

# Tropical Timber Market Report

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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](mailto:ti@itto.int).

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## Top story

### UK imports of wooden furniture from tropical countries rebounded in 2024

After a 43% decline in UK imports of wooden furniture from tropical countries in 2023, imports rebounded by 9% to US\$457 million in 2024.

Imports in 2024 increased for most leading supply countries to the UK including Vietnam, Malaysia, India and Indonesia. However, imports declined from Thailand and Singapore.

Also, UK imports joinery products from tropical countries increased in 2024.

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## First Announcement

### Global Legal and Sustainable Timber Forum - 2025

23-24 September 2025, MGM COTAI, Macao SAR, China

**Theme "From Forest to Home – An International Dialogue on Emerging Consumer Trends and Supply Chain Innovations"**

The GLSTF 2025 aims to enhance networking, collaboration and business exchange among timber industry stakeholders.

**For details see:**

[https://www.itto.int/events/2025/09/24/global\\_legal\\_sustainable\\_timber\\_forum\\_2025/](https://www.itto.int/events/2025/09/24/global_legal_sustainable_timber_forum_2025/)

## Central and West Africa

### Demand trends – producer views

The Middle East market is showing improved timber demand helping to reduce stocks. Nevertheless, future prospects remain uncertain because there are no major construction projects reported in Dubai or neighbouring countries.

Demand in the Philippines for Okoume, Dabema and contracts for Iroko remain robust.

The Vietnamese market also appears stable with no signs of diminished demand.

No improvement is evident in the Chinese market. Large inventories of unsold apartments are a concern as is the decline in disposable income among the working population.

It has been reported that timber stocks in In Zhangjiagang Port are sufficient for up to two years at current levels of sales illustrating the severity of the market slowdown.

### Regional round-up

#### Gabon

The new forestry code with around 800 articles is under development but local observers say adoption is unlikely until after the presidential election in April.

Most parts of the country have had uninterrupted electricity supply thanks to the newly installed Turkish power ships.

Up-country transport remains slow and trucks from the mid and southern regions can take two to three days to reach Libreville.

Harvesting activities remain virtually the same as in the previous update as heavy rains in up-country regions continue to hinder operations. Ongoing roadwork along National Highway 3 near Ndjolé has been slow resulting in transport delays of two to three days for timber coming from the central and southern parts of the country to Libreville.

Rail capacity available for timber has expanded since the decline in manganese shipments to China. It is reported that the railway operator, SETRAG, is seeking financial aid to repair damaged track segments and bridges. Plans for a second rail line from the Belinga iron mining site have come to a standstill.

Container availability at Gabonese Ports is reported as adequate with most vessels experiencing a turn-around of just a few days. However, exporters are concerned about the higher port charges and an increase in export duties.

Producers in Gabon report overall market conditions remain steady, albeit with the same challenges of sluggish demand and tight local compliance rules.

#### Cameroon

Conditions are extremely dry in the Mid and South, with Yaoundé struggling to provide adequate water supplies.

Production is gradually increasing under CFAD (the Forestry Concession compliance framework) which could help producers in meeting EUTR requirements.

Container stocks at Cameroon Ports are said to be adequate. Timber exports through Douala Port have declined partially due to CFAD enforcement along with cooling market demand. Observers report lower throughput of logs from the northern Congo through Kribi Port as Congo is now in the rain season.

There are no reported changes in truck routes from forest to mill or log depot and production appears unchanged.

While order volumes are described as “stable to low,” Azobe logs and timber continue to find some buyers in Holland but shipments of redwoods and Ayous have slowed.

Demand in China for redwoods, Ovangkol and Okan is low, mirroring the broader global market downturn. Meanwhile, Middle Eastern interest in Iroko, Sapelli and redwoods has improved slightly say producers. Overall, the timber industry continues to rely on small volume orders with mills keeping moderate log inventories of about three months.

Although no new policy decisions have been announced government controls are intensifying. Trucks carrying timber arriving at Douala or Kribi must present verifiable forestry and tax documentation.

#### Republic of Congo

No major forest policy developments have been reported. Pointe-Noire Port faces up to five days of vessel backlog. The country faces financial challenges despite steady oil exports but reduced revenue from timber exports.

Sawmills are reported to have sufficient log stocks but only orders for the next one to two months. This especially applies to the redwoods.

Mill operations face no new challenges and the availability of spare parts for logging machinery is good indicating no immediate supply bottlenecks. Overall production is stable though market demand is soft.

No new government policy changes have been announced and the regulatory framework remains steady.

## Log export prices

West African logs Asian market	FOB Euro per cu.m		
	LM	B	BC/C
Acajou/ Khaya/N <sup>o</sup> Gollon	220	220	175
Ayous/Obeche/Wawa	220▲	220▲	200
Azobe & ekki	250▼	250▼	175
Belli	220▼	220▼	-
Bibolo/Dibétou	200	200	-
Bilinga	250▼	250▼	-
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▼	200
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	380
Std/Btr GMS	370
Sipo FAS GMS	520
FAS fixed sizes	-
FAS scantlings	540
Padouk FAS GMS	800
FAS scantlings	875
Strips	400
Sapele FAS Spanish sizes	530
FAS scantlings	550
Iroko FAS GMS	800
Scantlings	840
Strips	400
Khaya FAS GMS	420
FAS fixed	440
Moabi FAS GMS	550
Scantlings	550
Movingui FAS GMS	460
Okoume Merch	380
Assamela FAS GMS	1,400
Gheombi	450

## Through the eyes of industry

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

See: <https://www.itto-ggsc.org/static/upload/file/20250318/1742261179154976.pdf>

## Ghana

### January wood products exports steady

According to the Timber Industry Development (TIDD) timber and wood export report for January 2025 the country exported twelve different wood products with a total volume of 20,594cu.m.

When compared to the same period in the previous year this volume fell marginally by 1%. However, export earnings registered an increase to Eur9.74 million in January 2025 compared to Eur9.65 million in 2024.

### Wood product exports vol. cu.m

Product	2024	2025	Y-O-Y % Vol
AD sawnwood	11,293	12,440	10%
KD sawnwood	3,355	2,708	-19%
Billets	1,986	2,108	6%
Plywood (Overland)	1,857	1,202	-35%
Plywood	921	167	-82%
Rotary Veneer	654	676	3%
Mouldings	267	379	42%
Sliced Veneer	265	664	151%
Briquettes	270	68	-75%
Others (3)	-	182	-
<b>Total</b>	<b>20,868</b>	<b>20,594</b>	

Data source: TIDD

The export performance in January was characterised by increased exports of sliced veneer (plus 151%), mouldings (plus 42%) air-dried sawnwood (plus 10%), billets (plus 6%) and rotary veneer plus 3%).

The leading export wood products to the regional market were air-dried sawnwood (12,440 cu.m), kiln-dried sawnwood (2,708 cu.m), billets (2,108 cu.m) and plywood (1,202 cu.m). Together, these accounted for close to 90% (18,458cu.m) of the total export volume for the period.

Sliced veneer exports generated increased revenue growth to Eur852,000 in January 2025 from Eur368,000 for the same period in 2024. Italy accounted for 57% of the export volume for this product, China 13% and eight other countries including Denmark, Morocco, Vietnam and the USA accounting for the remaining volume.

Air-dried sawnwood exports also increased in January 2025 to 12,440 cu.m (Eur 5.10million) in from 11,293 cu.m (Eur 4.73million) recorded in January 2024 registering 10% and 8% growth in volume and value respectively.

Teak accounted for 85% of the total export volume of the wood product. Exports of teak were mainly to the India (10,57 cu.m) and Vietnam (1,049 cu.m) which together accounted for 93% of the total volume.

Teak, wawa, ceiba, denya and Cedrela were some of the other species exported.

### Revitalising Ghana's forestry sector

The Minister for Lands and Natural Resources, Emmanuel Armah-Kofi Buah, met with a delegation from the World Bank Ghana led by Country Director, Robert Taliercio O'Brien. The meeting focused on potential investments aimed at revitalising Ghana's forestry sector.

The Minister expressed the government’s readiness to continue its partnership with the World Bank and particularly to pursue further investments in the forest economy.

He highlighted the government’s transformative policies and structures aimed at improving the forestry sub-sector. He said, this is an initiative designed to create jobs for the unemployed youth to embark on the country’s reforestation efforts, restore degraded land and protect the nation’s forest cover.

According to Mr. Buah, these efforts are part of a broader strategy to enhance sustainable forest management practices and promote environmental conservation. The Country Director of the Bank, on his part expressed the World Bank’s commitment to support Ghana’s forest economy, on agroforestry issues, restoring depleted forest covers among others for sustainable growth.

According to a 2024 report by the World Bank, deforestation and forest degradation cost Ghana an estimated 2.5% of annual Gross Domestic Product.

See: <https://www.gbghanaonline.com/news/world-bank-delegation-meets-lands-minister-to-discuss-forestry-investments/2025/>

#### **Fast-track courts to punish illegal miners**

As the battle against the illegal miners in the country’s forest reserves continues the Minister for Lands and Natural Resources has hinted at setting up of a dedicated Fast-Track Courts. Such courts would help swiftly handle and prosecute persons involved in illegal mining and environmental degradation. According to the Minister the current legal process is too slow, which does not deter offenders.

Speaking to the media, the Minister expressed concern about the unethical practices of these illegal mining activities across the country’s forest reserves. He therefore called for urgent measures to protect Ghana’s forests and water bodies.

The Minister indicated that, while his ministry is responsible for policies on land and natural resource management, enforcement lies with other agencies and he called for their support. He has therefore initiated discussions on the idea of the establishment of a Fast Track Court with the highest levels of government, including the Attorney General and Chief Justice.

He revealed that data he recently presented to Parliament showed that 44 of Ghana’s 288 forest reserves have already been seriously degraded. Nine of the affected reserves have been classified as “red zones” because of the level of damage they have suffered.

Meanwhile the Legislative Instrument (L.I.) 2462 seeking to strip the President of the power to grant licenses for mining in forest reserves has officially been laid before Parliament.

If passed, the new legislation would revoke the President’s authority to grant mining licenses in forest reserves, a move widely seen as a critical step in tackling illegal small-scale mining, commonly known as galamsey.

In a related development, the Chief Executive Officer (CEO) of the Forestry Commission, Dr Hugh Brown, has also called for the setting up of a special unit in the Ghana Armed Forces (GAF) for the protection of the country’s forest reserves against illegal miners.

See: <https://www.myjoyonline.com/lands-minister-demands-fast-track-court-to-punish-illegal-miners/> and <https://www.myjoyonline.com/ghana-has-lost-44-of-forest-reserves-due-to-illegal-mining-and-logging-activities-lands-minister/> and <https://www.myjoyonline.com/forest-mining-l-i-2462-to-remove-presidential-power-in-granting-licenses-laid-in-parliament/>

#### **Ghana’s export competitiveness declining**

The African Centre for Economic Transformation (ACET) has said Ghana’s export competitiveness has weakened over the last two decades and is still declining. In its Country Economic Transformation Outlook (CETO) report for Ghana ACET mentioned that the country’s exports remain concentrated on moderate and low complexity products, reflecting limited diversification and export sophistication.

According to the report, weak value addition and minimal processing have hindered technology upgrading, slowing industrial progress. About 94% of the country’s current exports have low technological content which has not changed significantly over the last 30 years. Consequently, the need to expand and deepen non-traditional exports and higher value products is crucial for competitiveness and economic resilience.

Although there have been some shifts in export markets, with increased exports to other African countries – particularly within ECOWAS – Ghana still faces challenges in expanding beyond its traditional export destinations, says the report.

Timber and wood products are one of Ghana’s export commodities shipped to five major market destinations globally. These are categorised into Primary Products, Secondary Wood Products and Tertiary Wood Products. Statistics show that, the country’s wood product exports are largely primary and secondary, accounting for over 90%..

See: <https://thebftonline.com/2025/03/19/editorial-export-competitiveness-wanes/>

#### **Boule export prices**

	Euro per cu.m
Black Ofram	330
Black Ofram Kiln dry	420
Niangon	650↓
Niangon Kiln dry	910

### Rotary veneer export prices

Rotary Veneer, FOB	Euro per cu.m	
	CORE (1-1.9 mm)	FACE (>2mm)
Ceiba	337	410
Chenchen	472	612
Ogea	367	590
Essa	555	656
Ofram	350	435

### Export sawnwood prices

Ghana sawnwood, FOB	Euro per cu.m	
	Air-dried	Kiln-dried
FAS 25-100mmx150mm up x 2.4m up		
Afromosia	860	925
Asanfina	465	947
Ceiba	290	295↓
Dahoma	343↓	587↑
Edinam (mixed redwood)	640	741
Emeri	700	758↑
African mahogany (Ivorenensis)	783	874
Makore	692	800
Niangon	795↑	907↑
Odum	930↑	1.161↑
Sapele	695	858
Wawa 1C & Select	437	471↑

### Plywood export prices

Plywood, FOB	Euro per cu.m		
	Ceiba	Ofram	Asanfina
BB/CC			
4mm	620	580	641
6mm	414	535	604
9mm	433	504	560
12mm	350↓	489	480
15mm	396	356↓	430
18mm	460	415	383

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

### Sliced veneer export prices

Sliced face veneer	FOB
	Euro per cu.m
Asanfina	1122↓
Avodire	2,582
Chenchen	750↓
Mahogany	1,738
Makore	1,246↓
Odum	3,453
Sapele	1,505↑

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See: <https://www.itto-ggsc.org/static/upload/file/20250318/1742261179154976.pdf>

## Malaysia

### Growth to be sustained by domestic consumption

The Malaysian central bank (Bank Negara Malaysia BNM) has forecast Malaysia's economy to grow between 4.5 and 5.5% in 2025 driven by sustained domestic demand despite heightened external uncertainties that could slow export growth.

Inflation is projected to trend higher but remain manageable amid easing global costs and the absence of excessive demand pressures.

Malaysia's economy grew by 5.1% in 2024 with a moderate inflation of 1.8% while the Ringgit ended 2.7% higher against the US dollar.

See:

<https://www.malaymail.com/news/malaysia/2025/03/24/malaysia-s-economy-to-grow-45-55pc-in-2025-inflation-manageable-says-bank-negara/170678>

### Long-Term visit pass for foreign businesses

From 1 April 2025 the Malaysian Immigration Department will introduce a Long-Term Social Visit Pass for Foreign Businesses and Investors aiming to streamline the entry process for foreign investors and facilitate long-term stays.

Also known as the Investor Pass, it aims to facilitate the entry for those committed to invest in Malaysia.

See: <https://www.humanresourcesonline.net/malaysia-s-new-investor-pass-to-facilitate-long-term-stay-for-foreign-investors-effective-1-april-2025>

### CITES listing of Shorea timbers

In an article in the Malaysian Sun newspaper, Wong Kar Wai the Timber Exporters' Association of Malaysia (TEAM) Treasurer, is reported as saying the proposed classification under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) of extensively traded Malaysian timber species in will result in disruption of timber exports.

The Sun reports that, in a letter to members, TEAM president, Chua Song Fong, noted that the European Commission and the US have proposed the inclusion of Shorea species (such as Balau, Red Meranti, Yellow Meranti and White Meranti) and Apitong (keruing) in a CITES appendix. If approved, he said, the listing would result in strict trade restrictions on these timber species significantly impacting the domestic industry.

A vote on inclusion of Shorea is scheduled for the CITES CoP20 Conference in Uzbekistan to be held in Uzbekistan.

