



Brazilian leather

BRAZILIAN EXPORTS OF HIDES AND SKINS

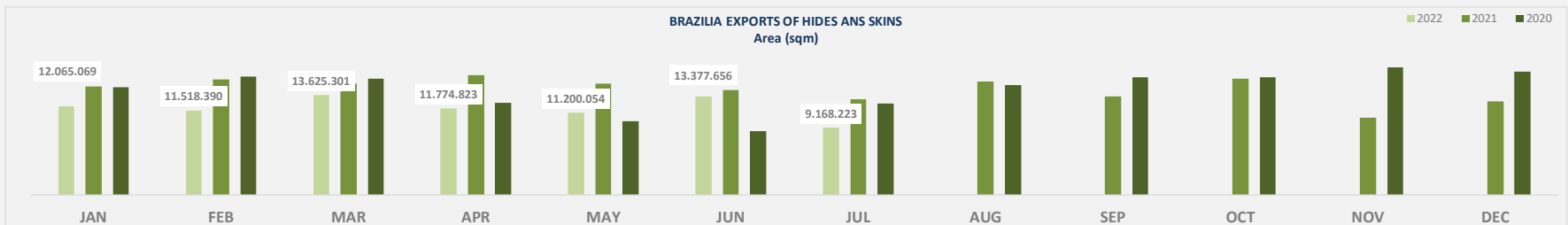
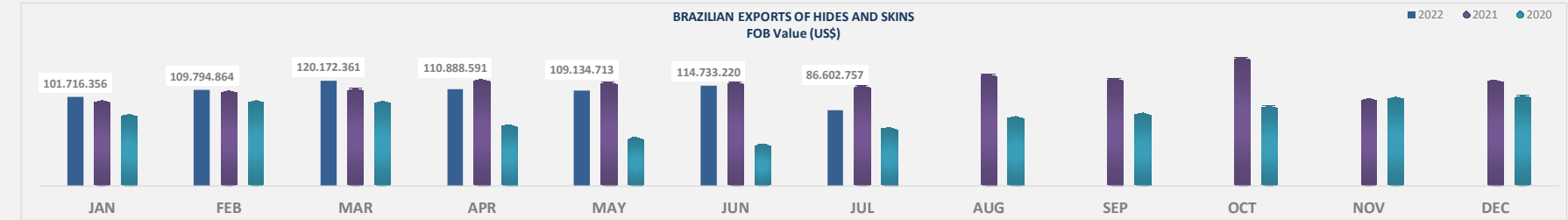
July 2022

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BRAZILIAN EXPORTS OF HIDES AND SKINS

