

Tropical Timber Market Report

Volume 30 Number 1 1st –15th January 2026



The ITTO *Tropical Timber Market (TTM) Report*, an output of the ITTO Market Information Service (MIS), is published in English every two weeks with the aim of improving transparency in the international tropical timber market. Its contents do not necessarily reflect the views or policies of ITTO. News may be reprinted provided that the ITTO *TTM Report* is credited. A copy of the publication should be sent to ti@itto.int.

Contents

Central/West Africa	2
Ghana	4
Malaysia	6
Indonesia	7
India	9
Viet Nam	12
Brazil	14
Peru	16
Japan	17
China	22
EU	23
North America	26
Currencies and Abbreviations	29
Ocean Freight	29
Price Indices	30

Headlines

	Page
Gabon – reports suggest export duties raised	2
Malaysian Association - delayed tariff hike offers limited relief	6
Furniture and craft industries anticipate a rebound in export demand – Indonesia	8
India's core veneer supply from Vietnam and Nepal	10
Brazilian furniture industry redirects exports	15
In Japan, 40% of wood demand is tied to construction	18
Modest but continuing growth forecast for EU and Eurozone	23
US delays scheduled tariff increases on furniture and kitchen cabinets	27

Top story

New force in French timber trade

France has a new business organisation bringing together the timber trade and the wood construction sector. The Union des Industries de la Construction et Commerce du Bois (UICCB – Union of Construction Industries and Timber Trade) has been formed by Le Commerce du Bois (LCB) joining forces with the Union des Industriels et Constructeurs Bois (UICB).

The merger of these two major players in the French forestry and timber sector is expected to benefit the development of companies which are committed to decarbonising construction processes.

Page 25

Cameroon – reports of a tax incentive in its 2026 finance law to encourage SFM

The Cameroon timber sector differs significantly from that in Gabon experience. The country is considered by operators to be expensive to operate in but benefits from a high population and a workforce that is inventive, motivated and willing to work.

Several companies operate extremely large forest areas, ranging from 200- 600,000 hectares, a scale that would be impossible in Gabon, where the legal maximum per UFA is 200,000 hectares.

Cameroon has introduced a tax incentive in its 2026 finance law to encourage sustainable forest management aimed at reducing illegal activities. As of 1 January 2026 a reduction of between 25% and 35% will apply to the annual forestry fee paid to the State by logging companies Finance Minister, Louis Paul Motazé, said in a circular on budget execution.

Prices for most timbers in Cameroon are rising. For Azobé strict cutting limits are in place. Thickness is restricted to 15 cm while production of 20 cm thickness requires special authorisation. However, unusually large dimensions of Afzelia (40 x 40 cm and 50 x 50 cm) were observed for export to Vietnam. This was explained locally as a “special species only for Vietnam.”

Vietnam became the second-largest market for Cameroon timbers after China. From 2016 to 2019 Cameroon logs accounted for about 25% of Vietnam’s tropical log imports according to a recent article.

See: <https://www.ecofinagency.com/news-agriculture/1001-51822-cameroon-cuts-forestry-taxes-to-promote-sustainable-logging>

Over recent weeks no rainfall was recorded. According to local foresters rainfall levels were lower than last year with heavy but short and late rains. Cameroon is now entering its six-month dry season which should improve forest access and transport conditions.

A major operational limitation remains the trucking regulation that restricts log trucks to a maximum of 25 cu.m per load. As a result, trucks often carry only two or three logs per journey, increasing transport costs and reducing efficiency.

Gabon – reports suggest export duties raised

2026 began with several major focus area's affecting forestry operations and exports. These include the introduction of EU TR compliance, carbon regulations, log bans, and new CITES measures. In addition, the Finance Law 2026 has now been passed and introduces higher customs export duties for transformed timber products.

Unconfirmed reports suggest export duties effective 1 January 2026 are as follows: First transformation products such as sawn timber and peeled veneer are taxed at 15% (previously 7.5%). Second transformation products such as plywood and kiln-dried timber are taxed at 10% (previously 5%). Third transformation products such as furniture and finished goods remain taxed at 3.5%.

These increases come at a time when international markets are weak, placing strong pressure on margins and pricing.

No major policy or operational challenges have been reported, however, heavy rains continue in eastern Gabon causing delays in trucking operations to Libreville Port (Owendo). These weather-related disruptions remain the main logistical constraint for timber transport.

The domestic media has reported Gabon's President Brice Clotaire Nguema has announced the establishment of a new government line up. The Minister of Water and Forests, Environment and Climate, in charge of Human-Wildlife Conflict is Maurice Allogho Ntossui.

See: <https://www.ecofinagency.com/news/0301-51747-gabon-unveils-new-government-cabinet-expands-to-31-members>

Upcountry areas continue to experience light rainfall. Harvesting remains at a low level due to weak market demand in Asia and Europe. The main harvested species continue to be Okoume, Okan, Azobé and redwoods.

Transport remains affected by the previous rainy period, particularly in the south and east of the country where trucking times can still reach two to three days. However, road conditions are improving steadily due to ongoing rehabilitation works.

Log supply and industrial operations

The GSEZ log park in the Nkok Special Economic Zone has been rebuilding Okoume stocks following the conclusion of investigations by the government Task Force. Current log stocks at GSEZ are estimated at approximately 3,000 cu.m, consisting mainly of Bosse, Sapelli, Padouk, some Azobé and Okan and limited volumes of Okoume.

Peeling mills in Nkok are currently operating one shift. India and China remain steady buyers although overall, Chinese demand for Gabonese sawnwood remains very weak.

Road rehabilitation is progressing under a four-year government programme covering 3,000 km of concrete and tarmac roads, financed by the Islamic Bank and the African Development Bank (BAD). Central regions including Lastourville, Lopé, Makokou, Okondja and Makoukou are now benefiting from improved all-weather laterite roads. Transport time from Makokou and Okondja to Owendo Port has been reduced to one to two days.

A second railway corridor is again under study linking the Belinga mining site to the planned Mayumba deep-water port. This project is being reactivated under joint Chinese/Australian management.

A further iron and manganese port between Port-Gentil and Mayumba is also under study.

Port operations in Owendo remain stable. Container availability is sufficient. Ships are waiting a few days before berthing but port operations are otherwise functioning normally.

Electricity supply remains unstable. Power cuts continued into the New Year with multiple outages per day. Although additional Turkish power ships are planned reliability remains a major concern for industrial operators.

Market demand and trade flows

China remains the weakest market for Gabonese sawmills. Philippines demand is said to be declining. Vietnam remains strong for Tali, Padouk and Niove. The Middle East market is improving as Brazilian softwood prices have started to increase.

Brazil remains Gabon's main competitive threat at present. A large automated sawmill in Brazil is producing approximately 5,000 cu.m of sawn pine with only 40 employees and offering prices around €210–220 per cu.m CIF Middle East. This pricing has severely impacted Okoume demand. However, recent information suggests Brazilian prices are now rising.

European demand remains weak with orders limited to supply-on-demand due to high stock levels.

Republic of the Congo

Rainfall has declined across the country allowing harvesting activities to continue under more stable conditions. However, production remains below capacity due to weak international markets.

The main commercial species remain Sapelli, Ayous, Iroko, Padouk, Azobé and Okoumé in the northern regions. Harvesting activity has slowed due to weak Chinese demand. Sawmills are increasingly turning toward European markets creating a risk of oversupply similar to the situation previously experienced with Padouk.

The Philippines has reduced demand for Okoumé while Vietnam remains active for Tali, Padouk and Niové. Demand in Middle East countries for Okoumé sawnwood remains weak. European demand is limited with operators cautious about oversupplying red species.

The Republic of the Congo is a large and logistically complex country. For many northern operators transport to Douala Port in Cameroon is preferred over Pointe-Noire in the south, which is approximately 1,400 km away.

Transport from northern Congo and the Central African Republic to Douala continues to face challenges due to the lack of surfaced roads over the 1,200 km route from Bangui to Douala.

Conditions in the Likouala region are improving, supported by reduced rainfall and ongoing repairs to laterite roads. Timber from this region is increasingly shipped by container through Kribi Port in Cameroon while logs continue to move through Douala.

Reports suggest sawmills currently hold log stocks sufficient for approximately two to three months of operation. However, production remains cautious due to subdued demand and uncertainty in export markets.

Operators observe that the forestry administration remains well organised and maintains strict control over forest operations and exports. Congo continues to enforce CITES regulations and applies EUTR requirements for exports to Europe. Only southern Congo produces Okoumé, which is largely absent in northern Congo and Cameroon. Northern Congo production is dominated by Sapelli, Sipo and other red species.

The Republic of the Congo enters 2026 with improving weather conditions and stable forest operations but production remains constrained by weak demand from China and subdued European markets. Logistics remain challenging due to long transport distances although conditions are slowly improving in key production regions.

Log export prices

Asian market	West African logs		
	LM	B	BC/C
Acajou/ Khaya/N'Gollon	220	220	175
Ayous/Obeche/Wawa	220	220	200
Azobe & ekki	250	250	175
Belli	260	260	-
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	580
Scantlings	610
Movingui FAS GMS	460
Okoume Merch	380
Assamela FAS GMS	1,400
Gheombi	450

Ghana

Parliament bans mining in forest reserves

Parliament has reinstated a full ban on mining in forest reserves as part of broad environmental reforms aimed at safeguarding water resources, reversing deforestation and strengthening protection against illegal mining.

The Environmental Protection (Mining in Forest Reserves) Revocation Instrument 2025 which nullifies L.I. 2462 was put before parliament by the Acting Minister for Environment, Science and Technology and Minister for Lands and Natural Resources in October 2025.

According to the Ministry of Environment, Science and Technology (MEST) the repeal of the June 2022 Environmental Protection (Mining in Forest Reserves) Regulations became law effective in December 2025 after the mandatory 21-day constitutional period. The decision marks a decisive shift in Ghana's environmental policy framework restoring blanket protection for forest reserves.

Environmental civil society organisations and public interest groups, including A Rocha Ghana, OXFAM and the Christian Council hailed the Government for the revocation of Legislative Instrument (L.I.) 2462, describing it as a major victory for forest protection and environmental governance.

They argued that L.I 2462 undermined sustainable forest management, contradicted the Forest Development Master Plan (2016–2036) and conflicted with Ghana's international commitments under the Paris Agreement and Convention on Biological Diversity.

While praising the move they criticised the long delay in revoking the law which faced months of widespread criticism and urged the Legislature to avoid politicising the fight against galamsey. They also called on government for a review of Act 703 to explicitly ban mining in reserves.

Awula Serwaa of Eco Conscious Citizen stressed that repealing the law alone is insufficient, urging government to adequately resource the Forestry Commission to enforce protection. Data shows that over 50 of the country's 288 reserves came under mining pressure leaving 80% vulnerable even after a 2025 amendment.

See: <https://gna.org.gh/2025/12/ghana-revokes-controversial-mining-law-paving-way-for-forest-conservation/> and

<https://www.myjoyonline.com/csos-command-govt-for-revoking-l-i-2462-call-for-stronger-forest-protection-measures/>

Primary products accounted for 66% of wood exports ending October 2025

Ghana's timber and wood product exports in November 2025 generated Eur7.03 million from a volume of 14,999 cu.m, reflecting declines of 25% in value and 27% in volume compared with November 2024.

Wood products export volumes, Jan to Nov.2025

	Vol. (cu.m) 2025	2024-25 % change
Jan	20,594	-1%
Feb	18,062	-9%
Mar	19,188	-18%
Apr	19,648	-13%
May	18,924	-25%
Jun	14,932	-29%
Jul	15,632	-36%
Aug	16,458	-34%
Sep	17,536	-31%
Oct	19,038	-18%
Nov	14,999	-27%
Total	195,011	-23%

Data source: TIDD

From January–November 2025 cumulative exports totalled Eur89.39 million from 195,011 cu.m, marking declines of 21% in value and 23% in volume compared with the same period in 2024. Despite reduced trade, the average unit price rose slightly by around 2%, from €450 to €458 per cu.m.

Primary products contributed 53% of the export value while secondary and tertiary products accounted for 42% and 5%, respectively. Asia remained Ghana's largest market (52%), followed by Europe (25%), Africa (10%), America (10%) and the Middle East (3%) with Oceania showing modest growth (0.1%).

The data showed that fifty-six exporters traded. Shipments comprised 13 product types across 45 species reaching 36 countries and 82 buyers.

Top products were sawnwood (Air Dried/Kiln Dried), Plywood (Overland/Overseas) and billets, with Teak, Wawa, Denya, Cedrela and Ceiba as leading species. India, Vietnam, USA, Germany and Togo were the main market destinations for Ghana's wood products.

According to the Indian High Commissioner, Manish Gupta, bilateral trade between Ghana and India, which includes wood products, has surpassed US\$3 billion annually with ambitions to double this within five years under Ghana's 24-Hour Economy Initiative.

Strengthening forest governance

The Forestry Commission (FC) has reinforced its leadership in sustainable forest governance with the signing of a new Memorandum of Understanding (MoU) between the Governments of Ghana and the United Kingdom.

The Agreement marks a significant milestone in deepening collaboration on forest legality, climate resilience and responsible forest management, reaffirming the Commission's central role in driving reforms that protect forest resources while promoting sustainable trade and livelihoods.

The event brought together the leadership of the Forestry Commission (FC), representatives of the UK Government, stakeholders from the private sector, civil society organisations and development partners underscoring the shared commitment of both countries to protecting forest resources and promoting responsible forest-based trade.

The renewed UK support under the MoU, is aimed at strengthening governance and enforcement and advancing sustainable financing mechanisms, including the exploration of payments for ecosystem services.

The Chief Executive of FC, Dr Hugh C.A. Brown, highlighted the long-standing partnership between Ghana and the United Kingdom which spans more than two decades of collaboration in forest law enforcement, governance and trade.

