# LINEAPELLE
# LEATHER MARKET OVERVIEW

## 2nd QUARTER 2026

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# RAW MATERIALS

## RAW AND SEMI-PROCESSED HIDES/SKINS - PRICE TRENDS

- In the second quarter of the year, **average price indices** for the main categories of **raw hides and skins** and semi-processed leather continued to show **very few significant changes**.
- In the **raw bovine hides/skins segment**, price movements were very limited, with all major categories recording negative trends over the three-month period under review - Calfskins declined by approximately 1% on average, as did light bovine hides and bull hides, while cow hides remained virtually unchanged.
- Average prices for **bovine wet-blue hides** increased in May, while remaining stable in April and June - The increase was exclusively attributable to Brazilian material.
- The average price index for **raw sheepskins** also increased, driven by price rises recorded in Middle Eastern markets towards the end of the quarter - European and Oceanian sheepskin prices showed greater stability.

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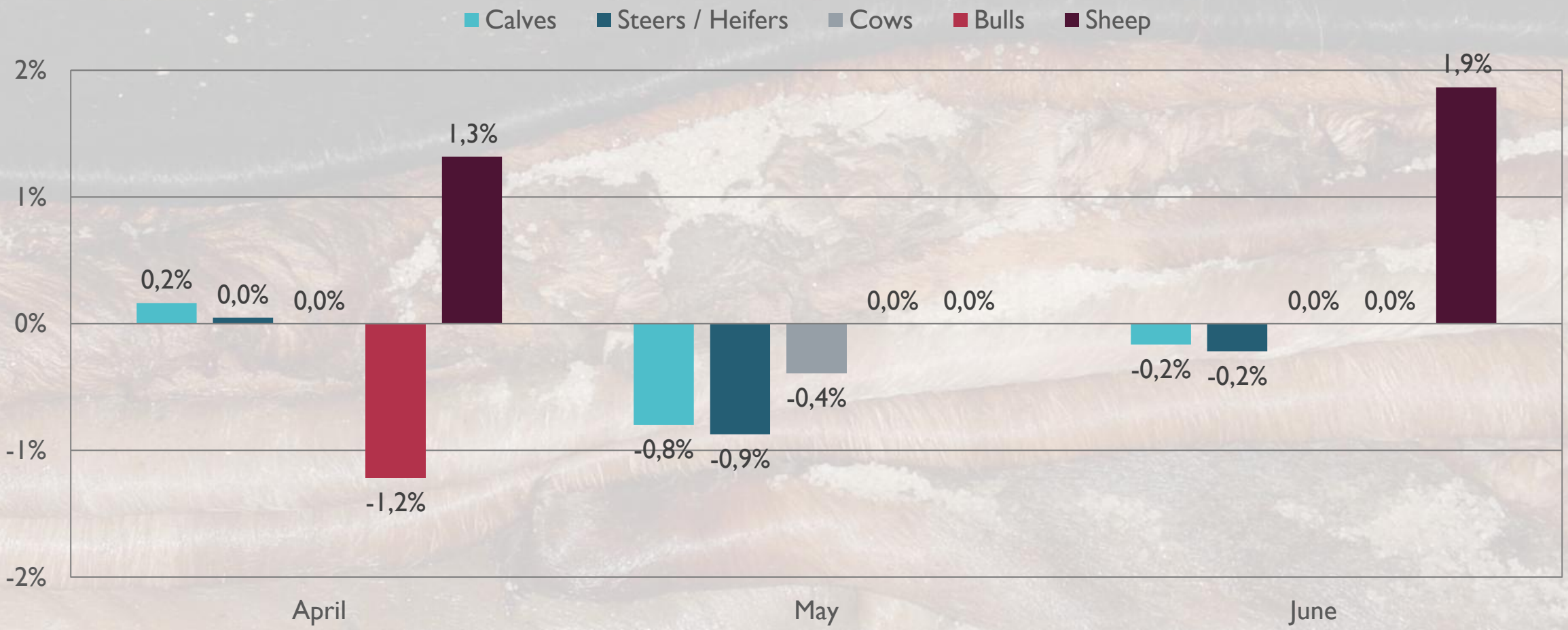
# RAW MATERIALS

## RAW HIDES/SKINS - MONTHLY VARIATIONS OF AVERAGE PRICE INDICES BY ANIMAL TYPE

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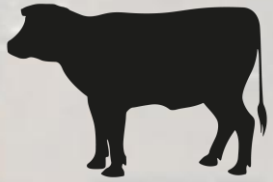
# RAW MATERIALS

