

GTI-PRODUCERS REPORT

MONTHLY

GGSC-No. 12/2024

Tracking and monitoring the timber market
trend of the ITTO Producers.



The pilot countries for the GTI-Producers include Indonesia, Malaysia, Thailand, Gabon, Republic of the Congo, Ghana, Brazil, and Mexico. In 2022, the total production quantity of logs and sawnwood in the eight countries mentioned above was 289 million cubic meters, accounting for **63.7%** of the 37 ITTO producers' total quantity.

Introduction to the GTI-Producers

GTI-Producers is a specialized prosperity index for ITTO producers, reflecting the development trend of timber harvesting and primary processing in producers represented by the pilot countries.

1. Calculation Method

The GTI-Producers was compiled using a weighted composite index method. That is, taking all timber producing countries of GTI pilot countries as a whole, each country's weight is determined based on the proportion of logs and sawnwood production quantity. GTI-Producers is calculated based on the weight.

Data basis: The data is from ITTO database, and the logs and sawnwood production quantity is the data over the 5 years (2018-2022). GGSC evaluates the weights annually to determine whether to adjust them.

Formula:

$$\text{GTI-Producers} = 52\% \times \text{GTI-Brazil} + 28\% \times \text{GTI-Indonesia} + 7\% \times \text{GTI-Thailand} + 6\% \times \text{GTI-Malaysia} + 4\% \times \text{GTI-Mexico} + 1\% \times \text{GTI-Gabon} + 1\% \times \text{GTI-ROC} + 1\% \times \text{GTI-Ghana}$$

Please refer to the GTI Monthly Report so as to find the calculation method of GTI index for each producing country.

2. Interpretation

The value of the GTI-Producers is between 0-100%, and 50% is the critical value of the index.

GTI-Producers reading above 50 percent indicates that the industry prosperity is generally expanding; below 50 percent indicates that it is generally declining.

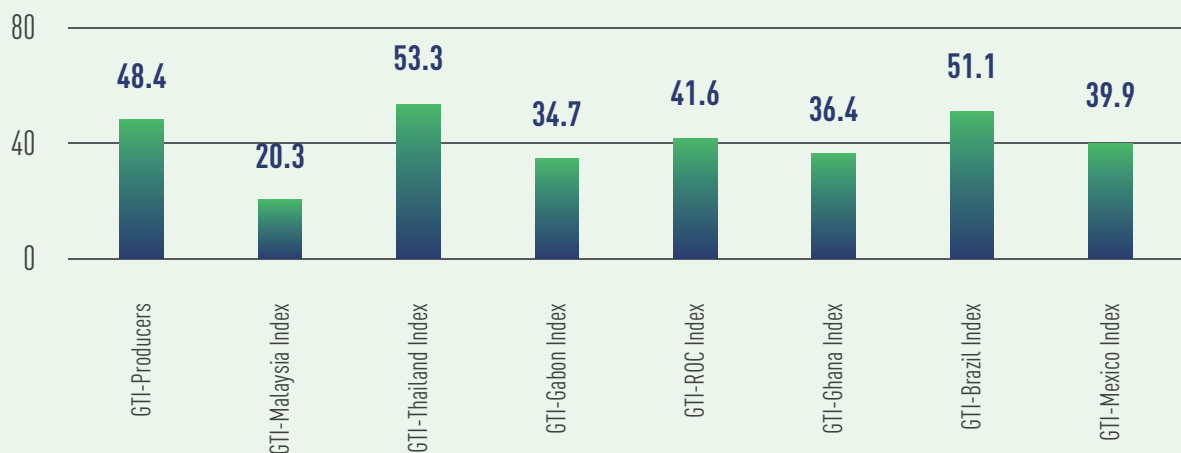
3. Index Representativeness

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GTI-Producers Report for December 2024



GTI-Producers in December 2024 (%)



In December 2024, the GTI-Producers registered 48.4% and had stayed below the critical value (50%) for eight consecutive months, indicating a continued downturn for the overall prosperity of the timber harvesting and primary processing industries in the pilot producing countries. The timber sector in Brazil showed a clear improvement compared to the previous month, and Thailand's timber supply and demand continued to grow. However, timber sectors in other countries still faced several challenges, with their indexes remaining in the contraction territory. Currently, the global timber market continues to perform weakly, and for timber-producing countries, there is still significant room for growth in both supply and demand.

In Asia, the GTI indexes for Thailand and Malaysia registered 53.3% and 20.3%, respectively. Thailand's index had remained above the critical value for two consecutive months, indicating a continued upward trend in the sector, while Malaysia's index was still at a low level. Specifically, Malaysia's harvesting and production volumes dropped significantly, while Thailand's timber harvesting decreased but production volume had risen for two consecutive months. On the demand side, new orders for Malaysia continued to decline in domestic and international markets, particularly with a notable drop in export orders. However, the number of orders for Thailand had increased for two consecutive months, especially with a large growth in domestic demand.

