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### **USHSLA Hide Situation**

Commercial cow slaughter maintained a high pace during 2011, virtually unchanged from the record levels seen in 2010. According to National Agricultural Statistics Service (NASS) data, the number of cattle and calves in the U.S. on January 1, 2012 equaled 90.77 million head. This was 2.1 percent less than a year ago and was the lowest January 1 inventory since 1952. Cows and heifers that have calved equaled 39.11 million head, which was down 2.2 percent from a year ago. Commercial slaughter was virtually unchanged from 2010, with bovine hide production totaling 34.1 million in 2011, a 0.4% decline from 2010.

U.S. hide exports in 2011 were up to 29.9 million pieces, a 2.6 million piece increase over 2010's 27.3 million pieces. This equated to \$1.7 billion in export value, a \$173 million increase over 2010. Wet blue exports were also up in 2011 to 10.3 million pieces from 7.1 million in 2010. Wet blue export values were up 25% over 2010 value to \$662 million. The global economic recovery continues to gain speed while the supply of hides decreases and demand increases, resulting in higher hide prices for the foreseeable future.

U.S. hide exports to our top 10 markets account for 97 percent of U.S. exports. China continues to be the dominant importer, taking 14.5 million in 2011 and accounting for 48% of U.S. Exports. The top five markets for U.S. hide exports are China, S. Korea, Taiwan, the E.U. and Vietnam. Wet Blue exports reached 10.3 million pieces, valued at \$662 million in 2011, up from 7.1 million pieces and \$525 million in 2010. This is a record in export volume and value for US wet blue exports. China (4 million) and the EU (2 million) take over 60 percent of wet blue exports followed by Vietnam with 732,000 pieces.

## U.S. Hide Exports in 1000 pieces

<b>Country</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>World</b>	25,269	27,391	27,161	29,687	27,310	29,950
<b>China/HK</b>	13,405	13,606	14,702	16,006	13,105	14,503
<b>S. Korea</b>	4,105	4,243	3,926	5,248	4,265	4,879
<b>Taiwan</b>	2,126	2,387	2,047	1,991	2,245	2,244
<b>EU</b>	1,434	1,666	1,487	1,250	2,078	2,984
<b>Vietnam</b>	245	893	1,065	611	1,069	1,374
<b>Mexico</b>	1,684	1,627	1,494	2,017	1,723	1,350
<b>Japan</b>	1,093	1,132	896	722	842	895
<b>Thailand</b>	583	1,085	815	844	1,053	817
<b>Turkey</b>	89	172	122	115	285	422
<b>Canada</b>	59	93	117	349	196	186