See: [https://thesun.my/business-news/malaysia-s-timber-industry-faces-threats-on-two-fronts-us-tariffs-and-cites-JK13807097#google\\_vignette](https://thesun.my/business-news/malaysia-s-timber-industry-faces-threats-on-two-fronts-us-tariffs-and-cites-JK13807097#google_vignette)

### Carbon credit system for forestry sector

Malaysia is developing a national carbon credit system for the forestry sector termed the Forest Carbon Offset (FCO) mechanism to promote transparent carbon trading.

Natural Resources and Environmental Sustainability Minister, Nik Nazmi Nik Ahmad, said: "The ministry has introduced the REDD+ financial framework. This initiative offers financial support to state governments for activities focused on forest conservation and ecosystem sustainability, particularly to mitigate climate change".

A key component of the REDD+ financial framework is the FCO mechanism. It serves as the primary mechanism for generating carbon credits in the forestry sector for domestic and international markets.



The aim is to create a domestic carbon credit system aligned with international standards, including Verra and the Gold Standard, while ensuring competitive fees. The system is being developed with inputs from stakeholders. The goal is to instill confidence in the MyHIJAU label, ensuring that certified products are sustainable and not a form of greenwashing.

MyHIJAU is a government initiative under the Malaysian Green Technology and Climate Change Corporation.

See:

<https://www.nst.com.my/news/nation/2025/02/1179772/malaysia-develops-carbon-credit-system-forestry-sector>

### Compliance-based carbon markets

By implementing Article 6 of the Paris Agreement Malaysia seeks to become a leader in compliance-based carbon markets aligning economic growth with emissions reductions. As ASEAN Chair in 2025, Malaysia aims to amplify the region's collective voice on climate action, emphasising inclusivity and sustainability.

At COP30 in Belem, Brazil (Nov 10 to Nov 21, 2025), we will present the ASEAN Joint Statement on Climate Change, advocating for regional solidarity, sustainable development, and financial support. Malaysia will also advance the development of the South-East Asia Alliance negotiation bloc (Group SEA) to strengthen Asean's influence in global climate negotiations.

See:

<https://www.thestar.com.my/opinion/letters/2025/03/14/committed-to-advancing-climate-action-globally>

### Blue carbon project

Sarawak's inaugural Blue Carbon Project in the Paloh and Serdeng areas of Tanjung Manis will restore and preserve 10,232 hectares of mangrove forest ecosystems.

According to the Sarawak Timber Industry Development Corporation (STIDC) Sustainable Resource Management Division Assistant General Manager, Hamzah Morshidi, the project development design will be submitted to the Forest Department for issuance of carbon permit, which will enable the carbon to be marketed in the area within two years after replanting.

With the help of the consultants, he added, we will develop more structured development for the coastal area in the future. STIDC and Worldview Climate Solutions signed a Memorandum of Agreement to mark the launching of the project in November last year.

See: <https://www.theborneopost.com/2025/03/20/sarawak-launches-first-blue-carbon-project-in-tanjung-manis-to-restore-10232-ha-of-mangroves/>

### Through the eyes of industry

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

See: <https://www.itto-ggsc.org/static/upload/file/20250318/1742261179154976.pdf>

### Full repatriation of revenue from natural resource exports

The government has mandated that exporters retain 100% of their export earnings from natural resources in the Indonesian financial system for a minimum of one year. This regulation took effect on 1 March. It has been estimated that approximately US\$80 billion will be repatriated this year.

The regulation applies to various business entities including companies receiving credit or loans from state-owned banks, those holding Business Use Permits (HGU), companies managing industrial forest plantations (HTI) and all other export-oriented enterprises.

Coordinating Minister of Economic Affairs, Airlangga Hartarto, stated that the government will provide a range of incentives to exporters, including those related to the banking sector, such as arrangements for cash collateral. "The banking sector will provide cash collateral facilities and the use of cash collateral will not be included in the Maximum Credit Limit nor reduce the gearing ratio" said Airlangga.

See: [https://en.tempo.co/read/1989542/todays-top-3-news-10-best-night-markets-in-bangkok-top-spots-for-shopping-and-street-food?tracking\\_page\\_direct](https://en.tempo.co/read/1989542/todays-top-3-news-10-best-night-markets-in-bangkok-top-spots-for-shopping-and-street-food?tracking_page_direct)

### Opportunities for furniture in Mexico

The Ministry of Trade, through the Indonesian Trade Promotion Center (ITPC) in Mexico City, hosted a business pitching meeting for micro, small and medium enterprises active in the furniture sector. The event was supported by Bank Syariah Indonesia.

The Head of ITPC Mexico City, Sunny Andrian, said that Mexico has a rapidly growing tourism industry which drives growth in construction of hotels, resorts, restaurants and spas presenting opportunities for the export of Indonesian furniture products.

Indonesian furniture products face strong competition from both domestic and international companies. Mexico is a significant player in the global furniture industry primarily serving the United States market.

Mexico imposes relatively high tariffs on imported furniture products. In addition to competition from local manufacturers, Indonesia would also have to compete with products from Vietnam and Malaysia. These countries benefit from exemptions on import duties due to the Comprehensive and Progressive Agreement for the Transpacific Partnership (CPTPP) trade agreement making their products more competitive.

"Since Indonesia and Mexico do not have a trade agreement it's important to examine which products are competitive and have unique characteristics," Sunny stated.

See: <https://www.antaranews.com/berita/4728761/itpc-buka-peluang-produk-furnitur-indonesia-ke-pasar-meksiko> and <https://validnews.id/ekonomi/itpc-mexico-city-sebut-jaringan-hotel-meksiko-minati-produk-furnitur-ri>

### **Opportunity for RI in Chinese factory relocations**

Deputy Minister of Industry, Faisol Riza, has said that Indonesia has the potential to take advantage of the momentum of factory relocations from China to ASEAN countries.

Regarding the news that China's plan to relocate 630 of its furniture factories to Vietnam, Riza said that Indonesia could take advantage of this momentum to attract investors from China to establish factories in Indonesia.

The Chinese factory relocation is said to be due to the protectionism policy in the United States (US) but said Raza, Vietnam has a large trade surplus with America and is likely to face tariffs so he advised Chinese entrepreneurs to re-evaluate their relocation and consider Indonesia.

Earlier, Riza confirmed that several Chinese entrepreneurs were interested in relocating their factories to the Kendal Special Economic Zone (SEZ) in Central Java.

See: <https://en.antaranews.com/news/348897/opportunity-for-ri-in-chinese-factory-relocations-govt>

### **Discussion on trade pact continues**

It is reported in the domestic press that Indonesia and the European Union are still trying to reach a consensus on import licensing in their free trade agreement talks. Indonesia and the EU have been negotiating a comprehensive economic partnership agreement (CEPA) since July 2016.

See: <https://jakartaglobe.id/business/indonesia-eu-still-cant-agree-on-trade-pacts-import-permit>

### **Environmental organisations advocate revision of the Forestry Law**

Several environmental organisations are optimistic that the Indonesian House of Representatives' plan to revise Law No. 41 of 1999 on Forestry will bring about significant improvements in forestry governance. Muhamad Burhanudin, coordinator of the Indonesian Conservation Dialogue Forum (FDKI) stated that Law No. 41 of 1999 has served as the foundation for Indonesian forest governance for over two decades.

"However, with the advancement of time and the growing pressure on forest resources, it is essential to update this regulation to address current challenges," he stated during a discussion organised by the KEHATI Foundation in collaboration with FDKI.

He specifically highlighted several issues including deforestation and land conversion which contribute to greenhouse gas (GHG) emissions and drive climate change.

Forest Watch Indonesia (FWI) Campaigner Anggi Putra Prayoga highlighted the incompatibility in current forestry conditions and challenges. He discussed the impacts of climate change, deforestation, forest degradation and the rise in agrarian conflicts, particularly to Law 41 of 1999.

See: <https://www.antaranews.com/berita/4719545/organisasi-lingkungan-harapkan-revisi-uu-kehutanan-yang-holistik> and <https://www.liputan6.com/regional/read/5966624/yawasan-kehati-dan-fdki-dorong-revisi-ruu-kehutanan-yang-holistik-dan-partisipatif>

### **Forest fires contributed to deforestation in 2024**

In a press conference, Agus Budi Santosa, Director of Forest Resources Inventory and Monitoring at the Ministry of Forestry, reported that in 2024 the forest cover area in Indonesia was 95.5 million hectares.

However, the country experienced a deforestation loss of 175,400 hectares. Agus stated, "the primary cause of this deforestation was forest and land fires." He also noted that illegal logging continues to be a significant factor contributing to the reduction of forest cover in the country.

According to data from the Ministry of Forestry's SiPongi monitoring system the extent of forest and land fires in Indonesia in 2024 was recorded at 376,805 hectares.

See: <https://www.antaranews.com/berita/4732709/kemehut-kebakaran-hutan-jadi-salah-satu-faktor-deforestasi-pada-2024>

### **Social forestry programme to unlock additional areas for farmers**

The government has identified seven million hectares of land as potential sites for the social forestry programme which is expected to support efforts to strengthen food security.

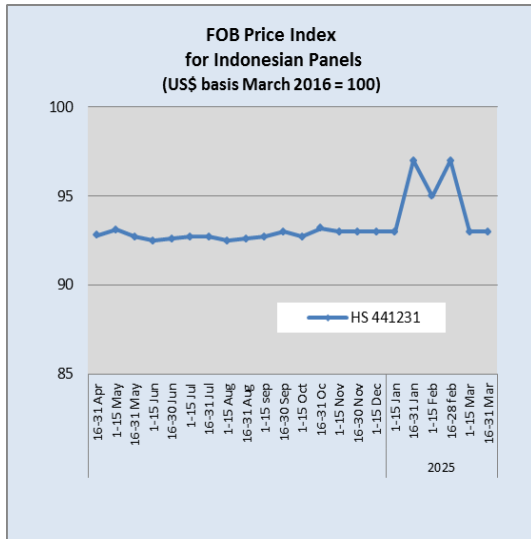
"We have plans for the social forestry programme, an initiative designated as a national strategic programme" Minister of Forestry, Raja Juli Antoni, stated in a press release. "Farmers already have access to 8.3 million hectares and four million hectares remain available for use," Antoni added.

The Minister clarified that the newly announced areas include the remaining 4 million hectares previously identified, along with newly assessed land. Antoni further emphasised the government's commitment to encouraging local farmers to make optimal use of forested areas to contribute to Indonesia's food and energy self-sufficiency goals.

To-date, management access has been granted for approximately 8.3 million hectares across Indonesia, benefiting around 11,000 forest farmer groups through five different schemes: Community Forests (Hkm), Village Forests, Community Plantation Forests, Customary Forests and Forestry Partnerships.

The economic impact of the activities carried out by these forest farmer groups is significant, as reflected in the Economic Transaction Value (NTE) generated from the sale of forest product commodities by these groups.

See: <https://en.antaranews.com/news/348629/social-forestry-program-to-unlock-7-million-hectares-for-farmers-govt> and <https://www.agrofarm.co.id/2025/03/nilai-transaksi-ekonomi-dari-perhutanan-sosial-tahun-2024-capai-rp-15-triliun/>



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

## Myanmar

### Election announcement

Speaking at the annual Armed Forces Day parade in Naypyidaw, Senior General Min Aung Hlaing, pledged to hold a free and fair election in December and vowed to transfer power to the winning party, urging armed opposition groups to renounce violence and pursue dialogue.

See: <https://www.reuters.com/world/asia-pacific/myanmar-junta-chief-announces-election-december-2025-or-january-2026-2025-03-08/>

### 2024 in review

Myanmar's economy faced significant challenges in 2024. Economic activity was constrained by elevated conflict, increased macroeconomic volatility and a challenging business environment. In addition to its ongoing impacts on household livelihoods and agricultural production, conflict continued to disrupt land border trade with China and Thailand, as well as domestic supply chains.

Myanmar's economy continues to face a range of constraints including trade and logistics disruptions, rapidly rising prices and shortages of a range of key inputs including labour, electricity and imported inputs. Conflict has led to substantial displacement among affected populations, disrupted the transport of goods within the country and disrupted cross-border trade.

The activation of the conscription law has reportedly prompted significant migration out of major urban areas toward rural border areas and to Thailand, with some firms reporting labour shortages as a result.

Continued exchange rate depreciation and constrained access to import licenses has resulted in higher prices and ongoing shortages of imported inputs. Electricity outages have worsened further as gas-powered supply falters, with firms forced to use expensive diesel-powered generators to substitute for grid-based power.

The economic outlook remains very weak, implying little respite for Myanmar's households over the near to medium term.

See: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099061124195517221/p5006631cca59607d182041fae76ab566cc>

### Impact of food aid cut

The United Nations World Food Programme (WFP) has warned that more than one million people in Myanmar will be cut off from WFP's lifesaving food assistance starting in April due to critical funding shortfalls. These cuts come just as increased conflict, displacement and access restrictions are already sharply driving up food aid needs.

Without immediate new funding WFP will only be able to assist 35,000 of the most vulnerable people, including children under the age of five, pregnant and breastfeeding women and people living with disabilities.

"The impending cuts will have a devastating impact on the most vulnerable communities across the country, many of whom depend entirely on WFP's support to survive," said Michael Dunford, WFP's Representative and Country Director in Myanmar.

"WFP remains steadfast in its commitment to support the people of Myanmar but more immediate funding is crucial to continue reaching those in need."

The cuts will also impact almost 100,000 internally displaced people in central Rakhine who will have no access to food without WFP assistance, including Rohingya communities in camps.

WFP urgently needs US\$60 million to maintain its life-saving food assistance to the people of Myanmar this year. "WFP is calling on all partners to identify additional funding to meet the needs in Myanmar as the situation across the country continues to deteriorate," said Dunford.

See: <https://www.wfp.org/news/wfp-warns-one-million-myanmar-be-cut-food-aid-amid-funding-shortfall>

### Central Bank intervenes to stabilise currency

According to DVB online news, the Central Bank of Myanmar (CBM) has stepped up efforts to stabilise the exchange rate by selling an average of US\$2.2 million daily to select fuel and edible oil importers.



In March alone, the CBM injected over US\$57 million into the market and announced on 17 March an additional US\$33 million will be allocated to fund imports.

Since October 2024, exporters have been required to convert foreign currency earnings at a fixed rate of MMK 3,600 per dollar, well below market value. This policy has exacerbated financial strain on factories, making it difficult to raise wages amid rising inflation.

Labour rights groups say that workers' real wages have declined by at least 43% since 2018, pushing many below the poverty line.

See- <https://burmese.dvb.no/post/695538>

## India

### **Tier 2 and 3 cities shaping India's real estate future**

The Confederation of Real Estate Developers' Associations of India (CREDAI) recently concluded its 6th "New India Summit" at Nashik, Maharashtra underscoring the pivotal role of Tier 2 and Tier 3 cities in India's real estate evolution. Themed "Viksit Bharat – Unlocking Potential of Emerging Cities" the summit brought together key policymakers, industry leaders and stakeholders to chart a roadmap for inclusive urban development.

The event marked the launch of a report 'Overview of Residential Real Estate Market in 60 Major Cities of India', a collaborative study with Liases Foras a leading real estate research firm.

The report highlights a significant surge in the role of Tier 2 and 3 cities in shaping India's real estate future revealing that 44% of the 3,294 acres of land acquired by developers in 2024 were concentrated in these emerging hubs. Housing sales in 2024 reached 681,138 units across 60 cities, recording an impressive 23% year-on-year increase.

With the real estate sector now valued at Rupee 22.5 trillion and contributing 7.2% to India's GDP, Tier 2 and 3 cities are becoming growth engines offering both affordability and investment returns.

While the main cities continue to dominate luxury and premium housing sales the rise of Tier 2 and 3 cities has introduced a more balanced market dynamic where mid-range and affordable properties play a crucial role in driving demand.

Many of these cities are evolving into academic, logistics and industrial hubs further fuelling housing requirements, says the report.

