



Market Trends 4th Quarter 2012

Prices of bovine raw hides are diffusely on the increase and close to the highest level of the last decade.

The general decline of sheep and goatskins quotations has stopped, with some origins in a slight recovery.

Availability continues to be a problem for all types and sizes.

There has been a seasonal rise, albeit modest, for total sales of the tanning sector. The trend was mainly driven by the high ranges for smallskins leather, while a greater homogeneity among ranges for large bovine typologies (Italy, Austria and Portugal showing the EU best results in the segment concerned). Increasing demand from leather goods, footwear is uncertain.

The seasonal dynamics of accessories, components and substitute materials showed a slight recovery.

In the final quarter of last year the footwear industry recorded a marginal rise on the whole. In Europe, limited losses for Italy and Spain, more remarkable for

Germany. On the other hand, UK, France and Portugal closed the year with an increase, as compared to the 4th quarter 2011. upward trend for all major competitors outside the EU.

General increase for the EU leathersgoods sector, recording a double-digit grow, led by Italy and France (stagnation in Spain, some decline in Germany). In Asia, modest increase in Indian export and no substantial variation for the Chinese.

Positive performance for almost all the leather garments producers in the EU, with the sole exception of Germany (stable). Growth in Turkey, moderate rise in Chinese exports.

Further declines for upholstered furniture in the EU: Italy, Spain and Germany reported negative results , while uncertainty prevailed in Northern Europe. USA orders on the growth.

Situation is not easy for the automotive industry in Europe, while the American and Asian markets furtherly increased.

Full report (15 pagg.) available at a charge