## RAW HIDES/SKINS - AVERAGE PRICE CHANGES BY ANIMAL TYPE/ORIGIN (FROM JANUARY TO JUNE 2026)



| Calves | -1% | Steers, bull calves, heifers | -2% | Cows | -2% | Bulls | -2% | Sheep | +22% |
|---|---|---|---|---|---|---|---|---|---|
| Italy | -2% | Italy (bull calves) | -4% | Italy | -1% | France | -3% | Spain | +34% |
| France | = | Germany (heifers) | = | France | -4% | Netherlands | = | Iran | +10% |
| Netherlands | -1% | United Kingdom (mixed) | -2% | Netherlands | = | Germany | = | New Zealand | = |
| Australia | +1% | Spain (bull calves) | +1% | Germany | +3% | New Zealand | = | | |
| | | United States (mixed) | +4% | Spain | -4% | Denmark | = | | |
| | | Australia (mixed) | +6% | United States | = | | | | |
| | | Sweden (mixed) | = | Sweden | = | | | | |
| | | Sweden (mixed) | = | New Zealand | +8% | | | | |
| | | Denmark (mixed) | -2% | Denmark | = | | | | |

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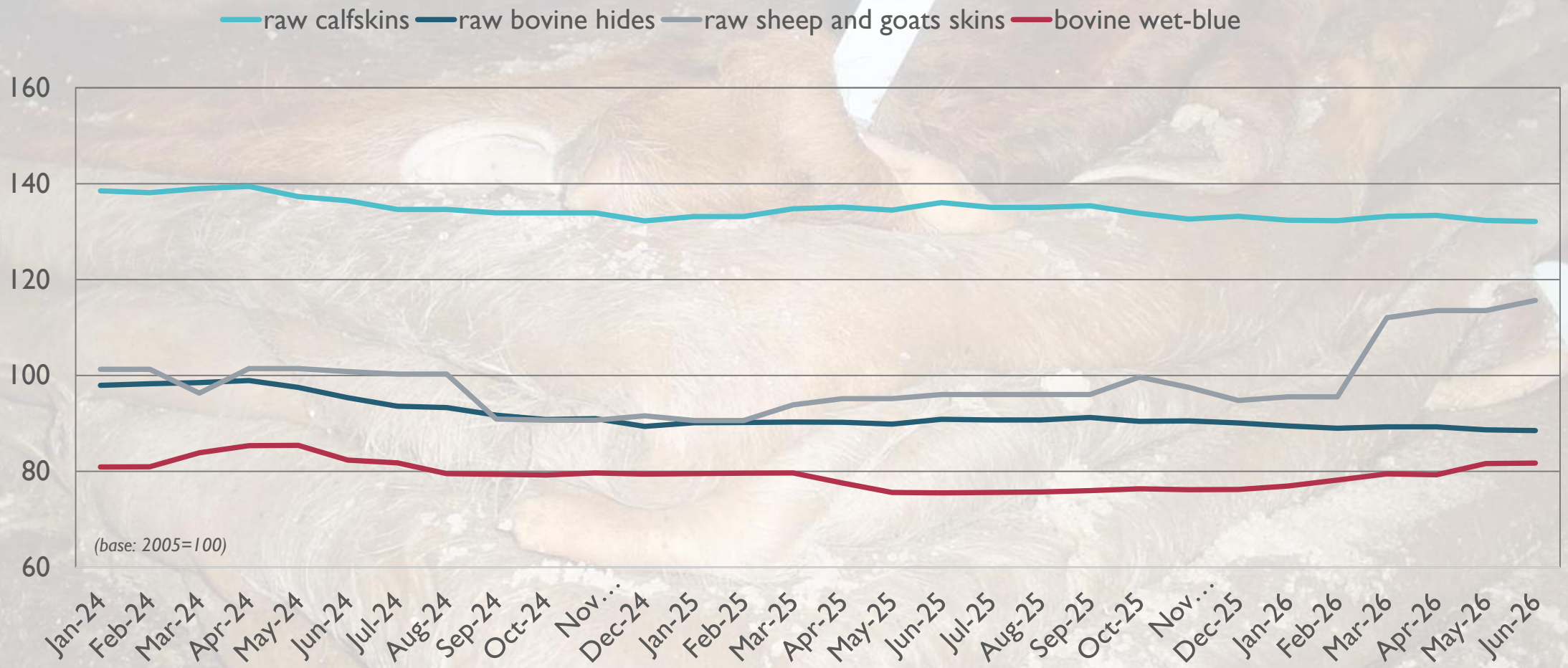
# RAW MATERIALS

