

Tropical Timber Market Report

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Top story

Brazil's timber sector facing severe consequences from US tariffs

The Brazilian Association of Mechanically Processed Timber Industry (Abimci) has expressed deep concern over the impact of the US government decision to impose a 50% tariff on Brazilian timber products.

Some companies have introduced mandatory worker leave while others are preparing for layoffs. Production is being reduced across the entire sector and in many cases it has come to a complete halt.

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Log shortage reported in Cameroon

The immediate challenge in the milling sector is an acute log shortage say producers. Some major sawmills report virtually empty log yards forcing reduced shifts or complete shutdowns. It has been reported that at least three sawmills in Douala have temporarily ceased operations and relocated outside the city limits to free up land for urgent housing construction. Overall industry sentiment is one of frustration and uncertainty as raw material supplies remain critically low.

Heavy rains across the country have stalled harvesting operations, exacerbating an existing log shortage. The onset of the rain season has brought widespread downpours, creating impassable conditions on laterite roads. Transport delays of up to two days from forest areas to mills have reduced overall throughput.

Rail services continue without major disruption. Container availability at Douala and Kribi ports remain adequate, however, berthing issues can delay loading by up to a week. Shipping lines report Cameroon now loading roughly 75% of Gabon's timber volumes, exacerbating port congestion.

With 28 presidential candidates now declared ahead of October elections uncertainty is dampening investment appetite. Ministerial departures to contest the vote underscore the volatility. Operators have adopted a "keep the mills running" stance, deferring serious capital expansions until the post-election outlook stabilises.

Rain wreaking havoc on road repairs and log haulage in Gabon

Despite it being the 'official' dry season, persistent daily showers in Libreville and rain further north near the Cameroon border are wreaking havoc on road repairs and log haulage. Through late July, operations in the bush remain constrained by lingering rains as mentioned above, with many peeling and plywood plants in the Nkok special economic zone running a single shift.

Persistent downpours continue to render laterite access roads between Okondja, Makokou, Lastourville and Lope virtually impassable causing trucks to abandon certain routes altogether. Operators are pinning their hopes on the 'true' dry spell, expected in August, to rebuild log stocks but anticipate that unhindered timber transport will not resume until around September.

Despite quiet markets in India and China, demand for Okoume logs continues with prices around CFA70,000 per cubic metre delivered to Nkok rising to CFA80,000 for top-grade logs.

It has been rumoured that a Chinese-owned plywood mill in Nkok has acquired the prestigious Rougier brand strengthening its foothold in the Dutch market.

The rail company SETRAG struggles to meet shippers' needs despite a ministerial directive to prioritise timber. A fresh infusion of Central African Development Bank funds should accelerate track and bridge repairs and SETRAG has already begun replacing wooden sleepers with concrete.

The two Turkish power-ships have largely stabilised Libreville's electricity supply following government intervention. Outages have fallen from daily multi-hour cuts to perhaps one brief disruption each week, though some night-time interruptions of two to three hours persist. Mill operators report no significant shortages of spare parts or other critical inputs but they remain wary of contractual disputes with certain public agencies.

Owendo Port continues to handle timber dispatches without container shortages though berthing delays of two to three days recur when grain vessels and roll-on/roll-off ships occupy quay space. Overall port charges and customs duties remained unchanged through July.

Since January, every bundle of sawn timber must carry GPS-verified origin data and as of July forestry inspectors have begun rigorous cross-checks of both bundle tags and truck loads in the bush. Any sawntimber truck longer than 13m or carrying logs under minimum diameters (e.g. Okoume below 70 cm) is subject to immediate seizure. A new weighbridge facility 150 km from Libreville is due to become operational in August eliminating most remaining avenues for non-compliant transport.

The traders in the Middle East report growing competition from Brazilian pine which is exerting downward pressure on Okoume prices but orders for Andoung and Iroko remain healthy.

Heavy rain continues to disrupt road transport in Republic of Congo

Producers report market activity is relatively quiet. In the north of the Republic of Congo heavy rains continue to disrupt overland shipments bound for Kribi and Douala compounding already weakened production due to muted Chinese demand. Meanwhile, the southern basin remains dry but output levels have yet to recover as long-term contracts and slow markets keep sawmills operating well below capacity.

No significant changes were reported in harvesting volumes or log throughput this period. Road and rail links to Pointe-Noire continue to operate with spare-part availability for logging machinery remaining adequate. Market demand for Congolese sawn timbers and veneers remains steady but very subdued.

There have been no new forestry regulations, ministerial decrees or policy announcements affecting timber production or exports since the last update. With no significant developments in the forestry and transport sectors industry participants anticipate that conditions will remain stable into early August.

Log export prices

West African logs Asian market	FOB Euro per cu.m		
	LM	B	BC/C
Acajou/ Khaya/N" Gollon	220	220	175
Ayous/Obeche/Wawa	220	220	200
Azobe & ekki	250	250	175
Belli	220	220	-
Bibolo/Dibétou	200	200	-
Bilinga	230	230	-
Iroko	270	250	225
Okoume (60% CI, 40% CE, 20% CS) (China only)	180	180	220
Moabi	260	260	220
Movingui	180	180	-
Niove	160	160	-
Okan	210	210	-
Padouk	280	250	220
Sapele	230	230	220
Sipo/Utile	250	250	200
Tali	260	260	-

Sawnwood export prices

West African sawnwood	FOB Euro per cu.m
Ayous FAS GMS	440
Bilinga FAS GMS	680
Okoumé FAS GMS	420
Merchantable KD	400
Std/Btr GMS	420
Sipo FAS GMS	520
FAS fixed sizes	-
FAS scantlings	540
Padouk FAS GMS	850
FAS scantlings	900
Strips	400
Sapele FAS Spanish sizes	530
FAS scantlings	550
Iroko FAS GMS	850
Scantlings	900
Strips	400
Khaya FAS GMS	420
FAS fixed	440
Moabi FAS GMS	550
Scantlings	550
Movingui FAS GMS	460
Okoume Merch	380
Assamela FAS GMS	1,400
Gheombi	450

Through the eyes of industry

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

See: <https://www.itto-ggsc.org/static/upload/file/20250716/1752653872183995.pdf>

Ghana

Eurobond holders paid

Ghana has made significant progress in fulfilling its debt service obligations with two debt payments totalling about US\$700 million paid to Eurobond holders in the first half of 2025 according to the Minister of Finance, Dr. Cassiel Ato Forson.

When delivering the 2025 Mid-Year Budget Review in Parliament Dr. Forson affirmed the Government's commitment to restoring debt sustainability and maintaining investor confidence.

The Minister further indicated that GH¢9.8 billion in domestic coupon payments were also made to Domestic Debt Exchange Programme (DDEP) bondholders in the first half of 2025.

Ghana's total public debt has declined significantly from GH¢726.7 billion at the end of December 2024 to GH¢613 billion as of end of June 2025. The decline translates into a negative 16% rate of debt accumulation, improving the country's debt-to-GDP ratio from 62% at the end of 2024 to 44% as of June 2025.

Meanwhile, the Monetary Policy Committee (MPC) of the Bank of Ghana (BoG) has announced that the economy has seen some significant improvements with a positive outlook as all macro-economic indicators showed good results.

President John Mahama, in advance of the recent Budget Statement, revealed that Ghana's international reserves had increased to six months of import cover from the 4.7 months quoted by the Bank of Ghana in April this year..

See: <https://www.graphic.com.gh/news/general-news/govt-pays-700m-to-eurobond-holders-ghc9-8bn-to-domestic-investors.html> and <https://mofep.gov.gh/sites/default/files/budget-statements/2025-Mid-Year-Fiscal-Policy-Review.pdf>

Teak accounted for 85% of sawnwood exports

According to the Timber Industry Development Division (TIDD) of the Forestry Commission, wood product exports from Ghana during the first five months of 2025 totalled 96,416 cu.m valued at Euro44.84 million compared to 111,999 cu.m and Euro51.44 million in the same period in 2024.

This represents a decline of 14% and 13% in volume and value respectively. During the period, exports of all timber products declined except for billets and sliced veneer.

Wood products export: January to May 2025

	2025 cu.m	YoY % change
AD sawnwood	56,228	-8%
KD sawnwood	13,056	-14%
Billets	10,233	133%
Plywood (Overland)	6,540	-13%
Plywood	794	-89%
Rotary Veneer	3,204	-19%
Mouldings	2,213	-19%
Sliced Veneer	3,139	30%
AD boules	67	-82%
KD boules	29	-83%
Others (9)	913	-88%
Total	96,416	-14%

Data source: TIDD

Air and kiln dried sawnwood together contributed 69,284 cu.m (72%) of the total export volume for the period January to May 2025. While for the same period in 2024 these products contributed 76,242 cu.m (68%) of the total export volume.

The data showed that sawnwood exports in 2025 accounted for 69% of the total value of wood exports for the period January-May while the contribution of billets and plywood to regional market exports were 7% and 6% respectively, 15 other products contributed the balance of the total exported value.

Of the total sawnwood exports, the kiln-dried sawnwood volume was four times more than that of the air-dried sawnwood during the period. There was a marked difference in the range of species exported depending on whether the timber was kiln or air dried.

Wawa dominated exports of air dried sawnwood for the period but for kiln dried sawnwood teak accounted for 85% of the total.

Major sawn export species, first five months of 2025

Air dry sawnwood export species

Species	Cu.m	% of exports
Wawa	6,090	47%
Cedrela	2,445	19%
Dubini	827	6%
Odum	691	5%
Dahoma	448	3%
Other (24)	2,555	20%
Total	13,056	

Data source: TIDD

Kiln dry sawnwood export species

Species	Cu.m	% of exports
Teak	47,518	85%
Denya	4,829	9%
Dahoma	630	1%
Kaku	790	1%
Niangon	516	1%
Others (16)	1,945	3%
Total	56,228	

Data source: TIDD

A drop in export volumes of plywood (-88%), kiln dried boules (-83%), air dried boules (-81%) and rotary veneer (-19%) could be attributed to the inadequate domestic supply of logs.

Parliament ratifies Timber Utilisation Contracts (TUCs)

Ghana's Parliament has ratified Timber Utilisation Contracts (TUCs) for some 131 companies for a sustainable timber trade in the country in accordance with article 268 of the 1992 Constitution.

The Ministry of Lands and Natural Resources convened a high-level consultative meeting on the ratification of the TUCs bringing together representatives from key Ministries, Non-governmental organisations and stakeholders in the timber industry.

The meeting discussed the status of the TUC ratification process which was before Cabinet for approval and also reviewed progress on the issuance of Forest Law Enforcement, Governance and Trade (FLEGT) license.

In his remarks, Innocent Haligah, speaking on behalf of the Sector Minister Hon. Emmanuel Armah-Kofi Buah, welcomed participants and highlighted ongoing efforts by the Ministry to meet critical deadlines for the issuance of the FLEGT license.

The TUC ratification and FLEGT licensing processes are seen as vital components of Ghana's commitment to sustainable forest management and legal timber trade under international agreements.

The consultative meeting provided the platform for stakeholders to share insights, raise concerns and align strategies toward achieving a transparent and accountable forestry sector.

See: <https://gna.org.gh/2025/07/parliament-ratifies-five-mining-lease-agreements-timber-utilisation-contracts-for-131-companies/>

Company claims it faces collapse as illegal logging depletes forest reserves

A major company in the newly-created Ahafo Region has warned it faces collapse from illegal mining and logging activities as encroachers are fast depleting the forest reserve that feeds raw material to the company.

The General Manager of the company raised the alarm over the devastating impact of illegal logging on the company's operations, during a working visit by the Ahafo Regional Minister, Charity Gardiner.

In a related development, the University Teachers Association of Ghana (UTAG), which is deeply concerned about the continued destruction of Ghana's environment through illegal mining activities, has threatened a nationwide strike if there is no action to address the country's 'galamsey' threats.

See: <https://www.adomonline.com/ayum-timber-company-faces-collapse-as-illegal-logging-depletes-forest-reserves/> and

<https://www.myjoyonline.com/utag-gives-mahama-government-3-month-ultimatum-to-end-galamsey-or-face-strike/>

Boule export prices

	Euro per cu.m FOB
Black Ofram	330
Black Ofram Kiln dry	420
Niangon	780▲
Niangon Kiln dry	910

Rotary veneer export prices

Rotary Veneer, FOB	Euro per cu.m	
	CORE (1-1.9mm)	FACE (>2mm)
Ceiba	361▲	410
Chenchen	502▲	612
Ogea	362	590
Essa	430▼	656
Ofram	350	435

Sawnwood export prices

Ghana sawnwood, FOB	Euro per cu.m	
FAS 25-100mmx150mm up x 2.4m up	Air-dried	Kiln-dried
Afrormosia	860	925
Asanfina	465	947
Ceiba	290	465
Dahoma	416▼	543
Edinam (mixed redwood)	640	672
Emeri	715▲	743
African mahogany (Ivorenensis)	783	976
Makore	692	820▲
Niangon	824▼	855▼
Odum	887	1,160
Sapele	695	765
Wawa 1C & Select	470▼	490▲

Plywood export prices

Plywood, FOB	Euro per cu.m		
BB/CC	Ceiba	Ofram	Asanfina
4mm	465	580	641
6mm	450	535	604
9mm	409	504	560
12mm	350	489	480
15mm	396	356	430
18mm	460	415	383

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

Sliced veneer export prices

Sliced face veneer	FOB Euro per cu.m
Asanfina	1,121
Avodire	2,688
Chenchen	788▲
Mahogany	1,048
Makore	939▼
Odum	1,333▼
Sapele	1,823▲

Through the eyes of industry

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

See: <https://www.itto-ggsc.org/static/upload/file/20250716/1752653872183995.pdf>

Malaysia

Overall trade growth

The recorded cumulative trade value increase by 4.8% to RM1.465 trillion in the first half of 2025 reflecting the strength and resilience of Malaysia's external trade position.

The country's trade surplus surged to RM8.59 billion in June compared to RM759.9 million in May 2025 marking the 62nd consecutive month of surplus since May of 2020. The key factors driving exports in June included palm oil and palm oil-based agricultural products which recorded double-digit growth for 15 consecutive months.

See:

<https://theborneopost.pressreader.com/article/282153592318217>

Muar Furniture Association - outlook tough

The furniture sector is struggling under mounting international and domestic pressures leading to some long-standing manufacturers shutting down after decades of operation. Muar Furniture Association (MFA) president, Steve Ong, said some businesses had ceased operation over the past two years, including several original equipment manufacturers as they felt the future of the industry was not promising.

"The situation has become increasingly tough for local furniture makers who are already grappling with policies that burden businesses. Aside from having to deal with the expanded sales and service tax (SST), the US-imposed tariffs on Malaysian exports are an added burden for those focused on the American market," he said.

Ong, who's Association represents more than 800 members, pointed out that high electricity tariffs and mandatory the Employees Provident Fund (a national retirement fund) contributions for foreign workers are also adding to the pressure on businesses.

He said MFA has continued to call for a temporary suspension of the SST, electricity tariff hike and EPF contribution for foreigners.

