



INTERNATIONAL TROPICAL

TIMBER ORGANIZATION

Tropical Timber Market Information

Towards Greater Transparency in the Tropical Timber Markets

Producers Report

Log Prices

International Prices

Log Prices, Gabon

Okoume, FOB Grade	F.CFA per Cu.m
LM	146,000
QS	129,000
CI	99,000
CE	83,500
CS	67,000

Ozigo, FOB Grade	F.CFA per Cu.m
LM	103,000
QS	90,000
CI	70,000
CE	59,500

Logs	F.CFA per Cu.m
Agba	55,000
Moabi	65,000
Niangon	78,000
Douka	55,000
Abura	65,000
Sapelli	85,000
Iroko	58,000
Sipo	95,000
Padouk	55,000

Malaysia

Sarawak Log Export Prices

(FOB)	per Cu.m
Meranti SSQ	US\$210
Keruing SSQ Ply Face	US\$265
Mixed Light H'woods	US\$130
Peeler Logs	US\$150

Cameroon Log Prices

FOB	LM-C	Per Cu.m
N'Gollon	LM-C	FFR1275
Ayous	LM-C	FFR1050
Sapele	LM-C	FFR1420
Iroko	LM-C	FFR1450

South Sea Logs

Demand is considered only moderate but prices are holding. Logging conditions have improved in the past week and there are more logs at the landings.

FOB	per Cu.m
Pometia	US\$150-155
Calophyllum	US\$150-155
Terminalia	US\$130-135
Other mixed species	US\$105-110

International Tropical Timber Organization (ITTO)

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Domestic Log Prices

Report From Brazil

Logs at mill yard	per Cu.m
Mahogany 1st Grade	US\$240
Ipe	US\$70
Jatoba	US\$60

Ghana

Heavy rains are now slowing supplies to the mills. Some loggers are still commenting on delays caused as a result of the system of "way Bills" for log transportation.

Logs FAQ	Per Cu.m
Ceiba	90cm + US\$40
Otie/Ilonbe	60cm + US\$50
Emire/Framire	60cm + US\$55
Ofram/Frako	55cm + US\$45
Ekki/Azobe	70cm + US\$50
Kussia/Billina	70cm + US\$50
Guarea	60cm + US\$60
Chenchen	70cm + US\$45
Cedrella	50cm + US\$45

The Ghana Government is to set up a National Working Group to prepare proposals for the formulation of National Standards for labeling and certification. The committee will be guided by the international principles of UNCED "92, the guidelines of the International Tropical Timber Organisation (ITTO) and relevant work of other international agencies.

In other news proposed new legislation on forest concessions is being hotly debated by the Ghanaian timber trade who feel that the new regulations will give advantages to foreign companies.

Report from Indonesia

An agreement is reported between industry and the Forestry administration opening the way for the country to have an independent eco-labeling system established by the year 2000. The system is now being tested and, when fully operational, will ensure that the country produces wood products only from sustainably managed forests.

Domestic log prices Per Cu.m

Plywood logs	
Face Logs	US\$175-190
Core logs	US\$ 140-150
Sawlogs	US\$140-150
Falkata logs	US\$40-45
Rubberwood	US\$33-35
Pine	US\$55-60
Teak	US\$900-1050
Mahoni	US\$160

Report from Malaysia

The weather problems have eased and it is reported that log supplies are flowing normally. The demand for rubberwood logs continues to be very active.

Logs	
Domestic (SQ ex-log yard)	Per Cu.m
Meranti Bukit (SQ)	US\$225
Kembang Semangkok	US\$160
Selangan Batu	US\$150
Merbau	US\$205
Peeler Core logs	US\$145
Rubberwood	US\$30

Sawnwood Prices

International Prices

Brazil

Export Sawnwood	per Cu.m
Mahogany KD FAS	
UK market	US\$980
Jatoba Green	US\$450-480
Curupixa (Europe)	US\$550
LKS (Asian Market)	US\$240-270

Ghana

Export volumes for the period January- May 1996 are reportedly some 44% below 1995 levels and the value of exports is about 32% below 1995 levels. Exporters are reporting that the trade is generally quiet.

Rough Sawn Prices FOB

	<i>Per Cu.m</i>
<i>Mixed Redwoods</i>	US\$335
<i>low grade Odum (Iroko)</i>	US\$400
<i>Wawa</i>	US\$220
<i>Wawa fixed dimensions</i>	US\$267
<i>Wawa Boules</i>	US\$219
<i>70cm log dia. 25-75mm. 450cm length</i>	

		<i>per Cu.m</i>
<i>Mahogany</i>		
<i>FAS 100mm plus 1.8m plus</i>		US\$480
<i>FAS 150mm plus 2.4m plus</i>		US\$520
<i>Anegre</i>		
<i>FAS 150mm plus 2.4m plus</i>		US\$640
<i>Guarea</i>	<i>FAS</i>	US\$466
<i>Ofram</i>	<i>FAS</i>	US\$270
<i>Emire</i>	<i>FAS</i>	US\$460
<i>Ekki</i>	<i>FAS</i>	US\$335
<i>Kussia</i>	<i>FAS</i>	US\$335
<i>Dahoma</i>	<i>FAS</i>	US\$256
<i>Cedrella</i>	<i>FAS</i>	US\$413

Malaysia

<i>Sawn Timber</i>	<i>per Cu.m</i>
<i>Export(FOB)</i>	
<i>Dark Red Meranti (DUC)</i>	
<i>GMS select & better (KD)</i>	US\$715
<i>Seraya</i>	
<i>Scantlings (75x125 KD)</i>	US\$735

Taiwan Province of China

<i>Rubberwood</i>	<i>per Cu.m</i>
<i>25mm boards</i>	US\$375
<i>50-75mm squares</i>	US\$420
<i>75-100mm squares</i>	US\$450
<i>Sepetir</i>	
<i>GMS (AD)</i>	US\$355
<i>Ramin</i>	US\$500
<i>Oak 25mm boards</i>	US\$515
<i>Maple</i>	US\$830
<i>Cherry</i>	US\$1000

