



BRAZILIAN EXPORTS OF HIDES AND SKINS

NOVEMBER 2019



SUMMARY

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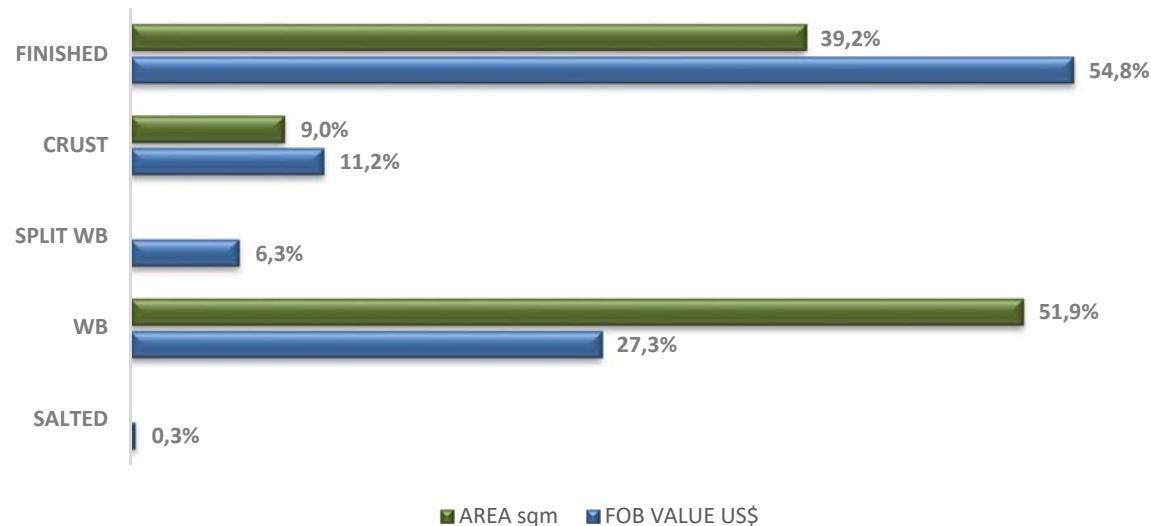
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1 - ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS NOVEMBER 2019

The Hides and Skins Exports released by SECEX (Foreign Trade Secretariat), for the month of November 2019, registered the amount of US\$ 83.8 million, down 26.1% year-on-year, when total exports were US\$ 113.4 million, and also lower 9.5% compared to October, when amount was US\$ 92.6 million.

Considering exports in square meters, in November were shipped 15.1 million, down 6.2% than same month last year, when total was 16.1 million. From January to November, exported area is now 0.7% higher than 2018.

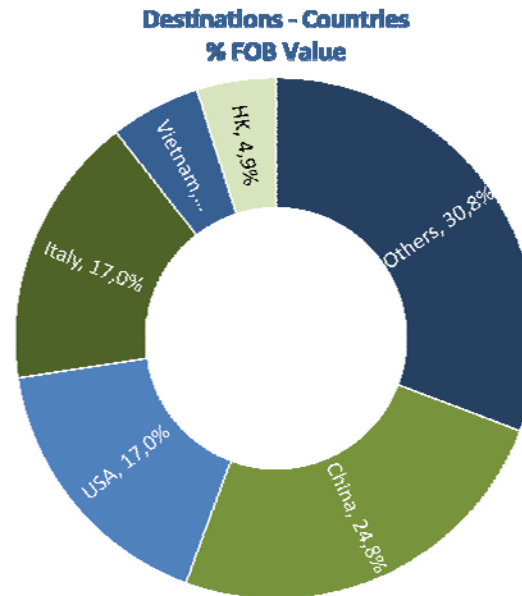
Profile of November 2019 exports is the following:



These are the variations of the Brazilian exports of bovine leather, considering January to November, year-on-year:

- Salted hides down 10.0% in value and up 19.8% in weight;
- Wet Blue declined 25.7% in value, but were up 10.5% in area;
- Split WB higher 6.2% in value and 0.4% in area;
- Crust was lower 20.9% in value and 14.4% in area;
- Finished leather also lower 19.7% in value and 5.9% in area.

