



BRAZILIAN EXPORTS OF HIDES AND SKINS

APRIL 2020



SUMMARY

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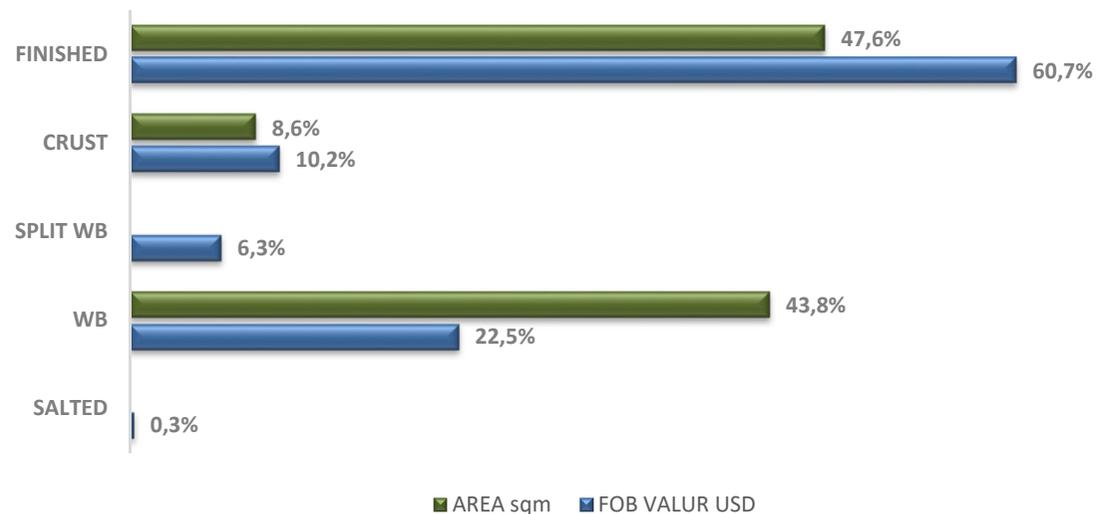
1 - ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS

APRIL 2020

The Hides and Skins Exports released by SECEX (Foreign Trade Secretariat), for the month of April 2020, registered the amount of US\$ 69.9 million, down 34.0% year-on-year, when total exports were US\$ 105.9 million, and also lower 28.0% compared to March, when amount was US\$ 97.1 million.

Considering exports in square meters, during April were shipped 12.5 million, down 20.2% year-on-year, and lower 21.0% than March, when total was 15.8 million.

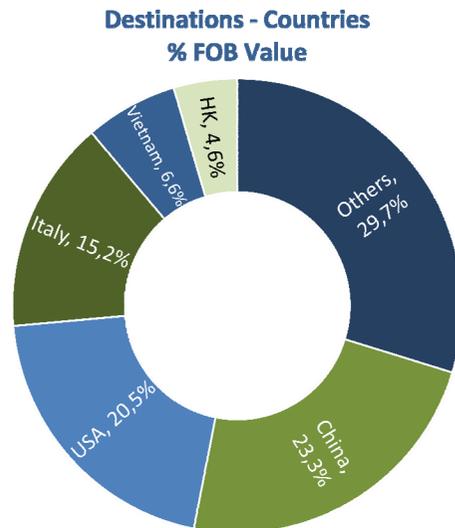
Below is the profile of 2020 exports till April:



These are the variations of the Brazilian exports of bovine leather during 2020, year-on-year:

- Salted hides down 18.9% (before -34.0%) in value, but higher 49.9% (+34.3%) in weight;
- Wet Blue declined 37.6% (-37.2%) in value and 24.5% (-23.1%) in area;
- Split WB higher 9.1% (+11.3%) in value and 9.9% (+12.2%) in area;
- Crust was higher 1.6% (+9.1%) in value and 9.2% (+17.1%) in area;
- Finished leather lower 16.8% (-9.8%) in value and 5.6% (+1.9%) in area.

