



INTERNATIONAL TROPICAL

TIMBER ORGANIZATION

Tropical Timber Market Information

Towards Greater Transparency in the Tropical Timber Markets

Producers Report

Log Prices

International Prices

Log Prices, Gabon

<i>Okoume, FOB</i>	<i>F.CFA per Cu.m</i>
<i>Grade</i>	
<i>LM</i>	<i>146,000</i>
<i>QS</i>	<i>129,000</i>
<i>CI</i>	<i>99,000</i>
<i>CE</i>	<i>83,500</i>
<i>CS</i>	<i>67,000</i>

<i>Ozigo, FOB</i>	<i>F.CFA per Cu.m</i>
<i>Grade</i>	
<i>LM</i>	<i>103,000</i>
<i>QS</i>	<i>90,000</i>
<i>CI</i>	<i>70,000</i>
<i>CE</i>	<i>59,500</i>

South Sea Logs

<i>FOB</i>	<i>per Cu.m</i>
<i>Pometia</i>	<i>US\$160-165</i>
<i>Calophyllum</i>	<i>US\$160-165</i>
<i>Terminalia</i>	<i>US\$130-135</i>
<i>Other mixed species</i>	<i>US\$110-115</i>

Domestic Log Prices

Report From Brazil

<i>Logs at mill yard</i>	<i>per Cu.m</i>
<i>Mahogany 1st Grade</i>	<i>US\$250</i>
<i>Ipe</i>	<i>US\$77</i>
<i>Jatoba</i>	<i>US\$54</i>

Malaysia

<i>Sarawak Log Export Prices</i>	<i>per Cu.m</i>
<i>(FOB)</i>	
<i>Meranti SSQ</i>	<i>US\$215</i>
<i>Keruing SSQ Ply Face</i>	<i>US\$260</i>
<i>Mixed Light H'woods</i>	<i>US\$140</i>
<i>Peeler Logs</i>	<i>US\$155</i>

Ghana

<i>Logs</i>	<i>per Cu.m</i>
<i>Mahogany, Edinam, Sapele,</i>	
<i>Candollei, Utile</i>	
<i>70cm plus</i>	<i>US\$60-90</i>
<i>Anegre FAQ 60cm plus</i>	
<i>with deposits</i>	<i>US\$90</i>
<i>without deposits</i>	<i>US\$160</i>
<i>Iroko FAQ 90cm plus</i>	<i>US\$90</i>

Cameroon Log Prices

<i>FOB</i>	<i>Per Cu.m</i>
<i>N'Gollon</i>	<i>LM-C FFR1275</i>
<i>Ayous</i>	<i>LM-C FFR1050</i>
<i>Sapele</i>	<i>LM-C FFR1420</i>
<i>Iroko</i>	<i>LM-C FFR1450</i>

International Tropical Timber Organization (ITTO)

Pacifico-Yokohama 1-1-1 Minato-mirai, Nishi-ku, Yokohama 220 JAPAN

Tel: (81-45) 223-1110 Fax: (81-45) 223-1111 e-mail: mjadams@itto.org.jp

Report from Thailand

Logs from Laos	
<i>At Thai Border</i>	<i>Per Cu.m</i>
<i>Pine</i>	<i>US\$195-200</i>
<i>Yang</i>	<i>US\$225-230</i>
Logs from West Africa	
<i>C&F Bangkok</i>	<i>Per Cu.m</i>
<i>Tali</i>	<i>US\$230</i>
<i>Padauk</i>	<i>US\$340-350</i>
<i>Niove</i>	<i>US\$220-230</i>

<i>Log Prices</i>	<i>Per Cu.m</i>
<i>Plantation Teak</i>	<i>US\$180</i>
<i>Forest Teak</i>	<i>US\$1225</i>
<i>Daeng</i>	<i>US\$295</i>
<i>Pradu</i>	<i>US\$695</i>
<i>Yang</i>	<i>US\$215</i>
	<i>Per Ton</i>
<i>Rubberwood</i>	<i>US\$45</i>
<i>Eucalyptus</i>	<i>US\$33-41</i>

Report from Indonesia

Domestic log prices	
	<i>Per Cu.m</i>
Plywood logs	
<i>Face Logs</i>	<i>US\$190-195</i>
<i>Core logs</i>	<i>US\$ 145-155</i>
<i>Sawlogs</i>	<i>US\$145-150</i>
<i>Falkata logs</i>	<i>US\$42-45</i>
<i>Rubberwood</i>	<i>US\$32-33</i>
<i>Pine</i>	<i>US\$52-55</i>
<i>Teak</i>	<i>US\$900-1000</i>

