



Brazilian leather

BRAZILIAN EXPORTS OF HIDES AND SKINS

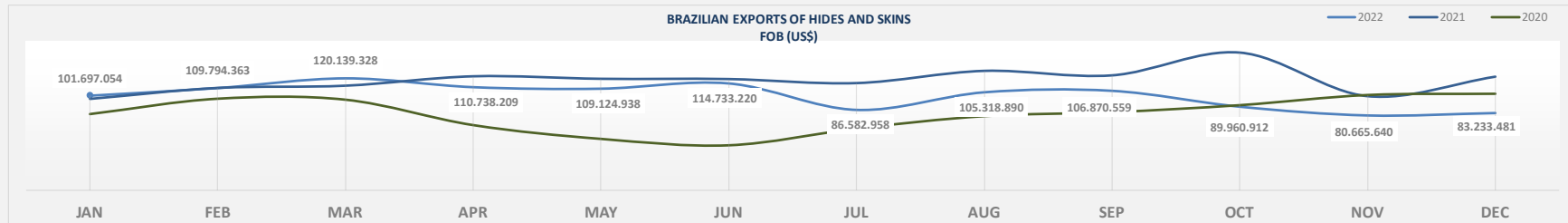
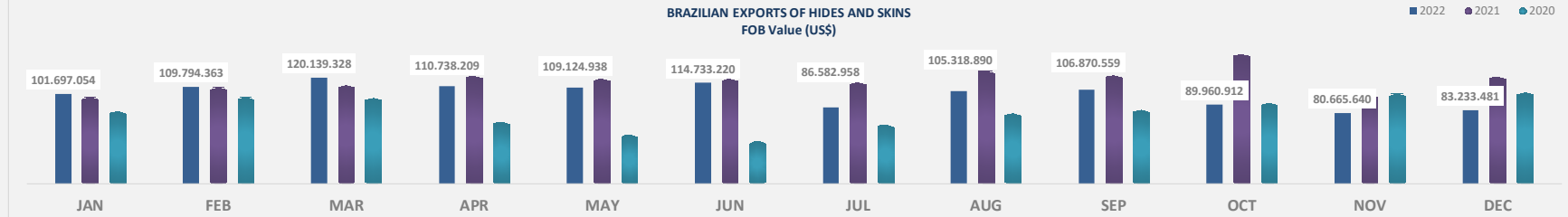
December 2022

