

Tropical Timber Market Report

Volume 29 Number 3 1st – 15th February 2025



The ITTO *Tropical Timber Market (TTM) Report*, an output of the ITTO Market Information Service (MIS), is published in English every two weeks with the aim of improving transparency in the international tropical timber market. Its contents do not necessarily reflect the views or policies of ITTO. News may be reprinted provided that the ITTO *TTM Report* is credited. A copy of the publication should be sent to ti@itto.int.

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Top story

ABIMCI highlights obstacles to exporting

In January the Brazilian Association of Mechanically Processed Timber Industry (ABIMCI) released the 2024 export summary. ABIMCI notes satisfying demand in 2024 was challenging due to factors such as logistical and port bottlenecks, strikes by government employees involved in export processes and the threat of dock worker strikes in the United States.

The complex landscape of the logistics and port crisis presents many challenges for which there are no short-term solutions. ABIMCI says these challenges are expected to continue throughout 2025.

Central and West Africa

Regional sentiment

Across Gabon, Cameroon and Congo producers say harvesting is moderate to low, constrained by weak export demand. Repairs to roads and railways, critical for timber transport, progress slowly. Power and fuel shortages continue to challenge industrial operations, particularly in Gabon's veneer mills.

The sharp decline in Chinese demand remains the largest factor affecting production, it is only purchases by Vietnam and the Philippines that maintain the flow of orders. In contrast, demand in the Middle East has shown some slight improvement for certain hardwood species such as Iroko, Sapelli and other redwoods. Overall, mid-February sees the timber sector still in a cautious mode awaiting more robust international demand and stability in power/infrastructure to fully resume production.

Regional up-date

Gabon

Forestry officials in Gabon are moving forward with GPS marking on sawnwood bundles but there is scepticism about how effectively this can be enforced in practice. The requirement to mark every bundle of sawn timber with GPS data underscores the government's emphasis on traceability, even if the current level of on-the-ground enforcement is uncertain. The push toward FSC certification by the end of the year is adding extra pressure on operators already dealing with weak demand.

Some veneer and plywood mills in the Nkok Special Economic Zone are working at reduced capacity, often just one shift, due to the slow overseas demand and power disruptions.

Okoume peeler logs are reportedly trading around 70,000 FCFA/cu.m delivered. Good CS-grade logs can sell at up to 85,000 FCFA/cu.m. Sawlog prices in the local market have increased to around 55,000 FCFA/cu.m (up from 50,000 FCFA).

Ongoing repairs to key routes (such as Ndjole/Bifoun) remain slow with only one lane open on some stretches. Companies report that moving timber to Owendo Port can take 2–3 days due to poor road conditions.

Cameroon

Logging operations have resumed but at reduced levels due to slow international demand, particularly in China. The dry season (now until June) should allow for easier road maintenance but market sentiment remains cautious.

Trucking is reported "back to normal" as key routes have been repaired, especially the road to Sangmelima, vital for south-Congo forest-sawmill operators heading to the Kribi Port.

It is reported that Douala Port currently sees fewer logs arriving from North Congo and the Central African Republic. Operations at the port are said to be better under the port's new management.

Republic of Congo

Production in the north is said to have returned to a "normal" following the end of seasonal rains yet overall output remains modest because of weak demand in Asian and European markets. Chinese buyers have drastically reduced orders pushing mills in the region to seek alternative markets. Industries in the Congo suffer frequent fuel shortages and reduced power supply in urban areas is a challenge for businesses.

Log export prices

West African logs Asian market	FOB Euro per cu.m		
	LM	B	BC/C
Acajou/ Khaya/N'Gollon	220	220	175
Ayous/Obeche/Wawa	210↓	210↓	200
Azobe & ekki	260↑	2560↑	175
Belli	250↑	250↑	-
Bibolo/Dibétou	200	200	-
Bilinga	275↑	275↑	-
Iroko	270	250	225
Okoume (60% CI, 40% CE, 20% CS) (China only)	205↑	205↑	220
Moabi	260	260	220
Movingui	180	180	-
Niove	160	160	-
Okan	210	210	-
Padouk	300	270	-
Sapele	260↑	260↑	220
Sipo/Utiele	260↑	260↑	230+
Tali	260	260	-

Sawnwood export prices

West African sawnwood	FOB Euro per cu.m
Ayous FAS GMS	440
Bilinga FAS GMS	680
Okoumé FAS GMS	420
Merchantable KD	380
Std/Btr GMS	370
Sipo FAS GMS	520
FAS fixed sizes	-
FAS scantlings	540
Padouk FAS GMS	800
FAS scantlings	875
Strips	400
Sapele FAS Spanish sizes	530
FAS scantlings	550
Iroko FAS GMS	800
Scantlings	840
Strips	400
Khaya FAS GMS	420
FAS fixed	440
Moabi FAS GMS	550
Scantlings	550
Movingui FAS GMS	460
Okoume Merch	380
Assamela FAS GMS	1,400
Gheombi	450

March trade mission to Cameroon

ATIBT will lead a trade mission to Cameroon. This initiative has been arranged as part of the ASP-Green Pact with the aim of promoting development of a sustainable, climate resilient economic model in Cameroon. Support is provided by the EU as part of the Cameroonian Forest Governance Improvement Programme (PAMFOR).

ITTO has been advised that registration is still open.

See: <https://www.atibt.org/en/news/13586/invitation-to-a-professional-trip-to-cameroon-commit-to-a-green-economy-with-the-asp-pacte-vert-project>

Ghana

New CEO for Forestry Commission

Stakeholders in the timber industry have applauded the President appointment of Dr. Hugh C.A. Brown as the new Chief Executive of Ghana’s Forestry Commission (FC). Prior to his new appointment Dr. Brown, a professional forester, served as the Executive Director of the Forest Services Division of the Commission. The industry acknowledged Dr. Brown's expertise and experience in forestry management and anticipate he will steer the timber industry and the Forestry Commission in the right direction.

According to timber merchants from Ghana’s timber producing areas in the Ashanti, Western, Western North and Ahafo Regions, they are optimistic the new Chief Executive’s leadership will not only boost the industry but also contribute to the country's economic growth.

See: <https://www.myjoyonline.com/timber-industry-hails-president-mahas-appointment-of-new-forestry-commission-ceo/> and <https://www.peacefmonline.com/article/388379-timber-industry-hails-president-mahas-appointment-of-forestry-commission-ceo>

Ghana’s wood product exports decline again

Ghana earned Euro10.22 million from the export of 21,091 cu.m of wood products in December 2024, a significant decline of nearly 7% in value and 8% in volume compared to December 2023.

2024 exports earned US\$123.47 million from a volume of 272,829 cu.m. of wood and wood products, a drop in volume (7%) and in value (8%) when compared to same period 2023.

Wood product exports 2024

	2024 cu.m	Y-O-Y % change
AD sawnwood	160,390	-5%
KD sawnwood	35,786	-5%
Billets	18,827	43%
Plywood (Overland)	16,122	-29%
Plywood	8,343	-41%
Rotary Veneer	10,300	26%
Teak Logs	6,087	-30%
Mouldings	6,094	-21%
Sliced Veneer	6,215	-14%
Briquettes	2,228	-4%
AD boules	1,425	98%
KD boules	479	804%
Others (6)	533	-41%
Total	272,829	-7%

Data source: TIDD

Air dried sawnwood accounted for 51% of the export value in 2024 while figures for kiln dried sawnwood were 19%, sliced veneer 6%, billets, plywood (to the regional market) and mouldings 5% and rotary veneer 4%. These altogether accounted for 95% (Eur 116.79 million) of total revenue earned from timber exports.

The major markets for timber from Ghana were India, Egypt, Vietnam, United States of America, Belgium, Germany, Senegal, Italy, Burkina Faso and Togo. Others included United Kingdom, Saudi Arabia and Estonia.

Wawa, ofram, makore, edinam, sapele, denya, ceiba, teak and gmelina featured prominently in the export of sawnwood, rotary veneer, sliced veneers billet and plywood.

Analysis of the 3-year data for 2022, 2023 and 2024 showed a declining export trend in both volumes and values. One of the main reasons cited for the downtrend was inadequate raw material.

Air-dried sawnwood accounted for close to 60% of the total export volume in each of the three years reported and together with kiln dried accounted for over 70% while about sixteen other products accounted for the remaining 30% of the total export volume.

Chiefs and traditional authorities involved in fighting illegal mining

The Minister of Lands and Natural Resources, Emmanuel Armah-Kofi Buah, has announced his Ministry’s key objectives among which he has the vision of the roll-out of a multi-pronged measure to deal with illegal mining (galamsey) activities in the country.

Speaking at his first meeting with staff and management of the Ministry in Accra, the Minister enumerated fresh measures that would aid in his programme to halt illegal mining activities, restore forest reserves and create a mining sector that will not damage water bodies.

The Minister did not rule out the strengthening intelligence-led swoops that had been deployed over the years to tackle the problem. He added that there would also be comprehensive and coordinated interventions involving Chiefs, Metropolitan, Municipal and District Assemblies (MMDAs), security agencies, civil society organisations and others to help deal with the root cause of illegal practices.

According to the Minister, the government's focus is to reform the forestry, mining and land sectors and make sure that Ghanaians have a pathway to legal mining. He tasked the Forestry Commission to focus on protecting the forest reserves and to heal degraded forest resources. He promised reforms at the Lands Commission to make their services accessible to the people.

He implored on Chiefs and traditional authorities to lead the fight against galamsey as they will actively be engaged in the pre- and post-licensing mining periods to keep them abreast of activities in their jurisdictions.

Meanwhile the Lands Minister, has inaugurated an 18-member committee to develop a blueprint within two weeks for the reform of the mining sub-sector.

New Bank of Ghana Governor

The President has nominated Dr. Johnson Asiamah as the new Governor of the Bank of Ghana (BoG), following the impending retirement of the current Governor, Dr. Ernest Addison, who formally requested to proceed on leave ahead of his retirement. Dr. Asiamah is an economist and former Deputy Governor of the BoG (2016-2017) with over 23 years of experience in monetary policy formulation, financial stability regulation and economic management.

The First and Second Deputy Governors of the BoG Dr. Maxwell Opoku-Afar and Mrs. Elsie Addo Awadzi have also decided to leave ahead of the expiration of their tenure.

Meanwhile, an International Monetary Fund (IMF) team is already in the country to hold a series of engagements with government about the economy. The discussions will focus on the economy and the 2025 Budget. Ghana has received about US\$1.9 billion to support the economy since 2023.

See: <https://thebftonline.com/2025/01/31/dr-johnson-asiamah-nominated-as-bog-governor/> and <https://www.myjoyonline.com/imf-begins-talks-with-government-on-economy-2025-budget-from-today/>

Boule export prices

	Euro per cu.m
Black Ofram	330
Black Ofram Kiln dry	420
Niangon	850
Niangon Kiln dry	910

Rotary veneer export prices

Rotary Veneer, FOB	Euro per cu.m	
	CORE (1-1.9 mm)	FACE (>2mm)
Ceiba	355↓	410
Chenchen	472	612
Ogea	367↑	590
Essa	555↓	711
Ofram	350	435

Export sawnwood prices

Ghana sawnwood, FOB	Euro per cu.m	
	Air-dried	Kiln-dried
FAS 25-100mmx150mm up x 2.4m up		
Afromosia	860	925
Asanfina	465	947
Ceiba	290	465↑
Dahoma	517↑	568↑
Edinam (mixed redwood)	640	741
Emeri	700	750
African mahogany (Ivorensis)	783	811↓
Makore	692	840
Niangon	832↑	866↑
Odum	858↓	1.061↑
Sapele	695↑	789↑
Wawa 1C & Select	445	475↑

Plywood export prices

Plywood, FOB	Euro per cu.m			
	BB/CC	Ceiba	Ofram	Asanfina
4mm		629	580	641
6mm		414	535	604
9mm		433	504	560
12mm		356	489	480
15mm		396	385	430
18mm		460	415	383

Grade AB/BB would attract a premium of 10%, B/BB 5%, C/CC 5% and CC/CC 10%.

Sliced veneer export prices

Sliced face veneer	FOB
	Euro per cu.m
Asanfina	1,254
Avodire	2,582
Chenchen	840
Mahogany	1,438
Makore	2,921
Odum	2,500
Sapele	906

Malaysia

Expanding wood products certification scheme

The Sarawak Timber Association (STA), in its latest STARreview, reports on the Malaysian Timber Industry Board (MTIB) engaging the Institute of Tropical Forestry and Forest Product of Universiti Putra Malaysia to recommend improved data generation to expand MTIB's Wood Product Certification Scheme.

This is part of the Government's efforts to explore opportunities to expand the certification scheme to include products that meet the demand in the global market.

In this connection, a roundtable session with stakeholders was held to exchange ideas and discuss issues related to requirements, impacts, challenges, opportunities and relevance of certification in advancing the country's Sustainable Development Goals.

Discussions included offering incentives to companies that demonstrate strong commitment to improving product quality, implementing cost-sharing measures to ease the financial burden on businesses, ensuring government recognition of certified products, enhancing market access for certified product and strengthening collaboration and synergy among various Government agencies.

See: <https://sta.org.my/images/STARReviewDec2024.pdf>

The STARReview also reported that the Malaysian Timber Certification Council (MTCC) organised an inception workshop for the 'Promoting Sustainable Wood Use for the Domestic Market in Malaysia'. The workshop was attended by policymakers, research institutions, timber associations and industry players to discuss and provide inputs on the project inception report.

In his opening remarks, Akmal Saarani, Director (Chain of Custody) at MTCC announced that this project, funded by the International Tropical Timber Organization, is an initiative aimed at enhancing and diversifying domestic consumption while promoting local markets for sustainable wood and wood products in Malaysia.

With MTCC appointed by the Ministry of Plantation and Commodities as the executing agency, this 18-month project has the ambitious goal of increasing domestic consumption, improving supply chains and reinforcing government policies related to the use of sustainable wood products.