MONTH	FOB VALUE (US\$)			Δ (%)			AREA (sqm)			Δ (%)			WEIGHT (Kg)			Δ (%)		
	2022	2021	2020	MONTH 2021	2022/2021	2022/2020	2022	2021	2020	MONTH 2021	2022/2021	2022/2020	2022	2021	2020	MONTH 2021	2022/2021	2022/2020
JAN	101.716.356	97.842.657	81.668.858	-16,3%	4,0%	24,5%	12.065.069	14.794.446	14.641.337	-5,2%	-18,4%	-17,6%	30.528.673	38.010.157	39.515.855	2,9%	-19,7%	-22,7%
FEB	109.794.864	109.528.720	98.050.502	7,9%	0,2%	12,0%	11.518.390	15.698.373	16.093.955	-4,5%	-26,6%	-28,4%	25.501.719	38.218.258	41.069.707	-16,5%	-33,3%	-37,9%
MAR	120.172.361	111.927.496	96.997.936	9,5%	7,4%	23,9%	13.625.301	15.133.632	15.827.958	18,3%	-10,0%	-13,9%	31.859.620	34.265.446	37.463.401	24,9%	-7,0%	-15,0%
APR	110.888.591	121.951.096	69.882.283	-7,7%	-9,1%	58,7%	11.774.823	16.318.524	12.510.483	-13,6%	-27,8%	-5,9%	28.030.830	36.417.387	30.043.895	-12,0%	-23,0%	-6,7%
MAY	109.134.713	119.279.811	55.183.982	-1,6%	-8,5%	97,8%	11.200.054	15.163.923	10.065.078	-4,9%	-26,1%	11,3%	24.982.905	33.656.700	28.624.906	-10,9%	-25,8%	-12,7%
JUN	114.733.220	119.014.618	48.359.626	5,1%	-3,6%	137,3%	13.377.656	14.251.467	8.673.424	19,4%	-6,1%	54,2%	32.538.087	31.809.207	26.925.237	30,2%	2,3%	20,8%
JUL	86.602.757	114.704.199	66.205.213	-24,5%	-24,5%	30,8%	9.168.223	12.987.305	12.498.957	31,5%	-29,4%	-26,6%	21.825.224	28.797.843	38.114.991	32,9%	-24,2%	-42,7%
AUG		127.753.281	79.465.110					15.456.776	14.965.253					31.412.555	42.425.488			
SEP		122.947.850	83.687.412					13.406.581	15.976.282					32.398.066	45.844.633			
OCT		147.230.475	91.164.639					15.861.118	16.061.025					35.079.112	43.793.546			
NOV		100.737.179	102.004.642					10.511.289	17.398.496					25.844.344	47.350.592			
DEC		121.530.065	103.329.787					12.723.535	16.769.768					29.669.508	40.510.343			
Total	753.042.862	1.414.447.447	975.999.990		-5,2%	45,8%	82.729.516	172.306.969	171.482.016		-20,7%	-8,4%	195.267.058	395.578.583	461.682.594		-19,0%	-19,2%

Source: SECEX - Prepared by: CICB



■ ANALYSIS OF TOTAL EXPORTS

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The exports of hides and skins presented by SECEX (Secretariat of Foreign Trade) of the Ministry of Economy and analyzed by CICB, referring to the month of July 2022, registered the value of US\$ 86.6 million, which means reductions of 24.5% compared to the same month last year, when US\$ 114.7 million were exported, and also 24.5% over the previous month.

As for the total exported in square meters, 9.2 million were shipped in July, 29.4% below the same month in 2021, and 31.5% less than in June, when the total was 13.4 million sqm.

The period from January to July ended with exports of US\$ 753.0 million, a decrease of 5.2% compared to the same period in 2021, and 20.7% lower in traded area, with 82.7 million square meters.