Below are destinations from January to November 2019:



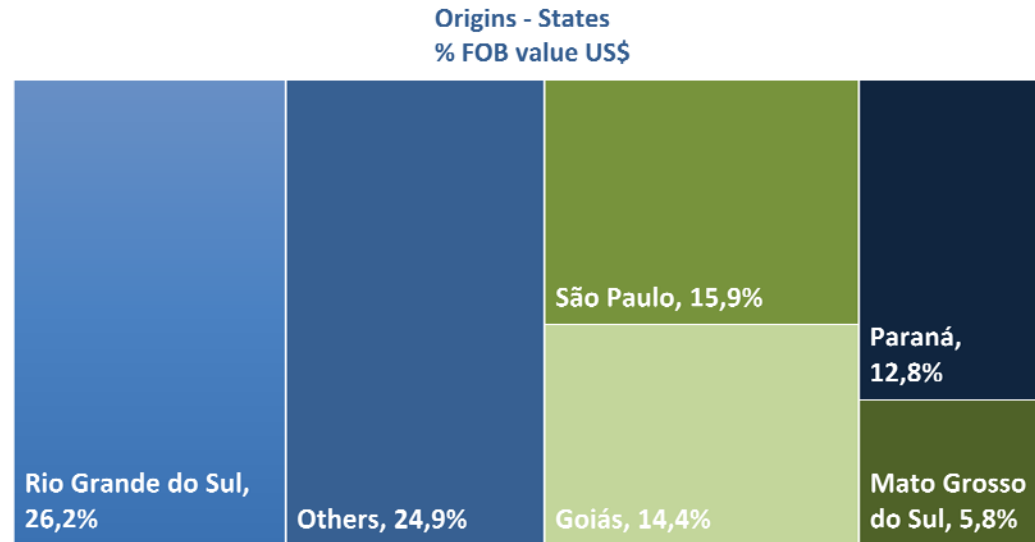
Below are some highlights of the results in 2019 for the three main destinations for Brazilian leather:

- China, with share of 24.8% in value, grew 10.8% in trade area (before +7.5%), however decreased 22.5% (-25.0%) in value;
- Italy again taking second position, with share of 16.96% in value, had reduction of 8.3% (-9.6%) in area and down 23.1% (-19.9%) in value;
- US, with share of 16.95% in value, has reduction of 9.1% (-9.6%) in trade area, and also down 19.4% (-24.2%) considering value.

Looking at performance in the year, Italy and the US continue to show declining, worsening the buying performance of Brazilian leather, both in value and area. On the other hand, China shows increase in volume, with share improvement.

As an analysis of other countries considered important players in the leather trade, we highlight the following: Vietnam, with -11.4% in value and -11.0% in area; Germany, maintaining a significant increase in +55.2% in value and +91.5% in area; Hong Kong with +33.0% in area but still down 25.3% in value; Mexico, growing 12.5% in area, but lower 5.9% in value; India with +26.2% in value and +61.9% in area; and finally, Spain with -12.7% in value and -11.0% in area.

Below share of the states with relevant exports to the sector in 2019:



Some highlights considering exporting states:

- Among the ten states with largest exports in the country, now we have four states showing growth in trade area: Paraná, Mato Grosso do Sul, Minas Gerais, and Pará. All ten states show reductions in value;

- The largest drops in value are: Pará with -35.3%; São Paulo with -28.2%; Ceará with -27.9%; Bahia with -27.4%; and Goiás with -26.7%;

- Rio Grande do Sul remains leader in shipments considering value and area, with share of 26.2% and 21.0%, respectively. São Paulo remains in second considering value, with 15.9% share, but losing in volume (13.7%) to Paraná (16.0%) and Goiás (15.5%). Paraná, therefore, is the third in volume and fourth in value;

- With lower share, Piauí (+173.4%), Tocantins (+70.4%), and Amazonas (+55.6%) still showing significant growth in value.