Report from Malaysia

Logs	
<i>Domestic (SQ ex-log yard)</i>	<i>Per Cu.m</i>
<i>Meranti Bukit (SQ)</i>	<i>US\$195</i>
<i>Kembang Semangkok</i>	<i>US\$185</i>
<i>Selangau Batu</i>	<i>US\$150</i>
<i>Merbau</i>	<i>US\$180</i>
<i>Peeler Core logs</i>	<i>US\$140</i>
<i>Rubberwood</i>	<i>US\$27</i>

Sawnwood Prices

International Prices

Brazil

<i>Export Sawnwood</i>	<i>per Cu.m</i>
<i>Mahogany KD FAS</i>	
<i>UK market</i>	<i>US\$970-980</i>
<i>Jatoba Green</i>	<i>US\$450-500</i>
<i>Jatoba KD (Europe)</i>	<i>US\$655</i>
<i>Curupixa (Europe)</i>	<i>US\$560</i>
<i>LKS (Asian Market)</i>	<i>US\$230-260</i>

Ghana

<i>Mahogany</i>	<i>per Cu.m</i>
<i>FAS 100mm plus 1.8m plus</i>	<i>US\$480</i>
<i>FAS 150mm plus 2.4m plus</i>	<i>US\$520</i>
<i>Anegre</i>	
<i>FAS 150mm plus 2.4m plus</i>	<i>US\$640</i>
<i>Wawa, Emire, Niangon</i>	<i>Unchanged</i>

Rough Sawn Prices FOB	
	<i>Per Cu.m</i>
<i>Mixed Redwoods</i>	<i>US\$335</i>
<i>low grade Odum (Iroko)</i>	<i>US\$400</i>
<i>Wawa</i>	<i>US\$220</i>
<i>Wawa fixed dimensions</i>	<i>US\$267</i>
<i>Wawa Boules</i>	<i>US\$219</i>
<i>70cm log dia. 25-75mm. 450cm length</i>	

Malaysia

Sawn Timber	
<i>Export(FOB)</i>	<i>per Cu.m</i>
<i>Dark Red Meranti (DUC)</i>	
<i>GMS select & better (KD)</i>	<i>US\$705</i>
<i>Seraya</i>	
<i>Scantlings (75x125 KD)</i>	<i>US\$730</i>

Taiwan Province of China

Rubberwood	per Cu.m
25mm boards	US\$380
50-75mm squares	US\$430
75-100mm squares	US\$445

Sepetir	
GMS (AD)	US\$415
Ramin	US\$485
Oak 25mm boards	US\$510
Maple	US\$805
Cherry	US\$1150

Daeng and Pradu

2-2.5m	Length	US\$770-780
3-3.5m	Length	US\$875-880
4-5.5m	Length	US\$960-965

Report from Indonesia

Sawn timber

Domestic construction material

Kamper	AD	6x12-15cm	US\$405
	KD		US\$505
	AD	3x20cm	US\$470
	KD		US\$570
Keruing	AD	6x12-15cm	US\$290
	AD	3x20cm	US\$380

Domestic Sawnwood Prices

Report from Brazil

Sawnwood (Green ex-mill)

	per Cu.m
Mahogany	US\$725
Ipe	US\$425
Eucalyptus	US\$153

Malaysian Domestic Sawnwood Prices

Sawnwood	per Cu.m
Balau	US\$470
Kempas	US\$230
Red Merantis	US\$350
Rubberwood	
25mm boards	US\$260
50mm squares	US\$300
75mm+	US\$385

Ghana

Dahoma, Wawa, Odum, Antiaris

	per Cu.m
Mill Run 50x150mm	US\$90-120
50x100mm	US\$70-100
50x50mm	US\$100-250
25x300mm	US\$70-100
Mixed Redwood	
40x300x3.6m	US\$100-240

Plywood and Veneers

International Prices

Ghana

Veneer		per Sq.m
Asanfona	Face	US\$1.20
	Interior	US\$1.00
	Backing	US\$0.65
Redwoods (Mahogany, Candollei, Edinam)		
		per Sq.m
Face		US\$1.15
Interior		US\$0.90
Backing		US\$0.55

Report from Thailand

Sawnwood Prices			Per Cu.m
Yang	2-2.5m	Length	US\$380-390
	3-3.5m	Length	US\$515-520
	4-5.5m	Length	US\$540-550
	6m plus	Length	US\$585-600

Brazilian Plywood and Veneer

Veneer	per Cu.m
White Virola Face	
2.5mm	US\$280-320
	Per Sq.m
Sliced Mahogany	US\$1.90-2.30