Ong also urged the government to provide financial incentives or assistance to help companies transition effectively.

He said that while the government is encouraging automation many industry players are hesitant to make the change. “If local furniture makers are forced to shut down or relocate overseas it will not only affect jobs but the entire supply chain will suffer,” he said.

The MFA held a dialogue session with industry recently to listen to their concerns. Many participants, including a furniture maker who has been in the business for over four decades, lamented about the “policies that are not business-friendly” which are hurting the economy.

Malaysian Furniture Council president, Desmond Tan, who is also MFA executive adviser, said the council received over 180 petitions from industry players about the untimely policies. He added that the council had submitted a petition to Plantation and Commodities Ministry over the matter.

See: https://www.thestar.com.my/news/nation/2025/07/24/furnitures-tough-outlook#goog_rewarded

Value of timber trade

Malaysia’s total value of wood and wood products trade (exports and imports) reached RM 9.95 billion in the first four months of this year, said Sarawak Timber Industry Development Corporation (STIDC) General Manager, Zainal Abidin Abdullah. Last year, timber exports earned RM22.9 billion, a solid almost 5% increase from the previous year.

He said exports contributed RM7.183 billion, signifying strong demand for Malaysian timber products while imports stood at RM 2.767 billion, reflecting healthy domestic use and a well-connected supply chain.

Wooden furniture took the lead in exports bringing in RM3,083 million, followed by plywood (RM742.5 million), sawn timber (RM582.5 million) and fibreboard (RM210 million). Zainal also pointed out material shortages as ‘a significant hurdle’, with Malaysia importing up to 60% of its raw materials such as timber, hardware and fabrics.

Zainal continued saying that Sarawak’s timber export earnings reached RM2.84 billion last year, a slight drop from RM3.14 billion in 2023.

“Sarawak, despite its rich timber resources, exports raw wood rather than finished products thus limiting value-added opportunities. In addition, our industry relies heavily on foreign workers which affect skills retention and innovation. Locally, there is a shortage of skilled craftsmen and designers, which slows productivity and the adoption of new technologies”, he said.

On STIDC, Zainal said a comprehensive ‘Furniture Industry Blueprint’ had been developed to map out a clear, strategic pathway for the sector’s growth encompassing product development, supply chain strengthening and market expansion.

See: <https://mail.google.com/mail/u/0/?tab=rm&ogbl#inbox/WhctKLbfNvkzcqDsrmkPmfhwKNZdfpQjnsLZwWDDVJlWjchjQvfXKqGXVmJmQMmlxhDwFBb>

Training future foresters

Nineteen postgraduate students from Universiti Malaysia Sabah (UMS) completed a four day intensive training workshop aimed at empowering the younger generation to understand sustainable forest management and biodiversity conservation.

The high-impact training, GIS & Statistical Analysis Training Workshop was held through a special collaboration between UMS and the Sabah Environmental Trust (SET), a local non-governmental organisation.

Dr. Elia Godoong, a Senior Lecturer at the Faculty of Tropical Forestry, UMS and one of the workshop trainer on statistics said the participants were introduced to both technical and practical skills essential for forest management and biodiversity conservation.

The participants also learned to use advanced geospatial technologies such as Geographic Information Systems (GIS), as well as big data analytics and statistical modeling approaches using R software.

See: <https://mail.google.com/mail/u/0/?tab=rm&ogbl#inbox/WhctKLbfMvLSsWZhZPrPFdntqvwcmlDbgMdlVdkMjMLsHrqRLkHvpzIJZGhcldldHMMTwKbB>

Certification Standard review

The Malaysian Timber Certification Council (MTCC) is conducting a scheduled review of two Standards under the Malaysian Timber Certification Scheme (MTCS). This review aims to ensure continued relevance, alignment with international requirements and incorporation of national and stakeholder interests. Feedback is invited to help strengthen the MTCS by improving the standards’ clarity, feasibility and effectiveness.

The review of the Malaysian Timber Certification Scheme (MTCS) standards, particularly MTCS ST 1002:2021 Malaysian Criteria and Indicators for Sustainable Forest Management and MTCS ST 1003:2021 Group Forest Management Certification – Requirements, is a crucial process to ensure their continued relevance, credibility, and alignment with international best practices in sustainable forest management and certification.

See: <https://mtcc.com.my/mtcs-standard-review-initial-feedback-on-existing-standards/>

USITC found hardwood and decorative plywood imports have caused "material injury"

The US International Trade Commission (USITC) has made a preliminary ruling favoring domestic hardwood and decorative plywood (HWDP) producers. This decision comes after an anti-dumping petition was filed against HWDP exports from Indonesia, Vietnam and China.

The USITC found sufficient indications that these imports have caused "material injury" to the US HWDP industry. This initial ruling, made on 3 July, is expected to be finalised later this year and follows a petition submitted by the Coalition for Fair Trade in Hardwood Plywood.

See: <https://agroindonesia.co.id/itc-plywood-indonesia-rugikan-produsen-dalam-negeri-as/>

Furniture exports face challenges despite IEU-CEPA

The Indonesian Furniture and Craft Industry Association (Himki) sees significant potential in the European Union (EU) furniture market valued at an annual US\$58.4 billion especially in light of the, soon to be finalised, Indonesia-European Union Comprehensive Economic Partnership Agreement (IEU-CEPA).

However, Himki Chairman Abdul Sobur said" this potential cannot fill the gap in expected declines in exports to the US due to tariffs".

The EU market presents significant challenges due to strict sustainability and due diligence standard and this requires time for local producers to adapt, invest and reposition their products focusing on high value-added items with strong designs and non-price competitiveness.

Despite these hurdles, Sobur acknowledges the benefits of the IEU-CEPA. These include zero tariffs for most Indonesian furniture and craft products entering the EU enabling more competitive market access.

The agreement also provides incentives for industrial transformation towards environmentally friendly practices and certification. Furthermore, it opens opportunities for technical cooperation, joint ventures with European brands and strengthens Indonesia's position as an alternative supply chain for Europe.

The (IEU-CEPA) could increase furniture exports to the EU by 15% to 25% within the first three years of its implementation depending on the industry's preparedness, said Sobur.

See: <https://www.msn.com/id-id/berita/other/pengusaha-mebel-sebut-pasar-eropa-menantang-meski-ada-ieu-cepa/ar-AA11FFV5?ocid=BingNewsVerp>
and
<https://www.msn.com/id-id/berita/other/ieu-cepa-berpotensi-dongkrak-ekspor-mebel-ke-eropa-hingga-25/ar-AA11zA5I?ocid=BingNewsVerp>

Tariffs a burden for SME manufacturers

Despite a new 19% reciprocal tariff imposed by US President Donald Trump, the Indonesian Furniture and Craft Industry Association (Himki) anticipates moderate growth of 5-7% annually in furniture exports to the US.

Himki acknowledges that the 19% tariff remains a burden for Indonesian manufacturers, particularly small and medium enterprises.

Export growth is not expected to match pre-trade war levels as US buyers are now more cost-conscious and exploring alternative markets.

See: <https://ekonomi.bisnis.com/read/20250717/257/1893665/tarif-trump-19-ekspor-furnitur-ri-ke-as-diproyeksi-tumbuh-moderat>

Agroforestry skills for forest communities

Indonesian Minister of Manpower, Yassierli, highlighted the critical role of agroforestry skills in improving the economic well-being of families in forest communities.

Speaking in Padang City at the opening of the "Human Resources Empowerment in the Forestry Sector for Agroforestry Farmers" training, Minister Yassierli stated that the goal is for village communities near forest areas to gain strong agroforestry skills. This will enable them to contribute to their families' economies without resorting to deforestation.

See: <https://en.antaranews.com/news/365885/minister-promotes-agroforestry-skills-for-forest-communities-growth>

Indonesia taps social forestry to boost food security

Indonesia's Minister of Forestry, Raja Juli Antoni, has highlighted the social forestry policy as a key strategy to enhance national food security. He emphasised that this effectively links environmental conservation with grassroots economic development.

This initiative aims to boost the forestry sector's contribution to food self-sufficiency and directly improve the welfare of forest farmers.

The Minister expressed the government's openness to collaborate with stakeholders to ensure sustainable forestry practices while strengthening the sector's role in food security and local livelihoods.

See: <https://en.antaranews.com/news/365365/indonesia-taps-social-forestry-to-boost-food-security>

Addressing degraded forests

The Ministry of Forestry reports that Indonesia faces a significant challenge with 12.7 million hectares of critical or degraded forest land, out of 120.5 million hectares of forest area.

Deputy Minister, Sulaiman Umar Siddiq, highlighted that this degradation negatively impacts food security, water quality, bio-diversity and exacerbates climate change.

To combat this, the Ministry is implementing the Forestry and Other Land Uses (FOLU) Net Sink programme which focuses on four key strategies: preventing deforestation, promoting sustainable forest management and conservation, protecting and restoring peatlands, and enhancing carbon sequestration.

Furthermore, the Ministry has made strides in rehabilitation and restoring 2 million hectares of forests land between 2015 and 2024. This effort, coupled with Integrated Forest Fire Management, has led to a notable reduction in forest and land fires.

The government is utilising both domestic and international funding for reforestation, fire prevention and bolstering its Social Forestry Programme. The Ministry is also providing free seedlings and encourages public participation in a range of forest restoration activities, including critical land rehabilitation, reforestation and preventing forest degradation.

See:

<https://lestari.kompas.com/read/2025/07/09/120643986/lahan-kritis-capai-12-juta-hektare-kemenhut-beberkan-rencana-mengatasinya>,
<https://forestinsights.id/indonesia-dorong-restorasi-lahan-sebagai-kunci-pembangunan-kehutanan-inklusif/>

US tariff cut eases impact on economy

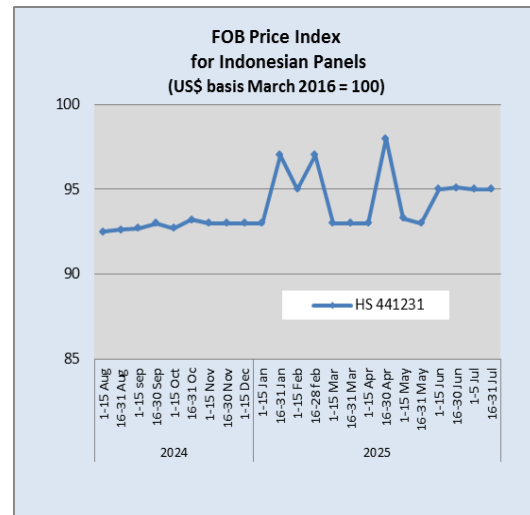
Indonesia's National Economic Council (DEN) Chairman, Luhut Binsar Pandjaitan, announced that a reduction in the US tariff rate on Indonesian products from 32% to 19% is expected to significantly boost Indonesia's economy.

Pandjaitan emphasised that this tariff arrangement is not a one-sided concession but rather a strategy for mutual benefit aiming to open investment opportunities, drive technology transfer and increase the competitiveness of Indonesian products.

Economic simulations conducted by DEN project that the 19% tariff rate could lead to a 0.5% growth in Indonesia's GDP, largely due to an anticipated increase in investment as global companies move manufacturing to Indonesia.

DEN views this tariff reduction as a crucial opportunity for Indonesia to accelerate its deregulation agenda and reduce domestic logistics and production costs.

See: <https://en.antaranews.com/news/367009/us-tariff-cut-to-boost-indonesias-economy-den>
and
<https://www.thejakartapost.com/world/2025/07/19/indonesia-not-out-of-woods-despite-us-eu-deals.html>



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

Myanmar

Myanmar prepares to negotiate tariffs

Major General Zaw Min Tun, spokesperson for the State Administration Council, announced plans to negotiate with the United States following the US announcement of a 40% tariff on Myanmar's exports starting 1 August.

Speaking through state media, Zaw Min Tun expressed optimism for "positive negotiations and mutually beneficial outcomes." The Military Council has indicated readiness to send a high-level delegation to discuss tariff adjustments.

The proposed visit to the US comes amid longstanding tensions following the 2021 suspension of the Trade and Investment Framework Agreement (TIFA) by the United States. The agreement, signed in 2013, enabled structured dialogue on trade and labour practices.

Under the TIFA Myanmar had committed to uphold core labour rights aligned with International Labour Organization (ILO) standards.

Myanmar is waiting for a response from the US on whether talks will proceed with Myanmar facing both economic and diplomatic pressure to protect its export channels.

See - <https://burmese.dvb.no/post/716131>
and
<https://burmese.dvb.no/post/713734>

Currency stabilisation efforts

The Myanmar government has moved to curb imports in a bid to stabilise the country's volatile exchange rate which reached up to nearly 6,000 MMK to the US dollar in 2024.

Import restriction, especially those aimed at stabilising the exchange rate, can have far-reaching consequences including on the timber industry which has facing challenges of market access.

The main impact will be on imports of machinery, spare parts, chemicals and packaging materials since many operations rely on imported items.

The strategy, aimed at preserving foreign currency reserves comes amid mounting pressure on the Kyat and a widening trade deficit. However, critics say that limiting imports without a comprehensive assessment of commodity pricing and inflation risks could exacerbate economic fragility.

See - <https://www.ogresearch.com/news/myanmar-a-unique-system-of-multiple-parallel-exchange-rates>, <https://www.scm-legal.com/post/cbm-allows-exporters-to-keep-more-foreign-currency> and <https://www.iges.or.jp/en/pub/forests-timber-sources-and-supply-chains-myanmar-opportunities-and-constraints-ensure-legal>

Decline in FDI

Myanmar's foreign direct investment (FDI) plummeted in the first quarter of the 2025–26 fiscal year despite recent government efforts to attract new investments. Official figures show that Myanmar received only US\$40.8 million in FDI between April and June, just one-third of the US\$147.9 million recorded during the same period the previous year.

Data from the Directorate of Investment and Company Administration (DICA) shows that investment was concentrated in just three of the 12 permitted sectors: manufacturing US\$35.8 million, livestock and fisheries US\$2.5 million and services US\$2.6 million.

China remained the largest foreign investor during the period contributing US\$13.5 million, followed by Thailand (US\$10.5 million), Hong Kong (US\$10 million), and Singapore (US\$4.7 million). Smaller investments came from Japan, South Korea and Taiwan P.o.C.

In a bid to boost economic activity, the Myanmar Investment Commission (MIC) approved 35 new investment projects during its latest meeting on July 17.

See: <https://burmese.dvb.no/post/715215> and <https://burmese.dvb.no/post/714889>

India

Cost of raw materials rising

The correspondent reports domestic demand is stable but subdued and the cost of raw materials is rising but companies are not able to increase prices due to slow demand. Ocean Freight and the exchange rate is stable, he reports.

India and the United States have concluded five rounds of negotiations for the proposed Bilateral Trade Agreement, negotiations continue.

The Indian Standards Institute (BIS) is restructuring the quality standards for various panel products. When the new Standards are released they will be reported.

The correspondent emphasised an article below on how the plywood industry is experimenting with new timbers for core veneer.