BRAZILIAN EXPORTS OF HIDES AND SKINS BY DESTINATION

COUNTRIES	FOB VALUE (US\$)			Share 2022	Δ 2021/2020	AREA (sqm)			Share 2022	Δ 2021/2020	WEIGHT (KG)			Share 2022	Δ 2021/2020
	Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020			Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020			Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020		
1 China + Hong Kong	214.672.723	270.532.283	160.647.708	28,5%	-20,6%	31.026.275	41.151.873	36.039.300	37,5%	-24,6%	81.105.646	107.165.269	101.331.714	41,5%	-24,3%
China	173.701.347	235.637.008	137.025.291	23,07%	-26,3%	13.115.889	14.715.702	14.197.088	31,8%	-28,8%	35.204.283	38.595.028	38.214.641	35,3%	-28,0%
2 United States	142.092.047	117.687.727	93.075.788	18,87%	20,7%	3.919.996	3.927.349	5.310.414	11,0%	-6,9%	3.361.770	3.432.059	4.448.706	4,0%	-6,3%
3 Italy	126.376.991	115.685.208	76.428.762	16,78%	9,2%	6.337.704	8.482.030	8.947.349	18,1%	-1,0%	21.150.266	29.033.249	33.227.952	25,5%	0,0%
Hong Kong	40.971.376	34.895.275	23.622.417	5,44%	17,4%	2.301.600	1.802.705	2.896.118	5,7%	12,1%	6.054.192	5.130.113	8.828.690	6,2%	6,4%
4 Vietnam	40.035.731	58.683.485	32.584.061	5,32%	-31,8%	2.780.533	5.124.734	4.816.847	8,3%	-41,9%	6.769.359	11.378.328	11.537.210	8,5%	-38,1%
5 Germany	31.910.088	29.294.639	20.296.978	4,2%	8,9%	942.601	1.213.924	1.265.227	2,6%	-17,0%	786.905	1.094.025	1.121.860	0,9%	-24,0%
6 Thailand	28.397.265	22.505.205	14.193.247	3,8%	26,2%	797.272	637.261	1.029.004	2,5%	-4,4%	831.106	641.361	1.193.962	1,8%	-9,9%
7 Mexico	26.255.032	26.308.161	20.792.490	3,5%	-0,2%	776.253	967.709	855.690	1,9%	-3,4%	1.048.456	1.988.628	1.737.379	0,8%	4,6%
8 South Korea	14.486.865	22.174.756	7.130.702	1,9%	-34,7%	682.769	641.745	515.089	1,7%	-30,0%	1.385.928	769.220	1.086.974	1,7%	14,8%
9 Hungary	13.508.532	16.712.458	11.676.652	1,8%	-19,2%	445.652	739.121	559.183	1,1%	-31,8%	411.549	667.249	492.679	0,4%	-31,9%
10 Indonesia	12.970.779	9.175.992	8.283.088	1,7%	41,4%	1.234.432	2.110.969	1.551.400	1,3%	14,0%	2.945.428	5.696.518	4.288.345	0,4%	-7,5%
11 Taiwan	11.274.420	13.436.909	10.814.118	1,5%	-16,1%	336.082	443.783	384.076	3,4%	-34,8%	258.447	334.917	348.129	3,5%	-36,8%
12 India	8.628.195	6.373.498	8.126.713	1,1%	35,4%	275.520	279.866	286.255	1,1%	12,5%	247.883	259.335	330.212	1,7%	52,3%
13 Netherlands	7.586.975	6.994.411	5.460.484	1,0%	8,5%	269.141	460.727	1.267.147	0,7%	-3,1%	965.502	1.287.214	4.436.515	0,3%	-6,2%