Christian Rogg, British High Commissioner to Ghana, described the signing of the MoU as a significant milestone in the evolving partnership between Ghana and the United Kingdom.

See: <https://mlnr.gov.gh/forestry-commission-strengthens-forest-governance-through-renewed-uk-ghana-partnership/>

Economic recovery gaining momentum

Ghana's economic recovery gained momentum in late 2025 with the International Monetary Fund approving a US\$380 million disbursement under the Extended Credit Facility, part of a US\$3 billion bailout package. The decision followed the Fifth Review of Ghana's programme performance and reflects progress in restoring stability and investor confidence.

The country's inflation dropped sharply to 5.4% in December 2025, down from 24% a year earlier marking twelve consecutive months of disinflation. The Ghana cedi achieved a historic 32% appreciation against the US dollar last year, its first annual gain in over three decades.

While fiscal discipline was reinforced by the early settlement of a US\$709 million Eurobond, bringing total repayments to US\$1.4 billion for the year. This reaffirms Ghana's credibility as a sovereign borrower and underscores Government's commitment to restoring investor confidence through transparent, predictable and disciplined debt-service practices.

In related news, the Bank of Ghana reduced its policy rate to 18% urging banks to expand credit to SMEs to spur economic growth. Looking ahead, the Governor of the Bank of Ghana, Johnson Asiama, announced plans to roll out a National Remittance Strategy and Remittance Roadshow initiative with the Ministry of Finance in 2026 to boost foreign exchange inflows.

See: <https://theheraldghana.com/imf-approves-380m-for-ghana-after-latest-programme-review/>
and
<https://statsghana.gov.gh/gssmain/storage/img/marqueeupdate/December%202025CPI-Bulletin.pdf>
and
<https://www.mofep.gov.gh/news-and-events/2025-12-31/20government-of-ghana-settles-us709-million-eurobond-obligation>

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 (1-1.9 mm)	FACE (>2mm)
Ceiba	355↓	472
Chenchen	502	612
Ogea	347	590
Essa	538	583↓
Ofram	350	435

Sawnwood export prices

Ghana sawnwood, FOB	Euro per cu.m	
	Air-dried	Kiln-dried
FAS 25-100mmx150mm up x 2.4m up	860	925
Afromosia	465	517
Asanfina	290	465
Ceiba	377↓	444↓
Dahoma	640	637↑
Edinam (mixed redwood)	700	750
Emeri	783	910↓
African mahogany (ivoirensis)	692	805
Makore	760↓	837
Niangon	823	1,271↑
Odum	695	782↓
Sapele	455↑	473↓
Wawa 1C & Select		

Plywood export prices

Plywood, FOB	Euro per cu.m		
BB/CC	Ceiba	Ofram	Asanfina
4mm	287	580	641
6mm	440	536	604
9mm	413	504	560
12mm	350	489	480
15mm	389	356	430
18mm	452	437	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	999↓
Avodire	1,304
Chenchen	1,161↑
Mahogany	1,479↑
Makore	2,125↑
Odum	2,334↑
Sapele	1,572↑

Malaysia

Delayed tariff hike offers limited relief

The decision by the United States to delay higher tariffs on selected furniture products offers limited relief to Malaysian manufacturers amid rising domestic costs and weak demand especially in the US, say exporters.

The US has postponed planned tariff increases on upholstered furniture, kitchen cabinets and vanities, keeping the current 25% rate in place. Tariffs on certain upholstered wooden products were previously set to rise to 30% 1 January, while duties on kitchen cabinets and vanities were due to increase to 50%.

In April last year, the United States announced sweeping tariffs on imports from nearly all countries around the world, including Malaysia. Malaysian exports were initially subjected to a 25% tariff but an Executive Order signed by the US President in August 2025 reduced these to 19%. However, new 25% tariffs which affected kitchen cabinets and upholstered furniture were imposed in September and took effect in October.

Malaysian Furniture Council president, Desmond Tan Boon Hai, said the change does not significantly improve Malaysia's competitiveness as the same tariff rate was imposed on many other countries. For some local manufacturers, Tan said, the extension of the 25% tariff would have only a modest impact as it mainly affects kitchen cabinets, vanities and upholstered furniture.

Tan added the industry hopes the government can renegotiate tariffs on Malaysian-made furniture with Washington though such efforts ultimately depend on a bilateral agreement. On domestic challenges he said the government could provide more immediate support by reviewing policies that have significantly raised operating costs for furniture makers.

"These include the expansion of the sales and service tax (SST), mandatory EPF contributions (a national retirement fund) for foreign workers, minimum wage adjustments, recalibrated petrol and electricity tariffs and the multi-tier levy on foreign workers due to take effect this year," he said.

Tan warned that the multi-tier levy, introduced to encourage the hiring of local workers by making foreign labour more expensive may not achieve its intended outcome. "The reality is that the industry may not be able to afford the new levy while locals continue to shun jobs in timber sector," he said, warning that prolonged pressure could put the wider furniture, timber and export industries at risk. He urged the government to consider exemptions from costly policies and provide fast-track financial assistance to companies badly affected.

"These measures would give firms time to adjust, including expanding their design offerings, improving their manufacturing processes, and speeding up delivery times to remain competitive globally," he said.

Kuala Lumpur and Selangor Furniture Association honorary president, Matthew Law, said weak US consumer demand continues to impact the industry. "The residential sector shows no improvement" he said.

See: <https://www.thestar.com.my/news/nation/2026/01/03/little-joy-for-local-furniture-players>

Sabah Guidelines for plantations

The Sabah Forestry Department has released three new publications aimed at enhancing forest plantation development and strengthening the management of tree genetic resources in the State. The publications are titled 'Guidelines for Selecting Candidate Plus Trees (CPT) for Forest Plantation Species', 'Photo Collection of Candidate Plus Trees (CPT) of Local Forest Plantation Species in Sabah' and 'Photo Collection of Candidate Plus Trees (CPT) of Exotic Forest Plantation Species in Sabah'.

Chief Conservator of Forests, Frederick Kugan, said the forest plantation industry remains an essential pillar of Sabah's timber sector providing a sustainable supply of raw materials while driving economic growth and improving community well-being.

"The selection of Candidate Plus Trees (CPT) is a vital scientific approach in tree breeding programmes. This method evaluates superior characteristics such as growth performance, stem form, disease resistance and fruit production to ensure high genetic quality of planting materials," he said.

The publications serve as comprehensive references for researchers, estate managers and stakeholders, underscoring the department's commitment to strengthening tree genetic resource development through sustainable and impactful strategies.

See: <https://www.dailyexpress.com.my/news/273521/undefined/>

Technology-driven methods to address forest crimes

Sarawak is ramping up its forest enforcement framework through more strategic, integrated and technology-driven methods to address increasingly complex forest crimes, said Sarawak Forest Department Director, Hamden Mohamad.

He said conventional approaches are no longer sufficient as the nature of forestry offences has evolved significantly over the past decade. “The world is changing rapidly and the enforcement challenges of today are not the same as those of a decade ago.

Hamden said enforcement officers must progressively shift from relying solely on physical patrols to incorporating technology, data analytics and intelligence-led operations. These enhancements include the use of drones and satellite imagery for wide-area monitoring, Geographic Information Systems, digital mapping, data analysis and crime intelligence, real-time detection systems as well as smart cameras and forest forensics technology.

The Sarawak Forest Department and the Enforcement Leadership Management University (Elmu) signed a memorandum of understanding to strengthen the capacity of enforcement officers statewide and bolster forest protection. Hamden said the collaboration will allow officers to undergo training and further studies at Elmu. “We will also look into establishing a training scheme for the university to assist enforcement personnel, not only in Sarawak but also throughout Malaysia,” he said.

He added that continuous upskilling is essential as officers must keep pace with current legislation, new enforcement techniques and evolving technologies to safeguard the state’s forest heritage.

See: <https://www.theborneopost.com/2025/12/12/sarawak-boosts-forest-protection-with-drones-satellite-monitoring-and-data-analytics/>

Ensuring industry's survival and long-term alignment with global sustainability expectations

The Sabah Timber Industries Association (STIA) has called on the State Government to introduce measures which are deemed necessary to ensure the industry's survival and long-term alignment with global sustainability expectations. The measures are:

- Enhance investment incentives to attract both local and foreign investors into modern, technology-driven wood-based manufacturing.
- Accelerate industrial tree plantation development and expansion to reduce dependence on natural forests and to secure long-term raw material supply.
- Introduce targeted financing schemes and incentives to support industry upgrading and sustainability compliance.

- Strengthen cross-agency cooperation to streamline approvals and reduce red tape and regulatory processes for plantation and downstream industry development, while promoting digitalisation systems across government agencies to enhance inter-agency coordination and ensure a faster, more efficient delivery system in Sabah.
- Support skills development programmes to prepare young Sabahan workers for a modernised timber ecosystem.

See: <https://www.dailyexpress.com.my/news/272251/sabah-timber-industries-association-urges-urgent-measures-to-stabilise-industry/>

Indonesia

Export Benchmark Price (HPE) of Wood for January 2026

The following is a list of wood benchmark prices for 1-31 January 2026.

Veneers

Natural Forest Veneer	US\$618/cu.m
Plantation Forest veneer	US\$813/cu.m
Wooden Sheet for Packaging	
Box	US\$1,068/cu.m

Wood Chips

Woodchips in chips or	
Particles	US\$90/tonne
Woodchips	US\$97/tonne

Processed Wood

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth with the provisions of a cross-sectional area of 1,000 sq.mm to 4,000 sq.mm (ex 4407.11.00 to ex 4407.99.90)

Meranti (Shorea sp)	US\$1,218/cu.m
Merbau (Intsia sp)	US\$1,151/cu.m
Rimba Campuran	
(Mix Tropical hardwood)	US\$712/cu.m
Eboni	US\$2,384/cu.m
Teak	US\$3,646/cu.m
Pinue and Gmelina	US\$727/cu.m
Acacia	US\$649/cu.m
Sengon (P. falcataria)	US\$1,349/cu.m
Rubberwood	US\$408/cu.m
Balsa (Ochroma sp) and	
Eucalyptus	US\$546/cu.m
Sungkai (P. canescens)	US\$1,298/cu.m

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth of Merbau wood with the provisions of a cross-sectional area of 4,000 sq.mm to 10,000 sq.mm (ex 4407.11.00 to ex 407.99.90) US\$1,500/cu.m.

See: <https://jdih.kemendag.go.id/peraturan/keputusan-menteri-perdagangan-republik-indonesia-nomor-2139-tahun-2025-tentang-harga-patokan-ekspor-dan-harga-referensi-atas-produk-pertanian-dan-kehutanan-yang-dikenakan-bea-keluar-dan-tarif-layanan-badan-layanan-umum>

Review of national forest governance

President Prabowo Subianto instructed the Minister of Forestry, Raja Juli Antoni, to conduct a review of national forest governance as part of broader structural reforms in the forestry sector. The directive follows a series of ecological disasters in several regions which the government believes are linked to weak governance.

The Ministry of Forestry has proposed establishing a Regional Forestry Office Head in each province to reduce the wide gap in control between the ministry and its technical units which it is believed contributed to not identifying problems that led to severe flooding. The minister said this new structure would strengthen policy implementation at the local level.

See: <https://www.metrotvnews.com/read/kWDCze4w-prabowo-perintahkan-menhet-evaluasi-total-tata-kelola-hutan-nasional>

Forest permits covering over 1 million hectares revoked

The government has revoked 22 forest-use permits covering a total of more than 1 million hectares nationwide according to Forestry Minister, Raja Juli Antoni. The decision follows a directive from the President and is part of the government's broader effort to maintain order in the forestry sector. With this latest action, the government has now addressed around 1.5 million hectares of problematic forest land.

The government is also taking legal steps through the Forest Area Order Task Force, particularly in Aceh, North Sumatra and West Sumatra targeting cases linked to illegal logging.

See: <https://en.antaranews.com/news/396613/indonesia-revolves-22-forest-permits-covering-over-1-million-hectares> and <https://hijau.bisnis.com/read/20251215/651/1936900/pemerintah-cabut-22-izin-pemanfaatan-hutan-seluas-lebih-dari-1-juta-hektare>

Chamber of Commerce proposes furniture industry incentives

The Indonesian Chamber of Commerce and Industry (Kadin) met with Finance Minister, Purbaya Yudhi Sadewa, to discuss deregulation and incentives for the national furniture industry.

Kadin Chairperson, Anindya Novyan Bakrie, highlighted that while the global furniture market is worth around US\$300 billion Indonesia contributes only about US\$2.5 billion. Although the industry's growth remains healthy he noted that Indonesia's trade surplus is shrinking due to rising imports. The proposed incentives include access to financing with more competitive interest rates and support for resource-based industrialisation, such as for the rattan sector.

Anindya also stressed the need to diversify export markets as nearly 60% of Indonesia's furniture exporters still rely on the United States while there is potential for expansion to Canada and the European Union.

HIMKI Chairperson, Ahmad Sobur, urged the government to provide financial support pointing out that exporters currently access loans at around 6% interest through the Indonesian Export Financing Institution (LPEI). In response, Finance Minister Purbaya said the government would review LPEI's internal condition before expanding incentive support for the furniture industry through the institution.

See: https://en.tempo.co/read/2074881/kadin-indonesia-pushes-furniture-industry-incentives-in-meeting-with-finance-minister?tracking_page_direct and <https://en.antaranews.com/news/397513/indonesia-allocates-rp2-trillion-to-boost-textile-furniture-exports> and <https://www.cnnindonesia.com/ekonomi/20251219192114-92-1308816/purbaya-siap-dukung-pelaku-industri-furnitur-ri>

Furniture and craft industries anticipate a rebound in export demand

Indonesia's furniture and handicraft industry is optimistic about an export market rebound in 2026 supported by expectations of global monetary policy easing and improving consumer sentiment.

