



INTERNATIONAL TROPICAL

TIMBER ORGANIZATION

Tropical Timber Market Information

Towards Greater Transparency in the Tropical Timber Markets

Producers Report

Log Prices

International Prices

Malaysia

Sarawak Log Export Prices

(FOB)	per Cu.m
Meranti SQ up	US\$195-200
small	US\$165-170
super small	US\$135-140
Keruing SQ up	US\$210-220 ↓
small	US\$180-190 ↓
super small	US\$150-160 ↓
Kapur SQ up	US\$215-220
Selangor Batu SQ up	US\$210-220

Solomon Islands

SIFIA Indicative FOB Prices

	Current Indicative Price per Cu.m	Forecast Movement
Group 1A		
Kwila	US\$220	unchanged
Group 1B		
Palaquium	US\$ 158	mod. fall
Planchonella	"	unchanged
Calophyllum	"	slight. fall
Pometia	"	-
Gonostylus	"	mod. fall
Schizomeria	"	mod. fall

Group 2

Canarium	US\$ 138	mod. fall
Burckella	"	mod. fall
Terminalia	"	slight fall

Group 3

Dillenia	US\$ 120	slight fall
Celtis	US\$ 118	slight fall
Alstonia	"	unchanged
Dysoxylum	"	unchanged
Eugenia	"	mod. fall
Endospermum	"	mod. fall
Vitex	"	unchanged
Amoora	"	slight fall

Group 4

Campnospermum	US\$ 116	mod. fall
Parinari	US\$ 108	slight fall
Maranthes	"	unchanged
Others (white)	"	slight fall
Others (red)	"	mod. fall

No significant changes in prices are expected.

Cameroon Log Prices

FOB		per Cu.m
N'Gollon	70cm+ LM-C	FFR1450 ↓
Ayous	80cm+LM-C	FFR1200 ↓
Sapele	80cm+LM-C	FFR1650 ↓
Iroko	70cm+LM-C	FFR1650 ↓

International Tropical Timber Organization (ITTO)

Pacifico-Yokohama 1-1-1 Minato-mirai, Nishi-ku, Yokohama 220 JAPAN

Tel: (81-45) 223-1110 Fax: (81-45) 223-1111 e-mail: mjadams@itto.or.jp

Domestic Log Prices

Report From Brazil

Prices for tropical logs have increased. This reflects the long rain season the Amazon region. As the dry season is now starting it is possible that prices will return to a level seen 2 - 3 months ago.

Logs at mill yard	per Cu.m
Mahogany 1st Grade	US\$380 ↑
Ipe	US\$88 ↑
Jatoba	US\$62 ↑
Guaruba	US\$47 ↑
Mescla(white virola)	US\$47 ↑

Ghana

The latest statistics released show that in 1996 log production was 1,167,000 Cu.m. A total of 77 species were recorded as being harvested, Wawa 40%, Ceiba 13%, Odum 6 % and Mahogany 5%.

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

Report from Indonesia

Domestic log prices	per Cu.m
Plywood logs	
Face Logs	US\$150-170 ↑
Core logs	US\$ 115-130 ↑
Sawlogs	US\$140-165 ↑
Falkata logs	US\$60-62
Rubberwood	US\$39-42
Pine	US\$65-70
Teak	US\$1250 ↑
Mahoni	US\$290-295

Report from Malaysia

Logs	per Cu.m
Domestic (SQ ex-log yard)	
DR Meranti	US\$260-270
Balau	US\$195 ↑
Merbau	US\$200-210 ↓
Peeler Core logs	US\$130-140
Rubberwood	US\$30-32 ↓
Kempas	US\$135-145
Keruing	US\$215-230 ↓

Sawnwood Prices

International Prices

Brazil

Eucalyptus is becoming more important as an alternative for hardwood consumers. A detailed study has been concluded on the development of Eucalyptus plantations in Minas Gerais State (Central Brazil), for solid wood products. Several actions have been proposed to facilitate the development of over 200,000 hectares of existing plantations that cover only the northern part of that State,

New importers of tropical sawnwood in the Asian market are emerging and this market is expected to further increase this year.

The floating of the Thai Baht and the resulting 'devaluation' will have a short term effect on Brazilian sales to Thailand.

Export Sawnwood	per Cu.m
Mahogany KD FAS FOB	
UK market	US\$1030
Jatoba Green	US\$520 ↑
Asian Market	
Guaruba	US\$290
Angelim pedra	US\$270
Mandioqueira	US\$245
Pine (AD)	US\$175 ↑

Ghana

Sales to Saudi Arabia

	per Cu.m
Mahogany	US\$320
Edinam	US\$ 320
Candollei	US\$315
Wawa	US\$220
Odum	US\$400
Danta/Kotibe	US\$310

Rough Sawn Prices FOB

	per Cu.m
Mixed Redwoods	US\$330
low grade Odum (Iroko)	US\$400
Wawa	US\$220
Wawa fixed dimensions	US\$260
Wawa Boules	US\$219
70cm log dia. 25-75mm. 450cm length	

	per Cu.m
Mahogany	US\$480
FAS 100mm plus 1.8m plus	US\$520
FAS 150mm plus 2.4m plus	US\$700
Odum FAS 100mm	US\$400
Wawa FAS 1.8m plus	US\$640
Anegre	
FAS 150mm plus 2.4m plus	

Guarea	FAS	US\$460
Ofram	FAS	US\$270
Emire	FAS	US\$460
Ekki	FAS	US\$335
Kussia	FAS	US\$330
Dahoma	FAS	US\$250
Cedrella	FAS	US\$410

Malaysia

Some Rubberwood producers and exporters are claiming that stocks of Rubberwood sawntimber have risen to some 50,000 cu.m because no export quota has been issued for the year 1997. It was reported last year that the export quota for Rubberwood was about 35,000 Cu.m.