## RAW AND SEMI-PROCESSED HIDES/SKINS - LONG TERM AVERAGE PRICE INDEXES BY ANIMAL TYPE

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# RAW MATERIALS

## RAW HIDES - TRENDS IN AVAILABILITY (SLAUGHTERING)

- The first half of the year recorded an overall 2% decline in **adult bovine** slaughter volumes across the monitored regions (EU, Americas and Oceania) - The European region also showed a negative trend (-3%), with increases recorded only in Spain, the Netherlands and Greece (Germany remained stable, while all other major producing countries registered declines) - In the Americas, the US and Argentina continued to experience significant decreases, in contrast to sustained growth in Brazil. Meanwhile, both Australia and New Zealand recorded increases in Oceania.
- **Calf slaughter** volumes also showed an overall negative trend in the first half of the year, declining by 4% compared with the corresponding period in 2025 - The EU aggregate fell by 3%, with significant decreases in Spain, France, Germany, Poland, Ireland and the United Kingdom, offset by increases in Italy, Belgium and the Netherlands - The US and New Zealand continued to record double-digit declines, while Australia showed a slight increase.
- The overall picture for **sheep slaughter** volumes also remained strongly negative (-11%). Unfortunately, the EU region also returned to negative territory (-2% overall), driven by declines in Spain, the United Kingdom, Ireland and Greece - Downward trends were also recorded in the USA, New Zealand and Australia.

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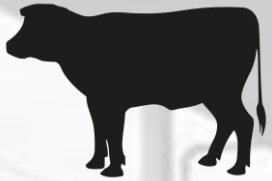
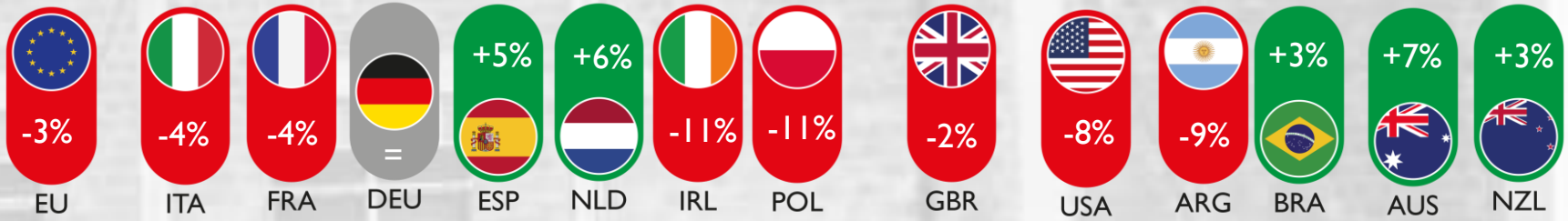
# RAW MATERIALS

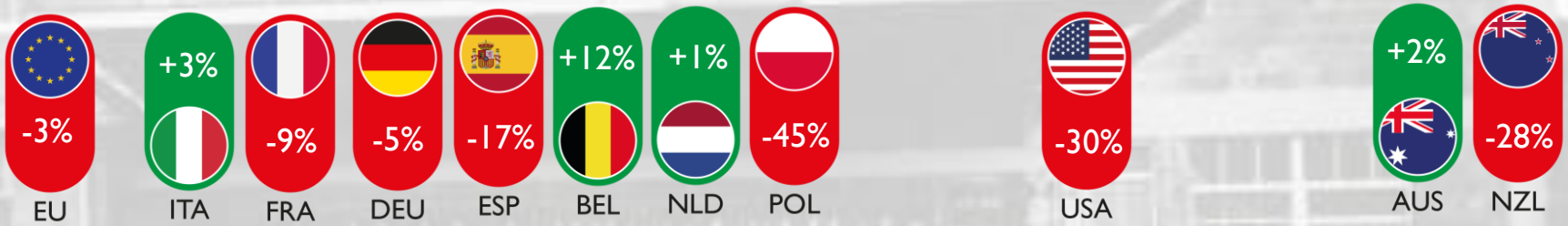
## RAW HIDES - TRENDS IN AVAILABILITY (SLAUGHTERING) I^ST HALF 2026 VS I^ST HALF 2025



- Adult Bovine:



- Calves:



- Sheep:

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# RAW MATERIALS

## OTHER REFERENCE COMMODITIES - PRICE TRENDS AND PERFORMANCE

- 2nd QUARTER 2026

VS 2nd QUARTER 2025

| OIL | COTTON | WOOL | NATURAL RUBBER | SYNTHETIC RUBBER |
|---|---|---|---|---|
| +45% | +13% | +67% | +24% | +11% |

- Aluminum +46%
- Copper +40%
- Iron +10%
- Nickel +20%
- Zinc +31%

- FIRST 6 MONTHS 2026

VS FIRST 6 MONTHS 2025

| OIL | COTTON | WOOL | NATURAL RUBBER | SYNTHETIC RUBBER |
|---|---|---|---|---|
| +22% | +5% | +62% | +9% | +5% |

- Aluminum +33%
- Copper +39%
- Iron +6%
- Nickel +15%
- Zinc +22%

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# TANNING SECTOR
## TRENDS

- Recovery trends strengthened across several leather producing countries in the second quarter of the year, although the **overall picture remained highly uneven**, particularly when looking at performance over the first half of the year.
- In the **medium and large bovine leather segment**, exports continued to show negative trends in Italy, Austria, Germany, Brazil, India, Pakistan and Turkey, while recoveries were recorded in China, Spain, France, Mexico, the United Kingdom and Argentina.
- **Small bovine leather** (calf leather) continued to face difficulties in Italy, although the year-on-year trend showed signs of improvement, while Spain and France confirmed further increases in exports.
- The picture remained mixed for **sheep and goat leather**, with positive quarterly export trends in Italy, France, China and Pakistan - Spain remained stable in the second quarter but recorded growth over the first half of the year, while India and Turkey experienced widespread declines.