Industry leaders anticipate that growth will be led by value-added, sustainable and design-driven products following a relatively stable and consolidative performance in 2025. While prospects are improving the recovery is expected to unfold gradually and selectively across markets.

Despite the positive outlook, the industry continues to face internal challenges such as high financing costs, efficiency pressures, inconsistent raw material supplies and rising compliance costs linked to sustainability certifications, particularly for MSMEs.

External risks include volatile logistics costs, intense competition from Vietnam and China and stricter trade policies including the EU's deforestation regulation and US tariffs. To address these challenges, HIMKI is prioritising a green industry strategy focused on sustainability, productivity, product differentiation and stronger branding while emphasising the need for supportive government policies to maintain competitiveness.

See: <https://www.msn.com/id-id/berita/other/pelaku-industri-mebel-dan-kerajinan-optimistis-pasar-ekspor-pulih-di-tahun-2026/ar-AA1SThiv?ocid=BingNewsVerp> and <https://www.antaranews.com/berita/5325943/himki-yakini-2026-penuh-peluang-bagi-industri-furnitur-kerajinan>

Opportunities for performance-based REDD+ financing in regions

Indonesia's Ministry of Forestry has created opportunities for performance-based financing for the implementation of the REDD+ scheme at the regional level emphasising the importance of strong collaboration between the central and regional governments.

Forestry Minister, Raja Juli Antoni, highlighted that national success in reducing emissions depends heavily on forest management performance in the regions.

One key financing mechanism is the ART-TREES scheme which applies a jurisdictional, performance-based approach while maintaining environmental integrity and international accountability.

The ministry praised regional leaders for their commitment to forest and environmental protection. The ministry encourages regional governments to further strengthen forest conservation, reduce deforestation and degradation, improve data and monitoring systems and ensure fair and sustainable participation of indigenous peoples and local communities.

According to an October 2025 report, Indonesia's REDD+ implementation has successfully reduced emissions in the forestry and land-use sector and gained international recognition through Result-Based Payments totaling US\$499.8 million, with US\$340.7 million already disbursed. This includes US\$103.8 million in support from the Green Climate Fund through UNDP.

See: <https://www.antaranews.com/berita/5327518/kemenhut-buka-peluang-pendanaan-redd-berbasis-kinerja-di-daerah>
and
<https://www.kehutanan.go.id/news/kemenhut-buka-peluang-pendanaan-redd-berbasis-kinerja-bagi-daerah>

FTA with EAEU signed, Indonesia eyes wider Eurasian market access

Indonesia has signed a free trade agreement (FTA) with the Eurasian Economic Union (EAEU) to reduce trade tariffs and expand access for Indonesian products to non-traditional Eurasian markets. The agreement was signed on December 21, 2025, at the EAEU Summit in Saint Petersburg, Russia, with Trade Minister Budi Santoso representing Indonesia.

The FTA is expected to help Indonesia penetrate a market of around 180 million people with a combined GDP of US\$2.56 trillion while supporting the country's strategy to diversify export destinations and attract new investment, particularly in manufacturing and agriculture.

The pact consists of 15 chapters covering market access, trade facilitation and economic cooperation and includes the EAEU's commitment to apply preferential tariffs on 90.5% of tariff lines for Indonesian products. This is projected to boost exports of palm oil and its derivatives, textiles, footwear, fishery products, natural rubber, furniture and electronics.

In return, Indonesia offers EAEU members access to its large and growing domestic market of 281.6 million people and a GDP of US\$1.4 trillion, marking the Agreement as a strategic step toward deeper and balanced economic partnership.

See: <https://en.antaranews.com/news/397396/indonesia-seals-fta-with-eaeu-eyes-wider-eurasian-market-access>

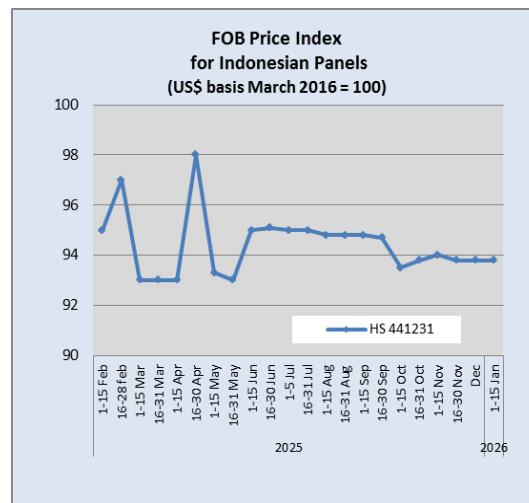
Indonesia accelerates tariff negotiations with US

Indonesia is accelerating its trade and tariff negotiations with the United States aiming to finalise an agreement in early 2026. The US is Indonesia's second-largest trading partner with trade valued at US\$28.14 billion from January to November 2025, following China at US\$58.24 billion.

A negotiating team is scheduled to travel to the US for drafting an agreement expected to be signed by President Prabowo Subianto and US President by the end of January.

Coordinating Minister for Economic Affairs, Airlangga Hartarto, confirmed that all major issues have been agreed in principle. Under the Agreement Indonesia will expand market access for US products, reduce non-tariff barriers and enhance cooperation in digital technology and national security. In exchange, the US will grant tariff exemptions for key Indonesian exports, including palm oil, cocoa, coffee and tea.

See: <https://kalsel.antaranews.com/berita/499061/indonesia-speeds-up-tariff-negotiations-with-us>



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

India

Price indices for wood products tilt lower

The annual rate of inflation based on the all India Wholesale Price Index (WPI) was -0.32% for November 2025 (over November 2024). The negative rate of inflation in November 2025 was primarily due to decreased prices for food articles, mineral oils, crude petroleum and natural gas, manufacture of basic metals and electricity.

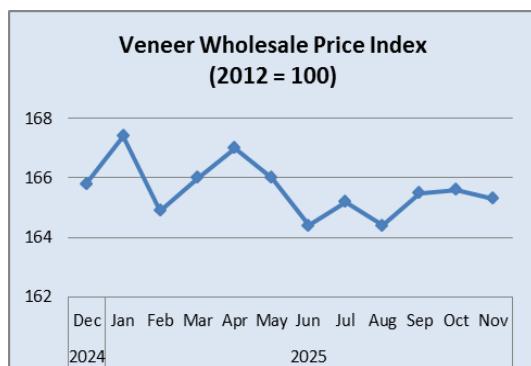
The index for this major group decreased by (-) 0.07% from 145.1 for October 2025 to 145.0 in November 2025.

Out of the 22 NIC two-digit groups for manufactured products 14 groups witnessed a decrease in prices, 7 groups witnessed an increase in prices and 1 group witnessed no change in price.

Some of the important groups that showed month on month decreased prices were manufacture of fabricated metal products (except machinery and equipment) food products, other non-metallic mineral products, computer, electronic and optical products and chemicals and chemical products. There was a marked decline in the index for wood panels and sawnwood in November compared to a month earlier.

Some of the groups that witnessed an increase in prices were other manufacturing; machinery and equipment, textiles, electrical equipment and wearing apparel.

See: <https://eaindustry.nic.in/>
and
<file:///C:/Users/Owner/Documents/2026-MIS/Jan%20a%202026/cmonthly.pdf>



Data source: Ministry of Commerce and Industry, India

Core veneer supply from Vietnam and Nepal

PlyReporter indicates that core veneer supply from Vietnam and Nepal has improved significantly for Indian plywood manufacturers, offering relief from domestic raw material shortages and high timber costs, with Vietnam becoming a major supplier of cost-effective eucalyptus/acacia core veneer and Nepal supplying more finished plywood, though quality and pricing remain key factors for Indian buyers.

The number of core veneer containers from Vietnam increased 25% in October 2025 compared to a month earlier and was distributed to mills in Gujarat, Rajasthan and Tamil Nadu. Core veneer importers view that over the next few months quantity would improve.

Plywood mills located close to the ports in Gujarat, Tamil Nadu have mostly shifted production using imported core veneer and logs. Kandla, Vishakhapatnam, Cochin Ports have received sizeable volumes of logs from Brazil, Argentina, Uruguay and Australia for core veneer.

There is a report of an increasing number of containers of core veneers from Nepal to Indian plywood mills in Uttar Pradesh, Bihar and Jharkhand.

See: <https://www.plyreporter.com/article/153812/increasing-core-veneer-import-from-nepal-vietnam>

Decision on commercial plantations in forests attracts criticism

According to the Downtoearth website (<https://www.downtoearth.org.in/>) the central government has amended forest conservation rules to allow private entities to undertake commercial plantations in forest areas without paying long-standing environmental levies, a move that has raised concerns among former forest officials, environmentalists and tribal rights groups.

The amendment was triggered by India's growing dependence on imports of paper and paperboard, which have nearly doubled over the past five years.

The change, notified by the Union Ministry of Environment, Forests and Climate Change allows assisted natural regeneration, afforestation and plantations carried out by government or non-government entities to be treated as "forestry activities".

As a result such projects will no longer require payment of Net Present Value (NPV) and the creation of compensatory afforestation plots.

Downtoearth says “NPV is a one-time charge levied on users diverting forest land, based on a scientific calculation of the value of ecosystem goods and services such as clean air, water, and biodiversity. The value is compensated through artificial regeneration, protection and the prevention of pests and diseases, among other activities. Such plantations will now be considered as forestry activity.

The amendment has been made under the Van (Sanrakshan Evar Samvardhan) Adhiniyam, 2023, formerly the Forest Conservation Act, through changes to the consolidated guidelines originally notified on November 29, 2023. The revised provision was approved by the Ministry on 2 January 2026”.

See: https://www.downtoearth.org.in/forests/union-government-removes-financial-and-ecological-obligations-on-private-plantations-in-forest-areas#google_vignette
and
<https://www.news Laundry.com/2026/01/07/disastrous-modi-govt-allows-commercial-plantations-in-forests-drops-safeguards>

India - promising real estate investment opportunities

India is emerging as one of Asia Pacific's most promising real estate investment opportunities as fresh capital platforms, deeper institutional participation and broader asset-class expansion reshape the market.

Japanese property developers like Mitsui Fudosan and Sumitomo Realty are significantly increasing investment in India's booming real estate market and are expanding beyond traditional segments into logistics and data centres according to Reuters.

Other Japanese developers in the Indian market include Daibir Corp, which started with investments in office deals in two cities last year. Japanese investors are not the only ones seeking gains in the Indian property market. US investment firm Blackstone is India's biggest commercial landlord and roughly half of its US\$50 billion in Indian assets are in real estate.

The Economic Times article suggests foreign investors are deploying large amounts of capital into Indian real estate“ because India offers a rare combination of high growth potential, rising demand across residential, commercial and logistics segments and real-asset stability all wrapped in a maturing but still under-penetrated real-estate market“.

See:
<https://economictimes.indiatimes.com/industry/services/property-/construction/why-are-foreigners-betting-big-on-indian-real-estate/articleshow/125690210.cms?from=mdr>
and
<https://realestateasia.com/commercial-other/in-focus/how-global-capital-pivoting-apac-real-estate>

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	287	510
Colombia	288	460
Costa Rica	237	350
Nigeria	-	-
Benin	-	-
Tanzania	317	485
Laos	-	-
South Sudan	223	682
Guatemala	311	415
Venezuela	-	-

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

	cu.m	US\$ C&F
Benin	343	670
Brazil	221	645
Colombia	-	-
Costa Rica	270	515
Ecuador	-	-
Ghana	195	487
Ivory Coast	326	810
Nigeria	273	445
South Sudan	246	605
Tanzania	-	-
Togo	391	515
Panama	332	487

Locally milled sawnwood prices

Sawnwood Ex-mill	Rs per cu.ft.
Merbau	4,450 - 4,850
Balau	3,050 - 3,350
Resak	-
Kapur	-
Kempas	1,750 - 2,050
Red meranti	1,900 - 2,200
Radiata pine	925 - 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 - 2,300
Sycamore	2,400 - 2,800
Red Oak	2,950 - 3,400
White Oak	3,400 - 3,800
American Walnut	5,450 - 5,950
Hemlock STD grade	1,950 - 2,250
Western Red Cedar	3,000 - 3,400
Douglas Fir	2,450 - 2,650

Price range depends mainly on lengths and cross-section

Domestic ex-warehouse prices for locally manufactured WBP plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	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

Viet Nam

Viet Nam's W&WP exports - US\$16.5 billion in 11 months

A conference to address difficulties, remove trade barriers and expand the market for wood and forest product exports was held in November. The Forestry and Forest Protection Department under the Ministry of Agriculture and Environment, in coordination with the Ho Chi Minh City Department of Agriculture and Environment and the Handicraft and Wood Industry Association of Ho Chi Minh City (HAWA), hosted this event.

The Deputy Director of the Department of Forestry and Forest Protection, Nguyen Van Dien, stated that although exports over 11 months reached US\$16.5 billion, growth is below expectations at only 5.4% below the projected 6%. The main reasons are challenges in exporting to key markets, technical barriers related to legal wood origin, transparency requirements and ongoing pressures on businesses.

Domestic production also faces difficulties due to extreme weather which disrupted raw material supply thus reducing processing output.

Mr. Ho Truc Thanh, Deputy Director of the Ho Chi Minh City Department of Agriculture and Environment, noted that the City currently has over 5,120 enterprises participating in the wood processing chain and is promoting green transformation and digitalisation to meet international standards.

Meanwhile, Deputy Director of the Trade Remedies Authority under the Ministry of Industry and Trade, Truong Thuy Linh, reported that by October 2025 Viet Nam goods faced 297 trade remedy investigations with the U.S. leading at 77 cases. Authorities recommend that businesses fully comply with investigation requests, maintain transparent documentation and proactively diversify markets.