It is quite possible that there might be some surplus of Rubberwood, judging from the weak demand for wooden furniture for the past few months. However, according to industry sources, prices of Rubberwood across the whole of Peninsular Malaysia have been quite firm over the last

few months and there is a constant demand for Rubberwood sawntimber by the furniture mills.

During this high stock period furniture mills will be in a better position to negotiate on the quality of sawntimber supplied, as opposed to the peak demand period where the mills have to take what is supplied. This situation may be the reason sawmillers are suggesting there may be a so called 'over-supply situation'.

Sawn Timber

Export(FOB)	per Cu.m
Dark Red Meranti (2.5ins x 6ins & up)	
GMS select & better (KD)	US\$710-733 ↓
Seraya	
Scantlings (75x125 KD)	US\$750-755
Sepetir Boards	US\$310-320 ↓
Perupok (25mm&37mm KD)	US\$935-960
K.Semangkok (25mm&37mmKD)	US\$735-750

Taiwan Province of China

Rubberwood	per Cu.m
25mm boards	US\$385-400
50-75mm squares	US\$435-455
75-100mm squares	US\$495-515 ↑
Sepetir GMS (AD)	US\$390-400 ↑
Ramin less than 2 ft.	US\$550-565+
greater than 2 ft.	US\$635-650 ↑
Oak 25mm boards	US\$730-740
Maple	US\$1000-1050 ↑
Cherry	US\$1150-1200

Domestic Sawnwood Prices

Report from Brazil

Sawnwood (Green ex-mill)

Northern Mills	per Cu.m
Mahogany	US\$808 ↓
Ipe	US\$427 ↑
Jatoba	US\$512 ↑
Eucalyptus AD	US\$180 ↑
Southern Mills	
Pine (KD) First Grade	US\$180

Ghana

Dahoma, Chenchen, Antiaris

	<i>per Cu.m</i>
Mill Run 50x150mm	US\$95-125
50x100mm	US\$72-105
50x50mm	US\$105-150
25x300mm	US\$72-105
Mixed Redwood	
40x300x3.6m	US\$105-240

Report from Indonesia

Sawn timber

Domestic construction material

Kampar

AD 6x12-15x400cm	US\$335-355 ↑
KD	US\$450-465 ↑
AD 3x20x400cm	US\$395-415
KD	US\$490-510 ↓

Keruing

AD 6x12-15cmx400	US\$290-305 ↑
AD 2x20cmx400	US\$320-340
AD 3x30cmx400	US\$340-350 ↑

Malaysian Domestic Sawnwood Prices

Sawnwood	<i>per Cu.m</i>
Balau(25&50mm,100mm+)	US\$390-410 ↑
Kempas50mm by (75,100&125mm)	US\$215-225
Red Meranti (22,25&30mm by180+mm)	US\$310-325
Rubberwood	
25mm & 50mm Boards	US\$250-255 ↓
50mm squares	US\$310-330 ↓
75mm+	US\$350-370 ↓

Plywood and Veneers

International Prices

Indonesian Plywood

Plywood (export, FOB)

MR,	<i>per Cu.m</i>
Grade BB/CC	
2.7mm	US\$475-490
3mm	US\$425-440
6mm and above	US\$340-380
WBP,	
Grade BB/CC	
12-18mm	US\$440-450

Ghana

Sliced Veneer FOB *per Sq.m*

Asanfona	Face	US\$1.20
	Interior	US\$1.00
	Backing	US\$0.65

Redwoods (Mahogany, Candollei, Edinam)

	<i>per Sq.m</i>
Face	US\$1.15
Interior	US\$0.90
Backing	US\$0.55

Ready Spliced Veneer (layons)
FOB

Thickness 0.55mm, Width 950 - 1250mm,
Length 1550, 1850, 2150, 2450 mm.

Species	Grade	DM <i>per Sq m.</i>
Angre	Interior	3.05
Angre	Backing	2.28
Sapele	Backing	2.25
Makore	Backing	2.25
Khaya, Edinam, Kosipo		
	Backing	2.06

**Plywood 1220 x 2440 mm Grade BB/CC, FOB
Ceiba for the UK market**

	<i>Per Cu.m</i>	
	<i>WBP</i>	<i>MR</i>
4mm	Stg347	Stg278
6mm	Stg296	Stg249
9mm	Stg284	Stg248
12mm	Stg275	Stg238
18mm	Stg270	Stg230
25mm	Stg282	

**Plywood 1220 x 2440mm Grade c/c WBP FOB
Ceiba for the German market**

	<i>per Cu.m</i>
4mm	DM735
6mm	DM623
9mm	DM613
12mm	DM600
15mm	DM587
18mm	DM573

Rotary Cut Veneer FOB

	<i>per Cu.m</i>
Face Veneer	1-1.6mm
Ceiba	US\$320
Koto	US\$500
Otie/Iomba	US\$440
Ofram	US\$440

Brazilian Plywood and Veneer

Production of plywood is declining. Several mills are closing down and recently two mills in Manaus (Wagner and Selvaplac) ceased production.

