



## BRAZILIAN EXPORTS OF HIDES AND SKINS

DECEMBER 2019



## SUMMARY

## PAGE

1	ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS.....	3
2	BRAZILIAN EXPORTS OF HIDES AND SKINS - CHAPTER CODE 41.....	6
3	DESTINATION OF BRAZILIAN EXPORTS HIDES AND SKINS.....	7
4	BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE.....	8
5	BRAZILIAN EXPORTS OF HIDES AND SKINS BY STATE.....	9

ANY PART OF THIS REPORT MAY BE REPRODUCED, SINCE ITS SOURCE IS MENTIONED AS: SECEX - PREPARED BY CICB

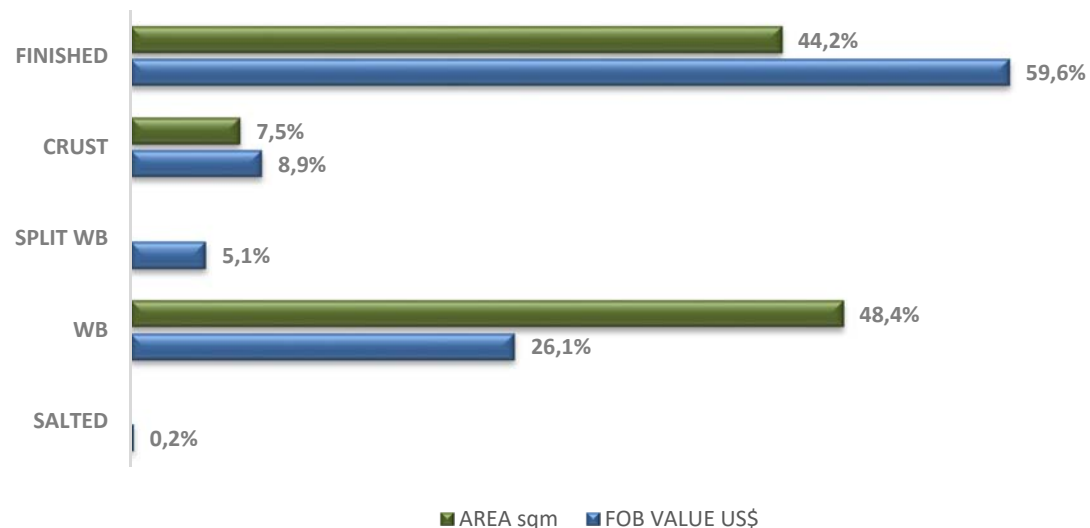
## 1 - ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS NOVEMBER 2019

The Hides and Skins Exports released by SECEX (Foreign Trade Secretariat), for the month of December 2019, registered the amount of US\$ 82.6 million, down 21.7% year-on-year, when total exports were US\$ 105.5 million, and also lower 1.4% compared to November, when amount was US\$ 83.8 million.

Considering exports in square meters, in December were shipped 13.4 million, down 6.1% than same month last year, when total was 14.3 million.

The year ended with a total of US\$ 1.15 billion, 20.3% less than 2018, but 0.1% above in traded area, with 181.9 million sqm.

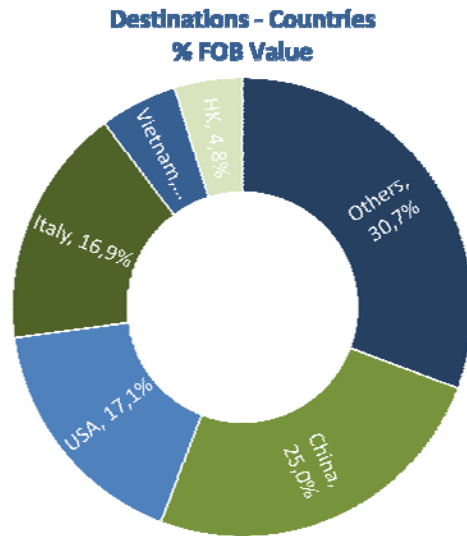
Profile of 2019 exports is the following:



These are the variations of the Brazilian exports of bovine leather in 2019, year-on-year:

- Salted hides down 8.9% in value and up 20.1% in weight;
- Wet Blue declined 25.1% in value, but were up 10.7% in area;
- Split WB higher 4.7% in value, however down 0.9% in area;
- Crust was lower 21.4% in value and 14.7% in area;
- Finished leather also lower 20.0% in value and 6.5% in area.