14 Argentina	6.753.382	4.296.209	1.803.041	0,9%	57,2%	255.530	142.937	111.756	0,6%	8,9%	210.894	110.290	98.667	0,3%	28,3%
15 Norway	6.253.695	7.697.865	4.807.438	0,8%	-18,8%	217.634	142.227	86.791	0,4%	-31,5%	190.612	133.559	74.442	0,1%	-34,6%
16 Poland	5.400.383	3.997.980	2.159.323	0,7%	35,1%	149.691	183.103	148.209	0,6%	23,4%	229.691	286.187	249.737	0,2%	32,9%
17 Tunisia	5.167.816	6.650.757	4.006.165	0,7%	-22,3%	214.148	157.712	85.190	0,4%	-28,0%	289.102	166.913	145.204	0,3%	-27,3%
18 Uruguay	4.409.089	5.834.273	3.339.620	0,6%	-24,4%	113.831	158.496	103.549	0,8%	-32,1%	95.462	120.598	86.526	1,2%	-16,0%
19 Malaysia	4.179.044	4.786.714	2.055.077	0,6%	-12,7%	231.705	437.990	205.725	0,3%	-25,5%	900.893	1.309.905	1.128.584	0,1%	-21,7%
20 Chile	3.723.070	2.978.154	1.116.803	0,5%	25,0%	104.756	39.069	75.416	0,5%	10,7%	104.298	74.833	91.416	0,3%	21,7%
21 France	3.541.661	859.714	974.199	0,5%	312,0%	459.625	1.068.774	141.914	0,2%	234,3%	1.254.537	2.895.171	385.225	0,1%	239,9%
22 Spain	2.875.839	5.038.332	1.617.450	0,4%	-42,9%	47.576	12.276	27.530	1,1%	-57,6%	76.790	19.491	37.300	1,4%	-56,7%
23 Canada	2.851.549	3.077.509	2.632.617	0,4%	-7,3%	63.263	208.223	141.404	0,2%	-17,6%	45.859	157.422	108.421	0,1%	-11,2%
24 Portugal	2.758.116	3.763.892	2.516.324	0,4%	-26,7%	108.531	168.740	214.547	0,3%	-39,7%	270.837	296.212	473.246	0,3%	-17,1%
25 Dominican Republic	2.617.955	1.393.053	999.722	0,3%	87,9%	335.321	255.278	0	0,4%	88,2%	1.286.340	663.070	0	0,4%	83,8%
26 South Africa	2.192.237	3.922.985	1.397.176	0,3%	-44,1%	109.722	144.925	192.979	0,3%	-40,4%	108.904	282.339	361.559	0,1%	-62,9%
27 United Kingdom	2.166.338	1.300.937	1.610.850	0,3%	66,5%	87.999	89.896	139.674	0,2%	48,1%	259.667	290.159	484.243	0,1%	10,9%
28 Australia	2.135.162	2.398.781	836.456	0,3%	-11,0%	46.469	71.385	84.087	0,1%	-23,9%	43.334	60.177	67.100	0,1%	-25,5%
29 Switzerland	1.997.909	4.147.772	375	0,3%	-51,8%	83.658	44.230	32.522	0,7%	-33,0%	253.230	116.320	81.088	1,2%	0,4%
30 Macau	1.847.592	3.549.914	1.970.665	0,2%	-48,0%	43.886	44.065	34.700	0,3%	-45,1%	39.795	38.394	33.912	0,6%	-44,4%
Others (2022: +41 countries)	13.976.382	12.989.024	12.994.308	1,9%	7,6%	989.293	1.339.584	1.521.431	1,2%	-26,1%	4.154.690	4.312.331	8.647.423	2,1%	-3,7%
Total	753.042.862	794.248.597	516.348.400		-5,2%	82.729.516	104.347.670	90.311.192		-20,7%	195.267.058	241.174.998	241.757.992		-19,0%