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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 2022	2022/2021	2022/2020	2022	2021	2020	MONTH 2022	2022/2021	2022/2020	2022	2021	2020	MONTH 2022	2022/2021	2022/2020
JAN	101.697.054	97.842.657	81.668.858	-16,3%	3,9%	24,5%	12.063.997	14.794.446	14.641.337	-5,2%	-18,5%	-17,6%	30.527.897	38.010.157	39.515.855	2,9%	-19,7%	-22,7%
FEB	109.794.363	109.528.720	98.050.502	8,0%	0,2%	12,0%	11.518.363	15.698.373	16.093.955	-4,5%	-26,6%	-28,4%	25.501.700	38.218.258	41.069.707	-16,5%	-33,3%	-37,9%
MAR	120.139.328	111.927.496	96.997.936	9,4%	7,3%	23,9%	13.625.210	15.133.632	15.827.958	18,3%	-10,0%	-13,9%	31.859.528	34.265.446	37.463.401	24,9%	-7,0%	-15,0%
APR	110.738.209	121.951.096	69.882.283	-7,8%	-9,2%	58,5%	11.773.200	16.318.524	12.510.483	-13,6%	-27,9%	-5,9%	28.030.076	36.417.387	30.043.895	-12,0%	-23,0%	-6,7%
MAY	109.124.938	119.279.811	55.183.982	-1,5%	-8,5%	97,7%	11.199.958	15.163.923	10.065.078	-4,9%	-26,1%	11,3%	24.982.739	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%	12.737.959	14.251.467	8.673.424	13,7%	-10,6%	46,9%	32.538.087	31.809.207	26.925.237	30,2%	2,3%	20,8%
JUL	86.582.958	114.704.199	66.205.213	-24,5%	-24,5%	30,8%	9.168.223	12.987.305	12.498.957	-28,0%	-29,4%	-26,6%	21.825.224	28.797.843	38.114.991	-32,9%	-24,2%	-42,7%
AUG	105.318.890	127.753.281	79.465.110	21,6%	-17,6%	32,5%	12.398.155	15.456.776	14.965.253	35,2%	-19,8%	-17,2%	32.250.962	31.412.555	42.425.488	47,8%	2,7%	-24,0%
SEP	106.870.559	122.947.850	83.687.412	1,5%	-13,1%	27,7%	12.998.266	13.406.581	15.976.282	4,8%	-3,0%	-18,6%	35.798.746	32.398.066	45.844.633	11,0%	10,5%	-21,9%
OCT	89.960.912	147.230.475	91.164.639	-15,8%	-38,9%	-1,3%	11.595.103	15.861.118	16.061.025	-10,8%	-26,9%	-27,8%	30.269.139	35.079.112	43.793.546	-15,4%	-13,7%	-30,9%
NOV	80.665.640	100.737.179	102.004.642	-10,3%	-19,9%	-20,9%	10.767.130	10.511.289	17.398.496	-7,1%	2,4%	-38,1%	30.454.895	25.844.344	47.350.592	0,6%	17,8%	-35,7%
DEC	83.233.481	121.530.065	103.329.787	3,2%	-31,5%	-19,4%	10.904.167	12.723.535	16.769.768	1,3%	-14,3%	-35,0%	30.498.876	29.669.508	40.510.343	0,1%	2,8%	-24,7%
Total	1.218.859.552	1.414.447.447	975.999.990		-13,8%	24,9%	140.749.731	172.306.969	171.482.016		-18,3%	-17,9%	354.537.869	395.578.583	461.682.594		-10,4%	-23,2%

Source: SECEX - Prepared by: CIBC



■ ANALYSIS OF TOTAL EXPORTS

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Exports of hides and skins presented by the SECEX (Secretariat of Foreign Trade) of the Ministry of Industry and Foreign Trade and analyzed by the CICB, referring to the month of December 2022, registered a value of US\$ 83.2 million, which means an increase of 3.2% over the previous month, however a reduction of 31.5% compared to the same month last year, when US\$ 121.5 million were exported.

As for the total exported in square meters, in December 10.9 million were shipped, 1.3% above November, however 14.3% below December last year, when the total was 12.7 million sqm.

The year ended with a total of US\$ 1.22 billion, a drop of 13.8% compared to 2021, and 18.3% below in traded area, with 140.7 million square meters.