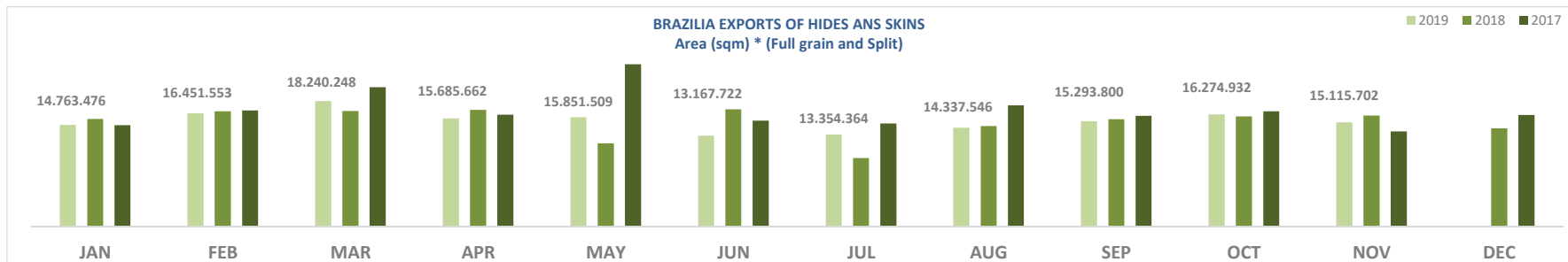
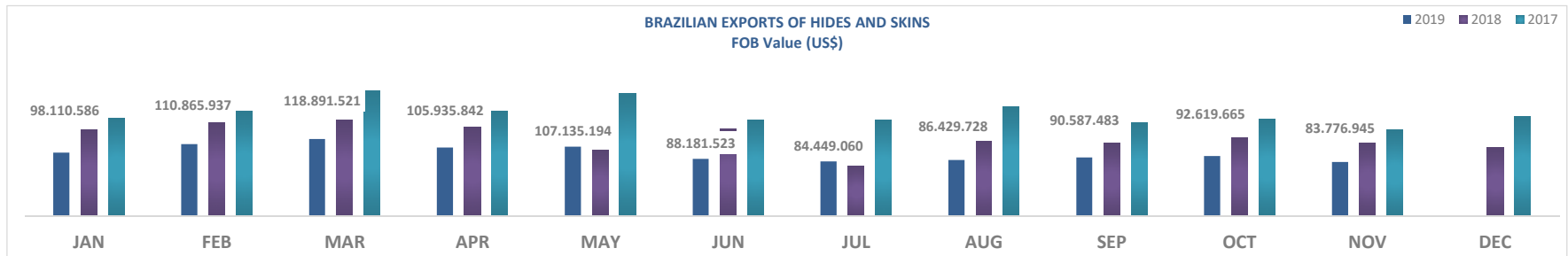
Due to a review of September and October export data this year, announced by SECEX in early December, exports of hides and skins from Brazil increased by USD 19.3 million in 2019. This review also showed an improvement in volume, which now have a slight increase in trade area of 0.7%. Finished leather continues to have a significant share in the values (59.5%), but Wet Blue leather is increasing its share in trade area: it has now 48.4% (previously 47.6%) against 44.2% of Finished leather (before 45.3%). If we figure up the Crust to the Finished leather, we still have the predominance of higher added value leathers also by volume: 51.6% against 44.2% of Wet Blue. -

