

Tropical Timber Market Report

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Contents

| | |
|------------------------------|----|
| Central/West Africa | 2 |
| Ghana | 3 |
| Malaysia | 4 |
| Indonesia | 5 |
| Myanmar | 7 |
| India | 8 |
| Vietnam | 10 |
| Brazil | 13 |
| Peru | 15 |
| Japan | 16 |
| China | 20 |
| EU | 23 |
| North America | 24 |
| Currencies and Abbreviations | 27 |
| Ocean Freight | 27 |
| Price Indices | 28 |

Headlines

| | Page |
|---|-----------|
| Longest running tropical forest certification in Sabah | 5 |
| Vietnam's scheme for multi-use values from forest ecosystems | 11 |
| Strategies for forest restoration in the Amazon | 13 |
| Incentives for forest plantations in Peru | 15 |
| Japan - tax implemented for forest maintenance | 18 |
| Chinese home furnishing enterprises relocating overseas | 20 |
| Certification schemes lay out EUDR compliance support | 23 |
| US manufacturing output expands but not the furniture sector | 26 |

Top story

US Senators introduce Mass Timber Bill

Two US Senators announced the introduction of the bipartisan Mass Timber Federal Buildings Act to promote the utilisation of mass timber in federal building projects and military construction.

They say this Act will give mass timber companies the ability to compete for federal construction, renovation, or acquisition of public buildings and for military construction.

The Mass Timber Federal Buildings Act has been endorsed by a wide range of associations, companies and academic institutions.

Page 24

Asian buyers more active

Reports suggest that across the region there has been a resurgence in enquiries from Asian buyers signalling the possibility that trading will become more active. Optimism has grown as importers in China have expanded interest in a variety of species including bilinga, ayous, okan, movingui, belli and sapelli alongside the traditionally sought after, okoume.

The renewed and steady demand from the Philippines has contributed to the overall positive sentiment among producers in the region. In contrast, demand in Middle Eastern markets remain relatively subdued.

Enquiry levels across Europe remain stable, say producers. Specific attention in EU markets is directed towards andoung, iroko and padouk species.

Prices have remained stable as there is adequate production in Gabon, Cameroon and the Republic of Congo effectively balancing demand and supply.

A shift in market dynamics has been reported as the export of Azobe logs has declined considerably which has been attributed to the closure of sawmills in Europe and a pivot towards importing sawnwood

Stringent sustainability practices demanded in Gabon

As things stand at present in 2025 all forestry operations in Gabon will have to secure FSC certification, a move towards more stringent sustainability practices. This legislative push has been reinforced by the Forestry law mandating full payment of land taxes. The firm stance taken by the government underscores the commitment to enforcing environmental standards.

Expat visa issue looms large

Activities under the ongoing National Transition and Restoration Convention (CTRI) are being managed through sub-commissions including Labour, Economics and Finance. The Economic sub-commission is addressing the critical issue of unemployment among Gabonese nationals along with the need for expatriate professionals.

In the labour sub-convention was a proposal which involves controls on expatriate workers through a new system of work permits and subsequent residency permits to do away with the issuance of E-Visas for employment purposes as such visas are intended for visitors and are limited to a three-month stay.

The new government wants to prioritise local employment and seeks to regularise the involvement of expatriate workers. It has been said too many expatriates have been working under E-Visa arrangements, a legal grey area with inadequate oversight.

The changes being considered suggest a pivot towards a more regulated and domestically focused labour market and this will have implications for the timber sector and if not managed well could undermine production levels.

Cameroon – shipment dates pushed forward as demand grows

The dry season, lasting until June, has allowed operators to replenish log stocks and a resumption of full scale milling. Operators in Cameroon report an improvement in transportation operations, both trucking to mills and log depots as well as railway operations for export shipments.

Douala Port operations are reported as running smoothly and some have reported improvements under the new management. Kribi Port is also operating effectively, mainly handling container traffic.

Producers in Cameroon report stable enquiry levels and that delivery dates have to be extended due to the uptick in demand in Asian markets. It is understood that the log export ban is now being fully imposed with no exceptions and only processed products may be exported.

Order levels stable in Congo

Harvesting conditions in Northern Congo continue to be challenging due to heavy rains which has complicated transportation to Douala Port. On the positive side producers in Congo report resumed interest in okoume since the beginning of April.

Overall, producers report that order levels have been stable for two months. Log exports are banned except for stocks of old stocks. Enquiry levels are also stable, with the Philippines returning as a buyer of okoume sawnwood and Chinese interests expanding to a wider range of species.

Log export prices

| West African logs Asian market | FOB Euro per cu.m | | |
|--|-------------------|-----|------|
| | LM | B | BC/C |
| Acajou/ Khaya/N" Gollon | 230 | 230 | 175 |
| Ayous/Obeche/Wawa | 230 | 230 | 225 |
| Azobe & ekki | 260 | 260 | 175 |
| Belli | 250 | 250 | - |
| Bibolo/Dibétou | 200 | 200 | - |
| Bilinga | 275 | 275 | - |
| Iroko | 290 | 270 | 225 |
| Okoume (60% CI, 40% CE, 20% CS) (China only) | 200 | 200 | - |
| Moabi | 260 | 260 | 220 |
| Movingui | 180 | 180 | - |
| Niove | 160 | 160 | - |
| Okan | 210 | 210 | - |
| Padouk | 300 | 270 | 240 |
| Sapele | 260 | 260 | 220 |
| Sipo/Utile | 260 | 260 | 230 |
| Tali | 260 | 260 | - |

Sawnwood export prices

| West African sawnwood | FOB Euro per cu.m |
|--------------------------|-------------------|
| Ayous FAS GMS | 425 |
| Bilinga FAS GMS | 680- |
| Okoumé FAS GMS | 480 |
| Merchantable KD | 440 |
| Std/Btr GMS | 450▲ |
| Sipo FAS GMS | 520▲ |
| FAS fixed sizes | - |
| FAS scantlings | 540▲ |
| Padouk FAS GMS | 900 |
| FAS scantlings | 1,000 |
| Strips | 400 |
| Sapele FAS Spanish sizes | 550▲ |
| FAS scantlings | 560▲ |
| Iroko FAS GMS | 800▲ |
| Scantlings | 850▲ |
| Strips | 400 |
| Khaya FAS GMS | 450 |
| FAS fixed | 500 |
| Moabi FAS GMS | 550▲ |
| Scantlings | 550 |
| Movingui FAS GMS | 460▲ |

Through the eyes of industry

The latest GTI report lists the challenges identified by the private sector in the Republic of Congo and Gabon.

GGSC

<https://www.itto-ggsc.org/static/upload/file/20240418/1713424567120852.pdf>

Ghana

Ghana's billet exports surged in first two months of 2024

Ghana exported a total of 40,763 cu.m of wood products in the first two months of 2024 compared to 44,400 cu.m recorded for the same period in 2023, a drop of 8% according to Timber Industry Timber Division (TIDD). The corresponding export value for the same period dropped from Eur19.84 million in 2023 to Eur18.49 million in 2024.

Wood product export volumes

| | 2023 cu.m | 2024 cu.m | YoY |
|---------------------|---------------|---------------|-----------|
| | Jan-Feb | Jan-Feb | % change |
| AD Saw nw ood | 24,628 | 21,250 | -14 |
| KD Saw nw ood | 5,752 | 5,650 | -2 |
| Billets | 1,748 | 3,890 | 122 |
| Plyw ood (Overland) | 3,704 | 3,072 | -17 |
| Sliced Veneer | 996 | 722 | -27 |
| Mouldings | 1,221 | 881 | -28 |
| Plyw ood | 2,365 | 2,358 | 0 |
| Teak Logs | 2,017 | 248 | -88 |
| Briquettes | 254 | 450 | 77 |
| Boules (AD) | 95 | 138 | 45 |
| Others | 1,620 | 2,104 | 30 |
| Total | 44,400 | 40,763 | -8 |

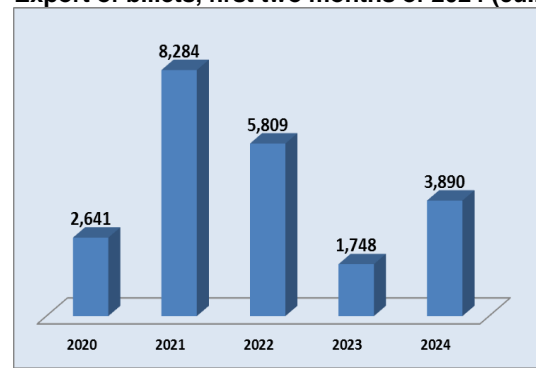
Data source: TIDD

Of the fifteen products exported the top five were air-dried sawnwood (21,250 cu.m, 52%), kiln-dried sawnwood (5,650 cu.m, 14%), billets (3,890 cu.m, 9.5%), plywood to the regional market (3,072 cu.m, 7.5%) and plywood for overseas export (2,358 cu.m, 6%). These altogether accounted for 89% of the total export volume (40,763 cu.m).

Billets recorded a significant y-o-y growth in export volumes during the first two months of this year, from 1,748 cu.m in 2023 to 3,890 cu.m in 2024. This was closely followed by rising exports of air-dried boules and briquettes while all others products recorded lower export volumes in the first two months of 2024 compared to 2023.

Billets are a primary product produced mainly from teak and gmelina and are shipped primarily to India.

Export of billets, first two months of 2024 (cu.m)



Data source: TIDD

The major markets for wood products from Ghana in the first two months of this year were Asia (60%), Europe (17%), Africa (11%), America (7%) and Middle East (5%).

Chamber of Commerce – power outages bringing businesses to their knees

The Ghana National Chamber of Commerce and Industry (GNCCI) has voiced deep frustration and disappointment at the ongoing power crisis in the country.

According to the Chamber, the frequent power outages, (dumsor) have brought some businesses to their knees causing significant declines in productivity and revenue and occasional damage to machinery.

The GNCCI said the current power crises, coupled with the country's current economic challenges such as the depreciation of the cedi against major foreign currencies, high-interest rate, escalating cost of fuel, high inflation among others, put businesses in an extremely risky situation. The GNCCI has pleaded for immediate action by the government and all stakeholders on the power crisis.

A recent statement from the Ghana Grid Company Limited (GRIDCO) has said it anticipates securing about 100 megawatts from the Independent Power Producers (IPPs) in the coming days to reduce power outages.

Source: <https://www.myjoyonline.com/dmusor-has-brought-businesses-to-their-knees-gncci-expresses-frustration-at-ongoing-crisis/> and <https://www.myjoyonline.com/gridco-to-receive-100mw-power-supply-from-ipps-in-coming-days/>

Ghana's secures MoU on debt restructuring

The domestic media has reported Ghana secured a Memorandum of Understanding (MoU) from its creditors on restructuring Ghana's commitments. This came after members of the official creditor committee and Ghana's bilateral creditors managed to secure the necessary approvals.

In its April 2024 Fiscal Monitor the International Monetary Fund (IMF) forecasts a consistent decline in Ghana's Debt-to-GDP ratio in the next six years.

According to Stephane Roudet Fund Mission Chief for Ghana, the government policies and reforms to restore macroeconomic stability and debt sustainability are laying the foundations for stronger and more inclusive growth and are already generating positive results.

In a related development, Fitch Solutions has stated that the Ghana cedi will soon appreciate citing several factors, notably the progress the government has made regarding the restructuring of its commercial debt. This will bolster investor confidence in Ghana's economy and policymaking processes leading to increased foreign exchange inflows and a consequent strengthening of the cedi possibly in the second half of 2024.

See: <https://www.myjoyonline.com/ghana-reaches-a-deal-with-bilateral-creditors-on-debt-restructuring/> and <https://dailyguidenetwork.com/fitch-solutions-predicts-ghanaian-cedi-to-bounce-back/>

Boule export prices

| | Euro per cu.m |
|----------------------|---------------|
| Black Ofram | 330 |
| Black Ofram Kiln dry | 420 |
| Niangon | 811 |
| Niangon Kiln dry | 910 |

Rotary veneer export prices

| Rotary Veneer, FOB | Euro per cu.m | |
|--------------------|-----------------|-------------|
| | CORE (1-1.9 mm) | FACE (>2mm) |
| Ceiba | 321↓ | 441 |
| Chenchen | 472 | 612 |
| Ogea | 494 | 590 |
| Essa | 596↓ | 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 | 500 |
| Ceiba | 290 | 360↑ |
| Dahoma | 494↓ | 551↓ |
| Edinam (mixed redwood) | 640 | 688 |
| Emeri | 660 | 780 |
| African mahogany (Ivorensis) | 846 | 1,018↑ |
| Makore | 560 | 825 |
| Niangon | 690 | 917 |
| Odum | 836 | 1,104↓ |
| Sapele | 800 | 868↑ |
| Wawa 1C & Select | 445↓ | 467↓ |

Sliced veneer export prices

| Sliced face veneer | FOB |
|--------------------|---------------|
| | Euro per cu.m |
| Asanfina | 1,373↑ |
| Avodire | 673 |
| Chenchen | 785↑ |
| Mahogany | 2,052↑ |
| Makore | - |
| Odum | 2,499 |
| Sapele | 1,555↑ |

Plywood export prices

| Plywood, FOB | Euro per cu.m | | | |
|--------------|---------------|-------|-------|----------|
| | BB/CC | Ceiba | Ofram | Asanfina |
| 4mm | | 555 | 580 | 641 |
| 6mm | | 385↓ | 535 | 604 |
| 9mm | | 433 | 504 | 560 |
| 12mm | | 699 | 512 | 480 |
| 15mm | | 390 | 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%.

Malaysia

Export earnings rise

Despite a marginal contraction of 0.8% in March export earnings to RM128.64 bil. there was an overall increase in first quarter earnings. The Ministry of Investment, Trade and Industry said total exports grew 2.2% during the first three months of 2024 to RM362.41 bil. on the back of higher shipments of manufactured and mined goods.

