



## BRAZILIAN EXPORTS OF HIDES AND SKINS

**MAY 2019**



## SUMMARY

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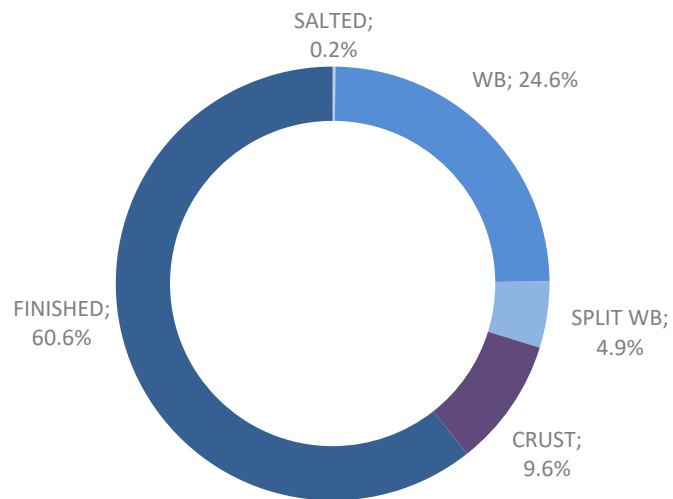
## 1 - ANALYSIS OF BRAZILIAN EXPORTS OF HIDES AND SKINS MAY 2019

The Hides and Skins Exports released by SECEX (Foreign Trade Secretariat), for the month of May 2019, registered the amount of US\$ 107.1 million, up 5.6% year-on-year, when total exports were US\$ 101.4 million, and also increase of 1.3% compared to April, when amount was US\$ 105.7 million.

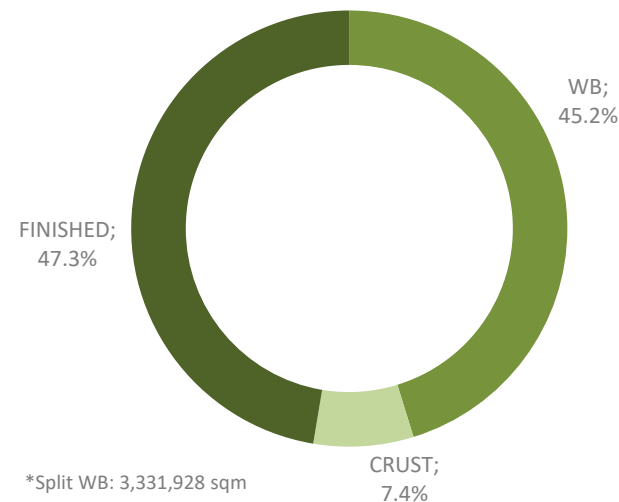
Considering exports in square meters, in May were shipped 15.8 million, 31.4% higher than same month of 2018, when total was 12.1 million. Considering the five months, exported area now is 3.6% higher than 2018.

Profile of May 2019 exports is the following:

**FOB VALUE US\$**



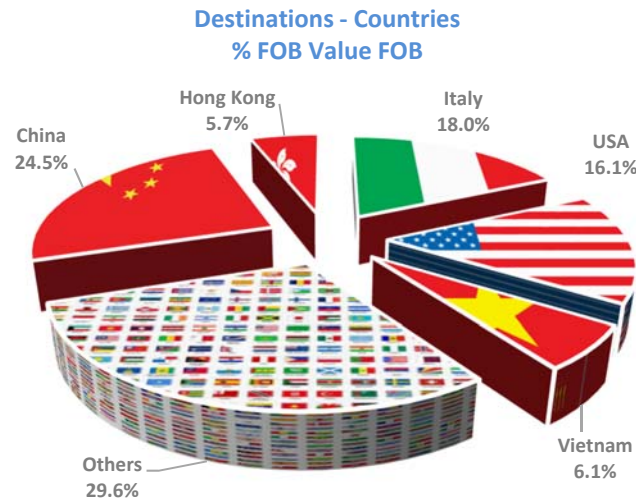
**AREA sqm**



Considering types of leather, these are the variations of the Brazilian exports of bovine hides, in the period 2018 to 2019, for the five months of the year:

- Salted hides increased 20.9% in value and 21.2% in weight;
- Wet Blue declined 24.5% in value, but were up 18.6% in area;
- Split WB declined 1.5% in value and 7.0% in area;
- Crust was lower 26.1% in value and 19.1% in area;
- Finished leather declined 15.7% in value and now is stable in area, with only -0.03%.