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# TANNING SECTOR
## TURNOVER INDEX TRENDS IN ITALY

## 2nd QUARTER 2026 VS 2nd QUARTER 2025

- Medium-large bovine — -1% ITA
- Small bovine (calf) — = ITA
- Sheep and goat — +4% ITA

## 1st HALF 2026 VS 1st HALF 2025

- Medium-large bovine — -3% ITA
- Small bovine (calf) — -2% ITA
- Sheep and goat — -6% ITA

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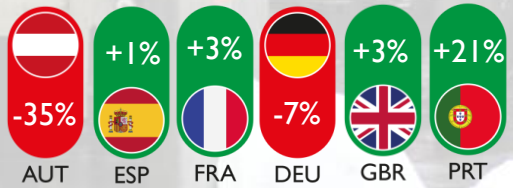
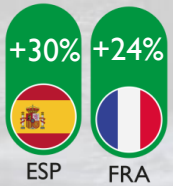
# TANNING SECTOR
## TURNOVER INDEX TRENDS IN EUROPE

## 2nd QUARTER 2026 VS 2nd QUARTER 2025

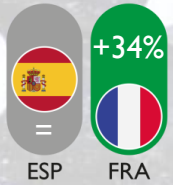
- Medium-large bovine




- Small bovine (calf)

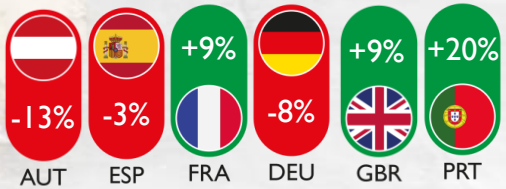



- Sheep and goat

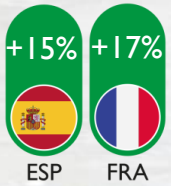



## 1st HALF 2026 VS 1st HALF 2025

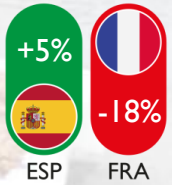
- Medium-large bovine




- Small bovine (calf)




- Sheep and goat

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# TANNING SECTOR
## TURNOVER INDEX TRENDS IN THE WORLD

## 2nd QUARTER 2026 VS 2nd QUARTER 2025

- Bovine

- Sheep and goat

## 1st HALF 2026 VS 1st HALF 2025

- Bovine

- Sheep and goat

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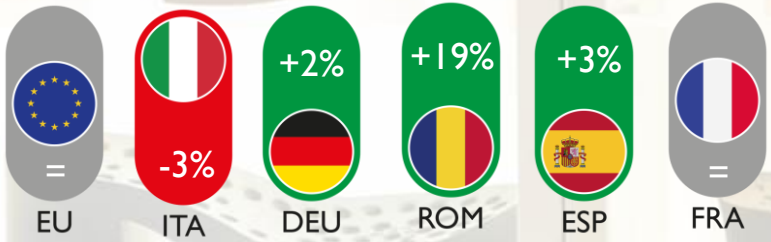
# ACCESSORIES AND COMPONENTS SECTOR
## EXPORT INDEX TRENDS

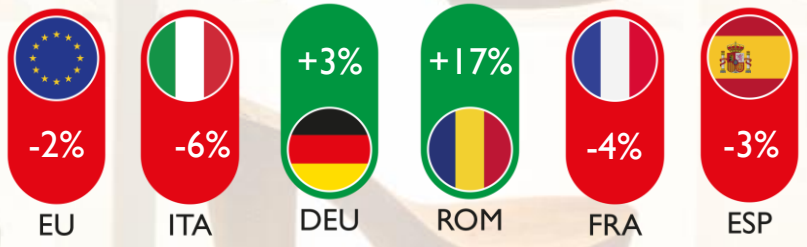
### 2nd QUARTER 2026 VS 2nd QUARTER 2025

The second quarter of 2026 shows a marked improvement in the sector's performance, with the EU stabilising, albeit at a negative level. Some difficulties persist for Italian manufacturers, whilst German companies regain momentum. The trend for other accessories and small metal parts remains weak on average, with prices holding steady compared with the corresponding period in 2025. Sharp declines were recorded for footwear accessories and components.




### FIRST 6 MONTHS 2026 VS FIRST 6 MONTHS 2025

Despite the upward movement of German and Romanian manufacturers, the EU sector closed the first half of 2026 on a negative note (-2 %), weighed down by declines among the other major European players. The cross-section of the sector continues to favour small metal parts, whilst other accessories are struggling. Footwear accessories and components suffered a significant decline, with double-digit falls at EU level over the period.

