



BRAZILIAN EXPORTS OF HIDES AND SKINS

JANUARY 2020



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

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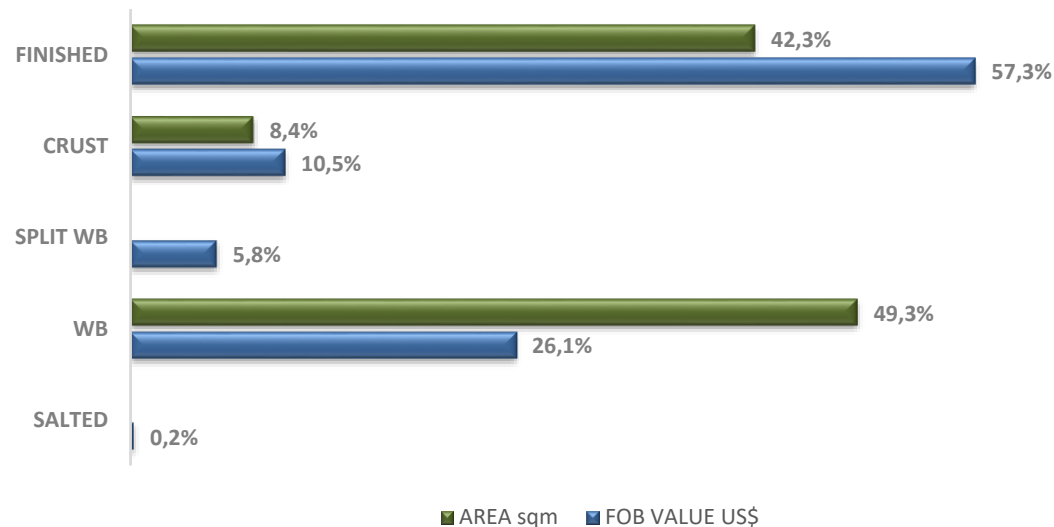
1 - ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS

JANUARY 2020

The Hides and Skins Exports released by SECEX (Foreign Trade Secretariat), for the month of January 2020, registered the amount of US\$ 81.7 million, down 16.7% year-on-year, when total exports were US\$ 98.1 million, and also lower 1.1% compared to December, when amount was US\$ 82.6 million.

Considering exports in square meters, in January were shipped 14.6 million, down 0.8% year-on-year, however higher 9.5% than December 2019, when total was 13.4 million.

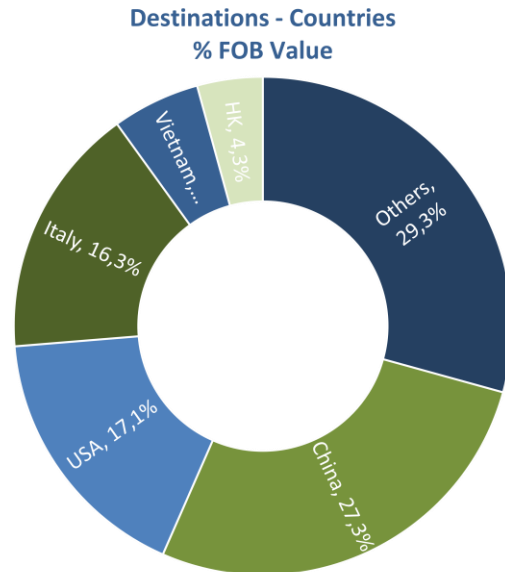
Profile of January 2020 exports is the following:



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

- Salted hides down 71.2% in value and 29.4% in weight;
- Wet Blue declined 36.5% in value and 15.2% in area;
- Split WB higher 16.1% in value and 17.7% in area;
- Crust was higher 6.3% in value and 19.0% in area;
- Finished leather lower 9.8% in value, but up 6.5% in area.