Below are destinations of January to May 2019:

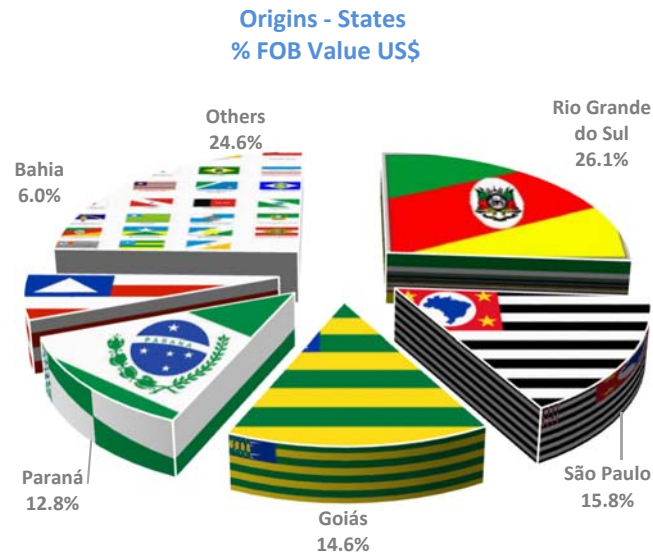


Below are some highlights of the results of some markets with relevant share in the exports of the sector, considering January to May:

- China, with share of 24.5%, grew 7.8% in trade area (before +1.0%), however decreased 26.6% (-32.3%) in value;
- Italy with share of 18.0%, grew by 4.1% (+0,2%) in trade area, but down 10.9% (-14.3%) considering value;
- USA with share of 16.1%, 10.3% (-15.2%) down in area and also down 21.7% (-25.5%) in value;

If we consider the other countries with relevant share and some of the target markets for the Brazilian Leather project, we highlight the growth of Hong Kong, with +64.1% in area but still down 1.5% in value, Germany with +52.2 % in value and +89.8% in area, India with +31.0% in value and +85.9% in area, South Korea with +27.4% in value and +70.1% in area, and finally Spain, with +22.9% in value and now positive also in area, with +1.8%. All these markets show better results compared to period of January to April. France still showing a significant accumulated growth in the five months of the year, with now +409.6% in value and +309.8% in area.

Below origins of five months of 2019:



Some highlights considering exporting states:

- Except Paraná state and Minas Gerais, all other TOP10 states show a decrease in value, with a negative highlight for São Paulo and Pará, with -31.9% and -36.7%, respectively;

- Paraná state, that in April had accumulated drop of 1.1%, now shows 1.0% increase in value. Minas Gerais had a significant recover, now with an increase of 6.2% in value from January to May (-12.2% from January to April);

- Rio Grande do Sul increases share to 26.1% (25.9%), with São Paulo also with a better position now, to 15.8% (15.4%);

- Goiás state lost a small percentage, now 14.6% (14.7%), however Paraná, even recovering, decreases share to 12.8% (before 13.4%);

- Among states with lowest share, Piauí and Amazonas show a triple-digit growth in value, with 321% and 762% respectively, and 319% and 1.276% in area;