See: <https://sta.org.my/images/STARReviewDec2024.pdf> and https://www.instagram.com/p/DDv0h4OTdWd/?img_index=1

Sabah Timber Industries Association supports plantation plan

Sabah Timber Industries Association (STIA) reaffirmed its commitment to support the State Government's forest plantation target of planting 400,000 hectares as outlined in the Forest Plantation Development Action Plan. Its President, Tan Peng Juan, said this initiative aims to reduce reliance on natural forest species.

The Forest Plantation Development Action Plan (2022–2036) is a strategic initiative by the Sabah Forestry Department aimed at transforming forest plantation development in Sabah. It was launched in March 2022.

The 15-year plan provides guidance in accordance with sustainable forest management principles as outlined in the Sabah Maju Jaya Development Plan (2021–2025) and the Sabah Forest Policy.

The Sabah timber industry recorded a steady increase in exports from January to November 2024, with an average rise of 11% in volume and 6% in value compared to the same period in 2023.

Japan remained the largest importer accounting for 22% of the total export value followed by the United States (11%) and Taiwan P.o.C (9%). Exports to European countries were negligible contributing only around 2% to total earnings.

See: <https://www.dailyexpress.com.my/news/251404/undefined/> and <https://www.dailyexpress.com.my/news/251406/undefined/>

Malaysian International Furniture Fair

The Malaysian International Furniture Fair (MIFF) will take place on 1-4 March 2025 in the World Trade Centre Kuala Lumpur (WTCKL) and Malaysia International Trade & Exhibition Centre (MITEC) in Kuala Lumpur.

The organisers say over 650 furniture manufacturers and exporters will be exhibiting from Australia, Cambodia, China, India, Indonesia, Hong Kong, Japan, South Korea, Taiwan, Thailand, Vietnam, UAE and USA.

See: <https://miff.com.my/register-now/?cid=edm230125NewExh>

Indonesia

Export Benchmark Price (HPE) of Wood for February 2025

Veneers (prices per cu.m)

Natural forest veneer	US\$715
Plantation forest veneer	US\$772
Wooden Sheet for Packaging Box	US\$916

Wood chips (prices per tonne)

Woodchips chips or particles	US\$93
Woodchips	US\$91

Processed wood (prices per cu.m)

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth with the provisions of a cross-sectional area of 1,000 sq.mm to 4,000 sq.mm (ex 4407.11.00 to ex 4407.99.90)

Meranti (Shorea sp)	US\$1,190
Merbau (Intsia sp)	US\$1,631
Rimba Campuran	US\$811
Ebony	US\$2,817
Teak	US\$2,795
Pinus and Gmelina	US\$645
Acacia	US\$649
Sengon (P. falcataria)	US\$611
Rubberwood	US\$355
Balsa, Eucalyptus	US\$897
Sungkai (P.canescens)	US\$1,400

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth of Merbau wood with the provisions of a cross-sectional area of 4000 mm² to 10000 mm² (ex 4407.11.00 to ex 4407.99.90) = 1,500 US Dollars/cu.m

See: <https://jdih.kemendag.go.id/peraturan/keputusan-menteri-perdagangan-republik-indonesia-nomor-122-tahun-2025-tentang-harga-patokan-ekspor-dan-harga-referensi-atas-produk-pertanian-dan-kehutanan-yang-dikenakan-bea-keluar>

Forestry targets 400,000 job creation

The Minister of Forestry, Raja Juli Antoni, said the government is targeting an investment of IDR19.9 trillion in the forestry sector which is expected to create 400,000 jobs. This was reported during a meeting with Commission IV of the Indonesian House of Representatives. The Minister stated that the theme for the Ministry of Forestry's development in 2025 is to enhance forest production and promote downstream activities to ensure equitable economic development across regions.

The forestry development theme for 2025 aims to achieve several objectives. The first is to enhance economic growth by increasing the contribution to GDP and increase exports by 3-5%; second, equitable regional development through increasing the capacity of forest farming groups by 7-8% and third, reducing deforestation by 3-4%.

See: <https://www.antaranews.com/berita/4605338/menhut-bidik-investasi-kehutanan-rp1919-triliun-dan-400-ribu-pekerja>

18 Companies lose their concession rights

The Minister of Forestry announced the government has revoked forest management licenses for 18 companies that collectively controlled 526,144 hectares of land. The decision was made after it was observed these companies failed to manage the forests sustainably for the economic benefit of surrounding communities.

See: <https://jakartaglobe.id/business/govt-revokes-concessions-of-18-companies-controlling-over-half-a-million-hectares-of-forest-land>

and

<https://news.detik.com/berita/d-7761324/menhut-cabut-izin-pemanfaatan-hutan-18-perusahaan>

Furniture and craft industry urged - be aware global challenges

Indonesia's furniture and craft industry is facing significant challenges due to the global situation, particularly the high tariff policies by the USA said Fajarini Puntodewi, Director General of National Export Development at the Ministry of Trade. He warned that Indonesian products may struggle to enter the US market adding "our primary export destinations are the United States, which holds a market share of 53% and the European Union, accounting for over 15%.

Within the EU, significant markets include the Netherlands, Germany, Belgium, France and Spain, we also export to Asian countries such as Japan, said Fajarini.

The domestic industry must improve as global demand for furniture and crafts remains promising. The positive growth trend is projected at 15%. Specifically for furniture products the global market size reached US\$770 billion in 2024 and is expected to reach US\$925.46 billion by 2029.

See: <https://www.cnbcindonesia.com/news/20250207192419-4-609001/kemendag-tiba-tiba-minta-industri-mebel-kerajinan-ti-waspada-ada-apa>

New regulation on depositing export earnings a challenge says association

The Indonesian Furniture and Craft Industry Association (Himki) stated that the mandatory policy requiring the depositing of 100% of foreign exchange proceeds from export within one year could negatively impact the national furniture and craft industry which is export-oriented, labour-intensive and closely integrated with the global supply chain.

Export proceeds are essential for business capital, including for the purchase of high-tech production machines which also require access to foreign exchange because they have to be imported.

Business stakeholders are currently concerned about the requirement to deposit export earnings in domestic accounts as this could restrict their access to foreign currency. Additionally, fluctuations in exchange rates could negatively impact exporters when converting currencies.

There are also risks to cash flow and the long-term sustainability of the business according to the Association as company's liquidity could be affected, particularly for small SME exporters who rely heavily on the flexibility of deposits for their operational and expansion needs.

The Association has requested the government carefully consider this policy to ensure it does not impede exporters in the creative industry sector who require significant support from the government. He hopes a scheme will be established allowing companies to withdraw foreign currency in specific amounts without time limits provided it is used for productive purposes.

See: <https://www.msn.com/id-id/berita/other/industri-mebel-waswas-kebijakan-wajib-parkir-dhe-1-tahun-bikin-modal-seret/ar-AA1yshsV?ocid=BingNewsVerp>

Promotion in the Middle East and Africa, APHI Visits ITPC Dubai

Secretary General of the Indonesian Forestry Entrepreneurs Association (APHI), Purwadi Soeprihanto, visited the Indonesia Trade Promotion Center (ITPC) Dubai, United Arab Emirates to strengthen the promotion of wood products to the Middle East and African markets. In a statement he said "Dubai is a potential hub for the Middle East and Africa markets."

Importers met represented two market categories in Dubai, namely the niche market for high-end hotels, apartments and residences represented by Fakhir Group and Tarrab Group and the retail market represented by Rahmani Group.

See: <https://forestinsights.id/promosi-produk-kayu-di-timur-tengah-dan-afrika-aphi-kunjungi-itpc-dubai/#>

Agroforestry to achieve food self-sufficiency

The Indonesian government has opted to promote and adopt the agroforestry approach to cultivate gogo-type (dry) paddy on 1.1 million hectares across the country to achieve self-sufficiency in food. Speaking in Indramayu, West Java, Forestry Minister, Raja Juli Antoni, stated that his Ministry is collaborating with the Ministry of Agriculture to execute this initiative.

The Minister then stated that his Ministry also identified an additional 1.4 million hectares of land suitable for corn cultivation. Meanwhile, Agriculture Minister, Andi Amran Sulaiman, commended the Forestry Ministry for endorsing agroforestry to ramp up food production. He emphasised that synergy between the forestry and agriculture sectors is key for Indonesia to solidify its food security.

See: <https://forestinsights.id/dukung-ketahanan-pangan-kemenhut-kementan-garap-agroforestry-perhutanan-sosial/#>

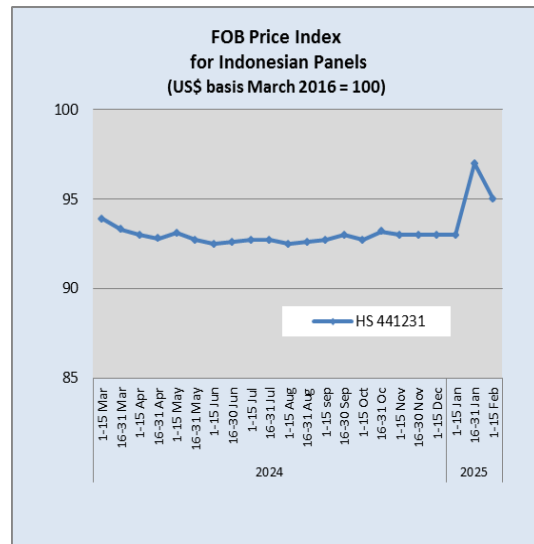
Indonesia introduced multi-business Sustainable Forest Management

At the ‘Forest Governance, Markets and Climate (FGMC) Stakeholder Forum 2025’ in London, Indonesia unveiled its Multi-Business Forestry Scheme to promote sustainable forest management. Agus Justianto explained that in Indonesia traditional forest management faces the challenges of deforestation, loss of biodiversity and tenurial conflicts and that a transformation of forest management policies is needed.

Agus explained the transformation of forest management in Indonesia involves first reorienting forest management with a sustainable forest management approach and community involvement. Indonesia, said Agus, is currently transforming its forest management policy by implementing Multi-Business Forestry (MUK) which is oriented towards forest landscape management.

By implementing MUK, forestry concessions can carry out various business activities in the form of utilising wood and non-wood forest products, environmental service and utilising areas to optimise the potential of forest products," said Agus. Through MUK, community involvement in forest management will also be more open. This is because forestry concessions (Forest Utilization Business Permits/PBPH) can implement agroforestry to develop non-forestry commodities while still paying attention to forest sustainability.

See: <https://forestinsights.id/di-fgmc-stakeholder-forum-indonesia-ekspos-skema-multi-usaha-kehutanan-untuk-pengelolaan-hutan-lestari/#>



Data source: License Information Unit. <http://silk.depht.go.id/>
The reason for the price surge is being investigated

Myanmar

Export sawnwood specification amended

In August 2022, when the classification of primary wood-based products was announced, the sectional area of sawn timber with a size of 24 square inches and a maximum width of 4 inches was classified as semi-finished and eligible for export. Recently, the specification for the sectional area was increased to 36 square inches.

However, it is understood that timber exceeding 24 square inches is subject to a Special Goods Tax of 5%. Since Myanmar's wood-processing sector is predominantly based on primary processing, increasing the limit may result in higher production yields

Wood based industries

In 2015-16, there were approximately 333 wood-based industries in Myanmar, 12 of which were foreign ventures. Following the sanctions imposed on Myanmar Timber Enterprise (MTE) after 2021 and the resulting near collapse of exports to major markets, it is now believed that fewer than ten export-oriented factories remain.

In addition, Myanmar's state owned woodbased industries were under the control of Myanmar Timber Enterprise. Until 2014, MTE operated 65 sawmills and 18 woodbased industries, and it reserved certain logs for use in these mills.

In 2014-15 MTE began selling more logs to the private sector with the exception of small quantities reserved for few sawmills that were required to produce for state projects and needs. Most MTE sawmills and woodbased industries are now leased to the private sector.

Trade surplus forecast

Myanmar estimates that there will be a trade surplus in the 2024-2025 fiscal year as a result of the prospect of exports surpassing import, according to 2024-2025 Fiscal Year's Financial Policy Paper released by the Budget Department under the Ministry of Planning and Finance.

The paper stated that the export value is anticipated at US\$16.7 billion, the import value is US\$16.3 billion, and the trade surplus is US\$400 million. The Minister of Commerce and Industry, Htun Ohn, said that 60% of the export target had been achieved between April and November in the 2024-2025 fiscal year.

Myanmar mainly exports rice, pulses, seafood and clothing while importing capital goods, industrial raw materials and consumer good. In the last fiscal year the country earned about US\$14.614 billion from exports.

The export drive will face a major hurdle as many young workers have left the country to avoid conscription into the armed forces and this is severely impacting Myanmar's garment industry. Garment factories are reporting a 20% drop in production as recruiting new workers and finding skilled labor becomes increasingly difficult.

See- <https://eng.mizzima.com/2024/12/22/17572> and

See- <https://www.irrawaddy.com/business/economy/myanmars-garment-industry-unravelling-amid-chronic-labor-shortage.html>

Emergency rule extended

The State Administration Council has extended the four-year emergency rule delaying plans for long-promised general elections. The National Defence and Security Council extended a state of emergency for another six months until 31 July according to a government statement

The emergency rule has now been extended for six times.

The regional media has reported China is playing a key role in brokering peace talks between the administration and ethnic armed groups the latest being a ceasefire agreement with the Myanmar National Democratic Alliance Army.

See- <https://www.businesstimes.com.sg/international/asean/myanmar-generals-extend-emergency-rule-again-delaying-polls>

In related news, the Jakarta Post published a long article saying ASEAN must move beyond empty diplomacy and hold Myanmar's military accountable.

See- <https://www.thejakartapost.com/opinion/2025/02/12/time-to-end-aseans-accommodative-approach-in-myanmar.html>

Formation of development commissions amid deepening economic crisis

The administration has announced three new development commissions as the country grapples with severe infrastructure and economic challenges. The Electricity and Energy Development Commission, chaired by Deputy Prime Minister General Tin Aung San, aims to address the nation's critical power shortages.