Below are the 2020 destinations till April:



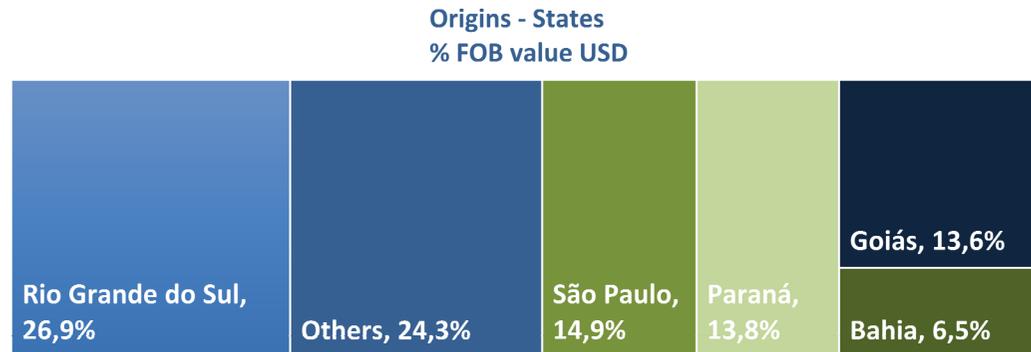
These are 2020 highlights for the three main destinations for Brazilian leather:

- China, with share of 23.3% in value and 30.4% in area, falling 17.3% (previous -14.4%) in traded area and also -23.8% (-18.4%) in value;
- US, with share of 20.5% in value and 11.0% in area, has increased 15.1% (+22.0%) in area and 3.4% (+10.9%) in value;
- Italy, with share of 15.2% in value and 18.8% in area, has reduction of 20.5% (-17.1%) in traded area, and also down 34.5% (-31.7%) considering value.

The USA remains the only country to show improvements in imported volumes and values, despite showing a weakening in purchases compared to the previous period. China and Italy continue to deteriorate performance every month, with Italy expected to worsen in the coming months due to the country's situation in the midst of the pandemic.

As an analysis of other countries considered important players in the leather trade, we highlight the following: Vietnam, in 4th place in the ranking (6.6% value share), shows increase of 27.2% (+42.3%) in area, but fall of 13.4% (-9.7%) in value; Hong Kong, with share of 4.6% in value, is keeping significant growth of 41.5% (+51.2%) in area, but down 32.9% (-25.3%) in value; Germany, now with 4.4% share, shows drop of 30.6% (-25.1%) in value and 19.2% (-12.5%) in area; and, finally, Mexico, with share of 4.2%, continues with increase of 34.0% (+66.6%) in area and 25.6% (+52.3%) in value. All the main destinations have been showing a worsening in the values and volumes imported compared to previous periods, which was already expected due to the global sanitary situation, that is strongly reflected in the economy and trade. Highlighted exports during this period goes to two Eastern Europe countries, Lithuania and Poland. The first shows an increase of 138.9% in value and 117.9% in area, while Poland grows even more, with 221.6% in value and 417.4% in area.

Below share of the states with relevant exports to the sector in 2020, till April:



Some highlights considering exporting states:

- Among the ten states with largest exports in the country, all now show decreases in values, with only three showing positive rates in the traded area, being: Bahia (+17.3%), Minas Gerais (+15.4%), and Mato Grosso do Sul (+5.3%);

- Still in the top ten, largest drops in value were: Ceará, with -41.1% (previous -28.1%); Goiás, with -26.2% (-24.7%); Pará, with -25.5% (-22.9%); Santa Catarina, with -23.0% (-18.5%); and São Paulo, with -22.7% (-11.7%);

- Rio Grande do Sul state remains the leader in shipments. Despite worsening the rates compared to the previous period, it still performed better than the other states, improving the share rates. Maintains participation of 26.9% in value and 21.9% in area. São Paulo now returns to second place in value, with share of 14.9%, but still fourth in volume, with 12.5%. Paraná falls to third position, with a share value of 13.8%, and keeps second place in area, with 16.2%. Goiás continues in fourth place in value (13.6% share) and third in area (13.3%).

- In this four-month period, we also highlight exports from Acre. This state, which in the previous year started exporting only in April, now shows accumulated growth in 2020 of 715.6% in value and 1,421.4% in area, ahead several other states in the north and northeast.