Domestic Sawnwood Prices
Report from Brazil

<i>Sawnwood (Green ex-mill)</i>	<i>per Cu.m</i>
<i>Mahogany</i>	US\$750
<i>Ipe</i>	US\$440
<i>Eucalyptus</i>	US\$150

Ghana

<i>Dahoma, Wawa, Odum, Antiaris</i>	<i>per Cu.m</i>
<i>Mill Run 50x150mm</i>	US\$90-120
<i>50x100mm</i>	US\$70-100
<i>50x50mm</i>	US\$100-250
<i>25x300mm</i>	US\$70-100
<i>Mixed Redwood</i>	
<i>40x300x3.6m</i>	US\$100-240

Gabon

<i>Sawnwood</i>	
<i>Sawnwood Up to 6m length</i>	
<i>80x40mm up to 250x50mm</i>	
<i>Okoume, Ozigo, Olon, Alone, Faro, Abura,</i>	
<i>Agba and Andoung heitz</i>	
<i>F.CFA 110,000 Per Cu.m</i>	

Report from Indonesia
**Sawn timber
Domestic construction material**

		<i>per Cu.m</i>
<i>Kamper</i>	<i>AD6x12-15cm</i>	US\$390-395
	<i>KD</i>	US\$490-500
	<i>AD3x20cm</i>	US\$440-450
	<i>KD</i>	US\$550-560
<i>Keruing</i>	<i>AD6x12-15cm</i>	US\$295-300
	<i>AD3x20cm</i>	US\$380-390

Malaysian Domestic Sawwood Prices

Sawnwood	per Cu.m
Balau	US\$425
Kempas	US\$210
Red Merantis	US\$355
Rubberwood	
25mm boards	US\$280-290
50mm squares	US\$325
75mm+	US\$355
Kapur	US\$225
Kembang Semangkok	US\$535

Rotary Cut Veneer

	per Cu.m	
	Face	Core
	1-1.6mm	1.7-2.5mm
Ceiba	413	360
Koto	503	450
Otie/Iomba	440	415
Chenchen	426	415
Wawa	440	415
Bombax	440	415

Brazilian Plywood and Veneer

Veneer	per Cu.m
White Virola Face	
2.5mm	US\$270-320
	Per Sq.m
Plywood	
For Europe	
White Virola	INDO 93 + 7-9%
For Caribbean countries	
White Virola BR 96 + 8%	
Pine CDX USA	US\$255

Plywood and Veneers
International Prices
Ghana

Sliced Veneer	per Sq.m
Asanfona Face	US\$1.20
Interior	US\$1.00
Backing	US\$0.65
Redwoods (Mahogany, Candollei, Edinam)	
	per Sq.m
Face	US\$1.15
Interior	US\$0.90
Backing	US\$0.55

Ready Spliced Veneer (layons)
Thickness 6mm

	per Sq m.
Sapele	US\$1370
Anegre	US\$1062
Mahogany	US\$1149
Koto	US\$1153

Plywood 2440x1220mm
Grade B/BB, WBP

Ceiba	per Cu.m
4mm	US\$554
6mm	US\$498
9mm	US\$478
12mm	US\$420
15mm	US\$426
18mm	US\$420
MR B/BB 10 % less	

Malaysian Plywood

Timber based SINORA Industries was recently listed on the Kuala Lumpur stock exchange main board. SINORA a subsidiary of Innoprise Corp. is involved in the manufacturing and trading of sawntimber, plywood, blockboard, veneer and mouldings and joinery products. The annual production capacity of the sawmills is around 80,000 Cu.m and that of the plymill around 120,000 Cu.m

MR Grade BB/CC FOB

	Per Cu.m
2.7mm	US\$505
3mm	US\$440
9-12mm	US\$390
18mm plus	US\$370
WBP Grade BB/CC	
9-18mm	US\$495
Phenolic Overlayed	
12-18mm	US\$520

Domestic plywood
9-18mm **US\$495-510**

Indonesian Plywood

Plywood (export, FOB)
MR, per Cu.m
Grade BB/CC
2.7mm **US\$490-500**
3mm **US\$450-460**
4.0-6.0mm **US\$385-400**
6mm and above **US\$370-390**
WBP,
Grade BB/CC
12-18mm **US\$490**

Taiwan Province of China

Plywood per Cu.m
2.7mm x 4' x 8' **US\$560**
5.0mm x 4' x 8' **US\$570**

Domestic Plywood Prices

Brazil

Rotary Cut (Northern Mill)
per Cu.m
White Virola Face **US\$155**
White Virola Core **US\$125**
Plywood
(ex-mill Southern Mill)
Grade MR Per Cu.m
4mm White Virola **US\$590**
15mm **US\$480**
15mm Film Faced
Concrete Formwork **US\$740**

Indonesia

Domestic MR plywood
(Jarkarta) per Cu.m
9mm **US\$480**
12mm **US\$440**
15mm **US\$425**
18mm **US\$410**

Gabon

Okume Plywood F.CFA Per pc
4mm **3,430 - 3,780**
5mm **5,314 - 6,270**
8mm **8,886 - 9,540**
10mm **9,010 - 11,047**
12mm **10,762 - 12,699**
15mm **13,019 - 15,362**
19mm **15,790 - 18,632**

Furniture Parts and Components

Taiwan Province of China, Imports

An increase of around US\$10-15 per piece for rubberwood table tops is generally reflective of the steady demand.

