



BRAZILIAN EXPORTS OF HIDES AND SKINS

JANUARY 2021

SUMMARY

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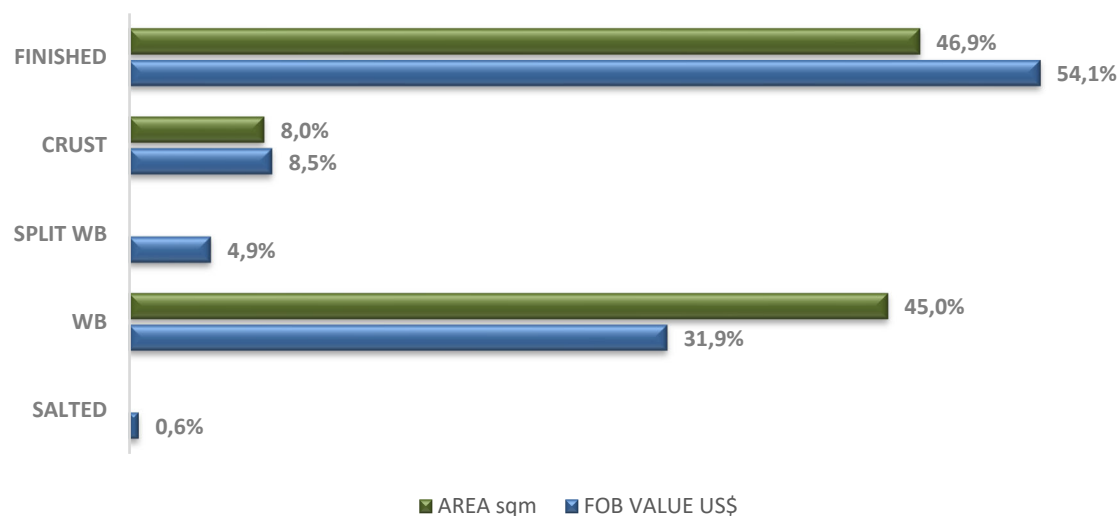
1 - ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS

JANUARY 2021

The Hides and Skins Exports released by SECEX (Foreign Trade Secretariat) of the Ministry of Economy, for the month of January 2021, amounted to US\$ 97.8 million, an important increase of 19.8% year-on-year, when US\$ 81.7 million worth was exported, however a drop of 5.3% compared to December, when total was US\$ 103.3 million.

Considering exports in square meters, during January were shipped 14.8 million, 1.0% higher year-on-year, but down 11.8% compared to the previous month, when total was 16.8 million.

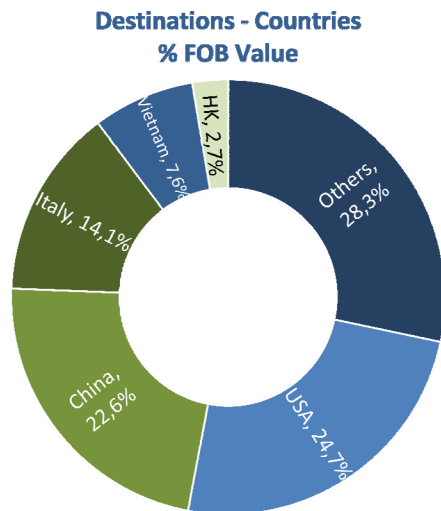
Below is the profile of 2021's bovine exports:



These are the variations of the Brazilian exports of bovine leather during January 2021, year-on-year:

- Salted hides higher 199.8% in value, and also +69.2% in weight;
- Wet Blue increasing 46.5% in value, but -9.4% in area;
- Split WB down 0.1% in value, but higher 7.3% in area;
- Crust with value down 2.7% and also area -4.6%;
- Finished leather higher 13.2% in value and 9.9% in area.