BRAZILIAN EXPORTS OF HIDES AND SKINS BY DESTINATION

COUNTRIES	FOB VALUE (US\$)			Share		AREA (sqm)			Share		WEIGHT (KG)			Share	
	2022	2021	2020	2022	2021/2020	2022	2021	2020	2022	2021/2020	2022	2021	2020	2022	2021/2020
1 China + Hong Kong	338.217.675	481.399.660	304.012.269	27,7%	-29,7%	50.993.555	69.382.471	67.465.854	36,2%	-26,5%	147.129.995	181.994.603	199.004.573	41,5%	-19,2%
China	278.753.821	417.144.481	267.399.316	22,9%	-33,2%	13.115.889	14.715.702	14.197.088	30,7%	-30,4%	35.204.283	38.595.028	38.214.641	35,8%	-22,3%
2 United States	224.175.920	195.321.691	170.535.040	18,4%	14,8%	3.919.996	3.927.349	5.310.414	10,6%	0,2%	3.361.770	3.432.059	4.448.706	3,7%	1,6%
3 Italy	203.772.657	216.202.744	157.266.346	16,7%	-5,7%	6.337.704	8.482.030	8.947.349	19,2%	-1,3%	21.150.266	29.033.249	33.227.952	26,2%	9,7%
4 Vietnam	63.772.297	98.250.074	58.188.786	5,2%	-35,1%	2.780.533	5.124.734	4.816.847	8,4%	-30,8%	6.769.359	11.378.328	11.537.210	8,3%	-19,2%
Hong Kong	59.463.854	64.255.179	36.612.953	4,9%	-7,5%	2.301.600	1.802.705	2.896.118	5,6%	6,4%	6.054.192	5.130.113	8.828.690	5,7%	8,7%
5 Germany	50.236.392	46.619.612	38.707.216	4,1%	7,8%	942.601	1.213.924	1.265.227	2,4%	-10,9%	786.905	1.094.025	1.121.860	0,8%	-20,5%
6 Thailand	46.907.422	41.031.518	31.413.669	3,8%	14,3%	797.272	637.261	1.029.004	2,5%	1,4%	831.106	641.361	1.193.962	1,7%	6,6%
7 Mexico	45.840.466	60.693.529	35.317.429	3,8%	-24,5%	776.253	967.709	855.690	2,1%	-19,6%	1.048.456	1.988.628	1.737.379	0,9%	-12,0%
8 South Korea	28.583.314	45.267.318	12.129.283	2,3%	-36,9%	682.769	641.745	515.089	2,0%	-30,6%	1.385.928	769.220	1.086.974	1,5%	-6,9%
9 Hungary	23.652.004	26.687.527	21.180.159	1,9%	-11,4%	445.652	739.121	559.183	1,1%	-21,0%	411.549	667.249	492.679	0,4%	-21,5%
10 Taiwan	18.996.527	24.635.158	20.212.034	1,6%	-22,9%	1.234.432	2.110.969	1.551.400	3,3%	-35,9%	2.945.428	5.696.518	4.288.345	3,3%	-37,2%
11 Indonesia	18.055.582	18.705.282	13.724.629	1,5%	-3,5%	336.082	443.783	384.076	1,1%	-3,2%	258.447	334.917	348.129	0,4%	-13,1%
12 Norway	13.225.993	14.930.662	11.335.857	1,1%	-11,4%	275.520	279.866	286.255	0,5%	-14,3%	247.883	259.335	330.212	0,2%	-17,8%
13 India	12.204.003	11.471.067	14.759.966	1,0%	6,4%	269.141	460.727	1.267.147	1,0%	19,0%	965.502	1.287.214	4.436.515	1,4%	48,6%