Malaysian Plywood

MR Grade BB/CC FOB	Per Cu.m
2.7mm	US\$520
3mm	US\$460
9-12mm	US\$400
18mm plus	US\$375
WBP Grade BB/CC	
9-18mm	US\$475
Phenolic Overlayed	
12-18mm	US\$530
Domestic plywood	
9-18mm	US\$520-530

Indonesian Plywood

Plywood (export, FOB)	per Cu.m
MR,	
Grade BB/CC	
2.7mm	US\$540
3mm	US\$465
4.0-6.0mm	US\$400
6mm and above	US\$375-400
WBP,	
Grade BB/CC	
12-18mm	US\$465

Taiwan Province of China

Plywood	per Cu.m
2.7mm x 4' x 8'	US\$605
5.0mm x 4' x 8'	US\$560

Domestic Plywood Prices

Brazil

Rotary Cut (Nortern Mill)	per Cu.m
White Virola Face	US\$170
White Virola Core	US\$143
Plywood	
(ex-mill Soutern Mill)	
Grade MR	Per Cu.m
4mm White Virola	US\$602
15mm	US\$500
15mm Film Faced	
Concrete Formwork	US\$750

Indonesia

Domestic MR plywood	per Cu.m
(Jarkarta)	
9mm	US\$490
12mm	US\$450
15mm	US\$430
18mm	US\$400

Furniture Parts and Components

Taiwan Province of China, Imports

Imports C&F	per pc
Rubberwood Chair seats	US\$3.20
Rubberwood unfinished	
Queen Anne Chairs	
(excluding soft seat)	US\$16-16.5
Rubberwood	per Cu.m
table-tops	US\$735-785

Other Panel Product Prices

Brazil

Export Prices	per Cu.m
Blockboard	
18mm White Virola Faced	US\$330

Domestic Prices

<i>Ex-mill Southern Region</i>	<i>per Cu.m</i>
Blockboard	
15mm White Virola Faced	US\$410
15mm Mahogany Faced	US\$795
Particleboard	
15mm	US\$324

Sarawak's first MDF plant in Bintulu began operation recently. This is the first mill in the region to use mixed hardwood as the raw material. The plant has an annual production capacity of 100,000 Cu.m. MDF prices have been falling as oversupply begins to affect the market.

Prices of Added Value Products

Indonesia

Indonesia

<i>Other Panels</i>	<i>Per Cu.m</i>
Blockboard	US\$305
Particleboard	
9mm	US\$260
12mm	US\$280
15mm	US\$235
18mm	US\$230

Mouldings

<i>Ramin skirting</i>	<i>per Cu.m</i>
(for the Italian market)	US\$900
Crown using Pulai or Jeluton	
(for Japanese market)	US\$690
Laminated Scantlings	US\$710
Laminated Boards	
Falkata wood	US\$325
Laminated Boards	
Pine	US\$890

Taiwan Province of China, Imports

<i>MDF (FOB)</i>	<i>per Cu.m</i>
3-4mm thick	US\$350-365
12-25mm x 6' x 8'	US\$335-350
Particleboard	<i>per Cu.m</i>
18mm (5' x 8')	US\$195-205

Malaysia

<i>Mouldings (FOB)</i>	<i>per Cu.m</i>
Kembang Semangkok	
S4S to Japan	US\$875
Skirting	US\$1100
Rubberwood	
S4S to Japan	US\$450

Malaysia

<i>Particleboard (FOB)</i>	<i>per Cu.m</i>
6 mm & above	US\$160-175

Brazil

<i>Added Value Products</i>	<i>per Sq.m</i>
Jatoba Floor 22mm	US\$22
	<i>per Cu.m</i>
Edge Glued Panel	
Clear Pine	US\$850

Export and domestic prices have fallen in line with world trends.

Rubberwood parts and components:

Shaped chair seats	
(18-22mm 16"-18" squares)	
	US\$2.80-2.90 per pc
Finger jointed	<i>per Cu.m</i>
laminated boards	US\$750-790
top grade	US\$850

Doors (FOB)

Meranti (red) panel doors

Grade A	US\$52-55 per pc
Grade B	US\$50 per pc
Grade C	US\$45 per pc

Furniture

Dining suite

Solid rubberwood laminated top 3' x 5'
with extension leaf and six hard seat chairs
US\$170-180 per set

The demand for wooden furniture is increasing according to Malaysian producers. The demand is particularly strong for medium category furniture. Prices for furniture for export have started to improve slightly.