Source: MDIC/SECEX - Prepared by: CICB

■ ANALYSIS OF DESTINATIONS

From January to July, the three main destinations for Brazilian leather show the following information:

- China (without HK) has a share of 23.1% (from 22.9%) in value and maintains 31.8% (31.8%) in area, with a monetary fall of 26.3% (-21.8%), and -28.8% (-25.1%) in area.
- United States takes second place, now with 18.9% (18.1%) in value, and 11.0% (10.5%) in area, with an increase of 20.7% (+22.0%) in value and fall of 6.9% (-7.6%) in area.
- Italy with a share of 16.8% (18.2%) in value and 18.1% (19.5%) in area, with an increase of 9.2% (+11.8%) in value, but a fall 1.0% (-0.2%) in area.

The holiday period in Europe already shows reductions in shipments to Italy, which loses the second place in the ranking to the United States, worsening its value and volume indexes. As detailed last month, we still have a positive evolution of exports to the Italians, if we compare with the results of the first months of the year.

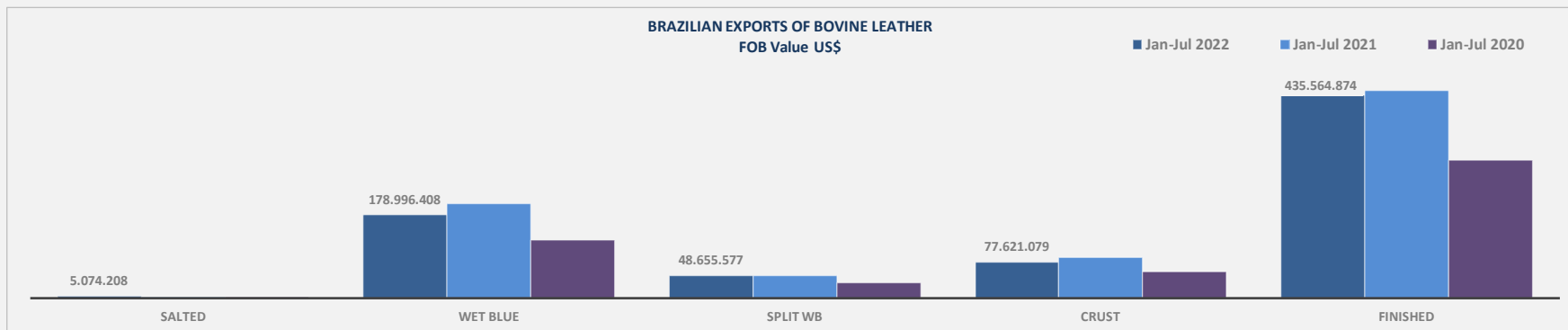
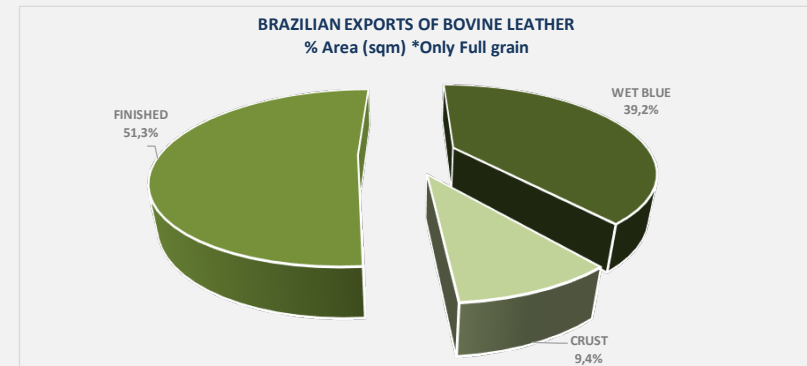
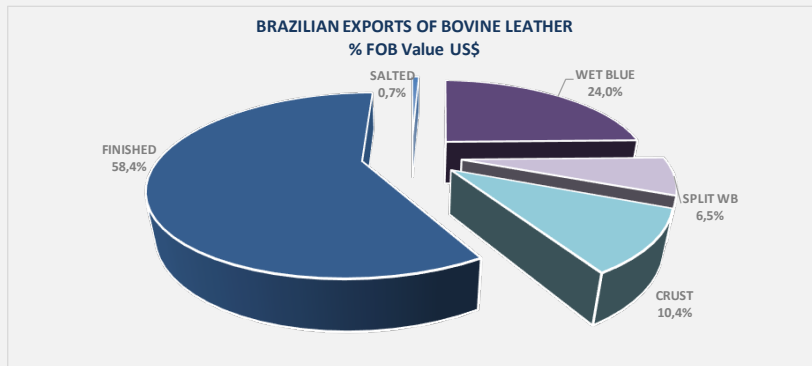
China continues to struggle with purchases, with reports of some local tanneries experiencing the biggest crisis in recent years, with restrictions and lockdowns hampering production. The Shanghai, Fujian, Beijing, and Guangdong regions, with frequent lockdowns, had very negative impacts on the economy and consumption. Also, the fact that many customers have transferred production abroad has weakened local tanneries.

Extending our analysis to the top ten importers, we have positive volume records for only two countries: Indonesia (+14.0%) and Hong Kong (+12.1%). It is important to highlight the growth in exports to India, which is a target country for the Brazilian Leather project and is in 12th place in the ranking: +35.4% in value and +12.5% in area.

