



SYNDICAT GENERAL DES CUIRS ET PEAUX
FRENCH HIDE AND SKIN ASSOCIATION

Syndicat Général des Cuirs et Peaux

18 Boulevard Montmartre

75009 PARIS

tél :+33 1 45 08 08 54

www.sgcp.net

YEARLY ICHSLTA REPORT 2012

OVERALL VIEW

2012 saw hide prices again at close to historical highs.

Sales of cattle hides to countries outside Europe increased 45% over the 12 month period.

China being the no. 1 destination (+70%) outside the EU, while Italy remains the main buyer of French hides purchasing close to 70% of total production.

Lower kills in most European countries did not help prices ease when most tanners were gasping for oxygen! EU 15 country kills were back an average of 4.2% compared to 2011, and consumption of red meat was down 1.9% across EU 15 member states due tough economic times. At the same time prices of cattle to the abattoir rose 12.6% with an average price of EUR 358/100kg net of meat.

MAIN PRODUCTION FACTS

The French cattle herd stands at 19.282 million head.

The EU 15 state cattle herd is reported at 74.344 million head down 1.0% compared to 2011.

French National Kill figures rose to 3.495 million head. This is 5.8% below levels of 2011.

Cows down 5.5% in production compared to 2011 (-106 000 head) and the production of male bovines decreased more than 5.5% compared to 2011 (- 56 000 head).

France slaughtered 1.845 million cows, 472 000 heifers, 975 000 bulls and 202 000 steers (-15.5%).

This big decrease in cow/heifer slaughter could at least be viewed positively in that farmers seem to be increasing herd numbers with a more positive outlook to farms returns in 2013/2014.

For the first 6 months of 2012, live exports of male cattle increased almost 70%, of which 90% where for the Turkish market. From July onward Turkey doubled its import tax from 15% to 30% and live exports reduced immediately. Total live exports for the year were 133 000, down from 184 000 in 2011. (-27.5%)

We expect cow production to again decrease in 2013 by about 3% however male production (bulls) should increase by 1%.

Ovine slaughter reduced in 2012 by 4.6% in 2012 compared to 2011.

Kill figures as follows: Lambs 3.798 million (-4.2%) Sheep 0.522 million (-3.5%) and Goats 0.805 million (-4.6%). French consumption of ovine meat was down 3% for the year.

Veal (kips) slaughter was down to 1.386 million head (-3.7%). Most of these calfskins are going for the luxury end of the leather market, with tanneries in France and Italy. Production is expected to further decline by 2% in 2013.

FRENCH HIDE ASSOCIATION - Nick WINTERS, international relations for SGCP.