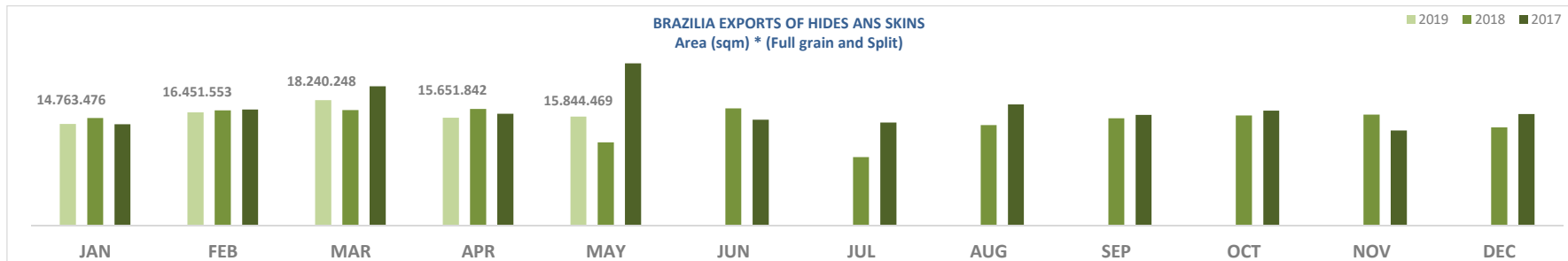
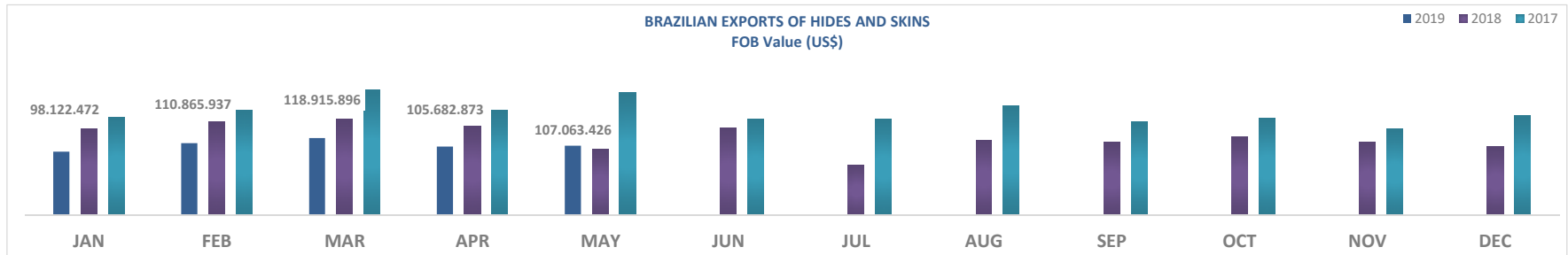
As a result, the five months of 2019 closed with a now positive variation of 3.6% in the total area, showing a recover in value, even though it still negative year-on-year: -18.4% (before -23.4%). Low demand and devaluation of lower grade product prices still reflecting badly over Brazilian exports. Volume growth occurred in the Salted (weight) and Wet Blue (area) stages, and this month the trade area of finished leather has shown a strong recovery and is now stable compared to 2018. Decreases continue in Split WB and Crust, in these cases both in value and in area. Only the Salted hides had growth in value from January to May. -