3 BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)					AREA (sqm)			Δ		WEIGHT (KG)			Δ	
	Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020	2022/2021	2022/2020	Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020	2022/2021	2022/2020	Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020	2022/2021	2022/2020
SALTED	5.074.208	3.476.971	2.352.071	45,9%	115,7%	-	-	-	-	-	5.002.994	4.368.510	8.504.902	14,5%	-41,2%
WET BLUE	178.996.408	203.036.103	125.528.219	-11,8%	42,6%	23.802.816	26.938.438	32.717.089	-11,6%	-27,2%	96.524.036	112.304.319	138.575.891	-14,1%	-30,3%
SPLIT WB	48.655.577	48.440.571	32.356.663	0,4%	50,4%	21.848.706	28.875.687	21.107.722	-24,3%	3,5%	60.392.916	81.094.963	61.818.067	-25,5%	-2,3%
CRUST	77.621.079	87.398.949	56.569.559	-11,2%	37,2%	5.710.132	7.984.539	6.222.580	-28,5%	-8,2%	5.823.463	7.500.673	6.008.170	-22,4%	-3,1%
FINISHED	435.564.874	445.018.416	295.338.615	-2,1%	47,5%	31.146.452	40.243.749	30.057.448	-22,6%	3,6%	27.232.052	35.365.731	26.317.978	-23,0%	3,5%
Total	745.912.146	787.371.010	512.145.127	-5,3%	45,6%	82.508.106	104.042.413	90.104.839	-20,7%	-8,4%	194.975.461	240.634.196	241.225.008	-19,0%	-19,2%

Source: MDIC/SECEX - Prepared by: CICB



■ ANALYSIS OF EXPORTS BY TYPE OF LEATHER

The following variations were registered in Brazilian exports of bovine leather by type, in the seven-month period of 2022, compared to the previous year:

- Wet Blue with value reductions of 11.8% (-6.6%) and area reduction of 11.6% (-9.3%).
- WB Split with an increase of 0.4% (+2.4%) in value, but a drop of 24.3% (-24.1%) in area.
- Crust with drops of 11.2% (-9.5%) in value and 28.5% (-28.6%) in area.
- Finished with reductions of 2.1% (+0.6%) and 22.6% (-21.3%) in area.

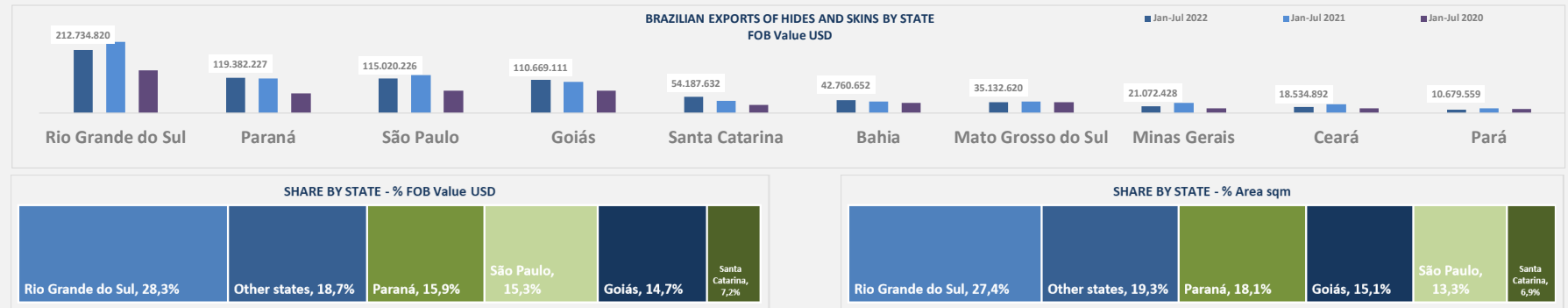
After a month of high exports of Wet Blue, July had the lowest value since the height of the pandemic, in June 2020. In terms of volume, it was the smallest area registered in 10 years. Apparently, in June of that year, there was a greater anticipation of shipments before the holidays in the northern hemisphere. Among the other types, Crust leather had increases of 41.9% in value and 32.5% in area over the previous month.

Considering shipments of Salted hides, if this rhythm is maintained, in August they should reach the total exported in the previous year, considering values and volumes.