Kerala State earned US\$162 million from teak

The Times of India has reported Kerala State harvested of over 6.75 lakh (0.675 million) trees including teak, rosewood and sandalwood from its forests since 2016. The auction of teak alone generated more than Rs 1,393 crore (US\$162 million) in revenue for the State according to information tabled in the assembly by the forests and wildlife department.

The figures reflect only trees whose felling is regulated and done with the Departments clearance including teak, rosewood, ebony and sandalwood

Most revenue came from the auction of teak with rosewood and sandalwood auctions also adding to the revenue. While the state earned US\$162 million from teak timber alone it earned another US\$9.30 million as tax, including GST, forest development tax and income tax.

In effect, the teak timber sales alone fetched approximately US\$256 million for the State in a span of nine years.

The forest department also auctions sandalwood trees. Though the quantity is less than teak sandalwood is in high demand, including from public sector companies outside the State like Karnataka Soaps.

Clarifying rules for private landowners, Forest Department data presented to the assembly also stated that under the Kerala Promotion of Tree in Non-Forest Areas Act, 2005 the felling of trees such as teak and rosewood from non-forest lands is still covered under the forest department regulation, except in some land categories. The 2011 rules framed under this Act govern the approval process.

However, even private landowners are prohibited from felling sandalwood trees, even if standing on their land. Only the Forest Department is allowed to cut sandalwood trees and after auctions the proceeds are given to the landowner after deducting costs be around 30% of the proceeds.

See: <https://timesofindia.indiatimes.com/city/thiruvananthapuram/kerala-govt-fells-6-75-lakh-trees-in-forests-in-9-yrs-teak-sale-alone-fetches-rs-2200-crore/articleshow/121343206.cms#:~:text=Bengaluru%20Heavy%20Rainfall-.Kerala%20govt%20fells%206.75%20lakh%20trees%20in%20forests%20in%209,alone%20fetches%20Rs%202%2C200%20crore&text=T%20puram%3A%20The%20state%20recorded,its%20forest%20ranges%20since%202016>

Pine logs a lifeline for plywood manufacturers

In one of its recent magazines Plyreporter identifies that imported pine logs have become a lifeline for Indian plywood manufacturers for core veneer. It has been reported that plywood industries in Gujarat, Rajasthan, Haryana and Punjab have been using substantial quantities of pine logs and their dependency has been shifted to almost 35% of their total log requirement.

Industry experts suggest that Australian pine logs are more suitable than others for core veneer although there are some complaints of bending in pine core veneer production but that this can be resolved. Uruguay and New Zealand sourced pine is preferred for block board and flush doors.

Kandla Port has noted a 17% increase in pine imports. Importers view that the stable pricing and availability of logs from Australia, Uruguay, New Zealand, Brazil, South Africa and other Latin American countries is one of the reasons demand has risen.

See: <https://www.plyreporter.com/article/154110/plywood-sector-demand-push-up-timber-import-in-india>

Cost C&F Indian ports in US\$ Hoppus measure

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

	Hoppus cu.m	US\$ C&F
Brazil	223	490
Colombia	130	440
Costa Rica	264	340
Nigeria	-	-
Benin	-	-
Tanzania	119	480
Laos	-	-
South Sudan	286	675
Guatemala	216	385
Venezuela	-	-

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

	cu.m	US\$ C&F
Benin	290	680
Brazil	174	645
Colombia	-	-
Costa Rica	209	515
Ecuador	-	-
Ghana	254	430
Ivory Coast	267	820
Nigeria	219	430
South Sudan	294	615
Tanzania	-	-
Togo	170	510
Panama	281	475

Locally milled sawnwood prices

Sawnwood Ex-mill	Rs per cu.ft.
Merbau	4,440 - 4,800
Balau	3,000 - 3,300
Resak	-
Kapur	-
Kempas	1,700 - 2,000
Red meranti	1,850 - 2,150
Radiata pine	900 - 1,200
Whitewood	950 - 1,150

Price range depends mainly on lengths and cross-section

Locally sawn hardwood prices

Sawnwood (Ex-warehouse) (KD 12%)	Rs per cu.ft.
Beech	1,950 - 2,250
Sycamore	2,350 - 2,750
Red Oak	2,950 - 3,350
White Oak	3,350 - 3,750
American Walnut	5,400 - 5,900
Hemlock STD grade	1,950 - 2,250
Western Red Cedar	3,000 - 3,400
Douglas Fir	2,400 - 2,600

Price range depends mainly on lengths and cross-section

Plywood

Domestic ex-warehouse prices for locally manufactured WBP plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	85.50
6mm	99.00
9mm	117.50
12mm	140.00
15mm	181.50
18mm	199.50

Domestic ex-warehouse prices for locally manufactured MR plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	58.00
6mm	74.50
9mm	85.50
12mm	101.00
15mm	136.50
19mm	146.00
5mm Flexible ply	91.00

Value of wood product exports slipped in May

According to statistics from the Vietnam Customs Department, W&WP exports in June 2025 reached US\$1.35 billion, up 4% compared to May 2025 and up 6% compared to June 2024. WP exports contributed US\$923.3 million, down 7% compared to May 2025 but up 6% compared to June 2024.

In the first half of 2025 W&WP exports totalled US\$8.2 billion, up 8% compared to the same period in 2024; of which, WP exports accounted for US\$5.6 billion, up 9%.

Vietnam's W&WP exports to the US in June 2025 amounted to US\$778.3 million, down 9% compared to May 2025 but up 9% compared to June 2024. In the first six months of 2025 W&WP exports to the US were valued at US\$4.6 billion, up 12% year-on-year.

In June 2025 W&WP exports to Australia stood at US\$12.7 million, down 0.8% compared to June 2024. In the first half of 2025 total W&WP exports to Australia earned US\$69.6 million, down 4% compared to the same period in 2024.

Vietnam's W&WP imports in June 2025 amounted to US\$296.2 million, down 2% compared to May 2025 however, it was up 26% compared to June 2024. In the first half of 2025 total W&WP imports reached US\$1.51 billion, up 20% year-on-year.

Vietnam's imports of raw wood (log and sawnwood) from the US in June 2025 continued to increase and reached a record high of 180,000 cu.m, with a value of US\$73.0 million, up 25% in volume and 25.0% in value compared to May 2025 and up 173% in volume and 165 in value compared to the same period in 2024.

In the first half of 2025 raw wood imports from the US reached 598,780 cu.m, worth US\$243.48 million, up 86% in volume and 77% in value compared to the same period in 2024.

Industry looks towards new horizons

While long considered a strong export sector, local enterprises are now re-evaluating their strategies to not only sustain growth but also reposition Vietnamese wood products on the global trade map. Amid global economic uncertainties and tightening trade policies, the wood industry is navigating through significant headwinds.

According to Nguyễn Liêm, chairman of the Binh Dương Furniture Association, major shifts in trade policies among importing countries have been felt since early this year. Although Vietnamese wood products have been sold to over 160 countries and territories the US remains the largest market, accounting for nearly 50% of the industry's export earnings. As a result fluctuation in US regulations create a ripple effect across the entire industry.

Recently, the US Department of Commerce (DOC) initiated anti-dumping and countervailing investigations into plywood imported from Viet Nam.

The action has placed more than 130 Vietnamese timber processing and exporting companies under scrutiny, casting uncertainty over one of Vietnam's most valuable export category. Despite this, the Ministry of Agriculture and Environment (MAE) has set an ambitious export goal for the wood sector in 2025 at US\$18 billion.

In the first six months of the year the value of timber and forest product exports was estimated at over US\$8.2 billion, up 9% compared to the same period in 2024. Yet, global geopolitical tensions and trade policy shifts continue to threaten the feasibility of this target.

Besides the US, the European Union has also implemented new technical and legal requirements. Regulations such as the EU Deforestation Regulation (EUDR), the Carbon Border Adjustment Mechanism (CBAM) and the Corporate Sustainability Reporting Directive (CSRD) are demanding more rigorous environmental and traceability standards. In Japan, meanwhile, policy changes are affecting wood pellet exports.

Requirements for transparent, certified sourcing and rising costs are impacting export competitiveness. In addition to trade barriers, the domestic wood industry is contending with challenges in raw material supply.

Vietnam's wood product exporters are in fierce competition with major global players such as China, Malaysia and Indonesia, countries that boast advanced processing technologies, lower costs and well established supply chains.

In response to the ongoing US investigations the Vietnam Timber and Forest Product Association (VIFOREST) has said it is preparing to participate in the US hearings. The aim is to clarify that Vietnam's plywood industry merely complements, rather than harms, the US domestic sector.

Meanwhile, the MAE is actively coordinating with US governmental bodies to resolve the issues through dialogue and technical clarification. Experts have urged Vietnamese wood businesses to expand into new markets to reduce over-reliance on traditional buyers.

In particular, such regions as the Middle East, South Asia, Africa, Latin America and Eastern Europe have emerged because of their growing demand for furniture, construction timber and value-added products.

Exploring new markets

Among these potential new markets the Middle East offers promising opportunities. The United Arab Emirates (UAE) and Qatar have demonstrated strong demand for luxury interior and exterior wooden furniture, especially for high-end hotels and resorts.

Vietnamese enterprises are encouraged to participate in trade fairs such as Index Dubai, build partnerships with regional distributors and obtain international certifications including FSC and PEFC to enhance market credibility.

India, too, is becoming an attractive destination for Vietnamese wood products. Rapid urbanisation, rising incomes and a preference for compact, modern furniture have made online platforms like Amazon India and Flipkart particularly lucrative. Vietnamese exporters report strong sales growth in lightweight, space-saving products suitable for Indian apartments and offices.

The ongoing negotiations for a Free Trade Agreement (FTA) between Vietnam and India are also expected to reduce import tariffs from 10% to 5% further boosting competitiveness. If signed the FTA could lay the groundwork for deeper economic integration and longer-term stability in bilateral trade.

Sustainability, technology upgrades

In the face of these pressures, the Vietnamese wood industry is aiming to elevate its marketing strategy. A central part of the strategy is ensuring that all wood used, both domestically and for export, comes from legal, verifiable sources.

There is a growing push to certify supply chains with international standards and improve environmental transparency.

The MAE has also called for at least 80% of wood processing and storage facilities nationwide to meet advanced technological benchmarks. This transition would allow Vietnamese firms to meet the increasingly complex technical and environmental demands of foreign customers.

At the same time, the global shift in supply chains, including companies looking to diversify away from Chinese sourcing, offers Vietnamese firms an opening. By investing in compliance, certification and efficient logistics, they can become a trusted alternative in the global wood product market.

According to VIFOREST, with proper orientation and coordinated efforts between the State and enterprises, the wood industry can not only overcome current challenges but also strengthen its global standing.

“We must move beyond survival strategies and enter a phase of strategic transformation,” the Association said.

With global demand patterns changing and traditional markets becoming more unpredictable, diversification is no longer optional, it is vital.

Whether through entering emerging markets, upgrading processing technology or enhancing legal compliance, Vietnam’s wood industry is laying the groundwork for a more resilient and competitive future.

As one of the country’s top export earners, the industry’s ability to adapt will determine not only its own trajectory but also Vietnam’s broader reputation in sustainable and value-added manufacturing.

See: <https://vietnamnews.vn/economy/1721573/viet-nam-s-wood-industry-faces-market-shifts-looks-towards-new-horizons.html>

Wood and wood product exports continued to grow amid tariff uncertainty

According to the Ministry of Agriculture and Environment W&WP export values in the first six months of 2025 reached US\$8.21 billion, representing an increase of 8.9 per cent compared to the same period in 2024.

The US remained Vietnam’s largest export market, accounting for 56% of the total exports. Japan and China followed with market shares of 13% and 10% respectively.

Despite the persistent pressure of tariffs in its key market, the sector continued to demonstrate its strength, remaining among the top five agricultural groups with the largest trade surplus.

First half export performance exceeded expectations

Phùng Quốc Mẫn, Chairman of the Members’ Council of Bảo Hưng Co., Ltd. and President of the Handicraft and Wood Industry Association of HCM City, said that although the US market was affected by new minimum and countervailing tax regimes, Vietnam’s export performance in the first half of 2025 exceeded expectations.

Exports to the US still managed to grow by roughly 6%, partly due to clients boosting inventory levels ahead of expected tax enforcement.

Phùng Quốc Mẫn noted that the countervailing tax policy imposed by the US, though unexpected, was applied broadly to many exporting nations, not exclusively Vietnam. As a result, even though the cost of goods increased, US importers were compelled to continue placing orders to maintain their supply chains and meet demand.

Many Vietnamese exporters collaborated closely with their clients to temporarily share increased costs, ensuring continuity across the supply chain and maintaining mutually beneficial relationships.

To mitigate the impact of tariffs, several businesses have shifted towards market diversification and e-commerce.

Trần Lam Sơn, Deputy General Director of Thiên Minh Co., shared that e-commerce provides the shortest path from producer to consumer. While traditional Business-to-Business (B2B) transactions are significantly affected by cumulative cost increases due to tariffs, direct-to-consumer sales via online platforms remain less price sensitive.

Interior furniture products sold online typically carry lower value and post-tax price differences that remain within acceptable levels for end-users. This has resulted in a growing and stable stream of online orders.

Vietnam completes legal framework for forest carbon market

The draft decree on forest carbon sequestration and storage services marks the first attempt to establish a domestic standard for forest carbon while aligning with international carbon credit systems. It clearly defines eligible service providers and buyers, allowing both public and private entities to supply or purchase credits through contracts or a national carbon exchange.

Vietnam is pushing forward with efforts to establish a legal framework for the forest carbon market, aiming to mobilise new financial resources for sustainable forestry and climate goals. At a seminar held in Hanoi on 15 July co-hosted by the Vietnam Forest Owners Association and Forest Trends, stakeholders discussed a draft decree on forest carbon sequestration and storage services, which is currently under review by the Ministry of Agriculture and Environment.

Speaking at the event, the Director the Department of Forestry and Forest Protection, Tran Quang Bao, said the draft is designed to ease administrative procedures and facilitate forest owners' participation in carbon trading. He noted that once adopted, the decree would give carbon credit holders more autonomy in domestic and international transactions.

According to Bao, the draft also aims to attract private-sector involvement to boost forest reserves, which is key to achieving sustainable forest development and realising Vietnam's commitment to emissions reduction.

To Xuan Phuc, a senior expert from Forest Trends, said the decree is expected to draw financial flows from both international and domestic private sources via carbon trading. He noted that planted forests owned by households should be considered private assets and relevant regulations and decrees should be expanded to give them full rights to form joint ventures and partnerships and participate in the carbon market.

He also recommended that for state-owned forest lands, once national contribution calculations are completed, policies should allow cooperation from businesses and projects to generate carbon credits for trading at home and abroad. He underlined the importance of transparency in carbon transactions after Vietnam fulfils its nationally determined contributions (NDCs).

Nghiem Phuong Thuy of the Department of Forestry and Forest Protection described the decree as a step toward translating Vietnam's net-zero pledge by 2050 into actionable policies in the forestry sector. It includes provisions on carbon credit certification, revenue management, and carbon exchange mechanisms.