## 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	98.122.472	132.850.230	150.594.334	-7,0%	-26,1%	-34,8%	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	118.915.896	147.515.178	192.569.385	7,3%	-19,4%	-38,2%	18.240.248	16.782.906	20.239.371	10,9%	8,7%	-9,9%
APR	105.682.873	136.997.970	161.555.800	-11,1%	-22,9%	-34,6%	15.651.842	16.935.718	16.246.555	-14,2%	-7,6%	-3,7%
MAY	107.063.426	101.387.567	189.315.724	1,3%	5,6%	-43,4%	15.844.469	12.060.974	23.563.932	1,2%	31,4%	-32,8%
JUN		134.092.407	148.251.832					17.040.148	15.371.874			
JUL		77.719.735	148.621.433					9.932.086	14.941.320			
AUG		115.879.312	168.323.058					14.602.510	17.618.510			
SEP		112.331.092	144.028.851					15.567.199	16.067.573			
OCT		120.783.613	149.290.587					15.996.995	16.695.816			
NOV		113.432.678	132.740.099					16.111.486	13.813.058			
DEC		105.533.435	153.081.851					14.245.187	16.183.081			
<b>Total</b>	<b>540.650.604</b>	<b>1.442.564.795</b>	<b>1.899.502.493</b>		<b>-18,4%</b>	<b>-36,8%</b>	<b>80.951.588</b>	<b>181.657.877</b>	<b>202.337.333</b>		<b>3,6%</b>	<b>-11,7%</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	
	Jan-May 2019	Jan-May 2018	Jan-May 2017	Share 19	2019/2018	Jan-May 2019	Jan-May 2018	Jan-May 2017	Share 19	2019/2018
1 China + Hong Kong	162.814.069	211.293.126	265.485.740	30,1%	-22,9%	30.340.373	27.020.236	30.780.000	5,6%	12,3%
China	132.189.078	180.208.806	227.208.602	24,5%	-26,6%	26.781.217	24.851.545	24.671.824	5,0%	7,8%
2 Italy	97.381.418	109.338.756	145.162.335	18,0%	-10,9%	16.964.647	16.289.446	16.444.753	3,1%	4,1%
3 United States	87.165.102	111.269.959	128.454.705	16,1%	-21,7%	7.206.333	8.035.650	8.106.767	1,3%	-10,3%
4 Vietnam	33.225.122	34.997.072	71.513.590	6,1%	-5,1%	6.133.998	6.232.030	16.032.699	1,1%	-1,6%
Hong Kong	30.624.991	31.084.320	38.277.138	5,7%	-1,5%	3.559.156	2.168.691	6.108.176	0,7%	64,1%
5 Germany	26.779.033	17.595.819	25.892.761	5,0%	52,2%	2.285.947	1.204.463	1.700.714	0,4%	89,8%
6 Thailand	16.636.195	24.115.534	29.364.200	3,1%	-31,0%	1.661.726	2.093.121	2.168.632	0,3%	-20,6%
7 Mexico	15.513.142	18.293.596	16.044.375	2,9%	-15,2%	1.249.600	1.300.310	934.066	0,2%	-3,9%
8 Taiwan (Formosa)	11.352.412	13.930.551	11.405.379	2,1%	-18,5%	3.965.602	4.653.848	2.598.708	0,7%	-14,8%