2 - BRAZILIAN EXPORTS OF HIDES AND SKINS

MONTH	FOB VALUE (US\$)			Δ (%)			AREA* (sqm)			Δ (%)		
	2019	2018	2017	MONTH 2019	2019/2018	2019/2017	2019	2018	2017	MONTH 2019	2019/2018	2019/2017
JAN	98.110.586	132.850.230	150.594.334	-7,0%	-26,1%	-34,9%	14.763.476	15.639.191	14.722.866	3,6%	-5,6%	0,3%
FEB	110.865.937	144.041.578	161.129.539	13,0%	-23,0%	-31,2%	16.451.553	16.743.477	16.873.377	11,4%	-1,7%	-2,5%
MAR	118.891.521	147.515.178	192.569.385	7,2%	-19,4%	-38,3%	18.240.248	16.782.906	20.239.371	10,9%	8,7%	-9,9%
APR	105.935.842	136.997.970	161.555.800	-10,9%	-22,7%	-34,4%	15.685.662	16.935.718	16.246.555	-14,0%	-7,4%	-3,5%
MAY	107.135.194	101.387.567	189.315.724	1,1%	5,7%	-43,4%	15.851.509	12.060.974	23.563.932	1,1%	31,4%	-32,7%
JUN	88.181.523	134.092.407	148.251.832	-17,7%	-34,2%	-40,5%	13.167.722	17.040.148	15.371.874	-16,9%	-22,7%	-14,3%
JUL	84.449.060	77.719.735	148.621.433	-4,2%	8,7%	-43,2%	13.354.364	9.932.091	14.941.331	1,4%	34,5%	-10,6%
AUG	86.429.728	115.879.312	168.323.058	2,3%	-25,4%	-48,7%	14.337.546	14.602.513	17.618.510	7,4%	-1,8%	-18,6%
SEP	90.587.483	112.331.092	144.028.851	4,8%	-19,4%	-37,1%	15.293.800	15.567.194	16.067.572	6,7%	-1,8%	-4,8%
OCT	92.619.665	120.783.613	149.290.587	2,2%	-23,3%	-38,0%	16.274.932	15.996.995	16.734.997	6,4%	1,7%	-2,7%
NOV	83.776.945	113.432.678	132.740.099	-9,5%	-26,1%	-36,9%	15.115.702	16.111.481	13.813.058	-7,1%	-6,2%	9,4%
DEC		105.533.435	153.081.851					14.245.187	16.183.081			
Total	1.066.983.484	1.442.564.795	1.899.502.493		-20,2%	-38,9%	168.536.514	181.657.875	202.376.524		0,7%	-9,5%

