

Producers Report

Log Prices

International Prices

Log Prices, Gabon

Okoume, FOB Grade	F.CFA per Cu.m
LM	146,000
QS	129,500
CI	99,000
CE	83,500
CS	67,000
Ozigo, FOB	F.CFA per Cu.m
Grade LM	102 000
	103,000
QS	90,000
CI	70,000
CE	59,500

Logs	F.CFA per Cu.m
Agba	55,000
Moabi	65,000
Niangon	78,000
Douka	55,000
Abura	65,000
Sapelli	85,000
Iroko	58,000
Sipo	95,000
Padouk	55,000

In September the Government of the Ivory Coast banned logging north of the the 8th parallel which will have a dramatic impact on the supplies of Iroko. Prices for sawn Iroko have risen and are now at around Ffr2750 per Cu.m FOB air dry. Sapelle continues to be the most popular redwood in the UK market and prices are firm at around Ffr2800 per Cu.m.

Malaysia

Sarawak Log Export Pric	es
(FOB)	per Cu.m
Meranti SSQ	US\$210-215
small	US\$185-190
super small	US\$160-165
Keruing SSQ floaters	US\$225-235
SQ sinkers	US\$195-215
small	US\$175-195
super small	US\$145-155
Kapur SO Floaters	US\$230-235

In Sabah in response to requests from log exporters, royalty rates on the certain species have been lowered. With the exception of Belian, Agathis and Merbau, the royalty rate as been set at RM230 per Cu.m instead of the earlier RM300. The rate of RM600 remains for Belian and at RM 500 fro Agathis and Merbau.

Efforts are underway to reach agreement with log exporters in Sarawak to harmonise prices and to find ways to compete more effectively with African log exporters.

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Cameroon Log Prices

FOB		Per Cu.m
N'Gollon	70cm+LM-C	FFR1400
Ayous	80cm+LM-C	FFR1100
Sapele	80cm+LM-C	FFR1450
Iroko	70cm+LM-C	FFR1500

South Sea Logs

FOB	per Cu.m
Pometia	US\$165-170
Calophyllum	US\$150-155
Terminalia	US\$120-130
Other mixed species	US\$110-115

Domestic Log Prices

Report From Brazil

Logs at mill yard	per Cu.m	(3.8)
Mahogany Ist Grade	US\$420	inter i
Ipe	US\$80	12, 200
Guaruba	US\$40	12
Mescla(white virola)	US\$46	3715117

Ghana

The log supply situation has not improved as the rains are hampering logging operations. Odum (Iroko) logs are becoming difficult to secure. The cut in supply of Odum from Ivory Coast is putting pressure on Ghanaian producers.

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

Report from Indonesia

Domestic log prices	Per Cu.m
Plywood logs	
Face Logs	US\$155-165
Core logs	US\$ 120-140
Sawlogs	US\$130-135
Falkata logs	US\$55-60
Rubberwood	US\$36-40
Pine	US\$60-65
Teak	US\$850-1200
Mahoni	US\$175-185

The Finnish Enso Group has entered into agreement with two Indonesian partners to develop a 100,000 ha. tree plantation on the Sanggau and Siniang timber states in West Kalimantan. Within 5 years an annual supply of 500,000 tonnes of wood for a new pulp mill will be produced.

Report from Malaysia Logs Domestic (SQ ex-log yard) Per Cu.m Meranti Bukit (SQ) US\$240-250 Kembang Semangkok US\$180-190 Merbau US\$190-200 Peeler Core logs US\$135-140 Rubberwood US\$32-34 Kempas US\$150-155 Keruing US\$190-200

Sawnwood Prices

International Prices

Brazil

No major change was detected by exporters, in either prices or volumes. Most companies have a feeling that the market will continue to be stable and that it is, in general, now better than last year.

The rain season is starting in the Amazon region and the production of veneer and tropical sawnwood will be declining. As a result prices are projected to increase after holiday period is over, that is in the second half of February.

International Tropical Fimber Organizatio

Brazil

M Malaysian Domestic Sawnwood Prices

Export Sawnwood	per Cu.m	Sawman -
Mahogany KD FAS	No. of Case of Case	Balau
UK market	US\$1020	Kernp.
Jatoba Green	US\$445-485	75,10
Curupixa (Europe)	US\$520	Redite
Asian Market		22,23
Guaruba	US\$285	Rubbe
Angelim pedra	US\$270	25mn
Mandioqueira	US\$245	5
Pine (AD)	US\$150	7

Ghana

Producers are reporting that prices are firming with good demand for Wawa in Germany and the Far East.