No significant changes were reported by exporters of tropical timber products in the last weeks. Demand and prices continue at practically same level as last month. Veneer exports continue to be preferred to exports of plywood.

A company located in the south is producing Eucalyptus veneer. Production capacity is said to be around 12,000 Cu.m per year. Veneer is sold in the domestic market, and some producers are using to replace white virola from the Amazon. Plywood faced with Eucalyptus veneer has been well accepted in the international market, but volumes are still small.

The debate on the increasing presence of Asian companies in the Amazon continues. An important Brazilian weekly magazine has published articles on the subject, and the negative press is creating a problem for foreign companies investing in the Amazon region. Trade analysts in Brazil insist that there is a lot of media mis-information on the subject but that the government is well aware of the facts.

<i>Veneer</i>	<i>FOB</i>	<i>per Cu.m</i>
<i>White Virola Face</i>		
2.5mm		US\$280-330
Pine Veneer (C/D)		US\$190-210
<i>Mahogany Veneer</i>		
0.7mm		US\$2.70

<i>Plywood FOB</i>	
<i>White Virola (US Market)</i>	
5.2mm OV2 (MR)	US\$430 ↑
15mm BB/CC (MR)	US\$355 ↑
<i>For Caribbean countries</i>	
White Virola 4mm	US\$470
9mm	US\$370
<i>Pine USA market</i>	
9mm C/CC (WBP)	US\$270
15mm C/CC (WBP)	US\$250

Malaysian Plywood

Sarawak's integrated timber firm, Subur Tiasa Holdings will soon emerge as one of the largest plywood manufacturers in Malaysia when its output is increased to 18,000 Cu.m per month by the end of the year. The mill is currently producing about 13,000 Cu.m of plywood per month.

The company, a member of the Rimbanan Hijau Group of companies is also involved in the manufacture of particleboard and sawntimber. The new company is scheduled to be listed in the main board of the Kuala Lumpur Stock of Exchange soon.

<i>MR Grade BB/CC FOB</i>	
	<i>per Cu.m</i>
2.7mm	US\$480-495
3mm	US\$425-440
3.6mm	US\$410-420
9-18mm	US\$360-375

WBP Grade BB/CC	per Cu.m
9-18mm	US\$420-430
Phenolic Overlayed	
12-18mm	US\$495-510
Domestic plywood	
3.6mm	US\$465-480
9-18mm	US\$450-465

Taiwan Province of China

Plywood	per Cu.m
2.7mm x 4' x 8'	US\$605-610
9.0mm x 4' x 8'	US\$500-510
12-18mm	US\$455-460

Domestic Plywood Prices

Brazil

Domestic demand continues to decline. Prices of some products such as plywood and particleboard have been lowered in order to maintain sales, but with little success so far. Imported MDF is the only product that is selling well.

Rotary Cut Veneer	
(ex-mill Northern Mill)	per Cu.m
White Virola Face	US\$159 ↑
White Virola Core	US\$120
Plywood	
(ex-mill Southern Mill)	
Grade MR	Per Cu.m
4mm White Virola	US\$580 ↓
15mm White Virola	US\$420 ↓
4mm Mahogany 1 face	US\$1,340 ↓

Indonesia

Domestic MR plywood	
(Jarkarta)	per Cu.m
9mm	US\$435-455
12mm	US\$425-430
15mm	US\$410-425
18mm	US\$395-400

Ghana

Decorative Sliced Veneer Surfaced Plywood

**Avodire/Walnut/Figured Anegre/Hyedua/
Mansonia/Sapele faces**

	Cedi per Sheet
4mm	20,000
6mm	23,000
9mm	25,000
12mm	30,000
15mm	33,000
18mm	36,000

Mahogany/Edinam Faces

	Cedi per Sheet
4mm	18,000
6mm	20,700
9mm	22,500
12mm	27,000
15mm	29,700
18mm	32,000

Furniture Parts and Components

Taiwan Province of China, Imports

Imports C&F	per pc
Rubberwood Chair seats	US\$2.85-3.00
Rubberwood unfinished	
Queen Anne Chairs	
(excluding soft seat)	US\$12.5-14.00ea
Queen Anne Legs	
2 1/4 ins square x 18 ins	US\$1.10-1.20ea
2 3/4 ins square x 28 ins	US\$2.10-2.25ea

Other Panel Product Prices

Brazil

The first Brazilian MDF mill (DURATEX) will start production this month. The company will enter a good market period as demand for MDF is increasing and presently imports have not met the demand.