14 Argentina	11.019.139	7.677.077	4.124.403	0,9%	43,5%	255.530	142.937	111.756	0,6%	19,2%	210.894	110.290	98.667	0,2%	25,1%
15 Netherlands	10.537.866	13.567.849	10.112.523	0,9%	-22,3%	217.634	142.227	86.791	0,6%	-20,0%	190.612	133.559	74.442	0,2%	-16,6%
16 Tunisia	9.376.731	10.201.339	8.075.408	0,8%	-8,1%	149.691	183.103	148.209	0,4%	-9,7%	229.691	286.187	249.737	0,3%	-9,6%
17 Poland	8.994.556	7.629.296	4.842.861	0,7%	17,9%	214.148	157.712	85.190	0,6%	15,7%	289.102	166.913	145.204	0,2%	21,1%
18 Uruguay	8.816.378	9.132.000	6.053.890	0,7%	-3,5%	113.831	158.496	103.549	1,1%	16,4%	95.462	120.598	86.526	1,2%	-4,7%
19 Malaysia	8.140.935	7.540.857	4.552.182	0,7%	8,0%	231.705	437.990	205.725	0,4%	0,5%	900.893	1.309.905	1.128.584	0,1%	3,0%
20 Spain	5.309.895	6.780.480	2.730.175	0,4%	-21,7%	104.756	39.069	75.416	1,2%	-41,1%	104.298	74.833	91.416	1,4%	-39,7%
21 Chile	5.229.336	5.257.821	2.435.066	0,4%	-0,5%	459.625	1.068.774	141.914	0,4%	-3,3%	1.254.537	2.895.171	385.225	0,2%	8,8%
22 Canada	4.751.081	5.009.870	4.193.916	0,4%	-5,2%	47.576	12.276	27.530	0,2%	-12,9%	76.790	19.491	37.300	0,1%	-7,8%
23 Portugal	4.689.882	6.112.359	4.759.731	0,4%	-23,3%	63.263	208.223	141.404	0,3%	-28,4%	45.859	157.422	108.421	0,3%	-10,0%
24 France	4.679.688	2.479.822	1.368.357	0,4%	88,7%	108.531	168.740	214.547	0,1%	72,6%	270.837	296.212	473.246	0,1%	72,8%
25 Dominican Republic	4.519.801	2.190.972	1.615.047	0,4%	106,3%	335.321	255.278	0	0,4%	139,3%	1.286.340	663.070	0	0,4%	129,9%
26 Slovakia	3.970.095	1.048.155	810.025	0,3%	278,8%	109.722	144.925	192.979	0,1%	234,8%	108.904	282.339	361.559	0,1%	230,0%
27 South Africa	3.460.882	5.757.189	2.380.875	0,3%	-39,9%	87.999	89.896	139.674	0,3%	-36,7%	259.667	290.159	484.243	0,2%	-47,6%
28 Paraguay	3.012.678	1.732.595	1.792.062	0,2%	73,9%	46.469	71.385	84.087	0,3%	26,1%	43.334	60.177	67.100	0,3%	92,7%
29 Switzerland	2.977.791	8.226.186	514.726	0,2%	-63,8%	83.658	44.230	32.522	0,6%	-53,9%	253.230	116.320	81.088	1,0%	-33,5%
30 Australia	2.964.321	4.280.224	1.856.855	0,2%	-30,7%	43.886	44.065	34.700	0,1%	-32,8%	39.795	38.394	33.912	0,04%	-36,6%
Others (2022: +49 countries)	28.768.245	28.607.514	24.999.205	2,4%	0,6%	2.151.757	2.458.020	2.903.344	1,5%	-12,5%	12.584.644	8.794.589	17.042.779	3,5%	43,1%
Total	1.218.859.552	1.414.447.447	975.999.990		-13,8%	140.749.731	172.306.969	171.482.016		-18,3%	354.537.869	395.578.583	461.682.594		-10,4%