Manoj Gaur, Chairman of CREDAI, said "Tier 2 and 3 cities are the cornerstone of India's next phase of urbanisation, driving inclusive growth and economic diversification.

As highlighted in the report these cities now account for nearly half of all land acquisitions by developers, signalling a seismic shift in investment patterns.

Boman Irani, CREDAI president, said "India's real estate sector is undergoing a paradigm shift, with Tier 2 and 3 cities playing a central role in urban expansion. As these cities become economic and industrial hubs, there is an increasing demand for affordable and mid-segment housing. Developers are recognising this shift, leading to a surge in investments and new projects.

The insights from this report will help the industry navigate the evolving market and ensure sustainable growth across regions."

See: <https://www.constructionweekonline.in/events/credai-new-india-summit>

### **Agroforestry contributes massive volumes to wood-based industries**

The March issue of Plyinsight carries a story on the contribution of farm forests to wood-based industries. According to the India State of Forest Report (ISFR)-2023 India's recorded forest area comprises 52 million hectares of forest cover (FC) inside recorded forest areas and 30.7 million hectares under trees outside forests (TOF).

According to ISFR-2023 India's tree cover area under agroforestry was 1.27 million hectares in 2023. The potential production of industrial wood from TOF, mainly from agroforestry, has been estimated as 91.5 million cu.m per year, an increase of 30% over the estimate of industrial wood reported in ISFR-2017.

Andhra Pradesh and Telangana lead in commercial agroforestry due to the promotion of clonal forests of eucalyptus, casuarinas and subabul to meet the raw material demand. Plyreporter says the Tamil Nadu agricultural university played a major role in encouraging the planting of neem, Melia dubia.

It has been reported that farmers of States of Uttar Pradesh, Punjab and Haryana are cultivating eucalyptus and poplar finding this more profitable than traditional agricultural crops. As a result of agroforestry these states produced substantial amounts of farm wood, fostering the growth of the plywood industry.

Between 2013 and 2023 the area under agroforestry in Uttar Pradesh increased by around 200,000 hectares while the area is reported to have remained almost unchanged in Punjab and Haryana states. These states are seeing agricultural crop yields declining due to changes in the watertable and have switched to cultivation of tree crops. The (ISFR)-2023 has the following observations:

Agroforestry has significantly contributed to increasing forest cover outside RFAs and tree cover in southern India. Given the large coastal expanses of many of the southern states this advantage can be further harnessed to develop wood-based industries in the region.

In Northern States of Haryana, Punjab, Uttarakhand and Uttar Pradesh commercial agroforestry has also substantially increased forest cover outside RFAs and tree cover on farmlands resulting in greater wood production from farmlands and fostering the growth of wood-based industries.

India's forest and tree cover story is one of mixed result-significant progress in TOF growth through agroforestry contrasts with challenges in maintaining dense forest cover within the RFAs. By embracing agroforestry India can sustainably balance ecological and developmental needs, says the (ISFR)-2023.

See: <https://plyinsight.com/agroforestry-and-its-contribution-to-indias-wood-based-industries/>

#### 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	127	485
Colombia	94	432
Costa Rica	187	335
Nigeria	-	-
Benin	-	-
Tanzania	90	470
Laos	-	-
South Sudan	241	685
Guatemala	189	350
Venezuela	-	-

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

	cu.m	US\$ C&F
Benin	227	710
Brazil	125	650
Colombia	-	-
Costa Rica	191	500
Ecuador	-	-
Ghana	95	425
Ivory Coast	222	825
Nigeria	136	415
South Sudan	189	640
Tanzania	-	-
Togo	289	510
Panama	146	485

#### Locally milled sawnwood prices

Sawnwood Ex-mill	Rs per cu.ft.
Merbau	4,350 - 4,750
Balau	2,950 - 3,250
Resak	-
Kapur	-
Kempas	1,650 - 1,950
Red meranti	1,750 - 2,000
Radiata pine	1,000 - 1,200
Whitewood	950 - 1,150

Price range depends mainly on lengths and cross-section

#### Sawn hardwood prices

Sawnwood (Ex-warehouse) (KD 12%)	Rs per cu.ft.
Beech	1,900 - 2,200
Sycamore	2,300 - 2,700
Red Oak	2,900 - 3,300
White Oak	3,300 - 3,700
American Walnut	5,300 - 5,900
Hemlock STD grade	1,900 - 2,200
Western Red Cedar	3,000 - 3,350
Douglas Fir	2,400 - 2,600

Price range depends mainly on lengths and cross-section

Price revisions proposed by the All Indian Manufacturers Association have not been introduced because of the slow market situation. Traders anticipate the new prices will be effective in April.

#### Plywood

The recently announced price increases have not been introduced as domestic demand is weak

#### Domestic ex-warehouse prices for locally manufactured WBP plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	84
6mm	97
9mm	115
12mm	137
15mm	178
18mm	195

**Domestic ex-warehouse prices for locally manufactured MR plywood**

Plywood Ex-warehouse	Rs. per sq.ft
4mm	57
6mm	73
9mm	84
12mm	99
15mm	134
19mm	143
5mm Flexible ply	89

**Vietnam**

**Wood and Wood product (W&WP) trade highlights**

According to the statistics from Vietnam Office of Customs W&WP exports to Japan in February 2025 reached US\$158.2 million, up 50% compared to February 2024. In the first 2 months of 2025 W&WP exports to Japan market amounted to US\$323.4 million, up 21% over the same period in 2024.

Vietnam’s W&WP exports to Canada in February 2025 were valued US\$16.5 million, up 63% compared to February 2024. In the first 2 months of 2025 W&WP exports to Canada fetched US\$43.7 million, up 22% over the same period in 2024.

Vietnam's tali imports in February 2025 were 25,600 cu.m, worth US\$9.0 million, up 5% in volume and 6% in value compared to January 2025.

Compared to February 2024 imports increased by 173% in volume and 135% in value. In the first 2 months of 2025 tali imports totalled at 48,800 cu.m, worth US\$17.1 million, up 14% in volume and 4% in value over the same period in 2024.

**Cameroon, the largest supplier of tali to Vietnam**

In January 2025 Cameroon was the main supplier of tali to Vietnam accounting for 83% of total imports which were 20,300 cu.m worth US\$7.3 million, down 24% in volume and down 27% in value compared to January 2024.

Vietnam’s imports of logs and sawnwood from ASEAN in February 2025 amounted to 54,000 cu.m with a value of US\$16.0 million, down 0.3% in volume and down 0.8% in value compared to January 2025 but an increase of 30% in volume and 29% in value compared to February 2024.

In the first 2 months of 2025 imports of logs and sawnwood from ASEAN reached 108,180 cu.m at a value of US\$32.13 million, down 18% in volume and down 15% in value over the same period in 2024.

**Exports of wood and wood products to Japan**

Due to the impact of the Lunar New Year holidays at the end of January 2025 W&WP exports to Japan tended to decrease.

However, exports of wood pellets, a top wood commodity for Japan, increased in January 2025 and contributed to maintaining the value of W&WP exports to Japan

W&WP exports to Japan specifically in January 2025 were headed by wood pellets US\$56.9 million, up 55% compared to January 2024 and accounted for 34% of the total W&WP exports to Japan. Next was wood chips reaching US\$53.3 million, down 12% compared to January 2024; wooden furniture valued US\$34.9 million, down 20%; wood pallet and flooring contributed US\$15.1 million, down 14%; handicraft furniture reached US\$245,000, a sharp year on year rise.

Wood pellets and wood chips are the 2 main commodities exported to Japan. According to statistics from the Japan Customs Agency, in January 2025 Japan's imports of HS code 4401 reached 1.6 million tonnes, worth 46.9 billion yen (equivalent to US\$316.9 million), up 13% in volume and 14% in value compared to January 2024.

Of this, imports from Vietnam amounted to 870,900 tonnes, worth 24.6 billion yen (equivalent to US\$165.9 million), up 66% in volume and 83% in value compared to January 2024 and accounted for 54% of Japan's total imports of wood chips and wood pellets.

Wooden furniture is also one of the items that Japan has a high demand. Japan is the 5th largest W&WP importer and exports of furniture contributed to Vietnam’s W&WP exports in 2025.

Vietnamese W&WP exporters who want to ship wooden products to the Japanese market need to carefully study Japanese tastes, invest in quality and strictly control the production process to meet the strict standards of this market. In addition, it is necessary to focus on quality, appropriate design, meet technical standards and take advantage of incentives from the CPTPP to improve competitiveness.

**Tali suppliers and tali price fluctuations**

The average import price of tali in the first month of 2025 was US\$349/cu.m, down 7% compared to January 2024. The price of tali imports from Cameroon decreased by 4% compared to January 2024 to US\$357/cu.m.

Tali imports from Nigeria contributed 1,600 cu.m total imports and were valued at worth US\$352,000d, up 78% in volume and 21% in value compared to January 2024. Tali imports from the Congo were ranked 3rd at 1,300 cu.m, worth US\$514,000, down 44% in volume and 45% in value compared to January 2024.

**ASEAN furniture at VIFA ASEAN 2025**

The 3rd Vietnam ASEAN International Furniture and Home Accessories Fair, VIFA ASEAN 2025, will connect Southeast Asia’s furniture industry to global buyers in Ho Chi Minh City this August.

Building on the success of previous VIFA EXPO events the 3rd Vietnam ASEAN International Furniture and Home Accessories Fair (VIFA ASEAN 2025) is set to take place from August 26 to 29, 2025 at the Saigon Exhibition and Convention Center (SECC) in District 7, Ho Chi Minh City.

This event is poised to become a significant bridge connecting Southeast Asia's thriving furniture industry with the global market.

Exhibitors at VIFA ASEAN 2025 will showcase a wide range of products across four main categories: indoor furniture, outdoor furniture, home décor - office wares - handicrafts and machinery, hardware and tools. This diversity offers a comprehensive platform for both domestic and international stakeholders in the furniture industry.

For more information, contact Lien Minh Company, the event organiser, at 84 79 999 7657 or visit the website at [www.vifafair.com](http://www.vifafair.com) or [www.vifaasean.com](http://www.vifaasean.com).

See: <https://vietnamnet.vn/en/discover-the-best-of-asean-furniture-at-vifa-asean-2025-2364134.html>

### **Wood exporters wary on surging tariff pressures**

Vietnamese wood businesses are closely monitoring market developments to swiftly craft solutions in response to volatile tariff policies on a global scale.

In a talk with VIR, Ngo Sy Hoai, Vice Chairman of the Vietnam Timber and Forest Products Association (Viforest), revealed that under normal conditions the goal would be achievable. However, in the current context of global trade turbulence it is hard to determine whether the target will be realised.

The US President recently ordered an investigation under Section 232 of the 1962 Trade Expansion Act regarding wood and wood products. This could result in tariffs of up to 25% on sawnwood and forest products from April.

The US accounts for over half of Vietnam's wood exports, primarily furniture, interior and exterior wood products, carpentry and refined products with some plywood, laminated boards.

Hoai noted, "In light of potential changes in policies Vietnamese wood businesses are worried about the impact on Vietnam's wood product export performance." Viforest and businesses in the sector have been preparing to participate in hearings if the US requests proof that the trade relationship between Vietnam and the US in the wood sector is mutually beneficial.

In this respect, Hoai argued, "We do not compete or disrupt US production. Vietnam not only exports to the US but is also the second-largest market in the world, after China, for the consumption of US' logs and sawn timber.

The imported wood volume is used to meet domestic demand and it is also processed and exported to various markets.

Many products using US wood are also exported back to the US as such the trade is mutually beneficial, he said.

Sharing the difficulties of the wood industry, Do Ngoc Hung, trade counsellor and head of the Vietnam Trade Office in the US, noted, "The biggest challenge right now is that Vietnam is not yet considered a fully market-oriented economy which leads to disadvantages in US anti-dumping and countervailing investigations.

Meanwhile, the US is also concerned about the trend of shifting production and investment from some countries to Vietnam to take advantage of labour cost benefits and the competitive environment."

Hung therefore suggested relevant ministries, industries and business associations consider importing raw wood materials from the US to reduce the trade deficit and to avoid origin-related lawsuits. On the side of firms, caution needs to be exercised regarding raw material imports from countries that are subject to US tariffs. At the same time, it is important to develop flexible production and business plans, as countries subject to US tariffs may strengthen trade protection measures, placing greater pressure on Vietnam.

See: <https://vir.com.vn/wood-exporters-wary-about-surging-tariff-pressures-124396.html>

### **Strategies to address tariff increases**

Ngô Sỹ Hoài, Vice Chairman and General Secretary of the Vietnam Timber and Forest Products Association (Viforest), emphasised the importance of increasing log and sawnwood imports from the U.S. "This ensures a legal and transparent supply chain, strengthens compliance with origin standards and facilitates exports to key markets like the U.S. and Japan," Hoài noted.

According to Võ Quang Hà, Chairman of Tavico, Vietnam's furniture market is valued at US\$5 billion annually yet remains underdeveloped. He suggests that businesses should shift focus to the domestic market for example supplying furniture for real estate developments and expand traditional retail networks and e-commerce channels. He added in the public sector manufacturers could capitalise on government-funded projects. By leveraging these opportunities, Vietnam's furniture industry can reduce dependency on exports and build a more resilient domestic market.

### **Opportunities and prospects for Vietnam's wood industry**

Despite the challenges Vietnam's wooden furniture sector remains optimistic about growth opportunities.

Ngô Sỹ Hoài, Vice Chairman of Voforest, emphasised: "The U.S. cannot easily replace Vietnam as a key supplier. Over the past 20 years we have built a strong reputation for quality, design and compliance with regulations. "The U.S. tariff policy may pose challenges to Vietnam's wooden furniture exports but businesses can proactively adapt.



By adjusting tax policies, leveraging opportunities to import legal wood and expanding the domestic market the industry could maintain sustainable growth.

See: <https://ssr-logistics.com/en/vietnams-wooden-furniture-exports-us-tariff-challenges/>

## Brazil

### Study suggests new approach to Amazon forest preservation

A study conducted by ESALQ (Luiz de Queiroz College of Agriculture) proposes new strategies to preserve the genetic diversity of the Amazon rainforest. The research suggests species-specific strategies are more effective than the generalised approaches.

The study assessed the impact of logging based on the Minimum Cutting Diameter (MCD) which defines the lower size limit of trees that can be harvested. Researchers also evaluated whether the trees remaining in the forest after logging are close enough to ensure pollen exchange and genetic diversity. The study proposed a new criterion called Minimum Cutting Distance which considers the proximity between the remaining trees.

The study was conducted in four forest management areas in the Amazon totalling 48,876 hectares and suggests that species and site-specific criteria are more effective than general rules that use the same standard for all trees. The results indicate that adopting 'customised' approaches can contribute to sustainable forest management, ensuring biodiversity conservation and the continuation of the Amazon's ecosystem services.

The researchers advocate revising current logging regulations to incorporate policies that balance production and environmental conservation. The study highlighted that maintaining adequate distances between trees promotes cross-pollination thus increasing genetic variability.

This genetic diversity is essential for the resilience of tree populations against environmental changes. The proposed Minimum Cutting Distance criterion is considered more effective than the Minimum Cutting Diameter (MCD) as established in Brazilian legislation, say the researchers.

See: <https://www.remade.com.br/noticias/20578/estudo-da-esalq-pode-mudar-forma-de-preservar-florestas-no-brasil>

### New Sustainable Forest Management Law in Roraima State

The Legislative Assembly of Roraima (ALE-RR) has approved Law n° 2.122/2025 which updates the Sustainable Forest Management Plan (SFMP) to promote a better balance between agricultural production and environmental preservation. The new regulation provides more flexibility to producers without compromising ecological guidelines.

