

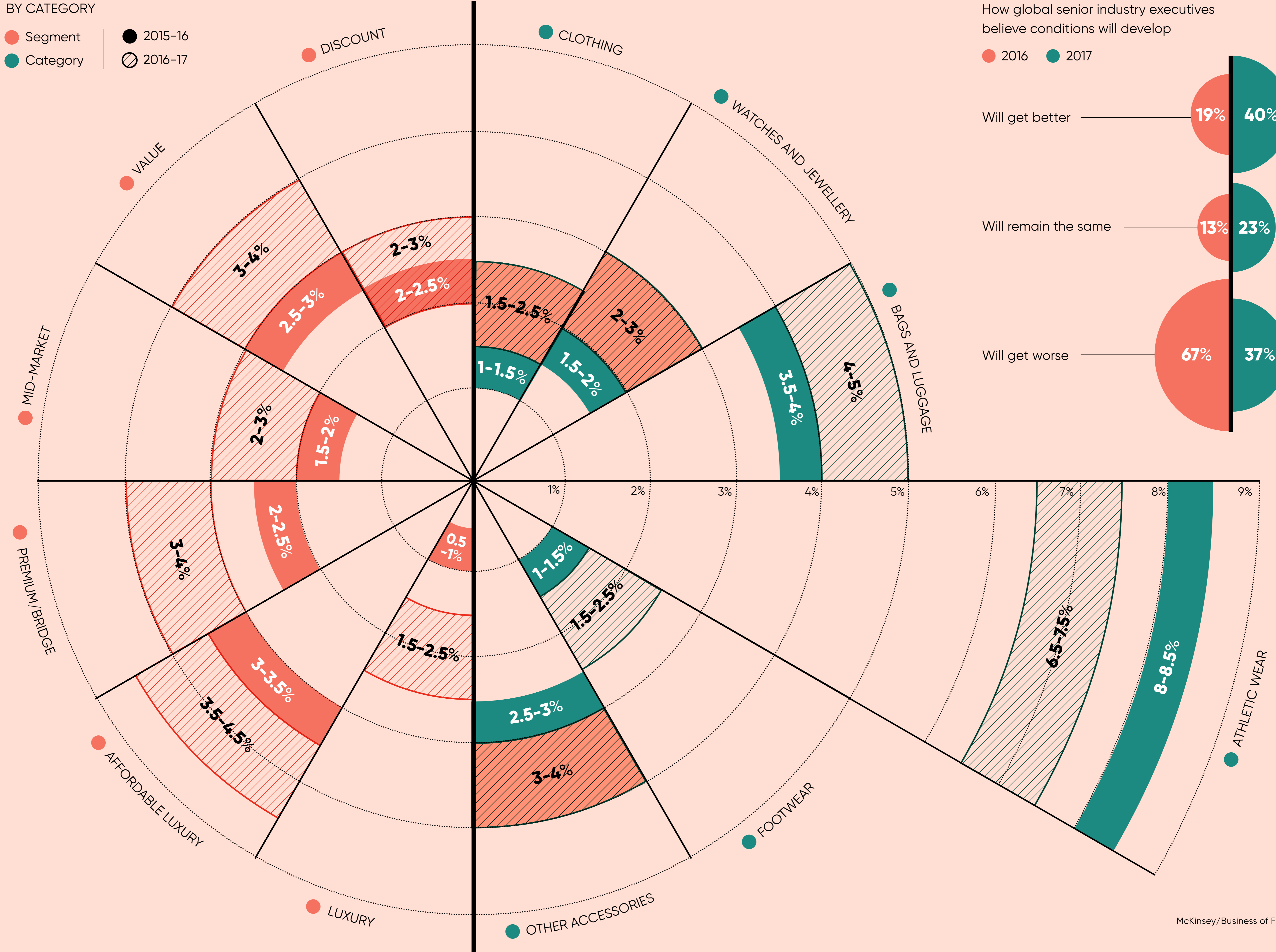
FUTURE FASHION

For an industry often regarded as fickle and indulgent, fashion is a vital component to the global economy, worth an estimated \$2.4 trillion in 2016. If it were a country, it would represent the seventh-largest economy in the world. Here are the fastest-growing regions and sectors within fashion, indicating what the future holds for this mammoth industry

GLOBAL FASHION SALES GROWTH RATES (%)