She added that the decree clearly defines eligible service providers and buyers, allowing both public and private entities to supply or purchase credits through contracts or a national carbon exchange.

Thuy concluded that the legal framework is essential not only to meet international transparency requirements but also to unlock additional funding for forest protection and development in Vietnam.

See: <https://en.vietnamplus.vn/vietnam-completes-legal-framework-for-forest-carbon-market-post322767.vnp>

Brazil

Timber sector facing severe consequences from US tariffs

The Brazilian Association of Mechanically Processed Timber Industry (Abimci) has expressed deep concern over the impact of the US government decision to impose a 50% tariff on Brazilian timber products.

Abimci says this measure severely undermines the competitiveness of Brazil's national production chain which directly employs approximately 180,000 people. Production is largely concentrated in the three southern states with about 90% of installed capacity being in the region, says the Association.

Wood product exports to the US reached around US\$1.6 billion in 2024 highlighting the importance of the American market which accounted for an average 50% of Brazil's national production. The sector is gripped by uncertainty.

The industry is already facing serious consequences such as contract cancellations, suspension of shipments and partial or total shutdown of production facilities. Currently, approximately 1,400 containers are enroute to the US and around 1,100 containers are stuck at Brazilian ports awaiting shipment, worsening logistical problems and resulting in commercial losses.

Some companies have already been forced to implement mandatory worker leave to buy time and preserve jobs while others are preparing for layoffs. Production is being reduced across virtually the entire sector and in many cases it has come to a complete halt.

Considering this critical situation, Abimci has urged the Federal government to take immediate and coordinated actions to mitigate the effects of the tariffs.

These include a formal request to extend the implementation deadline of the tariffs; a recommendation not to apply reciprocal tariffs that could be interpreted as retaliation by the US government and the intensification of diplomatic dialogue with the United States.

Abimci emphasises that this crisis demands high-priority treatment and the urgent mobilisation of foreign policy and international trade instruments to safeguard industrial activity, protect jobs and maintain Brazil's presence in the US market.

See: https://abimci.com.br/wp-content/uploads/2025/07/Nota_Abimci_Taxacao_EUA.pdf

The bio-economy and forest restoration

According to the 'New Economy for the Brazilian Amazon' study coordinated by WRI Brazil, integrating the bio-economy with forest restoration has the potential to add up to BRL45 billion to Brazil's GDP and generate approximately 830,000 jobs by 2050.

Products such as açaí, Brazil nuts, cupuaçu, camu-camu, andiroba oil, copaiba oil and honey from native bees already support value chains rooted in biodiversity-based economic development, traditional knowledge and the empowerment of local communities.

The Pan-Amazonian Bio-economy Network, a multi-sectoral alliance bringing together indigenous communities, local producers, investors, research centers, financial institutions and civil society organisations leads efforts to strengthen the sector.

In mid-July 2025, the Network held the Pan-Amazonian Action Forum for the Bioeconomy in Leticia, Colombia, bringing together stakeholders from civil society, the private sector, governments, indigenous organisations, international organisations and investors to build alliances and develop a shared agenda.

Despite the progress of such initiatives, the bioeconomy remains an underfunded sector in the region. Key barriers to its expansion include the lack of integrated public policies, limited access to financing, and insufficient coordination among stakeholders.

See: <https://www.maisfloresta.com.br/bioeconomia-e-restauracao-florestal-podem-gerar-r-45-bilhoes-no-pib-brasileiro/>

Environmental leadership and pressure on Brazil

Brazil began 2025 by taking a strategic role in global environmental governance, particularly as it prepares to host the 30th United Nations Climate Change Conference (COP30) in Belém, Pará, in November. The event will take place amid a growing climate urgency which is intensifying demands for tangible progress in multilateral negotiations.

During the 17th BRICS Summit held on 6 July in Rio de Janeiro the eleven member countries reaffirmed their commitment to international instruments such as the Paris Agreement and the United Nations Framework Convention on Climate Change (UNFCCC) emphasising the importance of cooperation among nations in addressing environmental challenges.

The BRICS group expressed strong support for the agenda proposed by the Brazilian government endorsing the creation of the Tropical Forest Forever Facility (TFFF), scheduled to be launched at COP30. This innovative mechanism aims to mobilise long-term, results-based climate finance for the conservation of tropical forests.

See:

https://www.correiobraziliense.com.br/opiniaio/2025/07/7199502-lideranca-ambiental-e-a-pressao-sobre-o-brasil.html#google_vignette

Export update

In June 2025 Brazilian exports of wood-based products (except pulp and paper) decreased 2.4% in value compared to June 2024, from US\$331.3 million to US\$305.7 million.

Pine sawnwood exports decreased 5% in value between June 2024 (US\$59.6 million) and June 2025 (US\$56.5 million). In volume, exports decreased 4% over the same period, from 250,900 cu.m to 240,400 cu.m.

Tropical sawnwood exports increased 14% in volume, from 27,200 cu.m in June 2024 to 31,000 cu.m in June 2025. In value, exports increased 11% from US\$11.2 million to US\$12.4 million over the same period.

Pine plywood exports decreased 19% in value in June 2025 compared to June 2024, from US\$79.2 million to US\$ 64.2 million. In volume, exports decreased 10% over the same period, from 224,900 cu.m to 202,500 cu.m.

As for tropical plywood, exports increased in volume 3% and decreased in value by 11%, from 2,900 cu.m and US\$1.9 million in June 2024 to 3,000 cu.m and US\$1.7 million in June 2025 respectively.

The value of wooden furniture export increased from US\$44.6 million in June 2024 to US\$51.7 million in June 2025, an increase of 16%.

Southern Region leads wood and furniture exports

The State of Santa Catarina in southern Brazil, has established itself as the national leader in timber and furniture exports, generating over US\$800 million in revenue during the first half of 2025.

According to the Ministry of Development, Industry, Trade and Services (MDIC), these two sectors accounted for approximately 15% of Santa Catarina's total exports between January and June 2025, contributing to an overall 6.6% increase in the State's export portfolio. The products were shipped to over 100 international destinations.

In the timber sector, Santa Catarina exported 1.3 million tonnes of timber and cork products, generating US\$668 million in revenue, equivalent to 37% of the Brazil's total timber exports and 11% of the state's total exports. Paraná ranked second (US\$641.2 million), followed by the state of Rio Grande do Sul.

This strong performance is attributed to industrial excellence and incentive programmes such as Prodec (Program from Development of Companies in Santa Catarina) and Pro Employment Program (Pró-Emprego) which have delivered tangible results to the sector.

In the furniture sector, the Santa Catarina State also led national furniture exports with revenue totalling US\$141 million, representing 32% of Brazil's total. The top exporting municipalities included São Bento do Sul, Caçador, Campo Alegre, Rio Negrinho and Fraiburgo. The growth in revenue is driving job creation, boosting the State economy and strengthening the entire production chain.

See: <https://clircdc.com.br/economia/santa-catarina-lidera-exportacoes-de-madeira-e-moveis-no-brasil-em-2025/>

Domestic log prices

Brazilian logs, mill yard, domestic	US\$ per cu.m
Ipê	397
Jatoba	173
Massaranduba	158
Muiracatiara	156
Angelim Vermelho	167
Mixed redwood and white woods	121

Prices do not include taxes. Source: STCP Data Bank

Domestic sawnwood prices

Brazil sawnwood, domestic (Green ex-mill)	US\$ per cu.m
Ipê	1,711
Jatoba	869
Massaranduba	771
Muiracatiara	802
Angelim Vermelho	741
Mixed red and white	492
Eucalyptus (AD)	284
Pine (AD)	238
Pine (KD)	283

Prices do not include taxes. Source: STCP Data Bank

Domestic plywood prices

Parica ex-mill	US\$ per cu.m
4mm WBP	554
10mm WBP	444
15mm WBP	381
4mm MR.	507
10mm MR.	391
15mm MR.	341

Prices do not include taxes. Source: STCP Data Bank

Prices for other panel products

Domestic ex-mill prices	US\$ per cu.m
15mm MDParticleboard	264
15mm MDFibreboard	265

Prices do not include taxes. Source: STCP Data Bank

Export prices

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

Export sawnwood prices

Sawnwood	US\$ per cu.m
Ipe	2,278
Jatoba	1,293
Massaranduba	1,263
Muiracatiara	1,312
Pine (KD)	204

Prices do not include taxes. Source: STCP Data Bank

Plywood export prices

Pine plywood	US\$ per cu.m
9mm C/CC (WBP)	317
12mm C/CC (WBP)	285
15mm C/CC (WBP)	270
18mm C/CC (WBP)	268

Prices do not include taxes. Source: STCP Data Bank

Export prices for added value products

Added value product	US\$ per cu.m
Decking Boards Ipê	3,579
Jatoba	1759

Prices do not include taxes. Source: STCP Data Bank

Through the eyes of industry

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

See: <https://www.itto-ggsc.org/static/upload/file/20250716/1752653872183995.pdf>

Peru

Buyer trade mission to Pucallpa

A recent business breakfast between buyers and exporters, the main event of a timber buyers' mission to Pucallpa, was a success. It brought together key players in regional, national and international trade.

The event, which took place at the facilities of the Ucayali Chamber of Commerce, Industry and Tourism (CCITU) in the first half of June of this year, brought together more than a dozen prominent value-added timber exporters from the Ucayali region and buyers from Belgium, France, Mexico, South Korea and Portugal.

"This business breakfast was a valuable platform for our exporters to showcase their products and connect with potential buyers in a business-friendly environment" said the president of the Ucayali Chamber of Commerce, Industry and Tourism.

Ucayali Chamber of Commerce and SERFOR awarded lumber project

With the goal of contributing to quality education and at the same time promoting the sustainable use of forest resources, the Ucayali Chamber of Commerce, Industry and Tourism led a project, with the technical support of the National Forestry and Wildlife Service (SERFOR) and the coordination of various stakeholders in the forestry sector, to promote the project "Design and Construction of a Modular Wooden Classroom Prototype at a School in the Yarinacocha District, Coronel Portillo Province, Ucayali.

The project was approved by the Programa Nacional de Desarrollo Tecnológico e Innovación (ProInnovate) Board of Directors with the Chamber of Commerce, Industry and Tourism of Ucayali as the implementor along with the National University of Ucayali, the Pucallpa Forestry CITE and three Ucayali-based timber companies.

The classroom design incorporates criteria of efficiency, sustainability and adaptation to climate change while also promoting the use of new forest species for construction.

ADETOP algorithm to detect illegal logging

Peru is taking a technological leap forward in the defense of its forests. On 15 July the Forest and Wildlife Resources Oversight Agency (OSINFOR) presented ADETOP v2, a new artificial intelligence algorithm for detecting logging from space. Developed in conjunction with the Universities of Sheffield and Cambridge, this model represents a strategic innovation to strengthen forest oversight and the fight against illegal logging in the country.

The technical challenge was to develop an algorithm capable of learning from forest information and adapting to its social and ecological complexity. As an artificial intelligence algorithm, ADETOP v2 uses the Random Forest machine learning method. Therefore, it was fed with information from Peruvian Amazonian forests, collected by high-resolution drones used by OSINFOR during monitoring work providing a real, validated and reliable database.

Additionally, the system uses images from the Sentinel-2 satellite which offer a spatial resolution of ten metres and captures the same point of interest every four days allowing for frequent and detailed monitoring of the forest. The combination of these elements is said to make ADETOP v2 accurate in detecting selective logging in Peru.

See: <https://www.gob.pe/institucion/osinfor/noticias/1208816-osinfor-lanza-adetop-v2-el-algoritmo-que-detecta-tala-ilegal-desde-el-espacio>

Strengthening forest management capacities of regional governments

In order to promote the use of the "Gestiona Forestal" web platform the National Forest and Wildlife Service (Serfor) is strengthening the capacities of Amazonian regional governments and forest agents who are responsible for overseeing management plans to ensure timber traceability and promote the sector's competitiveness.

Training sessions consisted of a theoretical and practical component. Sessions included a simulation of Gestiona Forestal (Forest Management Plan) for the proper application of the process of formulating, evaluating and approval of Forest Management Plans as well as their various modalities for timber concessions, native and rural communities and private properties.

The Director of Forest and Wildlife Asset Management Control at Serfor reported that training sessions have been held in Junín, Pasco and Huánuco. "It is crucial to advance the process of strengthening the capacities of those involved in the use of Gestiona Forestal (Forest Management Plan).

One of the most advanced Departments in this practice is Ucayali, whose authorities, as well as users and agents, have successfully implemented this forestry tool", the Director emphasised.

See: <https://www.gob.pe/institucion/serfor/noticias/1209382-serfor-fortalece-las-capacidades-de-los-gore-y-regentes-para-uso-de-la-plataforma-gestiona-forestal>

Export prices for added value products

	US\$ per cu.m
Strips for parquet Cabreuva/estoraque KD12% S4S, Asian market	1,418-1,477
Cumaru KD, S4S Swedish market	1,080 -1,156
Asian market	1,189 -1,271
Cumaru decking, AD, S4S E4S, American market	1,648-1,692
Pumaquiro KD Gr. 1, C&B, Mexican market	869-933
Quinilla KD, S4S 2x10x62cm, Asian market	591-627
2x13x75cm, Asian market	774-831

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

Export sawnwood prices

Peru sawnwood, FOB Callao Port	US\$ per cu.m
Pumaquiro 25-50mm AD Mexican market	912-968
Virola 1-2" thick, length 6"-12" KD Grade 1, Mexican market	588-603↓
Grade 2, Mexican market	527-541↓
Cumaru 4" thick, 6"-11" length KD Central American market	1127-1195
Asian market	1210-1265
Ishpingo (oak) 2" thick, 6"-8" length Spanish market	1011-1,042↓
Dominican Republic	1015-1,132↓
Marupa 1", 6-11 length KD Grade 1 Asian market	586-602↓

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

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

Domestic sawnwood prices

Peru sawnwood	US\$ per cu.m
Mahogany	-
Virola	255-287
Spanish Cedar	333-344
Marupa (simarouba)	208-234

Domestic plywood prices (excl. taxes)

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

Japan

Ruling coalition loses its majority

At the recent election Japan's ruling coalition lost its majority in the country's Upper House. Having already lost its majority in Japan's more powerful lower house last year, the defeat will undermine the coalition's influence. The LDP/Komeito centre-right coalition has governed Japan almost continuously for decades.

Observers say the election result underscores highlights voter frustration with the administration that has struggled against economic headwinds, a cost-of-living crisis and trade difficult negotiations with the United States.

See: <https://www.bbc.com/news/articles/c8xvn90yr8go>

An agreement in principle

Japan and the United States reached a trade deal with the “reciprocal” tariff rate set at 15%. There is little information on sector-specific tariffs.

The local media reported the overall tariff rate on automobiles will be 15%. The US has claimed this deal will create thousands of jobs in the US adding that Japan will open their market to US cars and trucks, rice and certain other agricultural products.