The conference concluded that the wood industry is at a critical stage and requires close coordination between regulatory agencies and enterprises to sustain export growth in the coming period.

See:<https://en.sggp.org.vn/Viet Nams-wood-exports-reach-us165-billion-in-11-months-post121945.html>

W&WP imports first 11 months 2025

As of 11/15/2025 W&WP imports were valued US\$2.76 billion, up 15% over the same period in 2024.

According to preliminary statistics, imports of raw wood (sawnwood and logs) in October 2025 reached 530,600 cu.m, worth US\$164.5 million, down 5% in volume and 5% in value compared to September 2025 but compared to October 2024 imports were up 4% in volume and 5% in value.

Top Import sources first 10 months of 2025

	cu.m mil
China	1.05
US	1.00
EU	0.758
Thailand	0.415
Cameroon	0.309
NZ	0.232
Brazil	0.15
Chile	0.144
Laos	0.115
PNG	0.114
sub total	4.287
All sources	5.139

Data source: Customs, Viet Nam

In the first 10 months of 2025, raw wood imports were 5.67 million cu.m, worth US\$1.79 billion, up 23% in volume and 20% in value over the same period in 2024.

Imported raw wood products, first 9 months of 2025

	cu.m mil.
Logs	2.048
Sawnwood	1.600
Fibreboard	0.795
Particleboard	0.315
Plywood	0.265
Veneer	0.041

Data source: Customs, Viet Nam

Import prices

In the first 9 months of 2025 the average import price of raw wood to Viet Nam stood at US\$316.7 US\$/cu.m, down 3% over the same period in 2024.

The import price of raw wood from China decreased by 23% over the same period in 2024 to US\$304.8 per cu.m; from the US the price decreased by 3% to US\$419.2 per cu.m; from the EU the average price increased by 0.5% over the same period in 2024.

Main imported timbers, first 9 months of 2025

	cu.m 000s
Pine	784
Ash	627
Oak	409
Tali	264
Walnut	252
Maple	238
Padouk	125
Euc	110
Doussie	99
Sapeli	57
Beech	53
Rubberwood	49
Teak	48
Sub total	3,114
All species	5,139

Data source: Customs, Viet Nam

W&WP imports from the United States in the first 10 months of 2025

W&WP imports from the US in the first 10 months of 2025 reached US\$489.74 million, up 82% over the same period in 2024 and accounted for nearly 19% of the total 10-month W&WP imports.

In the first 9 months of the year the US held the position as the second largest supplier of raw wood to Viet Nam with an import volume of 1.0 million cu.m, worth US\$420.5 million, up 94% in volume and 88% in value over the same period in 2024 and accounted for 19.5% of total imports in the first 9 months of 2025.

It is forecast that for 2025 imports of raw wood from the US will total 1.3 million cu.m, at a value of US\$543 million.

Trade highlights

W&WP exports to the Dutch market in October 2025 earned US\$8.8 million, down 23% compared to October 2024. In the first 10 months of 2025 W&WP exports to the Dutch market totalled US\$82.9 million, up 33% over the same period in 2024. W&WP exports to the Spanish market in October 2025 were valued US\$4.8 million, up 5% compared to October 2024. In the first 10 months of 2025 W&WP exports to the Spanish market totalled US\$60.1 million, up 25% over the same period in 2024.

Viet Nam's W&WP imports in October 2025 were valued US\$248.4 million, down 6% compared to September 2025, however, compared to October 2024, imports increased by almost 6%. In the first 10 months of 2025 W&WP imports reached US\$2.62 billion, up 16% over the same period in 2024.

Viet Nam's pine timber imports in October 2025 were 89,900 cu.m, worth US\$16.4 million, down 7% in volume and 6% in value compared to September 2025. Compared to October 2024 imports were down 13% in volume and 31% in value.

In the first 10 months of 2025, imports of pine timber amounted to 874,000 cu.m, worth US\$172.3 million, up 6% in volume and down 7% in value over the same period in 2024.

In the first 9 months of 2025 wood imports from Cameroon reached 309,090 cu.m, with a value of US\$121.33 million, up 109% in volume and 3% in value over the same period in 2024.

Sustainable softwood trends stand out at VietNamWood 2025

In November the 16th International Exhibition on Machinery and Equipment for the Wood Processing Industry in Viet Nam (VietnamWood 2025) opened at the Saigon Exhibition and Convention Center (SECC) attracting more than 320 domestic and foreign units and enterprises to participate.

With a scale of 13,500 sq.m and gathering more than 320 enterprises from 28 countries, VietnamWood affirmed its position as one of the leading events in the wood processing sector in Viet Nam specialising in machinery, technology and consumables. The exhibition attracts a large number of domestic and foreign manufacturers.

At VietnamWood 2025, Canada Wood Viet Nam had an impressive display space with a variety of interior applications from Canadian wood. The special highlight of the booth was the wood colour palette with shades from light to dark helping visitors easily visualise the practical application of Canadian wood. In addition, the company's technical experts were present at the booth to provide direct consultation and introduce the Canadian Wood Experience Program – an initiative that provides free wood samples, as well as in-depth technical support to help factories in Viet Nam verify quality, optimise production and expand supply sources.

According to the General Department of Viet Nam Customs and the Viet Nam Wood and Furniture Export Report 2024 – 2025, Viet Nam's wood and wood products exports reached US\$16.25 billion in 2024, up 20% over the previous year.

In 2025 the industry aims to increase this figure to US\$18 billion and is shifting its focus towards sustainability, legal origin and supply chain transparency.

See: <https://baotintuc.vn/kinh-te/xu-huong-go-mem-ben-vung-noi-bat-tai-Viet-Nam-wood-2025-20251119194112259.htm>

Brazil

Despite tough conditions wood products sector demonstrates high level of resilience

2025 was a period of intense tension for the Brazilian forest sector marked by an abrupt shift in the challenges throughout the year.

After a promising start, supported by expectations of productive expansion, new investments and stability in international trade, the sector was directly affected by an increase in tariffs imposed by the United States, initially at 10% in April and subsequently raised to 50% in August.

As a result, the tariff reduced export competitiveness leading to trade imbalances and significant socioeconomic impacts such as temporary shutdowns of operations, the adoption of forced vacations, layoffs and projections of up to 10,000 job losses. These impacts particularly affected States where forest-based activities are a significant component of the economy, such as Paraná State.

Despite the tough conditions, the wood products sector demonstrated a high level of resilience. The State of Paraná maintained its position as the second-largest contributor nationwide in terms of forest production value. Paraná also concentrates approximately 1.17 million hectares of planted forests comprising 710,836 hectares of pine, 438,721 hectares of eucalyptus, and 6,486 hectares of araucaria.

At the same time, international recognition of the role of forests as a driver of sustainable development, together with advances in innovation, the bioeconomy and the use of wood as a strategic material helped consolidate a long-term vision grounded in competitiveness, legal certainty and sustainable socioeconomic development.

2026 is viewed with responsibility and confidence marked by the 120th anniversary of the introduction of pine in Brazil, a symbol of the development of forest production chains and an invitation to reflect on the past and the future paths of the sector.

See: <https://apreflorestas.com.br/noticias/2025-um-ano-que-colocou-a-prova-a-resiliencia-do-setor-florestal/>

Timber hub in the State of Amazonas

The timber sector in the State of Amazonas was the fastest-growing segment within the Manaus Industrial Pole (PIM) in 2025, with a major increase in revenue through September.

According to the Manaus Free Trade Zone Superintendency (Suframa), this performance nearly offset the accumulated losses of 48% recorded over the previous two years and in relative terms outpaced the growth of other industrial sectors. The Federation of Industries of the State of Amazonas (Fieam) has said despite the positive result revenue remains below the levels reached in 2021 and 2022 when the sector recorded BRL64.1 million and BRL70.3 million, respectively.

Nevertheless, the current growth signals a recovery in activity with all industries in the timber hub being certified and complying with strict environmental standards, essential requirements for access to incentives under the Manaus Free Trade Zone.

The hub currently employs 758 direct workers and focuses its production on processed items, sawnwood as well as components for the civil construction sector.

The Civil Construction Industry Union of Amazonas (Sinduscon-AM) attributes the expansion of the sector directly to the strengthening of the State's construction industry which grew by around 43% over the past 12 months. This expansion increased demand for certified timber and strengthened integration between the forest-based value chain and the real estate sector.

The timber value chain is increasingly integrated with civil construction particularly among companies investing in technology and chain-of-custody certification. Raw material is sourced primarily from legally approved forest management areas in the Amazonas State, notably in Itacoatiara, Manicoré and Maués municipalities, as well as from suppliers in Pará and other States holding environmental authorisation.

However, significant structural challenges persist including high logistics costs, dependence on river and road transportation and the need to expand land tenure and environmental regularisation, factors considered critical to ensuring competitiveness and legal compliance across the entire timber production chain in the state.

See: <https://www.portaldocaubi.com.br/polo-madeireiro-do-amazonas-cresce-387-e-lidera-expansao-da-industria-em-2025>

Mato Grosso SFM model presented as an international reference

During the recent International Tropical Timber Council (ITTC-61) held in October 2025 in Panama the Center of Timber Producers and Exporters Industries of the State of Mato Grosso (Cipem) presented the Mato Grosso State sustainable forest management model as an international reference for the responsible production of tropical timber.

Representing the Brazilian forest sector, Cipem highlighted Brazil's capacity to reconcile environmental conservation, the rational use of forest resources and income generation as well as emphasising the strategic role of timber as a renewable, low-carbon material, particularly in the context of decarbonising the construction sector.

During a panel dedicated to Latin America, Cipem underscored Brazil's leadership in sustainable forest production noting that approximately 19 million hectares of forest plantations are located in the country with increasing diversification of industrial applications such as pulp and paper, wood-based panels, furniture and construction.

It was also highlighted that Brazilian forest-based exports reached US\$17 billion in 2024, with projections of US\$25-35 billion in the coming years. To reach this potential, however, significant investments are required, estimated at US\$220 billion in infrastructure, logistics and industrial capacity.

Finally, Cipem emphasized the importance of sustainable forest management as a key instrument to ensure international competitiveness, the long-term responsible supply of tropical timber and the maintenance of standing forests, balancing environmental conservation, job creation and socioeconomic development.

See: <https://cipem.org.br/cipem-apresenta-modelo-mato-grossense-de-manejo-florestal-em-evento-no-panama/>

Brazilian furniture industry redirects exports

The Brazilian furniture industry has been implementing strategic adjustments in its export markets following the imposition of tariffs of up to 50% by the United States. On a year-to-date basis the sector shows a positive performance (+4.4% compared to 2024) but there has been a slowdown reflecting logistical and commercial adjustments in response to reduced competitiveness in the US market.

Although the US remains the main export destination accounting for 25% of total exports year to date, this represents a decline from the 29% recorded in 2024. The reduction in shipments to the US has encouraged market diversification with Uruguay increasing its imports to 11%, Chile maintaining 7% and Argentina rising to 6% more than three times the share observed in the previous year (2%).

Alongside this geographic reorientation of exports the sector has intensified international promotion efforts, focusing on Latin America, Europe, Asia and the Middle East supported by initiatives from Abimóvel and ApexBrasil (the Brazilian Trade and Investment Promotion Agency). On the regulatory front, however, uncertainties persist in the US as the removal of the additional tariff benefited only agricultural products while barriers and high costs for industrial goods (including furniture and processed wood) remain in place.

These factors continue to constrain furniture exports to the sector's main market. As a result, the outlook for furniture exports will depend on progress in tariff negotiations, the consolidation of alternative markets.

See: <https://emobile.com.br/site/industria/industria-moveleira-ajusta-rotas-de-exportacao-dante-de-tarifas-dos-eua/>

Domestic log prices

Brazilian logs, mill yard, domestic	US\$ per cu.m
Ipê	436
Jatoba	191
Massaranduba	175
Miracatirara	168
Angelim Vermelho	179
Mixed redwood and white woods	135

Prices do not include taxes. Source STCP Data Bank

Domestic sawnwood prices

Brazil sawnwood, domestic (Green ex-mill)	US\$ per cu.m
Ipê	1,904
Jatoba	975
Massaranduba	877
Muiracatirara	914
Angelim Vermelho	830
Mixed red and white	570
Eucalyptus (AD)	322
Pine (AD)	258
Pine (KD)	310

Prices do not include taxes. Source: STCP Data Bank

Domestic plywood prices

Parica ex-mill	US\$ per cu.m
4mm WBP	590
10mm WBP	452
15mm WBP	407
4mm MR.	560
10mm MR.	417
15mm MR.	360f

Prices do not include taxes. Source: STCP Data Bank

Prices for other panel products

Domestic ex-mill prices	US\$ per cu.m
15mm MDF particleboard	275
15mm MDF fibreboard	291

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
Ipê	2,473
Jatoba	1,227
Massaranduba	1,139
Muiracatirara	1,216
Pine (KD)	201

Prices do not include taxes. Source: STCP Data Bank

Plywood export prices

Pine plywood	US\$ per cu.m
9mm C/CC (WBP)	289
12mm C/CC (WBP)	269
15mm C/CC (WBP)	253
18mm C/CC (WBP)	245

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	3,857
Jatoba	1,625

Prices do not include taxes. Source: STCP Data Bank

Peru

Exports exceeded US\$57.6 million through October 2025

Shipments of wood products for finishing and construction totalled US\$57.6 million during the first eight months of 2025 reflecting a 21% decrease compared to the same period in 2024 (US\$72.7 million) according to the Center for Research on Global Economics and Business of the Association of Exporters (CIEN-ADEX).

