



BRAZILIAN EXPORTS OF HIDES AND SKINS

NOVEMBER 2020

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1 - ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS

NOVEMBER 2020

The Hides and Skins Exports released by SECEX (Foreign Trade Secretariat) of the Ministry of Economy, for the month of November 2020, amounted to US\$ 102.0 million, an expressive high of 21.8% year-on-year, when US\$ 83.8 million worth was exported, and also an increase of 11.9% compared to October, when total was US\$ 91.2 million.

Considering exports in square meters, during November were shipped 17.4 million, 15.3% higher year-on-year, and also +8.3% compared to October, when total was 16.1 million.

The period from January to November of 2020 ended with a total of US\$ 872.6 million, down 19.1% compared to the same period of 2019, and also 9.1% below in traded area, with 154.7 million square meters.

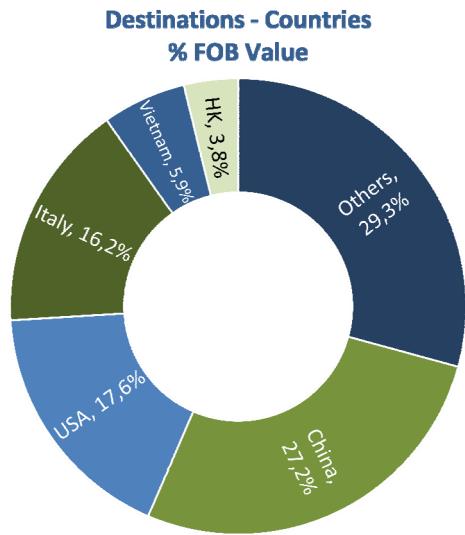
Below is the profile of 2020's bovine exports till November:



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

- Salted hides higher 70.1% (previous +72.4%) in value, and also +183.3% (previous +193.2%) in weight;
- Wet Blue declined 20.2% (-24.3%) in value and 10.5% (-12.0%) in area;
- Split WB down 5.5% (-7.9%) in value and also down 2.1% (-4.6%) in area;
- Crust with value down 6.9% (-8.2%), and area now higher 1.1% (-0.3%) in area;
- Finished leather lower 22.1% (-25.5%) in value and down 13.4% (-16.6%) in area.

Below are the 2020 destinations:



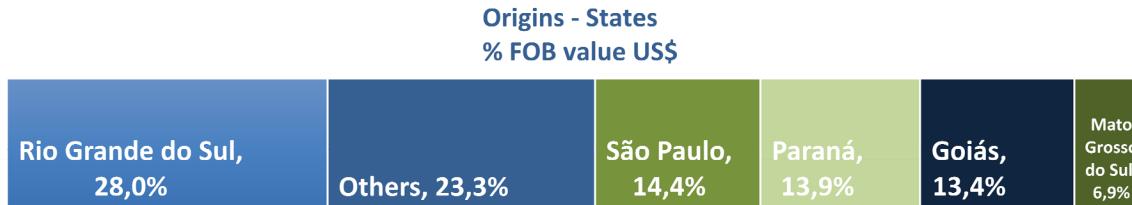
These are highlights from January to November of 2020 for the three main destinations for Brazilian leather:

- China, maintaining share of 27.2% in value and now 34.5% (previous 34.7%) in area, down 7.6% (-8.6%) in traded area and also -11.3% (-13.9%) in value;
- US, with share of 17.6% (17.7%) in value and maintaining 9.0% in area, down 10.0% (-14.5%) in area and -16.3% (-20.5%) in value;
- Italy, with share of 16.2% (15.6%) in value and 19.6% (19.2%) in area, has reduction of 9.7% (-13.4%) in traded area, and also down 22.5% (-27.7%) considering value.

China and the United States show stability in shares in Brazilian exports, while Italy shows recovery. Despite this maintenance of the participation of the two main destinations, the improvements in the indexes, which are still negative, are evident in the results of November shipments from the three markets, in comparison with the values and volumes accumulated until October.