Taiwan Province of China

Furniture

Dining suite (FOB)

Oak Veneered MDF tables and chairs (6 per set)
US\$280-300 per set

Freight Costs

Brazil

Sawnwood

Paranagua-Rotterdam

Container 20 ft.	US\$1300
Container 40 ft.	US\$2000

Paranagua-Baltimore

Container 20 ft.	US\$1500
Container 40 ft.	US\$1800

Bulk Sawnwood **US\$66 per Cu.m**
(Hardwoods over 750kg/Cu.m)

Plywood

Paranagua-UK

Palletised **US\$42 per Cu.m**

Significant reductions are possible on all rates.

Indonesia

40ft Container

Jakarta-Rotterdam	US\$2,200
Jakarta-LA (west coast USA)	US\$2,800
Jakarta-NY (east coast USA)	US\$4,200

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\$3730 for a 40ft container

Taiwan Province of China

40ft. container

West Coast USA from Taiwan Province China US\$1950

East Coast USA from Taiwan Province China US\$ 2400

Malaysia

Bundled Sawnwood

Malaysia to Rotterdam US\$40-42 per Cu.m.

40 ft. container

Malaysia to West Coast USA at US\$2500

Malaysia to East Coast USA US\$3150

Port Klang / Ports of Taiwan Province of China Province of China

USD 42 per Cu.m Bundled Sawnwood

Taiwan Province of China Province of China/West Coast USA, US\$1950 per 40ft Container.

Taiwan Province of China Province of China?East Coast USA, US\$2400 per 40ft container.

Consumers Report

Report From Japan

FOB Southsea Logs (3rd week March) per Cu.m	
Sarawak Logs	
Meranti SQ-up	US\$220-225
Meranti Small (Small 70%, S.S. 30%)	US\$185-195
PNG Logs	
Taun/Calo	US\$170-175

Delivered Prices

Asian Log, Lumber and Panel Prices

Log For Plywood Manufacturing CIF Price Yen per Koku	
Meranti (Hill, Sarawak)	
Medium Mixed	7,700
Meranti (Hill, Sarawak)	
STD Mixed	7,800
Meranti (Hill, Sarawak)	
Small Lot (SM60%, SSM40%)	6,400
Taun, Calophyllum (PNG) and others	6,500
Mix Light Hardwood (PNG G3-G5 grade)	5,400
Okume (Gabonese)	7,700
Keruing (Sarawak)	
Medium MQ & up	8,100
Kapur (Sarawak) Medium MQ & up	7,900

For Sawnmilling FOB Price Yen per Koku	
Melapi (Sarawak)	
Select	11,500
Agathis (Sabah)	
Select	9,100

Lumber FOB Price Yen per Cu.m

White Seraya (Sabah)	
24x150mm, 4m 1st grade	120,000
Mixed Seraya 24x48mm, 1.8 - 4m, S2S	
	45,000

Plywood Mill Gate Price Tokyo Area Yen per sheet

Concrete Formboard	
11.5x900x1800mm Type 1	1,210
Thin	
2.3x910x1820mm Type 2	310
Medium	
4.0x910x1820mm Type 2	500
5.5x910x1820mm Type 2	610

Indonesian Plywood Price (Tokyo Market Price Per Sheet)

price 25th April	
Plywood	
2.4x91x1820mm	Yen330 down 5
3.6x91x1820mm	Yen440 up 10
5.2x91x1820mm	Yen550 up 10
Plywood for frame	
12x90x180mm	Yen11190
Plywood for flooring	
11.5x94.5x1840mm	Yen1570
Plywood for Printing	
3.6x123x2440mm	Yen780

News From Japan

Consumption Tax

It is almost sure that the consumption tax rate will be up from 3% to 5% from April 1 next year with reform of the tax system. There is at present a strong sentiment that there will be a demand surge prior to the introduction of the new tax rate.

Japan's Plywood Industry

Japan's plywood output, at its peak, reached a level of 8.5 mil Cu.m but has been on the decline since peaking, it was down to 4.4 mil Cu.m last year.

Southsea timber, the main material for plywood, is reported by Japanese industry as becoming more difficult to obtain as measures are introduced for the protection of the tropical rain forests. At the same time the Japanese market is viewing softwood plywood as a promising alternative product. The demand and use of softwood plywood in the construction sector is growing. The industry is showing signs of reducing Southsea log consumption and to put more emphasis on imported softwood and on Japan's domestic softwood resources.

The Japan Plywood Manufacturers' Association estimates that the share of softwood plywood for this year will be at least 30% but could be as high as 50%. Plywood manufacturers from Korea, Taiwan and Japan met on April 25 at Kyoto and all agreed on a diversification of raw material resources and on the advancing shift to softwood. All importers represented agreed not to try and hold down price increases for logs from Sarawak and Papua New Guinea.