According to data from the ADEX Data Trade Business Intelligence System, exports included sawn timber (US\$19.8 million), semi-finished products (US\$21.1 million), firewood and charcoal (US\$5.0 million), furniture and furniture parts (US\$3.8 million) and construction products (US\$3.6 million).

The leading destination was the Dominican Republic, with exports totalling US\$9.0 million, a 1% increase compared to the previous year. The US followed with US\$8.8 million, a decrease of 22% compared to 2024; France with US\$8.5 million, a decrease of 30%; China with US\$5.9 million, a decrease of 39% and Mexico rounding out the top five with sales of US\$5.6 million, a decrease of 36%.

FSC certification concentrated in Madre de Dios, Loreto and Ucayali

As of 30 November 2025, according to information provided by FSC Peru, the country has 964,2377 hectares of FSC-certified forest. There are 96 initiatives from the private sector, eleven of which are related to forest management and 83 to chain of custody (CoC). The regions of the country with the largest certified areas are, in the following order: Madre de Dios, Loreto, and Ucayali.

SERFOR recorded production of 2 million cubic meters in 2025

To strengthen efforts to promote the proper use of the Forest Transport Guide (GTF) for 2025 the National Forest and Wildlife Service (SERFOR) registered the production of over 2 million cubic metres of timber, including information on its origin and traceability in the Control Module of SERFOR's National Forest and Wildlife Information System (SNIFFS).

This confirms the importance of the GTF in promoting the competitiveness of forest products in national and international trade. Information resources were developed explaining the responsible use of the GTF as well as the administrative and criminal consequences of its improper or fraudulent use.

Through the SNIFFS Control Module, 80,145 digital GTFs were issued in 21 Departments of the country. According to the records 38,470 correspond to products from Enabling Titles, 35,814 were issued by Primary Processing Centres and 5,861 correspond to plantation products.

See:

<https://www.gob.pe/institucion/serfor/noticias/1314702-serfor-registro-mas-de-2-millones-de-metros-cubicos-de-productos-forestales-en-lo-que-va-del-ano-2025>

Legal origin of 500,000 cubic metres certified in 2025

The Supervisory Agency for Forest Resources and Wildlife (OSINFOR) certified the legal origin of 504,292.06 cu.m of timber harvested in Peruvian forests during 2025. These results were achieved through the monitoring of 1,024,095 hectares of forests with forestry permits or concessions, known as enabling titles.

Through 840 monitoring actions in Amazonian, dry and high Andean forests OSINFOR verified the sustainable harvesting of 110,659 authorised trees and the existence of 32,027 standing seed trees essential for the natural regeneration of these ecosystems.

Among the species with the highest number of monitored individuals are shihuahuaco (*Dipteryx micrantha*) with 8,472 trees, tornillo (*Cedrela cedrela*) with 8,167, bolaina (*Guazuma crinita*) with 7,347 and capinuri (*Maquira coriacea*) with 4,561 individuals.

Furthermore, during the monitoring process, which included field supervision and monitoring using satellite technologies and artificial intelligence, OSINFOR detected the unauthorised extraction of 63,050 cu.m of timber.

See: <https://www.gob.pe/institucion/osinfor/noticias/1329815-peru-acredito-el-origen-legal-de-mas-de-500-000-metros-cubicos-de-madera-durante-el-2025>

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, EU market	1,950-2,088+
Ipê	
EU market	3,997- 4,220↑
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 Grade 2, Mexican market	598-622+ 537-551
Cumaru 4" thick, 6"-11" length KD	
Central American market Asian market	1139-1198 1232-1281
Ishpingo (oak) 2" thick, 6"-8" length Spanish market Dominican Republic	1062-1,096 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	294-312
Spanish Cedar	338-349
Marupa (simarouba)	222-245

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

Rising interest rates contribute to higher debt-serving costs

The government recently approved a record yen 122.3 trillion (approx. US\$783 billion) budget that includes the issuing of yen 29.6 trillion worth of government bonds to cover the revenue shortfall. The total is yen 7.1 trillion more than the current fiscal year's initial budget, which was prepared by the previous government.

Government debt-related costs, covering both principal redemption and interest payments, are yen 31.3 trillion, the most ever. Higher interest rates have contributed to the higher debt-serving costs. On the revenue side, the government projects a record tax haul of yen 83.7 trillion as high inflation is expected to continue boosting corporate earnings.

Government support for semiconductors and artificial intelligence received a significant boost with the Ministry of Economy, Trade and Industry nearly quadrupling its commitment to companies and institutions active in the manufacturing of relevant products and development of relevant technologies.

See: <https://www.nippon.com/en/japan-data/h02652/>
and
<https://www.japantimes.co.jp/business/2025/12/26/economy/takaichi-2026-budget/>

Inflation eases slightly

The rate of inflation in Tokyo (taken as a baseline for the entire country) has slowed more than expected as pressures from food and energy prices faded triggering yen weakness on forecasts the Bank of Japan (BoJ) may delay the timing of its next interest rate increase.

Consumer prices (excluding fresh food) rose 2.3% in December from a year earlier, slowing from 2.8% in the previous month according to the Ministry of Internal Affairs and Communications. The overall inflation gauge also slowed sharply to 2% from 2.7% in the same period last year.

The yen weakened to a low of almost 157 per US dollar after the inflation report was released.

See: <https://x.com/japantimes/status/2004388075552506242>

2026, the year of the 'Fire Horse' - symbol of transformation and inflection

In its 2026 Japan Economic Outlook 'Steady Fundamentals, Policy Risks Ahead', Goldman Sachs explores prospects for the Japanese economy. Steady growth is forecast to continue in 2026 led by domestic demand. We expect the Japanese economy to continue its steady growth and expand 0.8% in 2026.

The report says “while external demand is expected to decelerate slightly due to factors such as Japan-China diplomatic tensions, we expect solid consumption and capex, supported by the structural shift to a labour shortage economy with continued high wage growth”.

Future growth will depend on interest rates developments. Last month the Bank of Japan (BoJ) raised its policy rate to around 0.75%, the highest level in 30 years.

2026 is the rare Year of the Fire Horse in the Chinese zodiac and BoJ Governor Ueda Kazuo referred to the Fire Horse symbol of transformation and inflection points. He noted that wages and prices are likely to continue to rise gradually and he confirmed the BoJ would consider further rate hikes if needed.

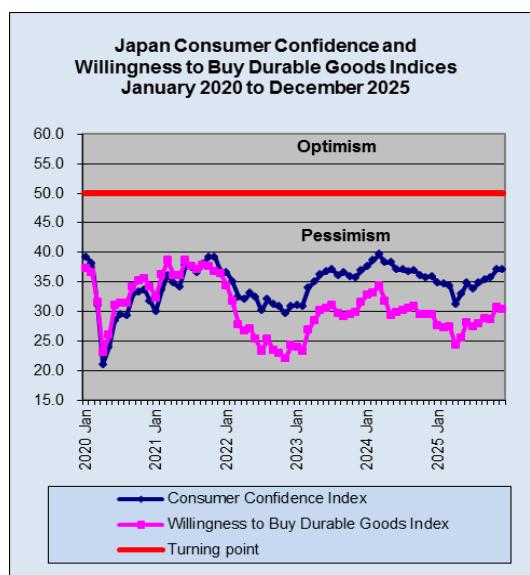
“We will continue to raise the interest rate and adjust the degree of monetary easing, depending on whether the economy improves or not,” Ueda said.

See:
<https://www.gspublishing.com/content/research/en/reports/2026/01/06/eefdf592-d197-40da-a74b-dd316dbea9ee.html>
and
See: <https://www3.nhk.or.jp/nhkworld/en/news/backstories/4516/>

Lingering economic uncertainties despite government efforts

Japan's Consumer Confidence Index over the past decade shows a general trend of fluctuation but staying below the neutral 50 mark, reflecting lingering economic uncertainties despite government efforts.

The index dipped significantly during COVID-19 (April 2020) but recovered, reaching multi-month highs in late 2025 before slightly pulling back indicating cautious consumer sentiment driven by shifts in income, employment and durable goods buying intentions. Since mid 2025 there has been an upward trend in the confidence index and the index for willingness to buy durable goods.

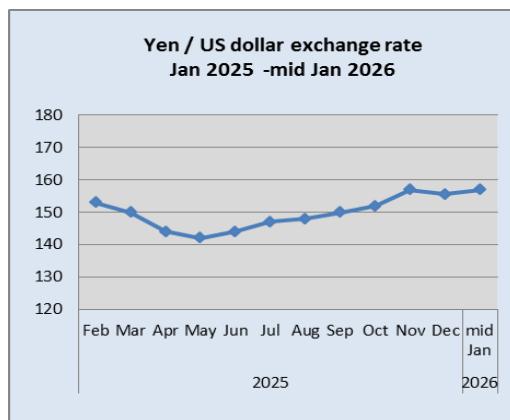


Data source: Cabinet Office, Japan

Yen close to historical lows at the end of 2025

Fitch Ratings expects the Japanese yen to appreciate moderately in 2026, but for it to remain historically weak. In contrast, strategists at JPMorgan Chase & Co., BNP Paribas SA and other firms see the yen weakening to 160 per dollar or beyond by the end of 2026 driven by wide US-Japan yield gaps, negative real rates and persistent capital outflows.

The yen was close to historical lows at the end of 2025 after a roller-coaster year. The yen appreciated in the first four months of last year in common with other currencies as the US dollar weakened but then it steadily depreciated by about 13% from the middle of April to year-end.



Data source: WSJ

40% of wood demand is tied to construction

Japan's wood consumption is strongly and directly influenced by housing starts as the residential housing sector is the largest end-use market for lumber in the country. Approximately 40-43% of the nation's wood demand is tied to construction with about 80% of low-rise residential buildings being wooden structures.

Japan is a construction timber-deficit country and requires substantial imports to meet its domestic demand. North America is the primary source for softwood logs and sawnwood with Canada often holding the largest share followed by the US. Fluctuations in domestic housing starts, therefore, also influence the volume and origin of imported wood products

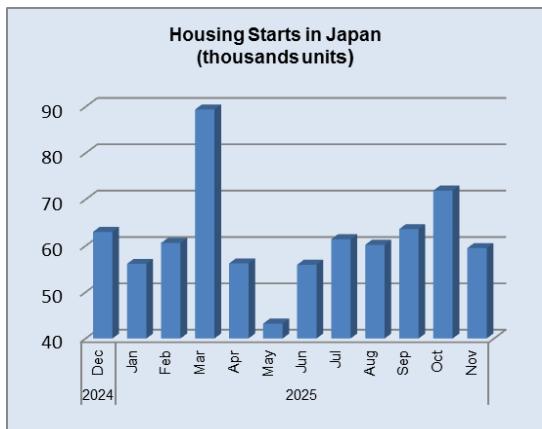
Speculation continues to real estate drive prices higher

For years, property prices in urban areas barely changed, then in 2023 the market awoke as investment money started pouring into the real estate sector. In many cases buyers were quickly reselling for profit, a practice that continues to drive prices higher and pushing house-hunters toward the second hand homes. The Tokyo municipal government has developed plans to secure affordable homes for young people.

In a related article, The Mainichi says Tokyo's Chiyoda Ward Government has requested the real estate industry to prohibit the resale of properties for five years after purchase.

The Kobe Municipal Government is considering imposing a "vacancy tax" on owners of unoccupied residences, with high-rise condominiums in mind. However, excessive government intervention could disrupt market functions and infringe on property owners' rights.

See: <https://www3.nhk.or.jp/nhkworld/en/shows/4002990/> and https://mainichi.jp/english/articles/20250922/p2a/00m/0op/00700_0c



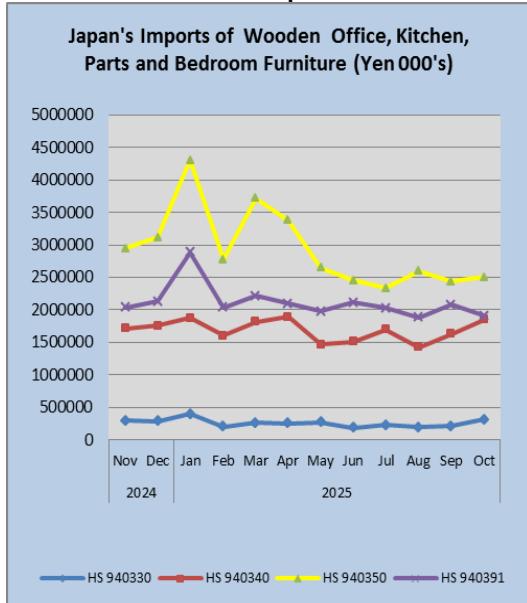
Data source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

Wooden furniture imports

Online shopping now accounts for nearly a third of interior Household item sales, a major shift in purchasing behavior. To remain competitive manufacturers are adding features like wireless chargers and focusing on multi-functional pieces, especially for indoor use.

The weak yen continues to raise import costs pressuring smaller manufacturers and leading to interest in domestic wood substitution.

Yen value of furniture imports



Data source: Ministry of Finance, Japan

October 2025 wooden office furniture imports (HS940330)

In October three suppliers accounted for over 90% of imports of wooden office furniture: China (81%), Malaysia (7%) and Italy (5%). October shipments of HS940330 from Malaysia were up significantly compared to the value shipped in September and Malaysia took the second spot in terms of value. The other significant source of wooden office furniture in October was the US.

Year on year, the value of Japan's imports of wooden office furniture (HS940330) in October rose around 10% and compared to the value of September arrivals there was an over 50% increase in the value of arrivals.