As an analysis of other countries considered important players in the leather trade, we highlight the following: Vietnam, in 4th place in the ranking (5.9% value share), shows increase of 16.1% (+10.3%) in area, but fall of 14.4% (-19.3%) in value; Germany, in 5th place, with share of 4.1% in value, down 32.8% (-36.3%) in area and also down 38.3% (-41.7%) in value; Hong Kong, which has area growth of 6.7% (+17.4%), still has drop in value of 37.1% (-36.1%); and Mexico, with share of 3.6% in value, now shows a decline of 12.5% (-10.4%) in area, and also down 19.6% (-20.1%) in value. Among the TOP30 destinations, positive exports' highlights still go to Norway (+39.1% in value and +52.1% in area), Poland (+170.8% in value and +232.6% in area), and to Lithuania (+16.0% in value and +12.2% in area).

Below share of the states with relevant exports to the sector during 2020:



Some highlights considering exporting states:

- Falls in values continue among the TOP10 states during 2020. Now Rio Grande do Sul joins Mato Grosso do Sul and Bahia in the positive indexes in the traded area: +1.0%, +4.7%, and +2.1%, respectively;
- The best month of the year meant that states could also show improvements in accumulated indexes, compared to the previous month. Among the main origins, the most significant falls still take place in the following states: Ceará, with -33.5% (previous -40.1%); São Paulo, with -26.4% (-30.6%); Goiás, with -24.2% (-25.8%); Pará, with -24.0% (-27.2%); Santa Catarina, with -20.2% (-22.2%); and Minas Gerais, with -17.6% (-19.7%);
- Rio Grande do Sul's leadership increased, with an improvement in share of value and volume. Now it has a 28.0% share in value (previous 27.7%) and 23.5% in area (previous 23.1%). São Paulo remains in second place in value (share of 14.4%), and fourth in area (share of 12.2%); Paraná is in third, with 13.9% in value, and still second in area, with 16.8%; and Goiás is fourth place in value, with 13.4%, and third in area, with 13.6%;
- Significant growth still in Acre, with +180.8% in value and +196.7% in area, ranking 13th.

November was the best month of the year, both in terms of value and trade area. Much more than that, it was the best month since May 2019. Considering volume, only March of that year had registered higher shipments, which means 20 months ago. The expressive growth registered in November, both over October this year (+11.9%) and November 2019 (+21.8%), show that the turnaround that started in July, with an increase of 36.9% over June, it gains strength and shows that is possible to recover markets and segments that have been through difficult periods with the pandemic.