The power crisis has triggered factory closures across industrial zones prompting the formation of the Industrial Development Commission. This commission is led by Deputy Prime Minister and Union Minister for Transport and Communications, General Mya Tun Oo.

Additionally, the administration established the Agriculture and Livestock Development Commission chaired by General Nyo Saw, a member of the military council. These commissions emerge as Myanmar's economy faces significant challenges.

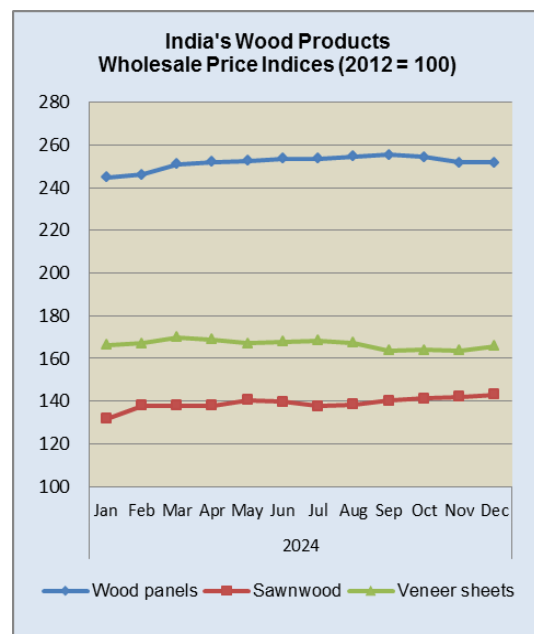
See- <https://eng.mizzima.com/2024/12/21/17551>

India

Sawnwood price continues to climb

The annual rate of inflation based on the India Wholesale Price Index (WPI) was 2.37% in December 2024. The positive rate of inflation in December 2024 was primarily due to increase in prices of food articles, manufactured food products, other manufacturing, manufacture of textiles and non-food articles.

The index for the manufacturing sector in December 2024 was the same as that in November. Out of the 22 groups for manufactured products 11 saw an increase in prices, 9 a decrease and 2 groups, including wood panels, saw no change in prices.



Data source: Ministry of Commerce and Industry, India

Some of the important groups that showed month on month price increases were sawnwood, wood veneers, textiles, fabricated metal products (except machinery & equipment), other non-metallic mineral products, motor vehicles, chemicals and chemical products.

Some of the groups that saw declining prices were basic metals, food products and furniture.

See: https://eaindustry.nic.in/pdf_files/cmonthly.pdf

Tax cuts to drive consumption

In announcing the annual budget Finance Minister, Nirmala Sitharaman, indicated the government will cut personal income tax rates to spur middle-class spending and accelerate growth. India's economy is projected to expand by 6.4% in the current financial year, the weakest pace in four years currently, consumers facing with high food price inflation.

Interest rate cut, first in five years

The private sector has welcomed the Reserve Bank of India's decision to lower interest rate for the first time in nearly five years saying this will complement the consumption-boosting measures announced in the budget to support fading growth in the hope that inflation will ease to 4.4% in the first quarter and be a steady 4.2% through 2025-26.

https://www.thehindu.com/business/Economy/rbi-monetary-policy-committee-meeting-friday/article69190903.ece#cxrecs_s

Panel prices to be raised

The Kandla Timber Association (KTA) has announced that due to rising raw material costs, inflation and rising log prices producers have been compelled to increase plywood prices by 5 % and flush door and blockboard prices have been raised by Rs3/sq. ft.

The decision to increase the prices was taken jointly by members of the Kandla Timber Association (KTA) and members of Haryana Plywood Manufacturers Association (HPMA). Both are leading associations in the Indian wood panel industry and say that due to significant increases in the cost of raw materials, including timber, resin and rising labour cost the decision has been made by all the members to implement a price increase on plywood products.

The rise in timber prices, combined with escalating resin and labour costs, has made this change necessary to maintain the quality and consistent supply of the product. The Associations say “while we understand that price increases can be challenging this decision has been made collectively to ensure the continued sustainability of the industry.

In related news, members of the All India Plywood Manufacturers Association (AIPMA) has decided to increase the rate of Shuttering Plywood (12mm) by Rs3/sq. ft. the price of other thicknesses will be increased prorata.

The decision to increase prices was unanimously taken after rigorous discussions among plywood manufacturers. It was been noted that increased raw material prices and the high moisture content of logs aggravate the situation.

Both decisions are applicable with immediate effect and no order will be accepted by any member at old rates. It is very likely that prices will be reviewed again at the next meeting following the continued increase in the log prices.

January prices C&F Indian ports in US dollars

Teak log prices, C&F US\$/Hoppus cu.m

	Hoppus cu.m	US\$ C&F
Brazil	123	485
Colombia	92	430
Costa Rica	218	330
Nigeria	-	-
Benin	-	-
Tanzania	117	470
Laos	-	-
South Sudan	186	685
Guatemala	166	345
Venezuela	-	-

Teak sawnwood prices, C&F US\$/cu.m

	cu.m	US\$ C&F
Benin	189	710
Brazil	90	650
Colombia	-	-
Costa Rica	170	510
Ecuador	-	-
Ghana	149	420
Ivory Coast	138	845
Nigeria	47	415
South Sudan	143	645
Tanzania	-	-
Togo	226	495
Panama	241	485

Locally milled sawnwood prices

Sawnwood Ex-mill	Rs per cu.ft.
Merbau	4,350 - 4,750
Balau	2,950 - 3,250
Resak	-
Kapur	-
Kempas	1,650 - 1,950
Red meranti	1,750 - 2,000
Radiata pine	1,000 - 1,200
Whitewood	950 - 1,150

Price range depends mainly on lengths and cross-section

Sawn hardwood prices

Sawnwood (Ex-warehouse) (KD 12%)	Rs per cu.ft.
Beech	1,900 - 2,200
Sycamore	2,300 - 2,700
Red Oak	2,900 - 3,300
White Oak	3,300 - 3,700
American Walnut	5,300 - 5,900
Hemlock STD grade	1,900 - 2,200
Western Red Cedar	3,000 - 3,350
Douglas Fir	2,400 - 2,600

Price range depends mainly on lengths and cross-section

Ex-warehouse prices for locally manufactured WBP plywood (new rates not announced)

Plywood Ex-warehouse	Rs. per sq.ft
4mm	84
6mm	97
9mm	115
12mm	137
15mm	178
18mm	195

Ex-warehouse prices for locally manufactured MR plywood (new rates not announced)

Plywood Ex-warehouse	Rs. per sq.ft
4mm	57
6mm	73
9mm	84
12mm	99
15mm	134
19mm	143
5mm Flexible ply	89

Wood and wood product (W&WP) trade highlights title

Vietnam's W&WP exports to the US in December 2024 reached US\$887.4 million, up 7% compared to November 2024 and up 19% compared to December 2023.

Vietnam's imports of raw wood (logs and sawnwood) in December 2024 amounted to 506,900 cu.m, worth US\$162.7 million, up 8% in volume and 8% in value compared to November 2024. Compared to December 2023 imports increased by 37% in volume and 34% in value. In 2024 imports were 5.59 million cu.m, worth US\$1.81 billion, up 26% in volume and 20% in value compared to 2023.

Vietnam's pine imports in December 2024 totalled 70,100 cu.m, worth US\$15.0 million, down 17% in volume and 21% in value compared to November 2024. Compared to December 2023 imports increased by 53% in volume and 43% in value. In 2024 imports of pine totalled 975,600 cu.m, worth US\$218.2 million, up 38% in volume and 41% in value compared to 2023.

Vietnam's NTFP exports in December 2024 increased for the second consecutive month reaching US\$80.29 million, up 19% compared to November 2024 and up 13% over the same period in 2023. In 2024 NTFP exports were valued at US\$803.08 million, up 10% compared to 2023.

Spectacular export performance in 2024

The wood products industry experienced a spectacular export performance in 2024 following a sharp 16% decline during 2023 said Ngo Sy Hoai, Vice Chairman and Secretary General of the Viet Nam Timber and Forest Product Association (VIFOREST).

Despite the success challenges are ahead as both the EU and US markets increasingly demand stricter traceability of wood origin. Alongside enforcing green growth and digital transformation criteria Ngo said that VIFOREST will prioritise enhancing trade defense capabilities for businesses in an effort to drive the industry forward.

VIFOREST will work with the Trade Remedies Authority and Vietnamese trade offices overseas to issue timely warnings and help businesses avoid trade defense cases.

Tran Quang Bao, Director General of the Department of Forestry under the Ministry of Agriculture and Rural Development, will promote Vietnam's Timber Legality Assurance System (VNTLAS), strengthen links across the supply chain from forest growers to processing and export enterprises and support businesses in engaging in international trade fairs to secure contracts and promote Vietnamese wood products.

In addition to building high-tech processing zones, expanding export market share, proactively promoting trade in wood and wood products in major markets, developing sales through e-commerce channels.

The wood industry needs to pay more attention and invest in raw material sources. Specifically, it is necessary to develop more large timber plantations, sustainably managed forests and certified forests.

See: <https://en.baochinhphu.vn/wood-industry-eyes-us18-billion-export-turnover-in-2025-11125011315534835.htm>

Wood production and sustainable forest management

Wood production in Vietnam in 2024 was estimated to have reached 23.3 million cubic metres, up from 20.8 million cubic metres in 2023. This growth reflects the country's continuous investment in forestry and expanding plantation areas.

A significant portion of the timber harvested in Vietnam comes from plantation forests, which account for over 80% of the total output. The shift towards plantation forestry has been a deliberate strategy aimed at reducing pressure on natural forests while meeting the rising demand for raw materials. The government's afforestation programmes and incentives for private sector participation have contributed to this outcome.

One of the most prominent trends in Vietnam's wood industry is the focus on sustainable forest management and the use of certified wood. As global consumers increasingly demand environmentally responsible products, Vietnamese manufacturers are adopting international standards such as the Forest Stewardship Council (FSC) certification. By 2024, over 1 million hectares of forests in Vietnam will be FSC-certified, reflecting the country's commitment to sustainable practices.

Another trend is the rising adoption of technology in wood processing and manufacturing. Many companies are investing in advanced machinery and automation to improve efficiency, reduce waste and meet the stringent quality requirements in export markets. Additionally, the shift towards high-value-added products, such as custom-designed furniture, has gained momentum as manufacturers seek to enhance their competitiveness.

Wooden furniture continues to dominate Vietnam's wood product exports, accounting for over 60% of total exports. This growth has been driven by high demand in key markets such as the United States, China, Japan, and South Korea. The United States remains the largest market, driven by high demand for furniture and home goods.

China plays a key role as both a market and a processing hub for Vietnamese wood products. Japan and South Korea continue to grow as significant markets. Demand in European Union has expanded driven by the EU-Vietnam Free Trade Agreement (EVFTA), which has reduced tariffs on Vietnamese wood products.

Challenges and prospects for the wood industries

Despite its impressive growth Vietnam's wood industry faces several challenges. One major issue is the increasing scrutiny of the legality of timber sources.

With stringent international regulations, such as the EU's Deforestation Regulation, Vietnamese exporters must ensure that their products comply with these requirements. Non-compliance could lead to trade restrictions and loss of market access.

Another challenge is the rising cost of raw materials and labour. As Vietnam's economy grows wages have been increasing putting pressure on profit margins. Moreover, the reliance on imported wood materials exposes the industry to fluctuations in global supply and prices.

Climate change is also a looming threat with unpredictable weather patterns affecting timber yields and quality. Addressing these issues requires investments in climate-resilient forestry practices and technologies.

Looking ahead, the prospects for Vietnam's wood industry remain positive. The global demand for wooden furniture and sustainable products is expected to grow, offering ample opportunities for Vietnamese manufacturers. Government support in the form of favorable policies, trade agreements and financial incentives will further bolster the sector.

Moreover, the increasing urbanisation and middle-class growth in Asia, particularly in China and India, present untapped markets for Vietnamese wood products. By diversifying their market base and focusing on innovation, Vietnamese companies can reduce reliance on traditional markets and ensure long-term sustainability.

In 2025 Vietnam's wood products market will continue to thrive, driven by steady timber output, robust export performance and adoption of sustainable practices. While challenges such as regulatory compliance and rising costs persist the industry's resilience and adaptability offers a promising outlook. By embracing innovation and sustainability, Vietnam is well-positioned to maintain its status as a global leader in the wood products industry.

See: <https://b-company.jp/vietnam-wood-industry-in-2024-and-prospects-for-sustainable-development/>

Fund for forestry development programme

The Ministry of Finance is currently seeking public feedback on a draft Circular amending and supplementing certain articles of Circular No. 21 which regulates the management and use of operational funds for the implementation of the sustainable Forestry Development Programme.

The draft adds regulations on funding for activities related to forest protection, forest development, improving forest productivity and quality and sustainable forest management (added as Article 3a) as follows:

Funding will be for activities that protect special-use forests, support livelihood development, improve the lives of people in buffer zones of special-use forests, protect forests and support the protection of natural production forests during forest closures.

It also covers activities such as promoting natural regeneration, supporting the development of sustainable forest management plans, obtaining sustainable forest management certification and supporting scattered tree planting and contracted forest protection.

The content and level of funding will follow Decree No. 58/2024/NĐ-CP dated May 24, 2024, on certain investment policies in forestry and the guidance from the Ministry of Agriculture and Rural Development (MARD) outlined in the Circular regulating certain forestry activities under the Sustainable Forestry Development Program and the National Target Program for Socio-Economic Development in Ethnic Minority and Mountainous Areas for 2021-2030.

See: <https://vietnamagriculture.nongnghiep.vn/new-proposal-on-fund-using-for-sustainable-forestry-development-program-4402295.html>

Brazil

Periodic halt to native timber harvesting

The ban on harvesting in the natural forests in Mato Grosso State runs from 1 February to 1 April during the rainy period to protect the soil when it is more susceptible to degradation due to the use of heavy machinery.