October 2025 wooden office furniture imports (HS940330)

	Imports Oct 2025 Unit, 000's Yen
S. Korea	2,228
China	256,449
Viet Nam	2,598
Malaysia	22,088
Philippines	2,346
Indonesia	2,536
UK	209
Spain	549
Italy	14,985
Poland	225
USA	13,646
Total	317,859

Data source: Ministry of Finance, Japan

October 2025 wooden kitchen furniture imports (HS940340)

As in previous months the value of October imports of wooden kitchen furniture (HS940340) were dominated by shippers in the Philippines (55% of imports) and Viet Nam (29% of imports). The value of October imports from both the Philippines and Viet Nam extended the recovery from the August downturn with the value of imports for each supplier rising around 20%.

The value of September arrivals of HS940340 from China (5% of the total) was around the same level as in September.

Year on year, the value of October wooden kitchen furniture imports were little changed from a month earlier but compared to the value of September arrivals there was a 13% rise in October.

**October 2025 wooden kitchen furniture imports
(HS940340)**

	Imports Oct 2025 Unit, 000's Yen
China	100,909
Viet Nam	531,765
Thailand	27,775
Malaysia	20,833
Philippines	1,020,065
Indonesia	27,720
Germany	84,333
Italy	38,415
Total	1,851,815

Data source: Ministry of Finance, Japan

**October 2025 wooden bedroom furniture imports
(HS940350)**

After the volatile trend in the value of imports in the early part of 2025, imports steadied in the third quarter of 2025. September saw a slight dip in the value of imports compare to a month earlier but this was reversed in October as the value of imports rose.

The top two shippers of HS940350 to Japan in October remained China, 59% (63% in September) and Viet Nam 36% (29% in September).

The other top source of October imports of wooden bedroom furniture was Thailand (2% of the total for HS940350). Italy was a major supplier in September but in October the value of imports dropped, at the same time the value of imports from Portugal rose significantly.

Year on year there was a decline in the value of October imports but compared to a month earlier October 2025 imports rose slightly.

**October 2025 wooden bedroom furniture imports
(HS940350)**

	Imports Oct 2025 Unit, 000's Yen
China	1,480,474
Taiwan P.o.C	1,931
Viet Nam	901,557
Thailand	40,021
Malaysia	22,827
Indonesia	26,596
Denmark	1,672
Portugal	11,945
Italy	11,976
Poland	5,452
Romania	469
USA	1,616
Total	2,506,536

Data source: Ministry of Finance, Japan

**October 2025 wooden furniture parts imports
(HS940391)**

	Imports Oct 2025 Unit, 000's Yen
S.Korea	20,438
China	934,061
Taiwan P.o.C	35,079
Viet Nam	284,399
Thailand	28,380
Malaysia	115,750
Philippines	2,398
Indonesia	363,648
Cambodia	3,211
Sweden	259
Denmark	6,087
France	1,108
Germany	17,456
Switzerland	1,405
Spain	1,038
Italy	66,497
Finland	9,113
Poland	4,227
Austria	598
Hungary	213
Greece	215
Romania	1,486
Turkey	8,409
Estonia	292
Latvia	293
Lithuania	309
Czech Rep.	306
Slovakia	667
Canada	2,938
USA	244
Total	1,910,524

Data source: Ministry of Finance, Japan

October 2025 wooden furniture parts imports (HS 940391)

The value of wooden furniture parts imported into Japan up to October 2025 remained remarkably consistent except for the peak in January. As in previous months shippers in China and Indonesia dominated October imports with Viet Nam contributing just 15% of the value of October arrivals.

Of the total value of HS940391 imports in October 49% was delivered from China (47% in September), 19% from Indonesia (21% in September) and 15% from Viet Nam (14% in September). Malaysia, once again, secured a 6% share of the value of October imports.

Of the value of Imports of HS940391 from shippers in Europe (6% of the October total) more than half was from Italy.

Year on year the value of October imports of HS940391 was down around 6% and there was an 8% decline in value compared to September.

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://jfpj.jp/japan_lumber_reports/

Yamaha teams up with Indian sawmill

Yamaha Corporation has signed a cooperation agreement with Overseas Traders, an Indian sawmilling company supplying Indian rosewood, to promote sustainable forest conservation and management of the species.

Over the next three years, Yamaha will work with local research institutes and government agencies on initiatives such as rosewood reforestation and studies on material utilization efficiency for acoustic and electric guitars, aiming to develop a sustainable forest conservation model.

Indian rosewood, used for the sides and backs of guitars, is mainly harvested from state-owned forests in southern India, but the lack of natural regeneration within these forests has become a pressing issue.

Responding to rising inventories, higher costs, and weak prices

The Södra Group has decided to temporarily reduce production by 20% at its Värö and Mönsterås mills by the end of the year.

The company has already implemented production adjustments this year, including temporary suspensions, but as inventories at several mills currently exceed planned levels and the imbalance of rising production costs—such as higher log prices—not being passed on to product prices persists, it will carry out production cuts in response.

The company operates six sawmills in Sweden and one in Finland, a total of seven, making it a major supplier in Northern Europe. It is a major supplier of whitewood 2x4 lumber to the Japanese market.

Of the two mills where a 20% production cut has been decided, the Värö mill has obtained JAS certification and handles supply to Japan.

In its second quarter results this year, the company reported that its performance deteriorated due to sharp exchange rate fluctuations, geopolitical risks, and persistently high raw material prices.

To strengthen its long-term position, the company has also begun implementing competitiveness measures based on a reduction of 200 employees across both operational and administrative divisions.

South Sea logs and products

Due to rising prices and higher labor costs, there is no room for price reductions in tropical hardwood products; on the contrary, some items are even seeing moves to explore price increases.

Producers are inclined to pursue more active sales as market conditions outside Japan have also deteriorated. However, with various production costs rising or remaining high, significant price reductions are extremely difficult.

Moreover, in the case of shipments to Japan, the continued depreciation of the yen could force substantial price cuts in order to align with local market levels.

Given these difficulties, sellers have no choice but to proceed cautiously. In the domestic market, with no prospect of the yen's weakness being resolved in the short term, expectations for price cuts from producers are fading, and buyers are limiting procurement to the minimum necessary for immediate work. As for tropical hardwood logs, major arrivals were largely completed by October, and demand has been covered through around March of the new year.

North American logs

Concerns have been raised that rising domestic log prices in the U.S. may push up prices for Japan as well, but the December shipment price of U.S. Douglas fir logs bound for Japan was settled at around USD 970 per 1,000 board feet (FAS, Scribner scale) for IS-grade.

Import costs are about ¥2,000 higher than the previous month, and ocean freight rates are rising toward the year-end. The Japan-bound price of Canadian logs is USD 1,260 per 1,000 board feet (C&F, Scribner scale) for Douglas fir IS-grade, and USD 1,300 per 1,000 board feet (C&F, Scribner

scale) for SS-grade. Canadian hemlock logs are priced at around USD 1,100 (C&F, per 1,000 board feet, Scribner scale), about USD 50 higher than those from Alaska, but still considered inexpensive for the Asian market.

Continuous rise in soft furniture product prices

Due to increases in prices of leather and sponge materials, prices of Chinese soft furniture products have risen by about 5% at the same time the current US government imposed a high tariff on some soft furniture, kitchen cabinets and bathroom cabinets.

Industry associations and the US media have pointed out increased tariffs on soft furniture, kitchen cabinets and bathroom cabinets are resulting in higher costs for American consumers. On 31 December 2025, US government announced the postponement of a continuing increase in tariff rates on imported soft furniture, kitchen cabinets and bathroom cabinets, these increases were in the original US plan.

The US government began to impose a 25% tariff on soft furniture, kitchen cabinets and bathroom cabinets imported from most trading partners in October 2025. It planned to raise the tax rate on kitchen cabinets, bathroom cabinets and related products to 50% from 1 January 2026 and increase the tax rate on soft furniture to 30%.

See: <https://tj.focus.cn/zixun/00772e1a6c6293c5.html>
and
https://www.wood365.cn/Industry/IndustryInfo_283506.html

Timber import costs continue to rise

Russia has extended the timber export tariffs until 2028 pushing up the costs for Chinese importers. This extension applies to softwood panels, hardwood panels and squared softwood. The validity period of the policy will be extended until December 2028.

In terms of the Chinese market, as the main export market for Russian timber, China accounts for approximately 60% of its total timber exports. However, in the first 11 months of 2025 the timber trade volume between China and Russia has decreased by 8% year-on-year. The extension of the tariff is expected to directly increase the import costs for Chinese importers of Russian timber further compressing the already meager profit margins.

See:
https://baijiahao.baidu.com/s?id=1853738313098256968&wfr=s_pider&for=pc

Russian timber company plans processing plant in Shanghai

A major Russian group has signed an agreement with the Shanghai Lingang Economic Special Zone under which it plans to build a cluster integrating manufacturing and logistics within the zone in 2026.

The plan includes a consumer goods packaging factory in the special zone as well as a production and distribution centre for birch plywoods. This project aims to expand the Group's business in China and other markets in the Asia-Pacific region and to reduce logistics costs and simplify international payment procedures.

The investor has traditionally exported a significant portion of its products to China. Sales in the Chinese market include paper, solid wood products and plywood.

See: https://business.sohu.com/a/969279434_121123910

Diverse production of bamboo and wood products for export

At present, as green and low-carbon development has become the main theme of global trade, Zhangzhou City of Fujian Province is leveraging its unique advantages and has transformed its abundant bamboo and wood resources into a strong driving force in export markets.

The level of exports of bamboo and wood products from manufacturers in Zhangzhou City has continued to rise. According to statistics from Zhangzhou Customs from January to November 2025 the value of bamboo and wood products exports reached RMB510 million.

Products made from bamboo have gained popularity due to their environmental credentials and cost-effective and practical features thus becoming an important driving force for Zhangzhou City to expand its foreign trade.

Bamboo flooring is promoted as having superior properties in terms of pest resistance and deformation compared to wood.

Moreover, bamboo comes in a wide range of colours and offers diverse manufacturing opportunities.

Traditional markets for bamboo products are mostly confined to the indoor building sector. However, Zhangzhou bamboo enterprises have identified development opportunities in the outdoor market and have vigorously developed bamboo products such as outdoor flooring and handrails for garden landscapes. This innovative measure not only enriches the product variety but also opens up new export markets.

Today, bamboo enterprises in Zhangzhou have promoted bamboo flooring, bamboo wall panels and related bamboo fasteners to be exported to more than 70 countries and regions such as Europe, the Middle East and East Asia. The annual export volume exceeds 200 containers.

The Zhangzhou bamboo enterprises have plans to incorporate more Eastern bamboo cultural aesthetics into their products so that the bamboo products carrying Chinese culture expand market penetration.

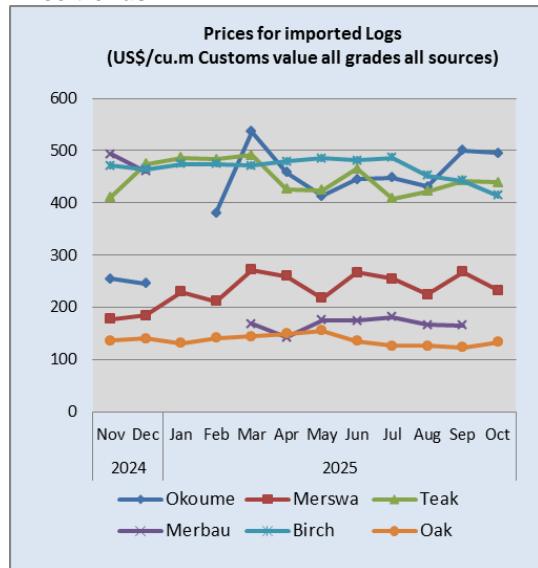
At present, the products of Zhangzhou bamboo enterprises are exported to dozens of countries and regions such as the European Union, the United States, Canada, Japan, Southeast Asia, the Middle East and Africa. According to the export market data Asian countries and regions are the largest export markets for Zhangzhou bamboo and wood products. RMB270 million worth of bamboo and wood products from Zhangzhou City had been exported to this region from January to November 2025, an increase of 16% year-on-year and accounted for 53% of the city's total bamboo and wood product exports.

During the same period, Zhangzhou exported RMB55.11 million worth of bamboo and wood products to the European Union, an increase of 8% year-on-year.

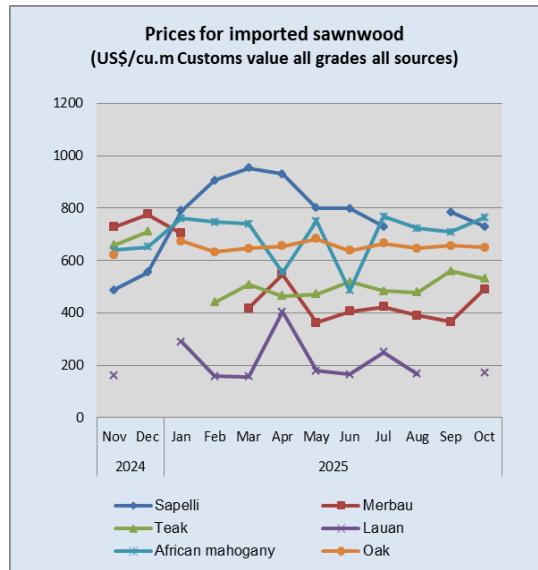
Zhangzhou bamboo enterprises have also made efforts in the field of customised products. They have established a panel furniture research and design centre. Through measures such as product design optimisation, process improvement, workflow upgrading and customised services they are continuously enhancing their competitiveness in export markets.

See: https://zzpd.fjsen.com/2025-12/24/content_32103212.htm

Price trends



Data source: Customs, China



Data source: Customs, China

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

	2025 Sep	2025 Oct
Okoume	500	495
Merswa	268	233
Teak	442	439
Merbau	165	
Birch	442	414
Oak	123	133

Data source: Customs, China

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

	2025 Sep	2025 Oct
Sapelli	784	729
Merbau	365	491
Teak	560	531
Lauan		172
African mahogany	709	764
Oak	657	650

Data source: Customs, China

EU

Modest but continuing growth forecast for EU and Eurozone

EU and Eurozone economic growth in 2026 will be modest, either level with or slightly down on 2025, according to latest forecasts from analysts, banks and the EU Directorate of Economics and Finance (ECFIN). But stronger performance is expected in 2027.

