



Milan, September 30th 2013

PRICES of Raw Materials

RAW HIDES/SKINS. In September the upward trend of **bovine raw hides**, which has characterized the whole 2013, has continued, bringing calves to an increase of 30%, intermediate sizes (steers/heifers) to +23 %, cows and bulls to +20%. Medium and small sizes, still lively, are at historic peaks. With some rare exceptions, the increases have affected all European types. In the U.S. a reduction trend prevails, with the exception of cows. No variation on Austral Countries as well as on the wet-blue. The slow rise of **sheep and goatskins** continues, pushed by Spain and New Zealand origins. Stability in the Middle East markets.

CRUDE OIL. It keeps running: latest available prices recorded a year to date rise of 6.5%.

NATURAL RUBBER. Decreasing trend (-17%) , after three years of high prices; the values registered during the summer period returned to the levels of early 2010.

TEXTILES. Wools are down as compared to the beginning of 2013, but still at the last 30 years highs; a significant increase in cotton (+11%).

METALS. Generally declining (aluminum, copper, nickel, zinc, gold, silver), excluding iron increased by 6% since January. Despite the downturn, gold, silver and copper are positioned on very high levels.

Exchange Rates of Euro Currency

US DOLLAR. Some scarce oscillations in the last semester, with the European currency currently changed to 1.33 (average data of September). Despite the apparent solidity of the euro, expectations for the next months are bearish, due to the improved macroeconomic situation in the U.S. and the problems in the euro area. The main forecasts show stability at 1.33 in 1 month and drops to 1.30 in 3 months.

BRITISH POUND. It has weakened against the euro throughout the 2013 (-5% from January up to date) and the downward trend is expected to last until the end of the year.

JAPANESE YEN. Still devaluation of the yen in September, converted to 132 per euro, +14 % compared to the end of 2012. Expectations show a substantial stability.

CHINESE RMB. A slight appreciation of the EU in the recent months (about one percentage point), confirming the expectations.

BRAZILIAN REAL. The trend reflects the governmental instability, including rising inflation and related monetary policies. In the first nine months the euro has strengthened by 10% and such a tendency is expected to last until the closing of the year.

INDIAN RUPEE. On minimum levels, it lost 9% over last year and 17% over the end of 2012.

Notes: the price indices of the raw hides and skins (source: MdP La Conceria) are elaborated according to the original purchasing currencies of each marketplace, while the tendencies of the other commodity prices (source: IMF) are in USD. Exchange rates info are based on FX Week data.