This restriction was established by Resolution No. 406/2009 of CONAMA (National Environmental Council) and regulated in the state by Resolution No. 10/2017 of SEMA-MT (State Environmental Secretariat of Mato Grosso) which mandates that competent environmental authorities define the periods of restricted logging, skidding and log transportation.

However, the transportation of logs from log yards is allowed, provided that the logs were registered in the System for Forest Products Trade and Transport (Sisflora) before the prohibition period.

Currently, approximately 6% of Mato Grosso's territory is under Sustainable Forest Management Plans (SFMP) with a target of reaching 6 million hectares by 2030.

The adoption of SFMP helps promote sustainable forest use, environmental conservation and socioeconomic development and prevents degradation and deforestation.

See: <https://forestnews.com.br/comeca-periodo-proibitivo-da-colheita-de-madeira-nativa-em-mato-grosso/>

Pará advances with concessions for forest restoration

The State of Pará in the Amazon region is developing a State Concession Programme for Forest Restoration as part of the Native Vegetation Recovery Plan (PRVN). During a recent meeting at the Secretariat of Environment and Sustainability (SEMAS) a map of new areas that may be granted to the private sector was presented along with the integration of this initiative into other public policies and the definition of additional technical aspects of the project.

The foundation of the programme is based on the concession notice issued during COP 29 of the UNFCCC last year which aims to restore over 10,000 hectares located in the Triunfo do Xingu Environmental Protection Area (APA) in Altamira municipality, known as the Triunfo do Xingu Restoration Unit (URTX).

According to SEMAS one of the main goals is to designate over 100,000 hectares of public land to the Restoration Unit Concession Programme by 2026.

One of the key features of the URTX project is the Integrated Action Plan which seeks to improve the quality of life for local communities through investments in security, education, logistics, healthcare, infrastructure, public services and environmental and land regularisation.

See: <https://forestnews.com.br/para-prepara-programa-de-concessoes-para-restauracao-florestal/>

Cooperation on environmental governance in the Amazon

The Ministry of Foreign Affairs (MRE) has published a technical cooperation agreement with Germany for the implementation of the 'Technical Cooperation Project on Land Governance and Environmental Control in the Amazon'. It is reported the German government will invest EUR2.5 million to the project with execution led by the Ministry of Agrarian Development and Family Agriculture (MDA). The Brazilian Cooperation Agency of the Ministry of Foreign Affairs (ABC/MRE) will coordinate and oversee activities.

Germany is a strategic partner of Brazil in technical cooperation programmes. According to ABC/MRE, priority areas include projects focused on tropical forests, energy efficiency and renewable energy.

Under this agreement on land governance and environmental management in the Amazon the Brazilian government will provide non-financial counterpart support including the assignment of MDA personnel at both operational and managerial levels as well as physical facilities and equipment.

The agreement also includes tax exemptions and exclusive immunities and protections for the German technical staff involved.

The agreement is valid for six years, extendable for an additional two years but it will be annulled if an Execution Commitment Term is not formalised by November 30, 2028.

After Norway, which has contributed BRL3.4 billion to the Amazon Fund since 2009, Germany is the second-largest donor with a contribution of BRL387.859 million. The third-largest contributor is the United Kingdom with nearly BRL284 million.

See: <https://agenciacenarium.com.br/acordo-com-alemanha-preve-r-155-milhoes-para-governanca-na-amazonia/>

ABIMCI highlights obstacles to exporting

In January the Brazilian Association of Mechanically Processed Timber Industry (ABIMCI) released the 2024 export summary to its member companies. The document compiles official data from the Foreign Trade Secretariat of the Ministry of Development, Industry, Trade and Services (Secex/MDIC) including consolidated export figures, historical series for each segment and key destinations.

The summary aims to provide its members with essential information to help them plan and develop their strategies for 2025 further strengthening their position in global trade.

ABIMCI notes satisfying demand in 2024 was challenging due to significant factors such as logistical and port bottlenecks, strikes by government agency employees involved in export processes and the threat of dockers' strikes in the United States, which affected the global trade scenario last year.

The complex landscape of the logistics and port crisis presents multiple variables, for which unfortunately, there are no short-term solutions. Infrastructure improvements to enhance service efficiency require planning and medium to long-term investments.

These challenges are expected to continue throughout 2025 along with tariff and non-tariff trade barriers that continue to impact the sector, uncertainties regarding the new US administration and adaptation to the EUDR.

See:

<https://abilink.abimci.com.br/ev/PTZmt/BM6/8ce5/w8KE9Kx7yk/BQyw/>

For the export summary see: [Resumos-das-exportacoes-Ano-2024.pdf](#)

Domestic log prices

Brazilian logs, mill yard, domestic	US\$ per cu.m
Ipê	413
Jatoba	177
Massaranduba	154
Muiracatiara	150
Angelim Vermelho	164
Mixed redwood and white woods	117

Prices do not include taxes. Source STCP Data Bank

Domestic sawnwood prices

Brazil sawnwood, domestic (Green ex-mill)	US\$ per cu.m
Ipê	1,648
Jatoba	851
Massaranduba	742
Muiracatiara	766
Angelim Vermelho	699
Mixed red and white	482
Eucalyptus (AD)	277
Pine (AD)	230
Pine (KD)	273

Prices do not include taxes. Source: STCP Data Bank

Domestic plywood prices

Parica ex-mill	US\$ per cu.m
4mm WBP	548
10mm WBP	445
15mm WBP	381
4mm MR.	514
10mm MR.	399
15mm MR.	339

Prices do not include taxes. Source: STCP Data Bank

Prices for other panel products

Domestic ex-mill prices	US\$ per cu.m
15mm MDParticleboard	259
15mm MDFibreboard	258

Prices do not include taxes. Source: STCP Data Bank

Export prices

Average FOB prices Belém/PA, Paranaguá/PR, Navegantes/SC and Itajaí/SC Ports.

Export sawnwood prices

Sawnwood	US\$ per cu.m
Ipe	2,376
Jatoba	1,303
Massaranduba	1,277
Muiracatiara	1,305
Pine (KD)	203

Prices do not include taxes. Source: STCP Data Bank

Export plywood prices

Pine plywood	US\$ per cu.m
9mm C/CC (WBP)	324
12mm C/CC (WBP)	291
15mm C/CC (WBP)	279
18mm C/CC (WBP)	269

Prices do not include taxes. Source: STCP Data Bank

Export prices for added value products

Added value product	US\$ per cu.m
Decking Boards Ipê	3,219
Jatoba	1,821

Prices do not include taxes. Source: STCP Data Bank

Peru

Profiled wood exports increase

According to information provided by the Services and Extractive Industries Management of the Exporters Association (ADEX), shipments of “profiled wood, except ipê, molded wood, planks and friezes for parquet”, amounted to US\$16.9 million in 2024, increasing by almost 10% compared to 2023 (US\$15.3 million).

European countries imported the highest value with 43% shipped to France earning US\$7.2 million, a year on year decrease of 4%. According to figures from ADEX's Data Trade Business Intelligence System, the other 3 main importers were Denmark (US\$2.1 million, up 42% year on year) and Belgium (US\$1.7 million but down year on year by 23%).

The US imported US\$973,000, China with US\$911,000, Mexico US\$821,000, Germany US\$711,000, New Zealand US\$331,000, South Korea US\$318,000 and South Africa US\$241,000.

The information from ADEX highlighted that a large part of the shipments were made from Lima Port (44%).

The tariff heading that groups semi-manufactured profiled wood products was the most important in the wood sector, with shihuahuaco decking as the outstanding product. The inclusion of shihuahuaco (*Dipteryx* spp.) in Appendix II of CITES impacted the trade at the end of last year generating an increase in demand in the US and France.

In addition, European countries brought forward their orders in order to ensure the timely supply of this highly valued resource.

SERFOR and OSINFOR extend cooperation

In order to strengthen the forestry and wildlife sector of the country the National Forestry and Wildlife Service (SERFOR) and the Agency for the Supervision of Forestry and Wildlife Resources (OSINFOR) renewed their Interinstitutional Cooperation Agreement to continue promoting a legal and competitive forestry and wildlife sector.

The agreement was renewed and will run to 2030. The heads of both entities emphasised that, thanks to this strategic alliance, the expectations of users can be met and coordinated work can be generated with local and regional governments, since the aim is to decentralise management in the sector.

Activities were supported by German Cooperation GIZ and other international agencies such as JICA, SECO SUIZA IICA, CIFOR- ICRAF and the Executive Board of the Ministry of Economy and Finance.

See: <https://www.gob.pe/institucion/osinfor/noticias/1103602-serfor-y-osinfor-suscriben-adenda-de-convenio-para-seguir-impulsando-el-sector-forestal-y-de-fauna-silvestre-legal>

Industrialists to attend Interzum Guangzhou

In March Asia's influential fair Interzum Guangzhou for the furniture, woodworking machinery and interior decoration sectors will be held together with the China International Furniture Fair. A group of Peruvian wood businessmen will also be present thanks to the Peruvian consulting firm Tropical Forest Peru, organiser of their attendance.

Peruvian wooden furniture imports grow

Peruvian wooden furniture imports experienced remarkable growth in 2024 reaching a total of US\$57.62 million, an increase of 48% compared to 2023 (US\$ 38.04 million).

Brazil was the main supplier with an increase of 53% in exports to Peru reaching US\$36.65 million. China followed with an increase of 32% adding another US\$8.4 million. In addition, Spain US\$2.03 million and Chile US\$1.81 million.

Export prices for added value products

	US\$ per cu.m
Strips for parquet Cabreuva/estoraque KD12% S4S, Asian market	1327-1398
Cumaru KD, S4S Swedish market Asian market	979-1011 1156-1221▲
Cumaru decking, AD, S4S E4S, American market	1029-1044
Pumaquiro KD Gr. 1, C&B, Mexican market	501-561
Quinilla KD, S4S 2x10x62cm, Asian market	591-627
2x13x75cm, Asian market	774-831

Export sawnwood prices

	US\$ per cu.m
Peru sawnwood, FOB Callao Port	
Pumaquiro 25-50mm AD Mexican market	703-728
Virola 1-2" thick, length 6"-12" KD Grade 1, Mexican market	582-602
Grade 2, Mexican market	527-541
Cumaru 4" thick, 6"-11" length KD	
Central American market	1116-1188 ▲
Asian market	1178-1245▲
Ishpingo (oak) 2" thick, 6"-8" length	
Spanish market	889-976▲
Dominican Republic	942-1077▲
Marupa 1", 6-11 length KD	
Grade 1 Asian market	564-576

Export veneer prices

	US\$ per Cu.m
Veneer FOB Callao port	
Lupuna 3/Btr 2.5mm	221-249
Lupuna 2/Btr 4.2mm	234-266
Lupuna 3/Btr 1.5mm	219-228

Domestic prices for other panel products

	US\$ per cu.m
Peru, domestic particleboard	
1.83m x 2.44m x 4mm	282
1.83m x 2.44m x 6mm	230
1.83m x 2.44m x 12mm	204

Export plywood prices

	US\$ per cu.m
Peru plywood, FOB Callao (Mexican market)	
Copaiba, 2 faces sanded, B/C, 8mm	349-379
Virola, 2 faces sanded, B/C, 5.2mm	487-511
Cedar fissilis, 2 faces sanded, 5.5mm	766-783
Lupuna, treated, 2 faces sanded, 5.2mm	396-419
Lupuna plywood	
B/C 15mm	449-495
B/C 9mm	379-399
B/C 12mm	350-360
B/C 8mm	466-487
C/C 4mm	389-425
Lupuna plywood B/C 4mm Central Am.	391-407

Domestic sawnwood prices

Peru sawnwood	US\$ per cu.m
Mahogany	-
Virola	227-237
Spanish Cedar	333-344
Marupa (simarouba)	199-229

Domestic plywood prices (excl. taxes)

Iquitos mills	US\$ per cu.m
122 x 244 x 4mm	512
122 x 244 x 6mm	519
122 x 244 x 8mm	522
122 x 244 x 12mm	528
Pucallpa mills	
122 x 244 x 4mm	503
122 x 244 x 6mm	511
122 x 244 x 8mm	516
122 x 244 x 8mm	521

Japan

Tourism boost for hospitality accommodation

In 2024 the weak yen fueled a tourism boom with more than 36 million people visiting the country according to the National Tourism Organization. Spending by foreign visitors surged to 8.14 trillion yen (US\$51.78 bil.), a 50% plus rise from the previous year.

While the influx of visitors has delivered a boost to Japan's economy after decades of stagnation the surge in arrivals has also prompted pushback among locals.

There is a growing demand for hospitality accommodation, creating opportunities for the wood products sector, however, rising construction costs and a shortage of builders are holding back the supply of new properties leading to more renovation and rebranding of existing properties.

Pre-pandemic there was considerable investment in hotels but during the pandemic many were converted into other uses. Now there is a shortage, especially in the few top tourist destinations according to analysts at TTG Asia who recommend potential investors should work with local governments to promote second and third tier cities because they are important for the long-term sustainable growth of tourism.

See: <https://www.aljazeera.com/economy/2025/1/15/japans-tourist-arrivals-hit-all-time-high-as-weak-currency-draws-masses> and <https://www.ttgasia.com/2024/10/23/bright-future-for-japans-hotel-market/>

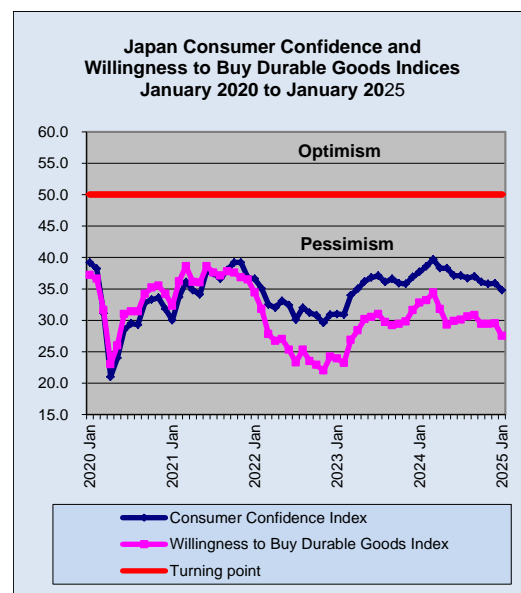
Pay increases failing to keep pace with rising prices

Ministry of Health, Labor and Welfare data shows real wages fell in 2024 marking the third consecutive year of decline as pay increases failed to keep pace with rising prices. Nominal wages or the average total monthly earnings per worker including base and overtime pay increased 2.9% to 348,182 yen last year, expanding for the fourth straight year but consumer prices outpaced wage growth with a 3.2%.