Source: MDIC/SECEX - Prepared by: CICB

■ ANALYSIS OF DESTINATIONS

With the closing of the year, the three main destinations for Brazilian leather show the following information:

- China (without HK) had a share in value of 22.9% (until November 22.7%) and 30.7% (30.3%) in area, with a monetary drop of 33.2% (- 31.9%), and -30.4 (-29.3%) in area.

- United States with a share of 18.4% (18.4%) in value, and with 10.6% (10.4%) in area, showing increases of 14.8% (+16.8%) in value and 0.2% (+0.1%) in area.

- Italy with a share of 16.7% (17.0%) in value, and 19.2% (20.4%) in area, with drops of 5.7% (-1.8%) in value and 1.3% (+7.7%) in area.

The declines in values and volumes of exports in December worsened the indexes of the main destinations for Brazilian leather. Only the United States maintained increases in both indicators for the year, compared to 2021. Italy had maintained stable or even positive indexes until November, but weak December shipments to this destination meant that the total closed at negative levels.

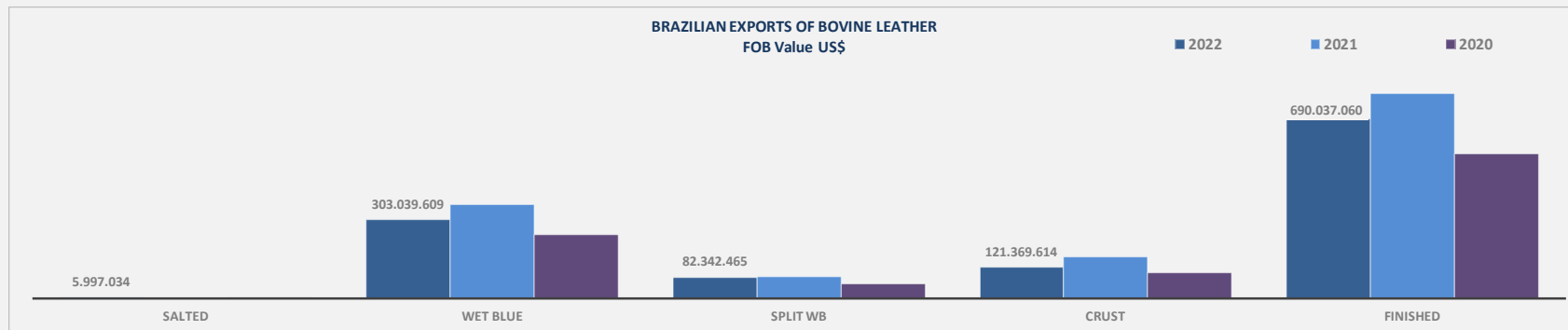
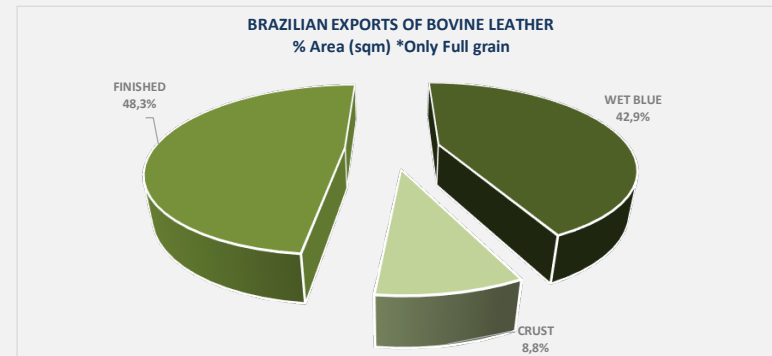
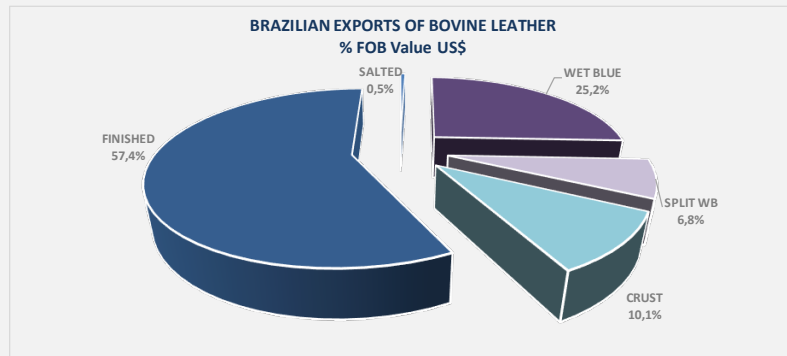
However, the most worrying case and with the worst rates in 2022 definitely occurred in the main market for Brazilian leather, China. With drops of more than 30% in values and volumes, compared to a national dependence of 22.9% in value and 30.7% in area, the largest leather market in the world was responsible for the negative results of sector exports.

Among the other TOP10 countries in the ranking, it is important to register increases in value for Thailand (+14.3%) and Germany (+7.8%), while in area for Hong Kong (+6.4%) and Thailand (+ 1.4%).