The Japanese Prime Minister said at a news conference that he believes this will contribute to Japan and the United States working together to create jobs and promote high-quality manufacturing, thereby fulfilling various roles on the global stage.

Tsutsui Yoshinobu, head of Japan's leading business lobby, welcomed the trade agreement with the United States but voiced concern over the current state of the global economy.

Tsutsui Yoshinobu became the new chairman of the Japan Business Federation, (Keidanren) in late May.

Tsutsui said that he highly evaluated the terms of the bilateral deal. But he added it came at a time when the world is at a major turning point with the Japanese economy facing many challenges.

When the tariff agreement was announced Japan's benchmark Nikkei 225 stock index rose about 2% and the yen strengthened.

Shinichiro Kobayashi, Principal Economist at Mitsubishi UFJ Research and Consulting said the deal is positive as it has removed uncertainty it provides only brief relief as tariffs remain at higher levels than before threatening recovery in Japan's inflation-plagued economy.

A senior economist at Daiwa Institute of Research says the trade agreement between Japan and the US will hurt Japan's economy and that the impact of tariffs on trade with the US may reduce Japan's GDP by 1.1% in real terms this year.

See:

<https://www.japantimes.co.jp/business/2025/07/23/economy/us-japan-trade-deal-trump/>

and

<https://mainichi.jp/english/articles/20250724/p2g/00m/0bu/029000c>

EU and Japan to expand trade ties

The European Union and Japan have agreed a so-called “competitiveness alliance” to expand bilateral trade ties, promote business cooperation and explore ways to diversify critical mineral supply chains. This comes as both sides face increased economic pressure from the US.

The alliance, which will also include an “upgraded” economic dialogue in a format similar to what are known as two-plus-two talks involving senior officials, was among a series of agreements reached.

The European Commission commented “Together, Europe and Japan represent a fifth of global GDP and a market of 600 million people, so we have the scale to shape global rules on trade and technology in line with our values of fairness and openness”.

The alliance framework rests on three pillars: increasing bilateral trade, strengthening economic security and working together more closely on innovation as well as the green and digital transitions.

The partners also agreed to step up coordination and jointly lead international discussions, for example, by steering trade-related talks at meetings of the World Trade Organization (WTO) and through the expanded economic dialogue, which will now include Stephane Sejourne, the EU Commission's Executive Vice President for Prosperity and Industrial Strategy. The two sides will aim to identify strategic goods and sectors, while addressing economic coercion and nonmarket policies and practices.

Under their new alliance, Japan and the EUs also plan to simplify and streamline rules to reduce administrative burdens for Japanese and European businesses and citizens while deepening industrial policy cooperation and facilitating investment and business collaboration.

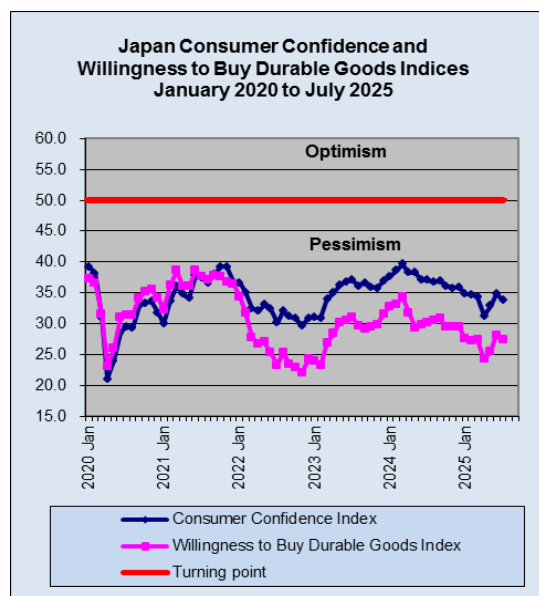
Other objectives of the new framework include promoting and protecting critical and emerging technologies, enhancing research security as well as the physical and cybersecurity of critical infrastructure.

Finally, the EU's new 'Competitiveness Compass' positioned innovation, decarbonisation and dependency reduction as growth pillars where Japan emerges as the bloc's "natural technological and values-based partner.

EU-Japan relations are based on a strategic partnership agreement and a free-trade deal that has been in force since 2019. EU firms already export nearly €70 billion (US\$81.8 billion) in goods and €28 billion (US\$32.7 billion) in services to Japan every year.

See:

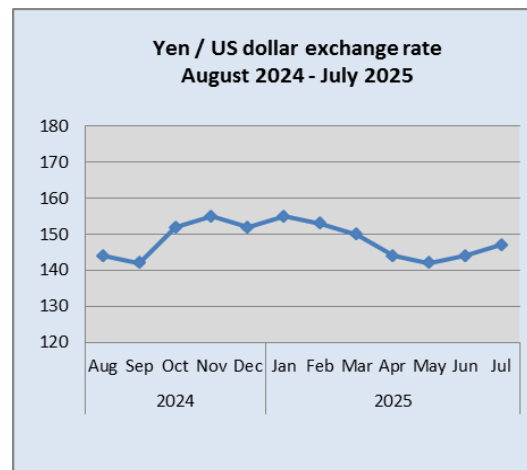
[Ahttps://www.japantimes.co.jp/business/2025/07/23/economy/japan-eu-economic-cooperation/?utm_source=pianodnu&utm_medium=email&utm_campaign=72&tpcc=dnu&pnespid=_ehpmdie_kfi_kayq0_27p4kvq8msjfishwa4bvi6t0cvzvzkiz5q9v6roxs8vohynddewq](https://www.japantimes.co.jp/business/2025/07/23/economy/japan-eu-economic-cooperation/?utm_source=pianodnu&utm_medium=email&utm_campaign=72&tpcc=dnu&pnespid=_ehpmdie_kfi_kayq0_27p4kvq8msjfishwa4bvi6t0cvzvzkiz5q9v6roxs8vohynddewq)



Data source: Cabinet Office, Japan

Bank of Japan holds rates steady

The yen strengthened slightly after the Bank of Japan (BoJ) maintained its stance on interest rates at the end of July however, the BoJ did raise its inflation forecast for the current fiscal year. At the end of July the yen was at between 145-149 against the US dollar.



Data source: WSJ

Volatility in the housing sector

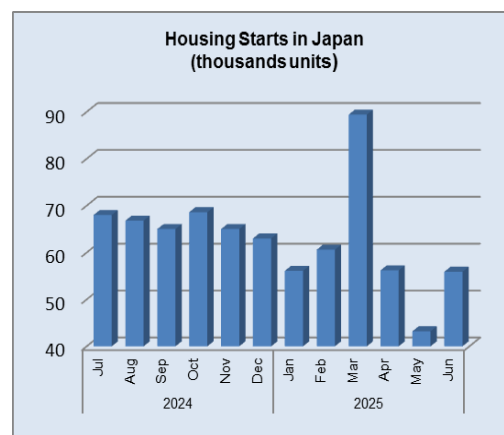
In April 2025 housing starts plummeted to 56,188 units, a 37% drop from March's unusual surge and marked a 27% year-on-year decline. This sharp reversal from March underscores the fragility of a sector now caught between cyclical volatility and an irreversible slowdown.

Japan's housing crisis is rooted in its shrinking population. With 8 million abandoned homes (14% of total housing stock) and projections of over 20 million vacant units by 2033. Even if immigration reforms attract 800,000 foreign workers by 2029 this will barely offset annual population losses.

Fewer households mean fewer buyers and it gets worse overtime as construction costs continue to rise due to labour shortages. Real estate prices, up almost 3% in early 2024 have stagnated after inflation adjustments. This "price ceiling" traps developers in a low-margin, high-risk situation, say analysts.

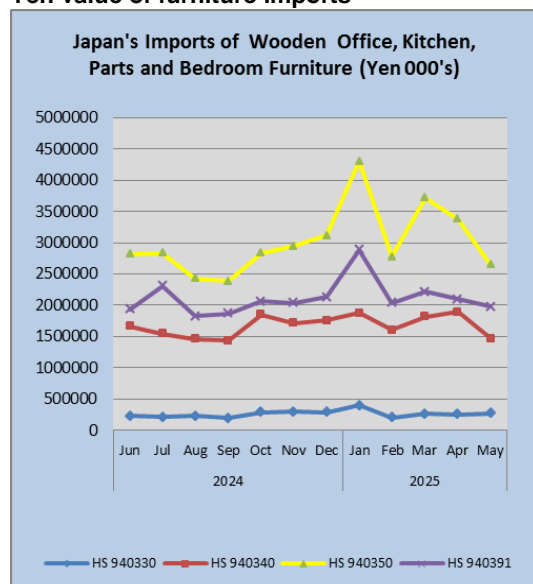
The AInvest website comments that "Japan's housing market is entering a "new normal" of low starts, over-supply and demographic decline".

See: <https://www.ainvest.com/news/japan-collapsing-housing-market-navigating-structural-decline-cyclical-volatility-2505/>



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

Yen value of furniture imports



Data source: Ministry of Finance, Japan

May wooden office furniture imports (HS940330)

In May shippers in China accounted for 86% of Japan's imports of wooden office furniture (HS940330) the other significant sources were the UK (45%) and Malaysia (3%). May shipments from suppliers in China were up 11% while those from shippers in Malaysia were down around 6% month on month. Shippers in the UK were a new addition to sources in May.

These three shippers accounted for over 90% of May arrivals. The other source of wooden office furniture imports was EU member countries (around 9%) with the balance coming from Italy and Vietnam.

Year on year, the value of Japan's imports of wooden office furniture in May were down 9% but compared to the value of April arrivals there was an 8% increase.

May 2025 imports (HS940330)

	Imports May 2025 Unit, 000's Yen
China	232,614
Vietnam	6,867
Thailand	564
Malaysia	7,724
Indonesia	3,445
UK	9,587
Netherlands	241
Italy	4,558
Poland	1,425
Turkey	2,210
USA	1,459
Total	270,694

Data source: Ministry of Finance, Japan

May wooden kitchen furniture imports (HS940340)

As in previous months imports of wooden kitchen furniture (HS940340) were dominated by shippers in the Philippines and Vietnam which together accounted for over 80% of the value of May arrivals.

Shippers in the Philippines accounted for around 51% of total arrivals in May, down 6% from a month earlier. Imports from shippers in Viet Nam accounted for a further 30% also down sharply (20%) month on month.

May arrivals from China were at around the same level as in April but arrivals from Germany, previously a significant supplier of HS940340, dropped over 50%.

Year on year there was 10% decline in the value of wooden kitchen furniture imports and compared to the values of April arrivals there was a 22% decline.

May wooden kitchen furniture imports (HS 940340)

	Imports May 2025 Unit, 000's Yen
China	137,796
Taiwan P.o.C	815
Vietnam	437,243
Thailand	10,345
Malaysia	13,559
Philippines	746,310
Indonesia	15,098
France	790
Germany	81,077
Italy	18,973
Romania	224
Canada	3,741
Total	1,465,971

Data source: Ministry of Finance, Japan

May wooden bedroom furniture imports (HS 940350)

May marked a steadying of the value of imports of HS940350 after a volatile start to the year.

The top two shippers of HS940350 to Japan in May were China, 64% of the total but down 6% month on month and Viet Nam, 29% but down 37% month on month. Malaysia and Thailand were the other shippers of note in May together accounting for around 6% of the value of arrivals.

Year on year there was a 19% decline in the value of wooden bedroom furniture in May and compared to April arrivals in May were down 22%.

May wooden bedroom furniture imports (HS940350)

	Imports May 2025 Unit, 000's Yen
China	1,687,179
Vietnam	768,409
Thailand	29,648
Malaysia	123,689
Philippines	633
Indonesia	17,032
India	490
Denmark	205
Germany	522
Switzerland	334
Portugal	8,610
Italy	1,331
Finland	470
Poland	11,364
Lithuania	234
USA	2,777
Total	2,652,927

Data source: Ministry of Finance, Japan

May wooden furniture parts imports (HS940391)

	Imports May 2025 Unit, 000's Yen
S.Korea	19,547
China	934,335
Taiwan P.o.C	48,063
Vietnam	248,461
Thailand	52,212
Malaysia	125,033
Philippines	5,767
Indonesia	383,507
Cambodia	1,068
Sweden	3,057
Denmark	3,382
Germany	20,928
Switzerland	3,212
Portugal	938
Italy	57,596
Finland	21,199
Poland	20,246
Austria	13,086
Romania	714
Turkey	3,182
Latvia	242
Lithuania	344
Slovenia	262
Slovakia	3,853
USA	7,084
Mexico	704
Total	1,978,022

Data source: Ministry of Finance, Japan

May wooden furniture parts imports (HS 940391)

In May there was a further decline in the value of wooden furniture parts imports and this was the second monthly decline. The value of May 2025 imports was almost the same as in April 2024 and compared to May 2024 there was little change.

Shippers in China, Indonesia, Viet Nam and Malaysia accounted for most of Japan's imports of wooden furniture parts (HS940391) in May 2025. Of the total value of HS940391 imports 47% was delivered from China (50% in April) 19% from Indonesia (17% in April March), 12% from Viet Nam (13% in April) and Malaysia which secured a 5% share of May imports.

The value of imports of HS940391 from Italy and Germany rose in May and there was a rise in the value of imports from the US.

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://ifpj.jp/japan_lumber_reports/

Russian lumber becomes the third major raw material

APT-Shinko Co., Ltd. in Toyama Prefecture, one of major red pine lumber manufacturers in Japan, has announced its plan to position Russian red pine lumber as a "third raw material." Alongside lumber sourced from semi-processed boards, currently considered the second raw material, the company aims to enhance customer satisfaction by offering a broader range of Russian sawn timber products.

The company consumes 2,000 cbms of Russian semi-processed boards monthly and imports 800 – 1,000 cbms of Russian lumber monthly.

The company exclusively imports 3 or 4 metre, 30 x 40 KD taruki for the Japanese market from Vitim, a Russian manufacturer and re-sorts the products according to its own grading standards. At the same time, it has also begun selling the lumber to other companies that handle general Russian timber.

Radiata pine lumber from Chile

For the third shipment of Chilean radiata pine lumber scheduled for July 2025, CMPC, which had previously shared bulk shipping with Arauco, has shifted its Japan-bound shipments from bulk vessels to container shipping. As a result, Arauco became the sole operator of the shipment.

The two companies had jointly operated shipping services for over 20 years, but due to a slowdown in international trade caused in part by the Trump tariffs, CMPC opted for container shipping this time.

With demand for packaging-grade radiata pine lumber remaining unclear, all eyes are on whether CMPC will stick with container shipping. Nonetheless, suppliers plan to ensure a steady supply.

Orders for house builders

The orders at many major housing companies and house builders in May, 2025 do not exceed the orders in May, 2024. There is also a reactionary decline following the increase in orders in March, 2025. However, companies that put effort into sales promotion were able to attract more visitors to their showrooms and increase their orders.

Major companies have not yet seen any significant impact from the March revision of the Building Standards Act, and it appears that most are proceeding smoothly with building permit applications. However, there is skepticism as to whether things will continue without impact going forward.