On imports, the value of Malaysia's inbound shipments expanded at a rate of 12.5% y-o-y to RM115.83 bil. in the first quarter.

Automation and digitalisation the way forward

The Malaysian timber industry is being urged to adopt automation and digitalisation to tackle increasingly complex global challenges. To assist with this transformation the Malaysian Wood Moulding and Joinery Council (MWMJC), in collaboration with the Malaysian Timber Industry Board (MTIB), has organised programmes and initiatives aimed at strengthening the competitiveness of the sector.

In addition to supporting its members the MWMJC also provides feedback on government policies and promotes sustainability within the sector. Its chairman, George Yap, acknowledged the multifaceted challenges confronting the industry including raw materials scarcity, demands for timber certification and the imperative of adhering to environmental, social and governance principles.

Exports of wood products fell by 13% to RM 21.9 billion in 2023 compared with RM25.21 billion in 2022. The major wood products exported from Malaysia last year were wooden furniture, plywood, sawnwood, builders' joinery, mouldings and fibreboard. Among the top export destinations were the United States, Japan and India.

MWMJC members primarily focus on downstream production and supply the international and domestic markets. The finished products include mouldings, doors, windows, flooring, decking, skirting, picture frames, furniture and wooden structures for building and marine applications.

See:
<https://www.nst.com.my/news/nation/2024/03/1031880/automation-digitalisation-boost-timber-industry>

Sabah rainforest project generates first carbon credits
The Kuamut Rainforest Conservation Project (KRCP) has achieved a milestone by generating its first tranche of verified carbon units. The project is a public-private partnership between the Sabah Forestry Department, Yayasan Sabah and United Kingdom-based Permian Global's local subsidiary, Permian Malaysia.

Permian Global chairman, Stephen Rumsey, said the verification demonstrated the project's compliance with internationally recognised standards. This achievement enables the conservation initiative, aimed at protecting and restoring 83,000 hectares of tropical rainforest in the Tongod and Kinabatangan districts, to generate its first saleable carbon units.

Permian Global had provided investment for the project that involved State authorities along with scientific and community partners such as the South East Asia Rainforest Research Partnership (SEARRP) and the community organisation PACOS Trust.

See:
<https://www.nst.com.my/news/nation/2024/04/1038666/sabah-rainforest-project-generates-first-tranche-carbon-credits>

Longest running tropical forest certification
The Deramakot Forest Reserve in Sabah has received its fifth cycle of forest certification under the Forest Stewardship Council (FSC) certification; the first cycle began in 1997. This re-certification extends to another five years, from March 2024 to March 2029 making Deramakot Forest Reserve the longest running FSC-certified tropical forest in the world.

Frederick Kugan, the Chief Conservator of Forests in Sabah praised the efforts and hard work shown by all officers involved in maintaining the world standard of forest management in Deramakot which is an outstanding achievement not only for Sabah and Malaysia but also for all the tropical forests in the world. As of March 2024 the SFM system, as practiced in the Deramakot area, has multiplied to 43 Sustainable Forest Management License Agreements (SFMLAs) covering some 1.53 million hectares.

However, Sabah still faces challenges in obtaining FSC and MTCS-PEFC certification for forest plantations. These can only be granted for forest plantations established before 2020 for FSC and before 2010 for MTCS-PEFC along with some other restrictions.

Exhibitors already securing slots for MIFF 2025
The 30th Malaysian International Furniture Fair concluded on a high note say the organisers as exhibitors and buyers forged connections and capitalised on robust business opportunities. The event attracted 715 exhibitors and 19,213 trade visitors from 120 countries and regions. The organisers say the positive response received throughout the show has resulted in over 80% of exhibitors already securing their space for the next show. The annual event will run 1-4 March 2025.

See:
<https://www.malaymail.com/news/malaysia/2024/03/28/deramakot-forest-reserve-in-sabah-is-longest-fsc-certified-tropical-forest-in-the-world/126013>

Through the eyes of industry
The latest GTI report lists the challenges identified by the private sector in Malaysia.

GGSC
<https://www.itto-ggsc.org/static/upload/file/20240418/1713424567120852.pdf>

Indonesia

Anticipating impact of global geopolitical situations on industry

The Ministry of Industry is closely monitoring the volatile global geopolitical situation as it is anticipated current conflicts will have an impact on at least three things: energy prices, logistics costs and exchange rates. The government intends to continue developing policies to mitigate any impact on the local manufacturing industry.

The Minister of Industry, Agus Gumiwang Kartasasmita, has indicated the Ministry is considering incentives for imported industrial raw materials due to the possibility of disruption of the supply of raw materials for domestic industry. A relaxation of imports curbs is also being considered to make it easier to secure raw materials.

In an effort to reduce the dependence on the US dollar the Ministry has called for an increase in the use of the Rupiah for bilateral transactions between Indonesian businesses and their partners in other countries.

In addition, the Ministry has called for efforts to improve performance in the logistics sector to support the growth of the industrial sector. The Minister noted that during the first quarter of 2024 the world logistics cost index increased due to the various global conflicts.

See: <https://www.kemenperin.go.id/artikel/24656/Kemenperin-Siapkan-Antisipasi-Dampak-Situasi-Geopolitik-Dunia-Bagi-Sektor-Industri>

Gen-Z and millennials to play a key role in forest management

Agus Justianto, Acting Director General of Sustainable Forest Management at the Ministry of Environment and Forestry (KLHK), has reiterated that forest businesses in the future will not only rely on timber harvesting but will adopt a multi-business approach. He said to achieve this the younger generation, which includes individuals from the Gen-Z and Millennial age groups, can bring creativity, innovative ideas and technological skills that can be utilised to support the multi-business approach.

He added "it is hoped that the younger generation of the Gen-Z and Millennial groups who are creative, innovative and able to leverage technological advancements can become the key players in implementing Multi Forestry Business.,

He emphasised the importance of sustainable management of forests, which besides having a foundation in economics, also has ecological, hydrological and climatological functions.

See: <https://www.antaranews.com/berita/4057881/klhk-gen-z-dan-milennial-pilar-penentu-pengelolaan-hutan-lestari> and <https://www.medcom.id/ekonomi/bisnis/zNPXaWPN-gen-z-dan-milennial-bekal-utama-pengelolaan-hutan-lestari>

APP Joins the World Business Council for Sustainable Development

A media statement from the World Business Council for Sustainable Development says "the APP Group has joined more than 200 leading global companies as the newest World Business Council for Sustainable Development (WBCSD) member.

APP Group oversees multiple pulp and paper manufacturing and forestry enterprises in Indonesia to meet the growing global demand for tissue, packaging and paper products in over 150 countries.

By joining forces with other industry leaders within WBCSD, APP is set to further enhance its sustainable development efforts and integrate these principles into its business operations, align with WBCSD's mission to accelerate the required transformation of businesses, their value chains, and the systems in which they operate, to limit the impact of the climate crisis, restore nature and tackle inequality.

APP has implemented a comprehensive sustainability approach and is committed to transparent ESG disclosures.

Its ERM aligns with key ESG risks. APP's participation as a WBCSD member also aims to advance progress toward achieving its ambitious sustainability goals - including net-zero emissions by 2050, setting targets for forest conservation, upholding human rights, promoting inclusion and diversity, and maintaining transparency in accordance with the International Financial Reporting Standards (IFRS)".

Andrie Setiawan Yapsir, Director of APP Group said "joining the WBCSD is a crucial step for APP Group in reinforcing our dedication to environmental and social responsibility and assuring our stakeholders of our commitment to not only meet but exceed global standards. This collaboration aligns with our goals, set out in our Sustainability Roadmap Vision 2030 and enables us to further enhance our capacity to implement effective solutions for a sustainable future".

See: <https://www.wbcsd.org/Overview/News-Insights/General/News/APP-Joins-the-World-Business-Council-for-Sustainable-Development>

Be ready for carbon trading by October 2024

Presidential Chief of Staff, Moeldoko, has emphasised that President Widodo wants to see carbon trading in Indonesia running smoothly before the end of his term as President.

Moeldoko stressed the need to speed up preparation and alignment of regulations, particularly in sectors that fall under the Nationally Determined Contribution (NDC). This includes areas such as energy, waste management, industrial processes, the utilisation of agricultural products, forestry and other sectors that are affected by advancements in science and technology such as blue carbon.

In response the Director General of Climate Change and Control at the Ministry of Environment and Forestry (KLHK), Laksmi Dewanti, explained that in preparing the regulations the Ministry will ensure that measures set for carbon trading can contribute to reducing emissions following the NDC targets in the Paris Agreement.

See: <https://tirto.id/ksp-perdagangan-karbon-harus-berjalan-optimal-sebelum-oktober-gXYV> and <https://koran-jakarta.com/ksp-tegaskan-penerapan-perdagangan-karbon-harus-optimal-sebelum-oktober-2024>

Finance ministers' role in achieving NDC targets

Finance Minister, Sri Mulyani Indrawati, highlighted the role of finance ministers in ensuring their countries achieve Nationally Determined Contribution (NDC) targets to address climate change.

These remarks were made when the Minister presided over the 11th Ministerial Meeting of the Coalition of Finance Ministers for Climate Action (CFMCA).

Apart from assuring financial support, Indrawati emphasised the need for Finance Ministers to take part in preparing, revising and implementing the NDC.

Finance Ministers should also develop sustainable and healthy macro-economic and fiscal policies, she added. Three issues deliberated during the ministerial meeting were the roles of finance ministries in bolstering NDC implementation, gradual abolition of subsidies that harm nature and mobilisation of the global market to fund the green transition.

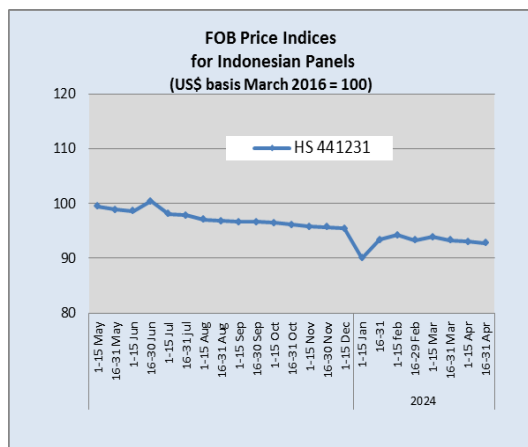
See: <https://en.antaranews.com/news/311244/indrawati-highlights-finance-ministers-roles-in-achieving-ndc-target>

Forest fire damage in the first quarter of 2024

The Director of Forest and Land Fire Control at the Ministry of Environment and Forestry (KHLHK), Thomas Nifinluri, said that Indonesia is still struggling with incidents of forest and land fires (karhutla) in various regions, particularly the Sumatra and Kalimantan Islands.

According to the latest KLHK data recorded on the Terra/Aqua Satellite (NASA), there were 343 hotspots between January and 12 April affecting a total area of 10,909.55 hectares. Currently, provinces like Riau and East Kalimantan are the main centres for forest and land fires and this is put down to changes in weather patterns and land-clearing activities.

See: <https://mediaindonesia.com/humaniora/664836/klhk-luas-karhutla-di-triwulan-pertama-2024-capai-10-ribu-hektare>



Data source: License Information Unit. <http://silk.dephut.go.id/>

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Myanmar

Dire Economic situation

While the Myanmar military regime’s battlefield losses are grabbing headlines the country’s dire economic crisis is becoming more apparent. Myanmar has eviscerated over a decade’s worth of economic growth. Between 2011 and 2019, Myanmar’s economy grew by an average 6% a year making it one of the fastest growing economies in the region. Its poverty rate fell from 49% in 2005 to 25% in 2017.

The size of Myanmar's economy remains around 10% lower than it was in 2019, indicative of the persistent impacts of recent shocks to both the supply and the demand side of the economy. Myanmar faces the risk of a lost generation with erosions in human capital development.

See: <https://www.rfa.org/english/commentaries/myanmar-economy-abuza-04282024072359.html>

Extreme currency depreciation

Information from the foreign exchange market shows that the Myanmar kyat continues to weaken falling recently to K3,900 per dollar. The foreign exchange rate on 12 April, before the New Year Festival was K3,890 for a dollar. The rate surged to K3,960 on 27 April.

The shortage of dollars has led to currency controls which have impacting importers and exporters. The kyat lost 16% of its value in the first quarter of 2024 alone while the price of gold on the local market increased 22%.

In an effort to stabilise the domestic currency it has been reported the Central Bank of Myanmar sold US\$15 million and 12 million yuan.

See- <https://www.rfa.org/english/commentaries/myanmar-economy-abuza-04282024072359.html> and <https://www.gnlm.com.mm/myanmar-kyat-depreciates-surpassing-k3900-per-dollar/>

Grant from EU but sanctions renewed

As conflict continues in most parts of Myanmar, the European Commission (EC) has allocated over €19 million in humanitarian aid to address the most urgent needs. The main EU aid priorities will be food assistance, emergency shelter and access to healthcare, water and sanitation as well as protection activities such as mine risk education.

Out of the total allocation, €2 million is for education. About a third of school-aged children in the country don't currently have access to education with many schools closed or inaccessible due to the conflict.

All EU humanitarian funding is channeled via partner organisations such as international NGOs and UN agencies. In Myanmar the EU's partners work with over a hundred of local civil society organisations to deliver aid across the country.

Around 18.6 million people, a third of the population, are estimated to need humanitarian assistance. The UN has described Myanmar as a global hunger hotspot with a quarter of the population facing food insecurity.

Health needs are also on the rise as the conflict has severely disrupted access to healthcare. The increasing numbers of displaced people often lack shelter as well as access to water and sanitation.

This €19.2 million initial humanitarian allocation for Myanmar in 2024 is the highest initial allocation for the country since the EU began providing humanitarian assistance. Last year's initial allocation was €17.3 million, with total financing at the end of the year reaching almost €33 million.

The European Council has prolonged for one year until 30 April 2025 the restrictive measures in view of the situation in Myanmar.

The decision was taken on the basis of the annual review of the restrictive measures and in view of the continuing grave situation in Myanmar, including actions undermining democracy as well as serious human rights violations.