Export Prices

Blockboard 18mm	per Cu.m
White Virola Faced	
B/C	US\$285

Domestic Prices

Ex-mill Southern Region	per Cu.m
Blockboard	
15mm White Virola Faced	US\$410 ↓
15mm Mahogany Faced	US\$830 ↓
Particleboard	
15mm	US\$280 ↓

Indonesia
Other Panels per Cu.m

Export Particleboard FOB	
9-18mm	US\$140-150
Domestic Particleboard	
9mm	US\$230
12mm	US\$220-230 ↑
15mm	US\$220-230 ↑
18mm	US\$195

MDF Export (FOB)

12-18mm	US\$190-205
MDF Domestic 15-18mm	US\$265-295

Taiwan Province of China, Imports
MDF per Cu.m

Domestic Prices	
3mm thick	US\$395-410 ↑
12-18mm x 4' x 8'	US\$270-285

Particleboard per Cu.m

12-18mm (4x8)	US\$185-195
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Malaysia
Particleboard (FOB)

	per Cu.m
6mm & above	US\$145-160
Domestic	
6mm & above	US\$170-190

MDF (FOB)

	per Cu.m
Less than 5mm	US\$220-230
Greater than 6mm	US\$200-210
Domestic	US\$245-255

Prices of Added Value Products
Indonesia
Mouldings

Ramin skirting	per Cu.m
(for the Italian market)	US\$940-960 ↑
Crown using Pulai or Jelutong	
(for Japanese market)	US\$790-800
Laminated Scantlings	US\$630-645
Laminated Boards	
Falkata wood	US\$380-395
Red Meranti Mouldings	
11x68/92mm x 7ft up	
Grade A	US\$815-835
Grade B	US\$605-630

Malaysia
Mouldings (FOB)

	per Cu.m
Selagan Batu Decking	US\$580-595
Kembang Semangkok	
S4S to Japan	US\$1100-1250
Laminated Scantlings	
72mmx86mm	US\$645-660
Red Meranti Mouldings	
11x68/92mm x 7ft up	
Grade A	US\$845-855
Grade B	US\$680

Doors (FOB)
Meranti (red) panel doors

Grade A	US\$51-53 per pc
Grade B	US\$46-47 per pc
Grade C	US\$42-45 per pc

Rubberwood parts and Furniture
Malaysia

Furniture exports are reportedly quite weak currently, both in terms demand and prices. The trade is saying that the

market is being affected by the supply of furniture from China.

Taiwan P.O.C traditionally enjoyed the lion's share of the export market for dining suites made with veneered MDF or particleboard. Now, however, it is reported that the production of this range of furniture from PRC has been very strong recently and is also growing very rapidly.

It is further reported that volumes are high and that the quality has improved substantially. Marquetry dining tables, for the higher market end dining table require a relatively high labour content and this suites the labour situation environment in China.

Shaped chair seats
(18-22mm 16"-18" squares)
US\$2.95-3.20per pc

per Cu.m

Finger jointed
laminated boards US\$810-825
top grade US\$850
Rubberwood S4S US\$440-450

Dining suite
Solid rubberwood laminated top 3' x 5'
with extension leaf US\$52-60ea-
Same with
Oak veneered MDF US\$65-72ea-
Windsor Chair US\$11.50-13.00ea ↓
Colonial Chair US\$13.50-15.00ea ↓
Napolean Chair US\$20-24ea-
Queen Anne Chair (with soft seat)
without arm US\$20-24ea
with arm US\$24-28ea

Brazil

Prices for some value added products, such as pine clear blocks for the American market, have declined by 10 % in the last weeks.

Edge Glued Pine Panel

per Cu.m
for Korea 1st Grade US\$790
US Market US\$550

Taiwan Province of China

Rubberwood Chair Seats US\$2.85-3.00
Rubberwood Unfinished
Queen Anne Chairs US\$12.5-14.0ea
Queen Anne Legs 2.25 ins square
18ins Long US\$1.10-1.20ea
2.75ins Square 28 ins Long US\$2.10-2.25
Rubberwood finger joint per Cu.m
table tops US\$815-835
Furniture
Dining suite (FOB)
Oak Veneered MDF tables and
chairs (6 per set) 4ft dia.
US\$210-225per set
Dining table Cheery veneer
Occasional table Cherry veneer
top 2ftx4ft US\$32-35ea

Consumers Report

Report From Japan

The Forestry Agency's Wood Products Supply and Demand Committee held a meeting recently and has prepared projections of demand for the second half of 1997.

Demand for Southeast Asian logs is likely to remain dull as the plywood markets are static. Out of a forecast 5.19 mil. Cu.m of log imports, the proportion going to plywood manufacture is expected to be in the region of 4.7 mil. Cu.m, that is down almost 8 percent compared to last year. However, on the basis of consumption to-date the final figure could be as low as 10 percent below last year's performance.

May Housing Starts

Figures released from the Ministry of Housing show that starts for May were 123,478 units down 9.6 percent compared to May last year.

Indonesian Plywood

The export price for half inch Indonesian plywood for July shipment has been reduced by US\$ 40 per Cu.m that is US\$400 CIF Japan. Prices for thin plywood and for base panels remain unchanged.