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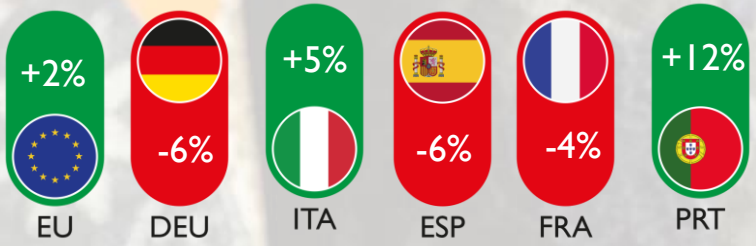
# TEXTILES AND SYNTHETICS SECTOR

## EXPORT INDEX TRENDS

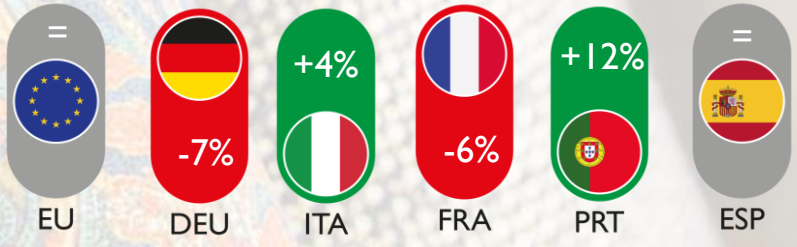
### 2nd QUARTER 2026 VS 2nd QUARTER 2025

The sector saw mixed results in the second quarter of this year, in which increases in Italian and Portuguese production offset declines in German, Spanish and French manufacturing. A breakdown by segment confirms the resilience of synthetics, while the performance of regenerated leather fibres is more uncertain, with a decline of less than 1% compared with the same period last year. By contrast, synthetic fabric materials are losing ground.




### FIRST 6 MONTHS 2026 VS FIRST 6 MONTHS 2025

The Germans' half-yearly slump is dragging down the EU average, which remains stable thanks to the resilience of Italian and Portuguese producers. The synthetics have performed well in the year-to-date figures for 2026, unlike synthetic fabric materials , which have slowed to a negative standstill. There are concerns surrounding regenerated leather fibres, with all major EU producers reporting a decline in results over the period under review.

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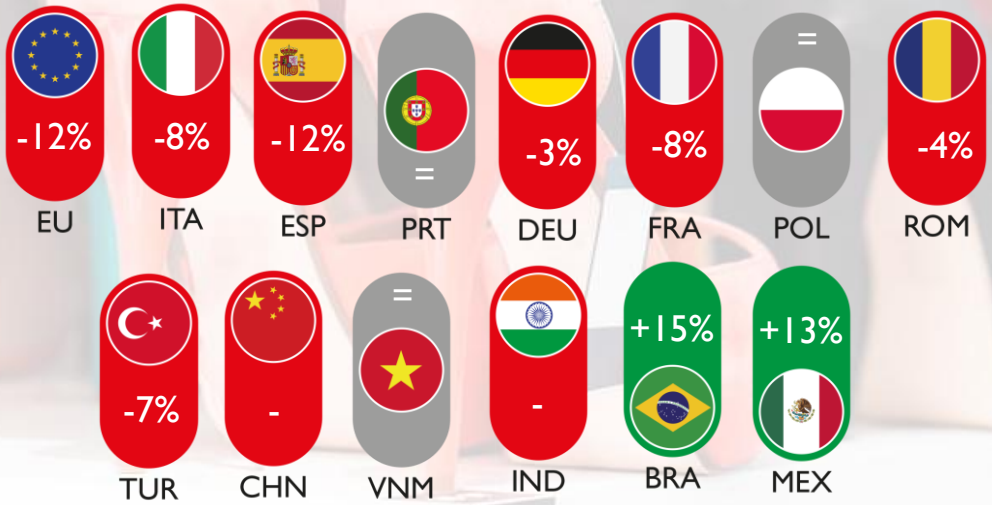
# FOOTWEAR
## EXPORT INDEX TRENDS