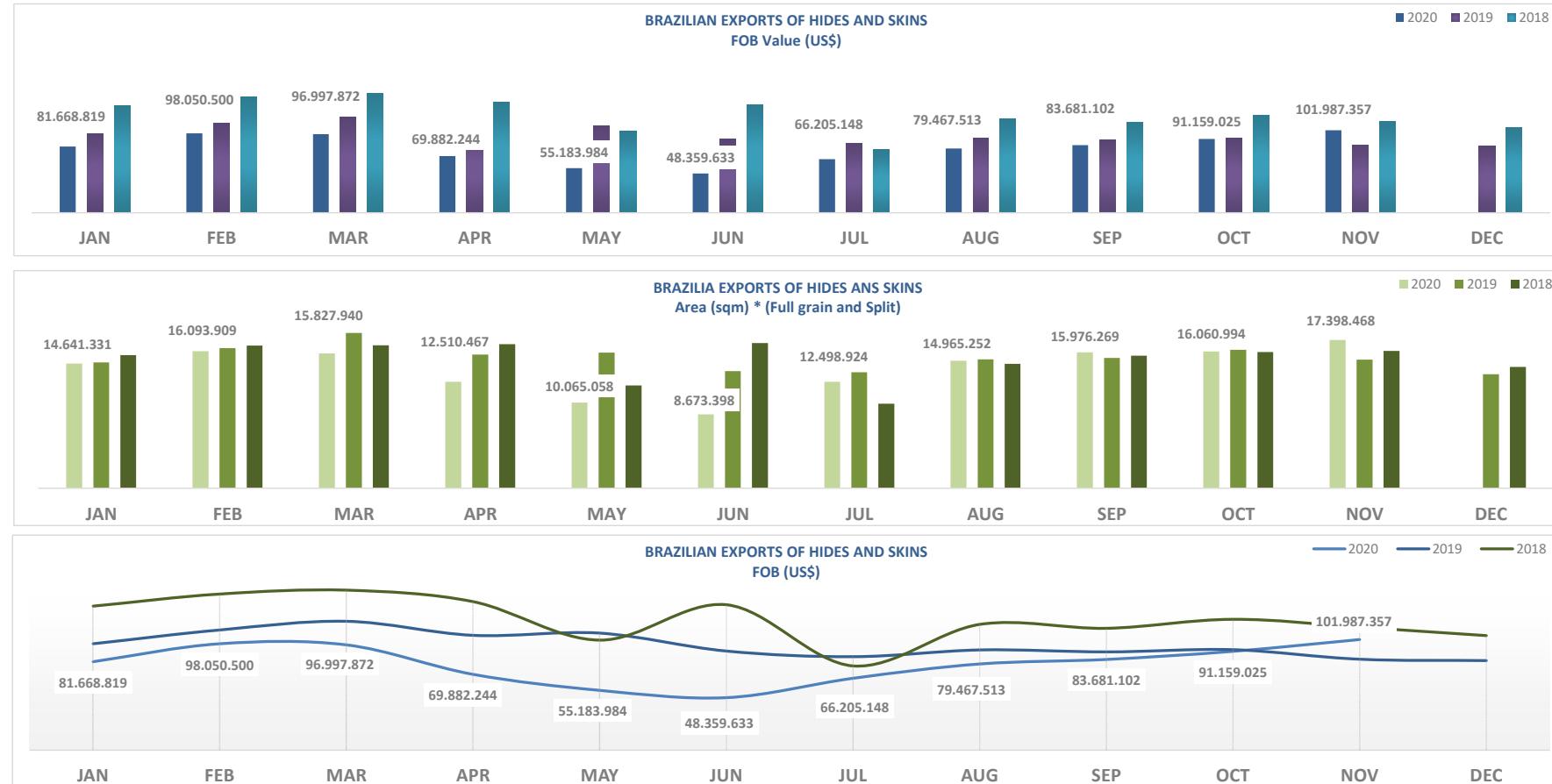
As for the prices of leather types, Splits, WB, and Finished showed improvements of +3.2%, + 15.4%, and +5.8% over the previous month, respectively. Only Crust had a slight drop, of -1.2%. The November establishment of results also shows that it was the first month of the year where exports exceeded the corresponding month of 2019 in value, and the second month in volume. Even so, it will not be possible to recover in December the values and volumes lost throughout the year, where 2020 should end with negative indexes, but with the hope of starting 2021 with more favorable possibilities. -

2 - BRAZILIAN EXPORTS OF HIDES AND SKINS

MONTH	FOB VALUE (US\$)			Δ (%)			AREA* (sqm)			Δ (%)		
	2020	2019	2018	MONTH 2020	2020/2019	2020/2018	2020	2019	2018	MONTH 2020	2020/2019	2020/2018
JAN	81.668.819	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	98.050.500	110.865.937	144.041.578	20,1%	-11,6%	-31,9%	16.093.909	16.450.463	16.743.477	9,9%	-2,2%	-3,9%
MAR	96.997.872	118.876.746	147.515.178	-1,1%	-18,4%	-34,2%	15.827.940	18.232.700	16.782.906	-1,7%	-13,2%	-5,7%
APR	69.882.244	105.935.839	136.997.970	-28,0%	-34,0%	-49,0%	12.510.467	15.685.661	16.934.162	-21,0%	-20,2%	-26,1%
MAY	55.183.984	107.847.382	101.387.567	-21,0%	-48,8%	-45,6%	10.065.058	15.914.498	12.060.974	-19,5%	-36,8%	-16,5%
JUN	48.359.633	91.317.919	134.092.407	-12,4%	-47,0%	-63,9%	8.673.398	13.741.104	17.040.148	-13,8%	-36,9%	-49,1%
JUL	66.205.148	86.133.297	77.719.735	36,9%	-23,1%	-14,8%	12.498.924	13.605.791	9.931.991	44,1%	-8,1%	25,8%
AUG	79.467.513	92.351.955	115.879.312	20,0%	-14,0%	-31,4%	14.965.252	15.124.597	14.602.513	19,7%	-1,1%	2,5%
SEP	83.681.102	90.587.484	112.331.092	5,3%	-7,6%	-25,5%	15.976.269	15.293.740	15.567.193	6,8%	4,5%	2,6%
OCT	91.159.025	92.618.708	120.783.613	8,9%	-1,6%	-24,5%	16.060.994	16.274.932	15.996.795	0,5%	-1,3%	0,4%
NOV	101.987.357	83.767.663	113.432.678	11,9%	21,8%	-10,1%	17.398.468	15.092.702	16.111.481	8,3%	15,3%	8,0%
DEC		82.617.316	105.533.435					13.371.975	14.245.185			
Total	872.643.197	1.161.004.631	1.442.564.795		-19,1%	-34,7%	154.712.010	183.549.961	181.636.952		-9,1%	-7,6%