The President of NIPPINDO in Japan is reported as saying that monthly imports of Indonesian plywood to Japan would be between 240-250,000 Cu.m, down around 25 percent on recent levels.

Plywood Imports

Plywood imports in May were down by 182,000 Cu.m to 386,000 Cu.m., this is the lowest for the past 11 months. The drop is mainly because of a steep decline in imports from Indonesia. Imports from Malaysia were active, up almost 24% over the previous month. Canadian softwood plywood imports are down 6% and no recovery in demand is foreseen in the near future.

Logs For Plywood Manufacturing	
CIF Price Yen per Koku	
Meranti (Hill, Sarawak)	
Medium Mixed	8,200 ↓
Meranti (Hill, Sarawak)	
STD Mixed	8,000 ↓
Meranti (Hill, Sarawak)	
Small Lot	
(SM60%, SSM40%)	7,300 ↓
Taun, Calophyllum (PNG)	
and others	6,800 ↓
Mix Light Hardwood	
(PNG G3-G5 grade)	5,500 ↓
Okume (Gabonese)	
	8,200 ↓
Keruing (Sarawak)	
Medium MQ & up	8,800 ↓
Kapur (Sarawak) Medium	
MQ & up	8,400 ↓

Logs For Sawmilling	
FOB Price Yen per Koku	
Melapi (Sarawak)	
Select	12,000
Agathis (Sarawak)	
Select	11,000

Lumber	
FOB Price Yen per Cu.m	
White Seraya (Sabah)	
24x150mm, 4m 1st grade	125,000
Mixed Seraya 24x48mm,	
1.8 - 4m, S2S	53,000
Red Oak 5/4x6 ins and wider	
FAS (US East Coast)	125,000

Panels

Plywood	Mill Gate Price Tokyo Area
	Yen per sheet
Concrete Formboard	
Domestic Production from S.E Asian Logs	
11.5x900x1800mm Type 1	1,160 ↓
Thin	
2.3x910x1820mm Type 2	350
Medium	
4.0x910x1820mm Type 2	530 ↓
5.5x910x1820mm Type 2	640
	per sq. ft
Particleboard 15mm	44
MDF 15mm	70

Report From China

Forest Development Loan for PNG

A signing ceremony for a US\$9.6 million loan by the Import & Export Bank of China for a forest development project in PNG took place recently in Beijing.

A joint venture between China and PNG resulted in the establishment of Fu Sen Ltd. an overseas branch of Forestry Group of Jiling province, China. This is the second loan the parent company has obtained, the first loan was for a forestry development project in Equatorial Guinean last year.

The company in PNG has a 120,000 ha., 30 year concession. The company expects to market 100,000 Cu.m of logs and 205,000 Cu.m of wood products including sawnwood, and chips. The total investment is reported to be in the region of US\$12 million.

China and Malaysia Co-operation

China and Malaysia signed an agreement recently for studying the feasibility of jointly establishing a pulp and paper mill in Malaysia. China has been exploring several joint venture possibilities in Malaysia.

The Minister of Primary Industry Products of Malaysia has indicated that it is a good time for foreign investors to enter the pulp and paper industry in Malaysia. If Malaysia wants to change its position as an importer of pulp and paper, it must expand its own pulp and paper industry. At present,

Malaysia has to import pulp and paper at an estimated value of US\$760 million. The proposed pulp and paper mill will use oil palm residues as its raw material base.

As the technology for using oil palm residues are developed more manufacturers may be attracted to Malaysia. There are approx. 2.5 million ha. of oil palm plantations in Malaysia. The supply of raw material from oil palm plantation residues is said to be in the order of 13 million tons annually.

Linyuan Time Furniture Ltd.

Linyuan Timber Furniture Ltd., located in Daxing, Beijing and established by the Ministry of Forestry, at a cost of more than Yuan 40 million, began operations recently. It is the biggest enterprise in Beijing under the Ministry of Forestry. Linyuan was set up with modern furniture manufacturing equipment and technology from Germany and Italy.

The Linyuan plant will produce solid and panel office household restaurant and hotel furniture as well as variety of joinery products. The company's trade mark "Ling Furniture" is said to represent international furniture fashions.

The focus in the forest industry, in the recent years, has been to achieve an adjustment of the structure of industry, to develop new industries and to enhance timber processing capability. Most attention is being given to the market for furniture and joinery.

Prices for Imported Tropical Wood Products in Shanghai and Eastern China (Yuan/cubic metre or per sheet)

	<i>per Cu.m</i>
Keruing Log	
Length: 6-20m	1880-2400
Malaysian Lauan Log	
various sizes	2500-2600
Malaysian Lauan with hollow heart	
various sizes	1200-1400
Teak log Myanmar	
2.6m 40 cm dia	2400