It allows for the modification of the Term of Responsibility for Forest Management Maintenance in specific cases of Legal Reserve reduction as outlined in the Ecological-Economic Zoning of Roraima (ZEE-RR).

As a result, properties located in Productive Use Zones can adjust their preserved areas to up to 50% of the total area provided they comply with established environmental criteria.

The new legislation establishes 2 May 2018 as the reference date for forest inventories. Projects initiated before this date require a new environmental assessment while those initiated afterward will have their remaining timber volume calculated through the Brazilian National System for the Control of Origin of Forest Product (SINAFLOR). The entire sustainable management process will continue to be monitored by the State Foundation for Environment and Water Resources (FEMARH).

Sustainable forest management has become an essential tool for profitable and ecologically responsible agricultural production, enabling the sustainable use of land by integrating areas for use with the preservation of biodiversity.

In the case of Legal Reserves which must maintain between 20% and 80% of native vegetation the legislation prohibits activities such as extensive cattle ranching and monoculture planting. However, it allows the sustainable subsistence farming of crops as long as at least 50% of the area remains untouched.

Agroforestry systems, including the cultivation of Brazil nuts, cupuaçu, guaraná and andiroba have already shown positive results, promoting a balance between agricultural production and the preservation of fauna. Alternative crops like cashew and açaí are also being tested to diversify the local economy.

With reduced bureaucracy and incentives for good practices the new legislation strengthens Roraima's commitment to sustainable development positioning the state as a national reference in sustainable forest management.

See: <https://forestnews.com.br/roraima-avanca-no-manejo-florestal-com-nova-lei-da-assembleia-legislativa/>

### Export update

In February 2025 Brazilian exports of wood products (except pulp and paper) decreased 8.5% in value compared to February 2024, from US\$304.5 million to US\$278.6 million.

Pine sawnwood exports increased 21% in value between February 2024 (US\$55.6 million) and February 2025 (US\$67.5 million). In volume, exports increased 15% over the same period, from 248,500 cu.m to 285,100 cu.m.

Tropical sawnwood exports decreased 0.5% in volume, from 21,000 cu.m in February 2024 to 20,900 cu.m in February 2025. In value, exports decreased 18% from US\$10.4 million to US\$8.5 million over the same period.

Pine plywood exports increased 0.2% in value in February 2025 compared to February 2024, from US\$57.5 million to US\$57.6 million. In volume, exports increased just over 3% over the same period, from 180,300 cu.m to 186,400 cu.m.

As for tropical plywood, exports increased in volume by 28% and in value by 30%, from 1,000 cu.m and US\$1.8 million in February 2024 to 1,300 cu.m and US\$2.3 million in February 2025.

The value of wooden furniture exports increased from US\$45.8 million in February 2024 to US\$46.3 million in February 2025, an increase of 1%.

**Brazil advances creation of Tropical Forests Forever Fund**

Representatives from Brazil and other countries gathered in London in early March to advance the development the Tropical Forests Forever Fund (TFFF) whose objective is to secure sustainable financing for the preservation of tropical forests.

The fund intends to combine financial returns for investors with the allocation of a portion of the profits to countries that protect their forests. The financing model proposes that 20% of the resources will be subsidised by the governments of participating countries while the remaining 80% will be raised from financial markets.

The TFFF aims to raise US\$125 billion from international sources at market interest rates, positioning itself as a low-risk asset. This money will be invested in projects with higher rates of return thus generating profits. Part of this profit will be returned to investors while the balance will go to countries that preserve their tropical forests in proportion to the area conserved.

This model ensures that investors recover their resources with a return aligned with regular market rates while also contributing to environmental preservation and the reduction of carbon emissions.

In addition to supporting conservation efforts the TFFF is expected to stimulate demand for sustainable debt instruments such as green and blue bonds. The fund will not compete with the carbon credit market but act as a complementary mechanism.

The TFFF has gained momentum, especially following a technical partnership with the World Bank and the Interim Advisory Committee countries, which include Germany, Colombia, the United Arab Emirates, France, Norway, and the United Kingdom. These countries have committed to supporting the development of the financial mechanism to provide financial compensation for tropical rainforests conservation.

For both investor countries and private investors, the model presents a more advantageous alternative to traditional environmental donations, as invested resources will be repaid within 30 to 40 years, with interest.

See: <https://agenciagov.etc.com.br/noticias/202503/em-londres-brasil-avanca-na-construcao-do-fundo-florestas-tropicais-para-sempre>

**Support for forest recovery project**

The Brazilian Development Bank (BNDES) has expressed its interest to the government of Pará State in evaluating the Triunfo do Xingu Recovery Unit (URTX) project located in the southern region of Pará State in the Amazon Region which aims to restore more than 10,000 hectares with native tree species.

The support may include financing for the institution awarded a forest concession under the bidding process (subject to technical and legal analysis). The project is aligned with Brazil's environmental goals to restore 12 million hectares of native species by 2030.

As part of the State Native Vegetation Restoration Plan (PRVN) the project involves grants for ecological restoration with authorisation to generate and trade forest carbon credits, credits for environmental services, timber and non-timber products and forest services within the URTX. The URTX is expected to restore 10,300 hectares of native vegetation over the 40-year concession period.

See: <https://forestnews.com.br/bndes-manifesta-interesse-em-apoiar-projeto-de-recuperacao-florestal-no-sul-do-para/>

**Domestic log prices**

	US\$ per cu.m
Brazilian logs, mill yard, domestic	
Ipê	397↓
Jatoba	173
Massaranduba	154
Muiracatiara	152↑
Angelim Vermelho	170↑
Mixed redwood and white woods	119↑

Prices do not include taxes. Source STCP Data Bank

**Domestic sawnwood prices**

	US\$ per cu.m
Brazil sawnwood, domestic (Green ex-mill)	
Ipê	1,685↑
Jatoba	849↓
Massaranduba	753↑
Muiracatiara	784↑
Angelim Vermelho	706↑
Mixed red and white	485↑
Eucalyptus (AD)	280↑
Pine (AD)	232↑
Pine (KD)	275↑

Prices do not include taxes. Source: STCP Data Bank

**Domestic plywood prices**

	US\$ per cu.m
Parica ex-mill	
4mm WBP	553↑
10mm WBP	448↑
15mm WBP	384↑
4mm MR.	512↓
10mm MR.	391↓
15mm MR.	342↑

Prices do not include taxes. Source: STCP Data Bank

### Prices for other panel products

Domestic ex-mill prices	US\$ per cu.m
15mm MDParticleboard	261↑
15mm MDFibreboard	262↑

Prices do not include taxes. Source: STCP Data Bank

### Export prices

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

### Export sawnwood prices

Sawnwood	US\$ per cu.m
Ipe	2,376
Jatoba	1,303
Massaranduba	1,277
Muiracatiara	1,305
Pine (KD)	207↑

Prices do not include taxes. Source: STCP Data Bank

### Export plywood prices

Pine plywood	US\$ per cu.m
9mm C/CC (WBP)	328↑
12mm C/CC (WBP)	283↓
15mm C/CC (WBP)	265↓
18mm C/CC (WBP)	263↓

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	3,219
Jatoba	1,821

Prices do not include taxes. Source: STCP Data Bank

### Through the eyes of industry

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

See: <https://www.itto-ggsc.org/static/upload/file/20250318/1742261179154976.pdf>

## Peru

### Timber sector faces structural challenges – exports decline

Shipments of wood products reached US\$1.6 million in January 2025 representing a decrease of 43% compared to January in 2024 (US\$2.8 million) according to the Center for Global Economics and Business Research of the Exporters Association.

According to the president of the ADEX Wood and Wood Industries Committee, Erik Fischer Llanos, the sustained decline in the timber sector highlights the structural challenges it faces. The Peruvian Amazon forest occupies over 60% of the national territory yet the timber sector contributes less than 1% to GDP. According to figures from the ADEX Data Trade Trade Intelligence System export items included other wood products (US\$540,000) and decking (US\$426,000).

The leading destination for wood product exports was the Dominican Republic with shipments abroad totalling US\$384,000. This was followed by Mexico (US\$383,000), China (US\$234,000), France (US\$126,000) and the United States (US\$112,000).

The top ten markets were completed by South Korea, Belgium, South Africa, Slovenia and Denmark.

### One million hectares of certified forests

According to the Forest Stewardship Council (FSC) Peru has 1.1 million sustainably managed forests in Madre de Dios, Loreto and Ucayali under FSC standards.

Certification of productive forests under these standards ensures that their management maintains biological diversity, protects the livelihoods of communities and the rights of local workers and stimulates the local and regional economy.

### Nine Peruvian Departments for forest zoning

The National Forest and Wildlife Service (SERFOR) has prioritised nine Peruvian Departments for the implementation of the forest zoning process, a key tool for sustainable forest management.

The following departments have been identified for this phase: Cusco, Puno, Amazonas, Apurímac, Ayacucho, Tumbes, Moquegua, Arequipa, and Tacna. This prioritisation is based on the use of criteria related to the presence of forests and the pressure on forest ecosystems.

This process promotes the development of the forestry and wildlife sector, contributes to granting legal status to productive activities so making goods and services more competitive in national and international markets.

See: <https://www.gob.pe/institucion/serfor/noticias/1134376-serfor-prioriza-nueve-departamentos-del-peru-para-la-zonificacion-forestal-en-este-2025>

### Junín Region propose plantation incentives

A SERFOR team evaluated the proposed Law on Incentives for Commercial Forest Plantations, presented by the Junín Forestry Technical Board.

This initiative aims to promote forest development in collaboration with the State and private sector with a focus on competitiveness for the benefit of rural communities. SERFOR will provide legal and technical assistance to promote this proposed law.

### SERFOR achieves ISO 9001 certification

The National Forest and Wildlife Service (SERFOR) has obtained international ISO 9001:2015 certification. This recognition strengthens transparency and trust in the issuance of export permits for specimens, products, and byproducts of wild flora and fauna for commercial purposes, including those regulated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

This international certification guarantees a reliable and efficient service as processes are aligned with international standards ensuring greater transparency.

See: <https://www.gob.pe/institucion/serfor/noticias/1129815-serfor-logra-certificacion-internacional-iso-9001>

### Technology transfer for monitoring forest resources

The Forest and Wildlife Resources Oversight Agency (OSINFOR) will begin a process of technology transfer for monitoring and inspection for forest resources in Madre de Dios. The methodologies include the use of satellite images and an algorithm for detecting logging.

OSINFOR will also be responsible for forming a multi-sectoral technical team to identify opportunities for improvement in the implementation of the Enabling Title process.

This working group will include representatives from the National Forest and Wildlife Service (SERFOR) and the Regional Forestry and Wildlife Management Bureau (GRFFS).

See: <https://www.gob.pe/institucion/osinfor/noticias/1134472-osinfor-transferira-al-gobierno-regional-de-madre-de-dios-tecnologia-para-supervision-y-fiscalizacion-de-los-recursos-forestales>

### AI monitoring in Peruvian forests

OSINFOR is moving forward with the development of version 2 of the selective logging detection algorithm (ADETOP). This innovative update will be developed in collaboration with the University of Sheffield under the agreement signed between the two entities.

Using artificial intelligence the development and implementation of a plugin is planned for the detection of timber forest species, specifically those of the genera Handroanthus and Dipteryx, which have been listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

This plugin will analyse the information collected by the VTOL drones OSINFOR is acquiring which will expand the area monitored per flight to 300 hectares, fifteen times the current amount.

According to the work plan the implementation of new technologies will be designed by July of this year to continue improving OSINFOR's work.

See: <https://www.gob.pe/institucion/osinfor/noticias/1132788-osinfor-implementa-inteligencia-artificial-para-optimizar-supervisiones-en-bosques-peruanos>

### Export prices for added value products

	US\$ per cu.m
Strips for parquet Cabreuva/estoraque KD12% S4S, Asian market	1327-1398
Cumaru KD, S4S Swedish market	989 -1022▲
Asian market	1156-1221
Cumaru decking, AD, S4S E4S, Central American market	1029-1044
Pumaquiro KD Gr. 1, C&B, Mexican market	501-561
Quinilla KD, S4S 2x10x62cm, Asian market	591-627
2x13x75cm, Asian market	774-831

### Export veneer prices

	US\$ per Cu.m
Veneer FOB Callao port	
Lupuna 3/Btr 2.5mm	221-249
Lupuna 2/Btr 4.2mm	234-266
Lupuna 3/Btr 1.5mm	219-228

### Export sawnwood prices

	US\$ per cu.m
Peru sawnwood, FOB Callao Port	
Pumaquiro 25-50mm AD Mexican market	703-728
Virola 1-2" thick, length 6"-12" KD Grade 1, Mexican market	582-602
Grade 2, Mexican market	527-541
Cumaru 4" thick, 6"-11" length KD	
Central American market	1116-1188
Asian market	1188-1265▲
Ishpingo (oak) 2" thick, 6"-8" length Spanish market	918-983
Dominican Republic	952-1091
Marupa 1", 6-11 length KD Grade 1 Asian market	564-576

### Export plywood prices

	US\$ per cu.m
Peru plywood, FOB Callao (Mexican market)	
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

	US\$ per cu.m
Peru, domestic particleboard	
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

	US\$ per cu.m
Peru sawnwood	
Mahogany	-
Virola	227-237
Spanish Cedar	333-344
Marupa (simarouba)	208-234

### Domestic plywood prices (excl. taxes)

	US\$ per cu.m
Iquitos mills	
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



**US tariff policy could upend recovery in Japan**

The Bank of Japan's (BoJ) resolve to closely monitor the possible impact of U.S. tariffs on Japan's economy prompted it to keep interest rates unchanged at 0.5% at its most recent meeting. Analysts are split over when the central bank's next raise will be.

At a press conference following the bank's Monetary Policy Meeting, BoJ Governor, Kazuo Ueda, indicated the effects of the high tariff policy of the U.S. administration on Japan's economy and consumer prices would need to be carefully assessed.

The U.S. administration has proposed additional tariffs on automobiles imported from all nations and regions. If this plan goes ahead the business performance of Japanese automakers could suffer and the Japanese economy could come under downward pressure. Ueda said the higher U.S. duties could also affect the Japanese economy through their impact on the global economy or more directly through supply chains.

Ueda also pointed out that "some data" suggested the uncertainty was starting to affect consumer sentiment in the United States. The governor indicated the bank would analyse the risks to Japanese economic activity, including the psychological impact on companies and household spending.

See: <https://japannews.yomiuri.co.jp/business/economy/20250320-244355/>

**Another rate rise will get Japan back on track**

The recent downward pressure on the yen has eased slightly as Japan's policy rate has risen above that of Switzerland's for the first time in two years. Many market watchers expect the interest rate spread between Japan and Switzerland to only grow further as the BoJ continues to raise rates.

During a news conference following a two-day monetary policy meeting that ended with the BoJ board deciding to keep the un-collateralised overnight call rate unchanged Governor Ueda left open the option for a rate hike in May mentioning the risk of an upward swing in inflation and vowing to "avoid falling behind the curve."

Economists were unanimous in projecting back-to-back rate increases as unlikely from a BoJ intent on playing it safe since roiling the markets last year with a surprise rate increase.

The governor indicated the Bank would analyse the risks to Japanese economic activity including the psychological impact on Japanese companies and household finances.

**Business confidence among Japanese manufacturers – negative in March**

In March business confidence among Japanese manufacturers turned negative for the first time in three months reflecting concerns over U.S. tariffs and a sluggish Chinese economy according to a Reuters Tankan survey.

The manufacturers' sentiment index fell the lowest level since December. The non-manufacturer index also weakened, as rising labour and transport costs weighed on sentiment. Reuters Tankan is a monthly survey that seeks to track the Bank of Japan's tankan quarterly survey.