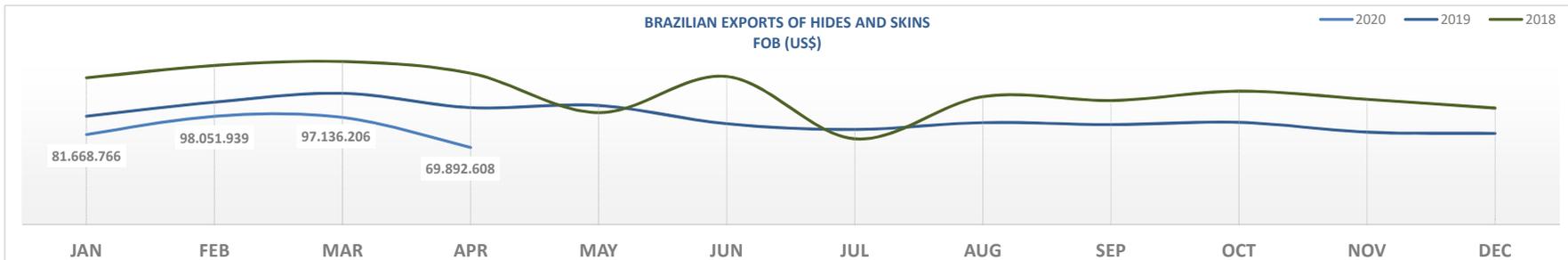
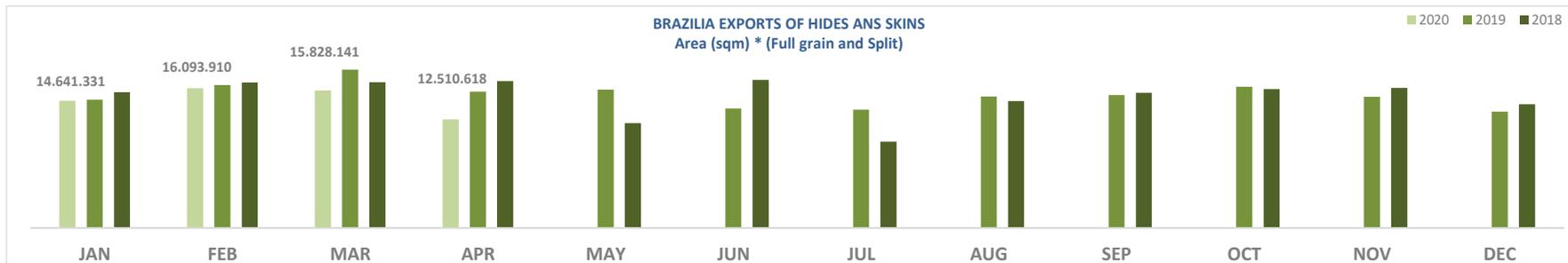
The global scenario was reflected more intensely in April exports. The falls in the traded area worsened, with worsening values as well. Finished leather, which until last month showed growth in volume, is now also negative. Crust and Split Wet Blue still maintain growth in value and volume in the period, despite a reduction in the rates. In all stages there were worsening, except for salted hides, which have meager values if considered total exports. The declines in value and volume this April already show a situation that for many was evident. The impacts of the pandemic in several important destinations for Brazilian leather are beginning to appear worryingly, where the month showed export with lowest values since 2002. -

2 - BRAZILIAN EXPORTS OF HIDES AND SKINS

MONTH	FOB VALUE (US\$)			Δ (%)			AREA* (sqm)			Δ (%)		
	2020	2019	2018	MONTH 2019	2020/2019	2020/2018	2020	2019	2018	MONTH 2019	2020/2019	2020/2018
JAN	81.668.766	98.084.385	132.850.230	-1,1%	-16,7%	-38,5%	14.641.331	14.761.798	15.620.127	9,5%	-0,8%	-6,3%
FEB	98.051.939	110.865.937	144.041.578	20,1%	-11,6%	-31,9%	16.093.910	16.450.463	16.743.477	9,9%	-2,2%	-3,9%
MAR	97.136.206	118.876.746	147.515.178	-0,9%	-18,3%	-34,2%	15.828.141	18.232.700	16.782.906	-1,7%	-13,2%	-5,7%
APR	69.892.608	105.935.839	136.997.970	-28,0%	-34,0%	-49,0%	12.510.618	15.685.661	16.934.162	-21,0%	-20,2%	-26,1%
MAY		107.847.382	101.387.567					15.914.498	12.060.974			
JUN		91.317.919	134.092.407					13.741.104	17.040.148			
JUL		86.133.297	77.719.735					13.605.791	9.931.991			
AUG		92.351.955	115.879.312					15.124.597	14.602.513			
SEP		90.587.484	112.331.092					15.293.740	15.567.193			
OCT		92.618.708	120.783.613					16.274.932	15.996.795			
NOV		83.767.663	113.432.678					15.092.702	16.111.481			
DEC		82.617.316	105.533.435					13.371.975	14.245.185			
Total	346.749.519	1.161.004.631	1.442.564.795		-20,1%	-38,2%	59.074.000	183.549.961	181.636.952		-9,3%	-10,6%

