

Brazil Hopeful Crisis Will Boost Cosmetics Exports

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The Brazilian Association of Toiletries, Perfumes & Cosmetics Industries (Abihpec) estimates that sector revenues in 2008 should reach 21.2 billion Brazilian reais (US\$ 8.9 billion), growth of 8.6% over the previous year. According to the organization, another positive factor is a trade balance surplus of US\$ 200 million.

The figures were disclosed by the Abihpec, which estimates that sector exports should end the year at US\$ 650 million, against US\$ 450 million in imports. A press statement disclosed by the organization shows that the personal hygiene, perfumery and cosmetics product sector is the only one in the chemical complex (which includes cleaning product, pharmaceutical, paint and fertilizer industries, among others) to present a surplus.

According to the president at Abihpec, João Carlos Basílio, sector exports still have space for growth. The president of the organization also stated that this is a fragile moment for the economies of North America and Europe, which could help increase the competitiveness of Brazilian companies on the international market.

Despite the crisis, the sector has not yet noticed negative consequences, as the companies do not depend on easy credit for consumers to buy personal hygiene, perfumery and cosmetics products. "Crisis and opportunity are two sides of the same coin," said Basílio, in an Abihpec press statement.

One of the markets that the sector is going to continue betting on in 2009 is the Arab market. The organization should participate once more in the Beautyworld Middle East fair, in the cosmetics sector, to take place in Dubai, in the United Arab Emirates, in June.

According to figures disclosed on the Abihpec site, the total value of sales of beauty products in the Middle East in 2007 reached US\$ 2.1 billion. In the United Arab Emirates alone, the beauty and spa market should exceed US\$ 600 million in 2009.

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