Below are the January 2020 destinations:



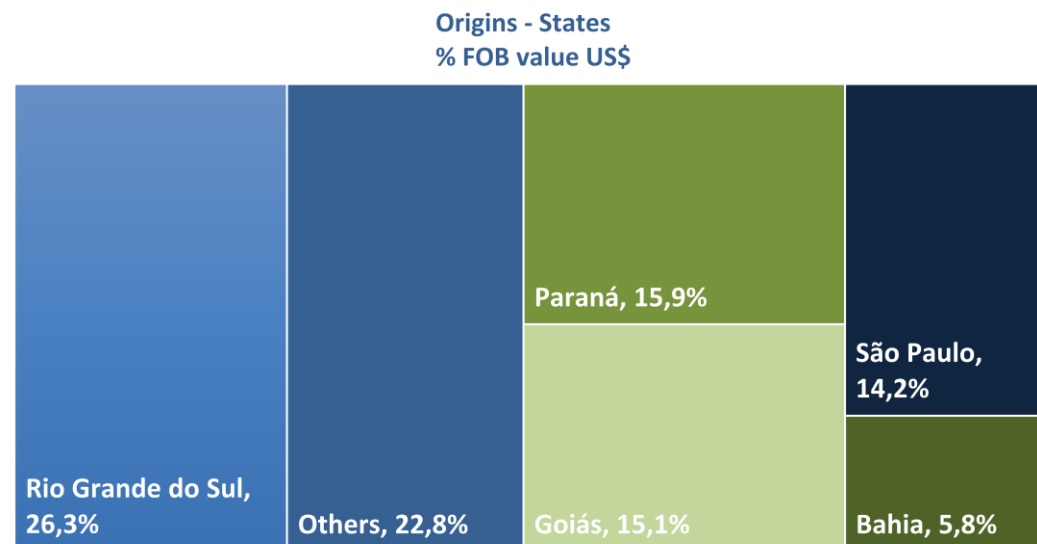
These are January 2020 highlights for the three main destinations for Brazilian leather:

- China, with share of 27.3% in value, grew 1.8% in trade area (+11.3% in 2019, year-on-year), however decreased 9.3% in value (-21.4% in 2019);
- US, still in second position, with share of 17.1% in value, has increase of 2.5% in area (drop of 10.1% in 2019), but decreased 10.6% in value (-20.5);
- Italy, with share of 16.3% in value, had reduction of 9.8% in trade area (-7.5%), and also down 31.7% considering value (-22.3%).

Looking at performance of the TOP3 markets, China and US show improvements in imported volumes compared to result of 2019. On the other hand, the three countries continue with significant falls in values.

As an analysis of other countries considered important players in the leather trade, we highlight the following: Germany, with share of 5.7%, shows increase of 1.1% in value and 22.1% in area; Mexico, with share of 5.0%, is keeping significant growth of 2019, showing now increase of 113.7% in area and 102.0% in value; Vietnam, with share of 4.6%, shows drop in value and area, of 37.6% and 24.5%, respectively; finally Hong Kong, now share of 4.3%, has expressive increase in area of 168.6%, and 8.3% in value.

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



Some highlights considering exporting states:

- Among the ten states with largest exports in the country, only Minas Gerais is showing a recovery in value. Considering trade area, three of them show increase, being: Bahia (+58.7%), Pará (+30.4%), and Minas Gerais (+44.3%);

- Still in the top ten, largest drops in value were: Ceará, with -57.6%; Mato Grosso do Sul, with -32,8%; and São Paulo, with -29.03%;

- Rio Grande do Sul remains leader in shipments considering value and area, with share of 26.3% and 20.8%, respectively. Paraná is now in second considering value, with share of 15.9%, and also in volume, with 17.6%; Goiás is now the third in value (15.1%) and also in volume (14.9%). São Paulo now has the fourth position, both in value, with 14.2% share, and in volume, with 12.7%.

- Also important to highlight the improvement in value (+106.8%) and volume (+202.8%) of Mato Grosso, which is at 11th position.