Below are the 2019 destinations:



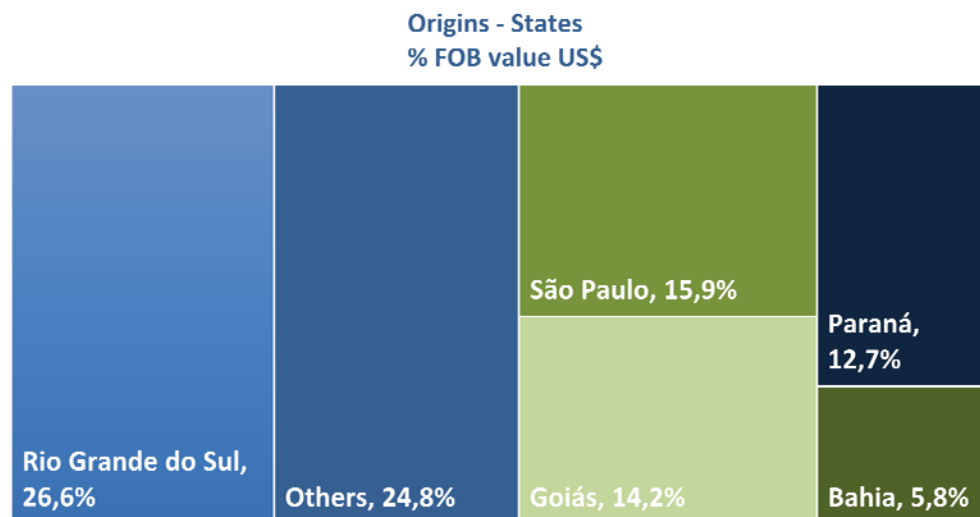
The 2019 highlights for the three main destinations for Brazilian leather:

- China, with share of 25.0% in value, grew 11.3% (+10.8% in Nov/19) in trade area, however decreased 21.4% (-22.5%) in value;
- US, ending 2019 in second position, with share of 17.1% in value, had reduction of 10.1% (-8.3% in Nov/19) in area and also down 20.5% (-23.1%) in value;
- Italy, with share of 16.9% in value, had reduction of 7.5% (-9.1%) in trade area, and also down 22.3% (-19.4%) considering value.

Looking at performance of the US and Italy, there was an improvement in volume in December compared to the previous month. But they keep getting worse in terms of value. On the other hand, China maintained its evolution not only in volume but also in value (the decrease was lower compared to the previous month).

As an analysis of other countries considered important players in the leather trade, we highlight the following: Vietnam, share of 5.4% and decrease of 13.8% in value and -13.3% in area; Germany, share of 5.3%, maintained a significant increase of 44.8% in value and 76.7% in area; Hong Kong, share of 4.8%, with +28.6% in area but ended with decrease of 26.9% in value; Mexico, share of 3.6%, growing 13.9% in area, but kept lower 4.6% in value; India, share of 1.8%, with +21.4% in value and +53.1% in area; and finally, Spain, share of 0.5%, with -17.5% in value and -14.6% 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, the year ended with four of them showing growth in trade area: Paraná, Mato Grosso do Sul, Minas Gerais, and Pará. All ten states registered reductions in value;

- Still in the top ten, largest drops in value were: Pará with -32.3%; Ceará, with -30.4%; Bahia, with -28.5%; São Paulo, with -28.4%; and Santa Catarina, with -27.3%;

- Rio Grande do Sul remains leader in shipments considering value and area, with share of 26.6% and 21.4%, respectively. São Paulo remained in second considering value, with 15.9% share, but lost in volume (13.6%) to Paraná (16.0%) and Goiás (15.3%). Paraná, therefore, ended the year in second considering volume and fourth in value, while Goiás was third in value and volume;

- With lower share, Piauí (+165.0%), Tocantins (+80.8%), and Amazonas (+77.5%) registered highest growths in value. Considering volume, highest growth was Tocantins (+177.2%), followed by Amazonas (+172.3%).