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-Nov 2020	Jan-Nov 2019	Jan-Nov 2018	Share 20	2020/2019	Jan-Nov 2020	Jan-Nov 2019	Jan-Nov 2018	Share 20	2020/2019
1 China + Hong Kong	270.887.591	320.923.206	411.576.493	31,0%	-15,6%	61.179.860	65.097.579	57.073.669	39,5%	-6,0%
China	237.323.215	267.532.688	341.646.164	27,2%	-11,3%	53.355.855	57.766.902	51.629.618	34,5%	-7,6%
2 United States	153.427.989	183.351.279	224.369.366	17,58%	-16,3%	13.905.005	15.453.767	16.763.702	9,0%	-10,0%
3 Italy	141.238.712	182.324.373	235.319.754	16,19%	-22,5%	30.252.145	33.513.416	36.266.186	19,6%	-9,7%
4 Vietnam	51.795.834	60.517.906	67.183.755	5,9%	-14,4%	14.380.059	12.389.102	13.743.088	9,3%	16,1%
5 Germany	35.467.782	57.494.091	36.951.325	4,1%	-38,3%	3.486.126	5.189.481	2.705.518	2,3%	-32,8%
Hong Kong	33.564.376	53.390.518	69.930.329	3,8%	-37,1%	7.824.005	7.330.677	5.444.051	5,1%	6,7%
6 Mexico	31.149.097	38.724.977	40.867.976	3,57%	-19,6%	2.901.225	3.317.075	2.937.435	1,9%	-12,5%
7 Thailand	26.636.599	33.646.268	48.518.096	3,1%	-20,8%	2.887.636	3.337.832	4.609.294	1,9%	-13,5%
8 Hungary	19.430.045	19.576.880	58.670.087	2,2%	-0,8%	1.712.411	1.520.198	4.279.116	1,1%	12,6%
9 Taiwan	18.042.852	22.989.097	24.693.707	2,1%	-21,5%	6.910.679	8.792.420	8.787.863	4,5%	-21,4%
10 India	13.262.197	19.334.232	15.221.988	1,5%	-31,4%	4.016.162	5.783.865	3.538.294	2,6%	-30,6%
11 Indonesia	12.280.649	11.891.456	20.341.667	1,4%	3,3%	1.543.233	1.207.904	1.594.352	1,0%	27,8%
12 South Korea	11.127.073	15.705.521	22.360.942	1,3%	-29,2%	1.580.351	2.243.875	2.614.914	1,0%	-29,6%
13 Norway	9.829.390	7.066.239	11.167.538	1,1%	39,1%	725.484	476.945	679.376	0,5%	52,1%
14 Netherlands	9.384.525	10.227.763	11.695.995	1,1%	-8,2%	1.061.971	1.164.611	1.090.326	0,7%	-8,8%
15 Tunisia	7.096.456	6.940.429	5.325.322	0,8%	2,2%	455.629	431.798	281.670	0,3%	5,5%
16 Uruguay	5.679.310	8.334.877	12.608.312	0,7%	-31,9%	761.295	803.374	984.246	0,5%	-5,2%
17 Poland	4.418.089	1.631.468	1.884.752	0,5%	170,8%	476.499	143.256	171.414	0,3%	232,6%
18 Portugal	4.359.372	7.262.101	8.628.220	0,5%	-40,0%	584.452	927.137	1.016.461	0,4%	-37,0%
19 Malaysia	3.961.688	7.104.891	10.996.373	0,5%	-44,2%	320.244	638.281	757.101	0,2%	-49,8%
20 Canada	3.823.260	4.995.476	5.686.499	0,4%	-23,5%	262.641	290.130	321.955	0,2%	-9,5%
21 Argentina	3.556.826	3.931.909	3.657.977	0,4%	-9,5%	475.662	317.746	315.124	0,3%	49,7%
22 Macau	2.777.280	0	169.620	0,3%	#DIV/0!	536.828	0	26.187	0,3%	#DIV/0!
23 Lithuania	2.771.939	2.390.498	1.336.827	0,3%	16,0%	180.940	161.267	77.607	0,1%	12,2%
24 United Kingdom	2.548.933	3.700.171	3.137.889	0,3%	-31,1%	269.673	400.627	279.498	0,2%	-32,7%
25 Spain	2.402.376	5.190.307	5.946.166	0,3%	-53,7%	652.895	1.386.332	1.558.499	0,4%	-52,9%
26 South Africa	2.279.545	4.613.516	7.491.169	0,3%	-	409.442	720.405	759.558	0,3%	-
27 Chile	1.858.456	2.395.935	2.456.176	0,2%	-22,4%	258.913	431.859	265.580	0,2%	-40,0%
28 Cambodia	1.678.589	2.405.955	1.819.856	0,2%	-30,2%	204.888	282.780	526.477	0,1%	-27,5%
29 Denmark	1.661.396	1.891.111	2.094.481	0,2%	-12,1%	131.798	135.210	129.886	0,1%	-2,5%
30 Paraguay	1.614.345	2.757.394	2.337.784	0,2%	-41,5%	374.396	477.659	334.626	0,2%	-21,6%
Others (2020: +57 countries)	16.195.002	29.067.989	32.515.248	1,9%	-44,3%	1.813.468	3.142.055	2.902.745	1,2%	-42,3%
Total	872.643.197	1.078.387.315	1.337.031.360		-19,1%	154.712.010	170.177.986	167.391.767		-9,1%

