

## Market Trends 3rd Quarter 2011

### RAW HIDES AND SKINS

Weak prices of **bovine hides** on a quarterly comparison: along the summer period prices have stabilized around June levels. Trend non homogeneous among different origins in September, where some typologies recorded a moderate recovery in prices. High tension on **sheep and goat skins** quotations that report, after June rush, further considerable increases. Slowdown only for some EU typologies.

### SUPPLIERS

Overall stationary results for **tanning sector**, which, after one year and a half of seasonal recover, came back to a pause for bovine and calf leather and to a slight increase for sheep and goat. The non homogeneity of performances among different operators has sharpened and some uncertainty emerges. It is worth noting a slackening of Italian and EU demand, while, as regards destination sectors, footwear and upholstered furniture are in difficulty. Leather goods keep the pace.

The 3<sup>rd</sup> quarter slackened the positive trend started in 2011 for **accessories, components and alternative materials**. The only exception is the accessories segment which is more optimistic for the end of the year; while problems persist for sole/bottoms/components and textiles/synthetics.

Full report (16 pagg.)  
available upon a fee

### USERS

After the slackening of spring period, **footwear** recorded a moderate seasonal decline. Italian producers seem particularly affected, more than EU average, which is balanced by Spain stability and by the slight increases of Germany and UK. As regards Asia competitors: China is rising thanks to internal demand (decreasing export). India stationary; Vietnam rising export. Finally, Turkey and Brazil are decreasing.

**Leather goods** confirmed his good condition, registering a double-digit growth in Europe, thanks to Italian and French top range productions. Outside EU, China and India on the rise, while Turkey is slightly declining.

The reference period is characterized by a general positive situation for EU **leather garments** manufacturers. Asian export decreased as compared to the III quarter of last year but recovered rapidly over the previous three months.

Persistent difficulty for European **upholstery**, with few exceptions (Germany and UK). Signs of vivacity for US market. Positive trend in China for production and consumption.