EXPORTS OF HIDES AND SKINS BY STATE

	FOB VALUE (US\$)						AREA (sqm)						WEIGHT (KG)					
	Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020	2022	2021/2020	2022/2020	Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020	2022	2021/2020	2022/2020	Jan-Jul 2022	Jan-Jul 2021	Jan-Jul 2020	2022	2021/2020	2022/2020
1 Rio Grande do Sul	212.734.820	240.139.141	144.751.090	28,3%	-11,4%	47,0%	22.637.594	30.274.796	20.649.141	27,4%	-25,2%	9,6%	41.447.024	55.430.344	41.578.854	21,2%	-25,2%	-0,3%
2 Paraná	119.382.227	115.284.645	65.315.066	15,9%	3,6%	82,8%	14.952.284	16.043.282	14.028.540	18,1%	-6,8%	6,6%	38.364.476	41.032.118	37.517.829	19,6%	-6,5%	2,3%
3 São Paulo	115.020.226	128.644.532	75.272.943	15,3%	-10,6%	52,8%	10.983.888	16.014.668	11.002.876	13,3%	-31,4%	-0,2%	19.987.530	32.158.095	24.286.345	10,2%	-37,8%	-17,7%
4 Goiás	110.669.111	104.522.144	73.684.583	14,7%	5,9%	50,2%	12.511.521	13.574.759	12.957.636	15,1%	-7,8%	-3,4%	35.040.695	37.341.145	36.607.343	17,9%	-6,2%	-4,3%
5 Santa Catarina	54.187.632	40.856.758	26.916.011	7,2%	32,6%	101,3%	5.670.415	5.655.853	4.660.641	6,9%	0,3%	21,7%	15.943.381	14.964.996	13.231.519	8,2%	6,5%	20,5%
6 Bahia	42.760.652	37.322.234	34.068.744	5,7%	14,6%	25,5%	5.014.141	5.474.318	5.860.563	6,1%	-8,4%	-14,4%	8.473.214	11.085.906	11.164.471	4,3%	-23,6%	-24,1%
7 Mato Grosso do Sul	35.132.620	38.358.245	35.071.101	4,7%	-8,4%	0,2%	4.757.932	5.718.556	8.788.522	5,8%	-16,8%	-45,9%	17.405.006	20.475.118	35.502.231	8,9%	-15,0%	-51,0%
8 Minas Gerais	21.072.428	33.330.525	15.586.194	2,8%	-36,8%	35,2%	2.680.192	5.714.470	3.163.891	3,2%	-53,1%	-15,3%	4.318.011	9.936.388	5.039.220	2,2%	-56,5%	-14,3%
9 Ceará	18.534.892	28.047.702	16.083.417	2,5%	-33,9%	15,2%	1.207.979	2.769.189	1.872.335	1,5%	-56,4%	-35,5%	1.452.228	3.486.535	2.937.565	0,7%	-58,3%	-50,6%
10 Pará	10.679.559	14.340.936	12.544.392	1,4%	-25,5%	-14,9%	1.387.692	1.810.894	3.172.312	1,7%	-23,4%	-56,3%	6.725.224	8.481.895	14.117.475	3,4%	-20,7%	-52,4%
11 Mato Grosso	4.970.714	5.727.079	6.609.255	0,7%	-13,2%	-24,8%	617.119	787.221	1.711.574	0,7%	-21,6%	-63,9%	2.438.866	3.039.912	6.767.685	1,2%	-19,8%	-64,0%
12 Rio de Janeiro	2.893.173	2.735.483	1.891.403	0,4%	5,8%	53,0%	53.945	52.728	17.516	0,1%	2,3%	208,0%	33.838	56.848	349.391	0,02%	-40,5%	-90,3%
13 Piauí	1.736.723	1.667.711	589.096	0,2%	4,1%	194,8%	96.950	141.022	35.213	0,1%	-31,3%	175,3%	53.679	81.196	19.751	0,03%	-33,9%	171,8%
14 Rio Grande do Norte	898.060	110.398	48.803	0,1%	713,5%	1740,2%	0	0	0	0,0%	-	-	1.649.500	140.560	161.800	0,8%	1073,5%	919,5%
15 Amazonas	747.152	591.485	1.081.658	0,1%	26,3%	-30,9%	82.011	78.914	595.245	0,1%	3,9%	-86,2%	418.995	613.613	1.718.943	0,2%	-31,7%	-75,6%
16 Pernambuco	659.845	671.524	606.751	0,1%	-1,7%	8,8%	23.817	23.953	24.760	0,03%	-0,6%	-3,8%	616.603	1.374.688	1.515.222	0,3%	-55,1%	-59,3%
17 Amapá	610.032	287.897	431.208	0,1%	111,9%	41,5%	0	0	0	0,0%	-	-	698.905	540.820	1.137.482	0,4%	29,2%	-38,6%
18 Distrito Federal	216.110	1.397.989	114.664	0,03%	-84,5%	88,5%	33.557	174.204	18.946	0,04%	-80,7%	77,1%	167.570	845.707	107.975	0,1%	-80,2%	55,2%
19 Maranhão	98.223	114.039	381.530	0,01%	-13,9%	-74,3%	13.520	29.815	144.940	0,02%	-54,7%	-90,7%	10.916	43.510	415.224	0,01%	-74,9%	-97,4%
20 Tocantins	21.692	84.532	1.114.051	0,003%	-74,3%	-98,1%	4.750	8.902	344.138	0,01%	-46,6%	-98,6%	21.285	45.550	1.640.819	0,01%	-53,3%	-98,7%
21 Espírito Santo	15.606	13.598	22.678	0,002%	14,8%	-31,2%	143	126	244	0,000%	13,5%	-41,4%	78	54	118	0,000%	44,4%	-33,9%
22 Not Declared*	1.365	0	0	0,000%	-	-	66	0	0	0,000%	-	-	34	0	0	0,000%	-	-
23 Acre	0	0	1.996.577	0,0%	-	-100,0%	0	0	584.900	0,0%	-	-100,0%	0	0	2.754.999	0,0%	-	-100,0%
24 Rondônia	0	0	1.766.743	0,0%	-	-100,0%	0	0	546.744	0,0%	-	-100,0%	0	0	2.523.667	0,0%	-	-100,0%
25 Sergipe	0	0	400.442	0,0%	-	-100,0%	0	0	130.515	0,0%	-	-100,0%	0	0	662.064	0,0%	-	-100,0%
Total	753.042.862	794.248.597	516.348.400	100,0%	-5,2%	45,8%	82.729.516	104.347.670	90.311.192	100,0%	-20,7%	-8,4%	195.267.058	241.174.998	241.757.992	100,0%	-19,0%	-19,2%

