



ABI ROCHAS

*Associação
Brasileira da
Indústria de
Rochas
Ornamentais*

**ABIROCHAS
in PDAC'2007
presents**


**THE STRENGTH OF
BRAZILIAN DIMENSION
STONES**



Worldwide, Brazil is the 5th largest country in territorial extent and the 6th in population. Endowed with vast natural resources, Brazil is one of the ten largest mineral producers of the world. Besides its century-old tradition, the mining activity is related to the occupation of the land and to the history of the Brazilian nation itself.



Brazil's mineral industry covers around seventy different mineral substances. Iron ore stands in 1st place, followed by phosphate rocks, limestone, gold, aluminum (bauxite), niobium, dimension stones, kaolin, nickel, zinc, sand, and coal. Brazil's self-sufficiency extends to most mineral products, with an exportable surplus concentrating mainly on iron ore, gold, manganese, dimension stones, bauxite/aluminum, niobium alloys, tin and gems.

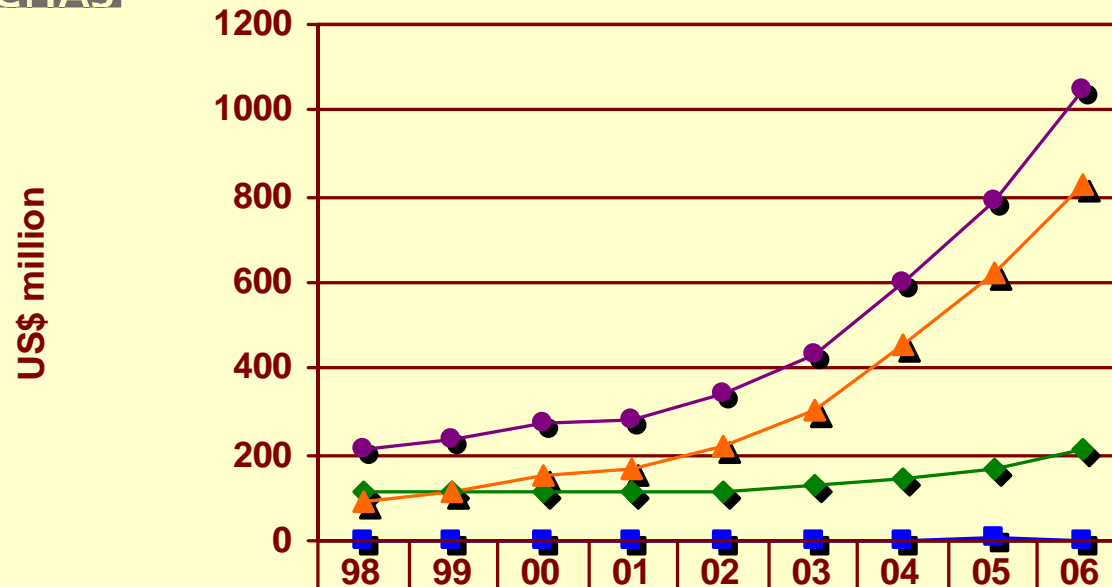


The Brazilian exports of dimension stones continued evidencing exceptional performance, adding US\$ 1.045 billion and 2.59 million tons in 2006. These values represent 32.3% increment in revenue and 20.0% in physical volume, front to 2005.