Source: SECEX - Prepared by: CICB

*Area including Full grain and Split



3 - DESTINATION OF BRAZILIAN EXPORTS OF HIDES AND SKINS

COUNTRIES	FOB VALUE (US\$)			Δ		AREA* (sqm)			Δ	
	Jan-Apr 2020	Jan-Apr 2019	Jan-Apr 2018	Share 20	2020/2019	Jan-Apr 2020	Jan-Apr 2019	Jan-Apr 2018	Share 20	2020/2019
1 China + Hong Kong	96.778.931	129.886.864	180.475.744	27,9%	-25,5%	21.698.635	24.369.097	23.087.137	36,7%	-11,0%
China	80.930.121	106.250.166	155.761.007	23,3%	-23,8%	17.978.511	21.740.130	21.342.622	30,4%	-17,3%
2 United States	71.056.743	68.698.759	92.077.166	20,49%	3,4%	6.513.507	5.659.055	6.664.575	11,0%	15,1%
3 Italy	52.730.582	80.492.588	93.210.359	15,21%	-34,5%	11.091.523	13.953.693	13.878.443	18,8%	-20,5%
4 Vietnam	23.030.730	26.602.426	31.540.375	6,6%	-13,4%	6.263.282	4.925.118	5.524.163	10,6%	27,2%
Hong Kong	15.848.810	23.636.698	24.714.737	4,6%	-32,9%	3.720.124	2.628.967	1.744.515	6,3%	41,5%
5 Germany	15.195.779	21.900.893	14.639.419	4,4%	-30,6%	1.508.948	1.867.604	991.698	2,6%	-19,2%
6 Mexico	14.650.150	11.668.106	14.904.722	4,22%	25,6%	1.223.562	913.103	1.072.598	2,1%	34,0%
7 Thailand	11.029.156	14.089.576	21.073.741	3,2%	-21,7%	1.185.036	1.404.352	1.789.784	2,0%	-15,6%
8 Hungary	8.145.171	7.024.585	26.933.735	2,3%	16,0%	704.927	539.949	1.908.322	1,2%	30,6%
9 Taiwan	6.666.109	8.739.981	11.824.899	1,9%	-23,7%	2.285.203	3.209.916	3.661.144	3,9%	-28,8%
10 Indonesia	5.401.501	5.069.729	10.961.930	1,6%	6,5%	637.088	466.602	821.175	1,1%	36,5%
11 India	5.081.943	7.277.783	5.553.264	1,5%	-30,2%	1.566.396	2.169.704	1.126.082	2,7%	-27,8%
12 South Korea	4.362.198	5.001.540	3.878.638	1,3%	-12,8%	638.085	762.924	436.922	1,1%	-16,4%
13 Netherlands	3.237.637	4.138.853	4.949.283	0,9%	-21,8%	370.509	462.128	437.152	0,6%	-19,8%
14 Norway	3.161.018	3.200.099	5.909.653	0,9%	-1,2%	233.107	206.394	348.886	0,4%	12,9%
15 Tunisia	2.857.892	1.989.839	2.331.229	0,8%	43,6%	197.291	114.852	116.661	0,3%	71,8%
16 Uruguay	2.043.880	5.720.163	6.985.463	0,6%	-64,3%	217.939	565.587	500.628	0,4%	-61,5%
17 Portugal	1.637.861	3.161.269	3.673.351	0,5%	-48,2%	265.311	448.929	413.281	0,4%	-40,9%
18 Malaysia	1.630.046	3.789.066	3.879.118	0,5%	-57,0%	120.207	301.727	262.495	0,2%	-60,2%
19 Macau	1.490.722	0	0	0,4%	-	307.249	0	0	0,5%	-
20 Canada	1.419.643	1.875.643	2.035.453	0,4%	-24,3%	96.860	106.701	116.667	0,2%	-9,2%
21 United Kingdom	1.342.958	1.924.968	1.421.603	0,4%	-30,2%	137.625	237.547	138.234	0,2%	-42,1%
22 South Africa	1.238.042	1.287.950	2.886.562	0,4%	-3,9%	232.261	171.453	262.537	0,4%	35,5%
23 Lithuania	1.183.816	495.431	533.917	0,3%	138,9%	74.938	34.393	29.333	0,1%	117,9%
24 Poland	1.162.828	361.538	1.172.999	0,3%	221,6%	125.286	24.215	101.794	0,2%	417,4%
25 Argentina	998.483	1.042.173	1.054.640	0,3%	-4,2%	146.463	78.971	89.043	0,2%	85,5%
26 Cambodia	921.014	1.462.112	645.478	0,3%	-37,0%	147.312	167.333	359.749	0,2%	-12,0%
27 Spain	885.782	2.186.492	1.760.081	0,3%	-59,5%	198.572	485.510	616.379	0,3%	-59,1%
28 Dominican Republic	838.117	1.248.869	2.161.040	0,2%	-32,9%	142.331	177.120	193.189	0,2%	-19,6%
29 Chile	760.264	766.523	958.190	0,2%	-0,8%	109.559	91.054	75.203	0,2%	20,3%
30 Paraguay	603.239	896.733	977.557	0,2%	-32,7%	108.893	159.829	131.557	0,2%	-31,9%
Others (2020: +39 countries)	5.207.284	11.762.356	10.995.347	1,5%	-55,7%	526.095	1.055.762	925.841	0,9%	-50,2%
Total	346.749.519	433.762.907	561.404.956		-20,1%	59.074.000	65.130.622	66.080.672		-9,3%