Source: SECEX - Prepared by: CICB

*Area including Full grain and Split



3 - DESTINATION OF BRAZILIAN EXPORTS OF HIDES AND SKINS

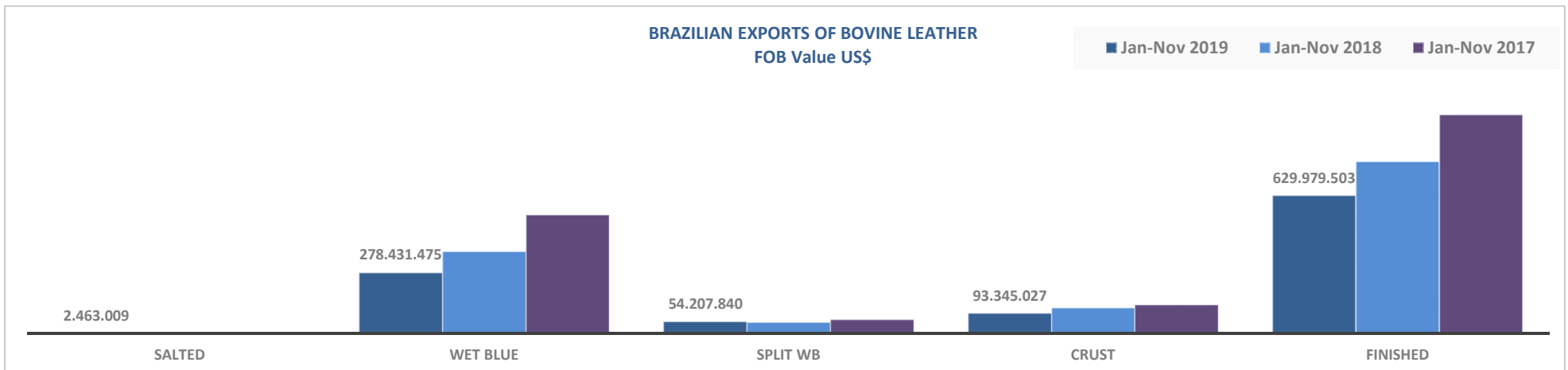
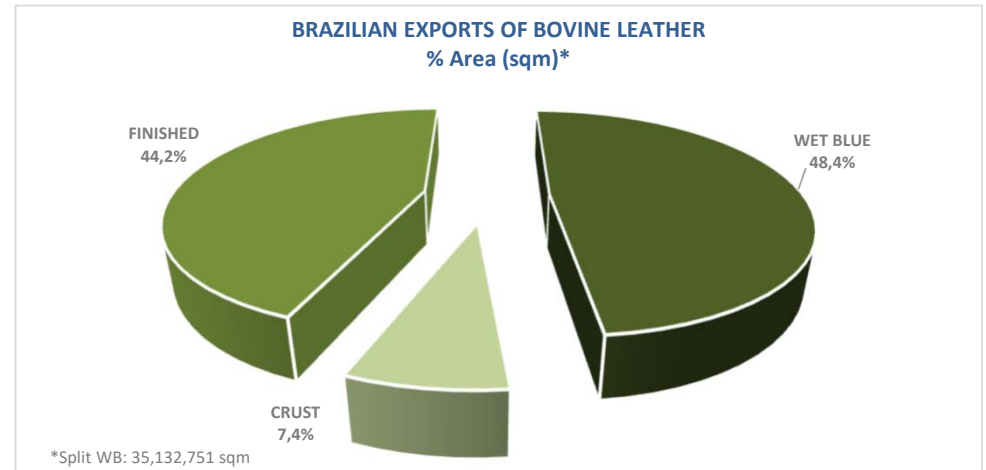
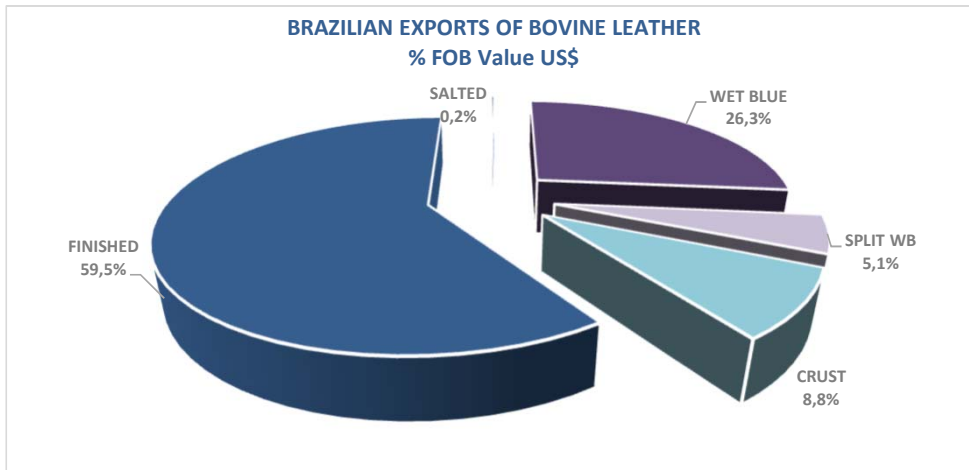
COUNTRIES	FOB VALUE (US\$)			Δ		AREA* (sqm)			Δ	
	Jan-Nov 2019	Jan-Nov 2018	Jan-Nov 2017	Share 19	2019/2018	Jan-Nov 2019	Jan-Nov 2018	Jan-Nov 2017	Share 19	2019/2018
1 China + Hong Kong	317.163.643	411.576.493	557.069.728	29,7%	-22,9%	64.424.086	57.073.669	62.369.370	38,2%	12,9%
China	264.898.436	341.646.164	476.484.225	24,8%	-22,5%	57.185.218	51.629.618	53.646.139	33,9%	10,8%
2 Italy	180.976.364	235.319.754	316.226.505	16,96%	-23,1%	33.269.339	36.266.186	38.810.522	19,7%	-8,3%
3 United States	180.872.401	224.369.366	262.499.422	16,95%	-19,4%	15.239.960	16.763.702	16.764.352	9,0%	-9,1%
4 Vietnam	59.556.478	67.183.755	115.203.329	5,6%	-11,4%	12.227.079	13.743.088	26.433.969	7,3%	-11,0%
5 Germany	57.366.919	36.951.325	44.770.854	5,4%	55,2%	5.179.859	2.705.518	3.034.700	3,1%	91,5%
Hong Kong	52.265.207	69.930.329	80.585.503	4,9%	-25,3%	7.238.868	5.444.051	8.723.231	4,3%	33,0%
6 Mexico	38.474.342	40.867.976	40.874.080	3,6%	-5,9%	3.307.170	2.938.991	2.540.665	2,0%	12,5%