Other EU restrictive measures remain in place: the embargo on arms and equipment and export restrictions on equipment for monitoring communications which might be used for internal repression, the export ban on dual-use goods for use by the military and border guard police and the prohibition of military training and cooperation with the Myanmar Armed Forces (Tatmadaw).

See - https://ec.europa.eu/commission/presscorner/detail/en/IP_24_568 and <https://www.consilium.europa.eu/nl/press/press-releases/2024/04/26/myanmar-eu-restrictive-measures-renewed-for-a-further-year/pdf/#:~:text=>

Thailand urges ASEAN to resolve Myanmar conflict

Thailand urged the regional bloc ASEAN to take a more proactive role in trying to resolve the crisis in Myanmar. This came after weeks of fighting near its border that halted trade and led to a brief influx of refugees.

The Association of Southeast Asian Nations (ASEAN) developed a peace plan in 2021 that Myanmar's generals agreed to but it has only been partially implemented causing frustration in some member countries.

See: <https://www.straitstimes.com/asia/se-asia/thailand-urges-bigger-asean-role-in-resolving-myanmar-conflict>

India

Price index for sawnwood rose in March

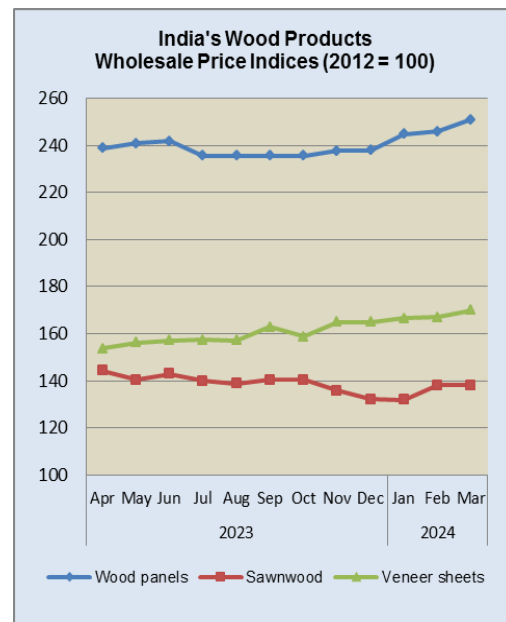
The annual rate of inflation based on all India Wholesale Price Index was 0.53% (Provisional) for March 2024 (compared to over March 2023). The positive rate of inflation in March 2024 was primarily due to increases in prices for food, electricity, crude petroleum and natural gas, machinery and equipment and other manufactured products.

The index for manufactured products increased by 0.21% to 140.1 in March 2024, from 139.8 for February 2024. Out of the 22 NIC two-digit groups for manufactured products 11 saw an increase in prices, 9 witnessed a decrease in prices and 2 showed no change in prices.

Some of the important groups that showed month on month price increases were food products, motor vehicles, trailers and semi-trailers, rubber and plastics products, other manufacturing, chemicals and chemical products. The price index for sawnwood rose sharply in March and the indices for woodbased panels and veneer continued to rise.

Some of the groups that witnessed a decrease in prices were fabricated metal products (except machinery and equipment) basic metals; pharmaceuticals, medicinal chemical and botanical products; textiles; wearing apparel etc. in March, 2024 as compared to February 2024.

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



Data source: Ministry of Commerce and Industry, India

US hardwood exports to India

The American Hardwood Export Council (AHEC) has reported the value of exports of sawn US hardwood and veneers to India in 2023 was US\$8.482 million. AHEC has reported that US sawn hardwoods shipped to India increased by 3% in value to US\$7.024 million (up from US\$ 6.839 million in 2022) and by 21% in volume to 11,604 cubic metres (up from 9,614 cubic metres in 2022).

At the same time, direct exports of American hardwood veneers to India reached US\$1.458 million while exports of logs fell to US\$ 3.569 million, down by 47% year on year.

The top American hardwood species exported to India last year were white oak, red oak, ash, maple and walnut. The biggest increases were seen in the value and volume of exports of ash, maple and walnut.

AHEC participated at INDIAWOOD with an American hardwood pavilion which included 14 US based hardwood exporters. AHEC also hosted a 'mini-convention' and trade servicing mission to Jaipur following the conclusion of INDIAWOOD.

Visits to some of the leading manufacturers helped American hardwood exporters better understand their needs. The AHEC convention identified new opportunities for American hardwoods particularly for the manufacture of products destined for export markets.

India emerged as the biggest growth market for U.S. sawn hardwoods in the first half of 2023 and this trend continued throughout the year.

See: <https://woodzon.com/record-year-for-u-s-hardwood-exports-to-india/> and [https://panelsfurnitureasia.com/ahec-announces-record-year-for-us-hardwood-exports-to-india/#:~:text=The%20total%20value%20of%20exports,Hardwood%20Export%20Council%20\(AHEC\).](https://panelsfurnitureasia.com/ahec-announces-record-year-for-us-hardwood-exports-to-india/#:~:text=The%20total%20value%20of%20exports,Hardwood%20Export%20Council%20(AHEC).)

Investment poised to fuel growth

According to a regional economic outlook presented by the IMF's Asia and Pacific Department, Asia will contribute around 60% of global economic growth in 2024, an upgrad of its view on the region. Overall, the region is projected to grow 4.5% this year before slowing to 4.3% growth in 2024.

In terms of real gross domestic product, India is forecast to grow 6.8% this year, the fastest pace of any major economy, while China expands by 4.6%.

Growth in the ASEAN-5, Indonesia, Malaysia, the Philippines, Singapore and Thailand are forecast to rise 4.5% and Vietnam is projected to achieve gross domestic product growth closer to 6%.

The shape and drivers of Asia's growth, however, will vary significantly among countries. Investment looks poised to fuel much activity in China and India, while private consumption provides the main engine for other emerging markets according to the IMF.

See: <https://www.imf.org/en/News/Articles/2024/04/18/tr041824-apd-press-briefing#:~:text=We%20now%20project%20the%20region,Now%2C%20what%20will%20drive%20growth%3F>

Spike in forest fires in southern India

Low humidity, above normal daytime temperatures, and calm winds during this early phase of summer are said to be some of the contributory factors for the rise in forest fire incidents reported in the Southern India regions.

The India Meteorological Department recently warned of an Excess Heat Factor (EHF), a value that predicts the chances of heatwave over the region, to be significantly higher than normal over western Andhra Pradesh and neighboring Karnataka State. Here, the maximum temperatures in March touched 40 degrees Celsius, unusual for mid-March.

For nearly a month forest fires have been raging in the Coonoor forest range and the Indian Air Force deployed helicopters to drop water on the forest.

Forest fires in this region are unusual as the vegetation is largely evergreen or semi-evergreen unlike the forests in northeast Indian states such as Odisha, Maharashtra, Jharkhand, Chhattisgarh and Uttarakhand where the forest cover is largely dry deciduous forests.

See: <https://indianexpress.com/article/india/forest-fires-south-india-heat-aridity-clear-skies-9220963/>

Cost C&F Indian ports in US dollars, Hoppus measure

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

| | Hoppus cu.m | US\$ C&F |
|-------------|-------------|----------|
| Brazil | 114 | 398 |
| Colombia | 147 | 335 |
| Costa Rica | 101 | 350 |
| Nigeria | - | - |
| Benin | 99 | 515 |
| Tanzania | 53 | 320 |
| Laos | - | - |
| South Sudan | 136 | 385 |
| Guatemala | 149 | 460 |
| Venezuela | 120 | 312 |

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

| | cu.m | US\$ C&F |
|-------------|------|----------|
| Benin | 125 | 625 |
| Brazil | 94 | 360 |
| Colombia | 147 | 345 |
| Costa Rica | 119 | 380 |
| Ecuador | - | - |
| Ghana | 45 | 425 |
| Ivory Coast | - | - |
| Nigeria | 87 | 380 |
| South Sudan | 156 | 400 |
| Tanzania | 99 | 380 |
| Togo | 148 | 375 |
| Panama | 91 | 460 |

Locally milled sawnwood prices

| Sawnwood Ex-mill | Rs per cu.ft. |
|------------------|---------------|
| Merbau | 4,200 - 4,600 |
| Balau | 2,800 - 3,000 |
| Resak | - |
| Kapur | - |
| Kempas | 1,500 - 1,800 |
| Red meranti | 1,500 - 1,800 |
| Radiata pine | 950 - 1,150 |
| Whitewood | 900 - 1,050 |

Price range depends mainly on lengths and cross-section

Sawn hardwood prices

| Sawnwood (Ex-warehouse) (KD 12%) | Rs per cu.ft. |
|--|---------------|
| Beech | 1,600 - 1,900 |
| Sycamore | 2,000 - 2,300 |
| Red Oak | 2,500 - 3,000 |
| White Oak | 2,800 - 3,300 |
| American Walnut | 4,700 - 5,500 |
| Hemlock STD grade | 1,350 - 1,600 |
| Western Red Cedar | 2,220 - 2,450 |
| Douglas Fir | 2,200 - 2,400 |

Price range depends mainly on lengths and cross-section

Domestic ex-warehouse prices for locally manufactured WBP plywood

| Plywood Ex-warehouse | Rs. per sq.ft |
|-------------------------|---------------|
| 4mm | 80.00 |
| 6mm | 92.00 |
| 9mm | 109.00 |
| 12mm | 132.00 |
| 15mm | 170.00 |
| 18mm | 187.00 |

Domestic ex-warehouse prices for locally manufactured MR plywood

| Plywood Ex-warehouse | Rs. per sq.ft |
|-------------------------|---------------|
| 4mm | 55.00 |
| 6mm | 70.00 |
| 9mm | 81.00 |
| 12mm | 96.00 |
| 15mm | 129.00 |
| 19mm | 138.00 |
| 5mm Flexible ply | 87.00 |

Vietnam

Wood and wood product (W&WP) trade highlights

According to the Vietnam Office of Customs in March 2024 W&WP exports earned US\$1.3 billion, up 69% compared to February 2024 and up 14% compared to March 2023. In particular, WP exports contributed US\$887.1 million, up 87% compared to February 2024 and up 14% compared to March 2023.

In the first 3 months of 2024 W&WP exports gained US\$3.5 billion, up 25% over the same period in 2023. WP exports as a share of the total was US\$2.4 billion, up 31% over the same period in 2023.

Vietnam's W&WP imports in March 2024 stood at US\$193.5 million, up 58.1% compared to February 2024, but down 0.1% compared to March 2023. Generally, in the first 3 months of the 2024, W&WP imports recorded at US\$535.7 million, up 15.3% over the same period in 2023.

W&WP exports to the German market in March 2024 reached US\$10.1 million, up 37% compared to March 2023. In the first 3 months of 2024 W&WP exports to Germany were recorded at US\$25.8 million, up 33% over the same period in 2023.

W&WP exports to the UK in March earned US\$20.8 million, up 2% compared to March 2023. In the first 3 months of 2024 W&WP exports to UK were valued at US\$53.5 million, up 28% over the same period in 2023.

W&WP exports to Australia in March 2024 amounted to US\$11.6 million, up 8% compared to March 2023. In the first 3 months of 2024 exports to Australia brought about US\$34.6 million, up 31% over the same period in 2023.

Exports of wooden frame chairs in March 2024 amounted to US\$284.1 million, up 17% compared to March 2023. In the first 3 months of 2024 exports of this wood product earned US\$765.3 million, up 29% over the same period in 2023.

NTPF exports in March 2024 earned US\$74.31 million, up 57% compared to February 2024 and up 18% over the same period in 2023. In the first 3 months of 2024 NTPF exports were valued at US\$201.58 million, up 22% over the same period in 2023.

Vietnam's pine imports in March 2024 stood at US\$56,400 cu.m, worth US\$11.1 million, up 17% in volume and 7% in value compared to February 2024. Compared to March 2023 imports rose 37% in volume and 14% in value.

In the first 3 months of 2024 pine imports totalled 162,700 cu.m, worth US\$34.7 million, up 61% in volume and 53% in value over the same period in 2023.

Vietnam's imports of tali in March 2024 amounted to 14,800 cu.m worth US\$6.1 million, up 57% in volume and 58% in value compared to February 2024. Compared to March 2023 imports were down by 60% in volume and 61% in value.

In the first 3 months of 2024 tali imports totalled at 52,100 cu.m, worth US\$20.2 million, down 57% in volume and 59% in value over the same period in 2023.

Log and sawnwood imports from the US market in March 2024 increased and were a record high at 78,000 cu.m with a value of US\$31 million a sharp increase of 164% in volume and value compared to February 2024 and were up 61% in volume and 44% in value over the same period in 2023.

In the first 3 months of 2024 imports of logs and sawnwood from the US reached 152,440 cu.m with a value of US\$62.77 million, up 46% in volume and 28% in value over the same period in 2023.

Export update

According to a report from VNFOREST under the Ministry of Agriculture and Rural Development the value of timber and forest products exports in March was around US\$1.52 billion.

Cumulative exports in the first three months of the year is estimated at more than US\$3.94 billion, an increase of 42% year-on-year of which, exports of wood and wooden products was almost US\$3.7 billion, up 42% and exports of non-timber forest products reached US\$243 million, up 38%.

Major export markets included the US, Japan, China, the EU and South Korea which together accounted for 90% of total exports of timber and forest products.

Vietnamese enterprises have been importing wood and forest products from China, the US, Cameroon, Thailand and Chile which together account for about 55% of all imported wood and forest products in the past three months.

The rise in the value of imports of wood and wood products increased because of price increases and a steady rise in demand in the domestic and international markets.

Scheme for multi-use values from forest ecosystems

Earlier this year the Prime Minister of Vietnam issued Decision 208/QĐ-TTg approving the project to develop multi-use values from forest ecosystems - 2030 with a vision to 2050.