The Chief Economist at Mizuho Research and Technologies considers inflation might be tougher to tame than expected, putting real wage growth at risk and possibly becoming a drag on the all-important household consumption. Although the Bank of Japan forecasts a slowdown in food price growth and overall inflation from the second half of 2025 this may not happen.

Japan struggled with deflation for decades and kept interest rates at or near zero for years to get prices rising again. They are now increasing and are becoming an issue for workers who are finding their wages barely growing or actually declining month to month on a real basis, says Mizuho Research.

See: <https://japantoday.com/category/business/update2-japan-real-wages-drop-for-3rd-straight-yr-in-2024-as-inflation-bites>



Data source: Cabinet Office, Japan

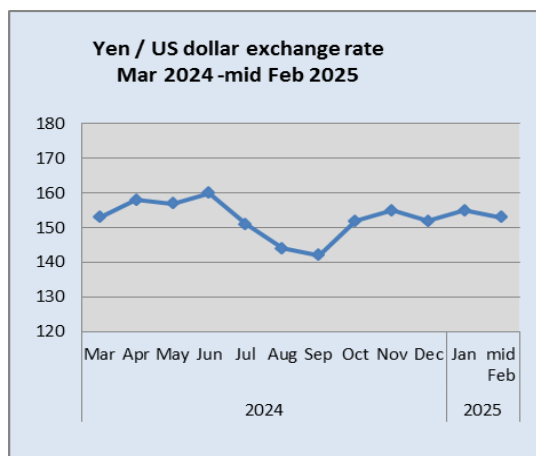
Weak yen increasingly burdensome

After Bank of Japan (BOJ) raised short-term interest rates to 0.5% last month, expectations grew that the Bank may raise rates faster and higher which could drive the yen to rise against the US dollar.

However, in early February the dollar rose to a one-week high against the yen as a rapidly rising consumer prices in the US raised expectations that interest rates will not be lowered any time soon.

Declines in the yen's "real strength" are standing out amid its ongoing depreciation and years of deflation. In a monthly index released by the Bank for International Settlements (BIS) showing the effective value of the currencies of 64 countries and regions around the world, the yen has continued to see the biggest declines. As Japan relies heavily on imports for essential goods like food and energy.

See: <https://mainichi.jp/english/articles/20240625/p2a/00m/0bu/024000c>



Data source: WSJ

Owners of new buildings to be required to calculate lifetime CO2 emissions

The government is considering a plan to require home owners and builders to calculate the amount of carbon dioxide that will be emitted when constructing, managing or demolishing buildings. The government hopes to submit a bill to the Diet session in 2026. According to the International Energy Agency the buildings sector accounted for nearly 40% of global CO2 emissions in 2022.

Owners of new buildings over a specified size will be required to calculate the project's lifetime CO2 emissions as part of a life cycle assessment. CO2 emissions would be calculated at all stages of a structure's lifecycle from procurement and the manufacturing of materials to construction, use, repair, maintenance and demolition.

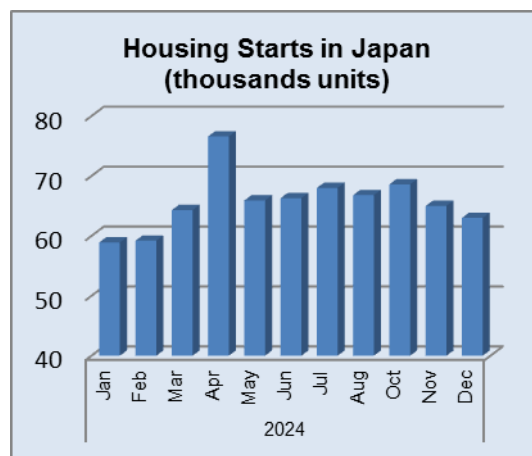
See: <https://japannews.yomiuri.co.jp/politics/politics-government/20250106-231678/> and <https://www.iea.org/data-and-statistics/charts/global-co2-emissions-from-buildings-including-embodied-emissions-from-new-construction-2022>

A first in housing subsidies

Takashi Ishizuka reports that a city neighboring Tokyo will be the first in Japan to offer housing subsidies, not just to newlyweds but also to residents preparing for marriage.

The Ichikawa Municipal authority introduced the initiative in February to support young couples, promote settlement in the city and address declining birth rates. The programme, which supplements a national initiative for newlywed support, will also provide assistance to couples in the premarital stage, a first in Japan. The programme covers two groups, couples renting a home together before marriage and newlyweds renting after marriage.

See: <https://mainichi.jp/english/articles/20250207/p2a/00m/0na/008000c>



Data source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

Affluent foreigners choosing Japan for luxury homes

Affluent foreigners seeking home options are increasingly choosing Japan. The new arrivals in cities such as Tokyo and Osaka are upending the luxury housing market. Chinese already make up the largest group of foreigners in Japan. Until recently, the previous generation of Chinese immigrants tended to be students, interns and labourers.

The investment migration consultancy Henley & Partners predicted that China would rank top in terms of the outflow of high-net-worth individuals (those with investable assets of US\$1 million or more).

Many Chinese are arriving in Japan under the business manager visa which requires at least yen 5 million in investments or the highly skilled foreign professional visa.

See: https://www.japantimes.co.jp/news/2023/11/28/japan/society/chinese-immigrants-new-wave/?utm_medium=email&utm_source=pianoex&utm_campaign=379845623701

Import update

Assembled wooden flooring imports

The value of imports of assembled wooden flooring (HS441871-79) surged in November rising just over 30% from a month earlier. In the second half of 2024 the yen strengthened against the US dollar making imports cheaper than in the first half of the year.

The main category of assembled flooring imports was HS441875 accounting for 64% of the total value of assembled flooring imports compared to the 74% share reported in October. Of HS441875 imports 65% was provided by shippers in China and 26% by shippers in Vietnam. The two other main sources of assembled flooring (HS441875) in November were Malaysia and Indonesia.

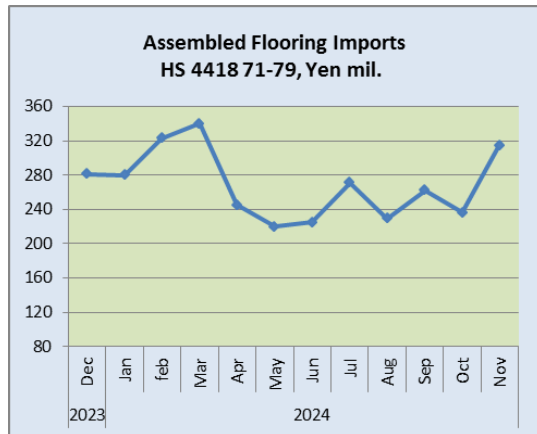
The second largest category in terms of value in November was HS441879, 8% (13% in October), the second monthly decline. The third category of imports was HS441873 all of which was shipped from China.

Year on year, the value of assembled wooden flooring (HS441871-79) in November was up around 25%.

Assembled flooring imports

	Nov. 2024 000's Yen
HS441874	
China	2,192
Vietnam	278
Germany	651
HS441875	
China	132,820
Vietnam	51,612
Thailand	899
Malaysia	11,102
Indonesia	6,485
Austria	350
HS441879	
China	15,645
Taiwan P.o.C	212
Vietnam	3,100
Indonesia	7,712
USA	284

Data source: Ministry of Finance, Japan



Data source: Ministry of Finance, Japan

Plywood imports

The volume of November plywood imports (441210-39) was 126,0020 cu.m (122,810 cu.m in October). This was around the same level as in November 2023.

Malaysia and Indonesia hold a significant share of Japan's plywood imports and in November 2024 accounted for almost 80% of the total volume of plywood imports. The other two major suppliers of plywood to Japan in November 2024 were Vietnam and China.

Main sources of Japan's plywood imports (000's cu.m)

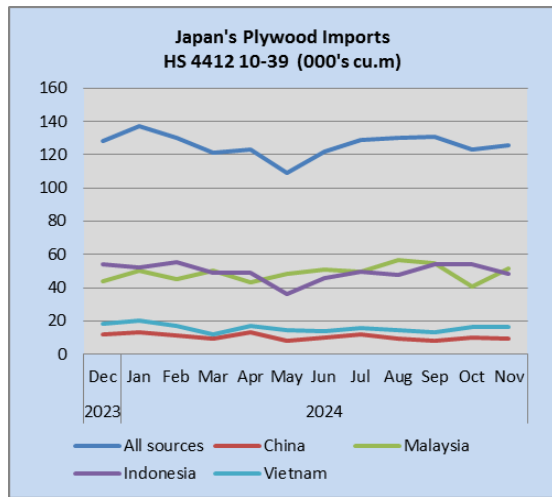
		China	Malaysia	Indonesia	Vietnam
2021	Jan	9.7	76.9	59.3	15.7
	Feb	6.8	53.5	50.1	13.0
	Mar	5.7	89.4	61.5	11.5
	Apr	11.4	65.9	58.2	17.3
	May	10.3	72.0	51.0	13.0
	Jun	10.5	61.9	56.6	15.6
	Jul	11.8	74.1	57.1	16.4
	Aug	12.8	54.7	57.8	17.5
	Sep	16.0	61.8	60.4	21.8
	Oct	12.6	72.8	60.4	22.5
	Nov	14.6	60.6	66.0	21.8
	Dec	13.6	51.2	76.5	21.0
2022	Jan	15.9	78.6	73.9	16.8
	Feb	14.7	61.0	56.8	11.4
	Mar	13.7	71.0	76.9	8.8
	Apr	25.0	79.3	72.0	13.1
	May	32.2	67.6	68.2	12.9
	Jun	37.5	61.4	52.4	18.4
	Jul	27.7	70.6	67.8	15.2
	Aug	19.0	63.0	70.8	18.5
	Sep	16.5	58.4	60.4	16.2
	Oct	13.4	39.2	65.5	17.1
	Nov	13.1	45.1	50.1	15.9
	Dec	13.9	49.2	47.1	21.6
2023	Jan	13.7	40.3	49.2	19.4
	Feb	7.8	44.9	40.6	12.9
	Mar	14.9	29.8	45.3	14.3
	Apr	13.8	28.7	46.3	14.6
	May	14.0	47.7	34.2	12.6
	Jun	10.7	36.9	37.2	12.7
	Jul	10.6	38.8	43.1	12.9
	Aug	10.6	49.6	38.1	15.7
	Sep	12.3	63.4	52.4	12.0
	Oct	10.5	46.1	50.3	17.2
	Nov	11.9	63.6	53.0	16.8
	Dec	12.1	43.5	54.0	17.7
2024	Jan	13.3	50.2	52.3	20.5
	Feb	11.5	45.4	55.3	17.1
	Mar	9.4	50.1	48.8	12.2
	Apr	13.2	43.2	49.0	17.0
	May	8.4	48.3	36.5	14.3
	Jun	10.1	51.0	46.1	13.7
	Jul	12.1	49.8	49.7	15.8
	Aug	9.3	56.8	47.9	14.7
	Sep	8.1	54.5	54.2	13.1
	Oct	10.3	40.9	54.0	16.4
	Nov	9.1	51.5	48.2	16.1

Data source: Ministry of Finance, Japan

Arrivals from Vietnam in November totaled 16,075 cu.m, almost the same volumes as imported in October. Arrivals of plywood from China amounted to 9,077 cu.m.

Year on year, all but one of the top four suppliers saw a decline in November import volumes. Month on month, shipments from Vietnam were maintained but shipments from Malaysia increased. As in previous months, of the various categories of plywood imported in November HS441231 was the largest (87% of total imports) followed by HS441234 (6%), HS441233 (5%) and HS441239 (2%).

Malaysia and Indonesia accounted for most of the HS441231 arrivals. Shipments from Vietnam and China were spread across the categories tracked except in the case of HS441273 for which China was the only shipper.



Data source: Ministry of Finance, Japan

Trade news from the Japan Lumber Reports (JLR)

The Japan Lumber Reports (JLR), a subscription trade journal published every two weeks in English, is generously allowing the ITTO Tropical Timber Market Report to reproduce news on the Japanese market precisely as it appears in the JLR.

For the JLR report please see: https://ifpi.jp/japan_lumber_reports/

Projection of import wood products

The Japan Lumber Importers Association disclosed projection of imported wood products for 2024 and the first half of 2025.

Volume of logs will decrease by 13 % in 2024 but volume of lumber will increase by 17.2 % in 2024. Volume of lumber in the first half of 2025 will be 12.5 % less than the same period last year.

Volume of North American lumber in 2024 is 15.8 % less than the previous year because a major Douglas fir lumber manufacturer, Chugoku Lumber Co., Ltd., reduced production. Chugoku Lumber stopped producing lumber due to the fire occurred at one of its plants, Kahima plant in August, 2023. Additionally, some other lumber manufacturers reduced production and the price of softwood structural plywood dropped.

Also, the sales of softwood structural plywood were not good so plywood manufacturers stopped using Douglas fir logs.

Consumers started to purchase domestic logs instead of NZ logs but radiata pine logs for lumber are popular in Susaki city, Kochi Prefecture. Volume of South Sea logs was minimum. There were no Russian logs due to prohibited exports from Russia.