While sales of detached houses remain steady in major metropolitan areas, they have been sluggish in regional cities. Order trends for multi-unit housing vary across companies. For some companies, the order value for multi-family housing has declined by more than 10% compared to the same month of the previous year. Orders for renovation projects remained steady. Notably, some companies recorded around a 10% year-on-year increase in order value for May.

Domestic lumber and logs

In the Kanto market, the sense of tight supply for green domestic products is intensifying. 4 m x 90 mm cedar square lumber is around 35,000 yen, delivered per cbm and this is 3,000 - 5,000 yen higher than the past few months. Sawmills are quoting prices in the range 38,000 yen to 40,000 yen, per cbm.

Supply of 3, 3.65, and 4-meter lengths x 13-18 x 45 or 90 mm furring strip has also declined, with central market prices across the Kanto hovering around 45,000 yen per cbm - an increase of approximately 3,000 yen over the past few months.

A growing sense of shortage is also being felt for thin board (12x150, 180, 225 x 1,820 mm boards). The central market price has risen to 33,500 - 38,000 yen, marking an increase of 3,000 - 5,000 yen.

As this is a season when log insect damage is more likely to demand particularly for medium-diameter logs—has weakened. Cedar log for post is 15,000 delivered per cbm in Tochigi Prefecture and this is 1,400 yen more than last month. In Okayama Prefecture, cypress log for post is 25,500 yen and this is 2,500 yen more than last month.

In Kyushu region, cedar log for post is 16,000 yen, delivered per cbm. 15,000 - 16,000 yen, delivered per cbm, in Akita Prefecture. Cypress log for sill is 24,000 yen, delivered per cbm, in Kyushu region and is 23,000 yen, delivered per cbm, in Tochigi Prefecture.

Cypress log for post is 23,800 yen, delivered per cbm, Tochigi Prefecture and it is 22,400 yen, delivered per cbm, in Shikoku area.

The price of a log for plywood in Tohoku Region is weak but prices remain elevated in western Japan. Inquiries for exporting logs in the southern part of Kyushu region are sluggish.

China

OSB consumption Guideline

An Oriented Strand Board (OSB) Consumption Guideline has been released. This Guideline helps consumers understand OSB through simple language and pictures. The Guideline elaborates on OSB characteristics and applications, key qualities and environmental protection indicators. Also presented are inventories of major manufacturing enterprises in terms of product classification, quality identification, environmental protection indicators and purchase information.

The release of the Guideline is of significance for regulating the OSB market and guiding consumers to consume rationally. It provides consumers with a scientific and practical basis for selection which helps enhance their self-protection and prevents them from being misled. At the same time it also promotes the orderly development of the OSB industry and creates a favorable market environment.

It is believed that the OSB industry will embrace new development opportunities. It is expected that consumers will pay more attention to this type of board, enhance market awareness and acceptance and thereby fully unleash the value and application potential of OSB.

See:

<https://ishare.ifeng.com/c/s/v002507vnqfpcG9ShdNR9NGbSFeQ Gnm--X- r- ofNx4I3JyT4>

Wooden furniture via China-Europe freight trains

Buying globally and selling globally, in Nankang District, Ganzhou City, Jiangxi Province, relying on the China-Europe freight trains, a furniture industry with an output value of over RMB280 billion is booming.

The Ganzhou International Land Port Station accepts China-Europe freight trains with European spruce and fir. Nankang was neither along the border nor by the sea. In the past it took three months to transport timber from Russia at a cost as high as RMB4,000 per cubic metre.

Today, relying on the China-Europe freight trains, the transport time has been shortened to 14 days and the overall logistics cost has been reduced by 18%.

Relying on the "port + bonded + cross-border" linkage model of Ganzhou International Land Port, Nankang furniture has appeared in international markets.

It has been exported to countries in Europe, America, Southeast Asia, Central Asia and the Middle East with overseas orders signed exceeding RMB5 billion in 2024.

Nankang has successfully established a complete industrial supply chain integrating wood trading, design and research and development, intelligent manufacturing and logistics distribution. There are over 10,000 furniture enterprises and more than 500,000 employees in Nankang.

In 2024 the Ganzhou International Land Port has operated over 1,600 China-Europe (Asia) freight trains covering more than 100 cities in five Central Asian countries and over 20 European countries.

See:
https://www.wood365.cn/Industry/IndustryInfo_282704.html

Wood-based panel industry in first half 2025

According to the Industrial Development Planning Institute of the National Forestry and Grassland Administration, China's plywood industry has declined in terms of number of enterprises but there has been an increase in total production capacity.

The fibreboard industry shows a trend of a decline in the number of enterprises and a continued contraction in total production capacity.

The particleboard industry has witnessed a slight decline in the number of enterprises and a slowdown in the growth of total production capacity in the first half of 2025.

By the end of June 2025, there were around 5,200 plywood product manufacturing enterprises in China distributed across 26 provinces (municipalities and autonomous regions), a decrease of approximately 800 enterprises compared to the end of 2024. The total production capacity is approximately 248 million cubic metres per year, representing a 12% increase compared to the end of 2024.

In the first half of 2025 three fibreboard production lines (including one continuous flat press line) was completed and put into operation adding a production capacity of 520,000 cubic metres per year.

By the end of June 2025 228 fibreboard manufacturing enterprises in China had 252 fibreboard production lines and the factories were distributed across 21 provinces (municipalities and autonomous regions) with a total annual production capacity of 40.64 million cubic metres. The net reduction in fibreboard production capacity was 1.19 million cubic metres representing a further decrease of around 3% compared to the end of 2024.

Of the factories, there were 122 continuous flat pressure lines with a combined production capacity of 27.42 million cubic metres per year.

The fibreboard industry showed a further downward trend in the number of enterprises, production lines and total production capacity. There are five fibreboard production lines under construction across the country with a combined annual production capacity of 1.18 million cubic metres.

In the first half of 2025 9 particleboard production lines (including 7 continuous flat pressing lines) were put into operation adding production capacity of 3.27 million cubic metres per year.

At the end of June this year 298 particleboard manufacturing enterprises across the country had 323 particleboard production lines distributed in 22 provinces (municipalities and autonomous regions) with a total production capacity of 66.76 million cubic metres per year, a net annual increase of 2.61 million cubic metres.

Among them, there were 149 continuous flat pressure lines with a combined production capacity of 49.51 million cubic metres per year and the proportion of total panel production capacity rose to 74% over the same period of 2024. The particleboard industry shows a trend of a slight decline in the number of enterprises and production lines as well as a slowdown in the growth of total production capacity.

There are 23 particleboard production lines under construction across the country with a combined production capacity of 7.05 million cubic metres per year. The risk of overheated investment in the particleboard industry still exists.

See:
https://www.wood365.cn/Industry/IndustryInfo_282690.html

Strict Standard on formaldehyde emission limits

The State Administration for Market Regulation recently issued a new national standard for wood-based panels, GB 18580-2025, "Formaldehyde Emission Limits for Indoor Decoration and Renovation Materials – Wood-based Panel and its Products". This comes into effect on 1 June 2026 and replaces GB 18580-2017.

The new Standard incorporates E0 and E1 grade standards into regulatory requirements and further refines the classification and testing methods for wood-based panel. The formaldehyde limit indicators have become more strict.

The new national Standard clearly defines wood-based panels and products thereof for the first time. In addition to classification, the new national Standard has also changed the formaldehyde emission limit to a grading requirement, uniformly using E0 and E1 grades as the judgment criteria.

At the same time the testing methods were standardised and a "small lab method" was added in the production quality control process making the detection and management more scientific and rigorous.

See:

https://baijiahao.baidu.com/s?id=1837797190482856920&wfr=s_pider&for=pc

Surge in woodchips imports from South Africa

According to China Customs woodchips imports totalled 6.285 million tonnes in the first five months of 2025, down 17% over the same period of 2024.

Vietnam and Australia are the largest and the second largest suppliers of China's woodchips imports, accounting for 87% of the national total. However, China's woodchips imports from Vietnam and Australia fell 12% and 5% respectively in the first five months of 2025.

China's woodchips imports from the other top suppliers except South Africa dropped at a fast pace in the first five months of 2025. China's woodchips imports from South Africa surged in the first five months of 2025.

Top suppliers for China's woodchips imports in the first five months of 2025

Supplier	Thous. tonnes	YoY % change
Total	6,285	-17%
Vietnam	4,403	-12%
Australia	1,092	-5%
Thailand	339	-29%
Chile	149	-42%
South Africa	122	plus plus
Russia	69	-13%
Brazil	32	-76%
Fiji	30	-1%
Malaysia	23	-76%
Indonesia	17	-92%

Data source: Customs, China

June Global Timber Indices for China

China Customs data shows that in May 2025 total wood imports reached 4.966 million cubic metres, a 17% decrease compared to the same period in 2024. Specifically, log imports stood at 2.961 million cubic metres, down 18.5% year-on-year, while sawnwood imports reached 2.005 million cubic metres, down 15%.

It is worth noting that imports of African wood to China continued to shrink in the first five months of 2025. The total import volume was 813,700 cubic metres, a 31% year on year decrease.

On 11 June, China announced that it would implement a policy of granting 53 African countries having diplomatic relations with China zero-tariff treatment for all tariff lines, expanding the scope from 33 countries, with newly added countries such as Gabon, the Republic of the Congo, Ghana, Cameroon and Angola.

Wood products would also enjoy zero-tariff treatment which is expected to boost the export of wood from African countries to the Chinese market.

Recently, China's plywood industry faced significant export challenges. On 12 June, the US Department of Commerce announced the initiation of antidumping duty and countervailing duty investigations on hardwood and decorative plywood from China, Indonesia and Vietnam.

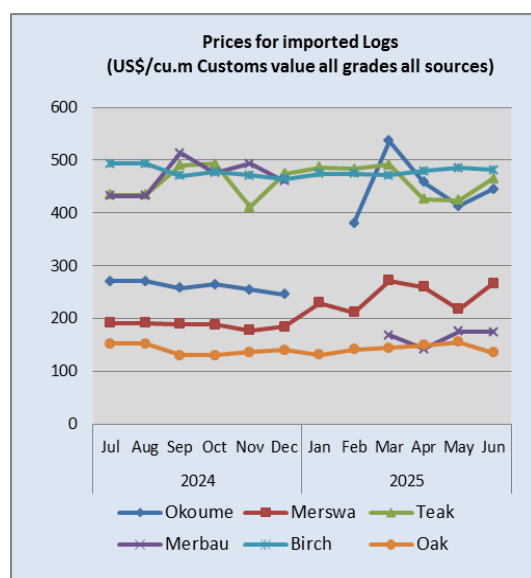
The preliminary antidumping duty rate for Chinese products was set at 504.07%, far exceeding the rates of 138.04% - 152.41% for Vietnamese products and 84.94% for Indonesian products.

On 10 June the European Commission officially announced a preliminary affirmative determination in the antidumping duty investigation of hardwood plywood from China. Except for an enterprise subject to a 25.1% provisional antidumping duty, other Chinese companies face a rate of 62.4%.

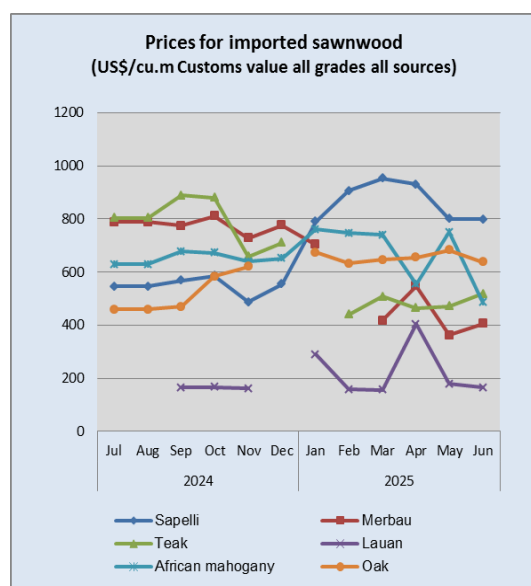
In June 2025 the GTI-China index registered 57.5%, a decrease of 0.1 percentage point from the previous month and has been above the critical value (50%) for 4 consecutive months indicating that the business prosperity of the timber enterprises represented by the GTI-China index expanded from the previous month. In June, China's timber sector still saw an upward trend on both production and consumption; however, the expansion was not so obvious.

As for the sub-indexes, all the twelve indexes were above the critical value of 50%. Compared to the previous month the index for inventory of finished products increased by 0.2 percentage point while the indexes for production, new orders, export orders, existing orders, purchase quantity, purchase price, import, inventory of main raw materials, employees, delivery time and market expectation declined by 0.2-1.7 percentage point(s).

See: <https://www.itto-ggsc.org/static/upload/file/20250716/1752653872183995.pdf>



Data source: Customs, China



Data source: Customs, China

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

	2025 May	2025 Jun
Okoume	413	445
Merswa	218	267
Teak	424	465
Merbau	175	174
Birch	485	481
Oak	155	135

Data source: Customs, China

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

	2025 May	2025 Jun
Sapelli	801	789
Merbau	362	406
Teak	471	518
Lauan	170	165
African mahogany	750	486
Oak	683	638

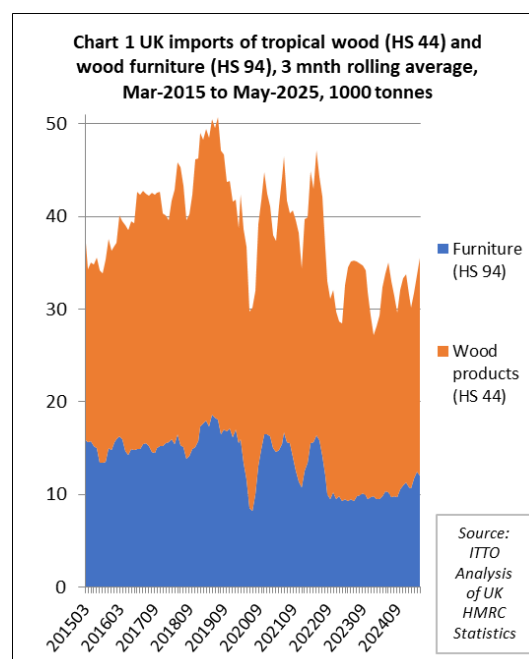
Data source: Customs, China

UK

Rise in UK tropical wood and wooden furniture imports

In the first five months of this year the UK imported 168,200 tonnes of tropical wood and wooden furniture products, 5% more than same period in 2024.

Import value in the first five months this year was US\$442 million, 8% more in nominal terms (not accounting for inflation) than the same period in 2024. Although imports were slow in the first quarter this year, down 6% in quantity terms compared to the final quarter of 2024, they strengthened in April and May (Chart 1).



The overall rise in imports of tropical wood products in the first five months of this year has been driven mainly by wooden furniture and joinery products. There were only marginal gains in imports of tropical sawnwood and mouldings/decking, while imports of tropical plywood have weakened once more.