Below are the 2021 destinations:



These are highlights of January 2021 for the three main destinations for Brazilian leather:

- Italy has a share of 24.7% in value and 26.0% in area, with a monetary increase of 81.2% and also of 27.2% in volume;
- China, which is now in second place in the ranking, with a share of 22.6% in value and 27.9% in area, had a small decrease of 0.6% in values, but a significant reduction of 19.4% in volume;

- United States, with a share of 14.1% in value and 8.6% in area, shows a monetary drop of 1.2% and also a reduction of 3.1% in volume.

Italy, which ended the year 2020 with sharp reductions in values (-40.7%) and in volumes (-19.7%), now shows a resumption in purchases quite important for Brazilian leather, even ranking first, if we consider China without Hong Kong. China and United States, on the other hand, show relative stability in values, but in volumes it is possible to see worrying declines, with a negative highlight for China, with -19.4%.

As an analysis of other countries considered important players for the Brazilian leather, we highlight the following: Vietnam, in 4th place in the ranking (7.6% value share), had an increase of 95.5% in value, and also +47.2% in volume; Germany, in 5th place, with share of 4.7% in value, shows a drop of 2.1% in value and 8.7% in area; Thailand, raking 6th, with value growth of 36.4% and also in area of 32.9%; and then Mexico, with decline in value and area, of -26.1% and -36.7%, respectively. Among the TOP30 destinations, the biggest growth of January was with Argentina, with 328.4% in value and +81.0% in area; and then with Netherlands, with +317.9% in value and +229.5% in volume.

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

Origins - States
% FOB value US\$

Rio Grande do Sul, 29,6%	Others, 21,8%	Goiás, 14,2%	Paraná, 13,9%	São Paulo, 13,4%	Mato Grosso do Sul, 7,1%
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Some highlights considering exporting states:

- Among the TOP10, few states showed reductions in values in the month of January compared to 2020. The only two were: Santa Catarina, with -20.7%, and Bahia, with -1.8%. +4.1%; and Minas Gerais, with +1.9%. The remaining eight states showed increases, with emphasis on Ceará, with +95.7%, Mato Grosso do Sul, with +64.2% and Minas Gerais, with +55.9%. Considering volumes, the positive highlight is also in first place with Ceará, as it showed a growth of 120.7%. Minas Gerais and Rio Grande do Sul also presented significant indexes, with +45.0% and +40.7%, respectively;

- Still among the ten largest exporters, other states that also showed improvements in monetary indexes were: Pará, with +38.2%, Rio Grande do Sul, +34.8%, Goiás, with +13.3%, and São Paulo, +13.1%;

- Rio Grande do Sul remains the leader in exports in January, showing share of 29.6%, more than twice the share of the second place, which is now Goiás, with 14.2%. Paraná and São Paulo are in the following positions, with 13.9% and 13.4%, respectively. Considering volume shares, the leadership is also with the companies from Rio Grande do Sul, with 29.0%, followed by Paraná, with 15.4%, Goiás (13.5%) and São Paulo (13.1%);

- The highest growth of the year among all states, considering volumes, was from Piauí, with +305.0%, ranking 12th.

Some important signs occurred in exports in this first month of 2021. The most significant highlight was the positive indexes of the total export considering values (+19.8%) and volumes (+1.0%) compared to the same month last year. In addition to these growths, January 2021 had two working days less than January 2020, so this shows that exports were even better by the daily average (growth of 31.8% in value and 11.1% in volume, by the daily average). Another highlight was Italy, which, after a year of poor purchases of Brazilian leather, starts with a very positive drive (+81.2% in value and +27.2% in area), despite the tightening of restrictions that still occur across Europe. Finally, we must highlight the growth in exports of Finished leather, which after a bad year, also shows positive signs in both items (+13.2% in value and +9.9% in area). Thereby it once again had a larger share in volume than Wet Blue leather, a situation that had not occurred since 2018.

In January, there was also an inversion between the indexes of values and volumes. While throughout the year 2020, compared to the year 2019, there were variations in values worse than the changes in volumes, now the opposite has occurred. Most of the changes in values were better than volumes, clearly showing that prices increased. The exceptions were Splits and Crust. There was also this trend in most markets, with few exceptions.