See: <https://www.forexlive.com/news/japan-business-sentiment-weakens-in-march-amid-tariff-and-china-concerns-20250318/>

**China still a favourite with Japanese companies**

According to the latest survey released by the Japanese Chamber of Commerce and Industry in China more than half of the Japanese companies operating in China and surveyed said that they plan to either increase or maintain their investment because China is their primary market.

The positive sentiment was driven by multiple factors including growing demand and rising orders. Additionally, other changes have fueled Japanese businesses' confidence in the Chinese market such as an improved business environment, a visa-free policy for Japanese citizens and other government stimuli, including trade-in policies to spur consumption.

See: <https://www.globaltimes.cn/page/202502/1328323.shtml>

**Operations in the US an option but there are risks**

According to a Nikkei survey nearly 50% of major Japanese companies look to expand U.S. operations as the US administration increases efforts to draw foreign investment, though many remain worried about the uncertainty surrounding his tariff plans.

Of the 144 companies that provided responses, 28% said they plan to expand in the US with another 21% considering doing so while others with no presence there now aim to enter the market. None of those surveyed intend to scale back US operations.

See: <https://asia.nikkei.com/Business/Business-trends/Half-of-top-Japan-business-leaders-eye-U.S.-expansion-survey>

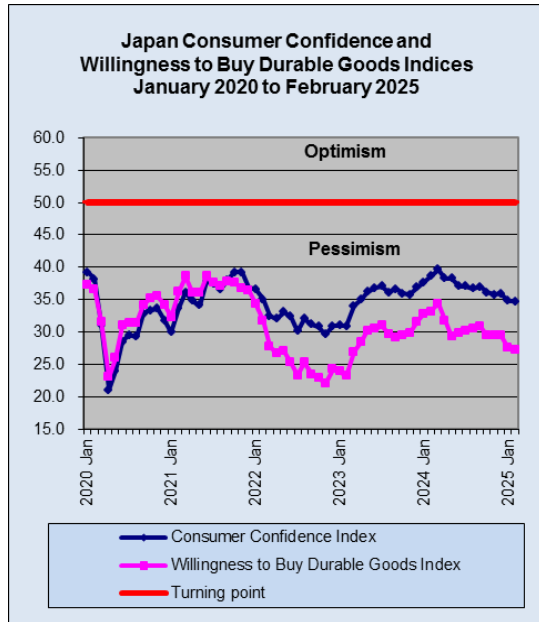
**Households savings dropping fast**

According to the BoJ Japanese households reduced their savings at the fastest pace on record in the last quarter of 2024 as they struggled to cope with the rising cost of living. Holdings of cash slipped to yen 105.3 trillion in the three months ended in December, down 3.4% from a year earlier in the biggest drop in the data going back to 1998.

The decline mostly likely reflects the wider adoption of cashless consumption as well as a decline in nominal consumer spending due to inflation, a reversal after the pile of cash grew during the COVID-19 pandemic, the BoJ said at a briefing.

The decline in cash comes as economists have been watching to see if households change their behavior regarding so-called mattress money, or funds kept at home. A government report showed that in March Japan's inflation rose at a faster pace than expected, staying well above BoJ's 2% target.

See: <https://www.japantimes.co.jp/business/2025/03/21/economy/japan-households-slash-cash/>

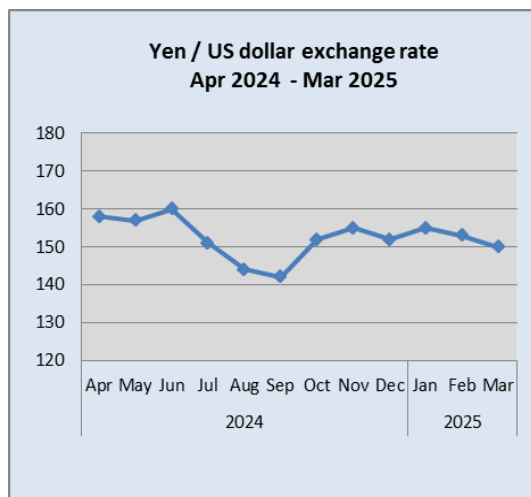


Data source: Cabinet Office, Japan

**Yen exchange rate rattled by statements from the US**

The yen strengthened against the dollar recently reaching 148 at one point but analysts expect the Japanese currency to eventually weaken in light of the uncertain U.S. economic outlook and divergence of Japan-U.S. monetary policies.

The latest yen rally was sparked by comments from the US that countries such as Japan and China were “driving down their currencies which is unfair to the U.S.”.

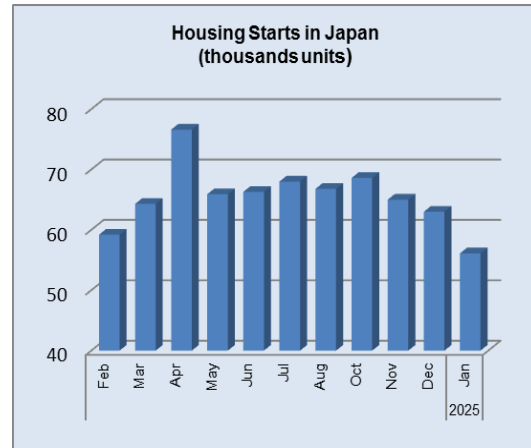


Data source: WSJ

**Japanese real estate attracts overseas investment**

An Asia-based investment fund has indicated it is considering investing about US\$7 billion in Japanese real estate over the next three years aiming to buy property being sold by Japanese companies and to invest in data centres.

See: <https://asia.nikkei.com/Business/Markets/Property/Asia-fund-PAG-to-invest-7bn-in-Japan-real-estate-over-3-years>



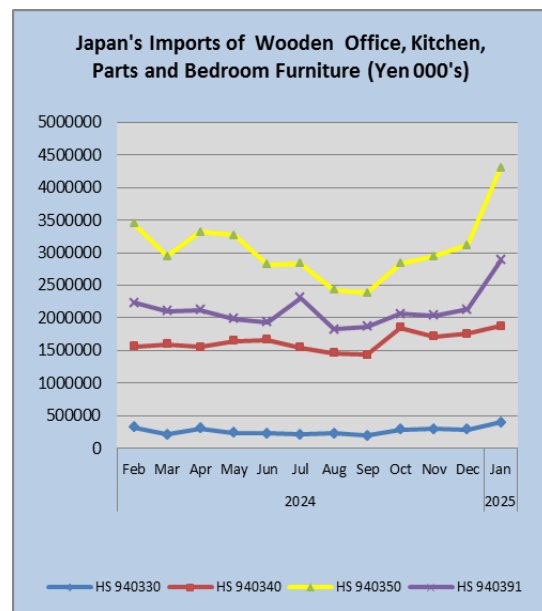
Data source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

**Import update**

**Yen value of furniture imports**

Beginning in the third quarter of 2024 and extending to January 2025 there has been a steady upward trend in the value of furniture imports.

While some of the upswing can be explained by the weaker yen making imports more expensive a review of the quantity of imports as reported by Japanese Customs reveals an steady increase in the quantity of wooden furniture arriving in Japan.



Data source: Ministry of Finance, Japan

**January 2025 wooden office furniture imports (HS 940330)**

In January 2025 as was the case in December 2024 shippers in China accounted for 93% of Japan’s imports of wooden office furniture (HS 940330). The only other shipper of note in January was Malaysia, which increased market share to 2% (1.5% in December 2024). The third and fourth ranked shippers in terms of value were Indonesia and Italy.

**January 2025 imports (HS 940330)**

	Imports Jan 2025 Unit, 000's Yen
China	372,663
Vietnam	3,534
Malaysia	7,821
Indonesia	6,307
UK	523
Netherlands	342
France	598
Italy	6,184
Poland	245
Canada	606
USA	1,341
<b>Total</b>	<b>400,164</b>

Data source: Ministry of Finance, Japan

Year on year, the value of Japan’s imports of wooden office furniture in January was little changed but month on month there was a huge 40% rise in the value of arrivals.

**January 2025 wooden kitchen furniture imports (HS 940340)**

In January 2025 the combined value of shipments of wooden kitchen furniture (HS 940340) from the Philippines and Vietnam accounted for over 70% of Japan’s imports of HS 940340.

**January 2025 kitchen wooden furniture imports (HS 940340)**

	Imports Jan 2025 Unit, 000's Yen
China	149,769
Taiwan P.o.C	1,142
Vietnam	636,619
Thailand	102,960
Malaysia	15,366
Philippines	686,644
Indonesia	30,693
Denmark	1,277
UK	1,845
Germany	123,079
Italy	122,591
Hingary	564
Canada	1,182
<b>Total</b>	<b>1,873,731</b>

Data source: Ministry of Finance, Japan

The Philippines and Vietnam each accounted for around 35%. of total imports of wooden kitchen furniture in January this year. The other shippers of note in January were China (8%) and Germany and Italy, with a combined share of around 7%.

The year on year value of Japan’s wooden kitchen furniture imports rose 42% in January further extending an upward trend. Compared to the value of imports in December a 38% rise was recorded in January.

**January 2025 wooden bedroom furniture imports (HS 940350)**

The top two shippers of wooden bedroom furniture (HS 940350) to Japan in January were China (57%) and Vietnam (35%). Malaysia and Poland were the other shippers of note in January with Malaysia, seeing a 6% share of January imports (up from 3% in December).

Compared to December 2024 there was a 24% increase in the value of imports in January and a 35% rise compared to the value reported for January 2024. Over the past four months there has been a steady upward trend in the value of wooden bedroom furniture imports to Japan.

**January 2025 imports (HS 940350)**

	Imports Jan 2025 Unit, 000's Yen
S. Korea	374
China	2,457,838
Taiwan P.o.C	850
Vietnam	1,494,108
Thailand	37,820
Malaysia	217,111
Indonesia	23,376
Denmark	988
UK	762
France	5,924
Portugal	7,468
Italy	9,300
Finland	226
Poland	46,832
Austria	568
<b>Total</b>	<b>4303545</b>

Data source: Ministry of Finance, Japan

**January 2025 wooden furniture parts imports (HS 940391)**

	Imports Jan 2025 Unit, 000's Yen
S.Korea	44,220
China	1,518,281
Taiwan P.o.C	45,387
Vietnam	382,675
Thailand	67,914
Malaysia	179,848
Philippines	3,437
Indonesia	515,385
Cambodia	1,196
Sweden	717
Denmark	1,897
UK	301
France	1,177
Germany	11,046
Switzerland	2,863
Spain	278
Italy	57,421
Finland	16,887
Poland	18,830
Austria	721
Hungary	1,769
Czech Rep.	397
Slovakia	10,198
Canada	741
USA	6,659
<b>Total</b>	<b>2,890,245</b>

Data source: Ministry of Finance, Japan

Shippers in China, Indonesia, Vietnam and Malaysia, as in previous months, accounted for around 90% of Japan's imports of wooden furniture parts (HS 940391) in January 2025.

Of the total value of imports, 57% was delivered from China, almost the same value as in December 2024; 18% from Indonesia, a slight rise month on month; 13% from Vietnam and 6% from Malaysia, a slight drop month on month.

Compared to the value of January 2024 imports there was a sharp rise of 31% in the value of January 2025 imports and a 35% increase compared to December 2024

**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://ifpi.jp/japan\\_lumber\\_reports/](https://ifpi.jp/japan_lumber_reports/)

**North American lumber import in 2024**

Volume of North American log in 2024 is 1,476,240 cbms, 14.2 % less than 2023. This is straight two years for not exceeding 2,000,000 cbms.

Volume of North American lumber is 939,000 cbms and this is also straight two years for not exceeding 1,000,000 cbms. However, volume of SPF and Western Hemlock is over 15 % more than last year so total volume is 6.7 % more than 2023. Since Chugoku Lumber Co., Ltd. had a fire at its plant, the company could not purchase a certain amount of Doulgas fir logs. Also, there had been an influence of low demand in Japan. Logs for major Japanese lumber manufacturers from the US is 6.7 % less and from Canada is nearly 30 % less than the previous year.

As for North American lumber, volume of SPF is better than last year because it was as a reaction to the inventory control in 2023. Additionally, the starts of 2 x 4 in 2024 are 95,095 units, 4.7 % more than 2023 so the inquiries rose.

The reason for a decrease in Douglas fir lumber is that precutting plants hesitated to purchase the lumber due to low demand for houses.

**The volume of North American lumber**

	000s cu.m	Yoy % change
SPF	607	-115.5
Western hemlock	107	-115.1
Douglas fir	174	-88.9
Yellow cedar	9	-57.5
Sitka spruce	3	-68.7
Subtotal	909	-107.9
Oak	12	-94.8
Others	19	-73.9
Subtotal	31	-80.6
Grand Total	940	-106.7
U.S.A.	101	-90.2
Canada	839	-109.1

Source JLR.

**European softwood lumber import in 2024**

Volume of softwood lumber from Europe in 2024 is 2,196,000 cbms, 32.9 % more than 2023. The volume in 2023 was under 2,000,000 cbms.

Softwood lumber supply increased even though the new starts was 3.4 % less than the previous year. Especially, it was an oversupply of whitewood stud at the second half of 2024. However, whitewood studs and whitewood lamina were less popular than redwood studs and redwood lamina because there had been an influence of the woodshock and demand for whitewood studs or lamina shrank.



The log price will keep high this 2025 because the price of whitewood log in Europe skyrocketed due to a shortage. Planed or filed stud in 2024 is 779,682 cbms, 26.7 % more than 2023. Lamina is 1,409,620 cbms, 36.9 % more than last year. Tongue and groove is 7,345 cbms, 1.1 % more than the previous year.

Pine lumber is 942,932 cbms, 38.9 % up. Fir, spruce and other lumber are 466,688 cbms, 33.0 % up.

Softwood lumber from Romania, Czech and several countries in Central Europe increases widely. On the other hand, softwood lumber from Ukraine and Switzerland decreases. The average import price of lamina in 2024 is 44,862 yen, 5.7 % more and of stud is 61,811 yen, 1.0 % less than last year.

### **Plywood**

Domestic plywood manufacturers raised the price of softwood plywood in January and February, 2025. 12 mm 3 x 6 structural softwood plywood is 980 – 1,000 yen, delivered per sheet. However, the plywood manufacturers will raise the price by 1,100 yen, delivered per sheet, in March, 2025 due to low profits.

Movement of domestic softwood plywood has been dull since February, 2025 because the demand is low as usual.

The precutting plants say that a number of orders for a house is poor. There are not enough plywood and logs at several plants and the due date will be delayed. The plywood production in February, 2025 is low due to less working days.

Imported 12 mm South Sea plywood would be tight in this spring because there had been heavy rains and floods during the end of January to the beginning of February, 2025 in Sarawak, Malaysia. Plywood plants in this area stopped operations and there were not enough logs.

The price of 12 mm plywood has been raised by \$10 – 20, C&F per cbm from the previous negotiation.

12 mm 3 x 6 painted plywood for concrete form is \$590 – 600, C&F per cbm. Plywood form is \$500 – 510, C&F per cbm. Structural plywood is \$510 – 520, C&F per cbm. 2.4 mm 3 x 6 plywood is \$970, C&F per cbm. 3.7 mm 3 x 6 plywood is around \$880, C&F per cbm. 5.2 mm 3 x 6 plywood is \$850, C&F per cbm.

In Japan, the price of 12 mm plywood is 30 – 40 yen, delivered per sheet, more than last month.

12 mm 3 x 6 painted plywood for concrete form is around 1,850 yen, delivered per sheet. Plywood form is 1,550 yen, delivered per sheet. Structural plywood is 1,550 yen, delivered per sheet. 2.5 mm plywood is 750 yen, delivered per sheet. 4 mm plywood is 930 yen, delivered per sheet. 5.5 mm plywood is 1,100 yen, delivered per sheet.