Imports C&F per pc
Rubberwood Chair seats **US\$3.30**
Rubberwood unfinished
Queen Anne Chairs
(excluding soft seat) **US\$16-16.5**
Rubberwood
table-tops per Cu.m
US\$765-780

Other Panel Product Prices

Brazil

Export Prices	
Blockboard 15mm	per Cu.m
White Virola Faced	US\$350-390
Domestic Prices	
Ex-mill Southern Region	per Cu.m
Blockboard	
15mm White Virola Faced	US\$420
15mm Mahogany Faced	US\$760
Particleboard	
15mm	US\$310

Indonesia

Other Panels	Per Cu.m
Blockboard	US\$295-305
Particleboard	
9mm	US\$250
12mm	US\$275
15mm	US\$240
18mm	US\$230

Taiwan Province of China, Imports

The prices for MDF and Particleboard continue to slide. N. American supplies are facing stiff competition from suppliers in Asia. At these prices many mills are facing high risks and there is doubt in the industry that the continued price competition can be sustained without some casualties in the industry.

MDF (FOB)	per Cu.m
3-4mm thick	US\$340-350
12-25mm x 6' x 8'	US\$275-285
Particleboard	per Cu.m
18mm (5' x 8')	US\$175-180

Malaysia

Particleboard (FOB)	per Cu.m
6mm & above	US\$150-160
MDF (FOB)	per Cu.m
Less than 5mm	US\$260-270
Greater than 6mm	US\$245
Domestic Sales	per Cu.m
6-21mm	US\$270-290

Prices of Value Added Products

Indonesia

Producers are showing signs of optimism as the prices, especially in the Japanese market seem to be sustaining and steady movement forward.

Mouldings	
Ramin skirting	per Cu.m
(for the Italian market)	US\$800-825
Crown using Pulai or Jeluton	
(for Japanese market)	US\$705
Laminated Scantlings	US\$695
Laminated Boards	
Falkata wood	US\$315
Laminated Boards	
Pine	US\$850-900

Malaysia

Mouldings (FOB)	per Cu.m
Kembang Semangkok	
S4S to Japan	US\$915
Skirting	US\$1050
Rubberwood	
S4S to Japan	US\$460
Lam Boards	US\$820

Brazil

Added Value Products

<i>Jatoba Floor 22mm</i>	<i>per Sq.m</i> <i>US\$23</i>
<i>Edge Glued Panel</i>	<i>per Cu.m</i> <i>US\$790</i>
<i>Clear Pine</i>	

Dining suite

<i>Solid rubberwood laminated top 3' x 5'</i> <i>with extension leaf and six hard seat chairs</i>	<i>US\$180-200per set</i>
<i>Windsor Chair</i>	<i>US\$12-12.50ea</i>
<i>Colonial Chair</i>	<i>US\$14-15ea</i>
<i>Napolean Chair</i>	<i>US\$22-25ea</i>
<i>Oak Veneered MDF table Top</i>	<i>US\$65-70</i>

Rubberwood parts and components:

Malaysia

Rubberwood components are attracting better prices and this is creating active demand for good quality logs.

Shaped chair seats (18-22mm 16"-18" squares)

US\$2.95-3.10per pc

<i>Finger jointed</i>	<i>per Cu.m</i>
<i>laminated boards</i>	<i>US\$760-820</i>
<i>top grade</i>	<i>US\$890</i>

Doors (FOB)

Meranti (red) panel doors

<i>Grade A</i>	<i>US\$54-55per pc</i>
<i>Grade B</i>	<i>US\$50per pc</i>
<i>Grade C</i>	<i>US\$45per pc</i>

For the first time in several months the prices for doors have moved slightly. Producers are anxiously awaiting more news on the growth in the construction sector especially in the UK.

Furniture

The demand for wooden furniture continues to be very healthy and most mills are reporting a good order book for the next three months. The demand continues to be for the low to medium price range furniture. Although demand is healthy buyers are resisting any price increase saying there are alternative suppliers willing to maintain the current prices.

Taiwan Province of China

Furniture

Dining suite (FOB)

Oak Veneered MDF tables and chairs (6 per set)

US\$295-300per set

Industry is reporting that prices for the US market appear to be firming.

Freight Costs

Brazil

Sawnwood

Paranagua-Rotterdam

<i>Container 20 ft.</i>	<i>US\$1300</i>
<i>Container 40 ft.</i>	<i>US\$2000</i>

Paranagua-Baltimore

<i>Container 20 ft.</i>	<i>US\$1500</i>
<i>Container 40 ft.</i>	<i>US\$1800</i>

Bulk Sawnwood US\$66per Cu.m
(Hardwoods over 750kg/Cu.m)

Plywood

Paranagua-UK

Palletised US\$42per Cu.m

Continued on Page 10

Special Report on Market Prices in China (May/June 1996)

Prices in Eight Cities of China (yuan per Cu.m)

	Beijing Hanzhu	Timjim Qingdao	Taiyuan Wuxi	Shenyan	Chang-			
chun								
Korean pine 6m, >30cm	1,200	1,200	1,450	1,650	1,400	1,700	1,400	1,800
Korean pine 4m, >26cm	1,100	-	1,300	1,430	1,250	1,600	1,300	1,700
Spruce, Frx 6m, >26cm	950	900	1,250	1,250	900	1,200	1,060	1,600
Spruce, Fir 4m, >24cm	900	780	1,100	900	800	1,200	980	1,100
Larch, 6m, >24cm	750	780	1,100	900	800	1,200	980	1,100
Larch, 4m, 18-28cm	650	-	-	760	700	1,050	820	900
Masson pine, 2-3.8m, 20-28cm	-	-	-	-	-	750	-	900
Spruce Fir 4-5.8m, 30-38cm	-	-	-	-	-	1,400	-	1,300
Manchurian ash 4m, 18-28cm	2,000	-	-	2,400	1,850	1,800	1,800	2,200
Korean pine sawnwood 4m	1,700	1,900	-	1,810	1,700	-	1,700	2,400
Spruce, Fir sawnwood 4m	1,150	1,200	1,200	1,600	1,200	1,600	1,050	1,600