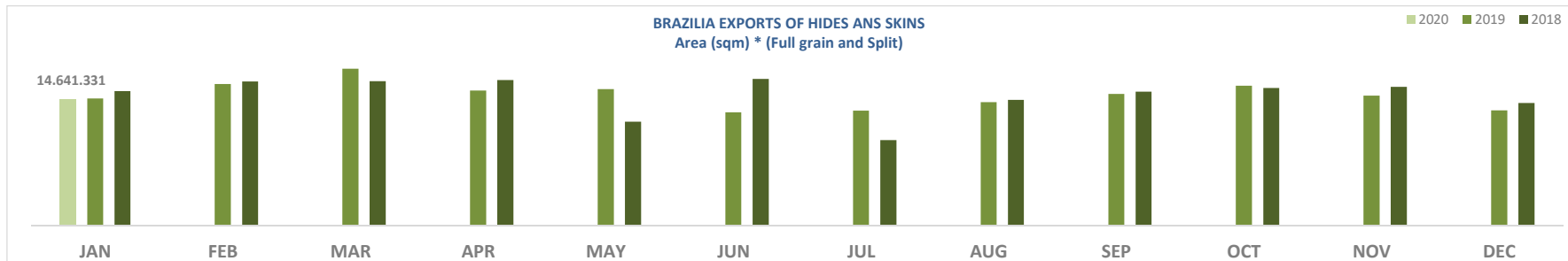
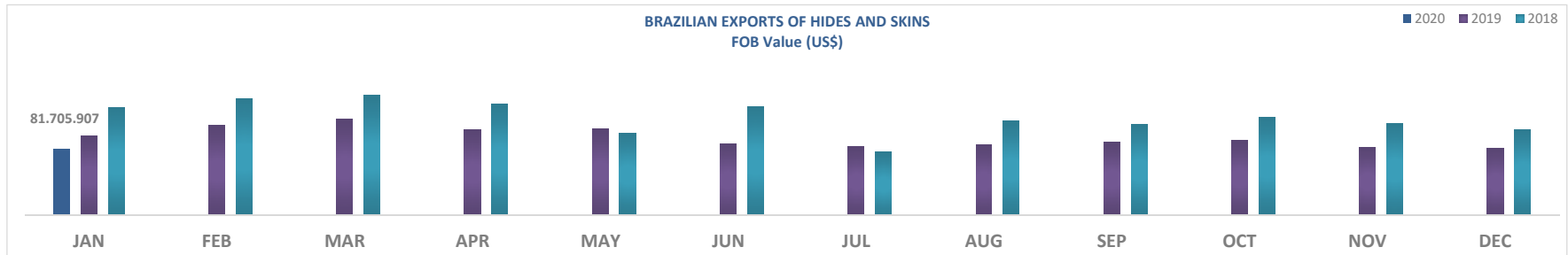
The year starts showing that 2019 scenario insists on remaining in the sector, with stability in the trade area (-0.8%), but still a significant decrease in values (-16.7%). Finished leather maintains its majority share in the total of exported values, with 57.3% share, but in volumes Wet Blue leather continues with higher percentage, reaching 49.3%. Despite the appearance of strength exports, with a high percentage of added value, Brazilian shipments of leather still show that the long-awaited recovery of values will be ahead. -

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	81.705.907	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		110.865.937	144.041.578					16.450.463	16.743.477			
MAR		118.891.521	147.515.178					18.240.248	16.782.906			
APR		105.935.844	136.997.970					15.685.661	16.934.162			
MAY		107.135.194	101.387.567					15.851.389	12.060.974			
JUN		88.181.523	134.092.407					13.167.722	17.040.148			
JUL		84.449.430	77.719.735					13.353.864	9.931.991			
AUG		86.429.729	115.879.312					14.336.546	14.602.513			
SEP		90.587.483	112.331.092					15.293.740	15.567.193			
OCT		92.618.708	120.783.613					16.274.932	15.996.795			
NOV		83.768.213	113.432.678					15.092.702	16.111.481			
DEC		82.618.148	105.533.435					13.371.981	14.245.185			
Total	81.705.907	1.149.566.115	1.442.564.795		-16,7%	-38,5%	14.641.331	181.881.046	181.636.952		-0,8%	-6,3%