Per Cu.m	(C) (S)
US\$335	
US\$400	
US\$220	
US\$267	
US\$219	20-20
	US\$335 US\$400 US\$220 US\$267

Mahogany	1	per Cu.m
FAS 100m	m plus 1.8m plus	US\$480
FAS 150m	m plus 2.4m plus	US\$520
Anegre		
FAS 150m	m plus 2.4m plus	US\$640
Guarea	FAS	US\$466
Ofram	FAS	US\$270
Emire	FAS	US\$460
Ekki	FAS	US\$335
Kussia	FAS	US\$335
Dahoma	FAS	US\$256
Cedrella	FAS	US\$413

Malaysia

Sawn Timber	ine onsemple des
Export(FOB)	per Cu.m
Dark Red Meranti (DUC)	
GMS select & better (KD)	US\$735-740
Seraya	
Scantlings (75x125 KD)	US\$765-780
Perupok (25mm&37mm KD)	US\$830-835
K.Semangkok	erst division
(25mm&37mmKD)	US\$680-690

Taiwan Province of China

Rubberwood	per Cu.m
25mm boards	US\$360-370
50-75mm squares	US\$405-410
75-100mm squares	US\$440-450
Sepetir	
GMS (AD)	US\$365-380
Ramin	US\$595-600
Oak 25mm boards	US\$630-650
Maple	US\$900-910
Cherry	US\$1150-1200

Domestic Sawnwood Prices

Report from Brazil

Domestic prices reacted positively in the last thirty days and are expected to remain at the present level for the next 2-3 months. The holiday period in Brazil spans December to February.

Sawnwood (Green ex-	-mill)
Northern Mills	per Cu.m
Mahogany	US\$910
Ipe	US\$412
Jatoba	US\$382
Eucalyptus	US\$165
Southern Mills	
Pine (KD)	US\$160

Ghana

Gabon

Malaysia

Domestic stocks are high and millers are worrying about a stagnant domestic economy.

Dahoma, Wawa, Odum,	Antiaris
	per Cu.m
Mill Run 50x150mm	US\$95-125
50x100mm	US\$72-105
50x50mm	US\$105-150
25x300mm	US\$72-105
Mixed Redwood	
40x300x3.6m	US\$105-240

Malaysian Domestic Sawnwood Prices

Sawnwood	per Cu.m
Balau(25&50mm,100mm+	US\$410-420
Kempas50mm by	a di kana
(75,100&125mm)	US\$230-235
Red Merantis	E Sector Collect
(22,25&30mm by180+mm)	US\$340-350
Rubberwood	
(25mm & 50mm)	US\$280-290
50mm squares	US\$310-320
75mm+	US\$360-370
Mixed Hardwood Piling	
5-6 ins x5-6 ins sections	US\$210-215

Plywood and Veneers

Sawnwood		
Sawnwood Up to	6m length	
80x40mm up to 2	50x50mm	
Okoume, Ozigo, O	lon,Alone,Faro,A	bura,
Agba and Andou	ng heitz	
F.Cl	FA 110,000 per Ci	u.m
Acajou,Movingul	,Kosipo,	
Afo, Aiele, Bosse j	fonce,Eblara	
F.Cl	FA 115,000 per Ci	u.m
Prices before sale	es tax	

Report from Indonesia

Kampar Per Cu.m AD 6x12-15x400cmUS\$370-385 KD US\$490-500 AD 3x20x400cmUS\$375-435 KD US\$425-435 KD US\$535-550 Keruing US\$290-300 AD 3x20cm US\$380-385	Domestic construc	tion material	omestic price 225 d'arc expecte 265
AD 6x12-15x400cmUS\$370-385 KD US\$490-500 AD 3x20x400cm US\$425-435 KD KD US\$535-550 Keruing US\$290-300 AD 3x20cm US\$380-385 US\$380-385	Kampar	Per Cu.m	and the The State
AD 3x20x400cm US\$425-435 KD US\$535-550 Keruing AD 6x12-15cm US\$290-300 AD 3x20cm US\$380-385	AD 6x12-15x400c	mUS\$370-385	
KD US\$535-550 Keruing US\$290-300 AD 6x12-15cm US\$290-300 AD 3x20cm US\$380-385	KD	US\$490-500	
KD US\$535-550 Keruing AD 6x12-15cm US\$290-300 AD 3x20cm US\$380-385	AD 3x20x400cm	US\$425-435	
Keruing AD 6x12-15cm US\$290-300 AD 3x20cm US\$380-385	KD	US\$535-550	
AD 6x12-15cm US\$290-300 AD 3x20cm US\$380-385	Keruing		
	AD 6x12-15cm	US\$290-300	
	AD 3x20cm	US\$380-385	

lonesian Plywood	avn Prices FOB
Plywood (export, FOB)	
MR,	per Cu.m
Grade BB/CC	
2.7mm	US\$495-505
3mm	US\$450-455
6mm and above	US\$370-375
WBP,	
Grade BB/CC	
12-18mm	US\$475-480

Ghana

International Prices

Sliced Ven	eer	per Sq.m
Asanfona	Face	US\$1.20
	Interior	US\$1.00
	Backing	US\$0.65
Redwoods (Candollei, Edinam)
Redwoods (
Redwoods (Candollei, Edinam)
Redwoods (Mahogany, C	Candollei, Edinam) per Sq.m US\$1.15

Ready Spliced 1 Thickness 6mm	
	per Cu.m
Sapele	US\$1370
Anegre	US\$1062
Mahogany	US\$1149
Koto	US\$1153

Plywood 2440	0x1220mm	dieren er besterne die be
Grade BB/CC	, Per Cu.m	
Ceiba	WBP	MR
4mm	US\$522	US\$430
6mm	US\$438	US\$387
9mm	US\$433	US\$395
12mm	US\$407	US\$373
18mm	US\$400	US\$357

Rotary Cut Veneerper Cu.mFace Veneer1-1.6mmCeibaUS\$320KotoUS\$500Otie/IlombaUS\$440OframUS\$440



Malaysian Plywood

	Per Cu.m
2.7mm	US\$500-505
3mm	US\$450-460
9-12mm	US\$380-390
18mm plus	US\$360-380
WBP Grade BB/CC	
9-18mm	US\$450-470
Phenolic Overlayed	
12-18mm	US\$495-510
Domestic plywood	
9-18mm	US\$475-495

Taiwan Province of China

Plywood	per Cu.m
2.7mm x 4' x 8'	US\$555-565
5.0mm x 4' x 8'	US\$510-520

Domestic Plywood Prices

Brazil

Rotary Cut Veneer (No	rthern Mill)	
	per Cu.m	
White Virola Face	US\$170	
White Virola Core	US\$120	

Brazilian Plywood and Veneer

US companies are placing new orders but traders are reporting that millers are reluctant to increase export production because of low prices compared to prices on the domestic market.