7 Thailand	32.841.003	48.518.096	58.002.346	3,1%	-32,3%	3.271.473	4.628.358	4.412.373	1,9%	-29,3%
8 Taiwan	22.834.939	24.693.707	24.511.525	2,1%	-7,5%	8.700.712	8.787.863	5.683.340	5,2%	-1,0%
9 Hungary	19.378.859	58.670.087	96.774.287	1,8%	-67,0%	1.501.538	4.279.116	6.034.904	0,9%	-64,9%
10 India	19.207.698	15.221.988	13.874.663	1,8%	26,2%	5.729.654	3.538.294	2.172.212	3,4%	61,9%
11 South Korea	15.617.608	22.360.942	41.040.207	1,5%	-30,2%	2.226.010	2.614.914	3.304.288	1,3%	-14,9%
12 Indonesia	11.455.771	20.341.667	27.751.286	1,1%	-43,7%	1.162.254	1.594.352	2.172.419	0,7%	-27,1%
13 Netherlands	10.198.778	11.695.995	12.432.589	1,0%	-12,8%	1.161.378	1.090.327	949.286	0,7%	6,5%
14 Uruguay	8.303.875	12.608.312	14.877.243	0,8%	-34,1%	803.374	984.246	975.591	0,5%	-18,4%
15 Portugal	7.259.551	8.628.220	9.250.855	0,7%	-15,9%	927.044	1.016.461	934.520	0,6%	-8,8%
16 Malaysia	7.104.891	10.996.373	7.426.115	0,7%	-35,4%	638.281	757.101	460.533	0,4%	-15,7%
17 Norway	7.066.239	11.167.538	15.552.885	0,7%	-36,7%	476.944	679.376	825.596	0,3%	-29,8%
18 Tunisia	6.921.176	5.325.322	5.610.713	0,6%	30,0%	430.207	281.670	303.354	0,3%	52,7%
19 France	5.315.485	3.688.738	1.726.013	0,5%	44,1%	229.983	160.093	123.106	0,1%	43,7%