This initiative on developing multi-use values from forest ecosystems involves the following:

- **Developing legal sources of wood materials and increase the value of wood products**

Form a number of concentrated raw material planted forests; Prioritise the development of large timber forests converting from small timber plantations to large timber plantations in key regions such as the Northeast, North Central, South Central and Central Highlands; Apply science and technology to production by selecting, creating and controlling the quality of seed sources; Implement intensive technical measures to increase the productivity and quality of planted forests; Link raw material production areas with concentrated commodity processing for a number of products; Build brands to create a competitive advantages in the international market and to satisfy domestic market needs.

Gradually increase the proportion of legal raw wood material supplies from domestic planted forests for the wood and forest products processing industry.

Planted forests to have a sustainable forest management certificate or a planting area geolocation code in accordance with the requirements of the domestic and international markets.

Develop fine processing and deep processing technology to increase the added value of wood products; Utilise by-products in wood processing to produce products for consumption and export; Gradually form a circular economy in the forestry production industry; Gradually reduce the proportion of raw wood products, such as wood chip production, for export; Encourage the production and use of wood products from domestically grown forests.

- **Developing non-timber forest products and medicinal herbs**

Investigate, evaluate and zone for conservation and development of non-timber forest products and medicinal plants under the forest canopy; Focus on mastering information about rare species with high economic value: distribution area, species, area, reserves; From there, propose a plan for conservation, exploitation, and sustainable use according to the potential and strengths of each product, each ecological region, and promote the indigenous knowledge of the community and local people.

Research, test, select, create, announce and circulate varieties and species of non-timber forest products and medicinal plants with high productivity and quality, resistance to pests and diseases, and suitability to the characteristics and natural conditions of each ecological region.

Develop and complete processes and technical instructions for seed production, cultivation, and processing of non-timber forest products and medicinal plants under the forest canopy, meeting raw material standards for production associated with stable forest development and biodiversity conservation in forest ecosystems.

Create production areas for non-timber forest products and medicinal materials suited to local climate and soil conditions and suitable for the ecological requirements of each species. Prioritise tree species that currently extend over a large area and high economic value on forest land or under the forest canopy such as: Cinnamon, anise, lemongrass and yellow camellia growing areas in the Northeast, North Central and Central Coast provinces.

As well as Vietnamese ginseng growing areas in the provinces of Quang Nam, Kon Tum, Gia Lai, Lam Dong, Thua Thien Hue, Nghe An, Lao Cai, Lai Chau, and Dien Bien; Bamboo and dendrocalamus barbatus growing areas in the Northwest and North Central provinces; Rattan growing areas in the North and South Central regions. Issue planting area geolocation codes for raw material areas to ensure traceability.

Develop commercial product processing facilities and factories associated with raw material production areas along the value chain to meet the standards and

requirements of domestic and international markets; Ensure product diversification; building brands; developing handicraft products associated with forest materials; Developing 'One Commune One Product' (OCOP) medicinal products and develop products suitable to the characteristics of the national cultural identity of ethnic minorities.

- **Developing combined forms of agriculture, forestry and fishery**

Summarise, evaluate and combine economic development models for agriculture, forestry and fisheries such as: forest garden and forest camp models; Cultivating and developing medicinal plants, multi-purpose plants, livestock, and aquaculture under a forest canopy; Share experiences, knowledge, document, develop processes, standards, regulations and technical instructions to disseminate and replicate successful and effective models. Select high-value, multi-purpose crop and livestock species suitable to local conditions and market needs. Apply effective farming methods and manage the quality of crops, livestock, aquatic products, etc. combined under the forest canopy to optimise land use efficiency; Production and trade of agricultural, forestry and fishery products do not cause deforestation and affect the natural environment and biodiversity of forest ecosystems.

Organise sustainable and effective cooperation and production links between businesses, organisations, households, individuals and communities; Promote responsibility and encourage participation in forest management and community benefit sharing and ensure harmony in the legitimate rights and interests of participating parties.

- **Developing forest environmental services**

Develop forest environmental services, diversify and expand revenue sources from various types of forest environmental services in accordance with the law, especially forest carbon absorption and storage services; Reduce greenhouse gas emissions by limiting deforestation and forest degradation, implementing sustainable forest management and promoting green growth.

Research and institutionalise regulations on applying rates for forest environmental services that are close to the real value that forests bring, in accordance with economic development practices, gradually increase income, and stabilise the lives of people directly involved in forest management, protection, and development.

Strengthen management and guidance to improve the efficiency of using revenue from forest environmental services to invest in the protection and sustainable development of forest resources; Ensure equitable sharing of benefits with local communities.

- **Developing eco-tourism, resorts and entertainment**

Guide forest owners to develop and implement eco-tourism, resort and entertainment projects; Assess impacts and take strict control measures and minimise negative impacts of eco-tourism, resort and entertainment activities for forest management, nature conservation, biodiversity of forest ecosystem, and socio-economic development. Research promoting and supporting forest owners to self-organise ecotourism, resort, and entertainment activities according to regulations.

Strengthen cooperation between forest owners and local communities; Encourage communities to participate in the process of planning, managing and providing tourism products and services; Preserve and promote indigenous knowledge and cultural traditions and ensure equitable sharing of benefits with local communities.

Develop eco-tourism models associated with agricultural, rural and community-based tourism for ethnic minorities, mountainous people, and people living in and near forests.

Develop unique and unique tourism types and products associated with the natural landscape value of the forest ecosystem demonstrating regional and inter-regional connectivity and creating products, activities, and tourism brands associated with local traditional culture and geographical region.

Develop promotion and marketing strategies and media channels to introduce and provide feedback on ecotourism and rural tourism activities; Use social networks and websites and organize events (seminars, conferences, fairs, photo exhibitions, etc.) to bring information to domestic and international tourists.

Attract resources to participate in sustainable development of eco-tourism, relaxation and entertainment in forest ecosystems; Support job creation and improve livelihoods through the use of local labour. Guides organisations and individuals organising tourism activities in adjacent areas and regions or areas bordering organisations organising eco-tourism, resorts and entertainment areas in forest ecosystems.

See: <https://lawnet.vn/thong-tin-phap-luat/en/chinh-sach-moi/approval-of-the-scheme-for-developing-multi-use-values-of-forest-ecosystems-in-vietnam-till-2030-with-a-vision-to-2050-133552.html>

and

<https://vietnamnews.vn/environment/1651223/project-to-develop-multi-use-values-of-forest-ecosystem-to-2030-approved.html>

Forestry sector ups job creation

A survey carried out by the Center for Timber Producing and Exporting Industries of Mato Grosso State (CIPEM) shows that formal jobs in the state's forestry sector grew in the first two months of 2024.

Currently, the forestry sector employs 12,712 people, equivalent to 9.8% of the total 128,917 workers employed in the State's manufacturing industry according to the Ministry of Labour and Employment.

CIPEM commented that in the coming months the trend is for the forest-based sector to continue creating jobs as timber industries have been expanding production from sustainable forest management areas.

With the aim of expanding trade CIPEM promotes and participates in national and international events that discuss the contribution of the forest-based sector to sustainable socio-economic development.

CIPEM emphasised that approximately 7 million cubic metres of timber are produced annually from Sustainable Forest Management areas demonstrating that forest-based industries have the potential to provide sustainable products with proof of origin, traceability and quality.

See: <https://cipem.org.br/noticias/setor-florestal-dobra-a-geracao-de-empregos-em-2024>

Strategies for forest restoration in the Amazon

Environmental leaders from the Legal Amazon gathered in Rio Branco, the capital of the State of Acre in the Amazon Region, to discuss strategies for forest restoration and sustainable development during the 27th Regional Governors' Forum.

The event, led by Acre's Environment Secretariat, focused on international cooperation for the development and conservation of the Amazon, the implementation of policies and economic incentives for forest restoration and strategies in the private sector for preserving the Amazon. The importance of collaboration between different sectors and countries was emphasised.

The event aimed to create an "ecosystem of innovation and forest restoration" that adds perspectives to a common goal of conservation of the Amazon's natural resources. Discussions, organised in various panels, served as a platform for in-depth discussions on international cooperation, forest restoration policies, how REDD+ programmes can benefit the region and plans for recovering native vegetation along with the role of the private sector and implementing agencies in environmental management.

Ambitious goals were presented, such as the "Restore the Amazon" project, which aims to restore 24 million hectares in the region by 2050 through significant investment and a focus on job creation and biodiversity conservation.

The first phase of the project, until 2030, involves the restoration of 6 million hectares with an initial investment of R\$51 billion (approximately US\$10 billion). The second phase, which runs until 2050, aims to restore an additional 18 million hectares at a cost of R\$153 billion (around US\$30 billion).

The Amazon Fund and the Climate Fund will play crucial roles in financing these initiatives with an initial allocation of R\$450 million by the Amazon Fund and R\$550 million from the Climate Fund planned for 2024.

It is estimated that 14,000 jobs will be created and 165 billion tonnes of carbon will be removed from the atmosphere significantly contributing to global emissions reduction targets. To conclude the Forum the signing of a technical cooperation agreement between the Acre State Environment Secretariat and Embrapa Acre was announced.

This agreement is part of a detailed work plan to advance the application of geo-technologies in monitoring forest recovery in the state of Acre.

See: <https://oriobranco.net/secretarios-de-meio-ambiente-da-amazonia-legal-debate-estrategias-para-restauracao-florestal/>
Export update

In March 2024 Brazilian exports of wood-based products (except pulp and paper) declined 16% in value compared to March 2023, from US\$341.0 million to US\$287.7 million.

Pine sawnwood exports dropped 28% in value between March 2023 (US\$60.1 million) and March 2024 (US\$43.6 million). In volume, exports decreased 27% over the same period, from 258,900 cu.m to 188,500 cu.m.

Tropical sawnwood exports decreased 39% in volume from 27,000 cu.m in March 2023 to 16,500 cu.m in March 2024. In value, exports decreased 48% from US\$14.6 million to US\$7.6 million over the same period.

Pine plywood exports increased 1% in value in March 2024 (US\$68.6 million) compared to March 2023 (US\$67.8 million). In volume, exports decreased 2% over the same period, from 213,500 cu.m (March 2023) to 208,800 cu.m. (March 2024)

As for tropical plywood, exports dropped 44% in volume and by 33% in value, from 3,400 cu.m and US\$1.8 million in March 2023 to 1,900 cu.m and US\$1.2 million in March 2024 respectively.

The wooden furniture export value decreased from US\$54.4 million in March 2023 to US\$45.4 million in March 2024, a 17% drop.

Opportunity for the Brazilian furniture industry

According to a recent study the economic situation in the United Kingdom (UK) offers opportunities for Brazilian furniture exports. With its economy ranked as the fifth largest in the world, UK is a target market for Brazil.

According to the indicators from the "Study of Opportunities for the Brazilian Furniture and Mattress Exporters - Target Country: United Kingdom" developed by IEMI, the UK stands out for its robust furniture industry which significantly contributes to the economy, employing around 339,000 people and representing 2% of the country's industrial GDP in 2022.

The demand for furniture, particularly office and institutional furniture, representing 30% of production, illustrates the importance of this sector.

One of the largest furniture consumer markets in Europe, the UK imported US\$8.7 billion in 2022 and exported around US\$1.5 billion.

With a trade deficit of US\$7.2 billion and a considerable dependence on imported products which accounted for 59% of the apparent furniture consumption indicating considerable trade openness. Brazil is ranked 23rd among furniture exporting countries to the UK illustrating the potential for growth.

Factors such as price and the environmental ethics of brands decisively influence purchasing behavior in the UK with 59% of consumers considering price to be crucial and around 50% willing to pay more for products from ethical brands.

According to IEMI a strategy to increase market share in the UK would involve, not only products diversification but also entering the higher value-added segments taking advantage of the British tendency towards ethical and sustainable brands. IEMI forecasts that the Brazilian furniture industry can count on a growth of exports to the UK reaching up to US\$85.6 million over the next few years.

Another essential strategy for the Brazilian industry to access and advance in the UK market is the participation in international furniture events such as Salone del Mobile.Milano, the largest international furniture fair which attracts players from all over the EU and various parts of the world.

See: <https://www.brazilianfurniture.org.br/noticias/detalhe/opportunida-des-para-a-industria-brasileira-de-moveis-no-mercado-global-mais-da-metade-do-consumo-de-moveis-no-reino-unido-e-suprido-por-importacoes>

Mato Grosso expands international trade in wood products

The timber industries in the forest sector in the State of Mato Grosso, one of the main tropical timber producing states, generated approximately US\$104.6 million in revenue in 2023. The State traded with around 61 countries with significant trade with the United States (US\$16.7 million), India (US\$13 million) and China (US\$11 million).

According to the Ministry of Development, Industry and Foreign Trade (MDIC) among the main items traded were roundwood (mainly teak), sawnwood and profiled timber. The Ministry of Agriculture, Livestock and Food Supply (MAPA) also points out that in the first quarter of 2024 the State of Mato Grosso was the fourth largest exporter of Brazilian timber at approximately US\$18.3 million.

CIPEM pointed out that Mato Grosso State has approximately 5.0 million hectares of managed and conserved forests and that the sector is extremely important for the State economy in various municipalities through job creation and has a robust traceability system (Sisflora 2.0) ensuring the origin and legality of Mato Grosso products.

To expand timber exports the sector is seeking to address issues hindering the trade of wood products from natural forests such as the delay of up to four months in clearance of goods at Brazilian ports.

The National Forum of Forest-Based Activities (FNBF) emphasises that one of viable alternatives for speeding up exports is the Dry Port in Cuiabá which could also serve the northern states. A second alternative would be to expand the staff at the ports to address obstacles and speed up international shipments.

CIPEM also highlights the solution implemented in 2024 to reduce bureaucracy, expand and strengthen the trade in timber obtained from Sustainable Forest Management Plans in the state through the launch of ABNT PR 1020 Recommended Practice - Management in native tropical forest, a standard that values forest management thus ensuring more security for consumers.