Veneer	per Cu.m
White Virola Face	
2.5mm	US\$265-320
Pine Veneer (C/D)	US\$205
Mahogany Veneer	per Sq.m
0.7mm	US\$2.40

International Tropical Timber Organizati

Plywood (ex-mill Southern Mill) Grade MR 4mm White Virola 15mm White Virola 4mm Mahogany 1 face	Per Cu.m US\$670 US\$495 US\$1,450
onesia	ine USA market http://www.com/www.com/ http://www.com/www.com/ http://www.com/www.com/ http://wwwww.com/ http://wwwwwwwww.com/ http://www.com/ http://wwww.com
Domestic MR plywood	
(Jarkarta)	per Cu.m
mm	US\$440-460
12mm	US\$425-430
15mm 18mm	US\$415-430 US\$390-405
US 5300- 460 US 530 -460	
0025380-390 US\$360-380	-12mm Smm plas
Okume Plywood	
(250x122cm)	F.CFA Per pc
	Untaxed Taxed
(mm	3,430 - 3,780
5mm	5,314 - 6,270
Smm 10mm	8,886 - 9,540 9,010 - 11,047
12mm	10,762 - 12,699
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15mm 15mm 19mm rniture Parts and Comp	13,019 - 15,362 15,790 - 18,632
wan Province of China, In	18 x 14 x mmil
wan Erovince of China, 18	iporis
mports C&F	per pc
Rubberwood Chair seats	US\$3.10-3.20
Rubberwood unfinished Queen Anne Chairs	
Rubberwood unfinished Queen Anne Chairs (excluding soft seat) Queen Anne Legs	US\$15-16.50ea
Rubberwood unfinished Queen Anne Chairs (excluding soft seat)	US\$15-16.50ea US\$1.10-1.20ea

Other Panel Product Prices Brazil Export Prices Blockboard 18mm per Cu.m White Virola Faced B/C US\$310 **Domestic Prices Ex-mill Southern Region** per Cu.m Blockboard 15mm White Virola Faced US\$510 **15mm** Mahogany Faced US\$850 Particleboard 15mm **US\$315**

Domestic consumption of particleboard is growing faster than expected. For 1996 consumption is forecast to be over 1.1 mil Cu.m and for the first time will be higher than plywood. The increase in particleboard consumption in 1996 is expected to be up 30% over last year.

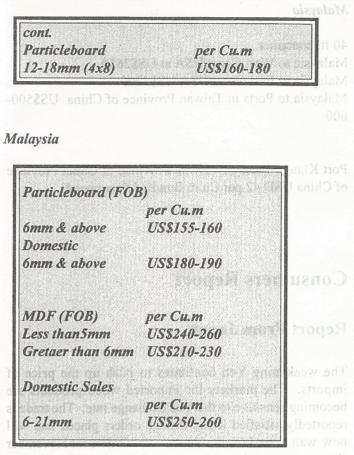
Indonesia

Other Panels	Per Cu.m
Export Particleboard FOB	
9-18mm	US\$145-160
Domestic Particleboard	
9mm	US\$265
12mm	US\$235
15mm	US\$220
18mm	US\$210
MDF Export (FOB)	
12-18mm	US\$210-220
MDF Domestic	US\$280-300

Taiwan Province of China, Imports

MDF	per Cu.m	
Domestic Prices		
3-4mm thick	US\$310-330	
12-18mm x 4' x 8'	US\$265-275	

international tropical tumber Organizatio



nont are dight and imports will be above the 500,000 level, the nichest monthly import for the whole year

Prices of Added Value Products

Indonesia

Mouldings	Shire anne alte man a
Ramin skirting	per Cu.m
(for the Italian market)	US\$855-860
Crown using Pulai or Jelutong	
(for Japanese market)	US\$740-750
Laminated Scantlings	US\$680-700
Laminated Boards	
Falkata wood	US\$330-350
Laminated Boards	
Pine	US\$900-910

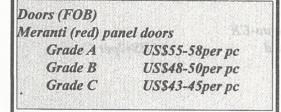
Malaysia

Mouldings (FOB)	per Cu.m
Selagan Batu Decking	US\$570-580
Kembang Semangkok	Company of Mary Str
S4S to Japan	US\$960-980

Rubberwood parts and components:

Malaysia

(18-22mm 16"-18'	US\$2.95-3.20per pc
Finger jointed	per Cu.m
laminated boards	US\$845-855
top grade	US\$895-900