Imported wood products in 2024 increased except South Sea products. Volume of glulam is 15.6 % up and of Russian products is 14.2 % up because the volume of these products was very low in 2023. European products and glulam increased because Japanese importers did not order a lot due to the weak yen and over-stocking in 2023. Moreover, it was unable to pass the Suez Canal due to conflicts in the Middle East. Also, there were many containers from China.

As a result, demand and supply of lumber were unbalanced because of containers from Europe and China arrived at once. As for Russian lumber, taruki is still very popular and the price is high so there are a lot of imported taruki. North American lumber had been purchased to fill the inventories but demand for 2 x 4 was stable. A projection for supplying of imported lumber at the first half of 2025 will decline by 12.5 % and of imported logs will rise by 3 %. All kinds of lumber will decline except NZ and Chilean lumber.

European lumber has been declining since last October and the inventories will be controlled. Also, the inventories of North American lumber will be controlled but it depends on the tariff on wood products between Canada and the U.S. Lumber manufacturers in Europe and North America would reduce operations due to high-priced logs, low-priced lumber and the tariff problem between Canada and the U.S

Plywood Domestic plywood manufacturers still raise the price of domestic softwood plywood in February, 2025. They will raise the price of 12 mm 3 x 6 to 1,000 – 1,050 yen, delivered per sheet, from 950 – 980 yen, delivered per sheet. Some of them plan to raise the price in March, 2025.

Inquiries to softwood plywood are firm. It is hard to say that demand for houses is lively but consumers started to purchase plywood because their inventory became less and less.

Imported plywood, which was purchased when the yen was 150 yen against the dollar, has been delivered to Japan. 12 mm 3 x 6 painted plywood for concrete form costs 1,850 yen, delivered per sheet.

Form plywood is 1,550 yen, delivered per sheet. Structural plywood is 1,550 yen. 2.5mm plywood is 750 yen, delivered per sheet. 4mm plywood is 930 yen, delivered per sheet. 5.5 mm plywood is 1,100 yen, delivered per sheet.

The futures price of some plywood is more than the price in Japan so consumers hesitate to purchase plywood. Malaysian or Indonesian plywood manufacturers expect to raise the price due to high-priced logs and production costs. However, Japanese buyers are reluctant to purchase due to the weak yen.

The price in South Asia is leveled off. 12 mm 3 x 6 painted plywood for concrete form is \$580 – 600, C&F per cbm. Form plywood is US\$490–510, C&F per cbm. Structural plywood is US\$500 – 520, C&F per cbm. 2.4 mm 3 x 6 is US\$970, C&F per cbm. 3.7 mm plywood is US\$880, C&F per cbm. 5.2 mm plywood is US\$850, C&F per cbm.

Domestic logs and lumber side and it is difficult to cut down trees. In northern part of Kanto region, 3 m cedar log is 18,500 yen, delivered per cbm. It is 15,000 yen, delivered per cbm in Kyushu region. 3m medium diameter cedar log is 17,000 yen, delivered per cbm in the northern part of Kanto region and is 13,000 – 14,000 yen in Tohoku region.

In Kyushu region, it is 14,500 yen, delivered per cbm. In Shikoku region, it is 18,000 – 19,000 yen, delivered per cbm due to snowfall.

4 m cypress log for sills costs 26,000 yen in Chugoku region and this is 4,000 yen more than last time. It is 24,500 yen and it is 500 yen up in the northern part of Kanto region. It is 25,000 yen in Kyushu region and it is 1,000 yen up from last time. Compared to last year, the price of cedar log in Tohoku and Kyushu regions is 1,000 yen down but the price in the northern part of Kanto region is 2,500 yen up. Cypress log is 1,000 – 2,000 yen down in Tokai region and Western Japan.

However, it is 3,000 yen up in Chugoku region and is 2,500 yen up in the northern part of Kanto region. It is 2,000 yen up in Kyushu region.

Domestic lumber is in short. The price of 120 mm square or Green lumber has been rising since last November. However, movement of domestic lumber is not lively.

China

Decline in log imports in 2024

According to China Customs, log imports in 2024 totalled 36.1 million cubic metres valued at US\$6.159 billion, a decline of 5% in volume and 4% in value year on year. The average price for imported logs was US\$171 (CIF) per cubic metre, up 2% on 2023 levels.

Of total 2024 log imports, softwood log imports fell 7% to 26.12 million cubic metres and accounted for 72% of the national total, down 2% percentage points from the 2023 level. The average price for imported softwood logs was US\$130 (CIF) per cubic metre, down 3% on 2023 levels.

Hardwood log imports in 2024 rose 1% to 9.98 million cubic metres (28% of the national total log imports). The average price for imported hardwood logs in 2024 was US\$277 (CIF) per cubic metre, up 5% on 2023 levels.

Of total hardwood log imports, tropical log imports were 5.52 million cubic metres valued at US\$1.408 billion, down 3% in volume and down 7% in value from 2023 and accounted for 15% of the national total import volume in 2024. The average price for tropical logs imports in 2024 was US\$255 (CIF) per cubic metre, down 4% on 2023.

China's log import in 2024

	2024 mil. cu.m	YoY % change 2023-24
Total	36.10	-5%
Softwood logs	26.12	-7%
All hardwood logs (Tropical logs)	9.98 5.52	1% -3%

Data source: China Customs

Value	2024 US\$ mil CIF	YoY % change 2023-24
Total	6,159	-4%
Softwood logs	3,394	-10%
All hardwood logs (Tropical logs)	2,764 1,408	6% -7%

Data source: China Customs

In 2024 over 60% of China's imported logs are Radiata Pine, Spruce and Fir, Douglas fir and Birch. The volume of Radiata pine and Douglas Fir rose 0.4% and 11% to 17.11 million cubic metres and 1.37 million cubic metres respectively year on year in 2024. The volume of Spruce/Fir and Birch fell 46% and 8% to 3.17 million cubic metres and 1.17 million cubic metres respectively year on year in 2024.

Log imports from New Zealand

According to China Customs, New Zealand still was the largest supplier of log imports and 50% of China's log were imported from New Zealand in 2024. Log imports from New Zealand totalled 17.9 million cubic metres in 2024, down 1% over the same period of 2023. Log imports from New Zealand were Radiata Pine, Spruce/Fir and Douglas Fir.

In addition, China's log imports from USA, Japan, Solomon Islands and Canada rose 10%, 17%, 7% and 22% respectively in 2024.

In contrast, China's log imports from Germany fell 61% to 1.4 million cubic metres in 2024. Imports from PNG and Russia fell 9% and 11% respectively over 2023 levels.

Top 8 suppliers for China's log imports in 2024 (vol.)

Supplier	mil. cu.m	YoY % change
Total	36.10	-5%
New Zealand	17.90	-1%
USA	2.24	10%
PNG	2.07	-9%
Japan	1.65	17%
Solomon Is.	1.58	7%
Russia	1.44	-11%
Germany	1.40	-61%
Canada	1.18	22%

Data source: China Customs

Surge in softwood log imports from Australia

Around 90% of China's log imports from Australia were softwood logs in 2024 and softwood log imports from Australia surged to 543,000 cubic metres in 2023. 76% of China's softwood log imports from Australia were Radiata Pine in 2024 (459,500 cu.m).

Japan became the second largest supplier of softwood log imports in 2024 exceeding that of USA. In 2024 China's softwood log imports from Japan rose 17% year on year. In addition, China's softwood log imports from Canada, South Africa and Latvia grew 24%, 75% and 41% respectively in 2024.

In contrast, softwood log imports from Germany fell 69% and from Poland and France imports dropped 14% and 13% respectively year on year in 2024.

Top 10 suppliers of softwood log imports in 2024

Supplier	000s cu.m	YoY % change
Total	26,116	-7%
New Zealand	17,831	-1%
Japan	1,643	17%
USA	1,273	2%
Canada	1,154	24%
Germany	1,031	-69%
Poland	942	-14%
Australia	543	-
South Africa	355	75%
Latvia	330	41%
France	263	-13%

Data source: China Customs

Rise in hardwood log imports from USA and Germany

According to China Customs hardwood log imports from USA and Germany rose 24% and 31% respectively year on year in 2024. In July and August 2024, China's Douglas Fir log imports from USA surged. In January 2024, China's oak log imports from Germany surged and rose over 100% year on year in February, April, July, September and December 2024.

At present, there is a trend that Chinese consumers increasingly prefer furniture made of Douglas fir from the United States and Oak from Germany.

Top 10 suppliers of hardwood log imports in 2024

Supplier	000s cu.m	YoY % change
Total	9,982	1%
PNG	2,068	-9%
Solomon Is.	1,569	6%
Russia	1,438	-11%
USA	970	24%
Rep. Congo	407	-5%
France	399	-6%
Brazil	391	-12%
Germany	371	31%
Cameroon	331	-25%
Suriname	154	7%

Data source: China Customs

Decline in tropical log imports

China Custom data for 2024 shows tropical log imports totalled 5.521 million cubic metres in 2024, down 3% over 2023. PNG was the largest supplier of tropical log imports in 2024 but China's tropical log imports from PNG fell 9% to 2.068 million cubic metres on 2023. This is the main reason for the decrease in the total tropical log imports in 2024.

The Solomon Islands was the second largest supplier of tropical log imports in 2024 and imports from Solomon Islands rose 7% to 1.582 million cubic metres year on year.

In 2024 China's tropical log imports from Suriname, DRC, Equatorial Guinea and Mozambique rose 7%, 3%, 13% and 12% respectively year on year.

Top 8 countries suppliers for China's tropical log imports in 2024

Supplier	000s cu.m	YoY % change
Total	5,521	-3%
PNG	2,068	-9%
Solomon Is.	1,582	7%
Rep. Congo	407	-5%
Cameroon	331	-25%
Suriname	154	7%
DRC	150	3%
Equatorial Guinea	127	13%
Mozambique	125	12%

Data source: China Customs

Decline in CIF prices for tropical log imports from most of top suppliers

The average CIF price of China’s tropical log imports fell 4% to US\$255 per cubic metre in 2024. The CIF price for log imports from PNG and Suriname rose 4% and 2% to US\$221 and US\$292 per cubic metre respectively in 2024.

In contrast, the CIF price for China’s tropical log imports from most of top suppliers declined but at different rates. The CIF prices for tropical log imports from the Republic of Congo and DRC fell 6% and 8%.

CIF prices for tropical log imports from top suppliers in 2024

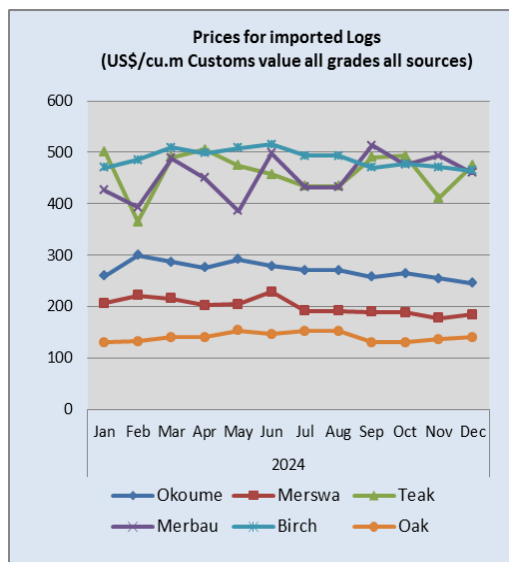
Supplier	US\$/cu.m	YoY % change
Total	255	-4%
PNG	221	4%
Solomon Is.	176	-2%
Rep. Congo	291	-6%
Cameroon	277	-2%
Suriname	292	2%
DRC	361	-8%
Equatorial Guinea	275	-3%
Mozambique	497	-3%

Data source: China Customs

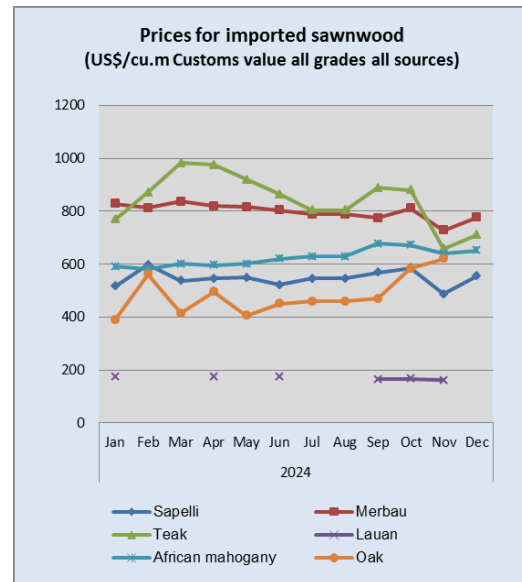
Average CIF prices, logs US\$/cu.m

	2024 Nov	2024 Dec
Okoume	255	246
Merswa	177	184
Teak	411	474
Merbau	493	460
Birch	471	464
Oak	136	140

Data source: Customs, China



Data source: Customs, China



Data source: Customs, China

Average CIF prices, sawnwood, US\$/cu.m

	2024 Nov	2024 Dec
Sapelli	487	554
Merbau	728	776
Teak	658	711
Lauan	161	
African mahogany	639	652
Oak	621	

Data source: Customs, China

EU

European wood flooring consumption fell in 2024

According to an initial estimate by the European Parquet Federation (FEP), consumption of wood flooring shrank a further 5% last year following what it described as a ‘dramatic fall’ in 2023.

After a challenging two years, however, the consensus in the sector is that the bottom of the market was reached in 2024, and that wood floor consumption is set to benefit from the predicted upturn in construction output in Europe later in 2025.

In an earlier market assessment, FEP reported that wood flooring consumption in the first three quarters of 2024 was down on the same period of 2023 in all but three of its member countries. It also said that European producers faced the challenge of consumers opting for wood-look laminate flooring and rising imports of cheap multi-layer parquet products from China.

The latter were given a boost in this period, says FEP, by importers building stocks to pre-empt the imposition of an anti-dumping duty.