See: <https://cipem.org.br/noticias/setor-florestal-de-mato-grosso-fatura-us-1046-milhoes-em-negocios-com-61-paises>

Domestic log prices

| | US\$ per cu.m |
|-------------------------------------|---------------|
| Brazilian logs, mill yard, domestic | 582↓ |
| Ipê | 243↓ |
| Jatoba | 216↓ |
| Massaranduba | 208↓ |
| Muiracatiara | 209↓ |
| Angelim Vermelho | 158↓ |
| Mixed redwood and white woods | |

Source: STCP Data Bank

Domestic sawnwood prices

| | US\$ per cu.m |
|---|---------------|
| Brazil sawnwood, domestic (Green ex-mill) | 1,996↓ |
| Ipê | 1,085↓ |
| Jatoba | 949↓ |
| Massaranduba | 914↓ |
| Muiracatiara | 946↓ |
| Angelim Vermelho | 581↓ |
| Mixed red and white | 331↓ |
| Eucalyptus (AD) | 272↓ |
| Pine (AD) | 305↓ |
| Pine (KD) | |

Source: STCP Data Bank

Domestic plywood prices (excl. taxes)

| | US\$ per cu.m |
|----------|---------------|
| Parica | |
| 4mm WBP | 663↓ |
| 10mm WBP | 510↓ |
| 15mm WBP | 447↓ |
| 4mm MR. | 632↓ |
| 10mm MR. | 436↓ |
| 15mm MR. | 396↓ |

Prices do not include taxes. Source: STCP Data Bank

Prices for other panel products

| Domestic ex-mill prices | US\$ per cu.m |
|-------------------------|---------------|
| 15mm MDParticleboard | 340↓ |
| 15mm MDF | 356↓ |

Source: STCP

Export sawnwood prices

| Sawnwood, Belem/Paranagua Ports, FOB | US\$ per cu.m |
|--------------------------------------|---------------|
| Ipe | 2,895 |
| Jatoba | 1,532 |
| Massaranduba | 1,513 |
| Muiracatiara | 1,545 |
| Pine (KD) | 185 |

Source: STCP Data Bank

Export plywood prices

| Pine plywood EU market, FOB | US\$ per cu.m |
|-----------------------------|---------------|
| 9mm C/CC (WBP) | 335 |
| 12mm C/CC (WBP) | 303 |
| 15mm C/CC (WBP) | 295 |
| 18mm C/CC (WBP) | 290 |

Source: STCP Data Bank

Export prices for added value products

| FOB Belem/Paranagua ports | US\$ per cu.m |
|---------------------------|---------------|
| Decking Boards Ipê | 3,122 |
| Jatoba | 1,783 |

Source: STCP Data Bank

Through the eyes of industry

The latest GTI report lists the challenges identified by the private sector in Brazil.

GGSC

<https://www.itto-ggsc.org/static/upload/file/20240418/1713424567120852.pdf>

Peru

Exports to main buyers fell in first two months of 2024

Export shipments of wood products for January and February were worth US\$2.4 million, a year on year decline of 26% according to the Services Management and Extractive Industries Division of the Association of Exporters (ADEX).

This decline is partly explained by lower orders from the two main buyers, China (US\$2.1 million) and France (US\$1.9 million) which reflect decreased demand of 30% and 48% respectively. Regarding China, the global real estate sector continues to face a severe crisis and this is affecting imports.

Other export markets were the Dominican Republic (US\$1.5 million, 12% of all exports), the United States (US\$1.4 million, 11% and Mexico (US\$1.2 million a share of 10%.

According to figures from the ADEX Data Trade Commercial Intelligence System, sawn wood was the most traded product in the first two months of the year despite having contracted by 16% year on year. Second in the ranking of exports were semi-manufactured products down 44%. Others were furniture products and their parts, firewood and charcoal and manufactured products.

Incentives for forest plantations

The National Forestry and Wildlife Service (SERFOR) through its Sustainable Productive Forests (BPS) programme together with the Regional Government of San Martín announced the start of the Forest Incentives Program (PIF) which will allow native communities, farmers and producers to access to financing up to US\$200,000 to establish forest plantations.

The PIF was announced at the International Forestry Forum 'Favorable environment for innovative and sustainable forestry businesses in Peru' held 25-26 April.

The Executive Director of SERFOR, Luis Alberto Gonzales-Zúñiga, has been quoted as saying "we are going to provide incentives to associations, producers and native communities so that they can invest in the development of forest plantations.

There is a fund of US\$24 million available over a period of five years in seven Departments of the country; Cajamarca, Áncash, Madre de Dios, Pasco, Huánuco, San Martín and Junín".

See: <https://www.gob.pe/institucion/serfor/noticias/945028-peru-lanza-programa-de-incentivos-de-hasta-s-742-mil-para-productores-de-plantaciones-forestales>

Mechanism to compensate for fines for forest offenses

In an effort to provide effective solutions for forest users facing fines for violations of forest regulations the Forest and Wildlife Resources Supervision Agency (OSINFOR) explained to participants at a meeting in Ucayali how the fine compensation mechanisms will work.

With the participation of 20 attendees, including holders, representatives of enabling titles for private properties and timber forestry concessions as well as representatives of institutions related to the forestry sector, the event on 16 April in Pucallpa addressed the mechanisms available to offset fines for violations of forestry and wildlife legislation.

Fine compensation mechanisms are a non-monetary payment alternative, an aspect that generated great interest and commitment among those present. Many were unaware of the possibility of using other resources to compensate for their fines.

During the day the requirements to access the compensation mechanisms, the responsibilities that the holders acquire when availing themselves of the various mechanisms as well as the causes of loss of this benefit, were highlighted.

Among the mechanisms that were emphasised were participation in training actions, compensation for recognition of activities of the Community Forest Surveillance and Control Committee (CVCFC) and compensation for other supervised actions.

See: <https://www.gob.pe/institucion/osinfor/noticias/944919-usuarios-del-bosque-en-ucajali-conocen-los-mecanismos-para-compensar-multas-por-infracciones-forestales>

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 | 986-1119 986-1011 |
| Cumaru decking, AD, S4S E4S, Central American market | 994-018↑ |
| Pumaquiro KD Gr. 1, C&B, Mexican market | 479-554 |
| Quinilla KD, S4S 2x10x62cm, Asian market | 582-611 |
| 2x13x75cm, Asian market | 774-831 |

Export sawnwood prices

| Peru sawnwood, FOB Callao Port | US\$ per cu.m |
|---|---------------|
| Pumaquiro 25-50mm AD Mexican market | 691-710 |
| 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 | 989-1012 |
| Asian market | 986-1011 |
| Ishpingo (oak) 2" thick, 6"-8" length Spanish market | 634-649 |
| Dominican Republic | 744-793 |
| Marupa 1", 6-11 length KD Grade 1 Asian market | 555-566↓ |

Export plywood prices

| Peru plywood, FOB Callao (Mexican market) | US\$ per cu.m |
|---|---------------|
| 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 |

Export veneer prices

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

Domestic sawnwood prices

| | US\$ per cu.m |
|----------------------------------|---------------|
| Peru sawnwood, domestic Mahogany | - |
| Virola | 222-234 |
| Spanish Cedar | 333-344 |
| Marupa (simarouba) | 192-227 |

Domestic plywood prices (excl. taxes)

| | US\$ per cu.m |
|------------------|---------------|
| Iquitos mills | |
| 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 |

Domestic prices for other panel products

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

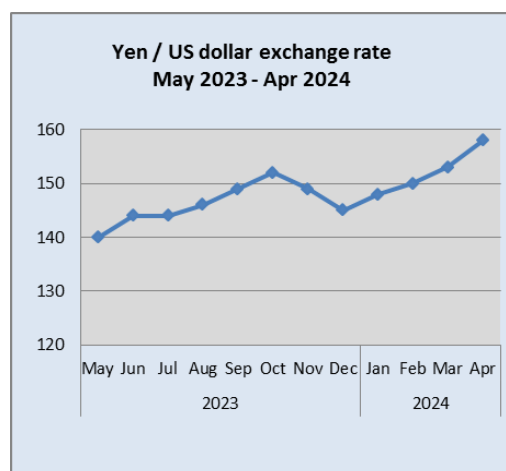
Japan

34-year low for the yen

The yen fell to 160 to the dollar on the 29 April as a bout of frantic yen selling took place after the Bank of Japan left interest rates unchanged even as the outlook for an early US rate cut faded.

The 160 level was a 34-year low for the yen which had been in the mid-155 yen range before the BoJ decision. Finance Minister, Shunichi Suzuki, recently met with his US and South Korean counterparts where he claimed the groundwork was laid for the Japanese authorities to act against excessive yen weakness.

Although the yen's slide prompted speculation that Japanese authorities were poised to intervene with support, the US interest rate outlook suggests there is little Tokyo can do to change the overall direction of exchange rates. Despite this it appears there was an intervention by Japan as the yen exchange rate suddenly strengthened. Japanese officials have remained silent on whether there was action taken.



Analysts have suggested even if there was an intervention the yen would probably gain for a short time but the interest rate differential between the US and Japan would likely cause the yen to eventually return to the pre-intervention level.

While the government and Bank of Japan have tried to play down the impact this decline will have on living costs consumers are not convinced. The almost 10% decline in the value of the yen against the US dollar is having a marked impact on import costs.

See: <https://www.japantimes.co.jp/business/2024/04/17/markets/yen-intervention/>

Some municipalities face almost total depopulation

A recent report from a panel consisting primarily of private-sector experts forecasts that approximately 40% of Japan's municipalities face almost total depopulation, underscoring the severity of urban migration and the aging population.

Since 2014 the government has implemented various initiatives aimed at addressing the low birthrate and the over-concentration of people in Tokyo with little success. Nationwide the number of births continues to drop while, at the same time, young people from the Prefectures flock to the main cities.

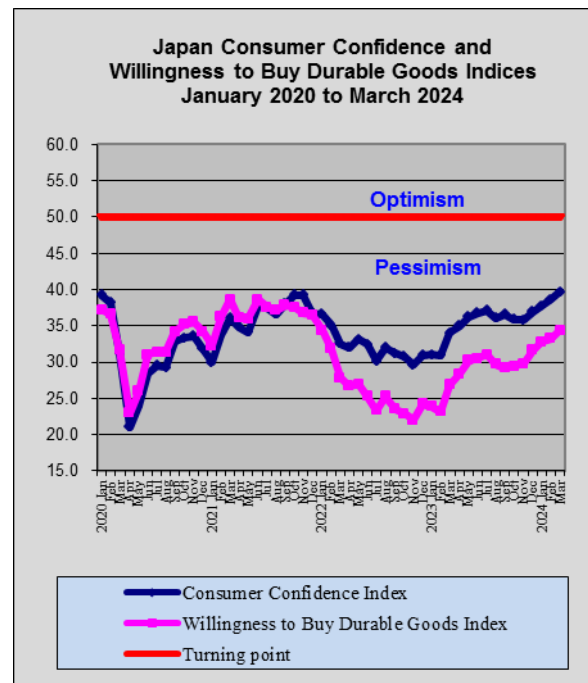
See: <https://www.japantimes.co.jp/commentary/2024/04/26/japan/japan-shrinking-population/>

Persistent price increases dampen spending

Households in Japan continue to cut back on spending as prices for everyday goods continue to climb. Spending dropped 0.5% in February year on year, sliding for a 12th consecutive month.

The decline narrowed from a 6% drop in the previous month and compared with economists' forecast of a 2.9% retreat. Persistent price increases and the steady decline in real wages are having an impact on spending patterns with discretionary purchase of, for example household goods including furniture, dropping.

See: <https://www.japantimes.co.jp/business/2024/04/05/economy/households-continue-to-cut-outlays/>



Data source: Cabinet Office, Japan

Boom year for tourist arrivals

With all indications pointing to a boom year for tourist arrivals in Japan hospitality, especially hotels are attracting foreign investors to the Japanese property market. Domestic investors are also eager to get into the hotel real estate sector and find funding is low cost despite the county's first interest rate hike in 17 years in March.

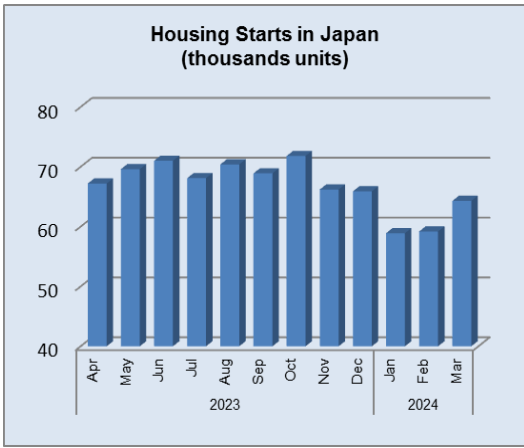
Observers suggest hotels and apartment buildings, rather than warehouses, are expected to be the focus in 2024. Foreign investors typically account for 20% to 25% of property investment in Japan according to a major real estate research and investment company (JLL) data,

According to the Japan National Tourism Organization Japan recorded 3.08 million travelers in March, up 12% from the same month in 2019 before the COVID-19 pandemic. The number of monthly visitors for the first time in March exceeded 3 million and tourism spending broke a quarterly record.

But while the rebound is bringing the government's goal of 15 trillion yen (US\$97 billion) in annual tourism spending by 2030 within reach it is also driving up prices and creating problems for local residents especially in popular areas. The rebound in tourism has driven up hotel room rates and this will likely encourage an expansion in the hospitality sector.

March housing starts were up sharply compared to February but down 13% year on year.

See: <https://nrm.nikkei.co.jp/articles/-/21574> and <https://asia.nikkei.com/Business/Travel-Leisure/Japan-foreign-tourists-top-3m-in-March-fueling-record-spending-boom>



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

Tax implemented for forest maintenance

In order to secure funds for forest maintenance for local governments Japan has implemented its plan for a tax of 1,000 yen per person per year in fiscal 2024. The new tax will be added to the residential tax from June.