EVOLUTION OF THE BRAZILIAN STONES EXPORTS


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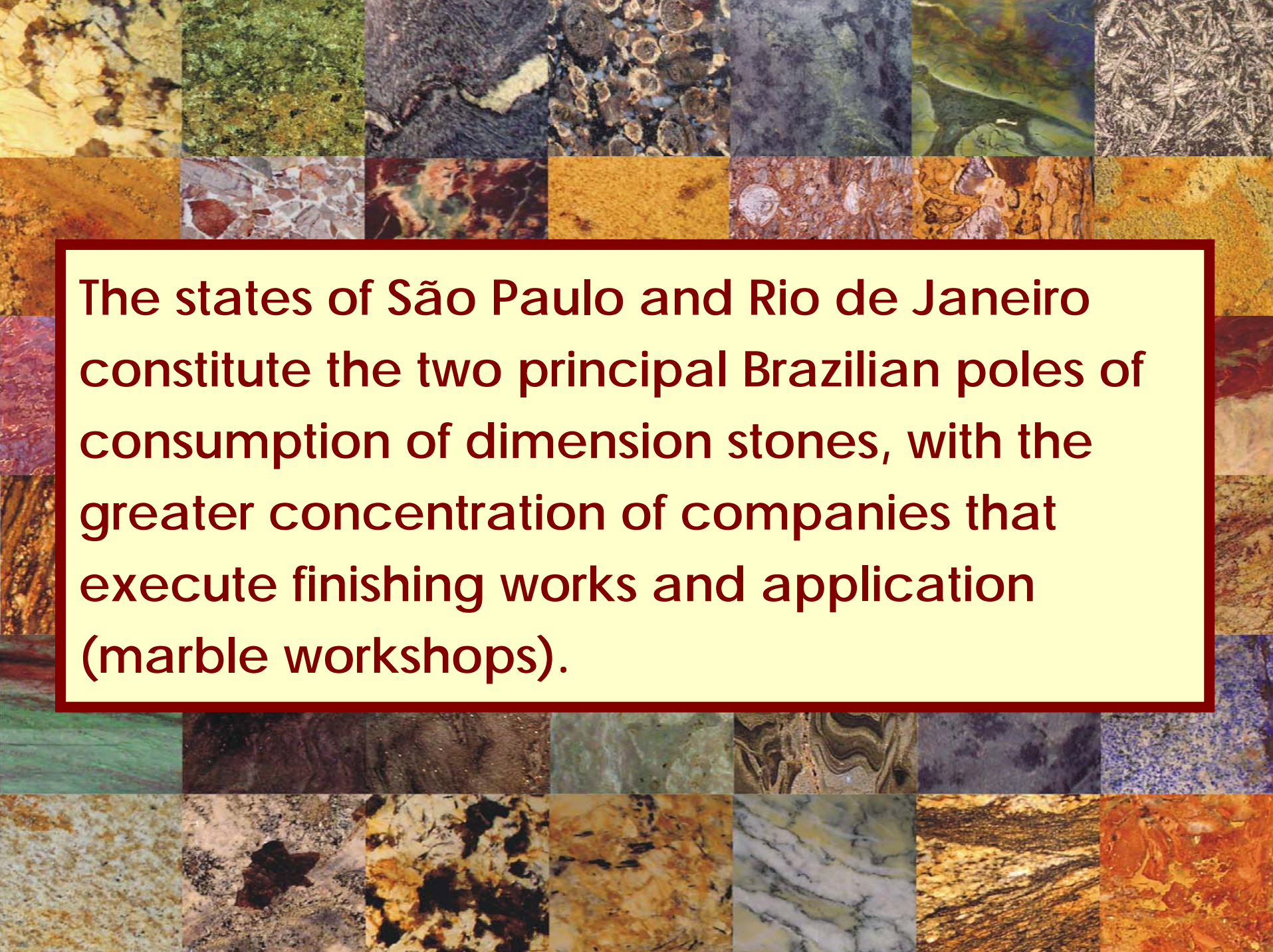
◆ RSB	117	115	117	110	114	126	148	167	213
■ RCB	1	1	1	1	1	2	1	4	2
▲ RP	92	116	153	169	224	301	452	619	831
● TOTAL	210	232	272	280	339	429	601	790	1045

RSB – raw siliceous products (mainly granite blocks); RCB – raw calcareous products; RP – finished products (simple and special).



The states of Espírito Santo and Minas Gerais are the two principal Brazilian producers and exporters of dimension stones. Espírito Santo stands out in the granites and marbles segment, as well as Minas Gerais with slates, foliated quartzites and soapstone.

Other important centers of production are the states of Bahia and Ceará, in the northeast region, with great variety of granites, massive quartzites, travertines and limestones.