Source: MDIC/SECEX - Prepared by: CICB

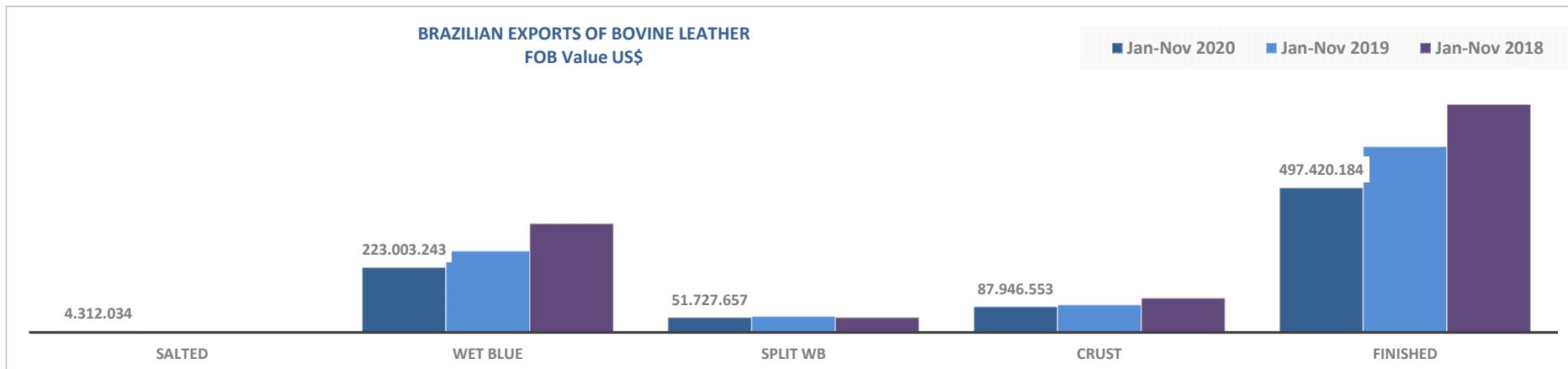
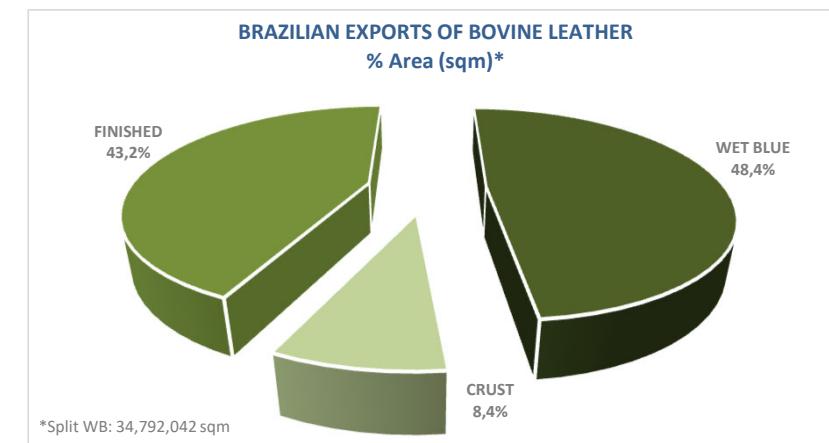
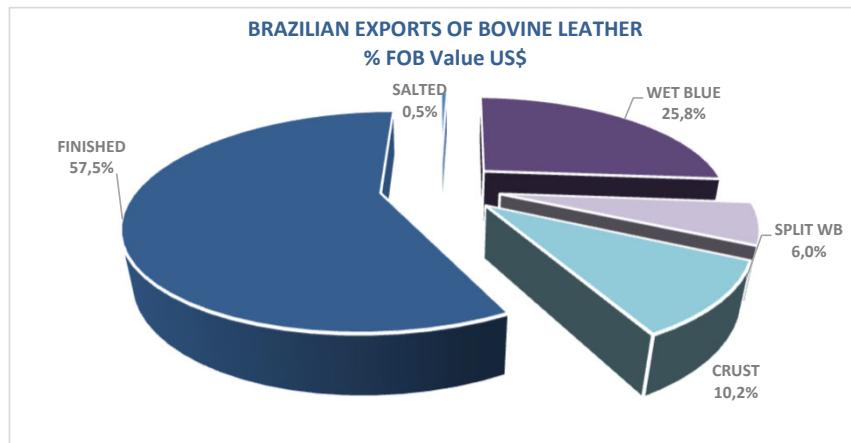
*Area including Full grain and Split