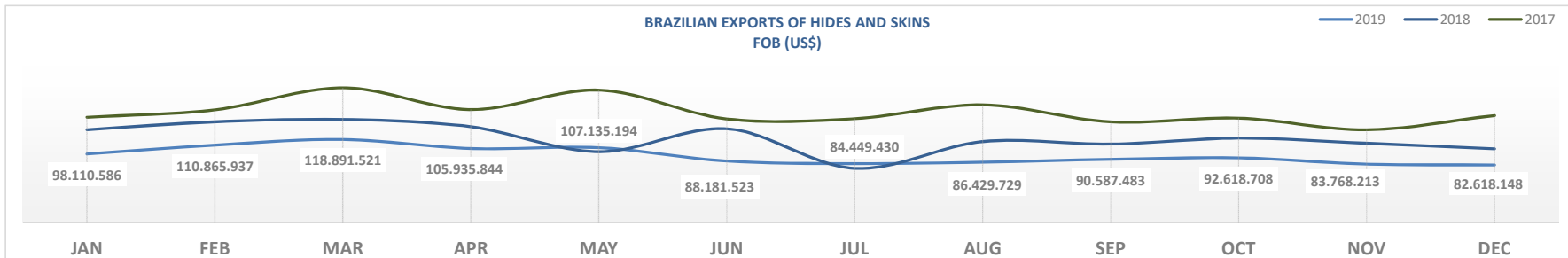
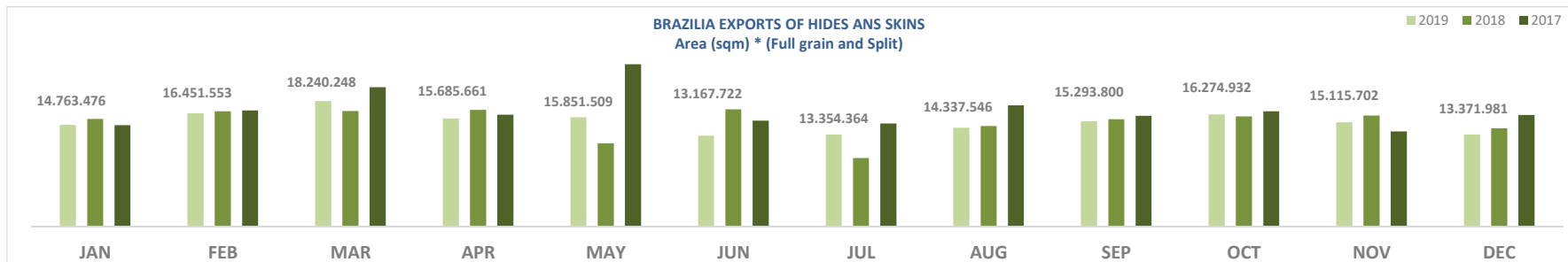
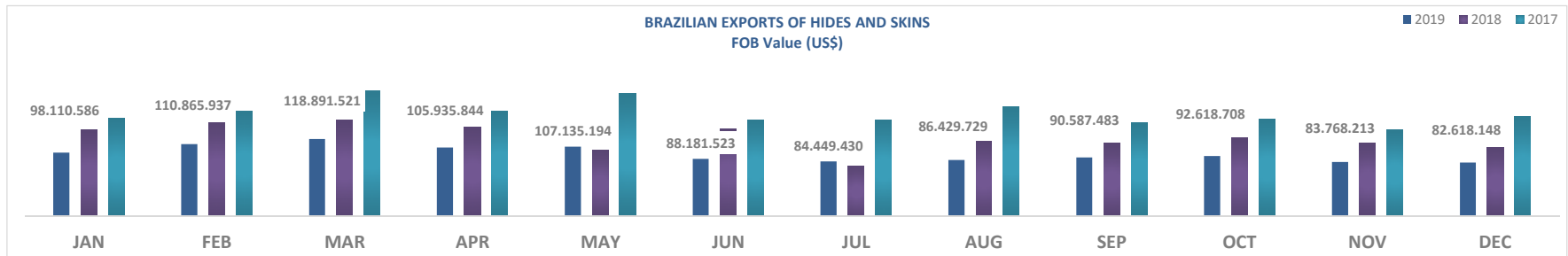
The year ended with a volume stability (+0.1%), but again following the trend of recent years, a significant decrease in value, with -20.3%. Finished leather grew its share in value, now with 59.6% (in 2018 it was 59.2%). However, Wet Blue leather continued its trend throughout the year and ended up with the largest share in the traded area: it increased to 48.4% (43.8% in 2018) against 44.2% of Finished leather (previously 47.4%). If we add Semi-finished leather to the Finished one, we still have the predominance of higher added value leathers also by volume: 51.7% against 48.4% 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	105.935.844	136.997.970	161.555.800	-10,9%	-22,7%	-34,4%	15.685.661	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	84.449.430	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	86.429.729	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	92.618.708	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	83.768.213	113.432.678	132.740.099	-9,6%	-26,2%	-36,9%	15.115.702	16.111.481	13.813.058	-7,1%	-6,2%	9,4%
DEC	82.618.148	105.533.435	153.081.851	-1,4%	-21,7%	-46,0%	13.371.981	14.245.185	16.183.081	-11,5%	-6,1%	-17,4%
<b>Total</b>	<b>1.149.592.316</b>	<b>1.442.564.795</b>	<b>1.899.502.493</b>		<b>-20,3%</b>	<b>-39,5%</b>	<b>181.908.494</b>	<b>181.657.873</b>	<b>202.376.524</b>		<b>0,1%</b>	<b>-10,1%</b>