Particleboard plant in Malaysia

San-Mic Chiyoda Corporation will invest around 10% of the investment in Millflex a particleboard plant in Malaysia. The plant will be completed by the end of this year at Bukit Selambu, east of Sungei Patani in Kedah. The plant has a designed capacity of 95,000 Cu.m a year. Wood raw materials are all Rubberwood logs and residues from sawmills processing Rubberwood. Half of the production is for the local market and another half for export to Japan, the Philippines, Thailand, Hong Kong, and Korea.

Prices for Chilean lumber

Prices for May shipment of Radiata Pine lumber from Chile have remained unchanged. Prices are US\$260-270 C&F per Cu.m for lumber 12mm thickness, US\$220-230 for 85 by 40 mm, US\$197-198 for large size flitches, 200mm and up, and US\$187-188 for small size flitches. The price for large size flitches has gone down slightly. Import costs have kept going up as a result of weakening yen.

Japanese Outdoor Furniture Prices

Four Piece Set, Hexagonal Table
133x115cm
3 Bench Seats 116x29cm
Red Cedar
Made in Canada Yen138,000

Garden Trellis 130x54x45cm
Ready to Assemble
Paulownia
Made in Japan Yen6,900

Three piece Set, Table 89x45.5
English Style Ready to assemble
White Cedar Yen17,800
Bench Seat, 119x58cm
White Cedar Yen37,800
Chair with arms 63x58cm
White Cedar Yen27,800
Made in Canada

Planter Box, 73x29x28cm
Durian
Made in Japan Yen5,500

Store Shed, 180x76x58 with door
Pine and Plywood
Made in Japan
Ready to Assemble Yen39,800

Wooden Fence, 130x105cm
Cedar and Aluminium
Made in Japan
Ready to Assemble Yen33,800

Five piece set, Oval table with 2
folding Flaps 137.5x100cm
Folding to 100x37.5cm
4 Chairs 40x32cm
Radiata Pine
Made in Australia Yen59,800

Terrace Decking Panel,
90x90x5.5cm
Selang Batu
Ready to Assemble Made in Indonesia yen12,800

Three piece set, Table 110x49.5cm
Bench Seats 110x25cm
Radiata Pine
Made in New Zealand Yen12,800

*Garden Bench Seat,
Chelsea Style 123x49x82cm
Pine
Made in China Yen14,500*

The Japan Department Store Association has reported that furniture sales in Department stores during March are up by 11% over last year. The issue of the customs tariff on plywood continues to be debated by the furniture industry and the government is being urged to remove the customs duty.

Report From China

Production News

The Ministry of Forestry of China plans to establish a joint venture timber industry enterprise in Gabon. It is reported that the project proposal for establishing a joint-venture annual yield of 120,000 Cu.m of peeled veneer and annual processing of 50,000 Cu.m of lumber has been approved. A feasibility study is being undertaken. US\$ 400 million of foreign currency income of the China's exported chip during 1991-1995.

Between 1991-1995, China produced 13.5 million ton of dry chip, 3.9 million ton of which was exported generating an income of over US\$400mil. Chip production has become a major new industry for China's forestry.

The rapid development of chip production and export has brought China's forestry a series of new challenges. Chip production in China reached 2.5 billion yuan in 1995, and export income was US\$174 million. The utilization rate of the state-owned forest resource has been increased as most of the chips are produced from wood residues. The chip industry is breathing new life into some of the previously ailing state enterprises.

Four new OSB plants

It is reported that four newly established OSB plants in China will shortly come on stream. The first is a small line established by the Second Wood Working Factory, Ganzhou city, Jiangxi Province. The production equipment is from Germany and the installed capacity is 16,800 Cu.m per year, the plant costs totaled DM10.925mil.

The second OSB production line was set up in Jianou city, Fu Jian province. It uses the production equipment made in China and has a capacity of 12,000 Cu.m per year.

The third plant was set up in Fengkei County, Guang Dong Province. Its production equipment was supplied by the Zhenjiang Forestry Machinery Manufacture in Jiangsu Province, production capacity was expected to be 16,000 Cu.m per year.

Located in Guan County, Shandong province, the fourth OSB line is under construction. All production equipment is, again, provided by the Zhengjian Forestry Machinery Manufacture in Jiangsu Province. The production capacity is 8,000 Cu.m per year.