3 BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)			Δ		AREA (sqm)			Δ		WEIGHT (KG)			Δ	
	2022	2021	2020	2022/2021	2022/2020	2022	2021	2020	2022/2021	2022/2020	2022	2021	2020	2022/2021	2022/2020
SALTED	5.997.034	2.768.175	4.043.666	116,6%	48,3%	-	-	-	-	-	11.311.494	5.789.322	15.398.688	95,4%	-26,5%
WET BLUE	303.039.609	362.603.200	247.024.824	-16,4%	22,7%	44.927.006	46.946.371	62.488.081	-4,3%	-28,1%	189.566.747	187.439.490	269.105.012	1,1%	-29,6%
SPLIT WB	82.342.465	84.731.912	58.227.379	-2,8%	41,4%	35.360.480	46.479.442	39.193.023	-23,9%	-9,8%	99.174.142	131.398.260	114.764.857	-24,5%	-13,6%
CRUST	121.369.614	159.083.863	98.840.783	-23,7%	22,8%	9.168.854	13.046.820	11.281.867	-29,7%	-18,7%	9.338.619	12.446.351	10.750.211	-25,0%	-13,1%
FINISHED	690.037.060	789.700.661	558.200.330	-12,6%	23,6%	50.542.892	65.327.552	58.078.350	-22,6%	-13,0%	44.090.646	57.099.090	50.502.158	-22,8%	-12,7%
Total	1.202.785.782	1.398.887.811	966.336.982	-14,0%	24,5%	139.999.232	171.800.185	171.041.321	-18,5%	-18,1%	353.481.648	394.172.513	460.520.926	-10,3%	-23,2%

Source: MDIC/SECEX - Prepared by: CICB



■ ANALYSIS OF EXPORTS BY TYPE OF LEATHER

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

- Wet Blue with reductions in value of 16.4% (until November -15.7%) and 4.3% (-0.5%) in area.
- Split WB with drops of 2.8% (-1.8%) in value and 23.9% (-23.8%) in area.
- Crust with drops of 23.7% (-19.0%) in value and 29.7% (-27.6%) in area.
- Finished with reductions of 12.6% (-11.0%) in value and 22.6 (-22.5%) in area.

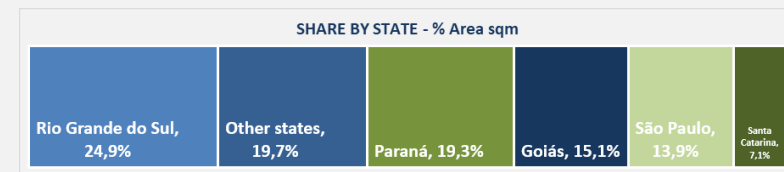
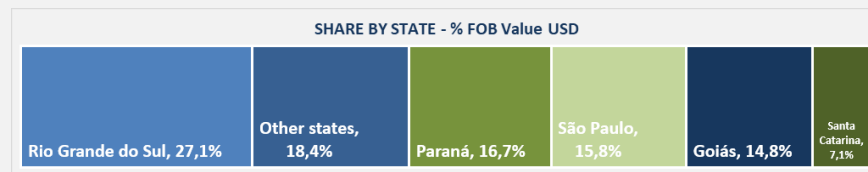
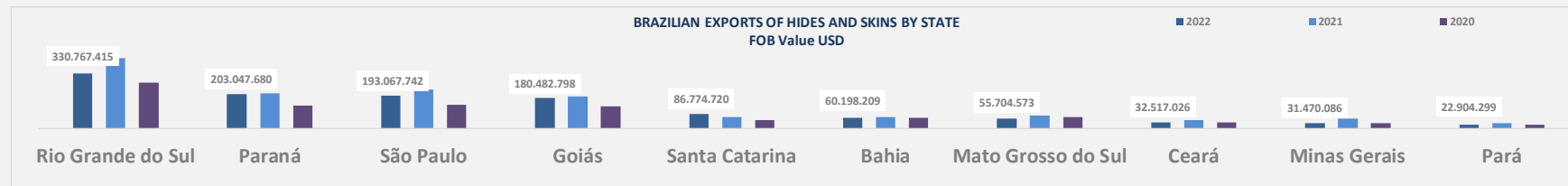
All types of leather had drops in values and volumes in 2022, compared to the previous year. Only raw hides (salted) had increases, with shipments higher by 116.6% in value and 95.4% in volume.

Wet blue leather saw improvements in volumes shipped in the last two months of the year, compared to the corresponding months of 2021, despite drops in average prices, causing total values to remain at negative levels.