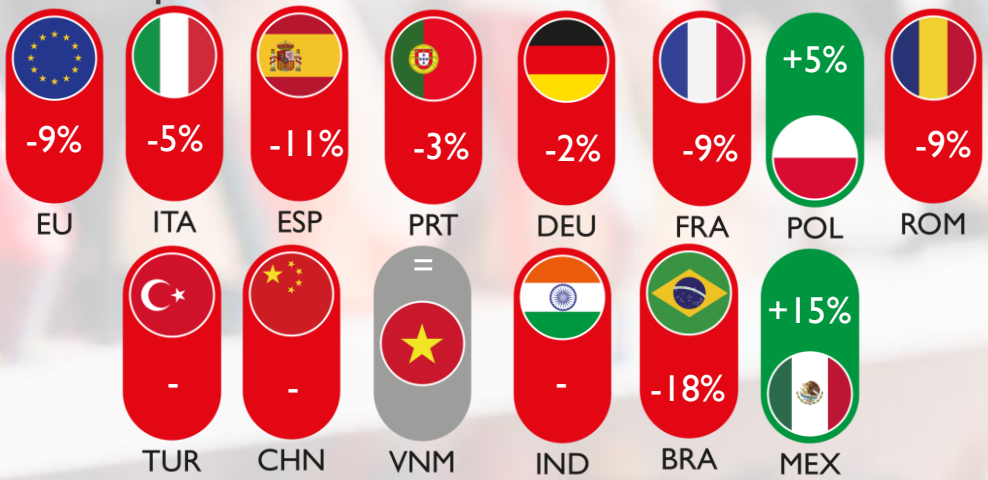
## 2nd QUARTER 2026 VS 2nd QUARTER 2025

The second quarter of the year also confirmed the sector's weaknesses, with a 12% decline at EU level compared with the same period last year. Difficulties were also evident beyond EU borders, with the sole exception of Vietnam, which remained stable, and Brazil and Mexico, which saw an increase.




## FIRST 6 MONTHS 2026 VS FIRST 6 MONTHS 2025

There seems to be no relief for the European footwear sector, which, after so many sluggish quarters, has also ended the first half of 2026 with sharp and widespread declines. The performance of the major Asian competitors, Turkish companies and South American players has also been generally negative, with the exception of Mexico, which has posted gains. Elsewhere, the trend is upwards.

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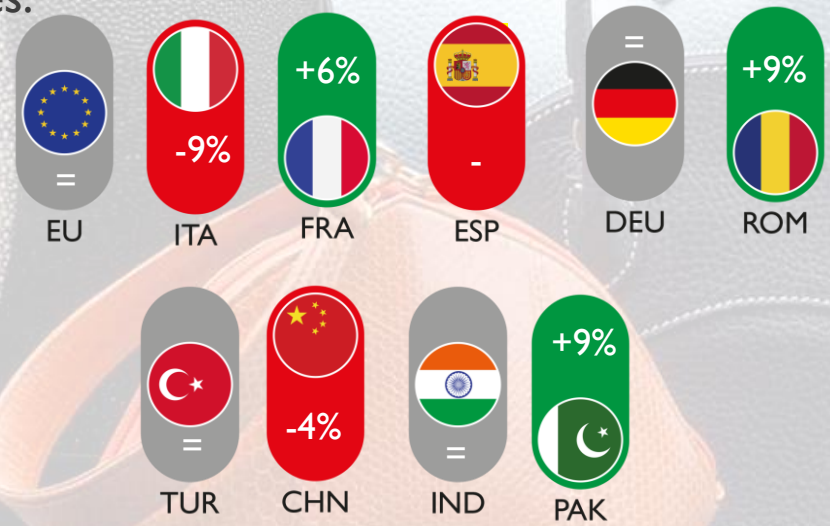
# LEATHER GOODS
## EXPORT INDEX TRENDS

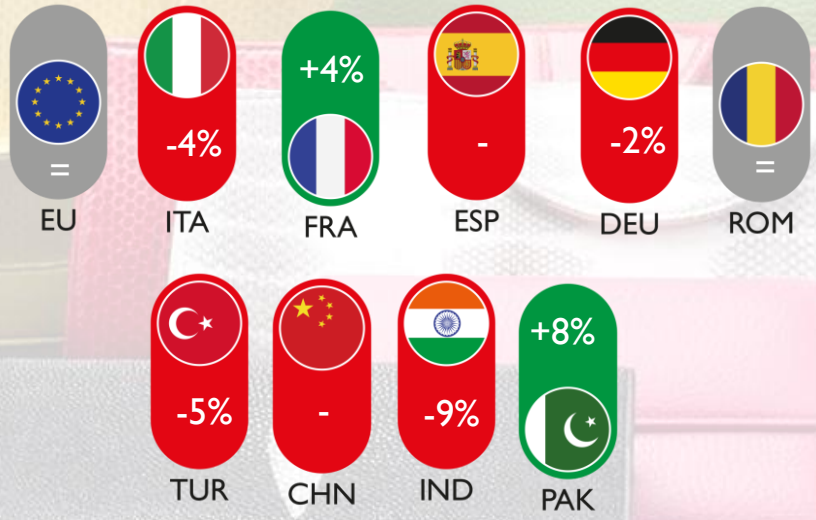
### 2nd QUARTER 2026 VS 2nd QUARTER 2025

The EU leather goods sector is underperforming compared with the second quarter of last year. The EU average has benefited from a rebound in France but remains below the 2025 figure. China is performing poorly, with figures down, whilst Turkey and India are showing stability. Pakistan experienced marked increases.