Prices of Tropical Timber in Shanghai and Eastern China

Logs	per Cu.m
Keruing	Yuan2000-2450
Red Meranti	Yuan1800-1900
Mixed (hollow Heart)	Yuan1200-1400
Mengaris	Yuan1800-1900
Mixed Redwood	
Myanmar	Yuan3800-3850

Sawnwood	
Meranti	Yuan2850-3450
Flooring	
Meranti T&G	per Lin.m
18x50mm 3m	Yuan115-130
Malas T&G	
18x70mm 2.2-4.1m	Yuan115-130

Panel Products	
MDF 3mm German	Yuan38/sheet
Plywood 3mm Indo	Yuan41.5/sheet

From Europe, An Update on Italy

The much anticipated improvement in the furniture market has not materialised and manufacturers are not able to move prices forward. While the lira is at a rate making exports very competitive the low rate has pushed up the costs of

imported raw materials and components compounding the problems for manufacturers.

A recent report on the performance of the industry last year reveals that Italian furniture exports increased by 22% to L15,262bil in 1995. For the first time exports (53.5% of production) surpassed internal consumption. The total turnover of the furniture sector reached L25,000bil and overall industrial production increased by 10%. The industry is still optimistic about the short term future and is fairly unanimous that better times are in sight.

Natuzzi the Italian group, world leader in leather sofas manufacture, achieved a L839.3bn turnover in 1995, up 21% compared to 1994. Net profits reached L95.9bil (+25.2%). Domestic sales increased by 31.6% to L55.9bil, mostly thanks to the increasing sales of its franchising furniture chain Divani & Divani (more than 60 shops throughout Italy). European sales were worth L366.9bil (+28.1%) and sales to N.America increased by 10.2% to L328.7bil.

Italian kitchen manufacturer Salvarani has been acquired by La Cucina Italiana, another Italian company 100% owned by Feg Industria Mobili, a modern design furniture company located in Giussano, near Milan. Salvarani Industrie has also sold to Feg the Firon, Germal and Salvarani brands. Feg plans to expand its activities abroad using Salvarani's commercial network.

Prices in Italy

Wooden Windows

Upper Price, Douglas Fir, 150x120cm Lira 826,000.
Medium Price Douglas Fir, 150x120cm Lira 655,000.
Lowest Price Pine, 150x120cm Lira 472,000.
Medium Price, Hardwood Mahogany 150x120cm Lira 540,000.
Lowest Price Hardwood Mahogany 150x120cm Lira 367,000

Solid Wooden Doors

Upper Price, Mahogany, Lira 1,000,000
Oak/Elm, Lira 896,000
Medium Price, Tanganika Lira 577,000
Redwood Lira 700,000
Lowest Price, Tanganika Lira 330,000
Mahogany Lira 250,000

Furniture and Components

Kitchen Chairs

Medium Price, Beech, Lira 178,000

Lowest Price, Pine, Lira 39,000

Dining Chair

Upper Price, Walnut, Lira 675,000

Medium Price, Walnut, Lira 435,000

Lowest Price, Beech, Lira 186,000

Kitchen Table

Upper Price, Walnut edge glued 80x160cm Lira 3,242,000

Medium Price, Walnut edge glued 80x160cm Lira 2,969,000

Lowest Price, Oak/Walnut 80x120cm Lira 370,000

Lowest Price, Pine 80x140cm Lira 299,000

Dining Table

Upper Price, Walnut edge glued 90x180cm Lira 4,082,000

Medium Price, Walnut edge glued 90x160cm Lira 2,890,000

Lowest Price, Beech Cherry Walnut 90x180cm Lira 1,130,000

Wardrobe Doors

Upper Price, Walnut edge glued 250x45cm Lira 1,018,000

Medium price, Walnut edge glued 250x45 cm Lira 699,000

Lowest Price, Pine 201x40cm Lira 357,000

Drawer Fronts (Office Furniture)

Upper Price, Birch multilayer 100x10cm Lira 2,150

Medium Price, Birch multilayer 100x10cm

Lira 1,800

Lowest Price, Birch multilayer 100x10cm Lira 1,500

Wooden Shelving

Upper Price, Walnut edge glued 100x24cm Lira 365,000

Medium Price, Walnut edge glued 100x24cm Lira 230,000

Lowest Price, Walnut 100x24cm Lira 100,000

Moulding

Veneered Ramin Lira 8,870 per Lin Metre

Other News from Europe

In the UK any growth that was foreseen in the market for tropical hardwoods is being affected by political uncertainty. There is uncertainty over the government's moves in Europe and there is a possibility of an early general election. Temperate hardwoods and softwoods are fast becoming the "staple" timbers in the industry's business dealings. Pine appears to making an impact again in the furniture market with new pine, antique pine look and Victorian pine styles in demand.

The Dutch group Samas (Baarn), majority shareholder of German office furniture maker Schaeff AG (Worms), has acquired through a joint venture, 60% of British Edinburgh-based office furniture producer John Menzies.