Source: SECEX - Prepared by: CICB

\*Area including Full grain and Split



### 3 - DESTINATION OF BRAZILIAN EXPORTS OF HIDES AND SKINS

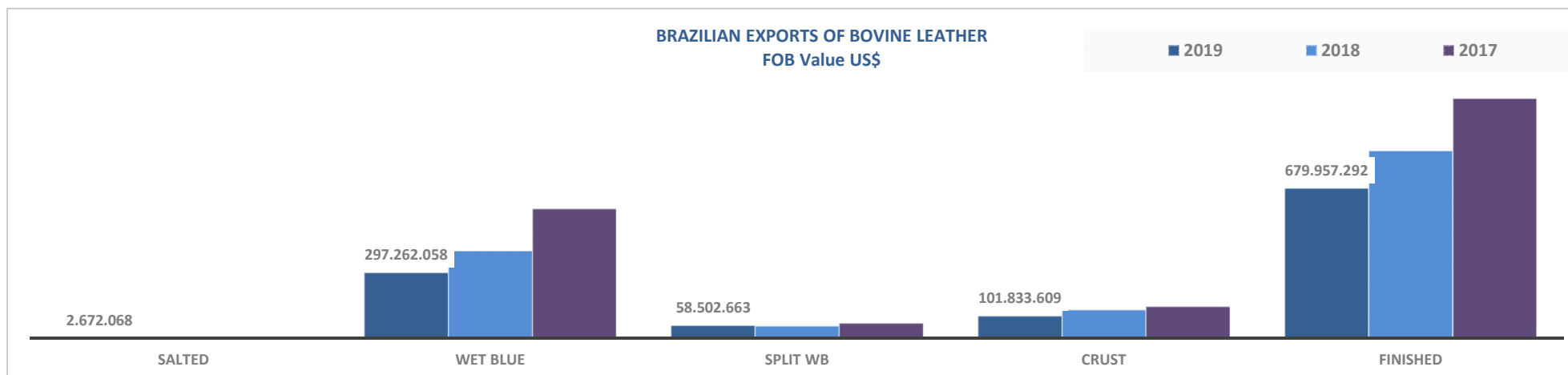
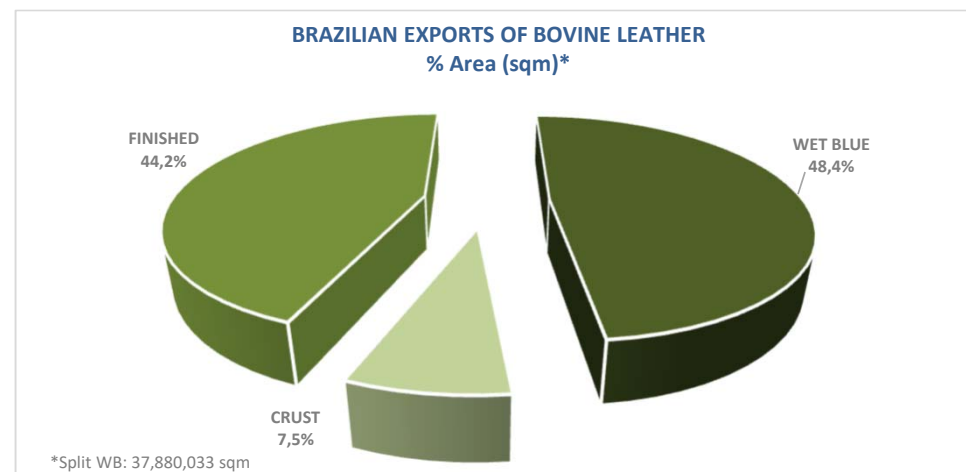
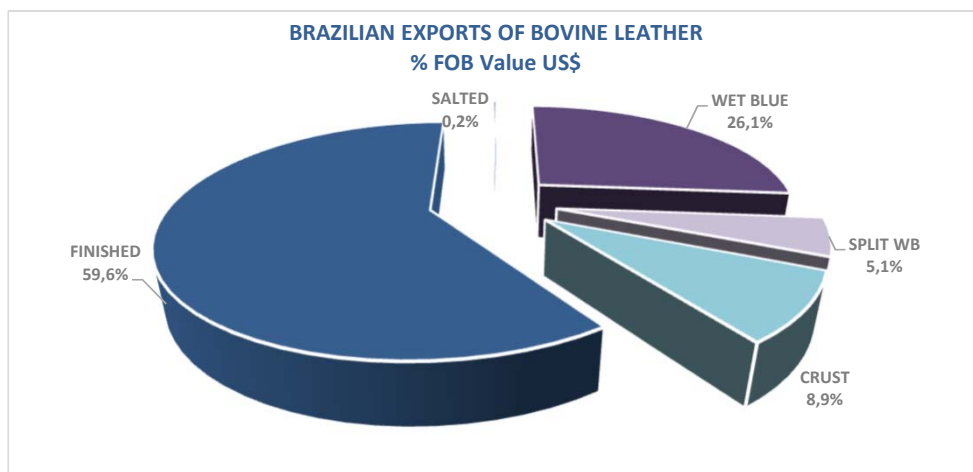
COUNTRIES	FOB VALUE (US\$)			Δ		AREA* (sqm)			Δ	
	2019	2018	2017	Share 19	2019/2018	2019	2018	2017	Share 19	2019/2018
1 China + Hong Kong	342.628.869	441.319.116	610.849.710	29,8%	-22,4%	69.837.469	61.806.028	68.010.335	38,4%	13,0%
China	287.728.707	366.224.878	523.021.204	25,0%	-21,4%	62.234.372	55.894.565	58.815.547	34,2%	11,3%
2 United States	196.518.744	247.086.289	289.251.892	17,09%	-20,5%	16.528.224	18.390.989	18.533.709	9,1%	-10,1%
3 Italy	194.594.348	250.305.120	342.389.815	16,93%	-22,3%	35.995.494	38.932.442	42.337.179	19,8%	-7,5%
4 Vietnam	62.455.878	72.434.558	120.299.051	5,4%	-13,8%	13.073.358	15.087.491	27.751.744	7,2%	-13,3%
5 Germany	61.369.931	42.385.650	50.147.015	5,3%	44,8%	5.562.817	3.148.981	3.396.530	3,1%	76,7%
Hong Kong	54.900.162	75.094.238	87.828.506	4,8%	-26,9%	7.603.097	5.911.463	9.194.788	4,2%	28,6%
6 Mexico	41.338.889	43.333.262	45.102.511	3,6%	-4,6%	3.531.460	3.101.243	2.830.559	1,9%	13,9%