### **Domestic lumber and logs**

The production of lumber cannot keep up with the inquiries at precutting plants. The prices of cedar studs, cedar ceiling joists, 90 mm cypress squares or sills and taruki have been increasing. As a result, there are not a lot of lumber delivered from Kyushu region in Kanto region.

The precutting plants have been struggling with deficit because the working days are less and they have to lower the price of lumber for house builders. This is the reason that the precutting plants changed to purchase domestic lumber instead of imported lumber. Since distributors forecasted that logs would be in short, they ordered a lot of lumber to lumber manufacturers.

The price of KD 105 mm cedar post is 58,000 – 60,000 yen, delivered per cbm and this is 3,000 yen more than January, 2025.

The prices of cedar and cypress logs are high because there are not enough logs due to the heavy snow. Cypress log for sill is 26,000 yen, delivered per cbm, in Okayama Prefecture.

It is 25,000 yen, delivered per cbm in Kyushu region, is 24,600 yen, delivered per cbm in Shikoku region and is 24,500 yen, delivered per cbm in Tochigi Prefecture. These prices are about 3,000 yen more than the previous year.

The price of cedar log in Tochigi Prefecture is 17,000 yen, delivered per cbm and this is the highest price in Japan. This is 1,000 yen more than last year.

Supply of lumber is tight and the price of lumber is raised in several places but the actual demand is low so it is concerned that demand for domestic logs would drop. It is important to see how the price of logs change after this April.

### **Imported South Sea logs and lumber in 2024**

Import of South Sea logs in 2024 is 36,186 cbms, 17.7 % more than 2023. South Sea logs from Papua New Guinea supposed to arrive to Japan at the second half of 2023 but the South Sea logs arrived to Japan at the first half of 2024 so the volume of South Sea log from Papua New Guinea increased widely in 2024. South Sea lumber is 6.8 % less than 2023 and laminated boards are 1.6 % more than last year.

The price of South Sea log in South Asia is still high but some Japanese consumers purchase other kind of log instead of South Sea log.

South Sea lumber from Indonesia is 46,164 cbms, 2.7 % less and from Malaysia is 31,848 cbms, 8.4 % less than the previous year. The reasons are low demand for houses in Japan, high-priced lumber in South Asia and the weak yen.

		000s cu.m	YoY % change
Logs	Sabah	8	-99.2
	Sarawak	7	-95.5
	PNG	19	141.5
	Total	34	-117.7
Lumber		126	-93.2
Laminated board		163	101.6

## China

### Rise in fibreboard exports to Vietnam

According to China Customs fibreboard exports to Vietnam, the largest market in 2024, more than doubled to 366,000 tonnes year on year. China's fibreboard exports to Saudi Arabia, as the second largest destination in 2024 rose 82% year on year to 332,000 tonnes.

For other markets export growth rates in 2024 varied leading to an overall increase in export tonnages of 25% compared to a year earlier. China's fibreboard exports to the USA in 2024 rose 14% over 2023 level. China's 2024 fibreboard exports to Algeria alone fell year on year.

### Top destinations, fibreboard exports in 2024

Destination	000s tonnes	YoY % change
Total	2,759	25%
Vietnam	366	110%
Saudi Arabia	332	82%
Mexico	239	7%
Nigeria	224	5%
USA	165	14%
UAE	158	54%
Canada	123	25%
Algeria	77	-0.10%
Australia	62	16%

Data source: China Customs

### Rise in fibreboard imports

According to China Customs, in 2024 fibreboard imports were 53,500 tonnes valued at US\$47 million, up 4% in volume but down 5% in value year on year.

New Zealand and Thailand were the two top suppliers of China's fibreboard imports in 2024. Imports from New Zealand and Thailand rose 15% and 12% to 16,800 tonnes and 92,000 tonnes respectively compared to 2023 levels. China's fibreboard imports from Romania and Australia in 2024 surged over 100% and 300% respectively year on year. In contrast, China's fibreboard imports from Germany and Spain in 2024 fell 28% and 25% compared to 2023 levels.

### Top suppliers of China's fibreboard imports in 2024

Supplier	000s tonnes	YoY % change
Total	535	4%
New Zealand	168	15%
Thailand	92	12%
Germany	73	-28%
Romania	48	117%
Belgium	36	7%
Switzerland	18	2%
Spain	17	-25%
Poland	17	-31%
Australia	10	346%
Netherlands	9	58%

Data source: China Customs

### Rise in wooden furniture exports in 2024

China Customs has reported wooden furniture exports in 2024 rose 2% to US\$24.57 billion year on year. The USA was the largest market for China's wooden furniture exports. Nearly 30% of China's wooden furniture was exported to the USA in 2024.

China's wooden furniture is exported to more than 200 countries. The value of China's furniture exports to the top 5 countries, the U.S., the UK, Australia, Japan and South Korea earned more than US\$12 billion and accounted for just 52% of the national total in 2024.

China's wooden furniture exports to the UK and Australia in 2024 rose 10% and 8% respectively year on year. In contrast, China's wooden furniture exports to Japan and South Korea in 2024 dropped 6% and 22% respectively year on year.

### Top destinations for China's wooden furniture exports in 2024

Destination	US\$ billion	YoY % change
Total	24.57	2%
USA	7.1	2%
UK	1.58	10%
Australia	1.55	8%
Japan	1.31	-6%
South Korea	1.12	-22%
Canada	0.84	6%
Germany	0.77	25%
France	0.69	12%
Singapore	0.65	64%
Saudi Arabia	0.59	-7%

Data source: China Customs

### Decline in wooden furniture imports

China's wooden furniture imports in 2024 fell 15% to US\$654 million year on year. Italy, Germany and Vietnam were the top 3 suppliers of China's wooden furniture imports. 71% of China's wooden furniture were imported from the 3 countries but fell 13%, 10% and 15% to US\$299 million, US\$102 million and US\$63 million respectively in 2024.

The main reason for the large decline in China's wooden furniture imports in 2024 was because domestic demand for furniture had fallen sharply due to the downturn in China's real estate sector.

### Top suppliers for China's wooden furniture imports in 2024

Supplier	US\$ million	YoY % change
Total	654	-15%
Italy	299	-13%
Germany	102	-10%
Vietnam	63	-15%
Poland	31	-16%
France	17	-13%
Thailand	16	-4%
Indonesia	13	-2%

Data source: China Customs

### Bamboo furniture exports to Netherlands

China's bamboo furniture exports to Netherlands in 2024 rose 70% year on year to US\$12 million in 2024. Exports to Europe have been benefited from the rapid development of the China-Europe Railway Express.

China's policy of "replacing plastic with bamboo" has promoted rapid development of the domestic bamboo industry in recent years. Exports of bamboo furniture increased significantly in 2024, rising 18% year on year to US\$236 million.

China's bamboo furniture exports to USA and Germany in grew 15% and 17% respectively on 2023 levels. In contrast, China's bamboo furniture exports to France in 2024 fell 2% year on year.

### Top destinations for China's bamboo furniture exports in 2024

Destination	US\$ million	YoY % change
Total	236	18%
USA	73	15%
Germany	25	17%
France	13	-2%
Netherlands	12	70%

Data source: China Customs

### Rise in bamboo furniture imports from Vietnam

According to China Customs bamboo furniture imports from Vietnam in 2024 more than doubled compared to a year earlier. This trade benefited from the rapid development of the Belt and Road initiative.

Indonesia was the largest supplier of China's bamboo furniture imports in 2024 but imports from Indonesia in 2024 fell 30% on 2023 levels.

### Top suppliers of China's bamboo furniture imports in 2024

Supplier	US\$ thousand	YoY % change
Total	2,365	-12%
Indonesia	1,150	-30%
Vietnam	461	118%

Data source: China Customs

### Decline in fibreboard production capacity in 2024

According to the statistics from the Academy of Industry Development and Planning under the National Forestry and Grassland Administration and the China Forestry Products Industry Association (CFPIA), both the number of enterprises and production capacity of China's fibreboard industry continued to decline in 2024. However, the average single-line production capacity continued to rise in 2024.

By the end of 2024, the 240 fibreboard production enterprises had 265 production lines and factories were distributed across 20 provinces with a total annual production capacity of 41.83 million cubic metres, down 9% year-on-year, a sharp decline over the past four consecutive years.

Six fibreboard production lines were built in 2024 and put into operation adding an additional production capacity of 820,000 cubic meters per year.

### GTI report for February 2025

To boost domestic demand and promote high-standard production, China has adjusted import tariff rates for certain goods in 2025. Among them, tariffs on some imported wood products—including veneer, wood flooring, fiberboard, plywood, wooden doors, wooden formwork, wooden pallets, wooden tools, cork and cork products, etc have been revised. Most wood products continue to enjoy a provisional tax rate of 0% maintaining the policy implemented in 2024.

Data from China's National Forestry and Grassland Administration shows that the total output value of China's forestry industry reached 10.17 trillion yuan in 2024 marking a year-on-year growth of 9.6%.

A key driver behind the growth is timber production in the country which reached 137 million cubic metres in 2024, representing an 8% increase compared to 2023.

Recently, many shipping companies announced a new round of price increases for certain routes in March adding cost pressures on Chinese wood importers. In response, some enterprises plan to mitigate these challenges by diversifying transportation methods and expanding their procurement sources.

In February 2025, the GTI-China index registered 44.1%, an increase of 4.6 percentage points from the previous month and has been below the critical value (50%) for 4 consecutive months indicating that the business prosperity of the timber enterprises represented by the GTI-China index shrank from the previous month, however, the pace of contraction eased.

In February China's traditional Spring Festival holiday slowed down production and operations in the timber sector. However, as the holiday impact was diminishing enterprises were relatively optimistic about the overall trend of the timber market over the next six months.

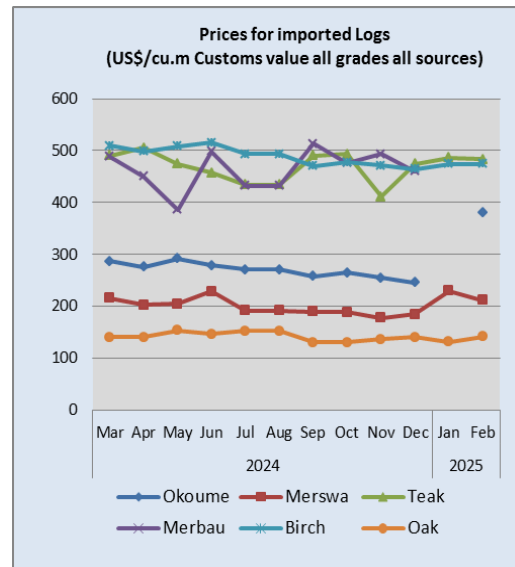
As for the twelve sub-indexes, the indices for delivery time and market expectation were above the critical value of 50%, the indices for imports and purchase price were at the critical value, while the remaining eight indices (production, new orders, export orders, existing orders, inventory of finished products, purchase quantity, inventory of main raw materials and employment) were all below the critical value.

Compared to the previous month, the indices for production, new orders, export orders, existing orders, inventory of finished products, purchase quantity, import, inventory of main raw materials, employees, delivery time and market expectation increased by 1.1-11.7 percentage points and the index for purchase price declined by 0.5 percentage point.

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

	2025 Jan	2025 Feb
Okoume		381
Merswa	230	212
Teak	486	483
Merbau	191	169
Birch	474	474
Oak	137	141

Data source: Customs, China

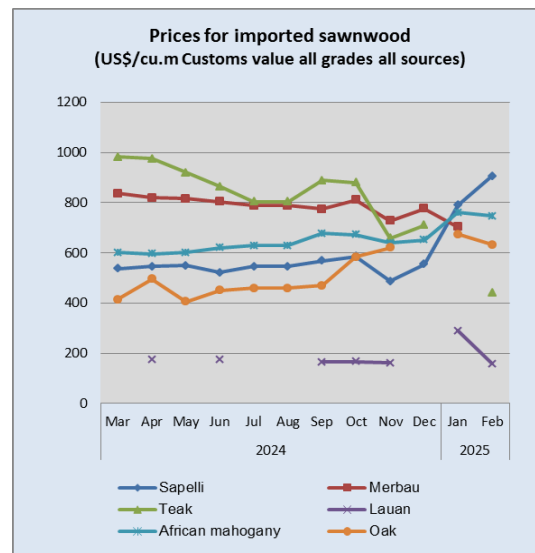


Data source: Customs, China

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

	2025 Jan	2025 Feb
Sapelli	790	906
Merbau	704	
Teak	428	440
Lauan	290	157
African mahogany	761	746
Oak	674	632

Data source: Customs, China



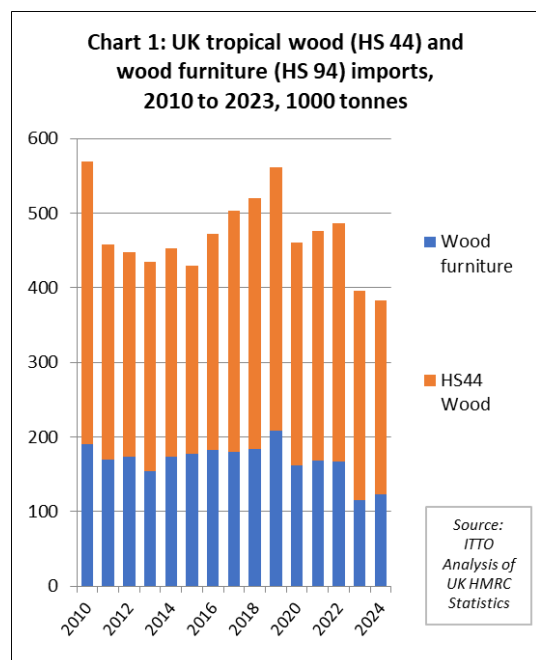
Data source: Customs, China



**Another all-time low for UK tropical wood and wood furniture imports in 2024**

In 2024, the UK imported 383,200 tonnes of tropical wood and wood furniture products with a total value of US\$994 million, respectively 3% less and 6% more than the previous year. In tonnage terms this was the lowest on record and, in retrospect, may be seen as a continuation of a long-term downward trend that started as far back as the 2008 financial crisis (Chart 1).

Import quantity last year was around half the level of tropical wood imports into the UK typical two decades ago. There was an upturn in UK tropical wood product imports in 2015-2019, and another rebound in 2020-2022, but these trends were driven respectively by a big increase in imports of plywood faced with tropical hardwoods from China, and then by the short-lived post-COVID boom.



Although UK imports of wood furniture and joinery products rebounded in 2024 after a very sharp decline in 2023, imports of tropical plywood, sawnwood, and mouldings continued to slide last year.

UK imports of tropical wood and wood furniture in the fourth quarter of 2023 were 101,280 tonnes, a reasonable performance in the context of the wider market slowdown, this being 14% up on the previous quarter and 15% greater than the same quarter in 2023. That provides some encouragement that the market may have hit bottom already.

Underlying the historically low levels of import in 2024 is the weakness of the UK economy. According to the Office of National Statistics, UK gross domestic product (GDP) is estimated to have grown by 0.9% in 2024, while GDP per head fell by 0.1%.