9 India	9.556.211	7.294.363	6.492.333	1,8%	31,0%	2.733.440	1.470.111	924.111	0,5%	85,9%
10 Hungary	9.352.275	32.641.724	49.438.435	1,7%	-71,3%	728.628	2.334.362	3.070.762	0,1%	-68,8%
11 Indonesia	7.140.966	12.104.356	16.091.831	1,3%	-41,0%	675.749	908.491	1.263.798	0,1%	-25,6%
12 South Korea	6.699.509	5.260.178	20.465.992	1,2%	27,4%	1.003.947	590.179	1.657.593	0,2%	70,1%
13 Uruguay	6.056.270	7.609.649	5.954.066	1,1%	-20,4%	597.928	550.991	388.666	0,1%	8,5%
14 Netherlands	5.404.746	6.070.691	7.300.933	1,0%	-11,0%	604.114	529.257	542.443	0,1%	14,1%
15 Malaysia	4.125.079	5.187.486	3.115.165	0,8%	-20,5%	331.462	345.276	191.882	0,1%	-4,0%
16 Portugal	4.017.944	4.396.047	4.426.886	0,7%	-8,6%	533.312	493.458	471.524	0,1%	8,1%
17 Norway	3.857.479	6.313.383	9.116.360	0,7%	-38,9%	247.946	372.892	478.549	0,0%	-33,5%
18 Tunisia	2.966.184	2.608.411	2.319.399	0,5%	13,7%	176.451	131.562	137.087	0,0%	34,1%
19 France	2.768.849	543.331	706.557	0,5%	409,6%	117.658	28.708	43.610	0,0%	309,8%
20 Spain	2.635.847	2.144.765	2.221.937	0,5%	22,9%	690.636	678.379	890.706	0,1%	1,8%
21 Canada	2.406.436	2.347.005	2.744.709	0,4%	2,5%	137.731	134.524	142.201	0,0%	2,4%
22 United Kingdom	2.093.650	1.737.205	1.973.228	0,4%	20,5%	247.616	159.562	237.662	0,0%	55,2%
23 South Africa	1.719.572	3.258.127	8.268.359	0,3%	-47,2%	228.179	297.121	697.757	0,0%	-23,2%
24 Dominican Republic	1.555.046	2.439.665	3.883.581	0,3%	-36,3%	236.126	211.503	259.855	0,0%	11,6%
25 Cambodia	1.545.243	681.468	382.331	0,3%	126,8%	170.321	361.285	111.258	0,0%	-52,9%
26 Argentina	1.321.490	1.342.822	1.626.251	0,2%	-1,6%	106.653	106.869	109.572	0,0%	-0,2%
27 Australia	1.135.356	2.040.189	2.183.091	0,2%	-44,4%	82.424	119.036	124.215	0,0%	-30,8%
28 Paraguay	1.088.080	1.079.450	1.846.739	0,2%	0,8%	193.631	144.052	228.045	0,0%	34,4%
29 Denmark	1.066.660	1.435.927	674.144	0,2%	-25,7%	76.828	86.902	37.954	0,0%	-11,6%
30 Chile	1.051.100	1.157.549	1.406.442	0,2%	-9,2%	116.287	106.774	129.741	0,0%	8,9%
Other (2019: +46 countries)	10.220.119	12.264.319	9.202.928	1,9%	-16,7%	1.106.295	1.171.868	740.771	0,2%	-5,6%
<b>Total</b>	<b>540.650.604</b>	<b>662.792.523</b>	<b>855.164.782</b>		<b>-18,4%</b>	<b>80.951.588</b>	<b>78.162.266</b>	<b>91.646.101</b>		<b>3,6%</b>