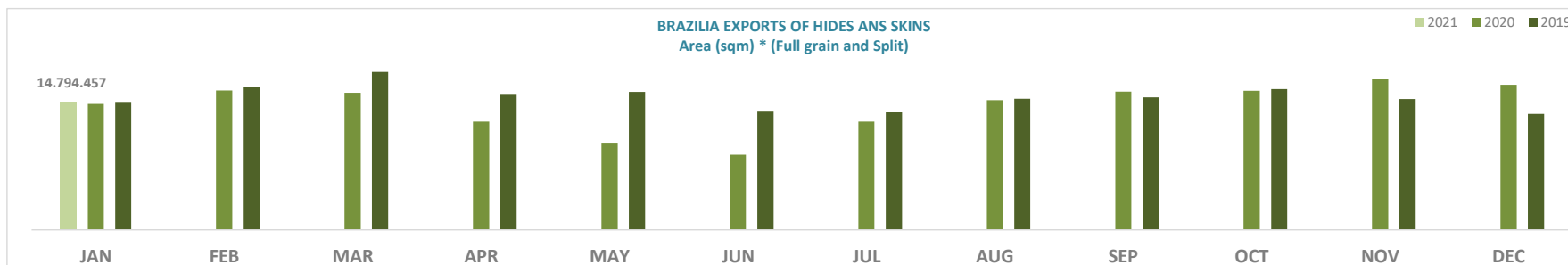
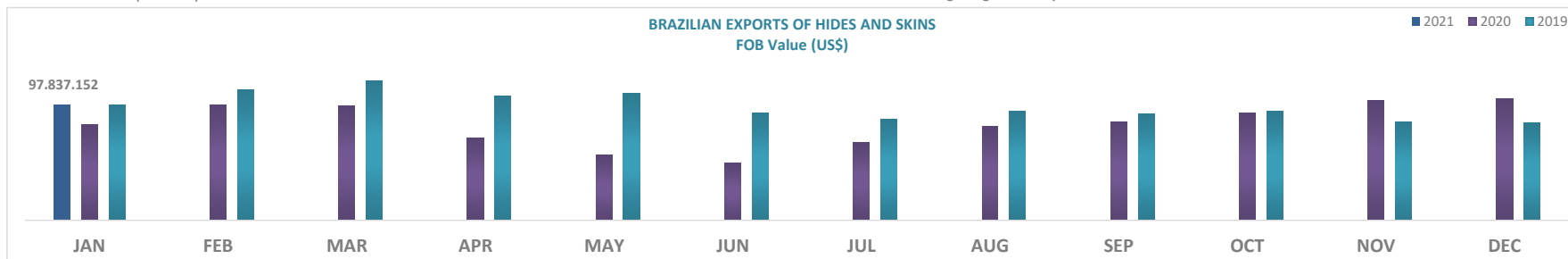
Despite all these positive signs, concerns remain and expectations for leather purchases abroad are difficult to predict, as the economy and global markets depend too much on controlling the situation, after almost a year since the start of the pandemic. -

2 - BRAZILIAN EXPORTS OF HIDES AND SKINS

MONTH	FOB VALUE (US\$)			Δ (%)			AREA* (sqm)			Δ (%)		
	2021	2020	2019	MONTH 2020	2021/2020	2021/2019	2021	2020	2019	MONTH 2020	2021/2020	2021/2019
JAN	97.837.152	81.668.819	98.084.385	-5,3%	19,8%	-0,3%	14.794.457	14.641.331	14.761.798	-11,8%	1,0%	0,2%
FEB		98.050.500	110.865.937					16.093.909	16.450.463			
MAR		96.997.872	118.876.746					15.827.940	18.232.700			
APR		69.882.244	105.935.839					12.510.467	15.685.661			
MAY		55.183.984	107.847.382					10.065.058	15.914.498			
JUN		48.359.633	91.317.919					8.673.398	13.741.104			
JUL		66.205.148	86.133.297					12.498.924	13.605.791			
AUG		79.465.050	92.351.955					14.965.252	15.124.597			
SEP		83.687.375	90.587.484					15.976.269	15.293.740			
OCT		91.164.600	92.618.708					16.060.994	16.274.932			
NOV		102.004.564	83.767.663					17.398.468	15.092.702			
DEC		103.329.742	82.617.316					16.769.721	13.371.975			
Total	97.837.152	975.999.531	1.161.004.631		19,8%	-0,3%	14.794.457	171.481.731	183.549.961		1,0%	0,2%

