Market Trends 1st quarter 2011 (preliminary data)

RAW HIDES AND SKINS

Prices of raw hides and semi finished leather kept growing intensely along the first three months of 2011, **for all origins and typologies**. In particular, large bovine hides show an intense dynamic. Among sheep and goat category, Iranian skins stand still at their historical maximum, while on the other hand the uprising trend for the remaining origins continues.

SUPPLIERS

The **tanning sector** recorded on average a further seasonal rise, but the general situation signals a partial slowing down. Market operators are hampered in the negotiation with clients, due to the persistent strain on raw material prices, only partly justified by stagnation in slaughtering. Therefore, the recovery of demand risks to run out. Large leathers performed, on average, better than small size ones. Among destinations, footwear, leather goods and car interiors are hauling new orders (upholstered furniture at a standstill). Good dynamism of requests from EU, US and Asia clients.

Accessories, **components** and **substitute materials sector** started the year whit a seasonal rise. The increases, even though of a limited size, involved all segments (soles/bottoms in particular). Relevant pressure on raw material prices, especially for textiles/synthetics.

Full report (16 pagg.) available on a fee

USERS

In the first quarter, **footwear** manufacturers reported better results as compared to the same period last year. EU shows a general recovery, particularly encouraging for Spain, Italy and Germany. In Asia, the upward trend of export (Vietnam above all), coupled with the considerable development of internal demand (China). Slight loss of Brazil. Good performance of Turkey.

Lively movements for **leather goods**: Italians confirm their bright situation and are followed by the remaining EU producers, that recorded an average satisfying increase. Indian subcontinent export on the rise too.

Swinging trend for **leather garments** in the first three months. Persistent reduction of output for Spain, balanced by the positive results of Germany. Turkey manufacturers on the rise.

Some impulse for EU **upholstered furniture** (Italy included), mainly thanks to UK and Germany. US market in marginal reprise. The European **automotive** sector outlook is brightening up, (except for Italy); the rest of the world keeps the pace.

RAW HIDES AND SKINS
PRICE variations by animal type