



## Market Trends 4<sup>th</sup> quarter 2010 (abstract)

### RAW HIDES AND SKINS

Although the overall quarterly rate of prices marks a weak fall for **large bovine hides** in the last quarter 2010 as compared to the third one, prices have started to rise again since December (and kept rising in January). On the other hand, prices of **smaller skins** - especially sheep and goat - have increased relentlessly. Some good news has come about availability, now stable or growing for bovine hides of all sizes in the majority of the leading slaughtering countries. Oppositely, the number of slaughtered sheep and goat fell sizably.

### SUPPLIERS

The **tanning sector** confirmed a two-digit average seasonal growth but, similarly to last summer months, the growth is less fast than during the first six months of 2010. The bovine sector is slightly more lively than the sheep and goat sector. Orders from Asian buyers were higher than orders from Europe (except for Italy, where demand is recovering). Fashion destinations performed better than upholstery.

The sector of **accessories, components and substitute materials** ended the year 2010 with a further long-term growth. The positive pattern is quite evenly distributed among all segments (soles/bottoms included). The increase was more moderate in the short term.

### USERS

From October to December, **footwear** manufacturers confirmed the trend of the previous quarter and obtained some growth in the long-term. In Europe, Italian footwear manufacturers stand out, followed by Spain, whose recovery is encouraging. Germany grew, while the French footwear fell.

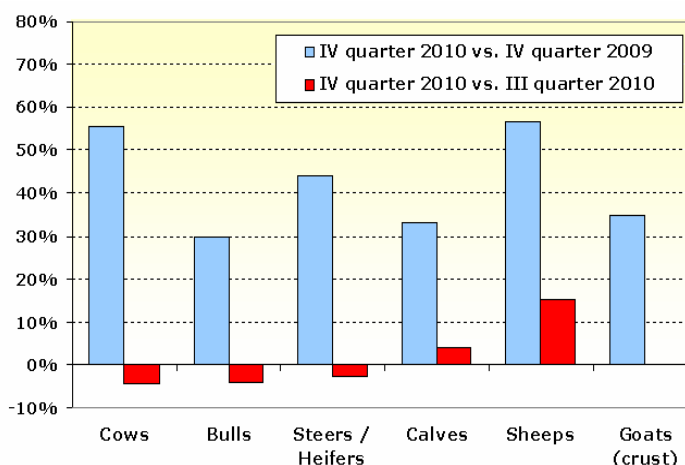
Non-EU competitors kept growing by double-digit rates, with the only exception of a slightly weaker short-term increasing rate in China and India.

Long-term results are bright for Italian **leather goods**, which grew at a faster pace than the EU average rate, which is positive too. Asian exports have increased decisively. As compared to the previous three months, the Italians lost a bit, while the rest of the EU countries remained generally stable.

The short-term trend is positive again for the Italian **leather garment** sector, while the business is more uncertain in the rest of Europe. Demand from Asian destination markets generally decreased, with the exception of India, but in a year-to-year comparison only.

Italian manufacturers of **upholstered furniture** are lagging behind, while conditions are quite patchy in the EU countries (marginal growth in Germany and the UK). Some positive signs came from the US market in the short term. Uncertainties for the European **automotive** (the top range performed better), some signs of recovery in the US market, strong growth in China.

**RAW HIDES AND SKINS**  
PRICE variations by animal type



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