia	20	205,1	1,4	Japan	65	39,0	2,3

<sup>(1)</sup> Cfr. Fig.3 Nota 1

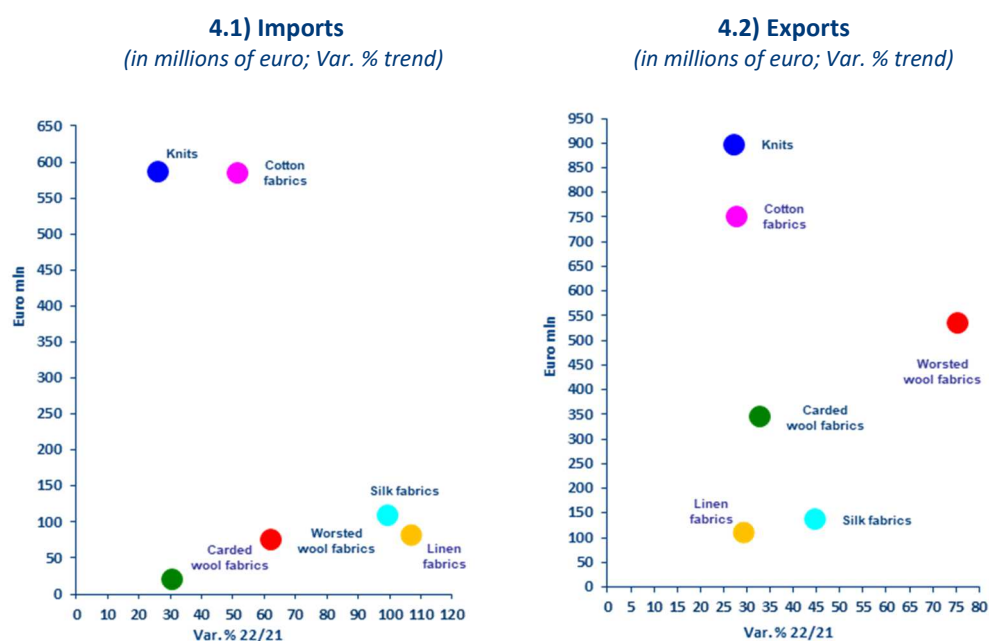
Source: Confindustria Moda on ISTAT data

In addition to the market performance, it is also possible to analyze the results obtained by the different product categories. In the January-September 2022 period, exports of cotton grew by +27.7% and linen was up +29.1%. Knits rose +27.3%, while carded wool accounted for +32.7%. Pure silk performed well (+44.7%) along with worsted wool (+75.3%). Knits exceeded the levels reached in the first nine months of 2019 (+33.6%), as did linen (+28.6%) and cotton (+8.6%). The other types have not yet returned to pre-pandemic levels. In particular, worsted wool still presents a -9.1% gap.

As to imports in the January-September 2022 period, knits rose +25.9% over 2021; cotton was up +51.4% and linen shot up by +106.6%. Imports of carded wool fabrics performed positively, up +30.6%, and worsted wool +62.1%. Last but not least, pure silk was up +99.5%.

Best performers were worsted wool and silk with exports up +75.3% and +44.7%, respectively

**Fig. 4 – Textile imports and exports by segment<sup>(1)</sup>**  
(January-September 2022)



<sup>(1)</sup>Cfr. Fig.3 Note 1

Source: Confindustria Moda on ISTAT data

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