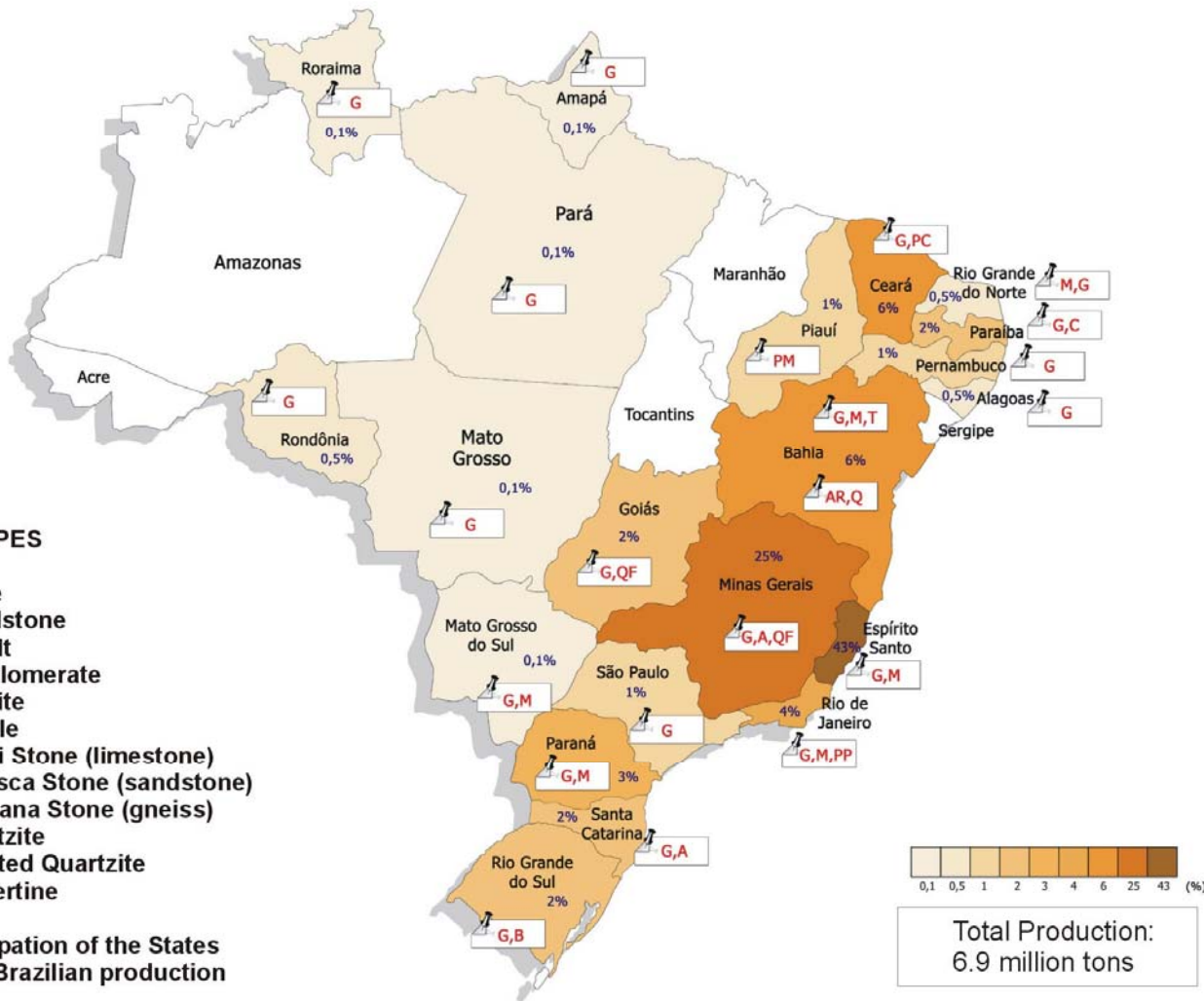


The states of São Paulo and Rio de Janeiro constitute the two principal Brazilian poles of consumption of dimension stones, with the greater concentration of companies that execute finishing works and application (marble workshops).