### FIRST 6 MONTHS 2026 VS FIRST 6 MONTHS 2025

The EU leather goods sector is still struggling, with falling results for most European manufacturers, despite the notable exception of France, which saw a 4% increase. The situation outside the EU also reflects the sector's difficulties, with marked and widespread declines, except in Pakistan, which recorded an increase.

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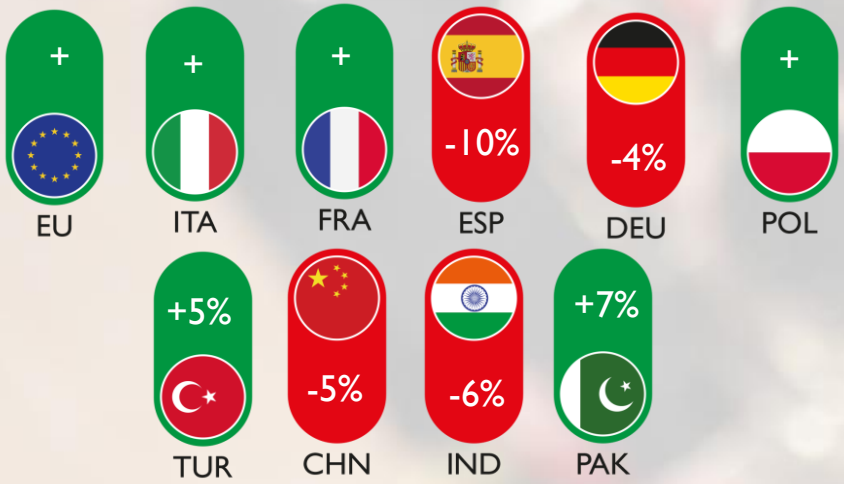
# LEATHER CLOTHING
## EXPORT INDEX TRENDS

### 2nd QUARTER 2026 VS 2nd QUARTER 2025

The trend for the second quarter of 2026 looks positive for EU clothing manufacturers, with a significant upturn despite the slump in Spain and the lack of clarity in Germany. Among international competitors, Turkey and Pakistan are performing well, whilst China and India are slowing down sharply.




### FIRST 6 MONTHS 2026 VS FIRST 6 MONTHS 2025

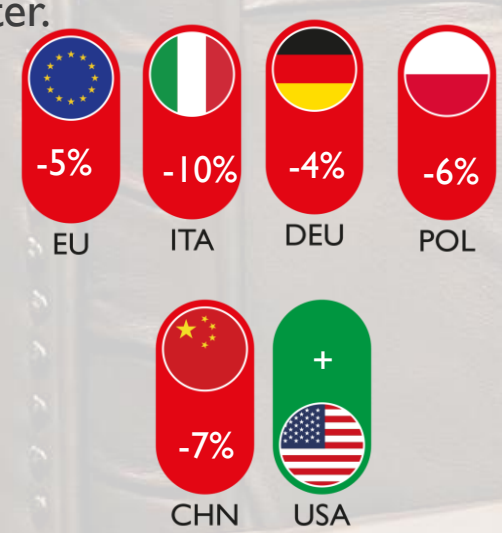
The performance of European manufacturers has been encouraging, with widespread growth in the first six months of the year, although there are some notable exceptions to this trend. The picture is mixed beyond the EU's borders, where Turkish and Indian manufacturers are struggling, whereas Chinese and Pakistani manufacturers are performing well.

# UPHOLSTERED FURNITURE

## EXPORT INDEX TRENDS

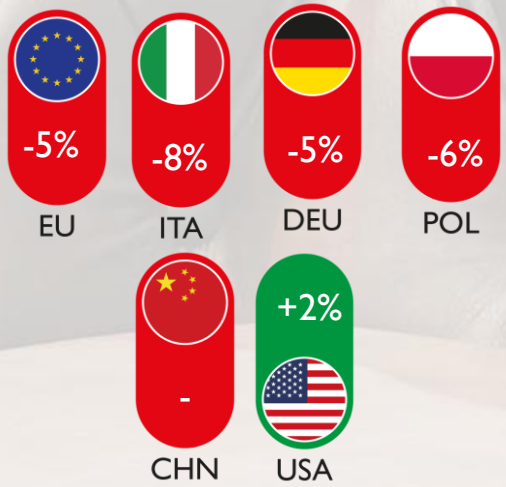
### 2nd QUARTER 2026 VS 2nd QUARTER 2025

The EU upholstered furniture industry has not managed to reverse the downward trend, recording further negative results in the second quarter of this year, with the EU average remaining at -5%. The situation in China, which is in decline, shows no signs of improving, although the US market has performed well, recording growth over the quarter.




### FIRST 6 MONTHS 2026 VS FIRST 6 MONTHS 2025

The sharp slowdown in the sector at EU level is a cause for concern, with marked declines for all major EU producers, particularly Italy and Germany. This is also a critical moment for China, which has seen a significant decline in its year-to-date figures for 2026. The United States, however, offers some reassurance, with figures on the rise.