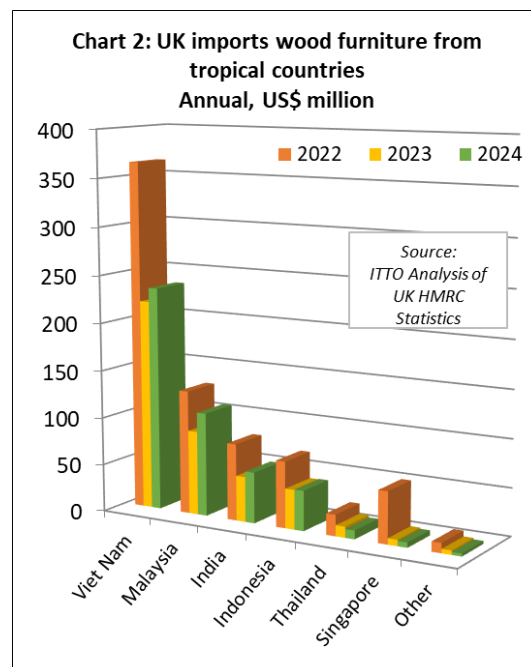
Much of the growth last year was concentrated in the first six months. GDP expanded by just 0.1% in Q4 2024, following no growth in the previous quarter. In February, the Bank of England predicted that the UK economy will grow by just 0.75% in 2025, down from its previous estimate of 1.5%.

The UK Construction Products Association (CPA) Winter Forecast issued in January predicts 2.1% growth in the UK building sector this year. This is a significant improvement following two challenging years with construction output falling by 6.8% in 2023 and by another 2.9% in 2024.

The declines particularly affected the two largest sectors – private housing new build and repair, maintenance and improvement. However, the CPA’s forecast recovery for this year is a downward revision compared to 2.5% growth expected in their Autumn 2024 Forecast. The CPA now expects slower economic growth this year, higher inflation for longer, and fewer interest rate cuts than in their previous forecast.

**UK import value of wooden furniture from tropical countries rebounded in 2024**

After a 43% decline in UK imports of wood furniture from tropical countries in 2023, imports rebounded by 9% to US\$457 million in 2024. In quantity terms, wood furniture imports were 122,400 tonnes in 2024, 6% more than in 2023.



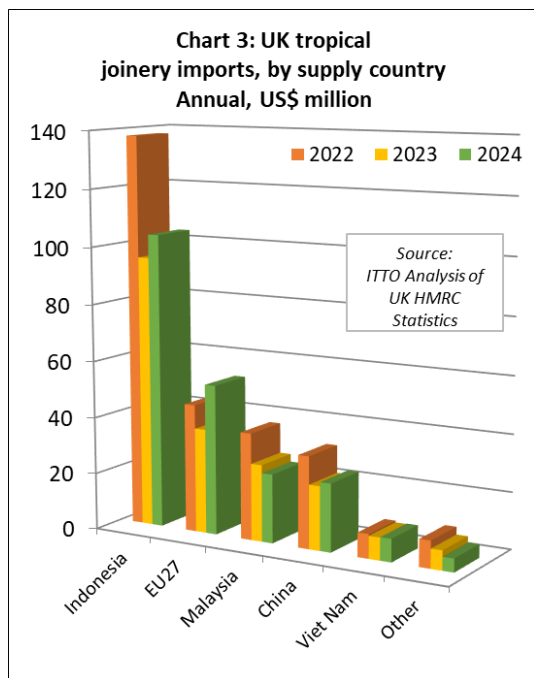
Tropical wood furniture imports in 2024 increased for all leading supply countries to the UK including Vietnam (+7% to US\$235 million), Malaysia (+23% to US\$109 million), India (+13% to US\$53 million), and Indonesia (+1% to US\$42 million). However, imports declined from Thailand (-22% to US\$9 million), and Singapore (-18% to US\$5.4 million). UK wood furniture imports were negligible from all other tropical countries in 2024 (Chart 2).

**UK import value of tropical wood joinery increases 11% in 2024**

Total UK import value of tropical joinery products increased 11% to US\$218 million in 2024 and import quantity increased 6% to 74,100 tonnes. The biggest rebound was in UK imports of tropical wood joinery products from the EU, up 43% to US\$53 million during the year.

UK import value of joinery products from Indonesia (mainly doors) was US\$104 million in 2024, up 9% on the previous year but still well short of US\$138 achieved in 2022. Imports from Malaysia (mainly laminated products for kitchen and window applications) fell 10% to US\$24 million in 2024, continuing the slide that set in the previous year.

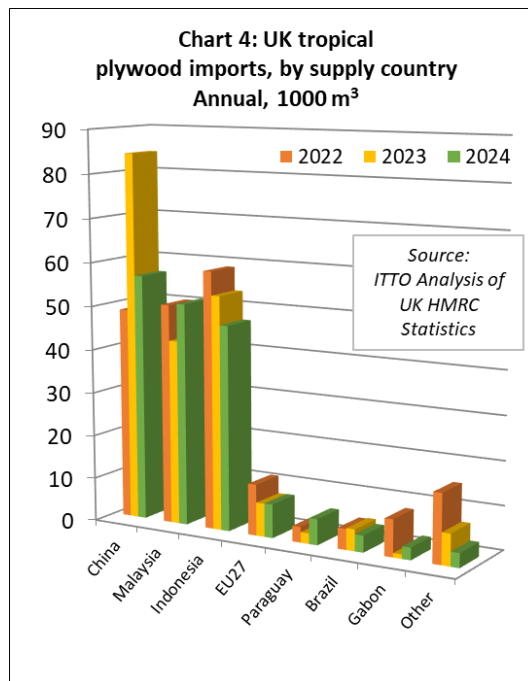
UK import value of tropical wood joinery products from China, nearly all doors, was US\$24 million in 2024, 6% more than the previous year. UK import value of joinery products from Vietnam increased 2% to US\$8.1 million during the year (Chart 3).



**UK imports of tropical hardwood plywood from China fall sharply**

In 2024, the UK imported 178,400 cu.m of tropical hardwood plywood, 12% less than the previous year. Import value fell less sharply, by 5% to US\$113 million.

The increase in the unit value of tropical plywood imports into the UK last year was due to a sharp decline in imports of lower-value plywood with an outer layer of tropical hardwood from China. Direct imports of higher-value tropical hardwood plywood from tropical countries were more stable last year (Chart 4).



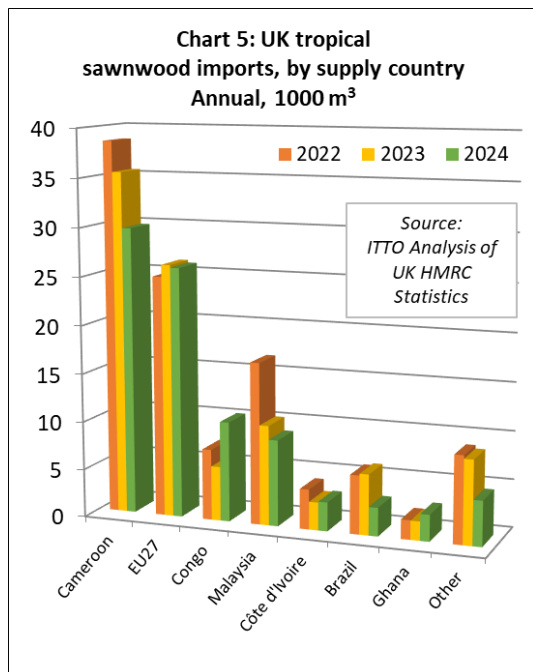
The UK imported 56,700 cu.m of plywood with an outer layer of tropical hardwood from China in 2024, 34% less than the previous year. UK imports of tropical hardwood plywood direct from tropical countries increased 2% to 114,000 cu.m in 2024.

Imports were up 20% to 51,000 cu.m from Malaysia, up 145% to 5,900 cu.m from Paraguay, and up 181% to 2,800 cu.m from Gabon. These gains offset a decline of 12% to 47,100 cu.m from Indonesia and 21% to 3,900 cu.m from Brazil. UK imports of tropical hardwood plywood from EU countries were 7,700 cu.m in 2024, 1% more than the previous year.

**Rising share of tropical sawnwood imports into the UK from the EU**

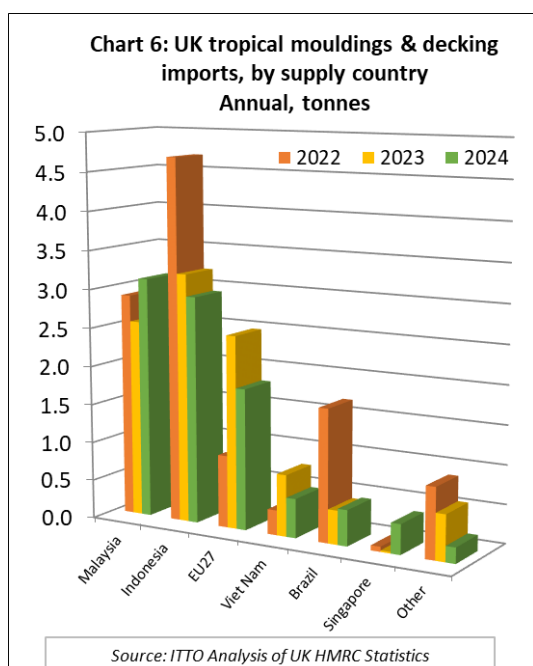
UK imports of tropical sawnwood were 88,380 cu.m in 2024, 9% less than the previous year. Import value fell 4% to US\$107 million during the year. The UK imported 25,900 cu.m of tropical sawnwood from EU countries in 2024, down 1% compared to the previous year but accounting for a higher share (29% compared to 27%) of all UK imports of tropical sawnwood during the year (Chart 5).

The UK's high dependence on indirect imports of tropical sawnwood from the EU is partly due to a shortage of kiln drying space in African supply countries combined with lack of any hardwood kiln drying capacity in the UK.



A large share (34% in 2024) of sawnwood sourced directly from the tropics by UK importers comes from Cameroon, but the Republic of Congo (RoC) increased share in the UK market last year.

UK imports of tropical sawnwood from Cameroon were 29,800 cu.m in 2024, 16% less than the previous year, while imports from RoC increased 84% to 10,370 cu.m. Imports from Cote d'Ivoire and Ghana also increased in 2024, respectively by 4% to 3000 cu.m and by 40% to 2,750 cu.m. However, imports from Malaysia fell by 14% to 8,900 cu.m in 2024 and imports from Brazil were down 53% to 2,950 cu.m.



UK imports of tropical hardwood mouldings/decking fell 7% to 9,400 tonnes in 2024. Import value was down 5% to US\$26.6 million.

Although UK imports of this commodity from Malaysia increased by 22% to 3,100 tonnes in 2024, this was offset by falling imports from Indonesia (-9% to 2,900 tonnes) and Vietnam (-36% to 500 tonnes). Imports from EU countries also fell, by 27% to 1,800 tonnes. Imports from Brazil were static at 500 tonnes (Chart 6).

### China boosted share of UK wood product imports in 2024

The UK market for tropical wood and wood furniture products last year performed marginally better than the wider UK market for wood and wood furniture products.

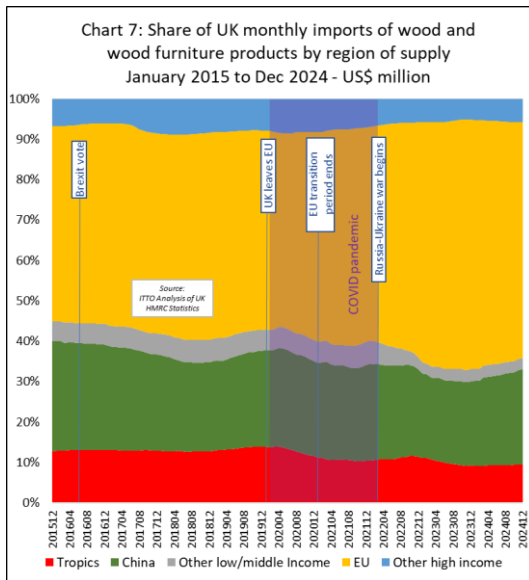
In real terms (accounting for inflation), total UK import value of these products remained static at US\$10.6 billion in 2024, while the value of tropical product imports increased by 3%. The share of tropical wood and wood furniture products in total UK imports increased slightly from 9.3% to 9.5% last year. However, it was still down on the 11.4% share achieved in 2022.

Considering longer term trends, the recent development of the UK market for tropical wood and wood furniture products is disappointing. Following the UK's withdrawal from the EU, an event that occurred five years ago, there was speculation that higher transaction costs in EU-UK trade might encourage more purchasing of wood products from further afield, including in the emerging manufacturing sectors of tropical countries.

What happened in practice was that UK imports from the EU, both in absolute terms and in share, confounded expectations by increasing during the immediate post-Brexit period. The COVID pandemic was a factor during this period, the huge increase in shipping costs and disruption to production in Asia encouraging the UK to import more from the EU. The war in Ukraine tended to deepen this trend as supplies from Russia and Ukraine dried up. During the period 2019 to 2023, the EU's share in total UK imports of wood and wood furniture products increased from 49% to 62% (Chart 7).

In 2024, a new trend emerged as the UK finally began to import a larger share of wood and wood furniture products from outside the EU. However, the only real beneficiary of this trend so far has been China.

China's share of UK imports increased from 21% to 24% last year, mainly at the expense of the EU whose share fell from 62% to 58%. This trend may well continue as China's manufacturers seek to increase exports to countries other than the U.S., in the face of rising tariffs, and the EU where EUDR is creating new challenges for Chinese manufacturers.



## North America

### US housing starts jump despite home builders' mounting worries

Construction of new homes rose 11% in February as builders coming off a harsh winter ramped up new projects. But most economists expect home builders to pull back in the coming months, which could worsen the housing-affordability crisis in the United States.

In February, housing starts rose to a 1.5 million annual pace from 1.35 million the previous month the government reported. February's new-home construction was down 3% from a year ago.

Builders accelerated the construction of new homes following a tough winter when many had to halt work. The data indicated that housing starts rose strongly in the Northeast and in the South as builders restarted work after January's severe weather eased.

But "with tariff concerns continuing to weigh on homebuilders' confidence, a slowdown in construction looks likely in the second half of this year," Harry Chambers, an assistant economist at Capital Economics, wrote in a note. Building permits, a sign of future construction, fell 1.2% from the previous month to a 1.46 million rate in February.

"Our premise that the jump in housing starts in February was more payback from weather-related disruptions in January than builders gearing up for the spring sales season would seem to be supported by the permits data," Richard Moody, chief economist at Regions Financial Corporation, wrote in a note.

The pace of construction was uneven across regions. New-home construction surged in the Northeast by 47%, followed by the South at 18% and by the West at 6%. But starts in the Midwest fell by nearly 25%.

In a recent survey of builders, they were increasingly pessimistic about the housing market and expressed concerns about rising costs due to tariffs on imported goods imposed by the Trump administration. Buddy Hughes, chair of the National Association of Home Builders, said that builders were still worried about buyers being unable to afford homes and about the impact of "elevated financing and construction costs as well as tariffs on key building materials."

In Canada, the national housing agency reported that the annual pace of housing starts in February slowed 4% compared with January. The Canada Mortgage and Housing Corporation says the seasonally adjusted annual rate housing starts came in at 229,030 units for February, down from 239,322 in January.

See: <https://www.census.gov/construction/nrc/current/index.html>

### US home sales rose more than expected in February

The National Association of Realtors reported that February US existing home sales were up 4%, much higher than expected. Analysts predicted a 3% drop. Total home sales for the month were 4.26 million, 1.2% lower than February 2024, when 4.31 million homes sold.

At the end of February, 1.24 million homes were in the registered housing inventory, up 5% over January. The number of homes available increased 17% from a year ago.

In February, existing-home sales in the Northeast decreased 2% from January to an annual rate of 500,000, up 4% from February 2024. In the Midwest, sales were unchanged in February at an annual rate of 1 million, up 1% from the prior year.

Existing-home sales in the South climbed 4% from January to an annual rate of 1.91 million in February, down 4.0% from one year before.

In the West, existing-home sales jumped 13% in February to an annual rate of 850,000, identical to a year ago.