20 Spain	5.190.307	5.946.166	4.221.036	0,5%	-12,7%	1.386.382	1.558.499	1.332.156	0,8%	-11,0%
21 Canada	4.973.650	5.686.499	6.308.741	0,5%	-12,5%	288.814	321.955	340.286	0,2%	-10,3%
22 South Africa	4.613.516	7.491.169	15.080.790	0,4%	-38,4%	720.405	759.558	1.301.139	0,4%	-5,2%
23 United Kingdom	3.692.226	3.137.889	3.728.897	0,3%	17,7%	400.627	279.498	432.660	0,2%	43,3%
24 Argentina	3.600.363	3.657.977	3.380.095	0,3%	-1,6%	298.239	315.124	223.352	0,2%	-5,4%
25 Dominican Republic	3.066.921	5.234.852	7.896.745	0,3%	-41,4%	440.603	551.470	563.042	0,3%	-20,1%
26 Paraguay	2.739.763	2.337.784	4.803.684	0,3%	17,2%	475.886	334.626	629.194	0,3%	42,2%
27 Chile	2.395.935	2.456.176	3.189.612	0,2%	-2,5%	431.859	265.580	288.574	0,3%	62,6%
28 Cambodia	2.395.730	1.819.856	1.895.309	0,2%	31,6%	282.432	526.477	392.142	0,2%	-46,4%
29 Lithuania	2.390.498	1.336.827	1.400.973	0,2%	78,8%	161.267	77.607	83.325	0,1%	107,8%
30 Australia	2.281.711	3.782.187	4.284.765	0,2%	-39,7%	172.009	227.648	240.471	0,1%	-24,4%
Other (2019: +50 countries)	21.726.844	23.958.324	24.755.350	2,0%	-9,3%	2.571.646	2.291.321	2.062.002	1,5%	12,2%
Total	1.066.983.484	1.337.031.360	1.746.420.642		-20,2%	168.536.514	167.412.688	186.193.443		0,7%