Prices in the North-East of China (yuan per Cu.m) (panels, price per sheet)

Type	Size	Grade	Price
Korean pine log	4m x 26->40cm	pecially selected	750-1,100
Korean pine log	5-6m x >26cm	pecially selected	880-1,200
Spruce, Fir log	4m x 26->40cm	pecially selected	650-850
Spruce, Fir log	5-6m x >26cm	pecially selected	700-900
Larch log	4-6m x >26cm	pecially selected	650-900
Manchurian ash log	4-5m x 26-28cm	pecially selected	1,500
Manchurian ash log	6m x 26-28cm	pecially selected	1,500-2,000
Manchurian ash log	4-6m x 40cm	pecially selected	2,100-2,200
Oak log	4-6m x 26-40cm	pecially selected	1,200-2,000
Plywood (Pine, Tuan linden)	4' x 6' x 3	pecially selected	16.2 x 21.5
Plywood (Pine, Tuan linden)	4' x 6' x 5	pecially selected	28-36
Particle board	1,220 x 2,440 x 18mm	Grade A	5454

Prices in Sichuan Province (yuan per Cu.m)

Destination	Species	Size	Price
Chengdu city	Spruce, Fir Log	4m x >50cm	1,060-1,350
	Spruce, Fir Log	4m x >30cm	850-930
Xichang city	Spruce, Fir Log	4m x >30cm	750-810
	Spruce, Fir Log	4m x >40cm	820-950
	Pine Log	4m x >30cm	630-700
		4m x >24cm	600-660
	Pine Lumber	4m x 15cm x 5cm	880-910
Leshan city	Spruce, Fir Log	4m x >30cm	850-910
	Balsam Fir Log	4m x 14-18m	630-710
		4m x >20cm	750-800
	Chinese Cedar Log	4m x >12cm	400-500
Panzhihua city	Pine Log	4m x >30cm	650-700
Guanyuan City	Spruce, Fir Log	4m x >30cm	820-880
	Spruce, Fir Lumber	4m x 20cm x 5cm	940-1,100
	Mixed Logs	4m x 30cm	740-850

Plywood Prices in the South-West of China (yuan per sheet)

Plywood			Price
	Chengdu city	1,220 x 2,440 x 3 (from Indonesia)	41
		1,220 x 2,440 x 3 (made in China)	39
		1,220 x 2,440 3*	58
	Guanyuan city	1,220 x 2,440 x 3 (from Malaysia)	45
		1,220 x 2,440 x 3 (made in China)	35
	Xichang city	1,220 x 2,440 x 3 (from Malaysia)	42
	Leschan city	1,220 x 2,440 x 3 (from Indonesia)	44
	Panzhuhua city	1,220 x 2,440 x 3 (from Indonesia)	45
	MDF	Chengdu city	4' x 8' x 9mm
		4' x 8' x 12mm	125
		4' x 8' x 15mm	140
		4' x 8' x 18	160
Particle board	Chendu City	4' x 8' x 16	69
	Guangyuan City	4' x 8' x 16m (Grade two)	75
		4' x 8' x 16m (Grade one)	80

*Overlaid Plywood

Prices in Hubei Province (yuan per sheet or yuan per Cu.m)

		Size	Grade	Price	Origin Area	Destination
Logs	Spruce	4m x > 30cm	1,2	1,230	Yunnan	Wuchan
	Yunnan Pine	4m x > 24cm	1,2	950	Yunnan	Wuchan
	Larch	4m x > 24cm		980	Northeast	Wuchan
	Larch	4m x > 24cm		1,080	Northeast	Wuchan
	Chinese fir from Sichuan	4m x > 30cm	1	1,180	Sichuan	Wuchan
	Chinese fir from Hunan	4m x > 16cm	1	1,360	Hunan	Wuchan
	Chinese fir from Hunan	4m x > 24cm	1	1,460	Hunan	Wuchan
Plywood	Imported	4' x 8' x 3mm	3	37	Fuhan Ltd.*	Baishazhou
	Imported	4' x 8' x 3mm	1	58	Fuhan Ltd.	Baishazhou
Blockboard	Manchurian ash	15mm		150	Fuhan Ltd.	Baishazhou
		18mm		156	Fuhan Ltd.	Baishazhou
Plywood	Manchurian ash	4' x 8' x 3mm	A	58	Fuhan Ltd.	Baishazhou
Overlaid with sliced veneer		4' x 8' x 5mm	B	56	Fuhan Ltd.	Baishazhou

* Fuhan wood Ltd. is a joint venture enterprise in Wuhan city.

Consumers Report

Indonesia

<i>Jakarta-Rotterdam</i>	<i>US\$2,200</i>
<i>Jakarta-LA(west coast USA)</i>	<i>US\$2,800</i>
<i>Jakarta-NY(east coast USA)</i>	<i>US\$4,200</i>

Ghana

Bundled Sawnwood

Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 per Cu.m depending on quantity and the buyers' relation with the shipping lines.

Containers

Containerized sawnwood and other products from Ghana for N. European Ports

US\$2070 for a 20ft container

US\$3730 for a 40ft container

Taiwan Province of China

40ft. container

West Coast USA from Taiwan Province China US\$1950

East Coast USA from Taiwan Province China US\$ 2400

Malaysia

Bundled Sawnwood

Malaysia to Rotterdam US\$42 per Cu.m.

ft. container

Malaysia to West Coast USA at US\$2500

Malaysia to East Coast USA US\$3150

Malaysia to Ports in Taiwan Province of China US\$535

Port Klang / Ports of Taiwan Province of China Province of China

USD 42 per Cu.m Bundled Sawnwood

Taiwan Province of China Province of China/West Coast USA, US\$1950 per 40ft Container.

Taiwan Province of China Province of China?East Coast USA, US\$2400 per 40ft container.