BY CATEGORY

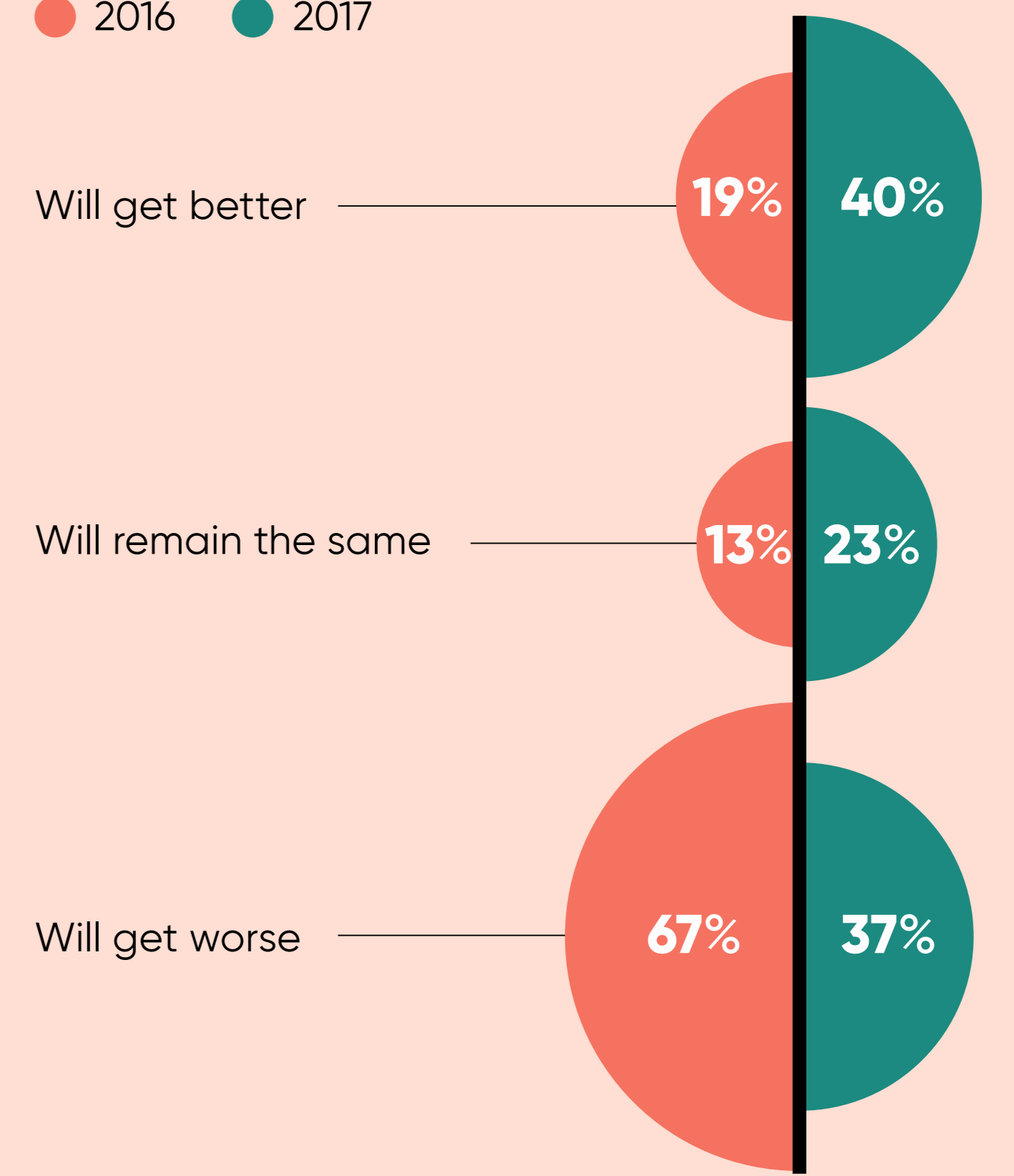
- Segment
- Category
- 2015-16
- 2016-17



FASHION BUSINESS SENTIMENT

How global senior industry executives believe conditions will develop

- 2016
- 2017



TOP 10 LARGEST FASHION MARKETS BY 2025

RANKED BY SALES FORECASTS

- Rank in 2015
- ★ New to the top 10

	CLOTHING	FOOTWEAR	ATHLETIC WEAR	BAGS/LUGGAGE
01	Tokyo (01)	New York (01)	New York (01)	Hong Kong (01)
02	New York (02)	Hong Kong (02)	Los Angeles (02)	Tokyo (02)
03	London (03)	Tokyo (03)	Tokyo (03)	New York (03)
04	Los Angeles (04)	Los Angeles (04)	London (04)	Seoul (05)
05	Shanghai (09)	London (05)	Houston (06)	Osaka (04)
06	Beijing (★)	Shanghai (★)	Chicago (05)	Los Angeles (06)
07	Osaka (05)	Mexico City (07)	Dallas (08)	London (08)
08	Rhein-Ruhr (06)	Buenos Aires (08)	Washington (07)	Singapore (07)
09	Chicago (07)	Beijing (★)	Hong Kong (★)	Taipei (★)
10	Chongqing (★)	Chicago (09)	Shanghai (★)	Shanghai (★)

McKinsey/Business of Fashion 2017

TOP 15 FASHION COMPANIES IN THE WORLD

Largest quoted companies in the apparel and fashion sectors by market capitalisation