Underlying the import gains are some improving signals from the UK economy. The first quarter saw a stronger-than-expected start, with 0.7% growth.

The U.K. has also managed, so far, to steer clear of the trade wars after deciding not to retaliate against the U.S. tariffs and reaching an early trade agreement with the Trump Administration.

Construction sector indices for the UK, while pointing to only moderate growth, are also more favourable than other large European economies. The ‘Summer 2025 UK Construction Market View’ report published on 30 June by Arcadis, a global design and consultancy firm for natural and built assets, includes a cautiously optimistic outlook, with several key sectors beginning to scale up, and projections suggesting that the construction industry is growing faster than the wider economy.

The Arcadis report observes that “while sticky inflation may slow the rate of interest rate cuts, there are early, tentative signs of recovery. Orders have regained some lost momentum, and industry sentiment is improving”.

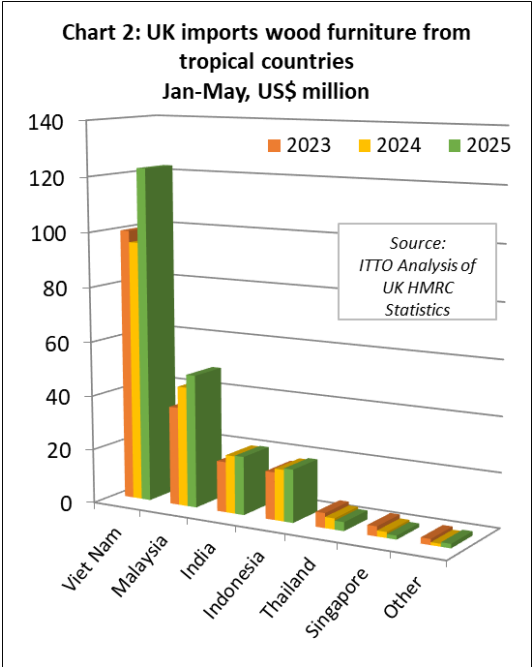
Less positive is the news on consumer confidence in the UK which took a sharp downturn in Q2 2025, according to Deloitte’s latest Consumer Tracker, falling by 2.6% to 10.4%, which is the lowest level recorded since early 2024. The drop marks the first significant dip in sentiment since October 2022, when inflation hit a 40-year high.

According to Deloitte “This drop in confidence signals a weakening of consumers’ resilience, as concerns of a slowing labour market have left consumers worried about job security and income growth prospects, while persistent inflation and a high cost of living have negatively impacted sentiment towards personal debt.”

See: <https://www.arcadis.com/en-gb/news/europe/united-kingdom/2025/6/arcadis-releases-summer-2025-uk-construction-market-view-report> and <https://www.deloitte.com/uk/en/Industries/consumer/research/consumer-tracker.html>

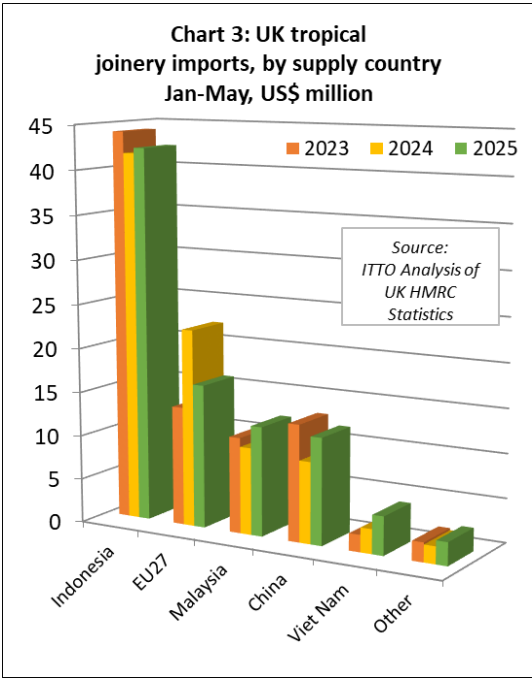
Rise in UK imports of wooden furniture from tropical continues
In the first five months of this year UK imports of wooden furniture from tropical countries increased 17% to US\$219 million while import quantity increased 16% to 57,900 tonnes. Tropical wooden furniture imports in the five-month period increased particularly sharply from Vietnam (+28% to US\$123 million) and Malaysia (+11% to US\$48 million), building on the momentum that built up in the second half of last year. Imports increased at a slower pace from India (+1% to US\$21 million), and Indonesia (+3% to US\$19 million).

However, imports declined from Thailand (-20% to US\$3.2 million), and Singapore (-34% to US\$1.4 million). UK wooden furniture imports were negligible from all other tropical countries during the first five months of this year (Chart 2).



UK imports of tropical wood joinery products rise sharply from Asia
Total UK import value of tropical joinery products increased 2% to US\$90 million in the first five months of 2025 and import quantity increased 7% to 31,800 tonnes. Following a big increase in 2024, imports of these products from the EU fell 27% to US\$16 million in the first five months of this year.

However, this was compensated by rising imports from Malaysia (+26% to US\$26 million), China (+31% to US\$12 million) and Vietnam (+58% to US\$4.4 million). Imports from Indonesia were US\$42 million during the five-month period, the same level as last year (Chart 3).

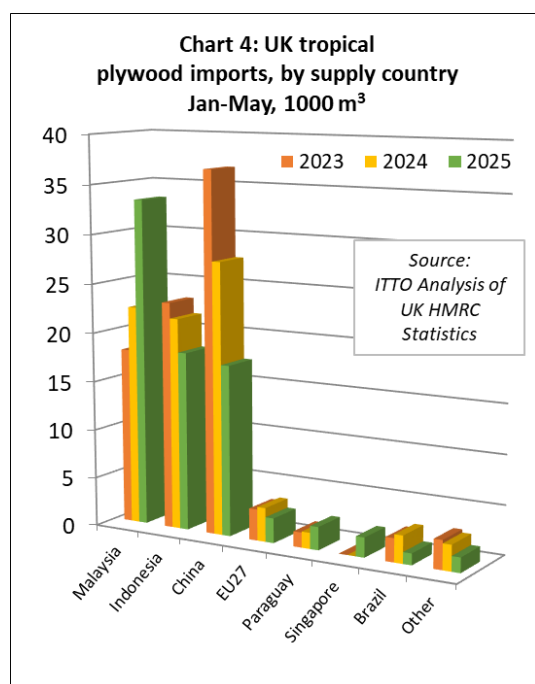


Large increase in UK imports of plywood from Malaysia

In the first five months of this year, the UK imported 78,600 cu.m of tropical hardwood plywood, 4% less than the same period last year. Import value fell more sharply, by 8% to US\$45 million. However, this was mainly due to a decline in imports from China and the EU.

Direct UK imports of hardwood plywood from tropical countries increased 15% to 58,700 cu.m in the five-month period. Imports were up 49% to 33,400 cu.m from Malaysia and up 43% to 2,400 cu.m from Paraguay. They also increased from zero to 2,000 cu.m from Singapore.

These gains offset declines of 16% to 18,200 cu.m from Indonesia and of 58% to 1,200 cu.m from Brazil. The UK imported 17,400 cu.m of plywood with an outer layer of tropical hardwood from China in the first five months of this year, 37% less than in the same period last year. UK imports of tropical hardwood plywood from EU countries were also down, by 27% to 2,500 cu.m during this period. (Chart 4).

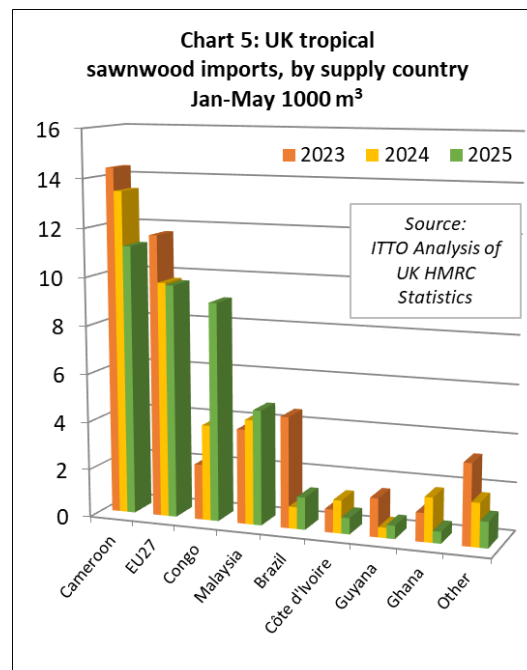


Republic of Congo takes larger share of UK tropical sawnwood market

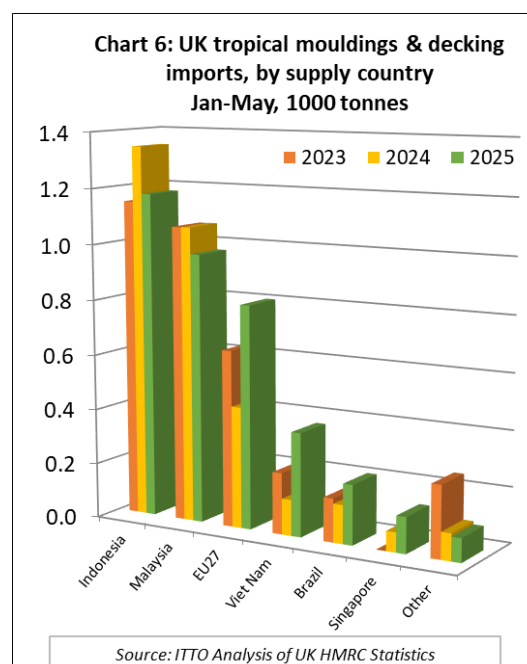
UK imports of tropical sawnwood were 38,800 cu.m in the first five months of this year, 3% more than the same period last year. Import value also increased by 3% to US\$48 million during the period. The most notable trend this year has been a sharp rise in imports from the Republic of Congo which increased 128% to 9,100 cu.m in the first five months of this year.

Less dramatic increases were recorded in imports from Malaysia (+10% to 4,800 cu.m), Brazil (+1% to 1,300 cu.m), and Guyana (+28% to 500 cu.m).

Meanwhile imports from Cameroon, still the largest supplier to the UK but now only just ahead of the Republic of Congo, were down 17% to 11,200 cu.m in the first five months of this year. Indirect imports from the EU were 9,700 cu.m, 1% less than the same period last year. (Chart5).



UK imports of tropical hardwood mouldings/decking increased 7% to 3,800 tonnes in the first five months of this year. Import value was up 6% to US\$10.6 million. Much of the gain was due to a rise in imports from EU countries, up 83% to 800 tonnes, and from Vietnam which gained 187% to 400 tonnes during the five-month period.



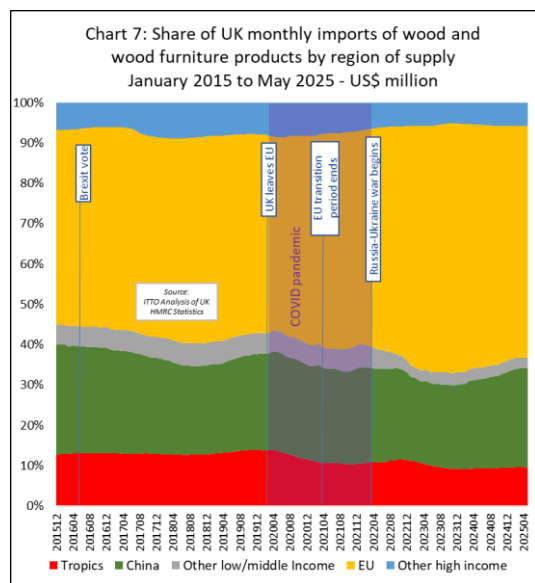
UK imports of this commodity from Indonesia fell by 13% to 1,200 tonnes and were down 9% from Malaysia to 1,000 tonnes (Chart 6 above).

Marginal gain in tropical share of UK wood product imports

The UK market for tropical wood and wooden furniture products in the first five months of this year performed marginally better than the wider UK market for wood and wooden furniture products.

In real terms (accounting for inflation), total UK import value of these products increased 4% to US\$4.57 billion in the first five months of 2025, while the value of tropical product imports increased by 5% to \$442 million during this period.

The share of tropical wood and wooden furniture products in total UK imports increased slightly from 9.6% in the first five months of 2024 to 9.7% during the same period this year. However, it was still down on the 11.4% share achieved in 2022 and the close to 14% share typical before the COVID pandemic (Chart 7).



North America

Single-family home building at an 11-month low

While new home construction rebounded in June single-family homebuilding dropped to an 11-month low in as high mortgage rates and economic uncertainty hampered home purchases, suggesting residential investment contracted again in the second quarter.

Private home building came in at a seasonally adjusted annual rate of 1.32 million new houses in June, the number was up about 4.6% from May but still half a percent lower than June of last year.

The US Department of Commerce also reported that permits for future construction of single-family homes tumbled to more than a two-year low last month, aligning with downbeat sentiment among homebuilders.

The slump in demand has increased the supply of homes on the market, discouraging builders from breaking ground on new housing projects. New housing inventory is at levels last seen in late 2007.

Single-family housing starts, which account for the bulk of homebuilding, dropped 4.6% to a seasonally adjusted annual rate of 883,000 units last month, the lowest level since July 2024. Homebuilding in that category fell in all four regions, with steep declines in the West and the densely populated South.

"Everywhere builders look there are reasons to delay or scrap projects," said Christopher Rupkey, Chief Economist at FWD BOND. "The nation's housing market outlook has never looked this troublesome. This could actually end quite badly for the economy."

In Canada, the annual pace of housing starts edged up 0.4% in June compared to May, according to the Canada Mortgage and Housing Corporation. The national housing agency says the seasonally adjusted annual rate of housing starts amounted to 283,734 units in June, up from 282,705 in May.

US home sales posted slowest May in 16 years

The home sales slump in the US continues as May 2025 became the slowest May for existing home sales since 2009. Existing home sales in May fell 0.7% compared to the same month last year. Measured monthly, sales were up slightly, 0.8%, from the month before but that marks an increase from the slowest April for existing home sales in 16 years.

National Association of Realtors Chief Economist Lawrence Yun called the sales figures "very stable, but at the sluggish sales activity level."

The key challenge is affordability, with median home prices up 52% compared to May 2019, while wages gained 30% over that period, according to Yun. Meanwhile, sales activity is running at 75% of what it was pre-COVID, Yun added.

One thing that has changed in recent months is inventory: The number of homes for sale is up more than 20% over a year ago. Inventory has been rising in every region of the country, with the biggest upticks in the West and South, according to Realtor.com.

That's meant a shift to a market that favors buyers more in some areas. Using inventory data to determine the number of home sellers, and a model to estimate the number of buyers, Redfin recently estimated there are 34% more sellers than buyers in the US now. Regionally, sales increased in the Northeast, Midwest and South but retreated in the West. Year on year, sales progressed in the Northeast and Midwest but contracted in the South and West.

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

US job growth continues, but weaknesses are showing

The US economy added seasonally adjusted 147,000 jobs in June despite lower predictions the Bureau of Labor Statistics (BLS) reported.