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 2021	Jan 2020	Jan 2019	Share 21	2021/2020	Jan 2021	Jan 2020	Jan 2019	Share 21	2021/2020
1 China + Hong Kong	24.766.923	25.774.942	27.803.874	25,3%	-3,9%	4.513.935	6.140.668	5.409.083	30,5%	-26,5%
2 Italy	24.121.779	13.312.618	19.552.296	24,66%	81,2%	3.841.266	3.018.814	3.345.105	26,0%	27,2%
China	22.159.269	22.299.483	24.594.476	22,65%	-0,6%	4.128.911	5.119.843	5.029.069	27,9%	-19,4%
3 United States	13.826.810	13.994.121	15.647.987	14,13%	-1,2%	1.266.934	1.306.887	1.274.671	8,6%	-3,1%
4 Vietnam	7.421.104	3.795.319	6.085.889	7,6%	95,5%	1.402.694	952.908	1.261.746	9,5%	47,2%
5 Germany	4.559.280	4.658.612	4.608.937	4,7%	-2,1%	426.395	467.177	382.551	2,9%	-8,7%
6 Thailand	3.416.118	2.503.884	3.673.338	3,5%	36,4%	359.078	270.244	375.182	2,4%	32,9%
7 Mexico	3.008.314	4.068.932	2.014.466	3,07%	-26,1%	214.707	339.200	158.694	1,5%	-36,7%
Hong Kong	2.607.654	3.475.459	3.209.398	2,7%	-25,0%	385.024	1.020.825	380.014	2,6%	-62,3%
8 Taiwan	2.065.514	1.505.736	1.986.454	2,1%	37,2%	853.392	470.699	550.410	5,8%	81,3%
9 Hungary	2.052.836	2.072.673	878.607	2,1%	-1,0%	162.807	170.330	76.392	1,1%	-4,4%
10 India	1.475.996	1.211.770	1.894.849	1,5%	21,8%	293.357	400.089	549.239	2,0%	-26,7%
11 Indonesia	987.677	934.273	831.111	1,0%	5,7%	145.241	117.484	65.090	1,0%	23,6%
12 Netherlands	982.128	235.039	718.276	1,0%	317,9%	104.769	31.795	77.112	0,7%	229,5%
13 Soluth Korea	970.197	1.022.369	1.132.392	1,0%	-5,1%	97.141	165.882	166.258	0,7%	-41,4%
14 Norway	814.885	291.515	636.941	0,8%	179,5%	63.073	21.318	40.530	0,4%	195,9%
15 Uruguay	689.956	467.305	2.073.277	0,7%	47,6%	95.347	56.342	203.951	0,6%	69,2%
16 Tunisia	572.158	531.753	487.387	0,6%	7,6%	34.587	35.847	25.460	0,2%	-3,5%
17 Spain	566.348	200.487	336.377	0,6%	182,5%	217.606	51.599	101.668	1,5%	321,7%
18 Malaysia	561.224	408.490	1.081.666	0,6%	37,4%	47.313	29.975	83.959	0,3%	57,8%
19 Portugal	551.569	608.841	682.368	0,6%	-9,4%	85.758	74.557	98.584	0,6%	15,0%
20 Macau	477.669	0	0	0,5%	-	84.435	0	0	0,6%	-
21 Canada	394.523	422.733	587.663	0,4%	-6,7%	27.443	30.221	33.808	0,2%	-9,2%
22 Switzerland	369.900	0	0	0,4%	-	121.644	0	0	0,8%	-
23 Lithuania	307.266	178.969	169.378	0,3%	71,7%	18.159	13.251	11.301	0,1%	37,0%
24 Seychelles	276.762	0	0	0,3%	-	20.008	0	0	0,1%	-
25 Argentina	272.139	63.521	267.546	0,3%	328,4%	29.690	16.400	16.931	0,2%	81,0%
26 Australia	270.392	177.933	340.325	0,3%	52,0%	19.319	10.225	25.388	0,1%	88,9%
27 Chile	251.842	228.848	127.786	0,3%	10,0%	47.785	29.369	20.682	0,3%	62,7%
28 Poland	211.613	217.037	31.408	0,2%	-2,5%	24.036	23.058	2.180	0,2%	4,2%
29 United Kingdom	208.724	432.985	389.384	0,2%	-51,8%	22.898	40.979	46.148	0,2%	-44,1%
30 Cambodia	204.773	197.379	559.249	0,2%	3,7%	21.253	23.424	40.008	0,1%	-9,3%
Others (2021: +15 countries)	1.180.733	2.150.735	3.485.154	1,2%	-45,1%	132.387	332.589	319.667	0,9%	-60,2%
Total	97.837.152	81.668.819	98.084.385		19,8%	14.794.457	14.641.331	14.761.798		1,0%