REGIONAL DISTRIBUTION OF THE BRAZILIAN STONE PRODUCTION

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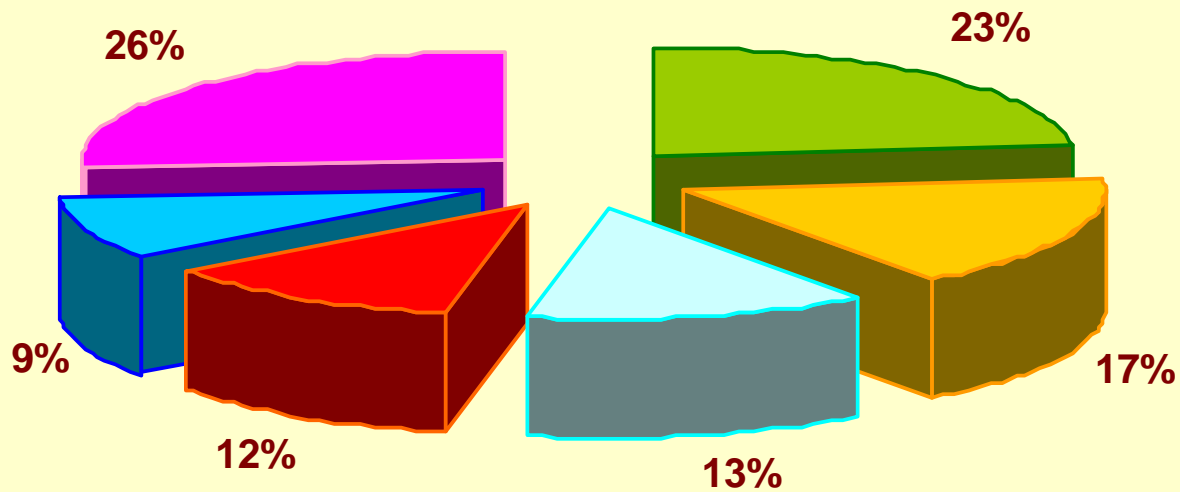


The four principal countries of destiny of the Brazilian exports of stones are USA, Italy, China and Spain. USA share already reach 60.4% of the revenue. Italy follows with 9%, China with 7% and Spain with 4%. Since 