Source: MDIC/SECEX - Prepared by: CICB

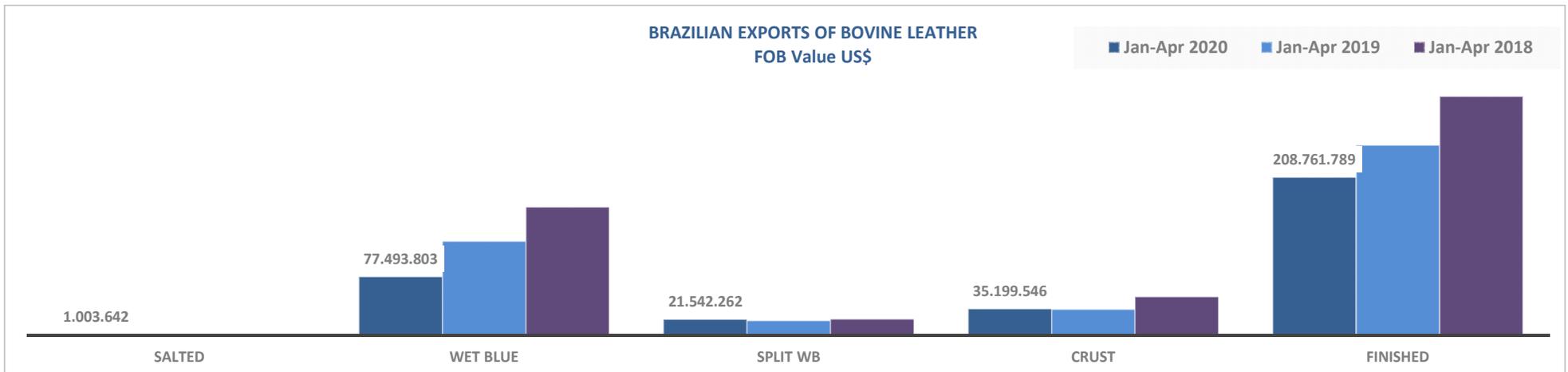
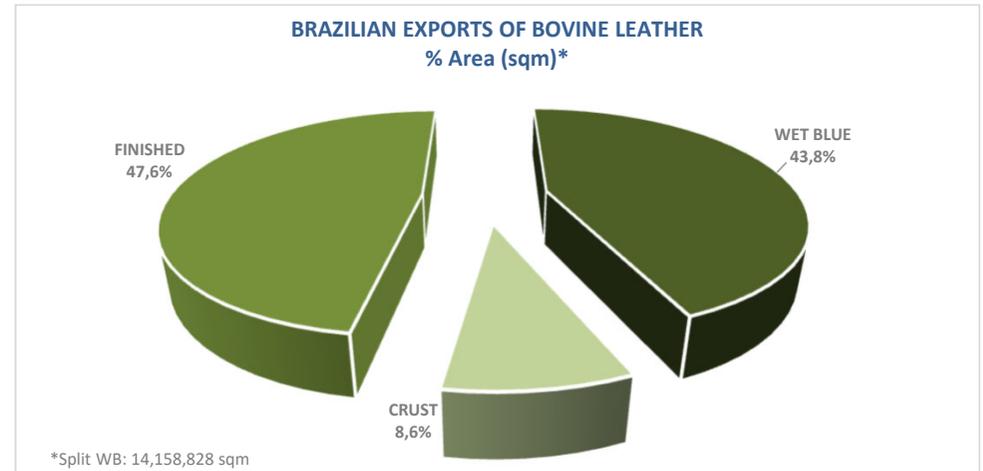
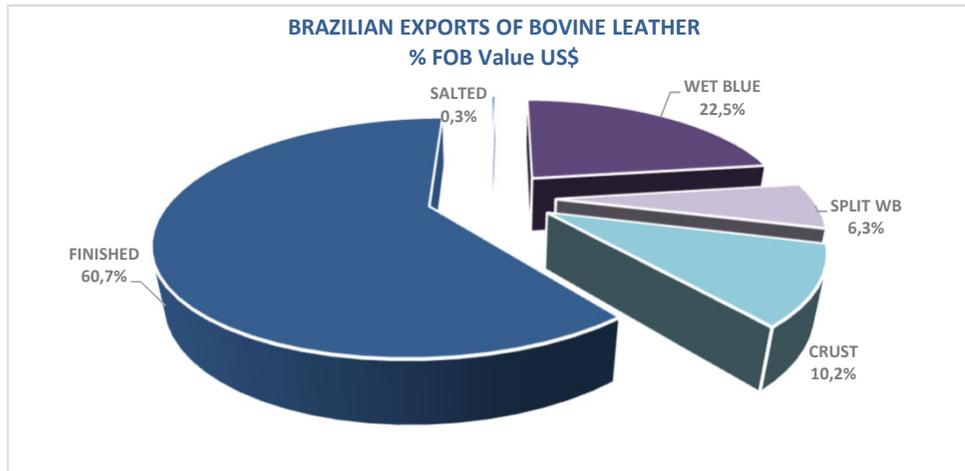
*Area including Full grain and Split

4 - BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)			Δ		AREA (sqm)*			Δ	
	Jan-Apr 2020	Jan-Apr 2019	Jan-Apr 2018	2020/2019	2020/2018	Jan-Apr 2020	Jan-Apr 2019	Jan-Apr 2018	2020/2019	2020/2018
SALTED	1.003.642	1.237.893	1.049.503	-18,9%	-4,4%	-	-	-	-	-
WET BLUE	77.493.803	124.257.149	169.539.025	-37,6%	-54,3%	19.621.771	25.987.136	22.370.861	-24,5%	-12,3%
SPLIT WB	21.542.262	19.740.630	21.887.472	9,1%	-1,6%	-	-	-	-	-
CRUST	35.199.546	34.644.409	51.365.842	1,6%	-31,5%	3.862.874	3.536.649	4.639.202	9,2%	-16,7%
FINISHED	208.761.789	251.051.036	315.619.445	-16,8%	-33,9%	21.316.341	22.589.300	24.021.736	-5,6%	-11,3%
Total	344.001.042	430.931.117	559.461.287	-20,2%	-38,5%	44.800.986	52.113.085	51.031.799	-14,0%	-12,2%