From the forecast revenue from the new tax of billion yen per year part will be paid to local governments to support their activities to manage forests, increase forestry workers and replace cedar trees which cause pollen allergies in many people. The government will take account of the size of forest areas rather than the population when distributing tax revenues for forest management.

See: https://www.arabnews.jp/en/business/article_118706/

Import update

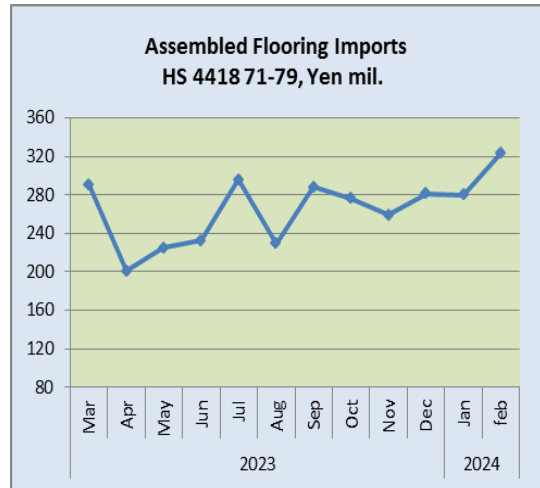
Assembled wooden flooring imports

In February the main category of assembled flooring imports was (HS441875), accounting for over 70% of the total value of assembled flooring imports. The second largest category in terms of value was HS441873 exceeding that of HS 441879.

The value of imports of assembled wooden flooring (HS441871-79) in February 2024 were sharply up from the same month in 2023, a 50% increase and compared to the value of January imports there was a 13% increase in the value of February imports.

The yen exchange rate against the US dollar has driven up the cost of flooring imports but the steady rise in imports cannot be explained as only due to the weak yen as the yen exchange rate has been in the range of 140-150 yen per dollar for most of 2023 rising to about yen 150 in the early part of 2024.

The main shippers of assembled flooring in February were China 56%, down slightly from a month earlier, Vietnam 13%, Malaysia 8%, Thailand 8% and Indonesia 6%. In January there was a significant shipment of flooring from the US, however, none was reported for February.

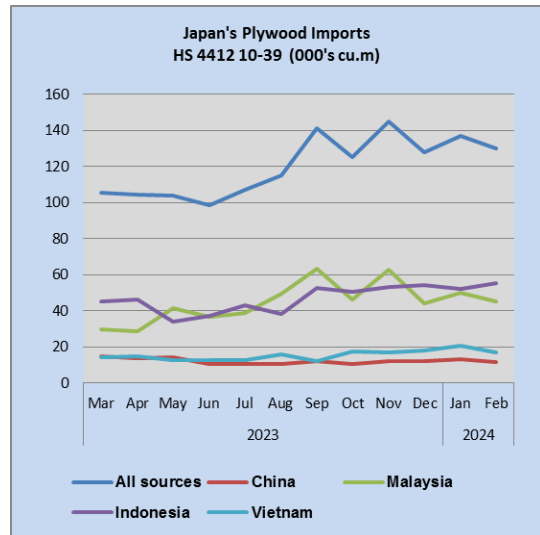


Data source: Ministry of Finance, Japan

Plywood imports

Of the four main suppliers of plywood (HS441210-39) to Japan; Indonesia, Malaysia, Vietnam and China all except for Indonesia saw February shipments drop below those of the previous month. However, the total volume of February plywood imports was around 20% higher year on year. The volume of plywood imports in February from all of the four main shippers was higher than in February 2023.

Of the various categories of plywood imported, 87% was HS441231 in February with HS441233 and HS441234 accounting for 6.5% and 4.5% respectively. The four main shippers of plywood to Japan, Indonesia, Malaysia, Vietnam and China consistently account for over 90% of plywood imports. Other shippers of small quantities include Finland, Chile and New Zealand.



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 |
| | Sep | 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 |

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/

Influence of strike in Finland

The strike at the coast of a bay in Finland started on 11th March, 2024 and it keeps going on strike in April. The strike has been influencing the wood industry widely.

A lot of strikes by labour unions occur in Finland and the strikes occur almost every year in recent years. However, this strike is different from usual strikes. This is the protest activity against the Government of Finland, which announced the labor market reforms and social security cuts, and it is not about the raise in workers' wages to the companies.

Therefore, it would take a long time to end the protest activity. The strike supposed to end on 25th March, 2024 but Harbor loading and unloading department of Transport Workers' Union in Finland decided to extend the strike in April.

Some lumber plants and laminated lumber plants in Finland keep producing lumber because they are able to send lumber to some areas.

However, it is for sure that the shipment schedule is confused at the plants. If the strike took a long time, the plants have to control production.

Due to this strike, Metsa Group in Finland has already announced to stop operations at its five plants such as lumber plants, pulp plants, and paperboards plants in Finland. It is difficult for the company to procure raw materials and ship lumber.

There is a possibility that the arrival of European lumber in June or July, 2024 would be very low due to the strike. Also, there is another reason that the vessels avoid passing through the Red Sea due to the conflict near to the Red Sea.

Due to the strike, the arrival volume of laminated structural lumber in April, 2024 is a level of 30,000 cbms for the first time in thirteen years.

In Japan, a sense of caution for a tight supply of European lumber is not strong so far because demand for European lumber is low in Japan. However, some Japanese buyers are concerned about the tight supply of European lumber in the future so they would increase their inventories.

Demand and supply of lumber at Tokyo port

According to Tokyo Lumber Terminal Co., Ltd., the inventories of lumber in March increase for the first time in seven months.

The ratio of inventories is 2.4 months. Total inventories of North American lumber and European lumber are 7,800 cbms increased. Russian lumber has been increasing. Shipment of lumber rises slightly from the previous month but receipt of lumber is 2,400 cbms up so the volume of inventories increased.

The receipt of European lumber is 16,000 cbms in March and this is 3,700 cbms more than last month. The receipt of North American lumber is 15,000 cbms and this is 4,000 cbms higher than the previous month. Russian lumber in March is 8,500 cbms and this is 1,400 cbms less than the previous month.

The stock percentage of North American lumber is 3.0 months and it is 0.2 month higher than the previous month. The stock percentage of European lumber is 2.1 months and it is 0.1 month increased from last month. The stock percentage of Russian lumber is 1.8 month and it is 0.2 month less than last month.

Family Board to raise the price of particleboard

Family Board in Tokyo Prefecture raises the price of particleboards of Seihoku Corporation in Tokyo Prefecture and Shinakimoku Kogyo Co., Ltd. in Tokyo Prefecture by 8 % up as of June. The reasons are the increased transportation cost and the increased purchasing cost for chips.

The transportation cost for delivering the particleboards from Family Board's plants soared last autumn because the petrol cost skyrocketed but the company did not raise the price of particleboards. Then, the new law for distribution business started in April, 2024 and the new law influenced the company's transportation cost to rise. The transportation cost is 20 – 30 % higher than last summer.

Also, the price of raw materials such as wooden chips has increased. The purchasing cost of wooden chips is 20 – 25 % higher than before.

There is a possibility that the company would raise the price of particleboards again in the future. This is because the price of glue increased. Some chemical companies, which produce glue for lumber, have already announced about price hike of glue to Family Board.

South Sea logs and lumber

It was a 147 – 148 yen appreciation against the dollar at the half of March, 2024 and some Japanese distributors purchased South Sea and Chinese lumber. Japanese distributors do not have a lot of jobs and have less inventories of South Sea and Chinese lumber. Last year, the yen had been 150 yen against the dollar and distributors did not purchase a lot of lumber. Laminated board plants in China and Indonesia lowered the price because the sales were not good after the Chinese New Year holiday.

However, laminated boards plants in China and Indonesia did not lower the price widely. Since the unseasonable weather in Papua New Guinea, South Sea logs have arrived to Japan three or four months behind the schedule. Manufacturers, which produce blocks for steel companies or shipbuilding companies, did not have enough South Sea logs temporarily. However, demand and supply for South Sea logs are balanced now.

Log price remains high in Miyazaki Prefecture

The new starts are decreasing in Miyazaki Prefecture. The log price keeps high because there are not enough logs but the price of lumber starts to decline.

The price of cedar log is 15,500 yen, delivered per cbm in Miyakonojo city, Miyazaki Prefecture. This is 500 yen higher than the previous month. Demand for structures is low and movement of posts and beams is sluggish. KD Cedar small timber is 70,000 yen, delivered per cbm.

Price hike of KD cedar lumber

Several lumber manufacturers in Miyakonojo city, Miyagi Prefecture raised the price of KD cedar structural lumber and KD cedar small sized lumber by 2,000 yen, per cbm as of April, 2024. The reason is the new rule for drivers in distribution business. The transport companies must reduce extra work, solve a shortage of truck drivers, and solve overloading.

If it were a long-distance transport, the truck driver must take a ferry on the way. Therefore, the transport companies raised the price to their clients. Also, the log price has been increasing recently so the companies had no choice to change the price.

Now, the price of KD cedar post is 60,000 yen, delivered within Kyushu region per cbm. The price of KD cedar purlin is 55,000 - 56,000 yen. KD cedar beam is 65,000 yen. KD cedar stud is 60,000 yen. KD cedar small size is 63,000 - 64,000 yen.

China

Home furnishing enterprises relocating overseas

China's home furnishing manufacturing industry has been steadily relocating overseas, in the past it was mainly based on contract manufacturing for export back to China.

More and more of China's home furnishing enterprises have begun to expand and diversify their overseas operations in recent years. Many well-known domestic home furnishing companies announced that they would open stores overseas with their own brands targeting the Indian and Southeast Asian markets with mid-to-high-end products.

The driving force behind the trend in relocating is the weak domestic demand and a real estate market that will take years to recover.

On the down side some overseas countries have low urbanisation rates, an undeveloped real estate sector with diminished potential and a weak domestic industrial base whereas Chinese brands have begun to have international competitiveness in design, production and marketing after years of development.

The biggest issue for the long term for Chinese home furnishing industries is that growth in domestic demand is forecast to continue to decline due to the aging population, falling birth rate and weakness in the housing sector.

According to data recently released by the National Bureau of Statistics, retail sales of consumer goods in 2023 reached RMB47.15 trillion, an increase of 7% over 2022. After the epidemic containment measures were lifted many sectors saw a rise in consumption for example catering which increased by 21% year on year, jewelry sales which increased by 13% and clothing, which increased by 139%. However, furniture consumption only increased by 3% and the consumption of construction and decoration materials recorded a decline of 8%.

Many institutions predict that the annual transaction volume for new homes will be only be maintained at about 1 billion square metres, down by about 40% compared to the high point in 2018. This will affect the manufacturing sector such as home furnishing. Businesses have assessed there is no chance of expansion in the domestic market.

National policies have promoted the pace of home furnishing enterprises relocation overseas. The government encourages enterprises to "go global" and provides a series of supportive policies and measures such as tax incentives and financial support creating favorable conditions for enterprises to expand overseas.

In late 2000 many Chinese home furnishing enterprises chose to set up businesses in Europe and America but more recently companies have vigorously targeted the Indian and Southeast Asian markets. This is because these countries have a large population and growing consumer demand. As these economies expand and people's living standards rise the demand for household products increases.

These new target markets have cultures and consumption habits closer to those in China which is conducive to the rapid adaptation and integration of domestic household enterprises into the local market.

In addition, the policy environment in India and Southeast Asian countries is also relatively open providing a good investment and development environment for domestic household enterprises. Some countries, in order to attract foreign investment and promote economic development, provide tax incentives, land leasing and other preferential policies reducing the establishment cost of incoming enterprises.

See: <https://export.shobserver.com/baijihao/html/723629.html>

Vietnam largest supplier for China's woodchips imports

According to China Customs, woodchip imports in 2023 totalled 14.63 million tonnes valued at US\$2.948 billion, down 21% in volume and 27% in value. The decrease in woodchip imports was because imports from all the top suppliers fell, except for Indonesia.

Vietnam was the largest supplier of woodchips imports in 2023, shipping 9.17 million tonnes, down 13% year on year and accounted for 63% of total woodchips imports in 2023.

In contrast, China's woodchips imports from Indonesia in 2023 rose 43% to 430,000 tonnes valued at US\$106 million, surging 60% year on year.

Top suppliers for China's woodchips imports in 2023

| | mil. tonnes | YoY% change | US\$ mil. | YoY% change |
|--------------|--------------|-------------|-------------|-------------|
| Total | 14.63 | -21% | 2948 | -27% |
| Vietnam | 9.17 | -13% | 1665 | -22% |
| Australia | 2.49 | -29% | 614 | -31% |
| Thailand | 1 | -32% | 181 | -36% |
| Chile | 0.53 | -21% | 138 | -20% |
| Indonesia | 0.43 | 43% | 106 | 60% |
| Brazil | 0.32 | -50% | 79 | -47% |
| Malaysia | 0.16 | -40% | 36 | -32% |
| South Africa | 0.15 | -60% | 35 | -58% |
| USA | 0.14 | -62% | 40 | -62% |
| Russia | 0.12 | 15% | 18 | 11% |

Data source: China Customs

Surge rise in China's woodchips exports

China's exports of woodchips are very small but in 2023 there was a sharp rise in exports. China Customs has reported woodchip exports in 2023 totalled 32,130 tonnes valued at US\$12.91 million, surging 42% in volume but down 28% in value over 2022.

The Netherland and Germany were the largest and the second largest markets for wood chips from China in 2023. China's woodchips exports to the Netherland and Germany surged year on year and accounted for 15% and 10% of China's woodchips exports in 2023. In addition, China's woodchips exports to Thailand, Cambodia, Hong Kong, Italy and France rose. In contrast, China's woodchips exports to Malaysia, Taiwan P.o.C and Japan in 2023 fell 17%, 4% and 8% respectively over 2022.