Source: MDIC/SECEX - Prepared by: CICB

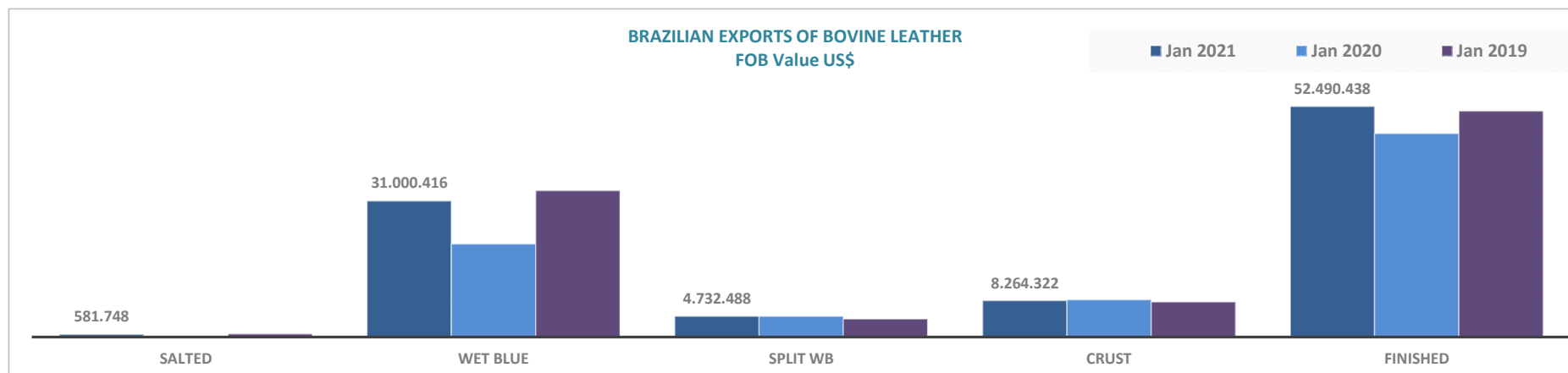
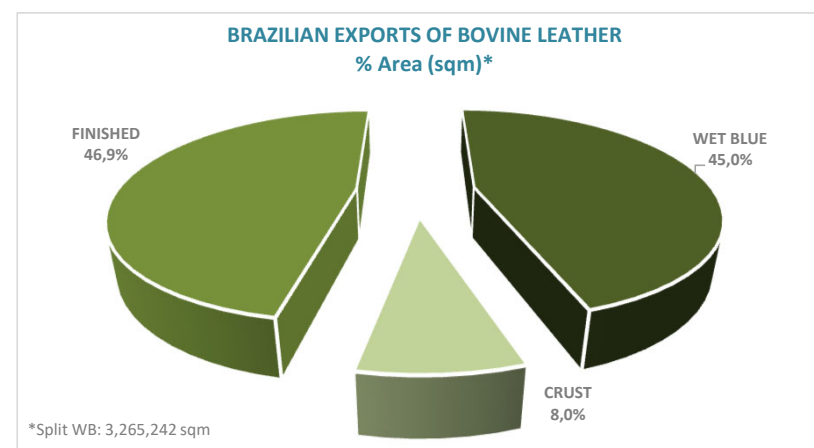
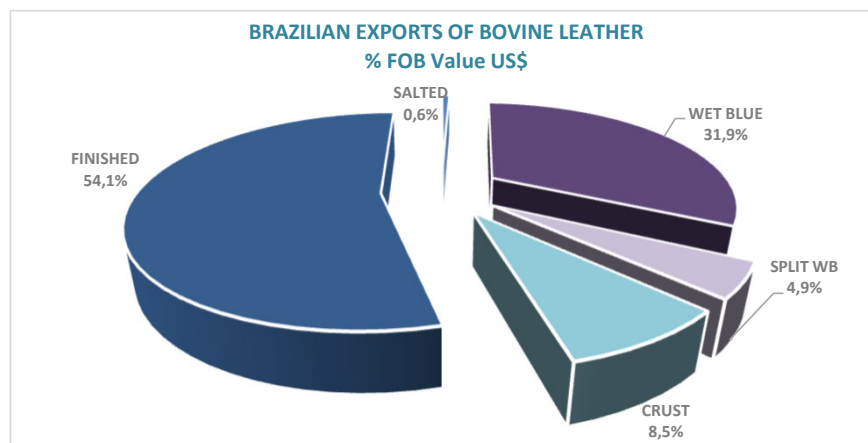
*Area including Full grain and Split