Furniture

Solid rubberwood lamin	ated top 3' x 5'
with extension leaf	US\$65-75ea
Same with	
Oak veneered MDF	US\$80-85ea
Windsor Chair	US\$11.80-12.50ea
Colonial Chair	US\$14.50-15.50ea
Napolean Chair	US\$24-27ea
Queen Anne Chair (with	soft seat)
without arm	US\$23-28ea
with arm	US\$25-30ea

Taiwan Province of China

Furniture	er ej Ohine
Dining sui	te (FOB)
Oak Vene	te (FOB) pred MDF tables and
chairs (6 p	er set) and the dament of the
15,220	US\$270-280per set

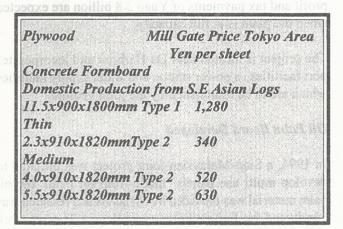
Freight Costs and and has street beewiedduel	Malaysia	
Brazil	40 ft. container Malaysia to West Coast USA at US\$26: Malaysia to East Coast USA US\$3200	cont Particleboard 12-18mm (4. <mark>0</mark> 5
Sawnwood Paranagua-Rotterdam Container 20 ft. US\$1300	Malaysia to Ports in Taiwan Province o 600	of China US\$50
Container 40 ft. US\$2000 Paranagua-Baltimore	Port Klang / Ports of Taiwan Province	
Container 20 ft. US\$1500	of China USD 42 per Cu.m Bundled Sav	wnwood
Container 40 ft. US\$1800	per Cu.m	
sop grade US\$855-900	USS155-160	
Bulk Sawnwood US\$66per Cu.m		Domestic
(Hardwoods over 750kg/Cu.m)	Consumars Dapart	
	Consumers Report	
Plywood (803) 21000	per Cum	MDF(FOB)
Paranagua-UK	Report From Japan	Less than 5mm
Palletised US42per Cu.m		
	The weakening Yen continues to pus	
Indonesia	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough orde	wood products as rate. The trade
	imports. The markets for imported w becoming sensitive to the Yen exchange	vood products as e rate. The trade rs placed and wi ders for Novemb above the 500,00 for the whole yea
Indonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough orde now wait to see how the Yen moves. Or shipment are high and imports will be Cu.m level, the highest monthly import	vood products as e rate. The trade rs placed and wi ders for Novemb above the 500,00 for the whole yea
Indonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be Cu.m level, the highest monthly import	vood products at e rate. The trade rs placed and wi ders for Novemb above the 500,00 for the whole yea
Indonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough orde now wait to see how the Yen moves. Or shipment are high and imports will be Cu.m level, the highest monthly import	vood products at e rate. The trade rs placed and wi ders for Novemb above the 500,00 for the whole yea
Andonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana Bundled Sawnwood Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 US\$65 to US\$83 per Cu.m depending on quantity and the buyers' relation	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be a Cu.m level, the highest monthly import Delivered Prices Asian and African Log, Lumber and P	vood products at e rate. The trade rs placed and wi ders for Novemb above the 500,00 for the whole yea
Indonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana Bundled Sawnwood Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 Der Cu.m depending on quantity and the buyers' relation with the shipping lines.	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be Cu.m level, the highest monthly import Delivered Prices Asian and African Log, Lumber and Par Logs For Plywood Manufacturing	wood products as a rate. The trade rs placed and widders for Novembra above the 500,00 for the whole yea
Andonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana Bundled Sawnwood Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 per Cu.m depending on quantity and the buyers' relation with the shipping lines.	imports. The markets for imported we becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be a Cu.m level, the highest monthly import Delivered Prices Asian and African Log, Lumber and Paralleling Logs For Plywood Manufacturing CIF Price Yen	wood products as a rate. The trade rs placed and widders for Novembra above the 500,00 for the whole yea
Andonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana Sundled Sawnwood Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 Der Cu.m depending on quantity and the buyers' relation with the shipping lines. Containers Description	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be Cu.m level, the highest monthly import Delivered Prices Asian and African Log, Lumber and P Logs For Plywood Manufacturing CIF Price Yen Meranti (Hill, Sarawak)	wood products a e rate. The trade rs placed and widders for Novemb above the 500,00 for the whole yea
40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana Sundled Sawnwood Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 Der Cu.m depending on quantity and the buyers' relation with the shipping lines. Containers Containers	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be a Cu.m level, the highest monthly import Delivered Prices Asian and African Log, Lumber and Pa Logs For Plywood Manufacturing CIF Price Yen Meranti (Hill, Sarawak)	wood products a e rate. The trade rs placed and widders for Novemb above the 500,00 for the whole yea
40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana Sundled Sawnwood Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 Der Cu.m depending on quantity and the buyers' relation with the shipping lines. Containers Containerized sawnwood and other products from Ghana for N. European Ports	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be Cu.m level, the highest monthly import Delivered Prices Asian and African Log, Lumber and Pa Logs For Plywood Manufacturing CIF Price Yen Meranti (Hill, Sarawak) Medium Mixed 7,850 Meranti (Hill, Sarawak)	wood products a e rate. The trade rs placed and widders for Novemb above the 500,00 for the whole yea
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Indonesia 40ft Container Jakarta-Rotterdam US\$2,250 Jakarta-LA(west coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$2,900 Jakarta-NY(east coast USA) US\$4350 Ghana Bundled Sawnwood Ghana to Europe (Antwerp-Hamburg), US\$65 to US\$83 per Cu.m depending on quantity and the buyers' relation with the shipping lines. Containers Containerized sawnwood and other products from Ghana for N. European Ports US\$2070 for a 20ft container US\$23730 for a 40ft container Hoft. container 40ft. container	imports. The markets for imported w becoming sensitive to the Yen exchange reportedly satisfied it has enough order now wait to see how the Yen moves. Or shipment are high and imports will be Cu.m level, the highest monthly import Delivered Prices Asian and African Log, Lumber and P Logs For Plywood Manufacturing CIF Price Yen Meranti (Hill, Sarawak) Medium Mixed STD Mixed STD Mixed STD Mixed (SM60%, SSM40%) T,100 Taun, Calophyllum (PNG) and others 6,700	wood products as a rate. The trade rs placed and widders for Novembra above the 500,00 for the whole yea
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logs for Plywood cont.		nd Den 1989
Keruing (Sarawak)		an e harrois
Medium MQ & up	8,300	a book
Kapur (Sarawak) Medium		estimation (
MQ & up	8,200	her X and

