



Market trends 1st quarter 2013

RAW HIDES AND SKINS

Considerable rise in prices for **bovine** hides. The increases apply to all origins and, among the types, affected in the most intense way calf skins of medium size. Slight rise for price lists of **sheep and goat** skins, but with large differences for origin and quality.

SUPPLIERS

Despite the considerable heterogeneity among operators, the average seasonal results for **tanning sector** sales in the first quarter were positive. Particularly dynamic demand for calf and goat leather, good satisfaction with the bovine, ovine stable. Although there is some partial braking compared to the recent past, the demand is driven by the highest quality market segment, by leather goods and automotive customers, by Far East customers and, secondly, the North American and European.

Moderate seasonal recovery for **accessories, components and substitute materials**, particularly in the segment of footwear components, whilst metal parts and other accessories remained substantially stable. Stagnation in the short term.

CLIENTS

Positive start of year for **footwear** sector, that recorded an increasing seasonal trend.

In details, good results for Italian and Iberian producers, reporting the best performance, stability for Germans, whilst French manufacturers faced a small decline. Outside the EU, double-digit growth for China and Vietnam, some upturn for Brazilian export, India on the decline. Widespread growth also in the short term.

The increasing trend of **leather goods** proceeded, with general positive results as compared to the same period last year. Particularly brilliant performance for Italians, followed by Spanish and French. In Asia, further decline for Turkey, whilst Chinese export considerably grew.

Also **leather garments** concluded the first quarter with satisfying results, in particular for Spain and France, but with Italians keeping the pace. Remarkable increase in production for Asian and Middle East producers

Difficulties for EU **upholstered furniture** are confirmed, even if the start of the year signaled some recovery signs of export. US orders on the rise.

As for **automotive**, new car registration still on the decline in Italy and in the rest of EU (some exceptions for some high end German groups) Asia and US remain the most lively markets.

LEATHER INDUSTRY Trend of turnover - I quarter 2013

CATEGORY	COMPARISON vs I quarter 2012	DESS. COMPARISON vs IV quarter 2012
TANNING SECTOR		
BOVINE	== ↑	==
CALF	↑	↑
SHEEP AND GOAT	== ↑	==
ACCESSORIES COMPONENTS SYNTHETICS		
ACCESSORIES	==	== ↓
TEXTILES AND SYNTHETICS	↑	== ↑
COMPONENTS	↑	==
MANUFACTURING SECTORS		
FOOTWEAR	↑	↑↑
LEATHER GOODS	↑↑	↑
LEATHER GARMENTS	↑	== ↑
UPHOLSTERED FURNITURE	== ↓	↓
CAR INTERIORS	== ↑	== ↑

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