2004, Brazil has been the 2nd general dimension stone supplier and the 1st granite supplier to USA.

MAIN SUPPLIERS OF DIMENSION STONES TO THE USA MARKET - 2005

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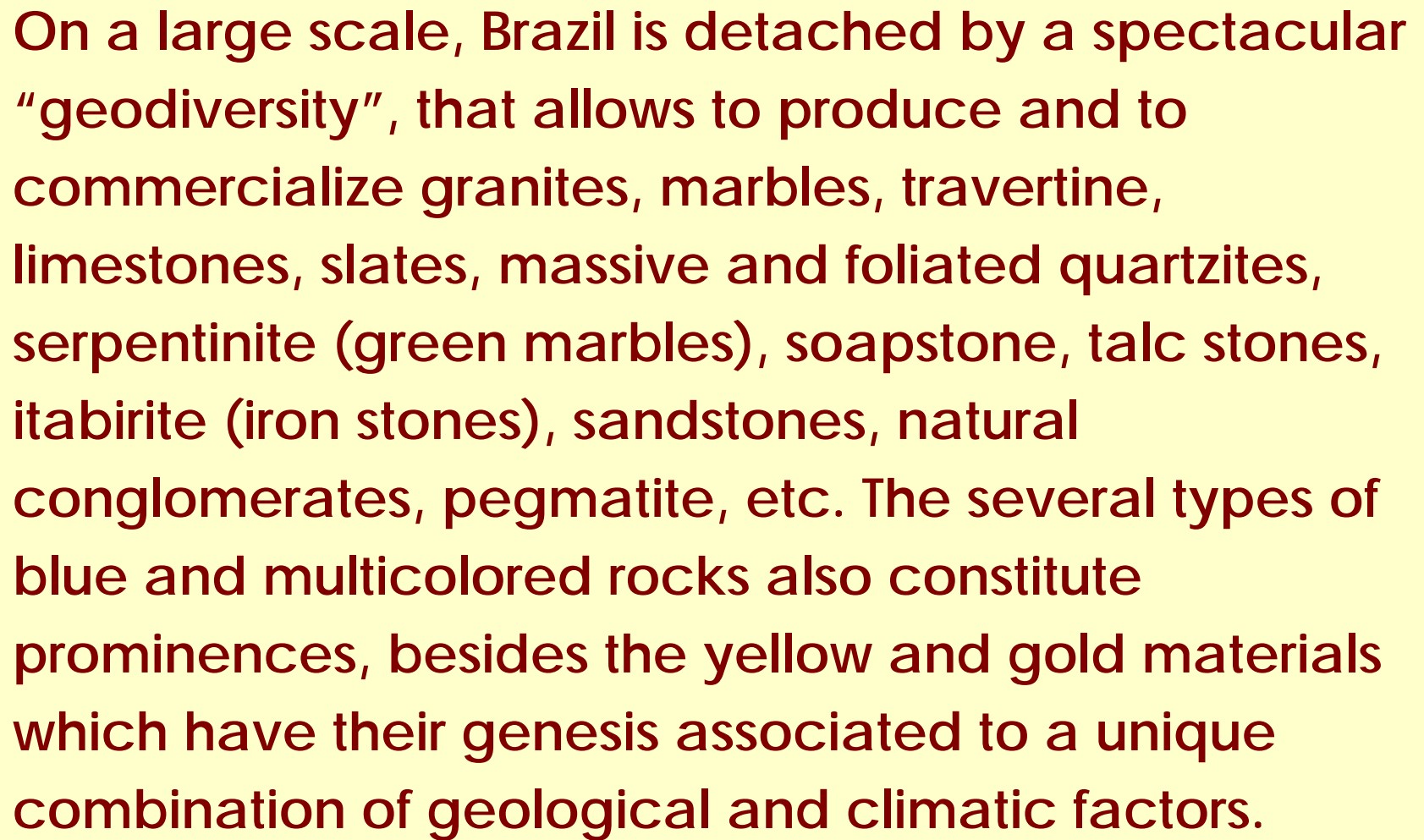
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■ Italy ■ Brazil ■ Turkey ■ China ■ India ■ Others