4 - BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)				Δ		AREA (sqm)*				Δ		WEIGHT (KG)				Δ	
	Jan-Nov 2020	Jan-Nov 2019	Jan-Nov 2018	2020/2019	2020/2018	Jan-Nov 2020	Jan-Nov 2019	Jan-Nov 2018	2020/2019	2020/2018	Jan-Nov 2020	Jan-Nov 2019	Jan-Nov 2018	2020/2019	2020/2018	Jan-Nov 2020	Jan-Nov 2019	
SALTED	4.312.034	2.534.598	2.736.983	70,1%	57,5%	-	-	-	-	-	14.554.861	5.138.304	4.147.832	183,3%	250,9%			
WET BLUE	223.003.243	279.367.660	374.584.403	-20,2%	-40,5%	57.812.632	64.628.950	58.260.472	-10,5%	-0,8%	249.511.353	271.414.130	232.662.653	-8,1%	7,2%			
SPLIT WB	51.727.657	54.754.845	51.052.643	-5,5%	1,3%	-	-	-	-	-	101.599.454	101.704.356	104.156.445	-0,1%	-2,5%			
CRUST	87.946.553	94.455.167	117.965.190	-6,9%	-25,4%	10.047.758	9.939.719	11.465.090	1,1%	-12,4%	9.618.951	9.560.771	19.830.655	0,6%	-51,5%			
FINISHED	497.420.184	638.422.451	784.220.923	-22,1%	-36,6%	51.649.559	59.635.648	62.423.090	-13,4%	-17,3%	44.991.099	53.354.858	54.151.097	-15,7%	-16,9%			
Total	864.409.671	1.069.534.721	1.330.560.142	-19,2%	-35,0%	119.509.949	134.204.317	132.148.652	-10,9%	-9,6%	420.275.718	441.172.419	414.948.682	-4,7%	1,3%			