Consumption of wood flooring in Austria in the first nine months of the year was down 5%, and manufacturers expect the market to be tough in 2025 due to low construction levels and high energy costs.

French consumption was down between 13-15%, with construction levels still low. Manufacturers also faced high oak prices due to competition from the barrel stave sector

In Germany wood flooring sales in the period were down 5-10%, again with a slow-moving construction sector cited as a reason. Producers hoped the bottom of the market was reached in the third quarter but a significant market improvement was not expected until late 2025 or even 2026.

In Italy, consumption was down 5-10%. Reasons given were lower consumer purchasing power, and also the growing share of market taken by wood lookalike artificial flooring. The hospitality renovation market for wood flooring was said to be improving, but the retail sector was not performing well.

The FEP reported that the Dutch market was also reported down 5-10%.

In Spain, the market was stable, but difficult due to low construction levels, and the impact of high energy costs and inflation on consumer spending power.

FEP's 2024 report grouped Norway, Sweden, Denmark and Finland together. It said wood flooring fared best in Norway and Denmark in the period. But in Sweden business was more difficult, with consumers tending to spend more on leisure activities and holidays than home improvement.

Laminate flooring was also reported to be increasingly popular. More hopefully, it was anticipated that construction output would grow by 5% in 2025. The Finnish market was reported to be 'most pessimistic', with the renovation sector, including installation of wood flooring, improving, but from a low base, and construction still slow. Sales are expected to be flat in 2025.

In Switzerland, producers expect to be impacted by rising minimum wages, but they report stable consumption in the first three quarters of 2024.

See: <https://www.parquet.net/p/press.html?m=1> .

UK construction set for recovery

After contracting in 2024, UK construction output is predicted to recover at an accelerating rate through 2025 into 2026. This is according to the Winter 2024/25 forecasts from the country's Construction Products Association (CPA), regarded as one of the leading market commentators and trend analysts in the sector.

The Winter Forecast, published at the end of January predicts that total construction output will increase 2.1% in 2025, with growth rising to 4% in 2026. This follows two years of the industry following a downward curve.

In 2022 it saw a post-pandemic boom as the sector got back to projects delayed during the health crisis. Growth hit 6.8%. In 2023 the market turned down significantly, with construction activity slowing as the year progressed, resulting in growth dropping to just 2.2%. In 2024 construction output contracted 2.9%.

The CPA says that its forecast of 2.1% construction output growth for 2025 is a downward revision from its previous forecast in the Autumn, when it predicted 2.5%. This is due to expectations that UK economic growth will be slower than anticipated and also the fact that inflation is higher and the Bank of England has made fewer interest rate cuts than projected in the Autumn. However, the CPA forecast of 4% growth in 2026 is an upward revision from the 3.8% predicted earlier.

The CPA also noted that the UK Government's Autumn Budget setting out tax and spending plans for the year ahead contained some 'positive intent' regarding construction. This included pledges to ease planning consent rules for new building.

The CPA forecast also cautions that there are downside risks for UK construction going into 2025. These include the possibility that the country will enter a period of stagflation (high inflation, low growth) with mounting concerns in financial markets about UK Government borrowing and prospects for the economy.

There is also uncertainty about the market impact, particularly in projects designated higher risk, such as high-rise residential buildings, of the Building Safety Act and the activities of the new Building Safety Regulator, both of which were introduced to drive up safety performance following the Grenfell tower fire disaster in London in 2017.

The target set by the government is for the UK to build 1.5 million new houses overall in the next five years. The CPA predicts that this will not be achieved and that the total in this time will more likely be 1.1-1.2 million. However, it says that the new National Planning Policy Framework set out by the government, in speeding up and streamlining the planning permission process, will benefit the sector, especially smaller housebuilders.

Pressures on builders will include tighter environmental regulation and the Future Homes and Buildings Standards, which will require improved energy and carbon performance.

Higher national minimum wage and national insurance levels will also drive up builders' labour costs. But the CPA still predicts that private house building will grow 6% this year and 8% in 2026.

Private housing, repair and maintenance and improvement (RMI) is the second largest UK construction sector. It hit its highest ever level of activity and output in late 2021 through early 2022 as householders working from home during the health crisis invested to expand and improve their properties.

The sector in 2023 was worth £34.9 billion. Late 2023 into 2024, however, it was also hit by rising inflation and high interest rates and the consequent fall in consumer confidence. It first stagnated and then in 2024 contracted by 4%.

The CPA says that market development will depend on consumers' willingness to spend after the 'scarring effects of energy and food price spikes in 2022/23'. But the signs are more positive due to various factors, including sustained real wage growth, falls in interest rates, even though slight so far, plus positive house price inflation.

These, says the CPA, should lead to greater willingness among owners to invest savings in their homes. Spending on energy efficiency improvements specifically, is expected by some in the timber trade to include more purchases of new higher performance doors and windows. Wood panel products, including highly insulating structural insulated panels are also expected to benefit by the UK timber sector, over 70% of whose total sales are to construction.

The CPA forecasts that private sector RMI output will grow 3% in 2025 and 4% in 2026. Prospects for the commercial construction sector vary according to project type. The CPA says builders working on smaller refurbishments and commercial office and retail premises fit outs remain busy as owners repurpose existing spaces. Conversion of commercial buildings to residential, notably for student accommodation also continues at a good rate.

The CPA concludes that, despite the level of activity in refurbishment of existing buildings, overall commercial construction output will remain flat through 2025, but grow 2.7% in 2026 as lower interest rates, financing costs and generally improved economic prospects result in delayed commercial tower projects coming on stream.

Public new build housing has been increasingly impacted by housing association and local authorities diverting funding to refurbishment and improvement of existing housing stock. This has been driven by safety regulation, rules to improve building carbon and wider energy performance and new legislation to raise the overall quality standards in public housing.

The public non-housing construction sector, which includes education and healthcare facility building and improvement and which saw output increase 2.2% in 2024, is predicted to grow 1.8% in 2025 and 5% in 2026. Overall, UK infrastructure construction output, including energy, road, rail and water industry projects, is predicted to rise 1.4% in 2025 and 4.1% in 2026.

On a cautionary note, the CPA says that the capacity of UK construction as a whole to meet government building targets continues to be hindered by skills shortages and insufficient recruitment. The issue is set to be exacerbated by a demographic issue; the fact that, due to the age range of the existing workforce, 500,000 building workers, 25% of the total, will be lost to retirement in the next 10-15 years.

See: www.constructionproducts.org.uk/

Selva Maya mission highlights timber trade potential

A European timber trade mission to the Selva Maya forest in Guatemala and Mexico in November resulted in initial export contracts with local timber suppliers. The objective was to highlight the range of certified timber available from the region and to explore their market opportunities in Europe. Ten business delegates took part in the trip.

The turnout was moderate said Probos Director and Senior Adviser, Mark van Benthem in an article in the Dutch Houtwereld magazine. "But the international trade showed interest and requested further information on wood species and volumes available."

FSC-certification is well-established in the Selva Maya, with some community operations certified for over 30 years. However, the bulk of timber production is focused on swietenia mahogany and cedrela which together with three other species make up 90% of harvest.

Harvests per hectare are low with some communities harvesting less than one tree per hectare due to a lack of demand for lesser-known species. Businesses on the mission were reported as disappointed in the volumes available in more bulk products such as decking.

See: <https://www.probos.nl/en/>

North America

Hardwood plywood imports unchanged in 2024

The amount of hardwood plywood imported into the US in 2024 was nearly identical to that brought in in 2023, although the value of the wood rose substantially.

At 2,759,612 cubic metres, the volume of hardwood plywood imported was less than 1% greater than in 2023. Imports from top trading partners Indonesia and Vietnam both surged in 2024 as both gained market share. Imports from Indonesia rose 41% while imports from Vietnam rose 44%.

While total volume remained steady in 2024 the dollar value of imports rose a healthy 13% in 2024 to more than US\$1.7 billion. In December, import volume rose 3% from the previous month to 262,273 cubic metres, which was 5% lower than that in the previous December.

2024 Hardwood plywood imports

	2024 cu.m	YoY % change
Total	2,759,612	0%
China	39,288	-15%
Russia	180,742	-4%
Indonesia	725,995	24%
Malaysia	91,392	41%
Cambodia	136,848	9%
Vietnam	725,728	44%
Ecuador	129,140	-7%
Other	730,479	-33%

Data source: US Department of Agriculture, Foreign Trade Statistics

Imports of sawn tropical hardwood fell in 2024

US imports of sawn tropical hardwood fell 7% in 2024 compared with the previous year. The 179,542 cubic metres of wood imported was significantly less than the 193,567 imported in 2023.

Imports from two top US trade partners, Indonesia and Malaysia fell 9% and 36%, respectively, for the year while imports from Brazil, the number1 trading partner in both 2023 and 2024, rose 5%.

Imports of Sapelli, the most imported sawn tropical hardwood, fell 12% in 2024 while imports of Keruing plunged by 47%. Imports of Ipe, which grew 17% in 2024, surpassed Keruing as the second-most imported tropical hardwood by volume.

At 12,421 cubic metres, December imports were down 27% from the previous month and 7% lower than that of December 2023.

Canadian imports of sawn tropical hardwood rose significantly in 2024, outpacing the previous year by 28%. Imports from top trader, Cameroon, rose 46% in 2024 while imports from Brazil rose 54%.

Among the smaller trades imports from Bolivia grew by 73% last year while imports from Indonesia fell 61%. Imports of Sapelli, the most traded wood, grew 28% for the year.

Although the total yearly gains were impressive, December was one of the worst months of the year, with imports falling 18% from the previous month to a level 41% below that of December 2023.

Imports of sawn tropical hardwood in 2024

	2024 cu.m	YoY % change
Total	179,542	-7%
Ecuador	4,818	-28%
Brazil	46,007	5%
Cameroon	21,646	8%
Malaysia	16,904	-36%
Rep. Congo	16,553	0%
Peru	1,137	21%
Indonesia	27,076	-9%
Ghana	7,068	-3%
Cote d'Ivoire	2,254	16%
Other	36,079	-10%

Data source: US Department of Agriculture, Foreign Trade Statistics

Imports of sawn tropical hardwood in 2024

	2024 cu.m	YoY % change
Balsa	4,791	-20%
Sapelli	28,445	-12%
Acajou d'Afrique	9,370	7%
Keruing	14,419	-47%
Ipe	25,456	17%
Mahogany	14,612	13%
Virola	4,053	56%
Meranti	6,079	24%
Cedro	5,249	-9%
Jatoba	359	-50%
Teak	2,817	44%
Iroko	1,707	84%
Padauk	592	-39%
Aningre	52	-7%
Other tropical	61,541	-8%

Data source: US Department of Agriculture, Foreign Trade Statistics

Veneer imports rebounded in December

After a sharp downturn in November, US imports of tropical hardwood veneer recovered smartly in December by nearly doubling the previous month's total. Still, imports ended 2024 down 17% from the previous year.

Imports from Italy were especially weak in 2024, falling 77% from 2023 while imports from Cameroon, the top trading partner for veneers, were off by 11% in 2024.

Imports from Cote d'Ivoire were the exception in 2024, gaining 18% for the year, while imports from all other major trading countries fell by at least 10%. While imports of tropical hardwood veneer rose 99% in December from the previous month, they still fell short of December 2023 imports by 6%.

Imports of assembled flooring panels surged in 2024

US imports of assembled flooring panels climbed by 32% in 2024 with imports from top trading partners seeing even larger gains. Imports from the top trading partner Canada rose 34% while imports from Vietnam surged 44% and Thailand vaulted 92%.

Imports from Indonesia (down 10%) and Brazil (down 29%) were among those losing share. Total imports of assembled flooring panels topped US\$340.7 million in 2024. For December, imports fell by 3% but were 7% up from the previous December.

US imports of hardwood flooring were not nearly as strong in 2024, as imports fell by 12% for the year. Imports from Indonesia tumbled 34% while imports from Malaysia slid 29%. Imports from Brazil gained 84% in 2024 to move ahead of Indonesia as the lead trade partner for the year.

Flooring imports for 2024 were just over US\$71million after surpassing US\$80 million in 2023. In December, imports fell 39% from the previous month and were 22% below that of the previous December.

Imports of assembled flooring panels, 2024

	2,024 US\$	YoY % change
Total	340,717,779	32%
China	12,231,654	34%
Canada	69,473,455	34%
Indonesia	20,783,977	-10%
Vietnam	69,205,118	44%
Thailand	50,226,004	92%
Brazil	826,701	-29%
Other	117,970,870	18%

Data source: US Department of Agriculture, Foreign Trade Statistics

Moulding imports leapt in 2024

US imports of hardwood moulding jumped 29% in 2024 as newer trade partners made the most impressive gains. Imports from traditionally top supplying nations made modest headway in 2024 including a 15% rise in imports from Canada and a 7% rise in imports from Malaysia. However, nearly all the boost in imports can be attributed to trading countries that were not significant in the market five year ago for example countries such as Vietnam, Cambodia and Lithuania.

US imports of hardwood moulding exceeded US\$163 million in 2024. In December, imports were 40% higher than in December 2023 after rising 6% from the previous month.

Wooden furniture imports exceeded US\$21 billion in 2024

US imports of wooden furniture rose by 7% in 2024 as imports from Vietnam showed solid growth. After falling below US\$20 billion in 2023, imports surpassed US\$21.2 billion in 2024 but well short of the record US\$25 billion of 2022 but a respectable gain, nonetheless.

The rise was fueled by a 21% jump in imports from Vietnam, a supplier that accounted for more than a third of all 2024 imports. Imports fell for the year from other top suppliers Canada (down 5%) and Mexico (down 6%), while imports from most other trade partners were mostly flat for the year. Imports from December were up 1% from the previous month and up 5% from the previous December.