In 1995 the French furniture maker Grange registered a turnover of FFfr250mil, (this is about the same as in 1994), and an operating result of FFfr 13mil. However, due to the shift of the dollar, Grange's net profit decreased from FFfr4mil (1994) to FFfr300,000 (1995). The company realises 85% of its turnover with export sales, including FFfr55mil in Germany and US\$10mil in the US.

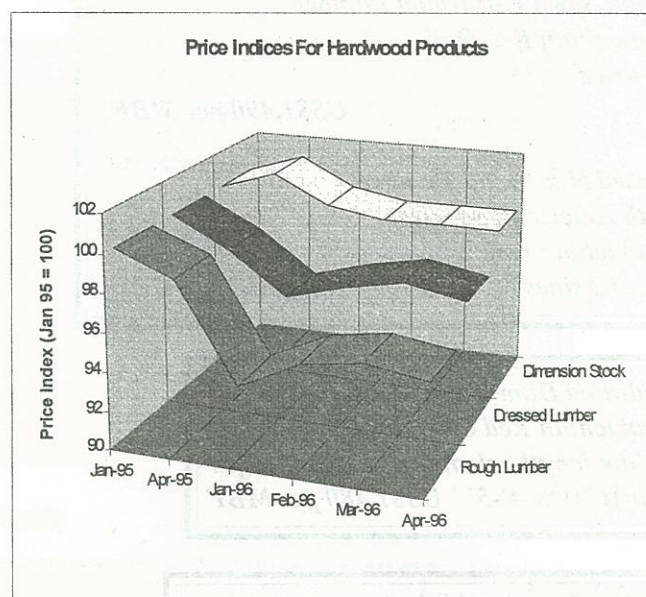
Still in France, the regional authorities in Lorraine and the furniture makers in this region have signed an agreement to support the local furniture industry. The sector, (500 small and medium-sized enterprises and more than 8,000 workers), are suffering from a decrease in household consumption and from the devaluation of the Italian and UK currencies. The plan includes support in terms of research, creation and marketing and a budget of FFfr16.5mil granted by the State, the region, the Federation of furniture makers and the European Commission.

In Germany, office furniture manufacturer Mauser Waldeck, part of the Rheinmetall group, saw sales fall 8.9% to DM314mil in 1995. Profits were flat at DM1.1mil.

ETK Moobel the Estonian furniture company and a number of affiliated furniture companies, will merge the branch furniture operations once again into a single company in an attempt to cut costs. The merger includes AS MCK (wood furniture), AS Kopmet (metal parts for furniture), AS Furnit (retailer), AS Sakkop and AS Niksnaks (upholstered furniture). AS Tri Puit (windows and doors), and AS Lignar will retain the sovereignty. ETK Moobel is orienting towards the manufacturer of furniture for hotels, offices and restaurants.

US Industry Report

While the market for furniture in the US is still struggling to break away from its dull position and the markets for particleboard and MDF have taken a beating in recent months things are looking good for US hardwood exports.



Export sales of White Oak to Europe are very active, prices have improved slightly while the demand for Maple has pushed prices up sharply. Oak tends to dominate the European market but its importance has declined marginally in recent years. Red Oak made up some 16% of sales in 1990 but this has dropped to around 10% today. Most other species have increased over the past five years with Alder jumping from 5% in 1990 to about 13%.

China and Hong Kong registered the greatest growth in US hardwood imports in South East Asian countries from 1991 to 1995 and this growth continues today. The two countries imports rose from US\$7.9mil in 1991 to around US\$45mil in 1995. Red and White Oak are the prime species, with Ash, Alder and Yellow Poplar following. Reports indicate that inquires for Beech and Maple have risen.

The thrust of US hardwoods into the world market will be given a boost if the US American Hardwood Export Council (AHEC) request for US\$4.9mil in promotion funds is granted by the US Department of Agriculture. The goal for hardwood lumber and veneer exports for 1998 is stated as US\$1.9bil.

US Prices

Prices of primary products are still very weak, particularly unprocessed lumber. Prices for dressed lumber and some dimension stock has shown a modest recovery but are still well below those of a year ago. In contrast to this the prices for Mahogany continue to climb.