Source: MDIC/SECEX - Prepared by: CICB

*Only full grain



	FOB VALUE (US\$)			Share 2020	Δ		AREA* (sqm)			Share 2020	Δ	
	Jan-Apr 2020	Jan-Apr 2019	Jan-Apr 2018		2020/2019	2020/2018	Jan-Apr 2020	Jan-Apr 2019	Jan-Apr 2018		2020/2019	2020/2018
1 Rio Grande do Sul	93.445.939	113.021.121	126.220.162	26,9%	-17,3%	-26,0%	12.944.596	13.863.527	13.500.616	21,9%	-6,6%	-4,1%
2 São Paulo	51.732.660	66.885.962	101.546.976	14,9%	-22,7%	-49,1%	7.379.488	8.679.239	11.225.128	12,5%	-15,0%	-34,3%
3 Paraná	47.716.382	58.054.370	58.366.683	13,8%	-17,8%	-18,2%	9.578.076	10.843.907	8.772.305	16,2%	-11,7%	9,2%
4 Goiás	47.010.158	63.690.607	86.182.366	13,6%	-26,2%	-45,5%	7.876.923	10.755.212	10.039.857	13,3%	-26,8%	-21,5%
5 Bahia	22.448.967	25.669.806	40.697.488	6,5%	-12,5%	-44,8%	4.013.323	3.420.963	5.023.250	6,8%	17,3%	-20,1%
6 Mato Grosso do Sul	22.086.999	25.507.979	37.709.809	6,4%	-13,4%	-41,4%	5.523.072	5.246.414	5.129.503	9,3%	5,3%	7,7%
7 Santa Catarina	17.942.278	23.297.180	32.854.975	5,2%	-23,0%	-45,4%	2.912.303	3.197.086	3.449.032	4,9%	-8,9%	-15,6%
8 Minas Gerais	12.310.761	12.432.109	14.153.655	3,6%	-1,0%	-13,0%	2.526.042	2.188.920	2.150.961	4,3%	15,4%	17,4%
9 Ceará	11.816.266	20.073.734	25.335.444	3,4%	-41,1%	-53,4%	1.408.469	2.201.172	2.196.825	2,4%	-36,0%	-35,9%
10 Pará	8.319.807	11.168.759	20.681.813	2,4%	-25,5%	-59,8%	1.989.369	2.105.974	2.546.112	3,4%	-5,5%	-21,9%
11 Mato Grosso	5.134.627	7.510.050	13.500.527	1,5%	-31,6%	-62,0%	1.248.418	1.465.843	1.633.940	2,1%	-14,8%	-23,6%
12 Rondônia	1.714.623	580.255	0	0,5%	195,5%	-	521.032	119.305	0	0,9%	336,7%	-
13 Rio de Janeiro	1.313.930	1.065.948	814.718	0,4%	23,3%	61,3%	13.020	52.594	32.981	0,0%	-75,2%	-60,5%
14 Acre	1.048.249	128.524	0	0,3%	715,6%	-	289.069	19.000	0	0,5%	1421,4%	-
15 Amazonas	606.447	1.395.608	0	0,2%	-56,5%	-	436.634	416.883	0	0,7%	4,7%	-
16 Tocantins	549.984	989.925	665.288	0,2%	-44,4%	-17,3%	135.979	215.204	88.814	0,2%	-36,8%	53,1%
17 Maranhão	353.720	527.071	678.151	0,1%	-32,9%	-47,8%	137.333	140.259	111.543	0,2%	-2,1%	23,1%
18 Piauí	336.649	1.116.178	405.700	0,1%	-69,8%	-17,0%	17.845	102.089	36.851	0,0%	-82,5%	-51,6%
19 Sergipe	332.472	280.011	202.789	0,1%	18,7%	63,9%	107.753	80.183	39.092	0,2%	34,4%	175,6%
20 Amapá	259.499	142.055	155.144	0,1%	82,7%	67,3%	0	0	0	0,0%	-	-
21 Pernambuco	226.226	222.448	534.206	0,1%	1,7%	-57,7%	15.193	16.818	47.152	0,0%	-9,7%	-67,8%
22 Rio Grande do Norte	36.903	0	0	0,0%	-	-	0	0	0	0,0%	-	-
23 Espírito Santo	5.973	3.207	6.845	0,0%	86,2%	-12,7%	63	30	77	0,0%	110,0%	-18,2%
24 Not Declared*	0	0	692.217	0,0%	-	-100,0%	0	0	56.633	0,0%	-	-100,0%
Total	346.749.519	433.762.907	561.404.956	100,0%	-20,1%	-38,2%	59.074.000	65.130.622	66.080.672	100,0%	-9,3%	-10,6%

Source: MDIC/SECEX - Prepared by: CICB

*Exporter did not declare the state of origin