According to its report in December 2025, international professional services provider KPMG, Eurozone GDP will grow by 1.1% in 2026, following last year's 1.3%.

“Robust labour markets and real wage growth is supporting household incomes,” it says. “However, subdued consumer confidence, particularly in countries such as France and Germany, is driving elevated savings intentions, tempering growth in spending.”

But it says there are some encouraging signs for improvement with increased investment in digital infrastructure and the green energy transition. It also expects more expansionary measures in 2027 including increased spending on defence and infrastructure.

The independent Official Monetary and Financial Institutions Forum (OMFIF) says there are reasons for optimism for the Euro area in 2026, but with some downside risks. It points to the fact that the European Central Bank cut its deposit facilities rate in its first four meetings in 2025 and that inflation is near its 2% target. It also cites the fact that the ECB predicts Euro area GDP will increase 1.2% in 2026. This is down on 2025's 1.4%, but up from the 1% the Bank projected in September.

“This upgrade reflects a loosening fiscal stance, particularly from Germany with projected investment of €127bn over 2026, as well as strong private consumption and private sector investment, notably in artificial intelligence,” says OMFIF, adding that another factor in the ECB’s outlook revision is EU-funded investment in southern European nations.

The downside risks include continued geopolitical uncertainty, notably due to the war in Ukraine, plus a resurgence in international trade tensions.

The Autumn Forecast from ECFIN, published November 17, says that EU economic growth ‘exceeded expectations’ in 2025 at 1.4% and is forecast to remain at this level in 2026, before rising to 1.7% in 2027. It estimates 2025 Eurozone growth at 1.3% and predicts this to slip to 1.2% in 2026, then increase to 1.4% in 2027.

Overall EU goods export growth is predicted to slow down in 2026 due to the ‘high global tariffs’, but a rebound is expected in 2027. At the same time, exports of services are projected to continue growing robustly throughout the forecast period.

EU goods imports are expected to follow a similar pattern to goods exports but ‘grow at a more dynamic pace’.

“This high import growth is expected to be driven by trade diversion caused by US tariffs on imports from third countries,” says the ECFIN economic forecast. “China’s relatively high share in US goods imports and the high average tariffs it faces in the US mean that a large amount of its exports could be redirected to other markets, including the EU,” it states.

See - https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/autumn-2025-economic-forecast-shows-continued-growth-despite-challenging-environment_en
and
https://kpmg.com/uk/en/media/press-releases/2025/12/europe-economic-growth-to-remain-modest.html#:~:text=language_Europe's%20economic%20growth%20to%20remain%20modest%20in%202026%20amid%20persistent,Headwinds%20keep%20Eurozone%20growth%20subdued.&text=The
and
<https://www.omfif.org/2026/01/outlook-2026-european-capital-markets-give-cause-for-optimism/>

Euroconstruct forecasts construction upturn

Following two years of contraction, the European construction industry is set for gradual recovery. That was the conclusion of the of Euroconstruct’s 100th conference, held in Paris late November and is the view expressed in its Winter 2025 Summary and Country Reports. The organisation says that Europe’s building sector is entering a phase of ‘cautious stabilisation’.

Euroconstruct says Europe’s economic fundamentals remain mixed. Although interest rates have come down and inflation has moderated across Europe, construction activity continues to face strong headwinds.

These, it says, include high building costs, affordability constraints, subdued private investment and persistent macroeconomic uncertainty.

“According to the latest November 2025 forecast from the Euroconstruct network, total construction output across the 19 member countries declined by 0.5% in 2023 and by 1.7% in 2024, marking the weakest two-year performance since the pandemic,” said Euroconstruct. “Yet the outlook is shifting modest growth of +0.3% expected in 2025, followed by a more noticeable expansion of +2.4% in 2026 as financing conditions ease and civil engineering becomes the main engine of recovery.”

“These pressures weigh most heavily on building construction, particularly the residential segment,” says Euroconstruct. “Residential construction remains the primary drag on overall growth. New residential output dropped in 2023 and in 2024. A genuine rebound will materialise only in 2027. Residential renovation also softened in 2024 and is expected to decline again in 2025 before returning to modest growth in the following years.” The non-residential sector is performing better.

Looking at prospects in construction in individual countries, Euroconstruct says only Ireland, Poland, Sweden, and the United Kingdom will the building sector exceed 4% annualised growth between 2026 and 2028. Among other major economies, it says Spain is expected to achieve 3.0% growth, while France and Germany remain subdued at 1.7% and 1.1%. Italy is forecast to grow only 0.6%, despite a significant upward revision from earlier expectations. Belgium with 0.5% growth ‘continues to face stagnation’.

Euroconstruct forecasts that Ireland will have Europe’s fastest-growing construction market through 2028, supported by strong public investment and resilient demand.

See - <https://www.euroconstruct.org/news/100th-euroconstruct-conference/>
and
<https://www.euroconstruct.org/reports/>

Spanish trade upbeat about 2026

The Spanish timber sector has positive prospects in 2026 according to the views expressed at latest meeting of the Board of Directors of the Spanish Timber Trade Association AEIM.

At the meeting in Madrid on December 10, the Directors took part in an online survey to gauge their opinion on trade development in 2025 and the outlook for next year. The outcome said AEIM provides a barometer for trading conditions and prospects. Broadly, said AEIM the result points to a ‘landscape of stability and growth’.

On sales through 2025, 50% of survey participants reported similar levels to the previous year, while 42% had seen growth.

“Also noteworthy is the increase in requests for quotes and inquiries for 58% of companies, which indicates growing commercial activity,” said AEIM

As far as supply trends, delivery disruption was mostly concentrated in tropical timber, with 33% of survey respondents reporting issues with Africa, with 25% experiencing some problems with Nordic and Central European softwoods (25%). In contrast, supply of boards, including particleboard, MDF, and plywood, was reported stable in 2025.

The outlook for 2026 is quite upbeat. Half of survey participant companies anticipate rising up to 10%, and 17% expect even stronger growth. Furthermore, 83% of participants are planning investment projects.

Environmental issues and legislation, notably the EU Timber Regulation and EU Deforestation Regulation (EUDR) are another vital focus for AEIM. It is keeping members up to speed on the ongoing development of EUDR Due Diligence Guidelines and on the implications of the EUDR overall. It's work informing members of the impacts of CITES regulation development were also discussed at the meeting.

Thanks to its active participation with the CEOE and ETTF, AEIM advocates to the Spanish and EU government, communicating the timber sector's needs, pressing for fair competition and rigorous scrutiny legislation affecting the industry.

“We conclude the year with a sector demonstrating strength, investment dynamism, and looking at favourable prospects for 2026, while reaffirming the strategic importance of wood in the ecological transition and sustainable construction,” said AEIM.

See - <https://www.aeim.org/index.php/2025/12/11/aeim-2026/> and <https://www.aeim.org/index.php/2025/12/16/aeim-barometro-diciembre25/>

New force in French timber trade

France has a new business organisation bringing together the timber trade and the wood construction sector. The Union des Industries de la Construction et Commerce du Bois (UICCB – Union of Construction Industries and Timber Trade) has been formed by Le Commerce du Bois (LCB) joining forces with the Union des Industriels et Constructeurs Bois (UICB).

The document launching what is billed as a ‘major new player’ in the timber sector was signed by the president of the UICB Frédéric Carteret and president of the LCB François Laresche on December 11.

“The synergies from the merger of these two major players in the French forestry and timber sector will benefit the development of companies in the sector, which are naturally committed to decarbonizing the construction process,” says the official statement on the creation of the UICCB.

The new organisation is the result of a year of discussions between the business leaders of the UICB and LCB and followed the two bodies holding a joint extraordinary general assembly where their elected officers ratified the merger.

The move, says the UICCB, will ‘increase the visibility and influence of their member companies and enable them to acquire a stronger position within the emerging forestry and timber industry’.

“This alliance between manufacturers of wood products and systems, timber construction companies, suppliers of French, Nordic, and exotic timber, and professionals in trade and distribution establishes a new organization that encompasses the entire value chain, from the resource to the finished product. With this ecosystem of complementary professions, the UICCB now stands as the only independent professional organization dedicated to the development of timber construction throughout France.”

UICCB President Mr Carteret said the creation of the UICCB marks a turning point for the French forestry and timber sector. “[It consolidates] existing synergies between companies in an economic sector at the heart of our country's environmental transition,” he said. “Together, we are growing the timber of tomorrow”.

See: <https://www.uicb.pro/uiccb-un-nouvel-acteur-de-poids-pour-la-filiere-foret-bois-francaise/>

EUDR simplification

With the publication on 23 of December of an amending regulation in the Official Journal of the EU, implementation of the EU Deforestation Regulation (EUDR) is pushed back a further year. Obligations on EU businesses trading in EUDR in-scope commodities (including timber) are also changing. Those of small and micro-businesses in particular are significantly simplified.

European timber trade bodies have welcomed the EU's action. In October 2025 a number had joined organisations representing other affected commodity sectors in signing an ‘open statement’ urging politicians to ‘stop the clock’ on the EUDR and push implementation back.

They included the European Timber Trade Federation, the CEI-Bois Confederation of European Woodworking Industries, the European Organisation of Sawmill Industries, European Panel Federation and European Parquet Federation.

A key consideration behind the amending regulation was the administrative burden the EUDR would have imposed on companies in its original form, notably smaller firms. Another was the capacity of the ‘Traces’ information system, to which affected businesses will upload compliance data.

On the latter, the amendment regulation states that ‘most recent projections on the number of expected operations and interactions in the information system have led to a substantial reassessment of the load on the system, indicating much higher traffic than anticipated.’

Regarding the burden on businesses of compliance, it points to a 2024 report titled “The future of European competitiveness”.

“This indicated that the increasing number and complexity of rules is limiting room for manoeuvre for EU businesses and preventing them from remaining competitive,” states the amending regulation. “Concerns about the complexity of rules have also been reported by trade partners. Against that background, certain procedures and requirements laid down in the EUDR ((EU) 2023/1115) should be simplified and unnecessary regulatory burdens for businesses should be removed, while maintaining [EUDR] objectives.”

The EUDR amended regulation consequently introduces a new sub-category of in scope businesses that place affected commodities on the EU market called ‘micro or small primary operators’. Such businesses, it says, should only have to submit a ‘one-time simplified declaration’ in the information system. They would then be issued with a ‘declaration identifier’ to accompany relevant products they place on or export from the EU market.

EUDR changes in summary

- Enforcement of the EUDR for large and medium-sized in-scope first placing operators will start on December 30, 2026 and June 30, 2027, for micro and small primary operators.
- Only operators first placing products on the market will have to submit due diligence statements to the EUDR information system.
- Only first downstream operators will have to keep and pass on the reference number of the initial due diligence statement.
- Micro and small primary operators will be able submit a one-off simplified declaration to the EUDR information system.
- Micro and small primary operators will have the option to replace geolocation information for the source of goods with the postal address of the plot of land or establishment where they originated.
- The definition of micro and small primary operators will be broadened.

See - https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L_202502650

and
<https://fefac.eu/newsroom/news/open-statement-a-call-to-stop-the-clock-and-ensure-a-workable-eu-deforestation-regulation/>
and
<https://sustainablefutures.linklaters.com/post/1021y55/eu-changes-to-deforestation-regulation-reach-the-finish-line>

North America

Trade data rollout remains unpredictable

As US federal government agencies work to catch up on releasing data held back during the 2025 government shutdown some data reflecting the tropical timber trade is now available while other data sources are yet to be released.

For example, the US Census Bureau has not released a monthly report on housing construction since its August report released on 17 September. Nor has the Bureau yet given any indication as to when it may resume issuing reports.

Trade data reporting has been significantly more available with the US Department of Agriculture recently releasing both September and October data. While this period coincides with the US issuing increased tariff rates for upholstered furniture, kitchen cabinets and vanities the numbers do not show any immediate correlations with the tropical timber trade although imports were certainly more volatile than normal during September and October.

This is in line with the overall US trade picture. Trade patterns have whipsawed over the past year as supply chains bend and flex around a blistering pace of policy change. A year ago, as the US President was preparing to take office on an economic agenda built largely around tariffs the US trade deficit soared in part because domestic companies raced to boost their inventories of foreign goods before new duties arrived.

The latest data show the US trade deficit shrank dramatically in October to its lowest level since 2009, an unexpected twist in a year of volatile trade flows that have been buffeted by the US administration’s steep tariffs.

See: <https://www.msn.com/en-us/money/markets/us-trade-deficit-unexpectedly-falls-to-lowest-level-since-2009/ar-AA1TOLaS?ocid=hpmn&cvid=695fd67a232c42c48aa4976f43fdd236&ei=26>

US imports of sawn tropical hardwood surge 25% in October

US imports of sawn tropical hardwood surged 25% in October after holding steady in September at an already strong level. At 19,152 cubic metres this volume was 40% higher than in October of 2024.

Imports from the top-trading partner Brazil increased by 50% while imports from Ecuador and Peru also made healthy gains. Imports from Malaysia nearly doubled in October. Total imports of sawn tropical hardwood were up 5% from October 2024.

In Canada, an 11% fall in October 2025 sawn tropical hardwood imports followed two months of solid gains. Imports showed an 18% increase in September following a 19% surge in August. Despite the October decline, monthly imports were up 16% from the previous October. Through October 2025 Canadian tropical hardwood imports were down 1% from 2024.

