



## Market Trends – I quarter 2012

### RAW HIDES AND SKINS

Prices for **bovines** were up, due to availability and the fact that the level of quality is high at the moment. Growth was more sustained for large sizes and calfskins basically stayed the same.

Pressure seemed to be easing off when it came to the price of **sheep and goats** but they are still a lot more expensive than last year. Those of European origin, however, were in complete contrast, with prices that are showing no signs of slowing down.

### SUPPLIERS

The **tanning business** showed a slight drop in seasonal sales during the first three months of the year. Even though the downturn effected both bovines and sheep/goats, positive dynamics emerged in various specialised production areas. Results were good in the top end. In terms of destination areas, footwear, leather goods and car interiors performed much better than upholstered furnishings and apparel. Demand from Asian was good.

During the first three months of the year, **Accessories, components and substitute materials** were down, especially when it came to accessories. A less severe decline could be seen in the short-term for components and fabrics/substitute materials.

### USERS

There were widespread seasonal losses within the **footwear industry**. To be precise, there was a clear downturn in France and Italy, whereas Spain and Germany managed to limit the damage. The trend was positive within the luxury industry. Chinese exports decreased and production was slower in Vietnam. India proved to be dynamic and Brazilian exports remained stable.

**Leather goods** were particularly lively in Italy and Spain, but more moderate in France; figures in Germany were down. Turkey, Vietnam and India all did well, but Chinese exports declined.

There were highs and lows within **Leather Apparel** circles, where the moderate increases in Italy (top end) and Germany were in contrast with the downturn in Turkey and Spain. Pakistan exports soared, whereas Chinese exports dropped.

There was a seasonal stagnation for **upholstered furniture** throughout the EU, with the exception of Germany and Northern Europe. China was on the upturn, and there were a few signs of a recovery in the USA.

The number of vehicle registrations was down (with a sudden drop in Italy and France, and increases in Germany and the United Kingdom). Prospects regarding demand for leather earmarked for **car interiors** were still linked to the top of the range.

**LEATHER INDUSTRY**  
Trend of turnover - I quarter 2012

CATEGORY	COMPARISON vs I quarter 2011	DES. COMPARISON vs IV quarter 2011
<b>TANNING SECTOR</b>		
BOVINE		
CALF		
SHEEP AND GOAT		
<b>ACCESSORIES COMPONENTS SYNTHETICS</b>		
ACCESSORIES		
TEXTYLES/SYNTHETICS		
COMPONENTS		
<b>MANUFACTURING SECTORS</b>		
FOOTWEAR		
LEATHER GOODS		
LEATHER APPAREL		
UPHOLSTERED FURNITURE		
CAR INTERIORS		

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