Wooden furniture imports, 2024

	2024 US\$	YoY % change
Total	21,208,833,683	7%
China	3,208,440,482	-2%
Vietnam	8,877,337,720	21%
Canada	1,571,316,415	-5%
Malaysia	1,099,422,521	8%
Mexico	1,585,771,810	-6%
Indonesia	840,502,167	2%
India	437,577,282	0%
Other	4,026,042,568	0%

Data source: US Census Bureau

Residential furniture - tariff uncertainties cloud 2025 outlook

New US residential furniture orders fell 9% in November compared to the same period in 2023 according to the January issue of *Furniture Insights*. This decline follows a relatively flat October and marks a return to the downward trend observed from May through September. Approximately 40% of the survey participants reported increased orders in November compared to a year ago.

However, new orders were up 5% compared to October 2024 figures although down slightly for the year-to-date, noted Mark Laferriere, assurance partner at Smith Leonard, the accounting and consulting firm that produces the monthly report.

November shipments were down 1% compared to 2023 figures, and flat with October 2024. Year to date through November 2024, shipments were down 7% compared to 2023. Backlogs were down 10% compared to November 2023, but up 1% from October 2024 "as current new orders outpaced shipments during the last month."

On a seasonally adjusted basis, sales at furniture and home furnishings stores were up 2.3% in December compared to the previous month and up 8.4% from December 2023. However, sales were down 2.2% for the year-to-date December 2024, compared to the same period for 2023 on an unadjusted basis, according to the January *Furniture Insights*.

Future market projections are difficult, Laferriere said, without knowing the extent of the impact tariffs will have on the furniture industry, housing and the overall economy. Domestic manufacturers, especially those with "hybrid operations," will be impacted through their outsourcing of materials and components.

"While likely greatly oversimplifying a very complex situation, an additional 10% tariff on Chinese goods would seem manageable given the inflationary pressures the industry has dealt with in the last few years, coupled with the long product pipeline allowing time for companies to make necessary adjustments," Laferriere noted.

"What seems more immediately concerning is the potential impact of tariffs on Canadian lumber utilised by the US housing industry as well as Canadian energy and the impact that could have on inflation in general, and specifically, consumer spending, interest rates, and ultimately housing activity that drives the furniture industry."

See: <https://www.woodworkingnetwork.com/furniture/residential-furniture-orders-slump-november-cautious-optimism-2025>

Homebuilders ask for tariff exemptions on building materials

Citing the potential cost impact on US housing the National Association of Homebuilders (NAHB) sent a letter to the President requesting tariff exemptions on building materials from Canada and Mexico.

See: <https://www.nahb.org/-/media/NAHB/advocacy/docs/letter-to-president-potential-tariffs-013125.pdf?rev=4f33c6137e9846b1866e4692241d2a1d>

The President announced an across-the-board tariff of 25% on Canadian and Mexican goods coming into the United States, including tariffs on building materials that could increase construction costs and harm housing affordability. As of 3 February tariffs on both countries have been delayed for one month as negotiations continue.

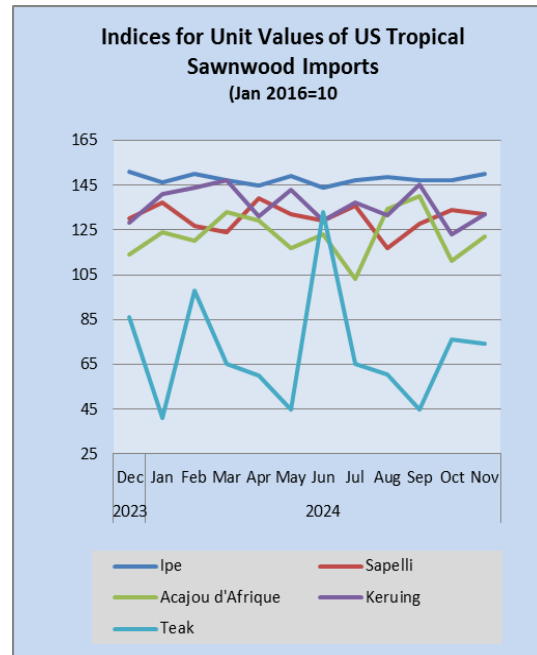
The 25% tariff on softwood sawnwood products from Canada would be in addition to an effective 14.5% duty rate already in place, meaning that the overall effective Canadian lumber tariffs will rise to nearly 40%.

The NAHB states that proposed new tariffs on China, Canada and Mexico are projected to raise the cost of imported construction materials by US\$3 billion to US\$4 billion, depending on the specific rates. For some materials, where imports are critical to supply, prices could see dramatic increases, adding layered costs that could substantially impact builders' ability to deliver new projects.

The NAHB estimates that US\$184 billion worth of goods were used in the construction of both new multifamily and single-family housing in 2023.

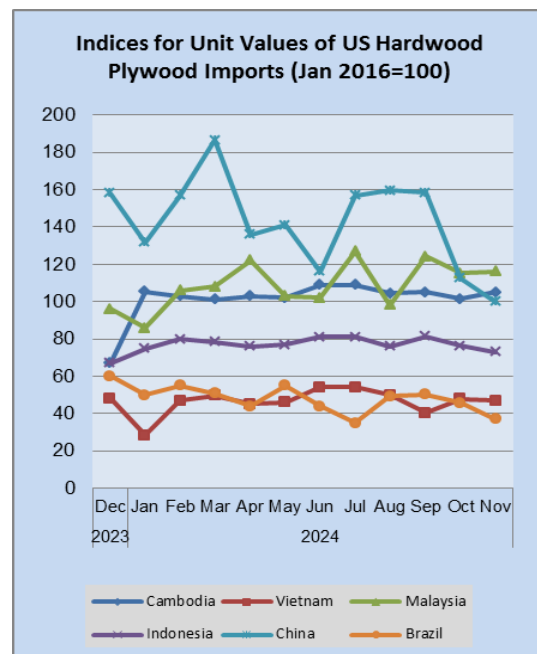
About US\$13 billion of those goods were imported from outside the US, meaning approximately 7% of all goods used in new residential construction originate from a foreign nation.

See: <https://www.nahb.org/advocacy/top-priorities/material-costs/how-tariffs-impact-home-building>



Data source: US Census Bureau, Foreign Trade Statistics

Note: the doubling of the unit value for teak may be a statistical error. Use with caution.



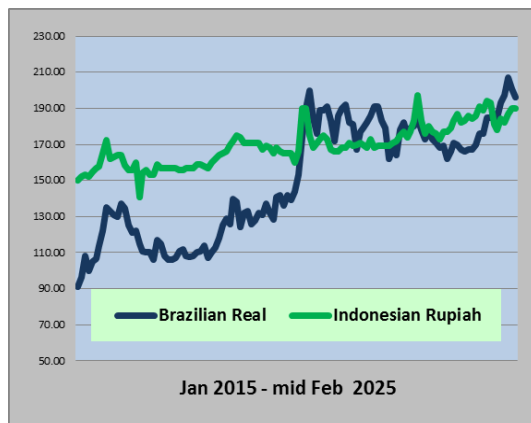
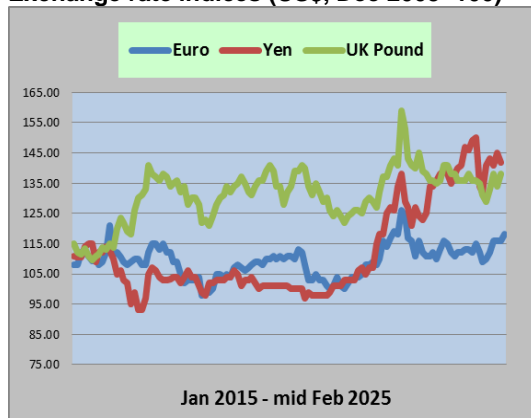
Data source: US Census Bureau, Foreign Trade Statistics

US Dollar Exchange Rates

As of 10 February 2025

Brazil	Real	5.96
CFA countries	CFA Franc	635.37
China	Yuan	7.31
Euro area	Euro	0.97
India	Rupee	86.19
Indonesia	Rupiah	16,348
Japan	Yen	152,50
Malaysia	Ringgit	4.47
Peru	Sol	3.78
UK	Pound	0.80
South Korea	Won	1,452.86

Exchange rate indices (US\$, Dec 2003=100)



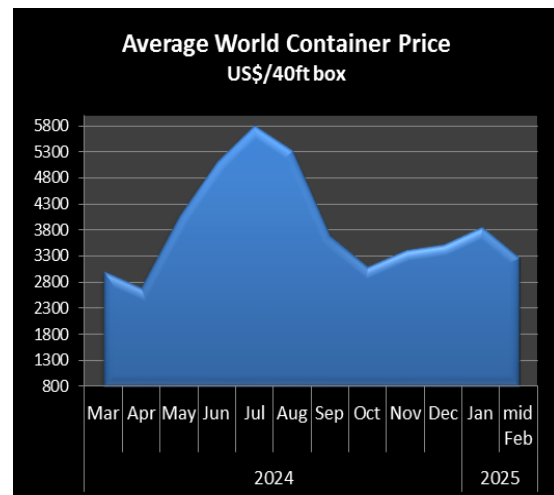
Disclaimer: Though efforts have been made to ensure prices are accurate, these are published as a guide only. ITTO does not take responsibility for the accuracy of this information.

The views and opinions expressed herein are those of the correspondents and do not necessarily reflect those of ITTO

Abbreviations and Equivalences

Arrows ↓↑	Price has moved up or down
BB/CC etc	quality of face and back veneer
BF, MBF	Board foot, 1000 board foot
Boule	bundled boards from a single log
TEU	20 foot container equivalent
CIF	Cost insurance and freight
C&F CNF	Cost and freight
cu.m cbm	cubic metre
FAS	First and second grade of sawnwood
FOB	Free-on board
Genban	Sawnwood for structural use in house building
GMS	General Market Specification
GSP	Guiding Selling Price
Hoppus ton	1.8 cubic metre
KD, AD	Kiln dried, air dried
Koku	0.28 cubic metre or 120 BF
LM	Loyale Merchant, a grade of log parcel
MR., WBP	Moisture resistant, Weather and boil proof
MT	Metric tonne
OSB	Oriented Strand Board
PHND	Pin hole no defect
QS	Qualite Superieure
SQ,SSQ	Sawmill Quality, Select Sawmill Quality

Ocean Container Freight Index

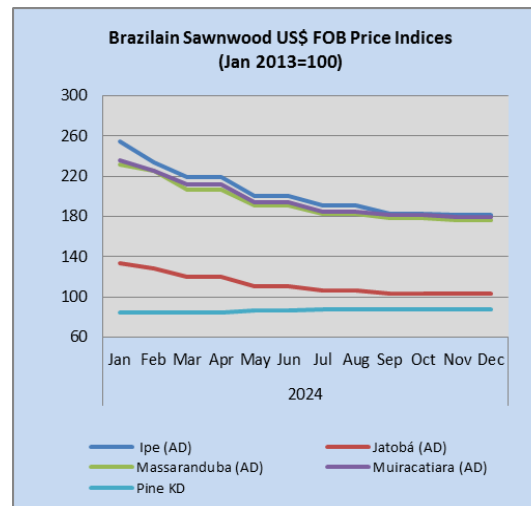
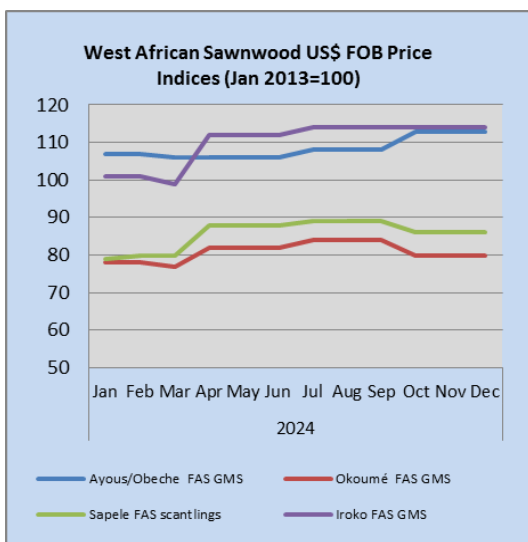
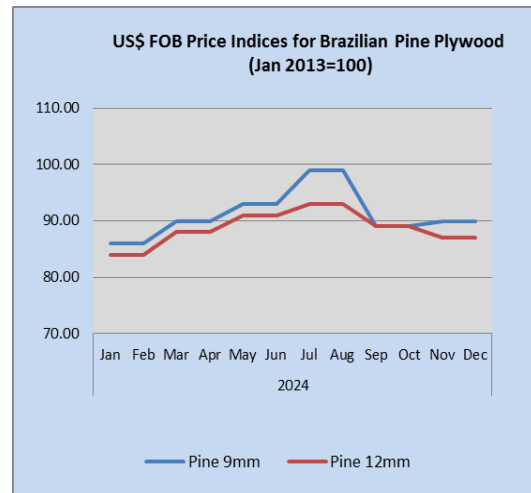
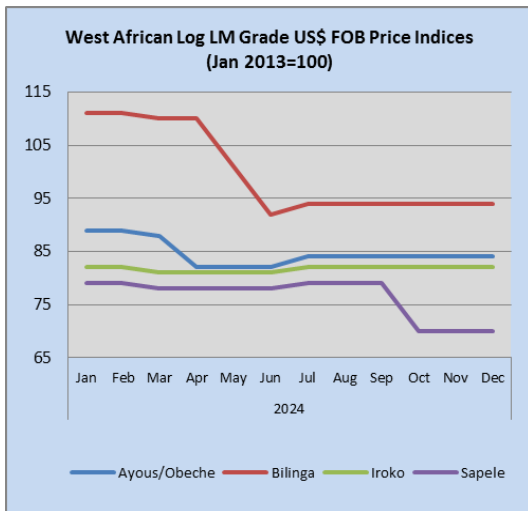


Data source: Drewry World Container Index

See: <https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry>

Price indices for selected products

The following indices are based on US dollar FOB prices



Note: Indices for W. African logs and sawnwood are recalculated from Euro to US dollar terms.

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