The BLS monthly jobs report showed a slight uptick over May's 139,000 increase. The estimate for the July report was 110,000 non-farm jobs added.

Job gains were made in traditionally steady sectors like local and state government, education, leisure and hospitality and health care.

But some economists are worried that job growth was not widespread. Sectors that saw the biggest monthly gains were mostly ones that are less affected by tariffs. The manufacturing sector saw a decline for the second-straight month, losing 7,000 jobs.

Unemployment decreased in June but that was because 329,000 people dropped out of the labour force, with many saying they were too discouraged by how hard it was to find a job. The so-called participation rate fell in June to a 2½-year low of 62.3%, down from a post-pandemic peak of 62.8% two years ago.

This rate illustrates what share of people of working age either have a job or are looking for one. The current crackdown on immigration is expected to add to the squeeze on the supply of labor.

"Although the overall number of jobs was very strong, the weakness was broad-based across the private sector," said chief economist Eugenio Aleman of Raymond James. "The labor market continued to weaken in June."

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

US consumer sentiment improves in July

Consumer sentiment improved in July and while inflation expectations continued to decline, US households still saw substantial risk of price pressures increasing in the future.

The University of Michigan's Surveys of Consumers on Friday said its Consumer Sentiment Index rose to 61.8 this month from a final reading of 60.7 in June. Economists polled by Reuters forecasted the index would increase to 61.5.

"Consumers are unlikely to regain their confidence in the economy unless they feel assured that inflation is unlikely to worsen, for example if trade policy stabilises for the foreseeable future," Joanne Hsu, the Director of the Surveys of Consumers, said. "At this time, the interviews reveal little evidence that other policy developments, including the recent passage of the tax and spending bill, moved the needle much on consumer sentiment."

Consumers' 12-month inflation expectations dropped to 4.4% from 5.0% in June. Long-run inflation expectations fell to 3.6% from 4.0% last month.

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

Manufacturing executives pessimistic as sector activity contracts for fourth consecutive month

Economic activity in the manufacturing sector contracted in June for the fourth consecutive month, following a two-month expansion preceded by 26 straight months of contraction, according to the latest Manufacturing ISM Report On Business.

ISM's "Manufacturing PMI" registered 49% in June, a 0.5-percentage point increase compared to the 48.5% recorded in May. A PMI percent below 50% indicates contraction in the sector. Of the 18 industry categories surveyed by ISM, the Furniture and Related Products sector was among the nine industries reporting growth in June, while the Wood Products sector was among the six industries reporting contraction from the previous month.

"In June, US manufacturing activity slowed its rate of contraction, with improvements in inventories and production the biggest factors in the 0.5 percentage point gain in the Manufacturing PMI," ISM Survey Chair Susan Spence said.

Despite the gain and the PMI registering only barely into the contraction range, executives were very pessimistic in comments to the ISM. American manufacturers say they don't expect much relief soon, as ongoing trade wars have raised costs, curbed demand and made it hard to plan.

"Business has notably slowed in last four to six weeks. Customers do not want to make commitments in the wake of massive tariff uncertainty," wrote one executive at a company that makes metal parts.

Companies "need some clarity on tariffs," said senior economist Jennifer Lee of BMO Capital Markets. "Certainty on what the tariff rates will be and what they will cover. The uncertainty is putting the brakes on business planning."

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

<https://www.msn.com/en-us/money/markets/u-s-manufacturing-slump-shows-little-sign-of-ending-amid-ongoing-trade-wars-ism-says/ar-AA1HLR96?ocid=BingNewsVerp>

Cabinet sales rise 6% in May

Cabinet manufacturers reported a 6.0% monthly gain in sales in May according to the Kitchen Cabinet Manufacturers Association's April Trend of Business report. Despite the gain, at US\$207.5 million, sales were 7.6% lower than that of May 2024. Custom Sales rose 8.8% from the previous month while Semi-Custom Sales gained 5.2%. Stock Sales rose by 4.3%. Through the first four months of the year, sales are down 6.3% from this point last year, with the number of units sold down 15.9%.

See: <https://kcma.org/sites/default/files/2025-06/trend%20of%20business%20-%20newsletter.jpg>

USITC to continue investigations on hardwood and decorative plywood from China, Indonesia, and Vietnam

In what has been described as a victory for US producers of hardwood and decorative plywood (HWDP), the US International Trade Commission (ITC) on July 3 found that there is a reasonable indication that imports from China, Indonesia, and Vietnam are materially injuring the US HWDP industry,

Chair Amy A. Karpel and Commissioners David S. Johanson and Jason E. Kearns voted in the affirmative. The vote came in response to petitions filed by the Coalition for Fair Trade in Hardwood Plywood, which consists of five leading US HWDP producers: Columbia Forest Products, Commonwealth Plywood, Manthei Wood Products, States Industries, and Timber Products.

As a result of the Commission's affirmative determinations, the US Department of Commerce will continue its investigations of imports of hardwood and decorative plywood from China, Indonesia, and Vietnam, with its preliminary antidumping duty determinations due October 29 and its preliminary countervailing duty determinations due on August 15.

The Commission's public report, Hardwood and Decorative Plywood from China, Indonesia and Vietnam will contain the views of the Commission and information developed during the investigations. The report will be available by 11 August.

See:

<https://www.woodworkingnetwork.com/news/woodworking-industry-news/trade-commission-makes-preliminary-determination-hardwood-and>

US Begins 301 Investigation on Brazil

The Office of the US Trade Representative (USTR) has initiated a Section 301 investigation into a number of Brazil's trade practices, including allegations of environmental enforcement failures focusing on illegal deforestation and illegal logging.

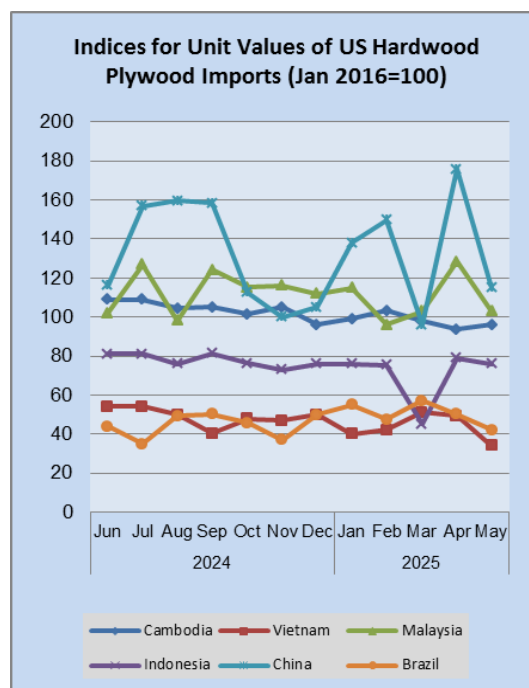
Among other non-timber related allegations, USTR alleges Brazil's inadequate enforcement of environmental laws has enabled illegal deforestation for agricultural production, particularly soy plantations and cattle ranches. This reduces costs and expands land availability for Brazilian producers who compete directly with US agricultural exports. USTR also alleges that more than one-third of Amazonian timber is estimated to be of illegal origin, harvested from protected lands or without proper permits.

At the end of the investigation, if USTR determines that unfair trade practices are occurring, USTR must implement retaliatory measures within 30 days, including tariffs, fees or import restrictions (no maximum rate limit) or withdrawal or suspension of trade agreements

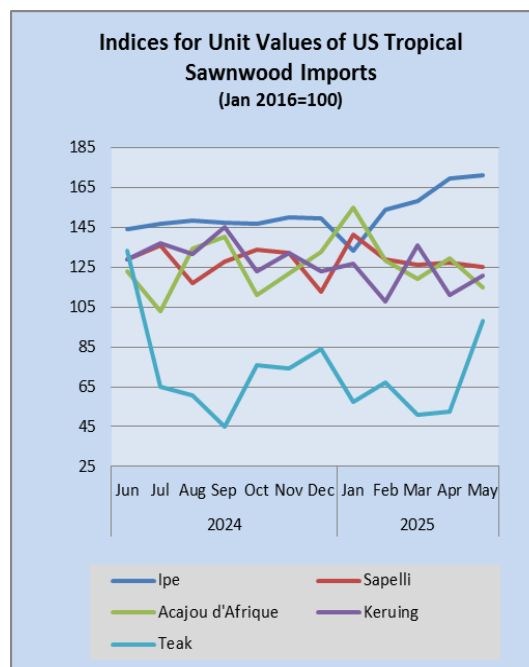
See:

<https://ustr.gov/sites/default/files/files/Press/Releases/2025/Bz1%20frn%20for%20press%20ofc%20final.pdf>

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.

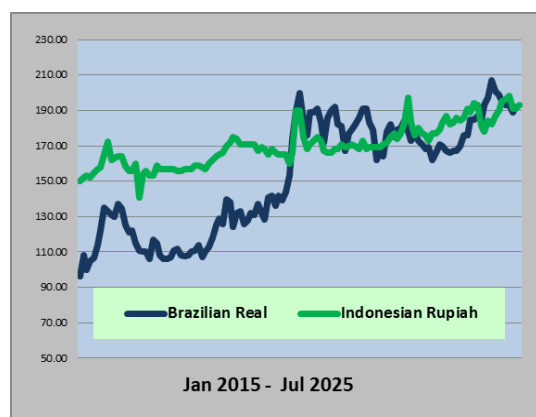
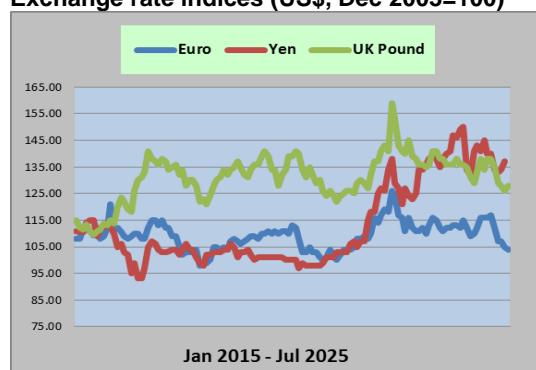
The views and opinions expressed herein are those of the correspondents and do not necessarily reflect those of ITTO

US Dollar Exchange Rates

As of 25 July 2025

Brazil	Real	5.57
CFA countries	CFA Franc	565.38
China	Yuan	7.17
Euro area	Euro	0.85
India	Rupee	86.50
Indonesia	Rupiah	16,360
Japan	Yen	147.65
Malaysia	Ringgit	4.22
Peru	Sol	3.63
UK	Pound	0.74
South Korea	Won	1,383.63

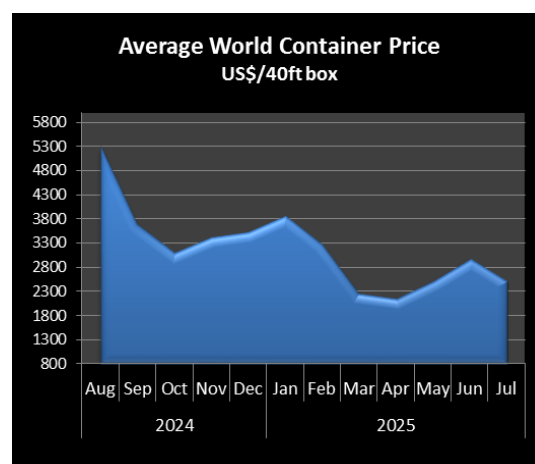
Exchange rate indices (US\$, Dec 2003=100)



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

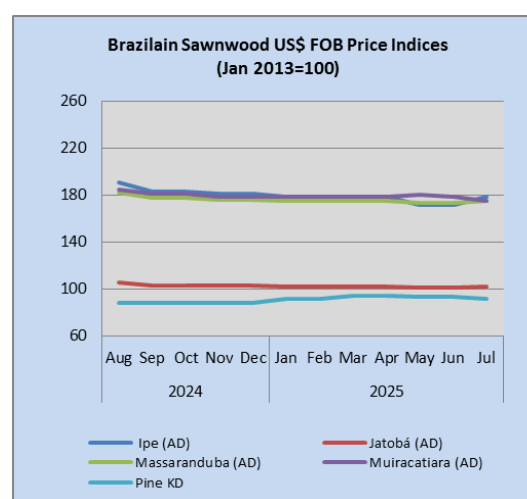
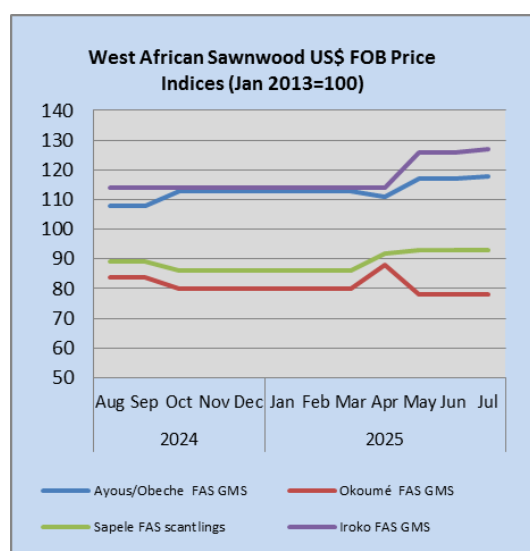
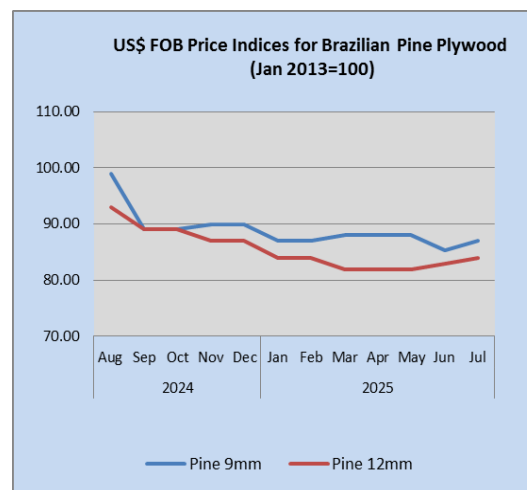
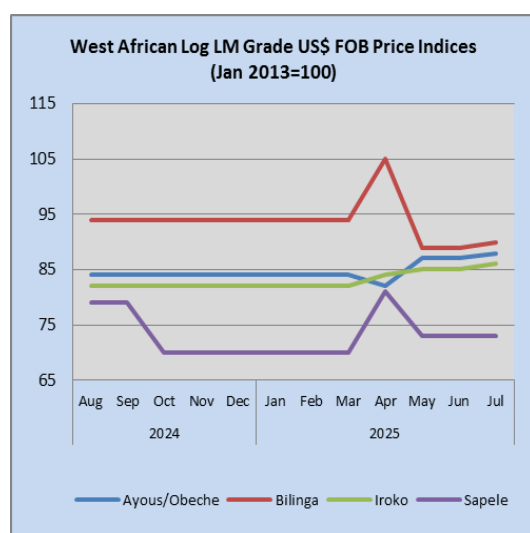


Data source: Drewry World Container Index

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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