Logs For Sawnmilling FOB Price Yen per Koku Melapi (Sarawak) Select 10,500 Agathis (Sabah) Select 9,500

Lumber	FOB Price Yen per Cu.m
White Seraya (Sabah	γ
24x150mm, 4m 1st g	
Mixed Seraya 24x48	mm,
1.8 - 4m, S2S	46,000
Red Oak 5/4x6 ins a	nd wider
FAS (US East Coast	() 125,000



(Tokyo Market Pri	ce Per Sheet)	
Plywood		
2.4x91x1820mm	Yen340	
3.6x91x1820mm	Yen460	
5.2x91x1820mm	Yen580	
Plywood for floori	ng	
11.5x94.5x1840m	n Yen1660	
Plywood for Printi	ng	
3.6x123x2440mm		

Interaction and Propagal Limber Organization

Home Furnishing Imports

here it comes to choosing products

Japanese consumers are well known for being strict about product quality, and furniture is no exception. Buyers have sharp eyes for detail, often to a degree which non-Japanese suppliers have difficulty imagining. Japanese consumers also tend to expect the underside of a table and the back of a chest of drawers to be as well finished as the visible part. Japanese traditionally appreciate making hidden parts beautiful. What is most difficult about Japanese consumers is that they often expect the same quality of finishing for a Yen 10,000 chest as one for Yen 100,000.

Despite these consumer demands Japan's furniture imports have increased steadily. Japan imported US\$1.5 billion worth of furniture from January to June this year, a 30 percent increase over 1995.

The main reason claimed for the increase in imports is price. Domestically made furniture has to bear the high cost of Japanese labour and materials, as a result imported furniture is relatively inexpensive compared to Japanese furniture. Japan's furniture imports from other parts of Asia have increased dramatically. Asian-made furniture is designed and manufactured specifically for the Japanese market. There has also been a steady increase in European and American furniture imports into Japan. The experience with imports so far seems to indicate that the Japanese consumer prefers European rather than American furniture for its designs and dimensions.

One of the main features of the Japanese market is that there is a strong feeling for wood, appreciating fine-grained wood. Scandinavian plain wood furniture was popular soon after its introduction in the 1970s because it presented the beauty of wood and it suited Japanese houses and the Japanese lifestyle. Simple furniture with a natural style sells well in Japan. Decorative furniture, for example, a table with a lot of carving, would not suit the Japanese decor. Other popular items in the Japanese market is furniture of a honey-color wood often combining different materials for example a table with iron legs and a wooden top.

The general prospect for the industry in Japan is bright. Although the Japanese economy is said to have not yet fully recovered, people are buying furniture and interior accessories.

Japanese baby boomers' children are now in their early 20s, and this group is beginning to marry and will be buying furniture. A sizable demand is expected in around five years time. The new generation, which grew up in affluent Japan, is very selective when it comes to choosing products. Most people of the older generation bought furniture for its function, but the new generation seems to be selecting furniture for its comfort. To attract such consumers, a new kind of shop has become popular in Japan. Often called a "lifestyle shop", furniture retailers have started to create such outlets to give an idea of how each item they sell would help create a stylish and comfortable lifestyle for their customers.

(Based on a presenation by a Mitsubshi Corp spokesman)

Despite these consumer demands Japan's furniture integration in the increased steadily. Japa**anid China China Second** Standary to June this year, a 3 worth of furniture from January to June this year, a 3

Prices for Imported Tropical Wood Products in Shanghai and Eastern China November 1996 (Yuan/cubic metre or per sheet)

	Per Cu.m	
Keruing Log	ana senara se antes e antes Seleten presentaria des contores	
Length: 6-20m	1800-2400	
Mengaris Log		
Length 6m+	1800-1900	
Malaysian Lauan Log	Real and the set of the second	
Mixed	2500-2600	
Malaysian Lauan with	h hollow heart	
Mixed	1200-1400	

Lauan lumber Thickness: 5-6cm Length: 3-4m 2850-3450 Lauan tongued, grooved flooring strip 18mmx50-70mmx3m 110-125pc Malas tongued, grooved flooring strip 18x70mm x2.2-4.1m 110-125pc **Plywood from Malaysia** per sheet 12mm 3.6-4.0 18mm 4.8-5.0