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

### US jobs report steady, but impact of federal cutbacks and tariffs looms

US employers added 151,000 jobs in February, the first full month under the new US administration, the Labour Department reported. The gain extended a streak of job growth to 50 months. The unemployment rate ticked up slightly, to 4.1%, from 4% in January.

The report showed a decline of 10,000 in federal employment. But it was based on surveys conducted in the second week of February, as the administration's mass firings, buyouts and hiring freezes at federal agencies were still unfolding.



The survey has likely not registered “more than a sliver of the full impact from federal government layoffs,” said Preston Caldwell, chief US economist at Morningstar. “That should change in next month’s job report.”

A similar waiting game is in store for those hoping to ascertain the effects that President Trump’s tariffs — those imposed and those still threatened — may have on global trading partners, business investment and employment.

Even without the shake-up in foreign trade and federal employment, private-sector hiring has slowed substantially from the blowout pace of 2021 to 2023. That has left labour market analysts and financial commentators gearing up for a potential cooling in economic growth this year. For now, though, unemployment continues to glide just above record lows. And gains in average hourly earnings for workers have kept up a solid pace, overtaking inflation since mid-2023.

Employment showed little change over the month in major industries including construction and manufacturing.

See: <https://www.nytimes.com/2025/03/07/business/economy/jobs-report-february.html>  
and  
<https://www.bls.gov/news.release/empsit.nr0.htm>

#### **Consumer confidence continues to slide**

Consumer sentiment slid another 11% this month, with the University of Michigan’s latest survey showing consistent declines across all groups by age, education, income, wealth, political affiliations and geographic regions. Sentiment has now fallen for three consecutive months and is currently down 22% from December 2024.

While the Michigan’s survey often shows sharp partisan differences in sentiment, the March survey found a 10% decline in future expectations among Republicans. The sentiment among Democrats was off by 24%, while among independents it was down 12%.

“While current economic conditions were little changed, expectations for the future deteriorated across multiple facets of the economy, including personal finances, labor markets, inflation, business conditions, and stock markets,” survey director Joanne Hsu said in an analysis.

“Many consumers cited the high level of uncertainty around policy and other economic factors; frequent gyrations in economic policies make it very difficult for consumers to plan for the future, regardless of one’s policy preferences.”

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

#### **US manufacturing grew in February**

Economic activity in the manufacturing sector expanded for the second month in a row in February after 26 consecutive months of contraction, say the nation’s supply executives in the latest Manufacturing ISM Report On Business.

ISM’s manufacturing PMI slipped to 50.3 last month from 50.9 in January which marked the first expansion since October 2022 and likely reflected factories front-loading imports to beat tariffs. A PMI reading above 50 indicates growth in the manufacturing sector, which accounts for 10.3% of the US economy.

Worries about duties on imports dominated commentary ISM survey, with respondents saying the tariffs being pushed against trading partners such as Canada, Mexico and China had created an uncertain operating environment.

Coming on the heels of weak consumer spending a surge in the goods trade deficit and a decline in homebuilding in January, the survey reinforced views that the economy lost significant momentum early in the first quarter. Some economists are expecting a gross domestic product contraction this quarter.

Ten industries including miscellaneous manufacturing, primary metals, wood products and transportation equipment reported growth last month. Among the five industries reporting contraction for the month were furniture and related products, machinery as well as computer and electronic products.

See: <https://www.ismworld.org/supply-management-news-and-reports/reports/ism-report-on-business/>  
and  
<https://www.msn.com/en-us/money/markets/us-manufacturing-stable-price-pressures-surge-ahead-of-tariffs-storm/ar-AA1Aae9b?ocid=BingNewsVerp>

#### **Timber import investigation**

The US Department of Commerce is seeking public comments for its investigation into whether imports of lumber, timber and their derivative products constitute a threat to national security.

On March 1, the US President signed an executive order directing the Secretary of Commerce Howard Lutnick to investigate whether imports of timber and lumber and their derivative products threaten national security; recommend actions to mitigate such threats, including potential tariffs, export controls or incentives to increase domestic production and recommend policies to strengthen US timber and lumber production through strategic investments and “permit reforms.”

The Commerce Department has until November 26 to conclude the investigation though it is expected to be completed before then.

The order follows a similar probe into the copper industry, as well as widespread 25% tariffs on steel and aluminum which also were implemented out of concern over national security.

See: <https://www.furnituretoday.com/industry-issue/trump-administration-seeks-comments-for-its-lumber-timber-import-investigation/>

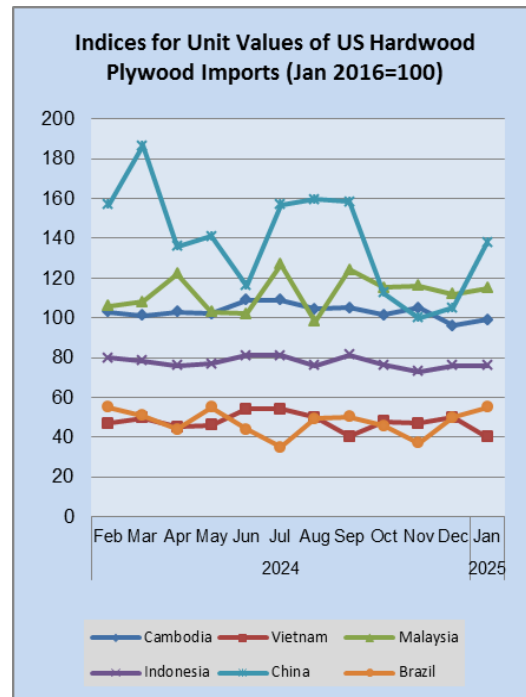
**Study shows increased demand for decks and other outdoor living spaces**

Outdoor living has always held appeal, picture homes in warm-weather states with lanais and outdoor kitchens plus homes with expansive decks and patios. However, the pandemic amplified the importance of these spaces. According to industry research, this new appreciation for outdoor spaces has persisted, driving a significant increase in demand for design and renovation services.

Several recent studies underscore the growing demand for enhanced outdoor spaces. For example, the International Casual Furnishings Association’s (ICFA) 2024 Outdoor Trend Report reveals that 82% of homeowners feel they are underutilising their outdoor areas, with 94% expressing a desire to spend more time outdoors if their spaces were upgraded. This translates into concrete action, with 67% of households planning to purchase new outdoor furnishings.

One of the most significant trends shaping outdoor living is the rise of a four-season room. These enclosed spaces, often converted from existing decks, feature amenities such as fireplaces, large windows, and even heating and cooling system, allowing homeowners to enjoy the outdoors year-round, regardless of weather.

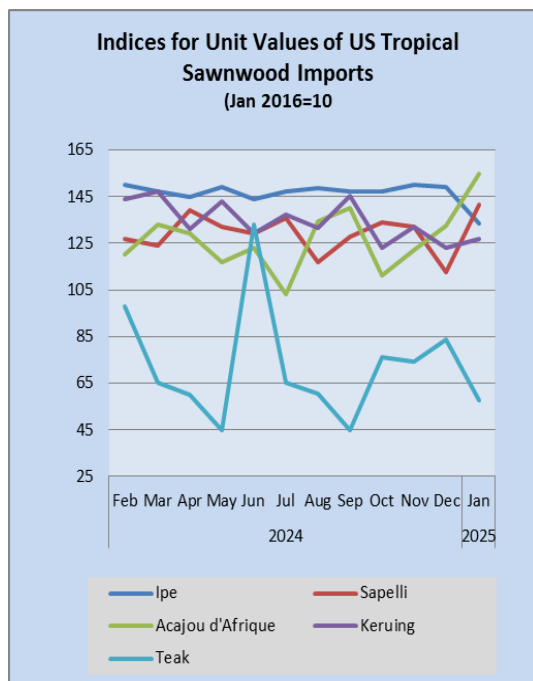
See: <https://www.woodworkingnetwork.com/closets/outdoor-living-takes-shape>



Data source: US Census Bureau, Foreign Trade Statistics

**Disclaimer: Though efforts have been made to ensure prices are accurate, these are published as a guide only. ITTO does not take responsibility for the accuracy of this information.**

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



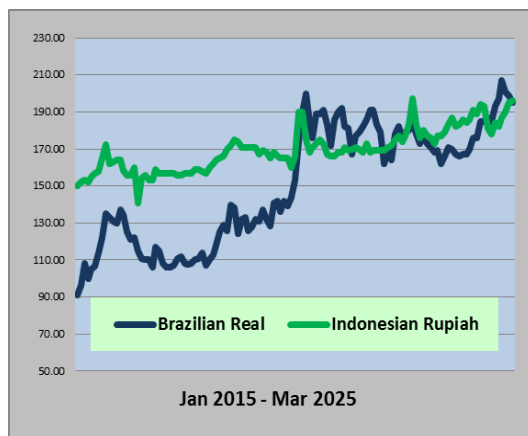
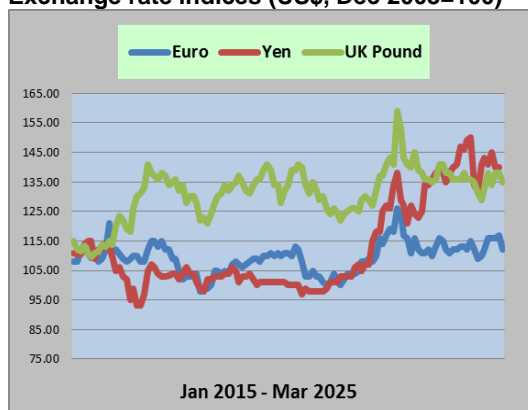
Data source: US Census Bureau, Foreign Trade Statistics

## US Dollar Exchange Rates

As of 25 March 2025

Brazil	Real	5.74
CFA countries	CFA Franc	608.04
China	Yuan	7.27
Euro area	Euro	0.93
India	Rupee	85.72
Indonesia	Rupiah	16,622
Japan	Yen	150.58
Malaysia	Ringgit	4.43
Peru	Sol	3.69
UK	Pound	0.78
South Korea	Won	1,468.82

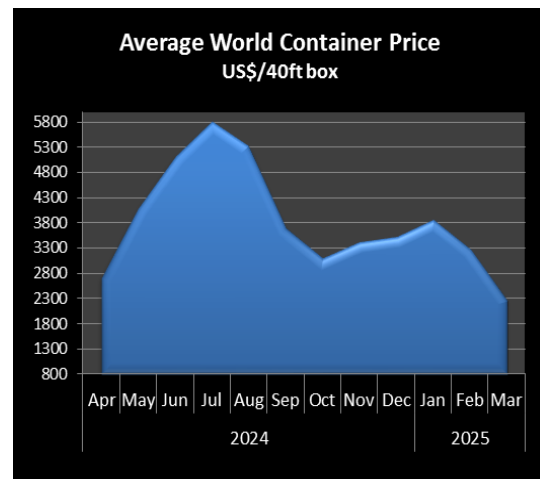
Exchange rate indices (US\$, Dec 2003=100)



## Abbreviations and Equivalences

Arrows ↓↑	Price has moved up or down
BB/CC etc	quality of face and back veneer
BF, MBF	Board foot, 1000 board foot
Boule	bundled boards from a single log
TEU	20 foot container equivalent
CIF	Cost insurance and freight
C&F CNF	Cost and freight
cu.m cbm	cubic metre
FAS	First and second grade of sawnwood
FOB	Free-on board
Genban	Sawnwood for structural use in house building
GMS	General Market Specification
GSP	Guiding Selling Price
Hoppus ton	1.8 cubic metre
KD, AD	Kiln dried, air dried
Koku	0.28 cubic metre or 120 BF
LM	Loyale Merchant, a grade of log parcel
MR., WBP	Moisture resistant, Weather and boil proof
MT	Metric tonne
OSB	Oriented Strand Board
PHND	Pin hole no defect
QS	Qualite Superieure
SQ,SSQ	Sawmill Quality, Select Sawmill Quality

## Ocean Container Freight Index

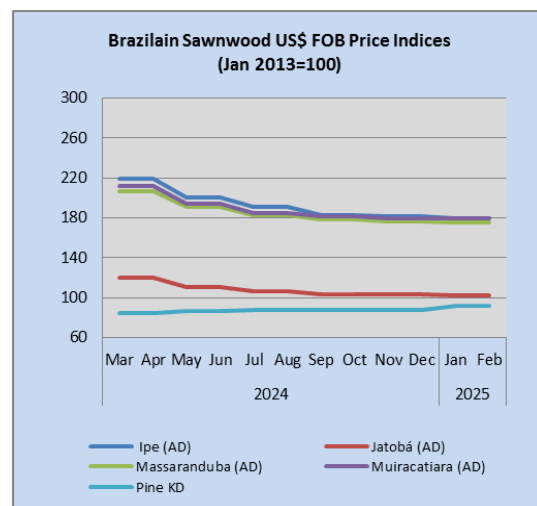
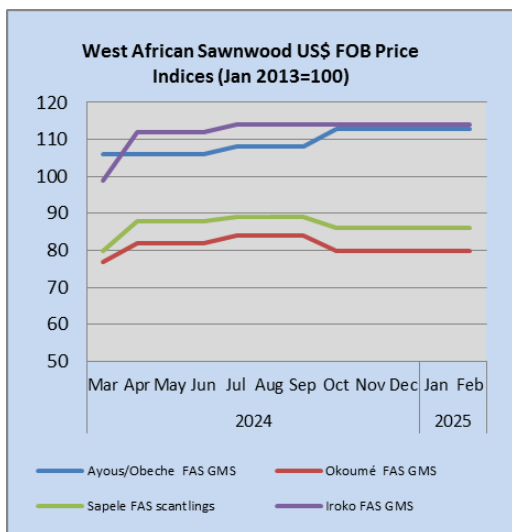
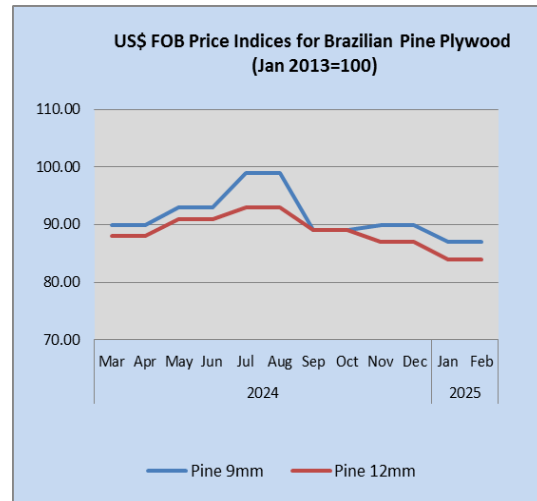
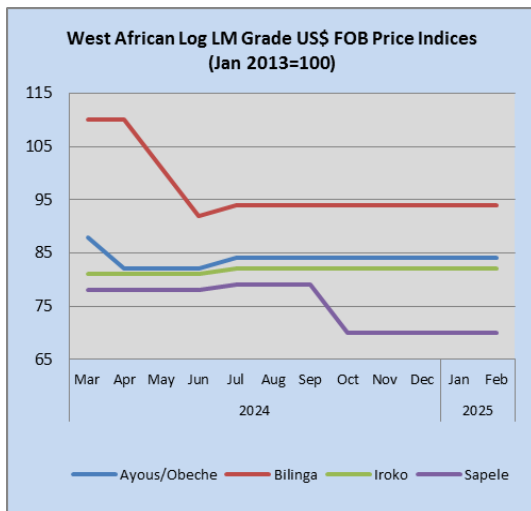


Data source: Drewry World Container Index

See: <https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry>

**Price indices for selected products**

The following indices are based on US dollar FOB prices



Note: Indices for W. African logs and sawnwood are recalculated from Euro to US dollar terms.

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