Rough Sawn Hardwood Lumber

Appalachian Red Oak

kiln dried, FAS

US\$1,490 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\$1,480 per MBF

Lumber, Genuine Mahogany

Bolivia, Brazil, Honduras

Select or Better Kiln dried

Dock side US West Coast

US\$2,850 per MBF

Lumber, Philippine Mahogany / Meranti

Kiln Dried, kiln dried

Dock side US West Coast

US\$2,525 per MBF

Plywood and Veneer

Hardwood Plywood

Red Oak plywood, 5-ply, lumber core

cross bands of poplar or gum

Both exterior layers of Red Oak

Furniture grade, rotary cut 4' x 8' 0.75" thick

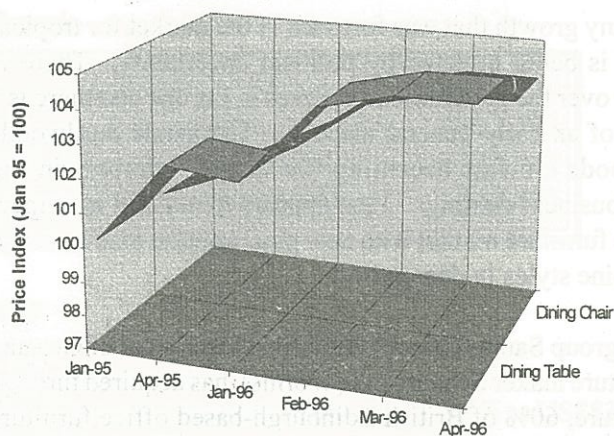
US\$48.00 per Sheet

Veneer Red Oak, 1/45", flat stock,

Container loads/truck-loads

US\$0.09-0.14 per sq.ft.

Price Indices For Dining Furniture



Reconstituted Boards

Particleboard and MDF are suffering from low demand from the construction industry and from a growing oversupply. Between April 1995 and April 1996 the price of MDF has dropped by over 18%.

Particleboard

Industrial grade board, 4' x 8' x 3/4"

South Central Region

US\$278 per 1000 sq.ft

Medium Density Fibreboard

Industrial grade board, 4' x 8' x 3/4"

US\$385 per 1000 sq.ft

Millwork

The building industry is still very subdued. Prices for windows advanced by less than 2%, while prices for wooden doors have remained largely unchanged. Mouldings are now more than 6% cheaper than a year ago.

Wood Window Units

Wood sliding window Double glassed,

Upper/lower sash can be tilted. 32" x 54"

US\$80.00

Wood Doors

Interior door solid wood Raised colonial panels

without frame and hinges. 2'8" x 6'8" x 1.75"

US\$62.00

Wood Mouldings
 White Pine moulding, 3.625" wide,
 1" stock, finger jointed length approx. 16'
 US\$0.29 per linear foot

Wood Frames for Upholstered Chairs
 Frame for lounge chair, 1" stock
 nailed corner blocks
 US\$44.50

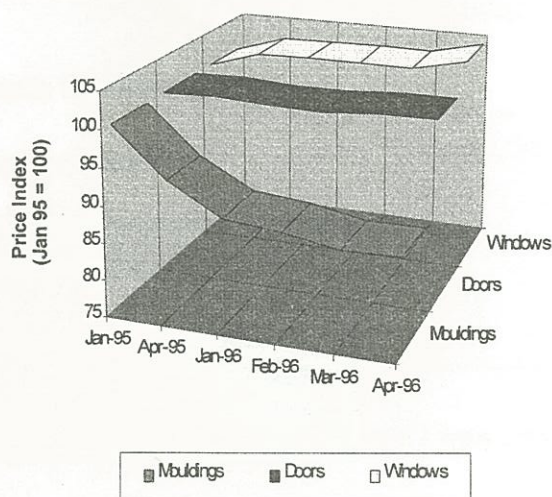
Bookcase for the Living Room
 18th century traditional styled bookcase
 Sheraton accents.
 Base 2 doors one adjustable shelf behind doors
 Top cabinet deck 3 adjustable wood shelves.
 Maple solids and select cherry veneer
 Hand-rubbed cherry finish.
 50.25" x 16.5", Ht.88.5"
 US\$750.00

Headboard for Bed
 18th century French Fairhope headboard
 Mahogany veneer on particleboard.
 Width 43", Ht.60.6"
 US\$263.00

Dresser used in the Bedroom
 18th century French Elm Bluff 9 drawers.
 Mahogany veneer on particleboard.
 64" x 19", Ht.36"
 US\$470.00

Desks for use in the Office
 Conference desk 5 drawers
 Mahogany veneer on particleboard.
 72" x 36", Ht.29"
 US\$885.00

Price Indices For Joinery Products



Wooden Furniture

Furniture and higher value products are faring better than the primary products. Most manufacturers have reported higher selling prices but in a narrow 2-4% range over the past year. This trend is expected to continue fro the balance of the year and possibly into next year.

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\$610.00

Dining Room Chair
 18th century French Mallard chair Solid Maple
 21" x 22", Ht. 44.5" Seat 21" x 17.75, Ht. 18"
 US\$188.00

Mahogany Price Index