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 2020	Jan 2019	Jan 2018	Share 20	2020/2019	Jan 2020	Jan 2019	Jan 2018	Share 20	2020/2019
1 China + Hong Kong	25.774.665	27.803.874	46.588.965	31,5%	-7,3%	6.140.668	5.409.083	5.985.760	41,9%	13,5%
China	22.299.206	24.594.476	42.734.238	27,3%	-9,3%	5.119.843	5.029.069	5.727.641	35,0%	1,8%
2 United States	13.990.472	15.647.987	20.910.019	17,12%	-10,6%	1.306.887	1.274.671	1.542.710	8,9%	2,5%
3 Italy	13.355.418	19.552.296	23.551.821	16,35%	-31,7%	3.018.814	3.345.105	3.400.935	20,6%	-9,8%
4 Germany	4.658.612	4.608.937	3.145.159	5,7%	1,1%	467.177	382.551	214.467	3,2%	22,1%
5 Mexico	4.068.932	2.014.466	2.525.635	5,0%	102,0%	339.200	158.694	176.602	2,3%	113,7%
6 Vietnã	3.795.319	6.085.889	4.914.975	4,6%	-37,6%	952.908	1.261.746	1.146.107	6,5%	-24,5%
Hong Kong	3.475.459	3.209.398	3.854.727	4,3%	8,3%	1.020.825	380.014	258.119	7,0%	168,6%
7 Thailand	2.503.885	3.673.338	5.777.171	3,1%	-31,8%	270.244	375.182	503.719	1,8%	-28,0%
8 Hungary	2.072.673	878.607	6.763.133	2,5%	135,9%	170.330	76.392	476.056	1,2%	123,0%
9 Taiwan	1.505.736	1.986.454	1.924.176	1,8%	-24,2%	470.699	550.410	529.724	3,2%	-14,5%
10 India	1.211.716	1.894.849	1.034.810	1,5%	-36,1%	400.089	549.239	183.666	2,7%	-27,2%
11 South Korea	1.022.369	1.132.392	118.327	1,3%	-9,7%	165.882	166.258	20.564	1,1%	-0,2%
12 Indonesia	934.273	831.111	2.644.699	1,1%	12,4%	117.484	65.090	200.231	0,8%	80,5%
13 Portugal	608.841	682.368	737.399	0,7%	-10,8%	74.557	98.584	84.380	0,5%	-24,4%
14 Tunisia	531.753	487.387	486.959	0,7%	9,1%	35.847	25.460	24.429	0,2%	40,8%
15 South Africa	477.559	406.667	689.593	0,6%	17,4%	92.569	44.613	66.796	0,6%	107,5%
16 Uruguay	467.305	2.073.277	1.502.118	0,6%	-77,5%	56.342	203.951	108.588	0,4%	-72,4%
17 United Kingdom	432.985	389.384	470.155	0,5%	11,2%	40.979	46.148	50.864	0,3%	-11,2%
18 Canada	422.733	587.663	595.818	0,5%	-28,1%	30.221	33.808	31.848	0,2%	-10,6%
19 Malaysia	408.490	1.081.666	1.056.471	0,5%	-62,2%	29.975	83.959	71.118	0,2%	-64,3%
20 Paraguay	380.107	164.044	369.737	0,5%	131,7%	75.788	31.303	49.536	0,5%	142,1%
21 Norway	291.515	636.941	1.673.769	0,4%	-54,2%	21.318	40.530	95.990	0,1%	-47,4%
22 Netherlands	235.039	718.276	899.591	0,3%	-67,3%	31.795	77.112	72.315	0,2%	-58,8%
23 Chile	228.848	127.786	154.050	0,3%	79,1%	29.369	20.682	17.748	0,2%	42,0%
24 France	226.384	386.245	50.014	0,3%	-41,4%	15.434	16.330	2.510	0,1%	-5,5%
25 Poland	215.304	31.408	635.079	0,3%	585,5%	23.058	2.180	60.722	0,2%	957,7%
26 Spain	200.487	336.377	421.375	0,2%	-40,4%	51.599	101.668	127.196	0,4%	-49,2%
27 Cambodia	197.379	559.249	190.913	0,2%	-64,7%	23.424	40.008	105.830	0,2%	-41,5%
28 Philippines	187.334	14.619	108.495	0,2%	1181,4%	7.474	595	5.570	0,1%	1156,1%
29 Lithuania	178.969	169.378	0	0,2%	5,7%	13.251	11.301	0	0,1%	17,3%
30 Australia	177.933	340.325	389.623	0,2%	-47,7%	10.225	25.388	21.529	0,1%	-59,7%
Other (2020: +20 countries)	942.872	2.781.125	2.520.181	1,2%	-66,1%	157.724	243.757	242.617	1,1%	-35,3%
Total	81.705.907	98.084.385	132.850.230		-16,7%	14.641.331	14.761.798	15.620.127		-0,8%