Top markets for China's woodchips exports in 2023

| | 000't | YoY % change | US\$ mil. | YoY % change |
|--------------|--------------|--------------|--------------|--------------|
| Total | 32.13 | 42% | 12.91 | -28% |
| Netherlands | 4.7 | 1780% | 1.07 | 1716% |
| Germany | 3.35 | 2511% | 0.76 | 152% |
| Malaysia | 2.9 | -17% | 1.74 | -52% |
| Thailand | 2.86 | 190% | 0.75 | 121% |
| ToC | 2.71 | -4% | 0.94 | -69% |
| Japan | 2.59 | -8% | 1.55 | -19% |
| Cambodia | 2.32 | 217% | 1.25 | 244% |
| Hong kong | 2.31 | 109% | 0.93 | 35% |
| Italy | 1.67 | 90% | 0.46 | 74% |
| France | 1.1 | 10% | 0.31 | 78% |

Data source: China Customs

Development trends in wood-based panel production

Plywood production is still the largest among wood-based panels in China. At the beginning of 2024 there were 1,477 plywood plants under construction nationwide with a total annual production capacity of about 29 million cubic metres.

At this level it has been suggested the capacity of China's plywood industry is greater than demand. While the supply and demand of plywood for furniture production, home furnishing and interior decoration is relatively balanced there is over-capacity in plywood for concrete formwork. In addition, demand in the packaging sector, is affected by competition from oriented strand board (OSB). It is expected that plywood production capacity in China will shrink to about 200 million cubic metres annually by the end of 2024.

Overheated investment in particleboard production

Particleboard production capacity of in 2023 exceeded that of the fibreboard industry and became the second largest among wood-based boards in China.

At the beginning of 2024 fifty eight particleboard production lines were under construction nationwide with a total capacity of 20 million cubic metres annually. Seven regions in East, South, Central, North, Southwest, Northwest and Northeast have particleboard production lines under construction including 45 continuous flat-press production lines with a capacity of 18 million cubic metres annually and accounting for over 90% of the mills under construction.

Investment in China's particleboard industry is seen as overheated and there is a risk of imbalance between supply and demand. Particleboard production lines under construction will be put into operation from 2024 to 2025 and it is expected that the total capacity of particleboard in China will exceed 65 million cubic metres annually by the end of 2024.

Fibreboard supply exceeds demand

Fibreboard production is third largest among wood-based panels in China. There were two production lines under construction at the beginning of 2024 in China with a total production capacity of 390,000 cubic metres annually. These mills are in Shandong Province, eastern China and all are continuous flat-press production lines. China's fibreboard production capacity exceeds current consumption. The enduse where there is growth in demand is the home furnishing and inner decoration market where medium thick fibreboard is in demand. It is expected that the production capacity of fibreboard plants in China will decline by the end of 2024 dropping to less than 45 million cubic metres annually.

See:

https://www.wood365.cn/Industry/IndustryInfo_280098.html

GGSC China indices for March

In the first two months of 2024 China's exports of furniture and furniture parts surged by 36% year-on-year to US\$11.916 billion, making a good start for this year.

However, the country's cumulative imports of logs and sawn timber in the same period were down 5% year-on-year to 9.546 million cubic metres suggesting that the recovery had taken hold.

In March China accelerated the elimination of restrictive measures implemented for many years in the property market as many cities adjusted their real estate policies and it is hoped this move will drive a new round of home building and furniture consumption. For example, Shenzhen terminated the 18-year-old "70/90 Policy" on residential housing.

Under this policy 70% of housing units in any new residential building project shall be below 90 square metres. In Beijing the government abolished the policy that prohibited certain divorced persons from purchasing a residential property in the city within three years after their divorce.

Shipping disrupted

As the Red Sea transport crisis continues China's timber shipping routes to Europe have been disrupted. In addition, a number of shipping companies, including Maersk, CMA CGM, Hapag-Lloyd and Wan Hai recently announced that they would increase freight rates for Asian export routes.

For example, Wan Hai, which started primarily as a raw log shipping company, announced that, due to rising operating costs, it would increase freight rates for cargo from China to Asia. It is reported that beginning March this year, there has been a US\$50 increase for small containers and a US\$100 increase for large containers.

Impressive business expansion

In March, the GTI-China index registered 66.8%, an increase of 35 percentage points from the previous month and rose above the critical value (50%) after 3 months indicating that the business prosperity of the enterprises represented by the GTI-China index expanded from last month.

The dramatic increase is due, in large part, to the fact it grew from low base value in the previous month when there was a long holiday break.

After enterprises resumed production and operation in March both the new orders index and the production index increased significantly and the overall performance of the timber industry in China picked up. As for the 11 sub-indexes, only the inventory index of main raw materials was below the critical value of 50%, while the remaining 10 sub-indexes were all above the critical value.

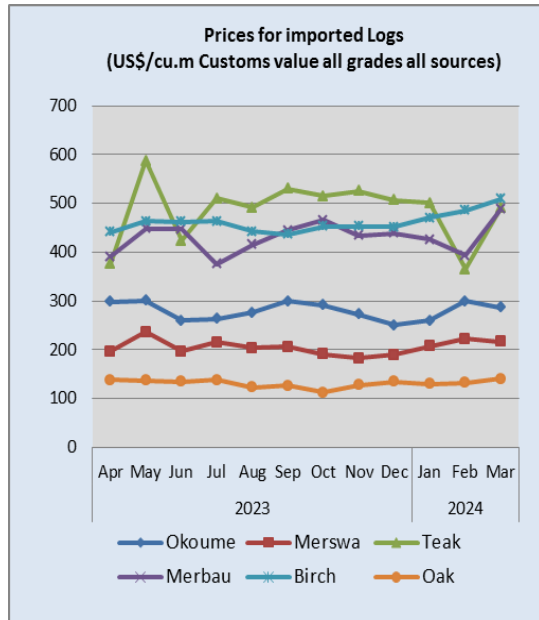
See: [https://www.itto-](https://www.itto-ggsc.org/static/upload/file/20240418/1713424567120852.pdf)

[ggsc.org/static/upload/file/20240418/1713424567120852.pdf](https://www.itto-ggsc.org/static/upload/file/20240418/1713424567120852.pdf)

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

| | 2024 Feb | 2024 Mar |
|--------|-------------|-------------|
| Okoume | 300 | 87 |
| Merswa | 222 | 216 |
| Teak | 365 | 490 |
| Merbau | 393 | 488 |
| Birch | 485 | 509 |
| Oak | 132 | 140 |

Data source: Customs, China

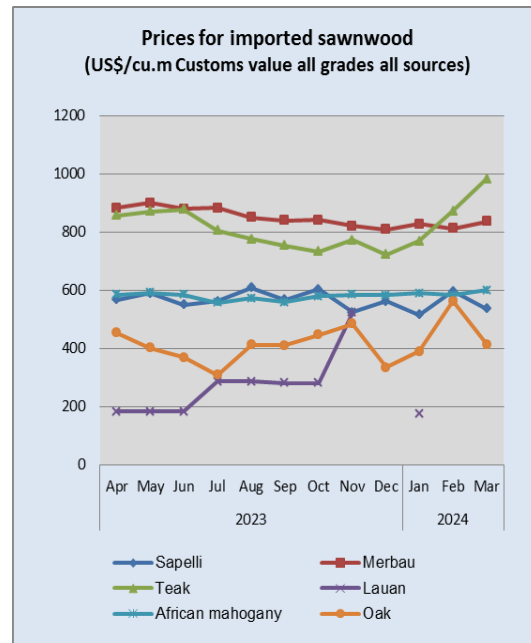


Data source: Customs, China

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

| | 2024 Feb | 2024 Mar |
|------------------|-------------|-------------|
| Sapelli | 597 | 537 |
| Merbau | 812 | 836 |
| Teak | 872 | 983 |
| Lauan | | |
| African mahogany | 583 | 601 |
| Oak | 562 | 414 |

Data source: Customs, China



Data source: Customs, China

EU

Certification schemes lay out EUDR compliance support

Given the huge dependence on FSC and PEFC by suppliers into and out of the EU and for internal EU trade for provision of data on provenance and forestry practices, the extent to which these systems can adapt, or not, to the new requirements of the EU Deforestation Regulation (EUDR) will have a strong bearing on access to the EU market and on the continuing global competitiveness of European wood product manufacturers and traders in the future.

FSC webinars in recent weeks have detailed its guidance and support to help certified companies meet EUDR obligations. PEFC is also progressing alignment of its system and standards with the EUDR to aid PEFC-certified businesses' compliance.

The FSC webinars, recordings or which are available on its website, covered its FSC EUDR Aligned Standard which will be launched in June this year as an added option for all FSC certified companies. Within this, its EUDR Regulatory Module will provide added components on avoiding implication in deforestation and forest degradation and take companies through EUDR alignment of due diligence processes and reports.

FSC has also been explaining how its new "FSC Blockchain" platform will work. This is designed to enable certified companies to meet the EUDR obligation for geolocation coordinates identifying the origin of timber and wood products. This obligation is imposed directly on companies that first place regulated products on the EU market, that export these products from the EU market, and companies which are not SMEs trading inside the EU.

The new FSC platform aims to enable businesses to transmit product origin and harvest date data throughout the supply chain. Confidentiality of sourcing information is key, says the FSC, and only those who upload data to the system will be able to say who can access it. EU Competent Authorities are also being kept informed on how it will operate and help generate due diligence statements for submission to the EU.

Ahead of the EU benchmarking supplier countries under the EUDR as low, standard or high risk of commodity production causing deforestation and forest degradation, FSC is additionally revising 20 of its 60 country risk assessments, looking at risks of illegality and unsustainable practice. Its new Risk Assessment Framework will be unveiled in June, with the 20 revised national assessments available by January 2025.

The PEFC ran a webinar ‘On the path to EUDR alignment’ on 27 February delivering the latest on development of its sustainable forest management and chain of custody standards to help certified companies to satisfy the regulation. A PEFC Sustainable Forest Management Working Group has worked on ‘identifying and validating gaps between its sustainable forest management standard and EUDR requirements’ and revisions of the standards are out for consultation through February/March, with the final versions available in May.

PEFC is also developing an EUDR-adapted due diligence system (DDS) to enable companies to implement the regulation, which will be compatible with the existing PEFC DDS in its chain of custody standard. The new system, says PEFC, will actually go further than EUDR requirements by also covering its controversial sources definition.

By implementing the PEFC EUDR Module alongside the PEFC SFM and Chain of Custody Standards, PEFC says operators will ensure they are undertaking due diligence in line with the EUDR’s requirements, including on risk assessment and definitions of controversial sources and deforestation.

The organisation is also focusing on the EUDR’s demand for timber geolocation data. “Certified organisations and PEFC members can expect guidance on how best to approach EUDR compliance data issues, including, where appropriate, suggested standardised methods for obtaining, storing, and presenting necessary data,” it states.

A proposition is that PEFC-certified forest concession owners/managers upload timber origin geolocation coordinates to a PEFC database and be assigned a PEFC identification number. PEFC-certified operators will then access the geolocation data using that number. The data will be confidential to the operator. Those further down the supply chain will be given the number as proof that geolocation information is available if required, but they will not be able to access the data themselves.

Both FSC and PEFC have also revised their deforestation/forest land conversion cut-off date, after which they cannot be certified to the end of 2020 to match the EUDR. The FSC proviso is that forest restitution and restoration has taken place between its earlier 1994 cut-off point and the new date.

FSC and PEFC stress that their certification schemes will not give business a ‘green lane’ through the EUDR. It will be the responsibility of individual certified companies to undertake the requisite due diligence. But they claim the adaptation of their systems and standards to its requirements will go a long way in aiding and providing guidance on compliance.

North America

US Senators introduce Mass Timber Bill

Oregon US Senator Jeff Merkley and Idaho’s US Senator James Risch announced the introduction of the bipartisan Mass Timber Federal Buildings Act to promote the utilization of mass timber in federal building projects and military construction.

The Jeff Merkley website says “The Mass Timber Federal Buildings Act would create an incentive for the use of mass timber building materials by providing a preference in federal building contracts for mass timber products. This will give mass timber companies the ability to compete for federal construction, renovation, or acquisition of public buildings and for military construction.

The bill creates a two-tier contracting preference for mass timber. The first tier preference applies to mass timber that is made within the U.S. and responsibly sourced from state, federal, private, and Tribal forestlands. The second tier, which is optional, applies to mass timber products that are sourced from restoration practices, fire mitigation projects, and/or underserved forest owners. Additionally, this bill contains a reporting requirement for a whole building lifecycle assessment. The results of this assessment will help provide additional evidence of the carbon sequestration benefits of mass timber buildings.

The Mass Timber Federal Buildings Act is endorsed by the American Wood Council, Sustainable Northwest, American Forest Resource Council, Forest Landowners Association, National Alliance of Forest Owners (NAFO), Southeastern Lumber Manufacturers Association, Weyerhaeuser, Freres Engineered Wood, Oregon Forest Industries Council, and Oregon Mass Timber Coalition, which includes the Port of Portland, Oregon Department of Forestry, Business Oregon, University of Oregon, Oregon State University, TallWood Design Institute, and Oregon Department of Land Conservation and Development”.

See: <https://www.merkley.senate.gov/merkley-risch-introduce-bipartisan-bill-to-boost-mass-timber-industry-across-america/>

Housing starts weakened in March

Housing starts in the US slid to a seasonally adjusted annual rate of 1.32 million in March, down close to 15% from the month prior. Both single-family and multifamily starts pulled back—for different reasons. Construction stalled most significantly in large multifamily buildings, with the measure sinking to its lowest level since April 2020.

The drop is the latest in an extended pullback after large multifamily starts surged in 2022 to the highest level since 1986.

Single-family starts, meanwhile, dropped roughly 12% from the month prior. This level is lower than February's surge but remains well above last year's levels. However, it is anticipated builders will continue to add more single-family homes over the course of the year but rising mortgage rates could weigh on buyers in the short-term. Mortgage rate surveys published by Mortgage News Daily have climbed more than half a percentage point since the end of March as Treasury yields have risen.

The National Association of Home Builders' April measure of home-builder sentiment stalled in April after four straight months of gains. Builders are still mildly optimistic, according to the index reading but a subcomponent, measuring traffic of prospective buyers, remains weak and respondents' expectations for sales of single-family homes in the next six months dropped slightly.