7 Thailand	35.000.096	51.710.765	61.795.726	3,0%	-32,3%	3.446.437	4.929.956	4.707.759	1,9%	-30,1%
8 Taiwan	24.245.625	25.918.884	27.473.786	2,1%	-6,5%	9.167.841	9.320.218	6.456.318	5,0%	-1,6%
9 India	20.600.601	16.962.611	14.521.409	1,8%	21,4%	6.206.703	4.054.661	2.328.420	3,4%	53,1%
10 Hungary	20.200.813	61.683.698	103.489.502	1,8%	-67,3%	1.571.618	4.515.132	6.469.209	0,9%	-65,2%
11 South Korea	16.608.623	23.169.406	42.359.483	1,4%	-28,3%	2.373.099	2.718.536	3.414.673	1,3%	-12,7%
12 Indonesia	12.261.928	23.790.279	29.376.093	1,1%	-48,5%	1.261.077	1.904.667	2.298.500	0,7%	-33,8%
13 Netherlands	10.814.317	13.185.709	13.793.722	0,9%	-18,0%	1.230.639	1.262.264	1.069.739	0,7%	-2,5%
14 Uruguay	8.512.641	13.805.822	15.515.915	0,7%	-38,3%	825.989	1.107.302	1.012.213	0,5%	-25,4%
15 Portugal	8.389.624	9.054.769	10.240.419	0,7%	-7,3%	1.044.191	1.073.464	1.040.373	0,6%	-2,7%
16 Norway	8.298.864	11.873.683	16.944.430	0,7%	-30,1%	563.195	722.925	904.873	0,3%	-22,1%
17 Malaysia	7.882.817	11.720.122	8.191.547	0,7%	-32,7%	706.527	812.304	510.555	0,4%	-13,0%
18 Tunisia	7.697.265	5.752.858	6.207.795	0,7%	33,8%	475.150	304.640	331.735	0,3%	56,0%
19 France	5.730.419	4.738.720	1.738.510	0,5%	20,9%	249.621	203.782	123.695	0,1%	22,5%