Report From Japan

Delivered Prices

Asian Log, Lumber and Panel Prices

Logs

For Plywood Manufacturing

CIF Price Yen per Koku

<i>Meranti (Hill, Sarawak)</i>	
<i>Medium Mixed</i>	<i>7,850</i>
<i>Meranti (Hill, Sarawak)</i>	
<i>STD Mixed</i>	<i>7,950</i>
<i>Meranti (Hill, Sarawak)</i>	
<i>Small Lot</i>	
<i>(SM60%, SSM40%)</i>	<i>6,850</i>
<i>Taun, Calophyllum (PNG)</i>	
<i>and others</i>	<i>6,500</i>
<i>Mix Light Hardwood</i>	
<i>(PNG G3-G5 grade)</i>	<i>5,400</i>
<i>Okume (Gabonese)</i>	<i>7,900</i>
<i>Keruing (Sarawak)</i>	
<i>Medium MQ & up</i>	<i>8,200</i>
<i>Kapur (Sarawak) Medium</i>	
<i>MQ & up</i>	<i>8,050</i>

For Sawnmilling FOB Price Yen per Koku

<i>Melapi (Sarawak)</i>	
<i>Select</i>	<i>11,500</i>
<i>Agathis (Sabah)</i>	
<i>Select</i>	<i>9,100</i>

Lumber

FOB Price Yen per Cu.m

<i>White Seraya (Sabah)</i>	
<i>24x150mm, 4m 1st grade</i>	<i>120,000</i>
<i>Mixed Seraya 24x48mm,</i>	
<i>1.8 - 4m, S2S</i>	<i>45,000</i>
<i>Red Oak 5/4x6 ins and wider</i>	
<i>FAS (US East Coast)</i>	<i>125,00</i>

Plywood *Mill Gate Price Tokyo Area*
Yen per sheet

Concrete Formboard

11.5x900x1800mm Type 1 1,210

Thin

2.3x910x1820mm Type 2 310

Medium

4.0x910x1820mm Type 2 500

5.5x910x1820mm Type 2 610

Indonesian Plywood Price
(Tokyo Market Price Per Sheet)

Plywood

2.4x91x1820mm Yen335

3.6x91x1820mm Yen440

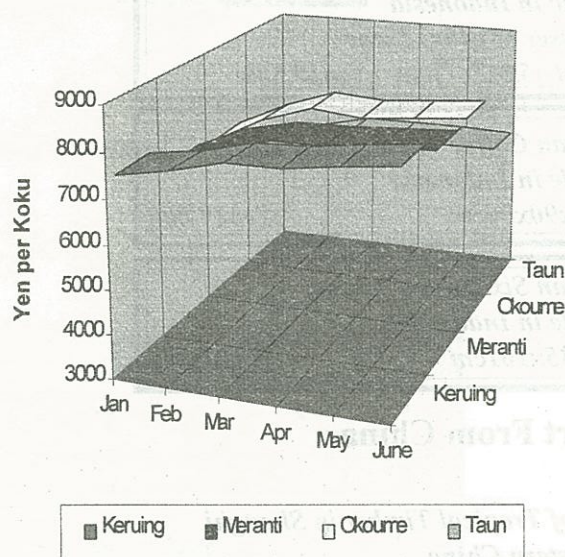
5.2x91x1820mm Yen550

Plywood for flooring

11.5x94.5x1840mm Yen1570

Plywood for Printing

3.6x123x2440mm Yen770

CIF Plywood Log Prices 1996**News From Japan****Japan's Economy**

A recent report has highlighted an explosive economic performance for the first quarter of this year. The nation's GDP rose at an annualised rate of 12.7 percent after allowing for inflation. This is the fastest growth for 23 years.

The Yen's rise against the dollar in recent years has prompted Japanese companies to invest overseas and this has led to a massive increase in overseas shipments to Japan. Analysts believe that the upturn in imports will run out of steam in the autumn.

Japanese Overseas Mills

According to the Ministry of Agriculture, Forestry and Fisheries, the number of JAS approved mills overseas at the end of March 1996, was 226 mills in 11 countries. There are 80 in Indonesia, the highest, followed by Canada, where there are 59 mills. Nearly half of the Canadian mills are sawmills cutting dimension, structural lumber for two-by-four construction. There are 57 mills in the United States producing mostly structural plywood. Among others, there are 12 mills in New Zealand, 4 in Finland, 4 in Germany, 3 in Sweden, 3 in Australia, 2 in Thailand and one each in China and Norway.

Of the total number of mills there are 56 mills producing half-inch plywood or plywood for concrete formwork, 41 structural plywood mills, 37 sawmills for structural lumber for two-by-four construction, 22 plants for large cross-sectioned laminated lumber for structural use, 16 laminated lumber mills and 13 standard plywood plants.

Perupok Finger-Jointed Lumber Shipment

Shipment of Southeast Asian lumber slowed during May and June. Imports of laminated lumber and processed lumber remain inactive. The weak Yen has increased the costs to importers but these increases cannot be passed on to the consumer as demand is slow and inquiries are for only low cost lumber.

For White Seraya lumber, inquiries are steady but are for second grade rather than the first grade lumber. The market prices for White Seraya first grade lumber is Yen115,000-120,000 per cubic metre, delivered to wholesalers'. The price is Yen5,000-10,000 lower than the previous month price. Shipments are, in general, slow though there is inventory. Second grade lumber is being sold at Yen65,000-75,000 and inventory is low.

Imported, finger-jointed Perupok lumber, A-quality, is sold at Yen140,000-145,000. The price has remained unchanged. Inquiries are slightly weak.

Markets for Plywood

Since the import agent NIPPINDO announced a raise of 50 yen for imported half-inch plywood the markets for domestic plywood have firmed; Prices went up by 10 yen per sheet in May in the Osaka area, Tokyo markets have followed suit.

Business activity improved overall for plywood especially for 12 mm plywood for underlayment and structural use.