COMPARATIVE PICTURE OF THE MAIN GRANITE SUPPLIERS TO USA

 1996			2005		
1 st	Italy	US\$ 69 million	1 st	Brazil	US\$ 398 million
2 nd	Canada	US\$ 28 million	2 nd	Italy	US\$ 298 million
3 rd	India	US\$ 23 million	3 rd	China	US\$ 223 million
4 th	Brazil	US\$ 21 million	4 th	India	US\$ 195 million
5 th	Spain	US\$ 8 million	5 th	Canada	US\$ 47 million



On a large scale, Brazil is detached by a spectacular “geodiversity”, that allows to produce and to commercialize granites, marbles, travertine, limestones, slates, massive and foliated quartzites, serpentinite (green marbles), soapstone, talc stones, itabirite (iron stones), sandstones, natural conglomerates, pegmatite, etc. The several types of blue and multicolored rocks also constitute prominences, besides the yellow and gold materials which have their genesis associated to a unique combination of geological and climatic factors.

BRAZIL IN THE INTERNATIONAL STONE MARKET – 2005

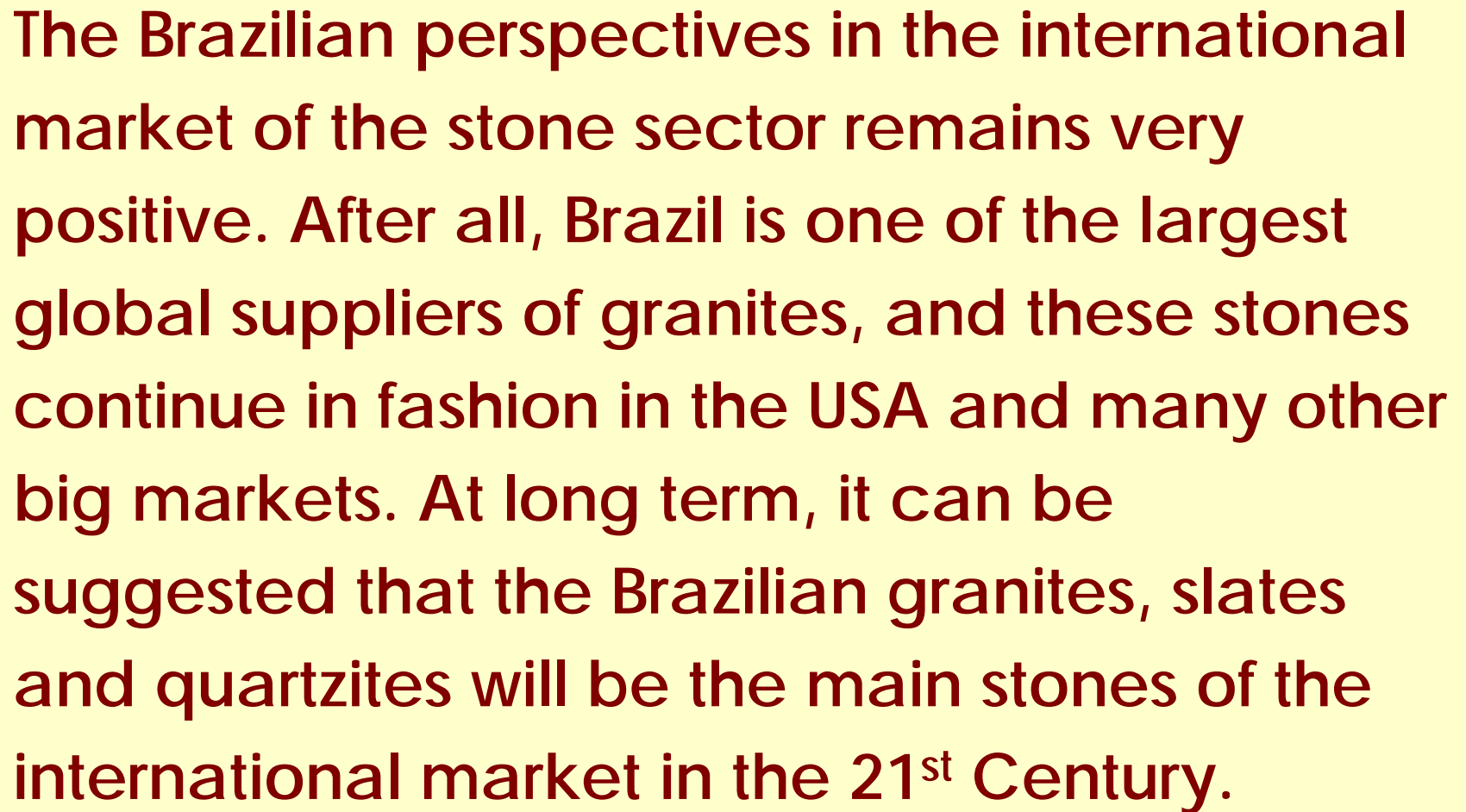
4th
Largest producer
(8% of worldwide
production)

3rd
Largest exporter
of raw granites
(8.5% of the world total)