4 - BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)			Δ		AREA (sqm)*			Δ		WEIGHT (KG)			Δ	
	Jan 2021	Jan 2020	Jan 2019	2021/2020	2021/2019	Jan 2021	Jan 2020	Jan 2019	2021/2020	2021/2019	Jan 2021	Jan 2020	Jan 2019	2021/2020	2021/2019
SALTED	581.748	194.051	674.914	199,8%	-13,8%	-	-	-	-	-	905.602	535.230	758.047	69,2%	19,5%
WET BLUE	31.000.416	21.166.318	33.322.997	46,5%	-7,0%	5.166.994	5.703.980	6.729.730	-9,4%	-23,2%	22.394.815	24.864.139	28.165.553	-9,9%	-20,5%
SPLIT WB	4.732.488	4.737.466	4.080.409	-0,1%	16,0%	-	-	-	-	-	9.121.204	8.893.156	7.787.933	2,6%	17,1%
CRUST	8.264.322	8.489.936	7.984.378	-2,7%	3,5%	922.134	966.134	811.730	-4,6%	13,6%	848.805	864.469	814.382	-1,8%	4,2%
FINISHED	52.490.438	46.365.755	51.458.914	13,2%	2,0%	5.384.701	4.898.828	4.601.448	9,9%	17,0%	4.691.399	4.279.944	4.497.719	9,6%	4,3%
Total	97.069.412	80.953.526	97.521.612	19,9%	-0,5%	11.473.829	11.568.942	12.142.908	-0,8%	-5,5%	37.961.825	39.436.938	42.023.634	-3,7%	-9,7%