Imports of Fiberboard and Particleboard

Statistics just released on imports of hardboard, medium-density-fiberboard, and insulation board during April show an increase. Imports of MDF and thin hardboard were up 15.1% to 5,900 tons, which, for the first four months this year reveals an increase of 36.1% to 19,000 tons. Imports of MDF in April were up 79.4% to 30,000 tons, giving a four month total of 91,000 tons an increase of 36.2%. Imports of particleboard were up 12.3% to 40,000 cubic metres, the four month total is down 3.6% to 105,000 cubic metres.

Company News

Seihoku, the largest plywood manufacturing group, is reportedly making every effort to switch to softwood species as raw material for plywood manufacturing. The company has targeted 100% softwood by the year 2000. For efficiency and waste utilisation the company plans to produce medium density fiberboard in addition to particleboard, hardboard and insulation board.

Nanyozai Freight Agreement

Base Rate Per Cu.m

Sabah	US\$39
Sarawak	US\$42
PNG/Solomon	US\$46

Area Surcharge for PNG and Solomon Islands per Cu.m, Lae/Alotau US\$3.00, Alota/Pom US\$4.00, Pom/Daru US\$5.00, Gizo/Noro US\$3.00, Honiara US\$4.00.

Retail Prices for Rattan Furniture

Rattan Wicker Box	
Made in Indonesia	
81x40.5x49cm	
White Natural	Yen19,000

Rattan Wicker Chest	
Three Drawer	
84x52x75cm	Yen38,800

Rattan Chest with Steel Frame	
Made in China	
115x35x87.5cm	Yen29,000

Rattan Double Faced Interior Screen	
Made in Indonesia	
161cm Ht. 180cm Width	Yen29,000

Rattan TV Stand Corner Element	
with 2 Drawers	
Made in Indonesia	
110x65x130cm	Yen48,500

Rattan Bar Counter	
Made in Indonesia	
135x45x86cm	Yen53,800

Rattan Dresser and Stool	
Made in Indonesia	
Dresser 65x40x125cm	
Stool 35x42x71cm	Yen19,500

Rattan Coffee Table, Glass Top	
Made in Indonesia	
120x90x36cm	Yen19,800

Rattan Six Drawer Chest	
Made in Indonesia	
50x35x101cm	Yen14,800

Report From China

Prices of Tropical Timber in Shanghai and Eastern China

No changes have been reported for the range of wood products on the market in Shanghai.

Logs	per Cu.m
Keruing	Yuan2000-2450
Red Meranti	Yuan1800-1900
Mixed (hollow Heart)	Yuan1200-1400

<i>Logs</i>	<i>per Cu.m</i>
<i>Mengaris</i>	<i>Yuan1800-1900</i>
<i>Mixed Redwood</i>	
<i>Myanmar</i>	<i>Yuan3800-3850</i>

<i>Sawnwood</i>	
<i>Meranti</i>	<i>Yuan2850-3450</i>
<i>Flooring</i>	
<i>Meranti T&G</i>	<i>per Lin.m</i>
<i>18x50mm 3m</i>	<i>Yuan130-145</i>
<i>Malas T&G</i>	
<i>18x70mm 2.2-4.1m</i>	<i>Yuan115-130</i>

<i>Panel Products</i>	
<i>MDF 3mm German</i>	<i>Yuan38/sheet</i>
<i>Plywood 3mm Indo</i>	<i>Yuan41.5/sheet</i>

From Europe, An Update on France

The French market remains rather subdued for all wood products. The demand for tropical hardwoods is very quiet and the softwood market is weak and influenced but fierce competition from German suppliers.

Atro, the French furniture manufacturer which was put into receivership on February 1996, has been taken over by Airfeu, another French furniture producer with sales of Ffr 262 million and a staff of 470. Atro, which had a turnover of Ffr 64 million in 1995, has three production plants in France.

In 1995 Groupe Fournier, which includes Mobalpa (furniture), registered a net profit of Ffr 40.7 million and sales of Ffr 589 million. After starting a diversification into the bathroom furniture business, the group is now integrating domestic appliances into its kitchen furniture offer. This is to face the increasing competition from large outlets such as Ikea and Lapeyre. Mobalpa is also reconsidering its distribution strategy; the aim is to have control of 300 exclusive dealers by the year 2000.

In January 1996 Jean Paul Gruhier created Tonnerre Finances, with a capital of Ffr 23 million. He also took over from Sopha its furniture manufacturing firms: Salons de Bourgogne, and SA Gruhier and CG (both controlled by J.P.Gruhier before being sold to Sopha in 1991). The furniture group is now facing serious difficulties, but it is expected to return to profits in two years. Gruhier injected Ffr 22 million into Gruhier SA's capital and Ffr 10 million into Salons the Bourgogne.

Furniture Prices in France

Solid Wooden Doors

<i>Upper Price, Oak,</i>	<i>FFR10,020</i>
<i>Medium Price, Oak,</i>	<i>FFR7,920</i>
<i>Lower Price, Oak,</i>	<i>FFR6,073</i>

Furniture and Components

<i>Kitchen Chairs</i>	
<i>Medium Price, Beech,</i>	<i>FFR234</i>
<i>Lower Price, Beech,</i>	<i>FFR140</i>
<i>Dining Chair</i>	
<i>Upper Price, Solid Cherry</i>	<i>FFR1,650</i>
<i>Medium Price, Beech</i>	<i>FFR280</i>
<i>Lower Price, Beech,</i>	<i>FFR181</i>

<i>Kitchen Table</i>	
<i>Medium Price, Beech</i>	
<i>100x70cm</i>	<i>FF561</i>
<i>Lower Price, Melamine</i>	
<i>Covered 115x74cm</i>	<i>FFR238</i>

<i>Dining Table</i>	
<i>Upper Price, Cherry</i>	
<i>150x90cm</i>	<i>FFR11,700</i>
<i>Lower Price, Softwood</i>	
<i>115x74cm</i>	<i>FFR1,000</i>