Source: MDIC/SECEX - Prepared by: CICB

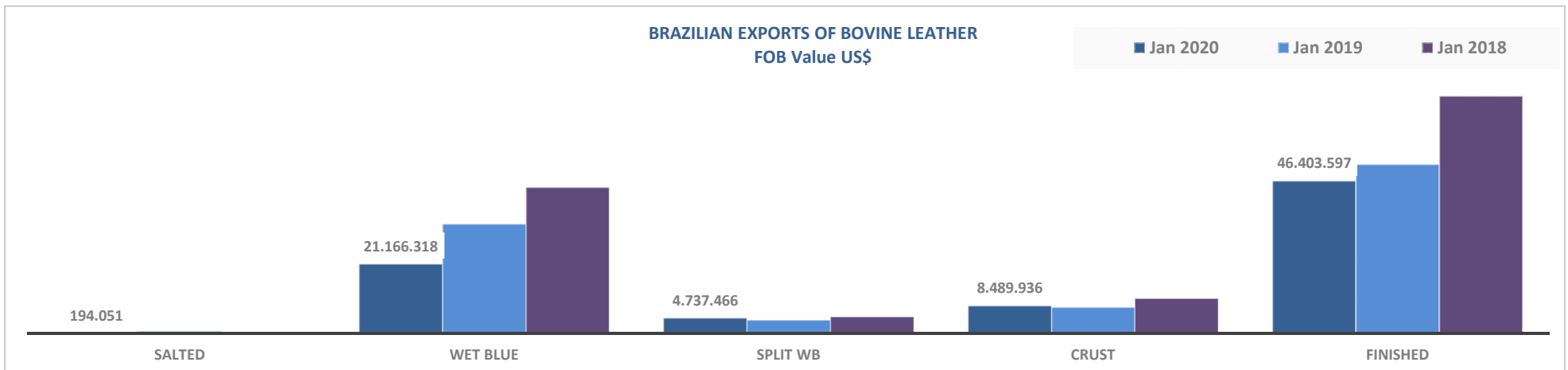
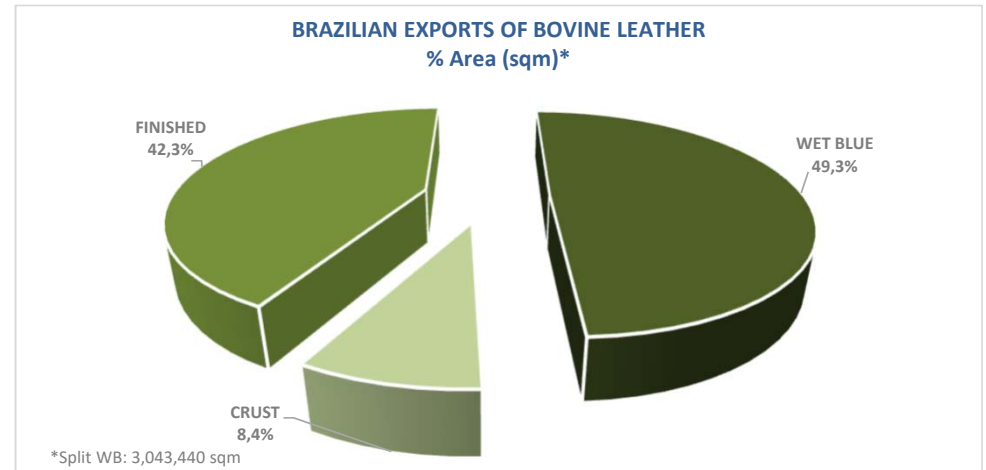
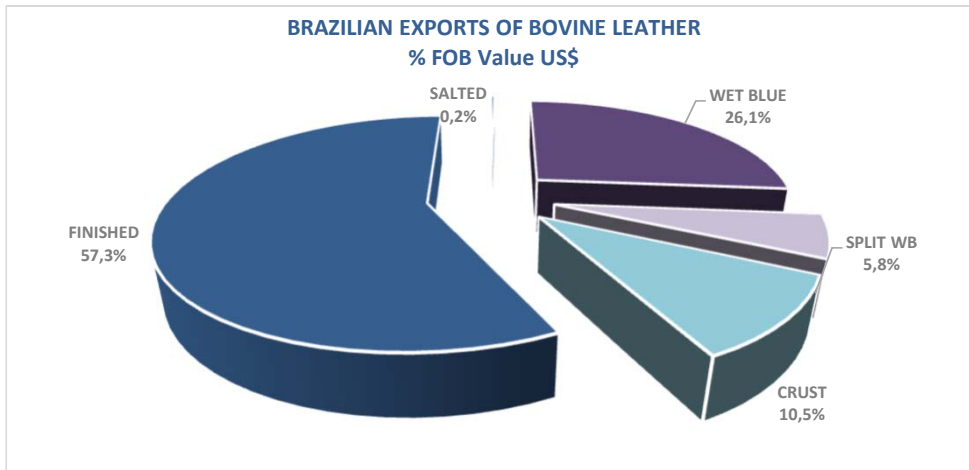
*Area including Full grain and Split