20 Spain	5.706.103	6.679.401	4.777.814	0,5%	-14,6%	1.502.924	1.821.952	1.457.612	0,8%	-17,5%
21 Canada	5.261.028	5.941.074	6.751.263	0,5%	-11,4%	307.474	335.633	369.643	0,2%	-8,4%
22 South Africa	4.848.965	7.672.300	15.439.817	0,4%	-36,8%	769.121	807.879	1.344.539	0,4%	-4,8%
23 Argentina	4.473.614	4.110.046	3.987.703	0,4%	8,8%	364.226	346.364	256.843	0,2%	5,2%
24 United Kingdom	3.798.166	3.526.363	3.969.138	0,3%	7,7%	418.406	313.598	457.161	0,2%	33,4%
25 Dominican Republic	3.170.449	5.739.638	8.461.112	0,3%	-44,8%	464.796	632.973	610.034	0,3%	-26,6%
26 Paraguay	2.873.734	2.421.898	5.154.723	0,2%	18,7%	501.640	351.391	678.247	0,3%	42,8%
27 Lithuania	2.871.095	1.470.719	1.634.252	0,2%	95,2%	191.173	86.719	96.567	0,1%	120,5%
28 Cambodia	2.628.685	2.219.598	2.162.683	0,2%	18,4%	336.825	551.489	472.697	0,2%	-38,9%
29 Chile	2.504.025	2.514.735	3.412.965	0,2%	-0,4%	455.246	268.686	329.720	0,3%	69,4%
30 Australia	2.477.465	3.884.130	4.618.297	0,2%	-36,2%	188.446	235.340	261.564	0,1%	-19,9%
Other (2019: +56 countries)	23.828.695	26.153.572	29.444.395	2,1%	-8,9%	2.757.308	2.508.824	2.513.779	1,5%	9,9%
<b>Total</b>	<b>1.149.592.316</b>	<b>1.442.564.795</b>	<b>1.899.502.493</b>		<b>-20,3%</b>	<b>181.908.494</b>	<b>181.657.873</b>	<b>202.376.524</b>		<b>0,1%</b>