Pulp Project in China

In order to promote the development of forestry and the paper making industry of China and to upgrade the county's pulp and paper industry the State Council of China has planned to set up large scale wood pulp plants during the Ninth Five-Plan period. international is quear trainer Organization

Mr. Li Yucai, Deputy Minister of the Ministry of Forestry and Deputy Governor of Guangdong Province recently signed a memorandum of agreement on establishing a wood pulp plant with annual yield of 300,000 ton respectively. Other signatories to the agreement were Mr. Chen Xinghua, General manager of the General Development Company of Chinese state-owned forest farm and Mr. Li Zhuyao, Deputy Director of the Forestry Department of Guangdong Province (who signed the agreement document and agreed to change the current management system of Laizhou Forestry Bureau. Mr. Xu Youfang, Minister of the Ministry of Forestry attended the ceremony with other leading cadres from the Office of the State Council, National Plan Committee, Committee of National Economy and Trade.

China, Singapore Joint Venture

A paper mill project between the General Light Industry Company of Zhenjiang city, Jiangsu Province and Asian Pulp Ltd. of Singapore has been approved by the State Council of China. The plant will be located in the Development Zone of Dagang, Zhenjiang city The enterprise involves an investment of Yuan 15.1 billion , of which 80% will be provided by the Singaporean partner. Annual sales are expected to top Yuan 8.76 billion, and profit and tax payments of Yuan 2.8 billion are expected when the plant is at full capacity.

The project is located near Da Harbour and incorporates port facilities, a power station and water supply facilities which are to be established by the joint venture.

Oil Palm Board Developed

In 1994, a Sino-Malaysian joint project was initiated to develop multi use panels made from oil palm, the oil palm material was provided by Malaysia and research was conducted by Fujian Forestry college. The research covered palm fibre gypsum board, particleboard of palm fibre and MDF of palm fibre. The palm fibre board was found to have good strength and was yielding a smooth board.

MDF Mills in Yunnan

Yunnan Province contains one of China's important forested areas. The forest products industry in Yunnan has not been developed because of the long distance between Yunnan and the main consuming markets in China and because of the poor infrastructure. In 1995, the sawnwood production in Yunnan was only 460,000

International Fronteel Withher Organization

Cu.m, plywood production was 78,000 Cu.m, particleboard production was 58,000 Cu.m.

Russia and J

Because of the growing national demand for MDF, 2 MDF plants with equipment made in Shanghai have been established. The annual capacity of these plants is expected to reach 45,000 Cu m. In addition, 8 MDF plants, with total design capacity of 245,000 Cu.m are being set up. One of them is a plant with an annual output of 60,000 Cu.m. This plant is to be located in Simao and will use German equipment. The Yuqi MDF plant, with annual production capacity of 50,000 Cu.m will use Siempelkamp equipment, the other plants will use equipment made in China.

produces high quality furniture, has a turnover million and a staff of 28.

From Europe, An Update on Germany

In 1996 industrial production of furniture in Germany is estimated to decline by around 3% and the negative trend is expected to continue throughout 1997.

US Industry Report

In recently released figures it is emerging that 1995 was the third year of serious recession in the German furniture industry. There has been a noticeable drop in production (down 3.8% in volume), this was due to a decline in both domestic demand (down 1.9%) and exports (down 3%), while imports showed only modest growth (up 1.8% in volume).

In company news, Dodenhof, the large German furniture dealer, will invest DM 100 million in a new furniture store, with 35,000sq metres selling space, in Hamburg-Kaltenkirchen.

Ikea Deutschland, which has 22 outlets in Germany, posted an increase in turnover to DM 2.4 million in the fiscal year ended 31 August 1996. Next year Ikea will open new stores in Hanau, Sindelfingen and Ludwigsburg in addition to a DM 90 million distribution centre in Erfurt. The Erfurt centre will have a staff of 100 and a space of 73,000 sq metres and is set to be inaugurated in late 1997. **Prices in Germany**

Wooden Windows

Medium Price Meranti,120x135cmDM448Lower Price PVC,120x135cmDM388

Solid Wooden Doors

Upper Price,	nomen norte
Meranti,	DM1,605
Upper Price, Meranti, Medium Price,	
Meranti.	DM1,498
Lower Price, PVC	DM1,119

Furniture and Components

Kitchen Chairs Medium Price, Beech,	DM169
Lower Price, Kauri Pine,	DM105 DM69
Dining Chair	iner Kaang
Upper Price, Beech	DM526
Medium Price, Beech	DM390
Lower Price, Beech,	DM169

Kitchen Table Lower Price, Pine, 80x140 DM329 Dining Table Upper Price, Beech 90x180 DM1,624 Medium PriceBeech 90x180 DM1,033 Lower Price Beech 80x180 DM671 Kitchen Doors Upper Price, Solid Oak, 57x50cm. DM270

Medium Price,Oak Frame

DM179

Wooden Shelving Upper Price, Solid Alder Medium Price, Beech Veneu Lowest Price, Alder	DM152 27 DM95 DM41
00x10cm owest Price, Particleboard 00x10cm	DM30 DM25
Drawer Fronts (Office Fur Upper Price, Particleboard 100x10cm Medium Price, Particleboar	DM37 d
194x40cm.	DM106
Wardrobe Doors Upper Price. Beech Veneer 180x45cm Medium price, Beech Venee 180x45cm Lower Price, Beech Veneer	DM331 r DM207

News from Other European Countries

The UK hardwood trade is reporting that the upturn in business of the past months has been sustained as demand has improved however prices are still very competitive. Joinery and the furniture sectors are both reporting an improvement and his has spurred demand. If the improvement in sales continues then some people may find themselves short. Gaps are already appearing for some West African timbers.