4 - BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)			Δ		AREA (sqm)*			Δ	
	Jan-Nov 2019	Jan-Nov 2018	Jan-Nov 2017	2019/2018	2019/2017	Jan-Nov 2019	Jan-Nov 2018	Jan-Nov 2017	2019/2018	2019/2017
SALTED	2.463.009	2.736.983	3.400.159	-10,0%	-27,6%	-	-	-	-	-
WET BLUE	278.431.475	374.584.403	541.110.186	-25,7%	-48,5%	64.395.392	58.260.472	63.259.117	10,5%	1,8%
SPLIT WB	54.207.840	51.052.643	64.013.078	6,2%	-15,3%	-	-	-	-	-
CRUST	93.345.027	117.965.190	131.814.665	-20,9%	-29,2%	9.814.597	11.465.090	10.077.428	-14,4%	-2,6%
FINISHED	629.979.503	784.220.923	998.427.147	-19,7%	-36,9%	58.738.376	62.423.090	72.204.532	-5,9%	-18,7%
Total	1.058.426.854	1.330.560.142	1.738.765.235	-20,5%	-39,1%	132.948.365	132.148.652	145.541.077	0,6%	-8,7%

Source: MDIC/SECEX - Prepared by: CICB

*Only full grain



5 - BRAZILIAN EXPORTS OF HIDES AND SKINS BY STATE

	FOB VALUE (US\$)			Share 2019	Δ		AREA* (sqm)			Share 2019	Δ	
	Jan-Nov 2019	Jan-Nov 2018	Jan-Nov 2017		2019/2018	2019/2017	Jan-Nov 2019	Jan-Nov 2018	Jan-Nov 2017		2019/2018	2019/2017
1 Rio Grande do Sul	280.042.227	325.802.165	339.882.676	26,2%	-14,0%	-17,6%	35.458.478	36.468.871	35.704.586	21,0%	-2,8%	-0,7%
2 São Paulo	169.637.184	236.303.631	328.561.247	15,9%	-28,2%	-48,4%	23.141.381	26.530.882	32.558.223	13,7%	-12,8%	-28,9%
3 Goiás	153.525.178	209.521.211	265.784.134	14,4%	-26,7%	-42,2%	26.112.079	27.686.697	31.010.110	15,5%	-5,7%	-15,8%
4 Paraná	136.076.626	146.093.039	227.151.868	12,8%	-6,9%	-40,1%	26.902.726	23.175.338	25.839.602	16,0%	16,1%	4,1%
5 Mato Grosso do Sul	62.109.069	76.224.468	90.568.566	5,8%	-18,5%	-31,4%	14.137.521	11.176.050	10.307.737	8,4%	26,5%	37,2%
6 Bahia	61.838.213	85.208.063	115.061.387	5,8%	-27,4%	-46,3%	8.885.705	10.287.581	11.563.700	5,3%	-13,6%	-23,2%
7 Santa Catarina	55.349.055	74.492.603	86.979.131	5,2%	-25,7%	-36,4%	8.261.650	8.783.977	8.180.832	4,9%	-5,9%	1,0%
8 Ceará	48.371.742	67.062.414	113.929.161	4,5%	-27,9%	-57,5%	5.420.927	6.222.313	10.334.412	3,2%	-12,9%	-47,5%
9 Minas Gerais	30.817.872	31.903.570	65.307.751	2,9%	-3,4%	-52,8%	5.569.044	5.035.850	8.559.377	3,3%	10,6%	-34,9%
10 Pará	26.328.509	40.692.704	47.616.568	2,5%	-35,3%	-44,7%	5.808.447	5.656.563	4.980.239	3,4%	2,7%	16,6%
11 Mato Grosso	24.879.298	29.729.082	43.863.430	2,3%	-16,3%	-43,3%	5.523.348	4.490.051	3.929.212	3,3%	23,0%	40,6%
12 Rondônia	3.246.857	0	0	0,3%	-	-	934.400	0	0	0,6%	-	-
13 Piauí	3.220.395	1.177.849	1.393.510	0,3%	173,4%	131,1%	287.489	123.488	128.604	0,2%	132,8%	123,5%
14 Tocantins	3.218.685	1.888.702	9.844.752	0,3%	70,4%	-67,3%	746.243	282.027	2.286.043	0,4%	164,6%	-67,4%
15 Rio de Janeiro	2.697.062	2.928.598	1.830.773	0,3%	-7,9%	47,3%	68.946	124.227	6.259	0,0%	-44,5%	1001,5%
16 Amazonas	2.333.838	1.499.456	0	0,2%	55,6%	-	713.484	293.594	0	0,4%	143,0%	-
17 Pernambuco	952.096	1.324.862	2.394.929	0,1%	-28,1%	-60,2%	60.784	119.207	197.055	0,0%	-49,0%	-69,2%
18 Acre	806.987	0	0	0,1%	-	-	225.560	0	0	0,1%	-	-
19 Maranhão	641.181	2.971.648	3.380.270	0,1%	-78,4%	-81,0%	160.315	613.597	347.980	0,1%	-73,9%	-53,9%
20 Amapá	461.531	367.321	457.281	0,0%	25,6%	0,9%	0	0	0	0,0%	-	-
21 Sergipe	413.886	1.007.989	1.435.127	0,0%	-58,9%	-71,2%	117.759	257.742	139.869	0,1%	-54,3%	-15,8%
22 Espírito Santo	15.993	20.990	61.380	0,0%	-23,8%	-73,9%	228	222	15.623	0,0%	2,7%	-98,5%
23 Distrito Federal	0	38.333	0	0,0%	-100,0%	-	0	7.613	0	0,0%	-100,0%	-
24 Not declared*	0	772.662	916.701	0,0%	-100,0%	-100,0%	0	76.798	103.980	0,0%	-100,0%	-100,0%
Total	1.066.983.484	1.337.031.360	1.746.420.642	100,0%	-20,2%	-38,9%	168.536.514	167.412.688	186.193.443	100,0%	0,7%	-9,5%

Source: MDIC/SECEX - Prepared by: CICB

*Exporter did not declare the state of origin