Source: MDIC/SECEX - Prepared by: CICB

*Only full grain



5 - BRAZILIAN EXPORTS OF HIDES AND SKINS BY STATE

	FOB VALUE (US\$)			Share 2021	Δ		AREA* (sqm)			Share 2021	Δ	
	Jan 2021	Jan 2020	Jan 2019		2021/2020	2021/2019	Jan 2021	Jan 2020	Jan 2019		2021/2020	2021/2019
1 Rio Grande do Sul	28.929.087	21.462.984	24.787.907	29,6%	34,8%	16,7%	4.289.419	3.049.004	3.182.861	29,0%	40,7%	34,8%
2 Goiás	13.938.836	12.302.143	13.723.692	14,2%	13,3%	1,6%	1.996.646	2.183.627	2.481.690	13,5%	-8,6%	-19,5%
3 Paraná	13.572.306	13.014.159	15.599.477	13,9%	4,3%	-13,0%	2.274.378	2.571.032	2.637.634	15,4%	-11,5%	-13,8%
4 São Paulo	13.109.496	11.588.583	16.327.120	13,4%	13,1%	-19,7%	1.932.865	1.863.038	2.173.681	13,1%	3,7%	-11,1%
5 Mato Grosso do Sul	6.965.005	4.242.492	6.374.942	7,1%	64,2%	9,3%	1.157.133	1.199.657	1.232.350	7,8%	-3,5%	-6,1%
6 Bahia	4.652.974	4.737.001	4.978.483	4,8%	-1,8%	-6,5%	747.744	1.016.726	640.703	5,1%	-26,5%	16,7%
7 Minas Gerais	4.113.914	2.638.758	2.107.783	4,2%	55,9%	95,2%	776.788	535.592	371.164	5,3%	45,0%	109,3%
8 Ceará	4.053.362	2.070.684	4.888.217	4,1%	95,7%	-17,1%	391.726	177.459	480.907	2,6%	120,7%	-18,5%
9 Pará	3.997.541	2.892.087	2.958.481	4,1%	38,2%	35,1%	568.744	730.883	560.280	3,8%	-22,2%	1,5%
10 Santa Catarina	2.805.005	3.538.606	4.199.423	2,9%	-20,7%	-33,2%	468.155	563.936	617.862	3,2%	-17,0%	-24,2%
11 Mato Grosso	703.830	1.323.330	639.767	0,7%	-46,8%	10,0%	120.564	307.948	101.697	0,8%	-60,8%	18,6%
12 Piauí	385.017	221.844	275.164	0,4%	73,6%	39,9%	41.883	10.342	28.272	0,3%	305,0%	48,1%
13 Rio de Janeiro	258.369	270.705	209.024	0,3%	-4,6%	23,6%	2.733	2.608	13.858	0,02%	4,8%	-80,3%
14 Distrito Federal	159.871	0	0	0,2%	-	-	22.003	0	0	0,1%	-	-
15 Rio Grande do Norte	73.845	0	0	0,1%	-	-	0	0	0	0,0%	-	-
16 Amapá	55.248	53.922	25.238	0,1%	2,5%	118,9%	0	0	0	0,0%	-	-
17 Pernambuco	54.142	0	21.413	0,1%	-	152,8%	3.676	0	1.106	0,02%	-	232,4%
18 Amazonas	9.304	293.587	589.780	0,01%	-96,8%	-98,4%	0	98.503	143.073	0,0%	-100,0%	-100,0%
19 Acre	0	209.218	0	0,0%	-100,0%	-	0	55.372	0	0,0%	-100,0%	-
20 Espírito Santo	0	3.835	0	0,0%	-100,0%	-	0	43	0	0,0%	-100,0%	-
21 Maranhão	0	111.116	305.517	0,0%	-100,0%	-100,0%	0	45.725	77.405	0,0%	-100,0%	-100,0%
22 Rondônia	0	470.772	0	0,00%	-100,0%	-	0	175.190	0	0,0%	-100,0%	-
23 Sergipe	0	33.269	25.197	0,00%	-100,0%	-100,0%	0	12.758	5.025	0,0%	-100,0%	-100,0%
24 Tocantins	0	189.724	47.760	0,000%	-100,0%	-100,0%	0	41.888	12.230	0,0%	-100,0%	-100,0%
Total	97.837.152	81.668.819	98.084.385	100,0%	19,8%	-0,3%	14.794.457	14.641.331	14.761.798	100,0%	1,0%	0,2%

Source: MDIC/SECEX - Prepared by: CICB

