German sportswear giant Adidas raised its 2021 sales outlook on Friday, saying it expects strong demand for new products despite ongoing lockdowns in Europe, supply chain challenges and political tensions.

Adidas said it now expects sales to grow at a high-teens percentage rate in 2021, compared to the forecast it gave in March for growth of a mid to high teens rate, with a jump of around 50% expected in the second quarter.

It said the acceleration would be driven by new products as well as big sports events like the European soccer championship and the Copa America.

Shares in Adidas were up 3.2% in pre-market trade at brokerage Lang & Schwarz.

Brands including Adidas and rivals Nike and Puma faced online attacks in China in March over statements about their sourcing of cotton from Xinjiang after reports of human rights abuses against Uyghur Muslims.

Adidas did not directly mention that issue, beyond saying its new outlook took into account the geo-political situation as well as the impact of prolonged lockdowns in Europe and industry-wide supply chain challenges.

However, it did say that it had seen sales jump 156% in greater China in the first quarter, a year after the coronavirus pandemic hit there. At the end of the first quarter, 89% of the company's stores had reopened.

Puma said last month it expects a consumer backlash against Western brands in China and congestion at ports to hit its sales though it gave an upbeat outlook for 2021.
Adidas said first-quarter sales rose 20% to 5.268 billion euros ($6.35 billion), ahead of average analyst consensus for 5 billion, while net income from continuing operations jumped to 502 million euros.

The company stuck to its forecast for 2021 net income from continuing operations to rise to between 1.25 billion and 1.45 billion euros.