4 - BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)			Δ		AREA (sqm)*			Δ	
	Jan 2020	Jan 2019	Jan 2018	2020/2019	2020/2018	Jan 2020	Jan 2019	Jan 2018	2020/2019	2020/2018
SALTED	194.051	674.914	189.113	-71,2%	2,6%	-	-	-	-	-
WET BLUE	21.166.318	33.322.997	44.500.416	-36,5%	-52,4%	5.703.980	6.729.730	5.643.086	-15,2%	1,1%
SPLIT WB	4.737.466	4.080.409	5.147.985	16,1%	-8,0%	-	-	-	-	-
CRUST	8.489.936	7.984.378	10.689.608	6,3%	-20,6%	966.134	811.730	969.364	19,0%	-0,3%
FINISHED	46.403.597	51.458.914	72.172.999	-9,8%	-35,7%	4.898.828	4.601.448	5.503.312	6,5%	-11,0%
Total	80.991.368	97.521.612	132.700.121	-17,0%	-39,0%	11.568.942	12.142.908	12.115.762	-4,7%	-4,5%

Source: MDIC/SECEX - Prepared by: CICB

*Only full grain



5 - BRAZILIAN EXPORTS
OF HIDES AND SKINS BY STATE

	FOB VALUE (US\$)			Share 2020	Δ		AREA* (sqm)			Share 2020	Δ	
	Jan 2020	Jan 2019	Jan 2018		2020/2019	2020/2018	Jan 2020	Jan 2019	Jan 2018		2020/2019	2020/2018
1 Rio Grande do Sul	21.459.282	24.787.907	28.797.363	26,3%	-13,4%	-25,5%	3.049.004	3.182.861	3.183.583	20,8%	-4,2%	-4,2%
2 Paraná	13.013.882	15.599.477	16.695.331	15,9%	-16,6%	-22,1%	2.571.032	2.637.634	2.393.173	17,6%	-2,5%	7,4%
3 Goiás	12.302.143	13.723.692	22.200.731	15,1%	-10,4%	-44,6%	2.183.627	2.481.690	2.764.873	14,9%	-12,0%	-21,0%
4 São Paulo	11.588.583	16.327.120	25.224.305	14,2%	-29,0%	-54,1%	1.863.038	2.173.681	2.646.164	12,7%	-14,3%	-29,6%
5 Bahia	4.735.268	4.978.483	9.543.841	5,8%	-4,9%	-50,4%	1.016.726	640.703	1.221.621	6,9%	58,7%	-16,8%
6 Mato Grosso do Sul	4.285.292	6.374.942	8.490.419	5,2%	-32,8%	-49,5%	1.199.657	1.232.350	1.001.712	8,2%	-2,7%	19,8%