Source: MDIC/SECEX - Prepared by: CICB

*Only full grain



5 - BRAZILIAN EXPORTS OF HIDES AND SKINS BY STATE

		FOB VALUE (US\$)			Share 2020	Δ 2020/2019	Δ 2020/2018	AREA* (sqm)			Share 2020	Δ 2020/2019	Δ 2020/2018
		Jan-Nov 2020	Jan-Nov 2019	Jan-Nov 2018				Jan-Nov 2020	Jan-Nov 2019	Jan-Nov 2018			
1	Rio Grande do Sul	244.044.051	283.894.541	325.802.165	28,0%	-14,0%	-25,1%	36.431.941	36.056.529	36.449.807	23,5%	1,0%	0,0%
2	São Paulo	125.795.179	170.937.293	236.303.631	14,4%	-26,4%	-46,8%	18.895.951	23.276.887	26.530.882	12,2%	-18,8%	-28,8%
3	Paraná	121.439.659	138.262.316	146.093.039	13,9%	-12,2%	-16,9%	25.916.942	27.263.923	23.175.338	16,8%	-4,9%	11,8%
4	Goiás	117.317.129	154.790.796	209.521.211	13,4%	-24,2%	-44,0%	21.109.607	26.302.657	27.686.697	13,6%	-19,7%	-23,8%
5	Mato Grosso do Sul	60.496.970	62.381.834	76.224.468	6,9%	-3,0%	-20,6%	14.862.062	14.194.669	11.175.750	9,6%	4,7%	33,0%
6	Bahia	53.761.238	62.633.925	85.208.063	6,2%	-14,2%	-36,9%	9.166.952	8.976.514	10.287.581	5,9%	2,1%	-10,9%
7	Santa Catarina	44.597.645	55.869.460	74.492.603	5,1%	-20,2%	-40,1%	8.009.547	8.320.123	8.783.977	5,2%	-3,7%	-8,8%
8	Ceará	32.282.494	48.562.275	67.062.414	3,7%	-33,5%	-51,9%	3.691.867	5.445.475	6.222.313	2,4%	-32,2%	-40,7%
9	Minas Gerais	25.859.258	31.376.520	31.903.570	3,0%	-17,6%	-18,9%	5.326.371	5.661.654	5.034.294	3,4%	-5,9%	5,8%
10	Pará	20.012.044	26.344.412	40.692.704	2,3%	-24,0%	-50,8%	5.098.603	5.810.599	5.656.563	3,3%	-12,3%	-9,9%
11	Mato Grosso	9.505.114	24.996.001	29.729.082	1,1%	-62,0%	-68,0%	2.413.204	5.546.477	4.490.051	1,6%	-56,5%	-46,3%
12	Rio de Janeiro	2.968.715	2.985.262	2.928.598	0,3%	-0,6%	1,4%	29.348	71.746	124.227	0,0%	-59,1%	-76,4%
13	Acre	2.285.892	814.159	0	0,3%	180,8%	-	682.557	230.032	0	0,44%	196,7%	-
14	Amazonas	2.123.286	2.333.838	1.499.456	0,2%	-9,0%	41,6%	906.911	713.483	293.594	0,6%	27,1%	208,9%
15	Piauí	1.830.030	3.220.395	1.177.849	0,2%	-43,2%	55,4%	126.804	287.489	123.488	0,1%	-55,9%	2,7%
16	Rondônia	1.795.260	3.246.856	0	0,2%	-44,7%	-	560.682	934.400	0	0,4%	-40,0%	-
17	Tocantins	1.744.646	3.218.685	1.888.702	0,2%	-45,8%	-7,6%	566.295	746.243	282.027	0,37%	-24,1%	100,8%
18	Pernambuco	1.313.899	952.096	1.324.862	0,2%	38,0%	-0,8%	45.634	60.784	119.206	0,03%	-24,9%	-61,7%
19	Sergipe	1.133.695	413.886	1.007.989	0,1%	173,9%	12,5%	349.899	117.759	257.742	0,2%	197,1%	35,8%
20	Maranhão	1.030.801	641.181	2.971.648	0,1%	60,8%	-65,3%	408.586	160.315	613.597	0,3%	154,9%	-33,4%
21	Amapá	591.213	495.591	367.321	0,1%	19,3%	61,0%	0	0	0	0,0%	-	-
22	Distrito Federal	541.411	0	38.333	0,06%	-	1312,4%	111.920	0	7.613	0,07%	-	1370,1%
23	Rio Grande do Norte	142.856	0	0	0,02%	-	-	0	0	0	0,0%	-	-
24	Espírito Santo	30.712	15.993	20.990	0,004%	92,0%	46,3%	327	228	222	0,000%	43,4%	47,3%
25	Not Declared*	0	0	772.662	0,0%	-	-100,0%	0	0	76.798	0,0%	-	-100,0%
	Total	872.643.197	1.078.387.315	1.337.031.360	100,0%	-19,1%	-34,7%	154.712.010	170.177.986	167.391.767	100,0%	-9,1%	-7,6%

Source: MDIC/SECEX - Prepared by: CICB

*Exporter did not declare the state of origin