Furniture production in Switzerland is about DM 1.3 billion per year, of which tables and chairs account for 30%. Exports (about DM 0.9 billion annually) go mainly to Germany (43.2%), which provides 40% of Switzerland's furniture imports (DM 2.7 billion). Since 1990 the Swiss furniture retailers' turnover has fallen from Sfr 4.1 billion to Sfr 3.7 billion, and a further 5% decline was recorded in the first six months of 1996

In 1995 Spanish furniture production increased by 11.5% to Pta 726 billion. Exports were worth Pta 124 billion (up 36% on last year). The positive trend has continued in the first half of 1996, with exports growing by 11.6% to around

Pta 72.8 billion. Growth is slowing in traditional markets, but success is being registered in new markets, especially Russia and Japan.

Company News

HNB, the UK office furniture company located in Newmarket which went into receivership, has been sold to fellow office furniture group Samas Roneo, the UK arm of the Dutch Samas Group. Samas Roneo has UK sales of ú35 million.

Ets Fournier of France, has acquired a majority stake in Sarila Italia, Italian kitchen furniture manufacturer. Sarila, which produces high quality furniture, has a turnover of Ffr 23 million and a staff of 28.

New Plan Furniture (Bradford), production and contemporary furniture manufacturer, has finished building an 80,000 sq ft factory and reorganisation of the manufacturing line will be completed by the end of the year. The new factory will enable the firm to increase its output by 30%.

US Industry Report

The lumber industry has experienced a continuous decline in production since early 1995 due to a general lack of sawmill profitability. This long-term trend is now being further reinforced by adverse weather conditions and other seasonal factors.

While in October there were a few good weeks for logging, wet weather deterred harvesting in certain regions during November. December production of hardwood logs is always far below the average monthly production. This is the result of several factors: a reduced number of working days due to the holiday season, time lost due to hunting in some regions, no or little logging during year end inventory taking, and last but not least production slowdowns due to cold weather and the associated frequent malfunctioning of the logging machinery.

The slow down in production comes at a bad time for the industry as business conditions are improving and there is a higher demand for hardwoods by most endusers. In particular, furniture manufacturers are buying more lumber in order to meet their increased production schedules. These conflicting trends are likely to result in shipping delays and growing supply problems this winter. In North Carolina and the Lake States hardwood log supplies are critical and higher log and lumber prices can be observed already.

Between December 1996 and March 1997, the industry is likely to experience volatile markets. The prices paid for hardwood lumber varies between regions and species and will depend upon the weather this winter. The strongest price increases are to be expected for Hard and Soft Maple and Cherry. Prices for Yellow birch, being a substitute for Hard Maple, will also be influenced by the shortage of Hard Maple. The supply of Red and White Oak is not critical and price may firm to a lesser extent than for other popular hardwood species. Presently, kiln dried Appalachian Red Oak lumber trades within a range of US\$ 1310 and US\$ 1495 per MBF (1" FAS).

Rough Sawn Hardwood Lumber Appalachian Red Oak kiln dried. FAS US\$1,470 per MBF Dressed Hardwood Lumber

North American Species Appalachian Oak planed 2 sides US\$1,535 per MBF

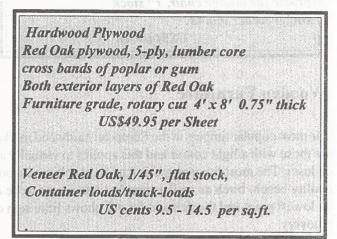
Hardwood Dimension Stock Appalachian Red Oak Strips random length, clear 1 face and 2 edges 6" to 16'10% 4'-5' US\$1,477 per MBF

Lumber, Genuine M Bolivia, Brazil, Hor	
Select or Better 1 i	ns Stock
Dock side US West	Coast
Kiln Dry	US\$2530 per MBF
Air Dry/Green	US\$2360 per MBF

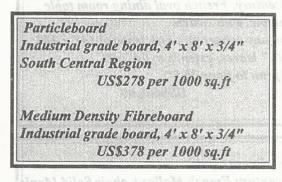
Lumber, Philippine Mahogany / Meranti Kiln Dried, kiln dried Dock side US West Coasi LR Meranti US\$050 per MBF DR Meranti US\$2185 per MBF

Industry sources are anticipating that demand by the furniture industry for genuine Mahogany will also increase. Prices for Mahogany should continue to be firm for the next six months, as many manufacturers are concerned about the quantity of Genuine Mahogany that will be available later in the winter. The supply of Mahogany from Brazil for the next season is uncertain, and some importers are scrambling for more lumber from Bolivia. An increase in imports of redwoods from Africa may somewhat alleviate the expected short supply from Latin America.