Source: MDIC/SECEX - Prepared by: CICB

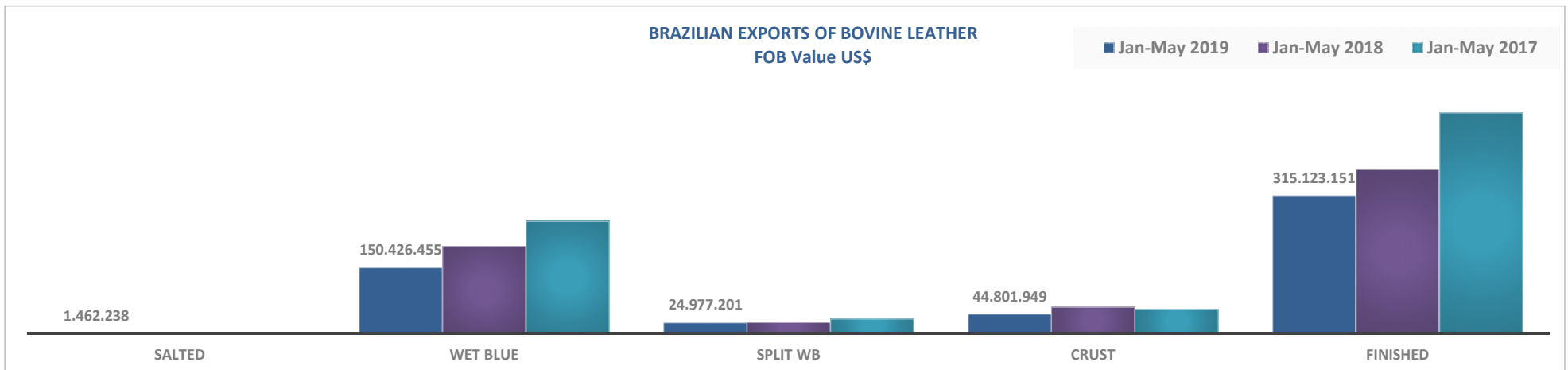
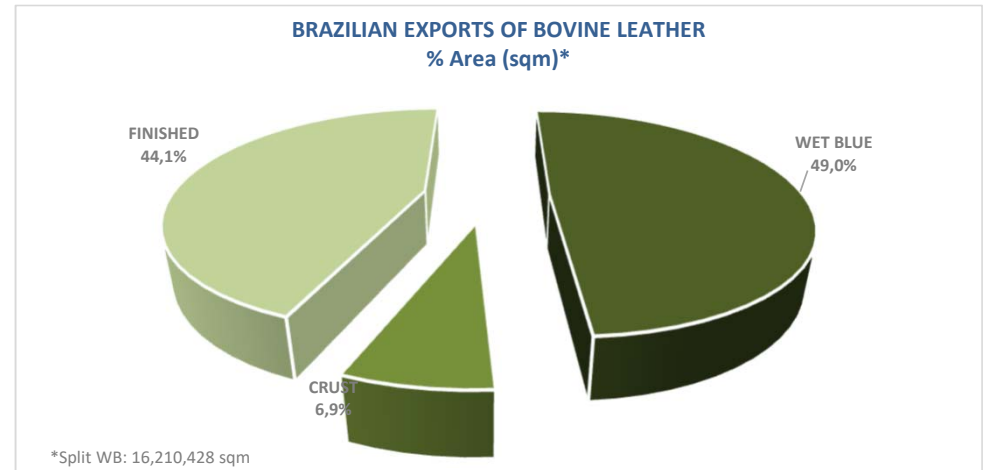
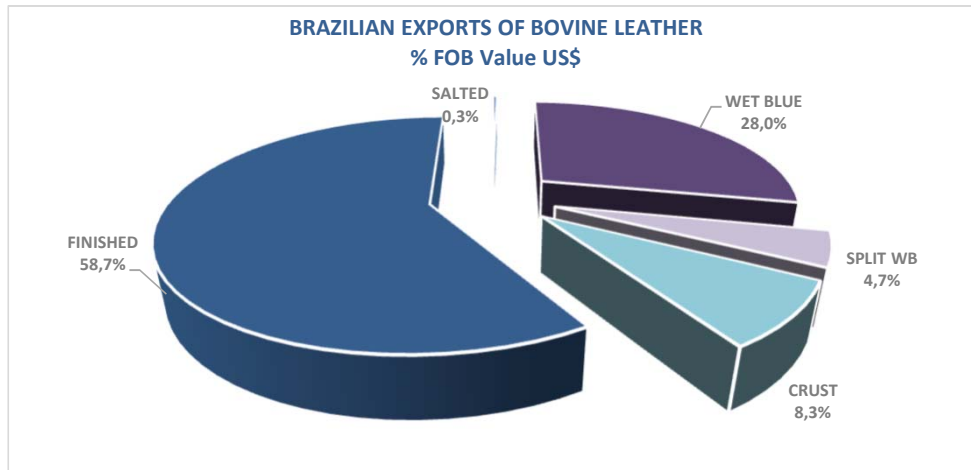
\*Area including Full grain and Split