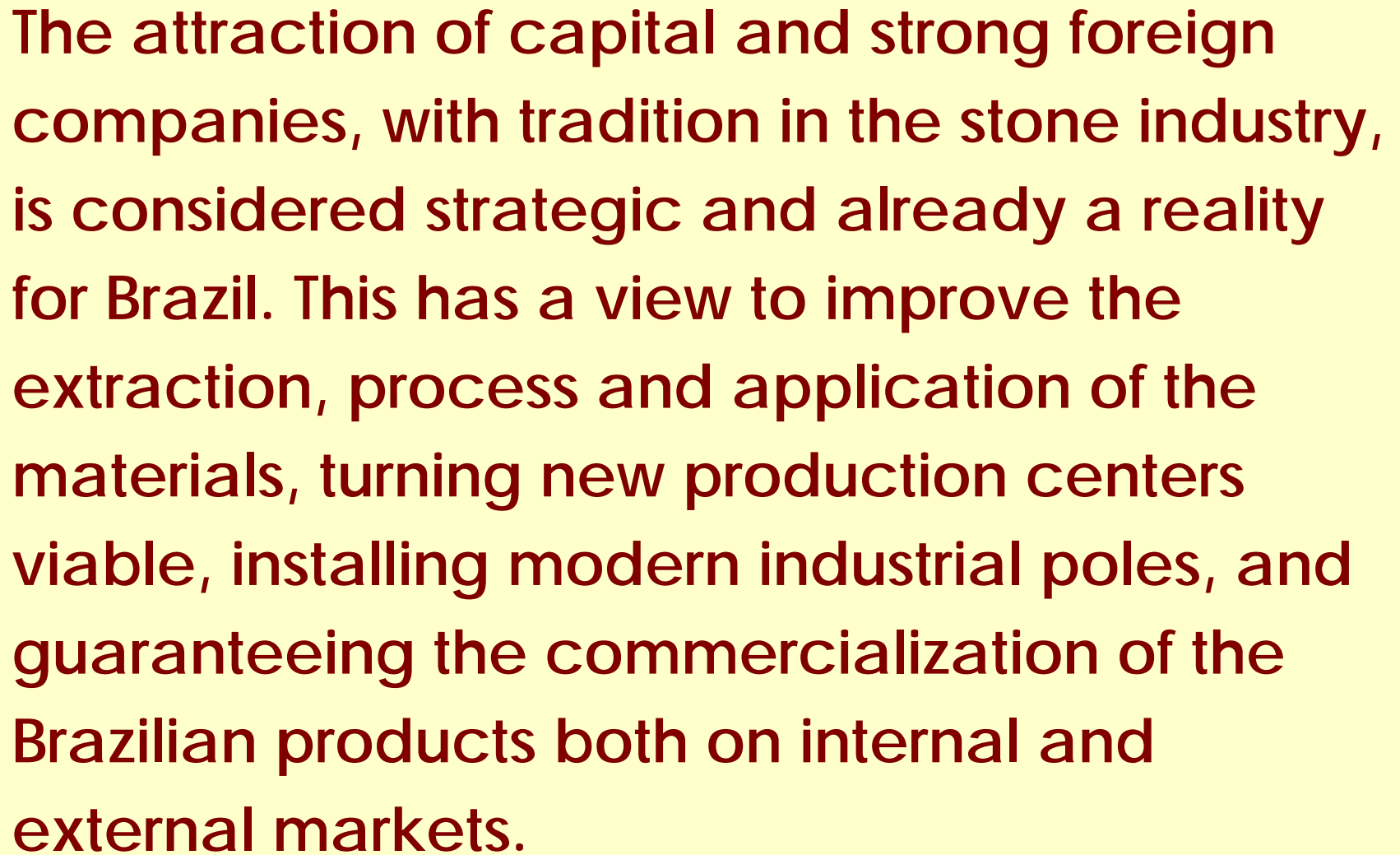
2nd
Largest exporter
of slate (16% of
the world total)

5th
Largest exporter of
special processed
stones (6% of the
world total)