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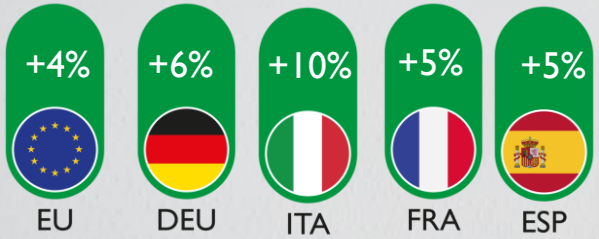
# AUTOMOTIVE
## EXPORT INDEX TRENDS

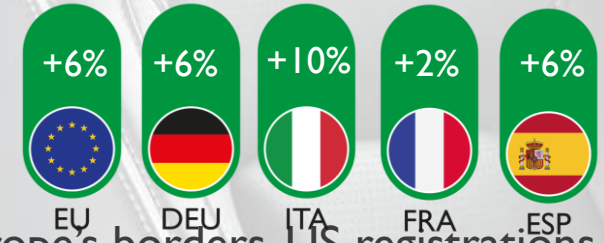
### 2nd QUARTER 2026 VS 2nd QUARTER 2025

- The favourable sales trend in the major EU markets has driven up European new car registrations in the second quarter of 2026: an average increase of 4% across the EU, with Chinese car manufacturers gaining market share.




### FIRST 6 MONTHS 2026 VS FIRST 6 MONTHS 2025

- The automotive sector is bouncing back at EU level in the year-to-date figures for 2026, with new car registrations on the rise in all major European markets. However, even though the first half of the year shows positive growth, the second half of 2026 is expected to see a slowdown, with registrations totalling just over 10.8 million units – a barely 0.5% increase on 2025 figures.




- Beyond Europe's borders, US registrations are down (-3%) . China, on the other hand, has seen a double-digit slump (-26%). The Indian market is performing very well, with registrations up by 19%.
- UK registrations rose by 9% over the period.

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# LUXURY

## FIRST SEMESTER 2026 RESULTS

The geopolitical and economic context that major luxury brands will face in 2026 remains uncertain. There are positive signs for the traditionally more resilient players, while others are struggling to get back on track after several quarters of decline.

- **LVMH** - thanks to a pick-up in the second quarter of 2026, the French fashion giant's organic growth rose in the first half of 2026: +2% compared with 2025. Demand from the US market is driving growth in the fashion and leather goods division in the second quarter of this year (+1%), despite the half-year figures remaining on the same level as the first six months of last year (organic growth of -1%).
- **KERING** - group Kering has closed the gap on its losses, ending the second quarter of 2026 up 2% (at constant exchange rates) and with year-to-date figures remaining stable in the first six months of the year (up 1% on the corresponding period in 2025). The group's fashion and leather goods division is slowly recovering (-1% in the first six months) despite persistent difficulties at Gucci (-5% in revenue in the first half of the year, at constant exchange rates). YSL and Bottega Veneta, on the other hand, performed well.
- **HERMÈS** - the French luxury fashion brand performed excellently once again, recording 6% growth in the first half of this year (at constant exchange rates). Results were strong across all major geographical regions with the exception of the Middle East, which saw a slight decline (-4%) Japan, however, performed very well (+11%), as did the United States (+15%). Growth in the leather goods and saddlery division was solid: +10% for the first half of 2026, with slightly higher growth in the second quarter of this year.
- **FERRAGAMO** - the Florentine group's recovery has been cautious but steady, with revenue rising by 5% in the second quarter of the year, bringing the half-year result for 2026 to +2% (at constant exchange rates). Sales growth in North America was significant. The footwear division performed well (sales up 6% in the first six months of 2026); the leather goods division, however, struggled (-3%).
- **PRADA** - The Milan-based group confirmed its excellent state of health, closing the first half of the year with a 5% increase in revenue (at constant exchange rates), following a 7% rise in the second quarter of 2026 alone. Prada performed well (+3% sales in the half-year, +6% in the second quarter), as did Miu Miu (+2.5% in the first six months of the year, +3% in the second quarter of 2026). Growth was excellent in the Americas (+17%) and in Asia-Pacific (+6); there were some signs of weakness in Europe (-4%), which was followed by a sharp decline in the Middle East (-24%).

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# NOTES

- Lineapelle processes and estimates data provided by statistical institutions, government bodies, international organizations, trade associations, retailers and other public/private sources
- Country acronyms refer to the official ISO alpha 3 classification
- Commodity prices. Historic price series are calculated on the basis of average price quotations in dollars (USD)
- Raw hides and skins/semi-processed leather prices. Historic original price series are collected by agents and publications in the industry and indexed using the base line 2005=100, maintaining the exchange currency used for purchases on the export market

By Lineapelle Economic Department

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