EXPORTS OF HIDES AND SKINS BY STATE

	FOB VALUE (US\$)				Δ	AREA (sqm)				Δ	WEIGHT (KG)				Δ
	2022	2021	2020	2022		2021/2020	2022	2021	2020		2022	2021/2020	2022	2021	
1 Rio Grande do Sul	330.767.415	420.282.109	274.687.921	27,1%	-21,3%	35.095.334	50.100.954	41.049.590	24,9%	-30,0%	66.769.483	88.195.687	83.311.488	18,8%	-24,3%
2 Paraná	203.047.680	209.719.259	136.205.424	16,7%	-3,2%	27.213.875	27.409.438	28.637.896	19,3%	-0,7%	74.098.634	71.204.910	80.253.010	20,9%	4,1%
3 São Paulo	193.067.742	234.264.877	141.777.793	15,8%	-17,6%	19.561.524	26.624.315	21.359.111	13,9%	-26,5%	38.341.098	51.806.282	48.471.271	10,8%	-26,0%
4 Goiás	180.482.798	188.771.855	131.317.761	14,8%	-4,4%	21.216.116	22.822.899	23.278.958	15,1%	-7,0%	60.518.374	64.777.842	67.390.892	17,1%	-6,6%
5 Santa Catarina	86.774.720	65.291.413	49.164.425	7,1%	32,9%	9.930.752	8.329.797	8.786.995	7,1%	19,2%	28.157.221	21.191.834	24.413.805	7,9%	32,9%
6 Bahia	60.198.209	65.329.637	61.944.903	4,9%	-7,9%	7.356.114	8.155.095	10.409.600	5,2%	-9,8%	12.478.917	15.101.621	19.146.683	3,5%	-17,4%
7 Mato Grosso do Sul	55.704.573	75.696.563	66.132.757	4,6%	-26,4%	8.713.865	10.143.737	15.981.101	6,2%	-14,1%	32.973.764	37.207.994	65.444.352	9,3%	-11,4%
8 Ceará	32.517.026	47.165.234	34.859.332	2,7%	-31,1%	2.313.634	4.505.172	4.016.513	1,6%	-48,6%	3.454.823	5.984.258	6.575.661	1,0%	-42,3%
9 Minas Gerais	31.470.086	57.064.428	29.796.546	2,6%	-44,9%	3.958.249	8.952.693	6.142.574	2,8%	-55,8%	7.330.346	15.461.953	9.820.788	2,1%	-52,6%
10 Pará	22.904.299	28.450.584	21.343.683	1,9%	-19,5%	3.533.554	3.353.487	5.357.920	2,5%	5,4%	17.873.551	15.563.226	25.046.520	5,0%	14,8%
11 Mato Grosso	7.738.312	9.161.367	10.719.210	0,6%	-15,5%	1.249.699	1.157.613	2.631.127	0,9%	8,0%	4.250.216	4.305.358	10.403.223	1,2%	-1,3%
12 Rio de Janeiro	5.413.013	5.578.327	3.125.563	0,4%	-3,0%	84.151	126.954	30.848	0,1%	-33,7%	46.537	109.452	355.181	0,01%	-57,5%
13 Piauí	2.847.678	3.037.223	1.967.180	0,2%	-6,2%	163.158	228.081	142.128	0,1%	-28,5%	102.782	126.808	74.553	0,03%	-18,9%
14 Rio Grande do Norte	1.690.995	170.687	182.670	0,1%	890,7%	0	0	0	0,0%	-	3.415.200	301.060	420.423	1,0%	1034,4%
15 Pernambuco	1.239.890	1.079.063	1.367.855	0,1%	14,9%	34.458	44.317	45.635	0,02%	-22,2%	2.199.834	1.586.571	3.800.602	0,6%	38,7%
16 Amapá	803.490	484.997	607.731	0,1%	65,7%	0	0	0	0,0%	-	980.595	812.240	1.642.722	0,3%	20,7%
17 Amazonas	747.152	644.685	2.187.321	0,1%	15,9%	82.011	78.914	919.926	0,1%	3,9%	418.995	614.056	3.334.651	0,1%	-31,8%
18 Distrito Federal	718.940	1.973.689	590.898	0,1%	-63,6%	129.812	234.124	123.756	0,1%	-44,6%	650.990	1.138.067	663.991	0,2%	-42,8%
19 Tocantins	525.114	84.532	1.744.648	0,04%	521,2%	90.025	8.902	566.289	0,1%	911,3%	457.275	45.550	2.708.653	0,1%	903,9%
20 Maranhão	167.162	114.039	1.030.800	0,01%	46,6%	23.032	29.815	408.586	0,02%	-22,8%	19.028	43.510	1.117.575	0,01%	-56,3%
21 Espírito Santo	31.893	81.776	30.711	0,003%	-61,0%	302	646	327	0,000%	-53,3%	172	291	159	0,000%	-40,9%
22 Not Declared*	1.365	1.103	0	0,000%	23,8%	66	16	0	0,000%	312,5%	34	13	0	0,000%	161,5%
23 Acre	0	0	2.285.899	0,0%	-	0	0	682.556	0,0%	-	0	0	3.226.499	0,0%	-
24 Rondônia	0	0	1.795.262	0,0%	-	0	0	560.685	0,0%	-	0	0	2.583.835	0,0%	-
25 Sergipe	0	0	1.133.697	0,0%	-	0	0	349.895	0,0%	-	0	0	1.476.057	0,0%	-
Total	1.218.859.552	1.414.447.447	975.999.990	100,0%	-13,8%	140.749.731	172.306.969	171.482.016	100,0%	-18,3%	354.537.869	395.578.583	461.682.594	100,0%	-10,4%