7 Santa Catarina	3.538.606	4.199.423	7.487.920	4,3%	-15,7%	-52,7%	563.936	617.862	680.573	3,9%	-8,7%	-17,1%
8 Pará	2.892.087	2.958.481	4.295.838	3,5%	-2,2%	-32,7%	730.883	560.280	523.261	5,0%	30,4%	39,7%
9 Minas Gerais	2.638.758	2.107.783	2.263.607	3,2%	25,2%	16,6%	535.592	371.164	418.984	3,7%	44,3%	27,8%
10 Ceará	2.070.684	4.888.217	4.475.832	2,5%	-57,6%	-53,7%	177.459	480.907	386.738	1,2%	-63,1%	-54,1%
11 Mato Grosso	1.323.330	639.767	3.006.369	1,6%	106,8%	-56,0%	307.948	101.697	347.272	2,1%	202,8%	-11,3%
12 Rondônia	470.772	0	0	0,6%	-	-	175.190	0	0	1,2%	-	-
13 Amazonas	293.587	589.780	0	0,4%	-50,2%	-	98.503	143.073	0	0,7%	-31,2%	-
14 Rio de Janeiro	270.705	209.024	64.810	0,3%	29,5%	317,7%	2.608	13.858	197	0,0%	-81,2%	1223,9%
15 Piauí	221.844	275.164	1.002	0,3%	-19,4%	22040,1%	10.342	28.272	72	0,1%	-63,4%	14263,9%
16 Acre	209.218	0	0	0,3%	-	-	55.372	0	0	0,4%	-	-
17 Tocantins	189.724	47.760	0	0,2%	297,2%	-	41.888	12.230	0	0,3%	242,5%	-
18 Maranhão	111.116	305.517	0	0,1%	-63,6%	-	45.725	77.405	0	0,3%	-40,9%	-
19 Amapá	53.922	25.238	0	0,1%	113,7%	-	0	0	0	0,0%	-	-
20 Sergipe	33.269	25.197	167.396	0,0%	32,0%	-80,1%	12.758	5.025	34.240	0,1%	153,9%	-62,7%
21 Espírito Santo	3.835	0	0	0,0%	-	-	43	0	0	0,0%	-	-
22 Not declared*	0	0	69.129	0,0%	-	-100,0%	0	0	10.232	0,0%	-	-100,0%
23 Pernambuco	0	21.413	66.337	0,0%	-100,0%	-100,0%	0	1.106	7.432	0,0%	-100,0%	-100,0%
Total	81.705.907	98.084.385	132.850.230	100,0%	-16,7%	-38,5%	14.641.331	14.761.798	15.620.127	100,0%	-0,8%	-6,3%

Source: MDIC/SECEX - Prepared by: CICB

*Exporter did not declare the state of origin