## 4 - BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)			Δ		AREA (sqm)*			Δ	
	2019	2018	2017	2019/2018	2019/2017	2019	2018	2017	2019/2018	2019/2017
SALTED	2.672.068	2.933.006	3.700.392	-8,9%	-27,8%	-	-	-	-	-
WET BLUE	297.262.058	396.774.704	586.713.992	-25,1%	-49,3%	69.406.923	62.713.554	68.865.914	10,7%	0,8%
SPLIT WB	58.502.663	55.861.721	68.454.691	4,7%	-14,5%	-	-	-	-	-
CRUST	101.833.609	129.535.189	144.758.183	-21,4%	-29,7%	10.696.822	12.546.164	11.132.873	-14,7%	-3,9%
FINISHED	679.957.292	850.062.819	1.086.865.211	-20,0%	-37,4%	63.432.958	67.846.704	78.520.182	-6,5%	-19,2%
<b>Total</b>	<b>1.140.227.690</b>	<b>1.435.167.439</b>	<b>1.890.492.469</b>	<b>-20,6%</b>	<b>-39,7%</b>	<b>143.536.703</b>	<b>143.106.422</b>	<b>158.518.969</b>	<b>0,3%</b>	<b>-9,5%</b>

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	
	2019	2018	2017		2019/2018	2019/2017	2019	2018	2017		2019/2018	2019/2017
1 Rio Grande do Sul	305.894.016	352.164.419	373.416.161	26,6%	-13,1%	-18,1%	38.846.173	39.757.010	38.900.752	21,4%	-2,3%	-0,1%
2 São Paulo	183.178.658	256.006.075	359.066.658	15,9%	-28,4%	-49,0%	24.787.887	28.764.876	35.244.648	13,6%	-13,8%	-29,7%
3 Goiás	163.740.702	222.336.605	290.439.217	14,2%	-26,4%	-43,6%	27.879.262	29.667.894	33.897.778	15,3%	-6,0%	-17,8%
4 Paraná	145.805.716	155.566.564	245.030.702	12,7%	-6,3%	-40,5%	29.126.964	24.851.369	28.159.302	16,0%	17,2%	3,4%
5 Bahia	66.435.479	92.921.615	123.727.911	5,8%	-28,5%	-46,3%	9.556.446	11.136.279	12.628.858	5,3%	-14,2%	-24,3%
6 Mato Grosso do Sul	65.305.444	84.140.494	98.310.856	5,7%	-22,4%	-33,6%	15.034.249	12.409.114	11.176.585	8,3%	21,2%	34,5%
7 Santa Catarina	59.754.327	82.149.372	93.693.298	5,2%	-27,3%	-36,2%	9.007.827	9.737.170	9.009.343	5,0%	-7,5%	0,0%
8 Ceará	52.110.557	74.874.373	122.272.589	4,5%	-30,4%	-57,4%	5.861.847	7.284.456	10.884.894	3,2%	-19,5%	-46,1%
9 Minas Gerais	32.733.072	33.764.140	69.966.986	2,8%	-3,1%	-53,2%	5.934.711	5.364.866	9.192.179	3,3%	10,6%	-35,4%
10 Pará	28.293.737	41.820.822	53.284.527	2,5%	-32,3%	-46,9%	6.334.681	5.869.252	5.631.686	3,5%	7,9%	12,5%
11 Mato Grosso	26.599.802	31.769.938	46.211.013	2,3%	-16,3%	-42,4%	5.912.649	4.827.485	4.195.528	3,3%	22,5%	40,9%
12 Rondônia	3.450.568	0	0	0,3%	-	-	987.120	0	0	0,5%	-	-
13 Tocantins	3.415.648	1.888.702	10.782.807	0,3%	80,8%	-68,3%	781.895	282.027	2.401.577	0,4%	177,2%	-67,4%
14 Piauí	3.408.444	1.286.421	1.901.363	0,3%	165,0%	79,3%	304.018	138.012	172.607	0,2%	120,3%	76,1%
15 Rio de Janeiro	2.918.811	3.457.350	2.060.457	0,3%	-15,6%	41,7%	71.161	148.818	6.967	0,0%	-52,2%	921,4%
16 Amazonas	2.696.423	1.519.104	0	0,2%	77,5%	-	824.334	302.680	0	0,5%	172,3%	-
17 Acre	1.080.427	0	0	0,1%	-	-	284.750	0	0	0,2%	-	-
18 Pernambuco	1.057.534	1.594.361	2.831.613	0,1%	-33,7%	-62,7%	69.184	135.172	230.177	0,0%	-48,8%	-69,9%
19 Maranhão	649.969	3.029.664	3.380.270	0,1%	-78,5%	-80,8%	160.384	618.371	347.980	0,1%	-74,1%	-53,9%
20 Amapá	530.680	367.321	535.589	0,0%	44,5%	-0,9%	0	0	0	0,0%	-	-
21 Sergipe	516.309	1.075.470	1.612.395	0,0%	-52,0%	-68,0%	142.724	278.389	176.060	0,1%	-48,7%	-18,9%
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%
<b>Total</b>	<b>1.149.592.316</b>	<b>1.442.564.795</b>	<b>1.899.502.493</b>	<b>100,0%</b>	<b>-20,3%</b>	<b>-39,5%</b>	<b>181.908.494</b>	<b>181.657.873</b>	<b>202.376.524</b>	<b>100,0%</b>	<b>0,1%</b>	<b>-10,1%</b>

Source: MDIC/SECEX - Prepared by: CICB

\*Exporter did not declare the state of origin