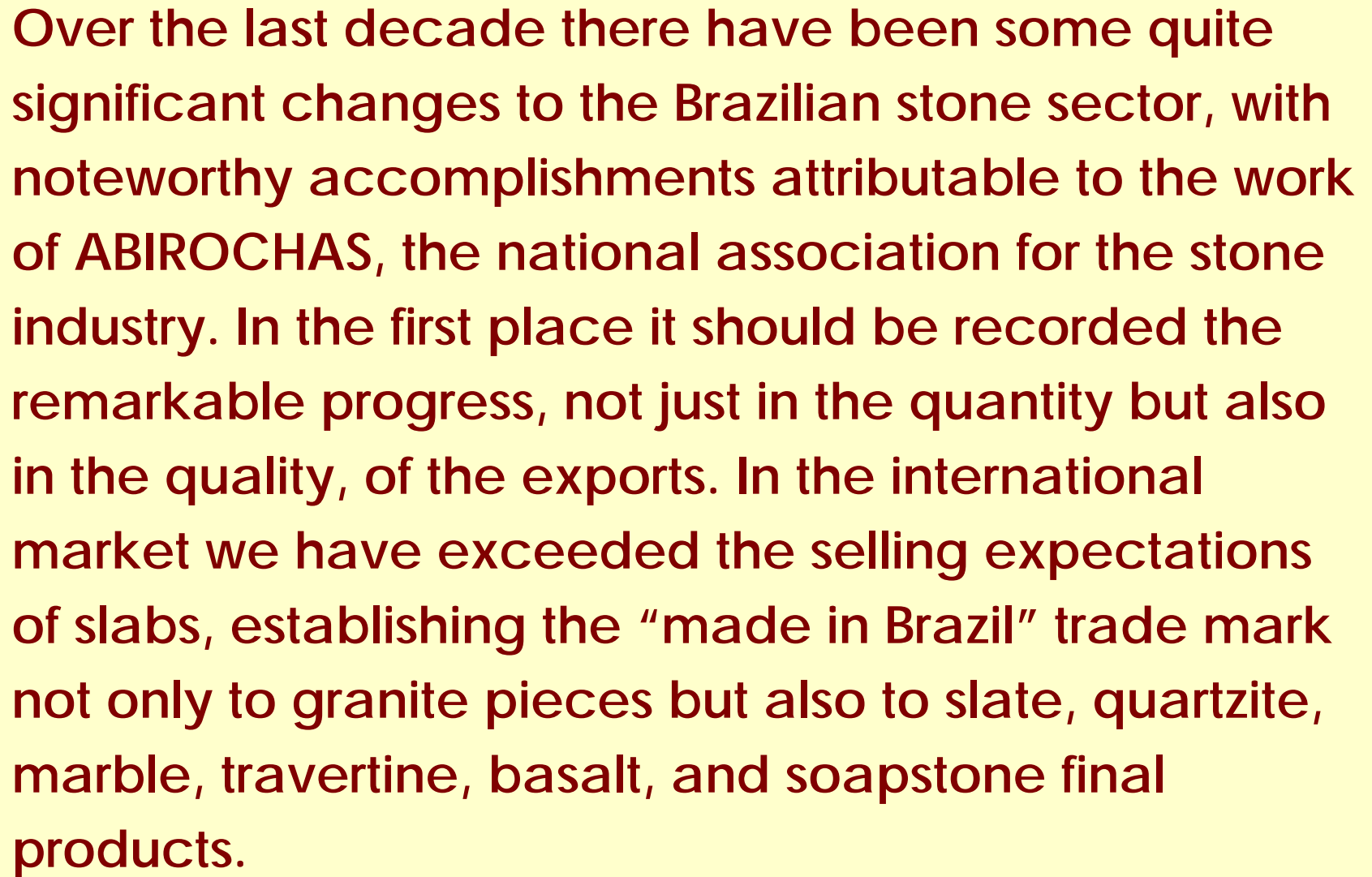
6th
Largest exporter in
volume terms (6% of
the world total)



The Brazilian perspectives in the international market of the stone sector remains very positive. After all, Brazil is one of the largest global suppliers of granites, and these stones continue in fashion in the USA and many other big markets. At long term, it can be suggested that the Brazilian granites, slates and quartzites will be the main stones of the international market in the 21st Century.



The attraction of capital and strong foreign companies, with tradition in the stone industry, is considered strategic and already a reality for Brazil. This has a view to improve the extraction, process and application of the materials, turning new production centers viable, installing modern industrial poles, and guaranteeing the commercialization of the Brazilian products both on internal and external markets.



Over the last decade there have been some quite significant changes to the Brazilian stone sector, with noteworthy accomplishments attributable to the work of ABIROCHAS, the national association for the stone industry. In the first place it should be recorded the remarkable progress, not just in the quantity but also in the quality, of the exports. In the international market we have exceeded the selling expectations of slabs, establishing the “made in Brazil” trade mark not only to granite pieces but also to slate, quartzite, marble, travertine, basalt, and soapstone final products.



THE DIMENSION OF THE BRAZILIAN STONE SECTOR – 2006

- 7.5 million tons of dimension stones produced;
- 1,000 varieties sold in the domestic and overseas markets;
- 1,800 dimension stone quarries;
- 12,000 companies operating in the production chain;
- 145,000 direct jobs in the sector;
- Production capacity of 60 million m² a year of special processed stones;



THE DIMENSION OF THE BRAZILIAN STONE SECTOR – 2006

- Domestic consumption of 54 million m² (27 kg per capita), including simple processed stones;
- US\$ 1.045 billion and 2.59 million tons exported;
- Growth of 32.3% in value and 20.0% in volume of exports over 2005;
- Exports of 17 million m² equivalent of granite and marble slabs (2 cm thick);
- More than 700 exporting companies (overseas sales to 120 countries).

ABIROCHAS

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