- Market capitalisation (\$bn)*
- Price-to-earnings ratio**

01	LVMH	131.1	21.3
02	Inditex	122.9	35.1
03	Nike	84.5	29.4
04	Hermès	51.9	42.3
05	Dior	51.7	26.3
06	Richemont	47.4	34.5
07	TJX	46.6	20.6
08	Kering	42.3	46.3
09	adidas	40.8	32
10	H&M	38.3	18
11	Fast Retailing	35.3	38.1
12	Luxottica	29.3	31
13	Ross Stores	23.4	20.6
14	VF	22.6	20
15	Swatch Group	20.7	34.7

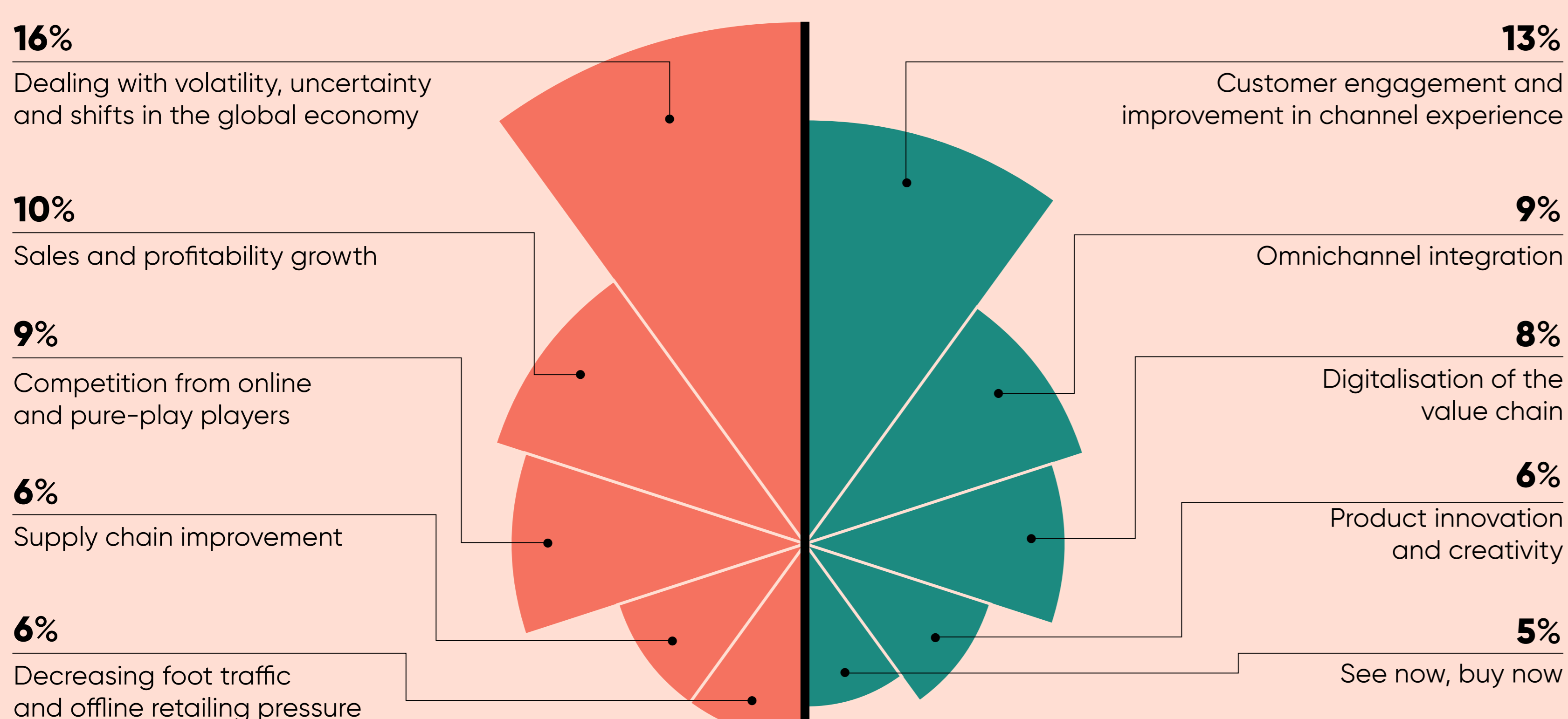
*Market capitalisation June 19

**In general, a higher price-to-earnings ratio – calculated by dividing a stock's current share price by its per-share earnings – typically shows investors are expecting stronger earnings growth in the future

TOP CHALLENGES AND OPPORTUNITIES

Percentage of global senior industry executives who ranked the following as their single biggest challenge/opportunity in 2017

- Challenges
- Opportunities



McKinsey/Business of Fashion 2017

Fashion United/MarketWatch 2017