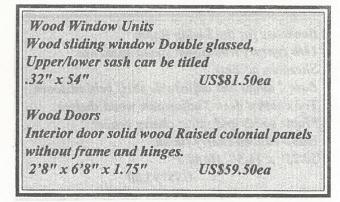
Plywood and Veneer

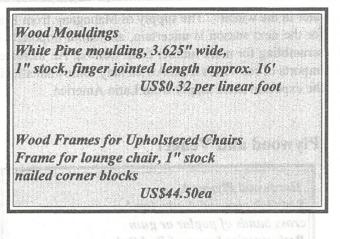


Reconstituted Boards



Millwork





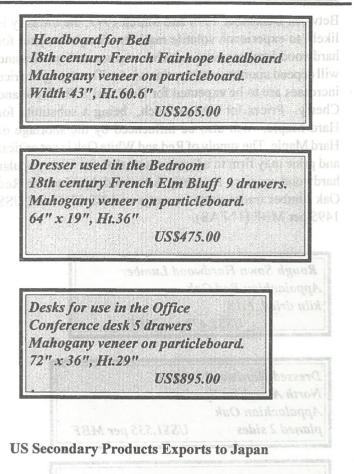
Wooden Furniture

The most popular timbers in the European hardwood market are those with a light colour and this applies to virtually all enduses. The most favored species are light coloured, good quality beech, birch as well as maple. Ash seems to be at its lowest point and the demand for oak shows little sign of recovery.

Dining Room Table 18th century, French oval dining room table extendible, with casters Mahogany veneer on particleboard 64" x 44" two 15" leaves, extends to 94", Ht. 30"Apron to floor 26.5" US\$608.00

Dining Room Chair 18th century French Mallard chair Solid Maple 21" x 22", Ht. 44.5"Seat 21" x 17.75, Ht. 18" US\$186.00

Bookcase for the Living Room 18th century traditional styled bookcase Sheraton accents. Base 2 doors one adjustable shelf behind doors Top cabinet deck 3 adjustable wood shelves. Maple solids and select cherry veneer Hand-rubbed cherry finish. 50.25" x 16.5", Ht.88.5" US\$795.00



A recent report from CINTRAFOR of the US provides statistics indicating a 200 percent increase in secondary manufactured products exports to Japan since 1989 with an 80 percent gain in 1995 over 1994 alone. Doors, windows, joinery products, fabricated structural products, structural panels, pre-fabricated homes, and cabinet markets all experienced strong growth.

Lumber, Genuine Mahogany

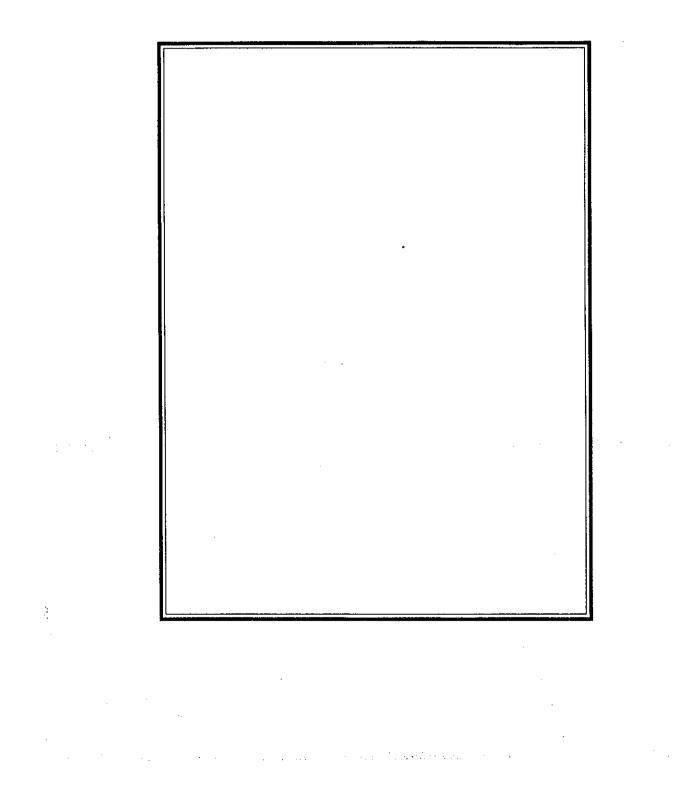
The cause of this boost can be traced in part to Japan's decision to deregulate its housing and building materials markets to lower the cost of new homes. The Japanese government has launched a very active program to increase both building component imports and completed ready-to-assemble homes.

The report emphasises the importance of the change in Japan's construction standards as they move toward performance-based rules. Lumber grades from the Western Wood Products Association (Portland, OR) have been recently recognised in Japan, and lumber and plywood products from most other US grading associations will likely be recognized in the near future. In the past this has been a major stumbling block for US producers since building products require JAS approval in order for homeowners to obtain government housing loans. . ..

	Abbreviatio	ons	
LM	Loyale Merchant, a grade of log parcel	Cu.m	Cubic Metre
FOB	Free-on-Board	SQ	Sawmill Quality
SSQ AD Boula	Select Sawmill Quality Air Dry	KD FAS	Kiln Dry Sawnwood Grade First and
Donie	A Log Sawn Through and Through	Second	l
	the boards from one log are bundled	WBP	Water and Boil Proof
	together	MR	Moisture Resistant
BB/CC	Grade B faced and Grade C backed	pc	per piece
	Plywood	ea	each
MBF	1000 Board Feet	BF	Board Foot
Sq.Ft	Square Foot	MDF	Medium Density Fibreboard
FFR Koku	French Franc		CFA Franc

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