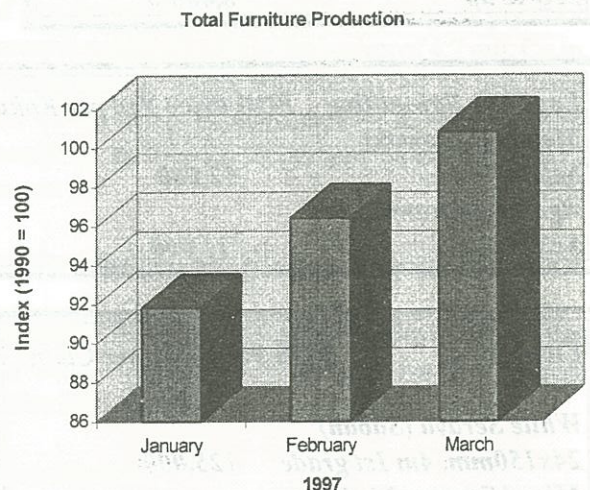
	<i>per Cu.m</i>
Lauan lumber	
Thickness: 5-6cm	
Length: 3-4m	2850-3450

Luan/Malas tongued, grooved flooring strip	
18x70mm x2.2-4.1m	110-125per Sq.m
Balian Flooring Top Grade Myanmar	
18x50-70x2400mm	300-350per Sq.m
Plywood from Indonesia	
3mm 1220x2240	41 per sheet
US Lumber	<i>per Cu.m</i>
Oak, Maple, Cherry	7000-14000
T&G Cherry Flooring	
18x50-70mm x 2-4m	120-140 per Sq.m

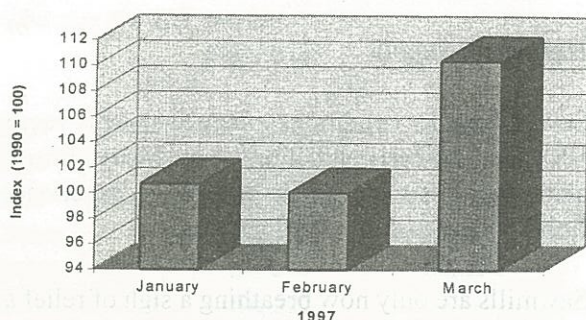
From Europe, An Update on the UK

In 1996 the production of furniture in the UK was worth Ecu 6,733 million, with office furniture and upholstered furniture accounting for Ecu 1,066 million and Ecu 1,017 million respectively. In the same year the UK consumption of furniture was worth Ecu 7,145 million making the country a net importer.

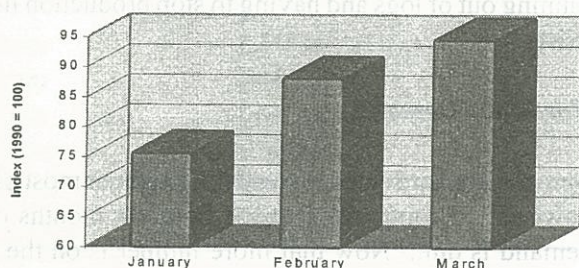
The following figures illustrate the movement in furniture production since January. The upward trend in production is a good indicator of the strength of the UK economy and the growing consumer confidence which is translating to higher spending.



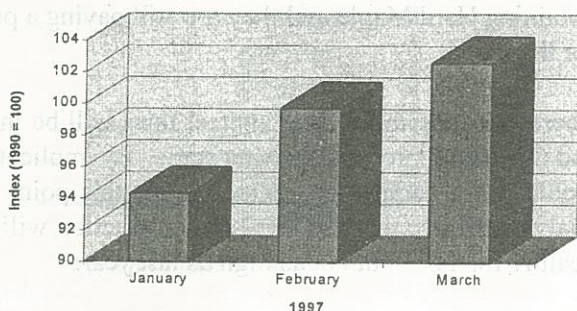
Chair & Seat Production



Office & Shop Furniture



Kitchen Furniture



UK Company News

Airsprung Furniture Group registered record profits for the fiscal year ending 31 March 1997. The good performance is mainly due to the growth in its beds division, which increased its sales by 8.9% to Stg59 million. The group's new Stg1.4 million redwood mill investment stems from growth in pine bedstead demand.

Bedroom and kitchen retailer Magnet saw sales climb 11% in the six months to 29 March. Operating profits grew by 52% to ú3.5 million on turnover up at Stg111.8 million.

The national distribution network of Oyez, office stationery supplier, will be used by Straker, office furniture and supplies company, following a deal by the two companies to merge. The new joint business, named Oyez Straker Group, has combined sales of Stg70 million.

News from Other European Countries

Spanish office furniture manufacturer Ofita is planning to set up a new subsidiary in France. Ofita France will open an establishment in Paris to distribute the parent company's products.

A group of Danish furniture producers are planning to import timber from Russia and to develop long-term cooperation. This comes after visiting sawmills in the St. Petersburg region. Before starting imports they will transfer know-how and, in some cases, machinery to Russian sawmills, in order to improve timber processing procedures.

In 1997 Slovak wood company Nabytkaren AG, which manufactures leather-upholstered seats, is expected to increase its production by 30%. About 60% of its production is exported, mainly to Sweden, Czechia and Germany. In 1996 Nabytkaren, which has a capital stock of Sk 133 million, registered a turnover of Sk 250 million and a loss of Sk 8 million.

In 1997 Spanish kitchen furniture manufacturer Xey should register a turnover of Pta 5,200 million and profits of Pta 450 million. The company finalised its restructuring began in 1995: 170 jobs have been cut and the production of Forma and Vegasa subsidiaries has been integrated. In 1996 Xey reported losses of Pta 594 million.