## 4 - BRAZILIAN EXPORTS OF BOVINE LEATHER BY TYPE

TYPE OF LEATHER	FOB VALUE (US\$)			Δ		AREA (sqm)*			Δ	
	Jan-May 2019	Jan-May 2018	Jan-May 2017	2019/2018	2019/2017	Jan-May 2019	Jan-May 2018	Jan-May 2017	2019/2018	2019/2017
SALTED	1.462.238	1.209.175	1.960.064	20,9%	-25,4%	-	-	-	-	-
WET BLUE	150.426.455	199.226.696	256.246.755	-24,5%	-41,3%	31.618.120	26.650.487	27.206.874	18,6%	16,2%
SPLIT WB	24.977.201	25.351.740	33.820.469	-1,5%	-26,1%	-	-	-	-	-
CRUST	44.801.949	60.659.387	56.238.530	-26,1%	-20,3%	4.458.537	5.513.602	4.148.544	-19,1%	7,5%
FINISHED	315.123.151	374.000.281	503.529.628	-15,7%	-37,4%	28.458.830	28.466.775	38.077.027	0,0%	-25,3%
<b>Total</b>	<b>536.790.994</b>	<b>660.447.279</b>	<b>851.795.446</b>	<b>-18,7%</b>	<b>-37,0%</b>	<b>64.535.487</b>	<b>60.630.864</b>	<b>69.432.445</b>	<b>6,4%</b>	<b>-7,1%</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	
	Jan-May 2019	Jan-May 2018	Jan-May 2017		2019/2018	2019/2017	Jan-May 2019	Jan-May 2018	Jan-May 2017		2019/2018	2019/2017
1 Rio Grande do Sul	141.334.452	149.499.686	162.798.265	26,1%	-5,5%	-13,2%	17.307.485	16.050.213	19.448.809	21,4%	7,8%	-11,0%
2 São Paulo	85.196.483	125.181.996	161.604.844	15,8%	-31,9%	-47,3%	10.953.329	13.682.639	16.222.631	13,5%	-19,9%	-32,5%
3 Goiás	79.117.123	100.780.835	128.563.407	14,6%	-21,5%	-38,5%	13.350.232	11.868.201	13.984.429	16,5%	12,5%	-4,5%
4 Paraná	69.191.696	68.497.495	114.663.921	12,8%	1,0%	-39,7%	12.974.802	10.392.232	11.996.705	16,0%	24,9%	8,2%
5 Bahia	32.700.792	44.567.108	60.392.105	6,0%	-26,6%	-45,9%	4.330.670	5.481.027	5.770.468	5,3%	-21,0%	-25,0%
6 Mato Grosso do Sul	30.076.550	41.964.225	37.026.787	5,6%	-28,3%	-18,8%	6.232.282	5.790.894	4.568.909	7,7%	7,6%	36,4%
7 Santa Catarina	28.592.016	39.025.931	42.054.661	5,3%	-26,7%	-32,0%	3.940.389	4.146.507	3.948.114	4,9%	-5,0%	-0,2%
8 Ceará	25.001.450	32.003.440	55.691.640	4,6%	-21,9%	-55,1%	2.854.653	2.841.048	5.444.907	3,5%	0,5%	-47,6%
9 Minas Gerais	16.234.557	15.292.681	39.519.995	3,0%	6,2%	-58,9%	2.815.837	2.331.974	5.066.860	3,5%	20,7%	-44,4%
10 Pará	15.010.184	23.728.568	22.309.967	2,8%	-36,7%	-32,7%	2.852.221	2.960.279	2.424.185	3,5%	-3,7%	17,7%
11 Mato Grosso	9.772.602	17.125.866	20.147.407	1,8%	-42,9%	-51,5%	1.887.606	2.089.803	1.653.919	2,3%	-9,7%	14,1%
12 Piauí	1.708.628	405.700	344.839	0,3%	321,2%	395,5%	154.689	36.851	36.496	0,2%	319,8%	323,9%
13 Amazonas	1.582.804	183.444	0	0,3%	762,8%	-	453.094	32.910	0	0,6%	1276,8%	-
14 Rio de Janeiro	1.266.929	1.067.042	614.648	0,2%	18,7%	106,1%	54.590	33.755	2.509	0,1%	61,7%	2075,8%
15 Tocantins	1.264.996	1.025.883	4.190.296	0,2%	23,3%	-69,8%	280.786	140.436	638.124	0,3%	99,9%	-56,0%
16 Rondônia	921.500	0	0	0,2%	-	-	204.180	0	0	0,3%	-	-
17 Maranhão	604.139	678.151	1.613.298	0,1%	-10,9%	-62,6%	153.767	111.543	145.701	0,2%	37,9%	5,5%
18 Sergipe	373.786	235.136	1.346.141	0,1%	59,0%	-72,2%	107.656	45.872	127.863	0,1%	134,7%	-15,8%
19 Pernambuco	357.377	633.751	1.506.878	0,1%	-43,6%	-76,3%	24.240	56.494	131.003	0,0%	-57,1%	-81,5%
20 Amapá	206.389	182.468	380.571	0,0%	13,1%	-45,8%	0	0	0	0,0%	-	-
21 Acre	128.524	0	0	0,0%	-	-	19.000	0	0	0,0%	-	-
22 Espírito Santo	7.627	6.845	6.498	0,0%	11,4%	17,4%	80	77	74	0,0%	3,9%	8,1%
23 Not Declared*	0	706.272	388.614	0,0%	-100,0%	-100,0%	0	69.511	34.395	0,0%	-100,0%	-100,0%
<b>Total</b>	<b>540.650.604</b>	<b>662.792.523</b>	<b>855.164.782</b>	<b>100,0%</b>	<b>-18,4%</b>	<b>-36,8%</b>	<b>80.951.588</b>	<b>78.162.266</b>	<b>91.646.101</b>	<b>100,0%</b>	<b>3,6%</b>	<b>-11,7%</b>

Source: MDIC/SECEX - Prepared by: CICB

\*Exporter did not declare the state of origin