Canadian housing starts fell by 7% in March from the previous month, Canadian Mortgage and Housing Corporation (CMHC) data showed. The seasonally adjusted annualized rate of housing starts declined to 242,195 units from a revised 260,047 units in February, the CMHC said.

See: <https://www.msn.com/en-us/money/realestate/housing-starts-weakened-in-march-what-could-be-next/ar-BB11FKWL>

Home sales slip as prices reach a record March high

Sales of previously owned homes in the United States fell in March as home prices climbed reflecting the persistent pain of American's affordability woes.

Existing home sales, which make up the majority of the housing market, fell 4.3% in March to a seasonally adjusted annual rate of 4.19 million, the National Association of Realtors reported. Sales fell across the country except in the Northeast region which saw an increase for the first time since November.

Meanwhile, the median price of an existing home was US\$393,500 in March, an increase of 4.8% from a year earlier. That was the highest March price on record. Rising home prices coupled with mortgage rates being stuck at elevated levels means Americans are still dealing with a tough housing market.

Home sales are up from the decade-lows seen last fall but they might not rise meaningfully higher as the Federal Reserve signals that it won't cut interest rates anytime soon.

The National Association of Realtors Chief Economist, Lawrence Yun, said "Though rebounding from cyclical lows, home sales are stuck because interest rates have not made any major moves adding, There are nearly 6 million more jobs now compared to pre-Covid highs which suggests more aspiring homebuyers exist in the market."

Existing-home sales in the Northeast climbed 4.2% from February to an annual rate of 500,000 in March ending a four-month streak where sales in the Northeast registered 480,000 units. Compared to March 2023, home sales were down 3.8%. In the Midwest, existing-home sales retracted 1.9% from one month ago to an annual rate of 1.01 million in March, down 1.0% from the prior year.

Existing-home sales in the South fell 5.9% from February to an annual rate of 1.9 million in March, down 5.0% from one year before. In the West, existing-home sales slumped 8.2% from a month ago to an annual rate of 780,000 in March, a decline of 3.7% from the previous year.

See: <https://www.nar.realtor/research-and-statistics/housing-statistics/existing-home-sales>

US employers added 303,000 jobs in March, surging past forecasts

US employers added 303,000 jobs in March far surpassing economists' predictions and signaling the labour market remains strong. The unemployment rate fell to 3.8% from 3.9% the month before. The latest data, which continues the trend of strong hiring earlier this year, is likely to play into the Federal Reserve's decision on whether to cut its benchmark interest rate this year and by how much.

Lisa Sturtevant, Chief Economist at Bright MLS has said "some had been hoping that the Federal Reserve would cut interest rates at its June meeting. However, with today's strong jobs report it is all but certain that the first rate cut won't be before July. As a result, mortgage rates are likely going to stay elevated for a while longer."

See: <https://www.bls.gov/news.release/empfit.nr0.htm>

Consumer sentiment falls as outlook for inflation worsens

Consumer sentiment on the US economy has ticked down but remains near a recent high with Americans' outlook largely unchanged this year. The University of Michigan's consumer sentiment index slipped to 77.9 in April, down from March's figure of 79.4. Sentiment is about halfway between its all-time low reached in June 2022 when inflation peaked and its pre-pandemic averages.

Joanne Hsu, Director of the consumer survey said "consumers are reserving judgment about the economy in light of the upcoming election, which, in the view of many consumers, could have a substantial impact on the trajectory of the economy".

In another comment Ian Shepherdson, Chief Economist at Pantheon Macroeconomics, suggested the increase in gasoline prices likely contributed to the decline in consumers' outlook. The average national price of a gallon of gasoline has jumped about 7% in April from a month earlier.

See: <http://www.sca.isr.umich.edu/>

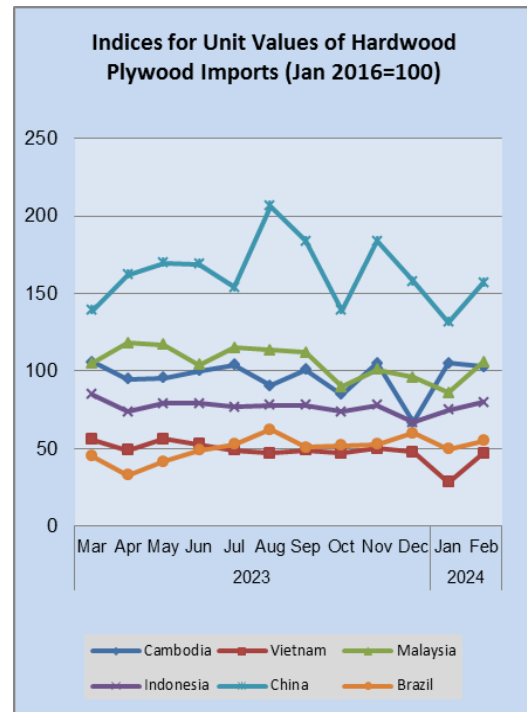
Manufacturing output expanding for first time in 17 months but not in furniture sector

A barometer of business conditions at US manufacturers turned positive in March for the first time in 17 months, another sign that the industrial side of the economy is on the mend. The Institute for Supply Management's index of manufacturers rose to 50.3% in March from 47.8% in the previous month. Numbers above 50% are viewed as positive, the index had fallen for 16 months in a row.

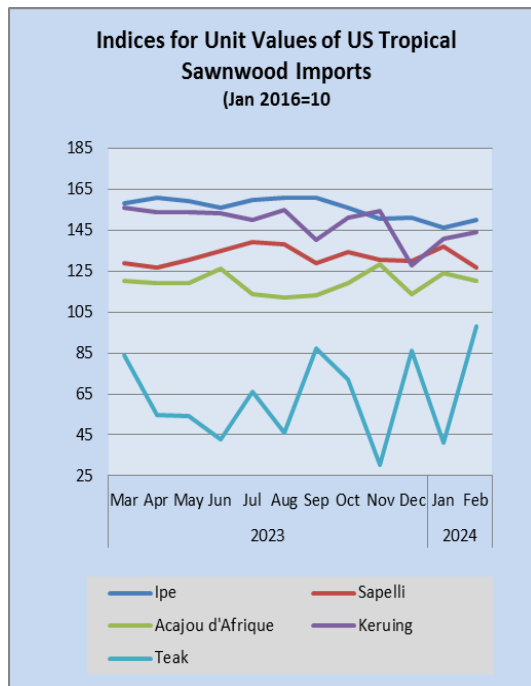
Despite the good news the Furniture and Related Products industry stood out among the industries surveyed as showing the steepest contraction in March while the Wood Products industry reported neither growth nor contraction for the month. Survey respondents said business activity is on its way up.

See: <https://www.ismworld.org/supply-management-news-and-reports/reports/ism-report-on-business/pmi/october/> and

<https://www.msn.com/en-us/money/markets/manufacturers-show-sign-of-revival-as-ism-index-turns-positive-for-first-time-in-17-months/ar-BB1kSX0T>



Data source: US Census Bureau, Foreign Trade Statistics



Data source: US Census Bureau, Foreign Trade Statistics

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.

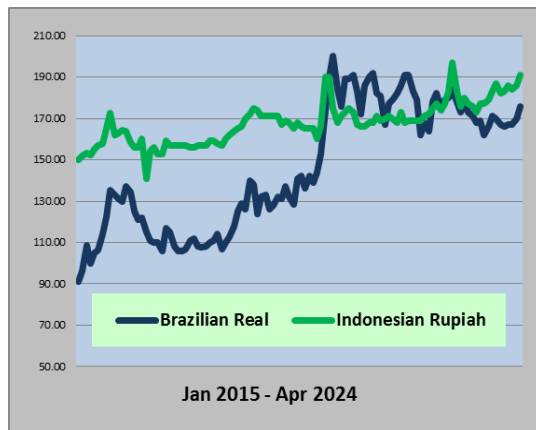
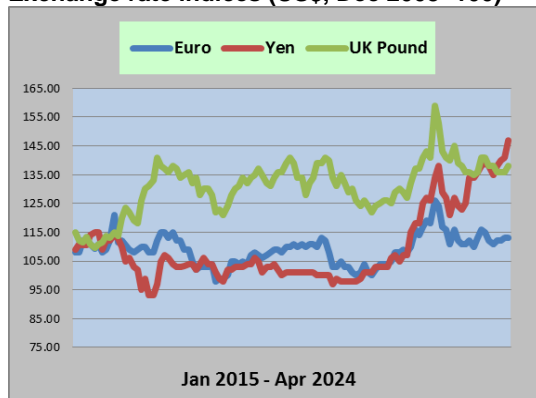
The views and opinions expressed herein are those of the correspondents and do not necessarily reflect those of ITTO

US Dollar Exchange Rates

As of 25 April 2024

| | | |
|---------------|-----------|----------|
| Brazil | Real | 5.16 |
| CFA countries | CFA Franc | 611.90 |
| China | Yuan | 7.24 |
| Euro area | Euro | 0.93 |
| India | Rupee | 83.27 |
| Indonesia | Rupiah | 16,188 |
| Japan | Yen | 157.9 |
| Malaysia | Ringgit | 4.78 |
| Peru | Sol | 3.72 |
| UK | Pound | 0.80 |
| South Korea | Won | 1,372.42 |

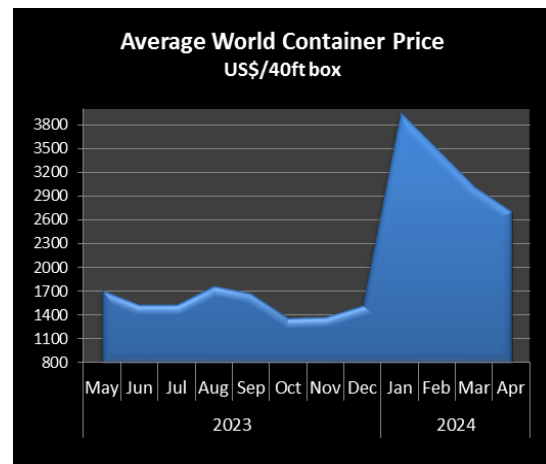
Exchange rate indices (US\$, Dec 2003=100)



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

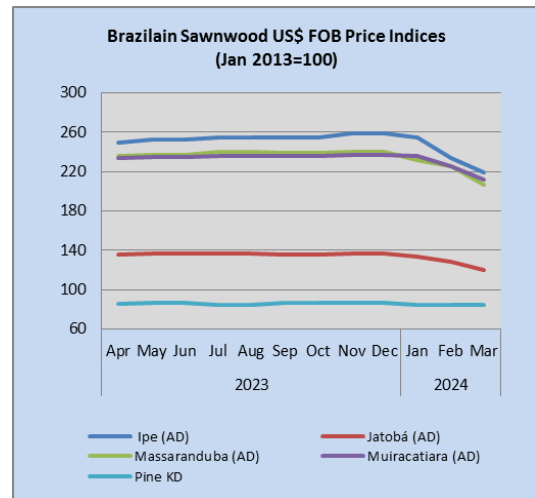
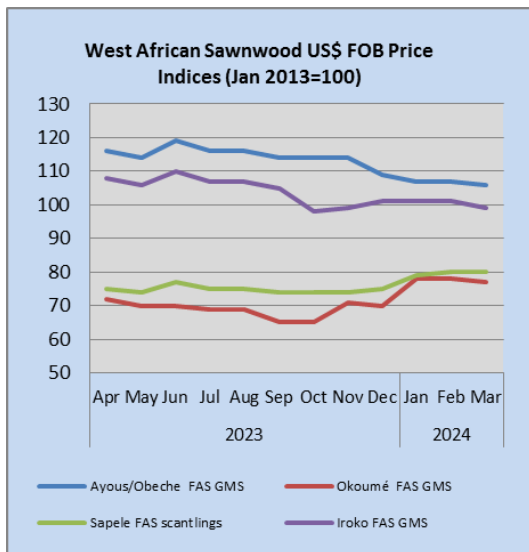
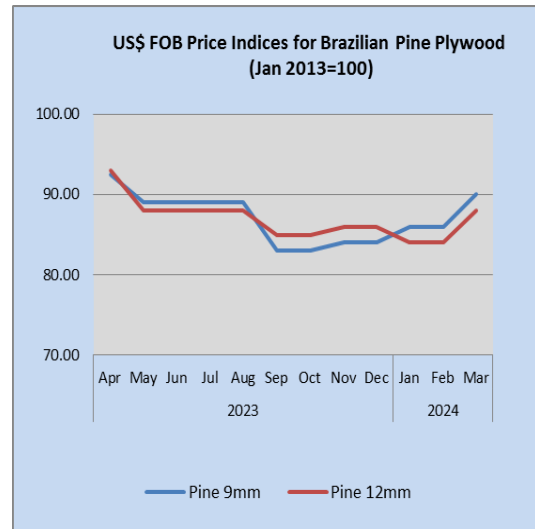
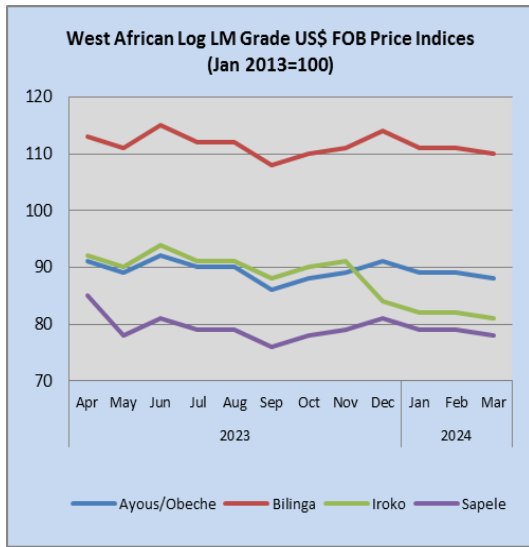


Data source: Drewry World Container Index

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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