Due to the lowering of the age at which Norwegian children start school and an increase in school building, the Norwegian market for school furniture has increased greatly since 1996 and many local producers have doubled their orders between 1996 and 1997. The Swedish furniture giant Kinnarps acquired Ostfold og Rakkestad Trevarefabrikk, last March, with aim of producing school furniture for the Norwegian market.

Prices in UK

Wooden Windows

Upper Price Hardwood 120x135cm
Sterling, 304.00
Medium Price Hardwood 120x135cm
Sterling 224.50
Lower Price Softwood 120x135cm
Sterling 108

Solid Wooden Doors

Upper Price Meranti
76.2x198.1x3.5cm Sterling 248.50
Medium Price Sapele
76.2x198.1x3.5cm Sterling 146.90
Lower Price Veneered
76.2x198.1x3.5cm Sterling 42.40

Kitchen Chair

Upper Price Solid Oak
Sterling 333.00

Dining Chair

Upper Price African Mahogany
Sterling 333.00
Medium Price African Mahogany
Sterling 214.00

Dining Table

Upper Price African Mahogany
80x160cm Sterling 1134.00
Medium Price African Mahogany
80x160cm Sterling 906.00
Lower Price African Mahogany
80x160cm Sterling 693.00

Furniture and Components

Wardrobe Door
Lower Price 50x180cm
Sterling 53.70

Kitchen Cabinet Door 71.5x49.5cm
Medium Price Oak
Sterling 19.90

Drawer Front

Upper Price
Melamine Faced Particleboard
100x10cm Sterling 0.74/pc
Medium Price
Melamine Faced Particleboard
100x10cm Sterling 0.59/pc
Lower Price
Melamine Faced Particleboard
100x10cm Sterling 0.53/pc

The US Market

Hardwood Supply

Severe weather conditions plagued several regions of the US during the early part of this year. Many mills, especially along the Mississippi and its tributaries, experienced severe flooding and had to curtail production.

Sawmills are only now breathing a sigh of relief as the log supply situation is easing over most of the country. Although supplies are not yet back to where they have been and stumpage prices are still on the rise. Millers fears of running out of logs and having to stop production no longer exists.

Hardwood Demand

Demand for hardwood is steady throughout most of the US however, in comparison to the first few months of 1997, demand is dull. Now that more lumber is on the market, buyers are becoming more selective about quality. This applies to most species with Ash being the most sluggish. There are exceptions, however, some buyers have trouble obtaining Hard Maple and they are still paying a premium for the wood.

There is a possibility that interest rates will be increased and this could interrupt housing starts. By implication this would put a damper on demand. At this point in time analysts believe that the level of construction will remain healthy for 1997 but not as high as last year.

Regional Differences

Demand for hardwood in the Northeast is less vibrant than earlier in the year and prices seem to be leveling off. Nevertheless, most species are moving reasonably well, with Hard Maple, Cherry, and Red Oak remaining the favorites.

Demand for lumber in the South Central States is fairly strong and kiln dried Red Oak is selling particularly well. The spring of 1997 was one of the better seasons during the past few years. The supply of logs is not where it should be and even though the long rain period is over and logging conditions have improved, sales are still ahead of production.

The Central Atlantic region is the brightest spot around the country concerning the availability of wood. Mills are more worried about having too many logs, as they might

deteriorate during the summer. The strong supply is matched by a strong demand. Sales are brisk and some suppliers continue to raise prices on almost every species. Nevertheless, it is felt that a situation of overproduction may develop during the next few months.

Mills continue to enjoy favorable markets in the Western region. Demand is brisk and lumber prices are rising slightly. Maple remains the hot seller and most buyers are willing to pay a premium for it. Red Oak and White Oak are also selling well.

The log supply in Tennessee has strengthened in recent months. At the same time demand has softened and some lumber prices came under pressure. In particular, Ash has been fairly flat. While business is not as good as earlier this year, it is still acceptable for most species. Red Oak and Maple fare reasonably well. Mixed species and core stock also seem to be in high demand.

Some reference prices as of July 1, 1997 for lumber in selected regions are shown below:

Prices for 1000 board feet (MBF) 1 inch thick, top quality

Mahogany (at West coast port of entry)
US\$2695 KD no change since June 1, 1997
US\$2550 AD no change since June 1, 1997

Meranti (at West coast port of entry)

Clear, dark red
US\$2270 KD ↑ US\$50
Clear, light red
US\$2085 AD ↑ US\$50

Cherry
Appalachian Region
US\$2500 KD ↑ US\$20

Hard Maple
Northern Region
US\$2290 KD ↑ US\$90
US\$1865 AD ↑ US\$25
Appalachian Region
US\$2185 KD ↑ US\$40