<i>Kitchen Doors</i>	
<i>Upper Price, Solid Oak,</i>	
<i>58.8x49.5cm</i>	<i>FFR560</i>
<i>Medium Price, Solid Oak,</i>	
<i>58.8x49.5cm</i>	<i>FFR327</i>
<i>Lower Price, Solid Oak</i>	
<i>58.8x49.5cm</i>	<i>FFR265</i>

<i>Mouldings</i>	<i>Per Lin. m</i>
<i>Upper Price, Pine</i>	
<i>1.8x7cm</i>	<i>FFR18.83</i>
<i>Medium Price, Pine</i>	
<i>1.4x4.8cm</i>	<i>FFR8.35</i>
<i>Lower Price, 1x2.9cm</i>	<i>FFR5.56</i>

News from Other European Countries

Meredew Cabinets, owned by Stag parent Spring Ram of the UK, has become part of the Stag Group on 1 July. The company, which was set up in 1994, is Stag's third cabinet manufacturer, joining William Laurence and Jaycee. In 1995 Meredew had losses of £2.2m on sales of £3.8m.

There has been a move towards diversified in the Belgian wood and furniture sector. In 1995 the Belgian timber-processing industry registered a production value of Bfr 137.873 billion (+0.9% on 1994). The furniture sector saw a 4.3% decrease in turnover to Bfr 74.121 billion, while both panels and construction elements were up (+6.5% to Bfr 27.881 billion and +6.1% to Bfr 17.502 billion respectively).

According to HDH, the German association of the woodworking industry, in 1995 Germany imported from Poland furniture worth DM2.5 billion, primarily in the lower price range. It is estimated that 20% of all sofas sold in Germany are made in Poland. The German furniture industry has a turnover of DM43 billion.

Jonavos Baldai Co., a Lithuanian furniture company located in Jonava, has installed a fully computer-operated assembly line. The company, with a staff of 360, expects to create 50 new jobs to assemble bedroom and nursery furniture from parts produced by the German Zeuro Moebel. Jonavos Baldai plans to open furniture shops in Vilnius, Klaipeda, Tallinn, Moscow and Kiev in 1996.

Marlekor, the Estonian furniture producer, is forecasting an increase of 34% in sales to Ekr 270 million in 1996. Net profits are expected to rise to Ekr 24.8 million: in 1995 Marlekor posted over Ekr 1 million loss. The sales of plywood are forecast to increase by 62%.

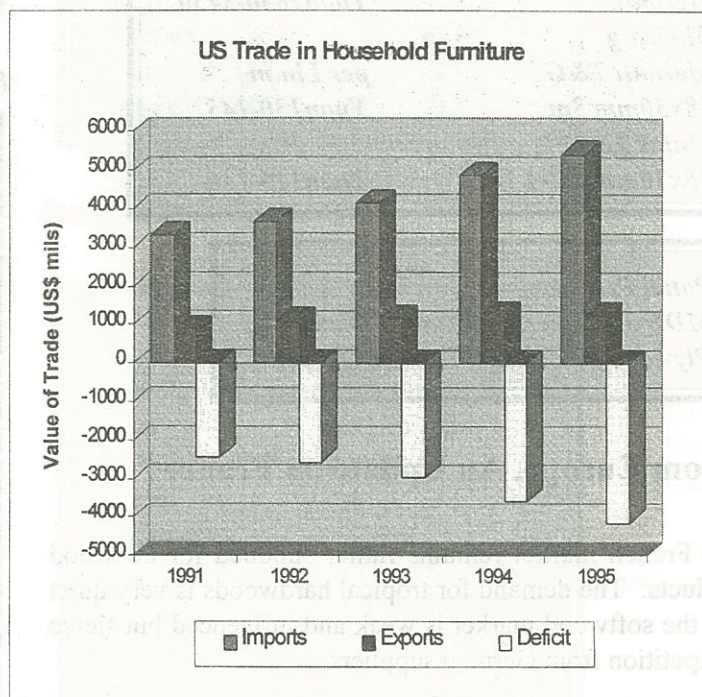
US Industry Report

US Trade in Household Furniture

American foreign trade in household furniture has increased at a fast pace. Since 1991 imports of household furniture have grown at around 13% per year.

For decades the USA has had a trade deficit in household furniture. As export growth lagged behind imports this deficit has widened, this became particularly evident in 1995, when exports declined in comparison to the previous year.