US hardwood plywood imports jumped in September

US imports of hardwood plywood rose a healthy 6% in September 2025 but cooled slightly in October, falling 2%. At 283,082 cubic metres, the October volume was 34% higher than in October 2024.

A 22% decrease in imports from top-supplier Vietnam depressed October numbers as imports from nearly all other top-suppliers rose. Imports from Russia recovered in October after a steep September decline. Through October, imports of hardwood plywood continued to greatly outpace last year, rising 27% versus 2024.

See: <https://apps.fas.usda.gov/gats/default.aspx>

Veneer imports plunged, then recovered

US imports of tropical hardwood veneer made a near complete recovery in October 2025, rising 95% to bounce back from a plunge of 64% in September. Imports from Cameroon, Italy and India which all fell more than 90% in September, all returned in October to levels closer to their average for the year.

While the month-to-month accounting has been volatile, total imports of tropical hardwood veneer were up 14% in 2025 through October versus the previous year.

<https://apps.fas.usda.gov/gats/default.aspx>

See: <https://apps.fas.usda.gov/gats/default.aspx>

Moulding imports see another double-digit slide

US imports of hardwood mouldings fell more than 10% for the second straight month in October 2025, decreasing 12% after a 13% dip in September. At US\$13.1 million, imports for the month were 11% lower than in October 2024.

Imports from Brazil fell 74% in September and another 55% in October to hit their lowest level in more than 10 years. Despite the drop, total imports were up 13% versus 2024 through October with year-to-date imports from nearly all of the leading trading partners up more than 20%.

See: <https://apps.fas.usda.gov/gats/default.aspx>

Imports of hardwood flooring retreat

After a strong summer, US imports of hardwood flooring retreated to a more normal level in autumn, falling 19% in September 2025 but rising 6% in October. At US\$6.1 million, October 2025 imports were 5% higher than in October 2024.

Imports from Malaysia stayed well above 2024 levels, rising 29% in October 2025 after a September dip. For the year, imports from Malaysia are more than triple what they were in 2024, while imports from all other leading countries have fallen.

For example, imports from Brazil were down 44% up to October 2025 as imports fell to historically low levels in September and October. Total imports of hardwood flooring were down 4% through October 2025 versus 2024.

Imports of assembled flooring panels also stumbled, falling 14% in October 2025 after a 2% September gain. A 9% October drop in imports from top-supplier, Canada and a 29% fall in imports from Indonesia spurred the loss. Through October 2025, US imports of assembled flooring panels were down 10% versus 2024.

See: <https://apps.fas.usda.gov/gats/default.aspx>

US wooden furniture imports continued to slump

US imports of wooden furniture continued to slump, falling for a third consecutive month in October 2025. The 4% decrease in October follows month-to-month drops of 6% in September and August.

At US\$1.44 billion, imports for October 2025 were 24% below those of October 2024 and were below US\$1.5 billion for the first time since March 2023.

Imports from Mexico rose 1% and imports from China rose 7%, while imports declined from nearly every other country. Total imports of wooden furniture were down 7% versus 2024 through October 2025.

See:

<https://usatrade.census.gov/data/Perspective60/Dim/dimension.aspx>

US delays scheduled tariff increases on furniture and kitchen cabinets

Increased tariff rates for upholstered furniture, kitchen cabinets and vanities have been delayed for a year according to a White House directive.

The US was set to double its tariff rate on kitchen cabinets and vanities produced outside the US to 50% starting January 2026. The import duty on upholstered furniture, including sofas and armchairs, was set to rise to 30% from 25% on the first day of 2026.

According to the December White House announcement the current 25% tariff on certain upholstered furniture, kitchen cabinets and vanities, as imposed under the September 2025 proclamation, will remain in effect.

While it welcomed the news that US tariffs would not be raised the Canadian Kitchen Cabinet Association (CKCA) called for the existing 25% tariffs to be removed entirely and for coordinated action by both governments to restore fair and balanced trade. "There is real relief across the community of Canadian manufacturers and suppliers, but relief is not resolution", said Luke Elias, CKCA Vice-President.

The CKCA also called on the Canadian government to address the growing volume of imported kitchen cabinets entering Canada at below fair market value which it says has increased by 20% annually over the past five years.

See:

<https://www.woodworkingnetwork.com/news/woodworking-industry-news/trump-delays-scheduled-tariff-increases-furniture-and-kitchen>

and

<https://www.whitehouse.gov/fact-sheets/2025/12/fact-sheet-president-donald-j-trump-adjusts-imports-of-timber-lumber-and-their-derivative-products-into-the-united-states/>

US existing home sales edged up in November as mortgage rates eased

US existing home sales increased a modest 0.5% in November amid an easing in mortgage rates, but economic uncertainty is keeping potential buyers on the sidelines. A report from the National Association of Realtors on Friday also showed the inventory of previously owned homes fell from October to an eight-month low, limiting choices for those looking to buy.

Though housing supply typically decreases heading into winter, inventory growth has slowed on a year on year basis, likely in response to sluggish demand. But limited supply could prevent an outright decline in home prices.

Sales surged 4% in the Northeast, which accounts for a small share of the housing market. They increased 1% in the densely populated South, but fell 2% in the Midwest, regarded as the most affordable region. Sales were unchanged in the West.

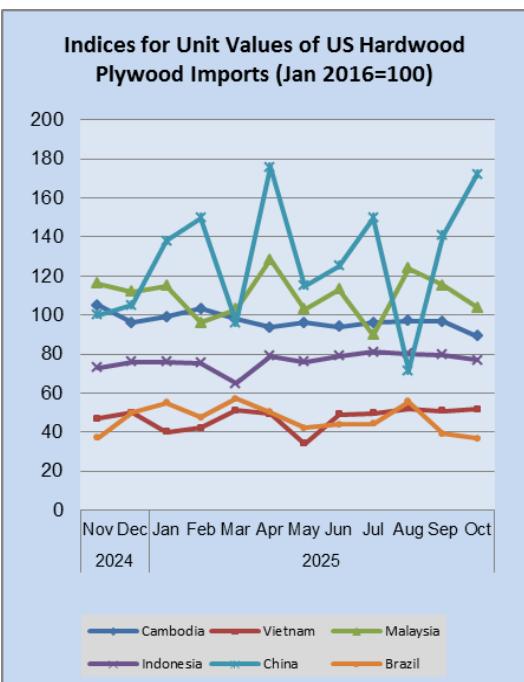
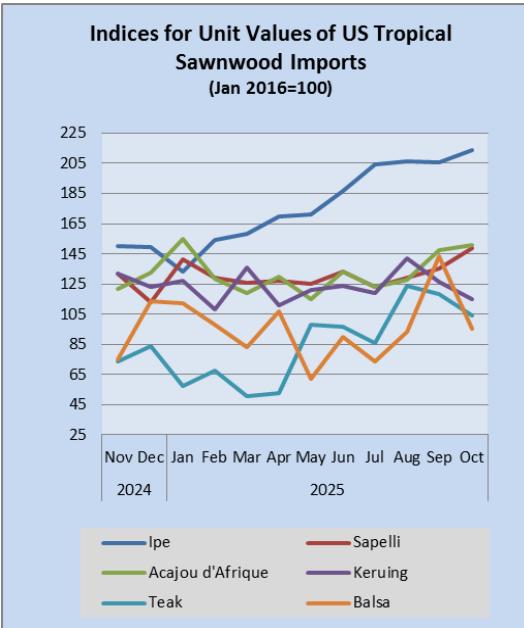
Home sales declined 1% in November 2025 on a year on year basis.

The interest rate on the popular 30-year fixed-rate mortgage plunged from 7.04% in mid-January to 6.19% at the end of November data from mortgage finance agency Freddie Mac shows. It has, however, made no further improvement since then.

See: <https://www.nar.realtor/newsroom/nar-existing-home-sales-report-shows-0-5-increase-in-november>

and

<https://www.reuters.com/world/us/us-existing-home-sales-increase-moderately-november-2025-12-19/>



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.

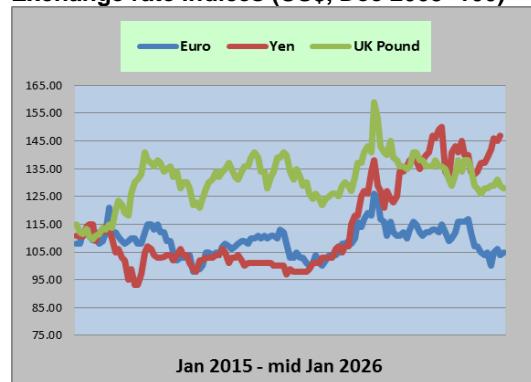
The views and opinions expressed herein are those of the correspondents and do not necessarily reflect those of ITTO

US\$ Dollar Exchange Rates

As of 10th January 2026

Brazil	Real	5.40
CFA countries	CFA Franc	563.00
China	Yuan	6.98
Euro area	Euro	0.86
India	Rupee	90.56
Indonesia	Rupiah	16,857
Japan	Yen	158.46
Malaysia	Ringgit	4.05
Peru	Sol	3.35
UK	Pound	0.74
South Korea	Won	1,462.96

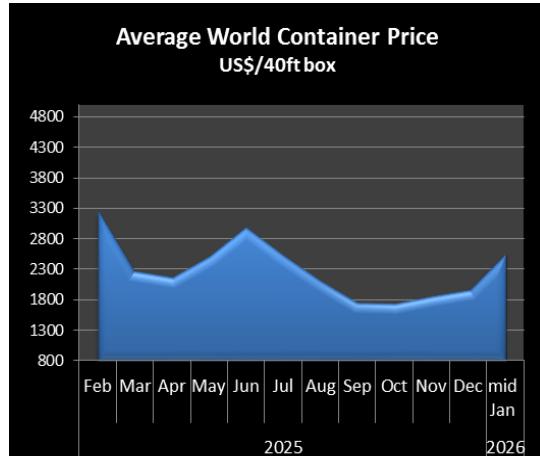
Exchange rate indices (US\$, Dec 2003=100)



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

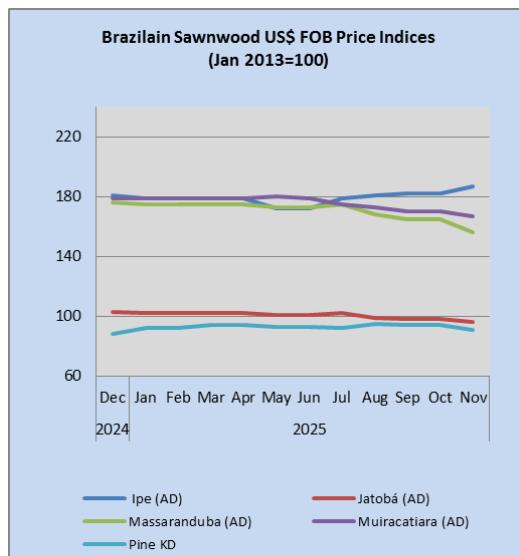
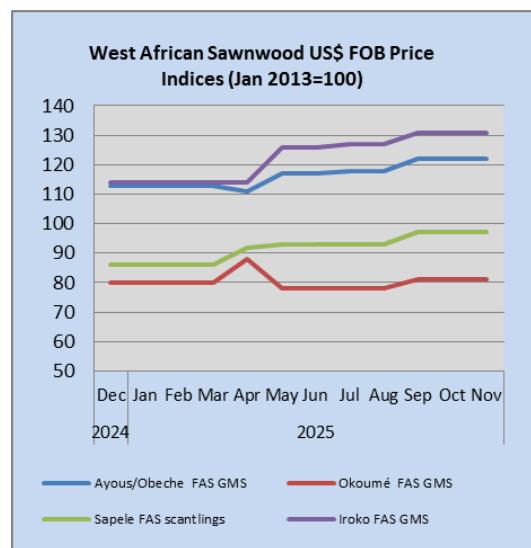
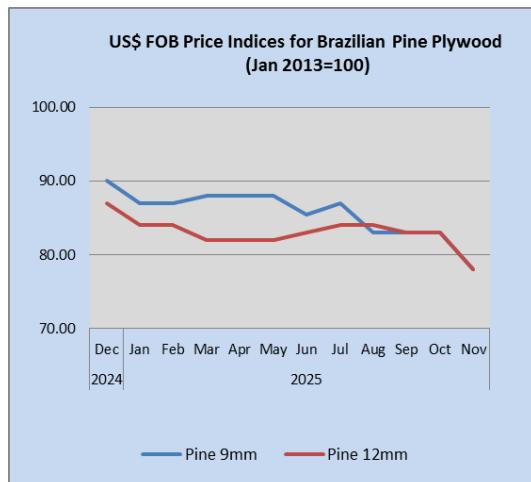
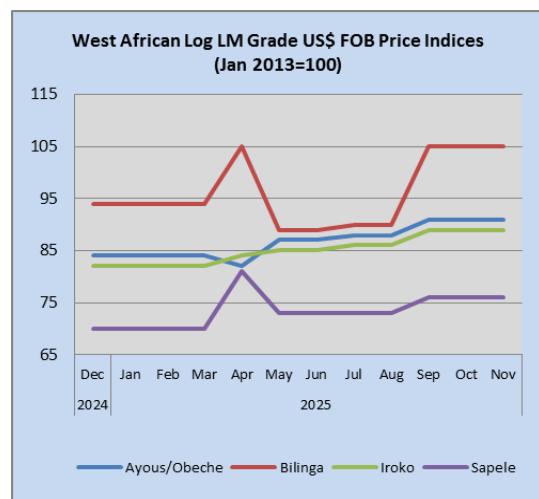


Data source: Drewry World Container Index

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.

To have a free copy of this twice-monthly ITTO Market Information Service bulletin emailed to you on the day of production, please register at:

http://www.itto.int/en/mis_registration