In Africa, the GTI indexes for the Republic of the Congo (ROC), Ghana, and Gabon were at 41.6%, 36.4%, and 34.7%, respectively, all in the contraction territory below the critical value. The overall performance of Ghana's timber sector shifted from expansion to contraction, mainly due to a significant drop in production volume and domestic orders. Gabon's timber sector continued the contraction trend observed in the previous month, with harvesting, production, and orders all declining this month, and news from the GTI focal point indicated a notable decrease in companies' capacity utilization rate. In ROC, the timber sector showed a slight contraction on both the supply and demand sides, and production and operational performance in recent months mainly featured a slight decline.

In Latin America, the GTI indexes for Brazil and Mexico registered 51.1% and 39.9%, respectively. The Brazil's index had risen above the critical value. In the country, the volume of harvesting continued to decrease due to persistent rainfall, the production volume kept declining against the backdrop of high levels of inventory, however, the timber market showed strong performance this month, with both domestic and international orders increasing. In Mexico, timber harvesting and production volume continued to decline. The export market was relatively stable, but the domestic timber market contracted, so companies in the country hoped that the government would increase import restrictions and encourage consumers to prioritize local products.

Overview of GTI Indexes for Pilot Countries (%)



	2024.07	2024.08	2024.09	2024.10	2024.11	2024.12	MoM	Performance
GTI-Producers	41.2	45.6	49.1	43.7	40.2	48.4	8.2 ↑	Contract
GTI-Indonesia Index	46.4	50.4	50.4 (Estimate)	50.4 (Estimate)	50.4 (Estimate)	50.4 (Estimate)	0	Expand
GTI-Malaysia Index	25.7	31.5	29.0	22.8	18.8	20.3	1.5 ↑	Contract
GTI-Thailand Index	48.4	50.0	49.1	44.2	50.3	53.3	3.0 ↑	Expand
GTI-Gabon Index	46.4	40.8	26.3	35.4	39.4	34.7	-4.7 ↓	Contract
GTI-ROC Index	48.1	48.5	44.9	48.1	45.7	41.6	-4.1 ↓	Contract
GTI-Ghana Index	46.8	39.4	46.7	48.0	59.6	36.4	-23.2 ↓	Contract
GTI-Brazil Index	39.2	44.5	52.3	43.2	35.8	51.1	15.3 ↑	Expand
GTI-Mexico Index	37.0	40.9	37.1	33.9	35.5	39.9	4.4 ↑	Contract

ITTO Producers



Africa (14)

- Angola
- Benin
- Cameroon
- Central African Republic
- Congo
- Côte d'Ivoire
- Democratic Republic of the Congo
- Gabon
- Ghana
- Liberia
- Madagascar
- Mali
- Mozambique
- Togo

Asia & Pacific (10)

- Cambodia
- Fiji
- India
- Indonesia
- Malaysia
- Myanmar
- Papua New Guinea
- Philippines
- Thailand
- Viet Nam

Latin America (13)

- Brazil
- Colombia
- Costa Rica
- Ecuador
- Guatemala
- Guyana
- Honduras
- Mexico
- Panama
- Peru
- Suriname
- Trinidad and Tobago
- Venezuela (Bolivarian Republic of)



ITTO
INTERNATIONAL TROPICAL
TIMBER ORGANIZATION

About ITTO

The International Tropical Timber Organization, ITTO for short, is an intergovernmental organization promoting the sustainable management and conservation of tropical forests and the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests. It located in Yokohama, Japan. At present, there are 76 ITTO members countries. ITTO's membership represents about 90% of the global tropical timber trade and more than 80% of the world's tropical forests.



全球林产品绿色供应链倡议
GLOBAL GREEN SUPPLY CHAINS INITIATIVE

About GGSC

Global Green Supply Chains Initiative (GGSC) is part of the Legal and Sustainable Supply Chains (LSSC) Programme, which was approved at the 53rd session of the International Tropical Timber Council for being included into the Biennial Work Programme (BWP) of International Tropical Timber Organization (ITTO). Launched in 2018 by leading Chinese enterprises in forest products industry, GGSC became an international initiative in 2019. Since then, GGSC has been acting as a global platform for serving the sustainable development of the forest products industry.

Declaration

GTI-Producers Report is compiled based on the data provided by the timber enterprises in timber producing countries. The data can not be used in investment decision-making, but can help to understand the timber industry trend.

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