Source: SECEX - Prepared by CICB - *Advanced shipping, without prior information on the state of origin by the exporter



■ ANALYSIS OF STATES

Exports from the Brazilian states, at the end of the year, had the following highlights:

- Among the ten largest exporters, only the state of Santa Catarina maintained a positive index in value, with +32.9% (up to November +32.1%). The other states presented reductions, where the most accentuated falls were in Minas Gerais, with -44.9% (-44.2%) and Ceará, with -31.3% (-34.1%). With this result, Ceará moved to 8th place in the ranking, while Minas Gerais moved to 9th.

- Regarding the volume sold in the TOP10, two states had positive indexes in terms of area: Santa Catarina, with +19.2%, and Pará, with +5.4%. In terms of weight, we had three growing states: Santa Catarina with +32.9%, Pará with +14.8% and Paraná with +4.1%.

- Rio Grande do Sul remained the leader in exports, with a share of 27.1% in value and 24.9% in area. In terms of weight, the leader is Paraná, with a 20.9% share. Following the value ranking are Paraná (16.7%), São Paulo (15.8%) and Goiás (14.8%). In area, Rio Grande do Sul is the leader, with 24.9%, with Paraná in second, with 19.3%, followed by Goiás (15.1%) and São Paulo (13.9%).

■ CLOSING REMARKS

When we analyze the values and volumes of Brazilian exports of hides and skins, we can see that the year 2022 was divided into two distinct periods. While the monthly average for the first half was above US\$ 111.0 million, and we had almost stability compared to the previous year, in the second half this average dropped to US\$ 92.1 million, reaching a drop of almost 25%. In volume, in the second half, the average indicates that there were about 2.2 million square meters less each month, compared to the same period in 2021.

These reductions in the second part of the year were strongly reflected in total exports, resulting in drops of 13.8% in value and 18.3% in volume, compared to 2021. When we compare the total of 2022 with the year of 2020, which had the lowest value exported in 18 years, we also noticed a growth of 24.9%, but the first semester indicated an increase of 48.1%.

It was a year of great challenges related to the market and the global economic and political situation, especially in Asia and Europe, where the largest customers of national leather are located. The sector had to act in a negative environment of restrictions still in effect from the pandemic in Asia, in addition to the terrible conflict between Ukraine and Russia. This situation in Europe caused absurd increases in important costs, such as electricity, consequently increasing inflation and curbing the consumption of goods that use leather. –