Red Oak
Northern Region
US\$1588 KD ↑ US\$15
US\$1310 AD ↑ US\$10

Southern Region

US\$1303 KD ↑ US\$5
US\$1010 AD no change

Appalachian Region

US\$1458 KD no change
US\$1100 AD no change

White Oak

Northern Region

US\$1370 KD no change
US\$975 AD no change

Southern Region

US\$1260 KD ↓ US\$10
US\$930 AD ↓ US\$10

Appalachian Region

US\$1443 KD no change
US\$1098 AD no change

Walnut

Appalachian Region

US\$1923 KD ↓ US\$25
US\$1385 AD no change

Plywood and Veneer

Hardwood Plywood
Red Oak plywood, 5-ply, lumber core
cross bands of poplar or gum
Both exterior layers of Red Oak
Furniture grade, rotary cut 4' x 8' 0.75" thick
per Sheet US\$47.00

Veneer Red Oak, 1/45", flat stock,
Container loads/truck-loads
per sq.ft. US\$0.10-0.15

Reconstituted Boards

Particleboard
Industrial grade board, 4' x 8' x 3/4"
South Central Region
per 1000 sq.ft. US\$273 ↓
Medium Density Fibreboard
Industrial grade board, 4' x 8' x 3/4"
per 1000 sq.ft. US\$383

Millwork

Wood Window Units

Wood sliding window Double glassed,
Upper/lower sash can be tilted. 32" x 54"

US\$82 ↑

Wood Doors

Interior door solid wood Raised colonial panels
without frame and hinges. 2'8" x 6'8" x 1.75"

US\$59.50

Wood Mouldings

White Pine moulding, 3.625" wide,
1" stock, finger jointed length approx. 16'
per linear foot

US\$0.32

Wood Frames for Upholstered Chairs

Frame for lounge chair, 1" stock
nailed corner blocks

US\$44 ↓

Headboard for Bed

18th century French Fairhope headboard
Mahogany veneer on particleboard.
Width 43", Ht. 60.6"

US\$265

Dresser used in the Bedroom

18th century French Elm Bluff 9 drawers.
Mahogany veneer on particleboard.
64" x 19", Ht. 36"

US\$479

Desks for use in the Office

Conference desk 5 drawers
Mahogany veneer on particleboard.
72" x 36", Ht. 29"

US\$903

Wooden Furniture

Dining Room Table

18th century, French oval dining room table
extendible, with casters

Mahogany veneer on particleboard 64" x 44"
two 15" leaves, extends to 94", Ht. 30"
Apron to floor 26.5"

US\$615

Dining Room Chair

18th century French Mallard chair Solid Maple
21" x 22", Ht. 44.5" Seat 21" x 17.75, Ht. 18"

US\$186 ↓

Bookcase for the Living Room

18th century traditional styled bookcase
Sheraton accents.

Base 2 doors one adjustable shelf behind doors

Top cabinet deck 3 adjustable wood shelves.

Maple solids and select cherry veneer

Hand-rubbed cherry finish.

50.25" x 16.5", Ht. 88.5"

US\$795

American expenditure on durable consumer goods remain strong. Prices for furniture are still moving upwards at a rate equivalent to 2% to 4% on an annual basis. It seems, however, that the fast economic pace of the economy cannot be maintained and analysts are anticipating a slowdown in the second half of 1997 and in 1998.

World Value of the US Dollar 7th July 1997

Cameroon	C.F.A.Franc	590.12	Australia	Dollar	1.336
Central African Republic	C.F.A.Franc	590.12	Canada	Dollar	1.38
Congo, People's Rep.	C.F.A.Franc	590.12	China	Yuan	8.2917
Cote d'Ivoire	C.F.A.Franc	590.12	Egypt	Pound	3.3938
Gabon	C.F.A.Franc	590.12	Austria	Schilling	12.323
Ghana	Cedi	2120	Belgium	Franc	36.13
Liberia	Dollar	1	Denmark	Krone	6.6681
Togo, Rep.	C.F.A.Franc	590.12	Finland	Markka	5.2116
Congo D.R	New Zaire	112500	Germany	Mark	1.75122
Cambodia	Riel	2744	Greece	Drachma	275.59
Fiji	Dollar	1.4168	Ireland	Punt	0.657
India	Rupee	35.77	Italy	Lira	1705
Indonesia	Rupiah	2430	Netherlands	Guilder	1.971
Malaysia	Ringgit	2.5247	Portugal	Escudo	176.55
Myanmar	Kyat	6.21515	Spain	Peseta	147.725
Papua New Guinea	Kina	1.3889	Sweden	Krona	7.7064
Philippines	Peso	26.405	United Kingdom	Pound	0.595
Thailand	Baht	28.85	Japan	Yen	113.38
Bolivia	Boliviano	5.24	Nepal	Rupee	56.95
Brazil	Real	1.0778	New Zealand	NZ Dollar	1.4759
Colombia	Peso	1100.8	Norway	Krone	7.2931
Ecuador	Sucre	3987.5	Korea, Rep. of	Won	887.35
Guyana	Dollar	142.3	Switzerland	Franc	1.4671
Honduras, Rep.	Lempira	13	Russian Fed.	Ruble	
Panama	Balboa	1	EU	Ecu	0.8895
Peru	New Sol	2.6605			
Trinidad and Tobago	Dollar	6.138			
Venezuela	Bolivar	487.88			

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
		↓ ↑	Price has moved up or down

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<http://www.itto.or.jp>

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To be included on our E-mail mailing list please send your E-mail address to:

mjadams@itto.or.jp