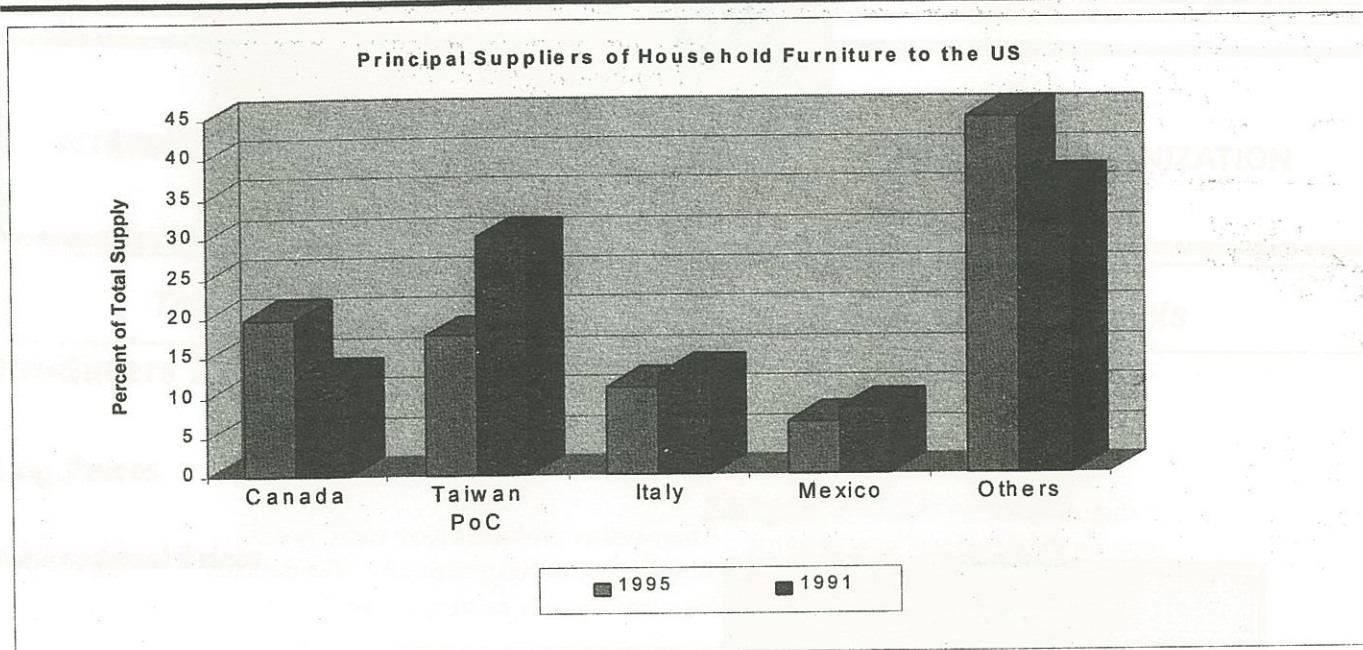
The US international trade in household furniture is still small, but gaining in importance. Less than one-quarter (22.8%) of the domestic market (US\$23.7 billion) is being supplied by foreign manufacturers, and only 6.3% of the industry's output (US\$19.5 billion) is being exported.



Canada is the United States' most important trading partner for household furniture. The country has always been the foremost buyer of household furniture from the United States, and in 1995, the USA sold US\$587 million worth of household furniture to Canada. This is 48% of total US exports of household furniture.

US Trade With Canada in Household Furniture (US\$ millions)

	Imports	Exports
1991	416	473
1992	504	528
1993	656	528
1994	845	523
1995	1068	587



Throughout most of the nineties, Taiwan Province of China has been the most important foreign supplier of household furniture to the US. However, in 1995 - for the first time this decade - Canada surpassed Taiwan P.o.C, selling some US\$1,068 million to the USA. This represented almost 20% of the total household furniture imports into the US.

In addition to Canada, the other main supply countries for furniture are Taiwan P.o.C, Italy and Mexico.

Canadian furniture has gained in market share in the US, mainly to the detriment of Taiwan P.o.C and Mexico. In fact, Taiwanese furniture not only lost in relative proportions, the country's market share even declined in absolute terms.

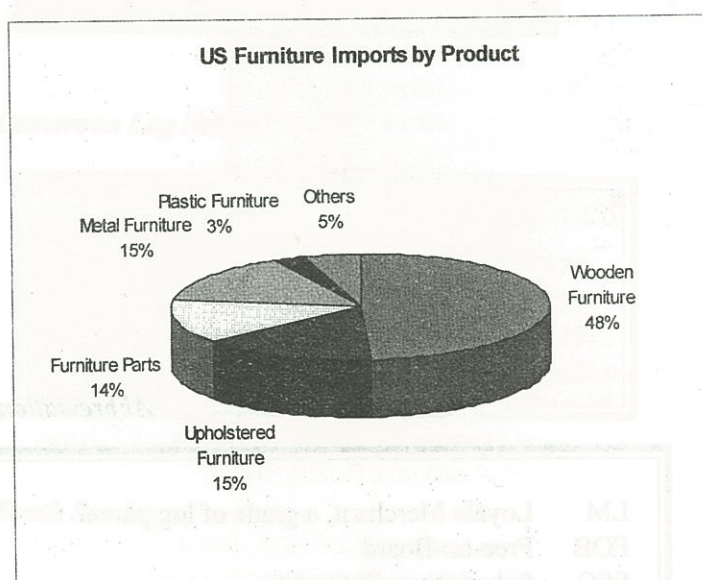
The US exports modest amounts of household furniture as shown in the following table.

Buyers of Household Furniture from the US.

	1991	%	1995	%	% Change
Canada	473	54.3	587	47.8	24.1
Japan	55	6.3	85	6.9	54.5
Mexico	88	10.1	78	6.3	-11.4
S.Arabia	54	6.2	56	4.6	3.7
Others	201	23.1	423	34.4	110.4

The most important trading items and their share are shown in the following figure.

U.S. Furniture Imports by Major Product Groups (in % of total)



The most notable changes between 1991 and 1995 are firstly the doubling of the share of furniture parts exports and secondly the declining share of exported upholstery.

China and South East Asia are the principal suppliers of wooden furniture to the United States. Metal furniture is also coming largely from the South East Asian countries. Canada is an important foreign supplier of wooden beds, bedroom furniture, furniture parts and plastic furniture. Rattan furniture is supplied by China, the Philippines and Indonesia. Italy holds the leading position for upholstered furniture.

Abbreviations

LM	Loyale Merchant, a grade of log parcel	Cu.m	Cubic Metre
FOB	Free-on-Board	SQ	Sawmill Quality
SSQ	Select Sawmill Quality	KD	Kiln Dry
AD	Air Dry	FAS	Sawnwood Grade First and Second
Boule	A Log Sawn Through and Through the boards from one log are bundled together	WBP	Water and Boil Proof
BB/CC	Grade B faced and Grade C backed Plywood	MR	Moisture Resistant
MBF	1000 Board Feet	pc	per piece
Sq.Ft	Square Foot	ea	each
FFR	French Franc	BF	Board Foot
Koku	0.278 Cu.m or 120BF	MDF	Medium Density Fibreboard
		F.CFA	CFA Franc