exporter



■ ANALYSIS OF STATES

The exports of Brazilian states, in the accumulated of the year, present the following highlights:

- Among the ten largest exporters, there are four states with positive indexes in value, despite worsening this indicator with the result of July: Santa Catarina, with +32.6% (+47.2%); Bahia, with +14.6% (+15.7%); Goiás, with +5.9% (+9.8%); and Paraná, with +3.6% (+5.8%). The other states show reductions, where we have a marked negative index in two of them: Minas Gerais, with -36.8% (-37.8%) and Ceará, with -33.9% (-30.5%).

- Considering the volume sold, all the TOP10 states show decreases in area, with the exception of Santa Catarina, which returns to stability with +0.3% (+4.1%). The biggest drops are also in Ceará (-56.4%) and Minas Gerais (-53.1%).

- Expanding the analysis to the other states, the largest increases in values are registered in Rio Grande do Norte, with 713.5%, and Amapá, with +111.9% (they have only exports of Salted hides).

- Positioning in the Exporters Ranking did not change compared to the previous month.

■ CLOSING REMARKS

Brazilian shipments of hides and skins in July were the lowest for a month in almost two years. If we consider the traded area, this month only surpassed June 2020, which was the worst in more than twenty years.

At a time when shipments to Europe are suspended due to the summer holidays, the situation is worsened by the lack of reaction of new leather sales to Chinese customers, with low volumes. Sources report that China's tanning industry is experiencing its worst year in recent history. Companies that produce leather for shoes, bags and upholstery have the lowest backlog of orders in ten years. -