



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>129,500</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>

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

Malaysia

The recent tropical storm, Greg, seriously affected the Keningau region, the most important timber producing region of Sabah. As a result of this tropical storm, roads and bridges leading to Keningau were badly damaged and this affected transportation. In the first two weeks, producer mills in the Keningau region were unable to send their output to the port in Kota Kinabalu. Damage to the infrastructure was quite serious and, despite repair works being carried out immediately after the storm, things have not yet returned to normal.

The interior of Sabah and Sarawak are currently affected by heavy rain and this is affecting logging operations.

<i>Sarawak Log Export Prices</i>	
<i>(FOB)</i>	<i>per Cu.m</i>
<i>Meranti SQ up</i>	<i>US\$200-210</i>
<i>small</i>	<i>US\$170-180</i>
<i>super small</i>	<i>US\$140-150</i>
<i>Keruing SQ up</i>	<i>US\$220-225</i>
<i>small</i>	<i>US\$190-195</i>
<i>super small</i>	<i>US\$160-165</i>
<i>Kapur SQ up</i>	<i>US\$215-225</i>
<i>Selangan Batu SQ up</i>	<i>US\$220-230</i>

Cameroon Log Prices

<i>FOB</i>	<i>Per Cu.m</i>
<i>N'Gollon 70cm+LM-C</i>	<i>FFR1375</i>
<i>Ayous 80cm+LM-C</i>	<i>FFR1100</i>
<i>Sapele 80cm+LM-C</i>	<i>FFR1550</i>
<i>Iroko 70cm+LM-C</i>	<i>FFR1400</i>

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South Sea Logs

<i>FOB</i>	<i>per Cu.m</i>
<i>Pometia</i>	<i>US\$150-155</i>
<i>Calophyllum</i>	<i>US\$135-145</i>
<i>Terminalia</i>	<i>US\$110-120</i>
<i>Other mixed species</i>	<i>US\$105-110</i>

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

Domestic Log Prices

Report From Brazil

<i>Logs at mill yard</i>	<i>per Cu.m</i>
<i>Mahogany Ist Grade</i>	<i>US\$420</i>
<i>Ipe</i>	<i>US\$80</i>
<i>Jatoba</i>	<i>US\$51</i>
<i>Guaruba</i>	<i>US\$42</i>
<i>Mescla(white virola)</i>	<i>US\$46</i>

Report from Indonesia

<i>Domestic log prices</i>	<i>Per Cu.m</i>
<i>Plywood logs</i>	
<i>Face Logs</i>	<i>US\$150-160</i>
<i>Core logs</i>	<i>US\$ 125-135</i>
<i>Sawlogs</i>	<i>US\$125-145</i>
<i>Falkata logs</i>	<i>US\$55-58</i>
<i>Rubberwood</i>	<i>US\$38-40</i>
<i>Pine</i>	<i>US\$65-70</i>
<i>Teak</i>	<i>US\$1000-1250</i>
<i>Mahoni</i>	<i>US\$210-225</i>

Ghana

In a recent address to the new Parliament the President of Ghana delivered a strong statement. The President's statement regarding the timber sector focused on 6 main areas:

- the dangers of over exploitation of the forest and the consequences for desertification, soil erosion and loss of bio-diversity
- the risks that the growing domestic demand for wood for construction and furniture cannot be met from local resources
- the continued danger of the annual allowable cut being exceeded as a result of high rates of both legal and illegal logging with collusion of influential community officials
- the need to quickly promote industrial plantations to reduce the pressure on the natural forest
- the need to transform the Forestry Department into a Forest Service capable of paying its own way through contracted services, and finally,
- the urgent need for all officials to enforce existing forest laws and regulations

Report from Malaysia

<i>Logs</i>	<i>Per Cu.m</i>
<i>Domestic (SQ ex-log yard)</i>	
<i>Meranti Bukit (SQ)</i>	<i>US\$260-270</i>
<i>Kembang Semangkok</i>	<i>US\$205-210</i>
<i>Merbau</i>	<i>US\$195-200</i>
<i>Peeler Core logs</i>	<i>US\$130-140</i>
<i>Rubberwood</i>	<i>US\$34-36</i>
<i>Kempas</i>	<i>US\$150-160</i>
<i>Keruing</i>	<i>US\$215-225</i>

Sawnwood Prices

International Prices

Brazil

Export Sawnwood	per Cu.m
Mahogany KD FAS	
UK market	US\$1030
Jatoba Green	US\$445-485
Curupixa (Europe)	US\$520
Asian Market	
Guaruba	US\$285
Angelim pedra	US\$270
Mandioqueira	US\$245
Pine (AD)	US\$145

Ghana

Rough Sawn Prices FOB	
	Per Cu.m
Mixed Redwoods	US\$330
low grade Odum (Iroko)	US\$400
Wawa	US\$220
Wawa fixed dimensions	US\$260
Wawa Boules	US\$219
70cm log dia. 25-75mm. 450cm length	

Mahogany	per Cu.m
FAS 100mm plus 1.8m plus	US\$480
FAS 150mm plus 2.4m plus	US\$520
Odum FAS 100mm	US\$700
Wawa FAS 1.8m plus	US\$400
Anegre	
FAS 150mm plus 2.4m plus	US\$640

Guarea	FAS	US\$460
Ofram	FAS	US\$270
Emire	FAS	US\$460
Ekki	FAS	US\$335
Kussia	FAS	US\$330
Dahoma	FAS	US\$250
Cedrella	FAS	US\$410

Malaysia

Sawn Timber	per Cu.m
Export(FOB)	
Dark Red Meranti (DUC)	
GMS select & better (KD)	US\$715-720
Seraya	
Scantlings (75x125 KD)	US\$760-770
Sepetir Boards	US\$320-330
Perupok (25mm&37mm KD)	US\$890-900
K.Semangkok	
(25mm&37mmKD)	US\$700-715

Taiwan Province of China

Rubberwood	per Cu.m
25mm boards	US\$435-450
50-75mm squares	US\$480-495
75-100mm squares	US\$510-520
Sepetir	
GMS (AD)	US\$385-400
Ramin	US\$600-615
Oak 25mm boards	US\$670-700
Maple	US\$930-955
Cherry	US\$1150-1200

Domestic Sawnwood Prices

Report from Brazil

Sawnwood (Green ex-mill)	per Cu.m
Northern Mills	
Mahogany	US\$910
Ipe	US\$408
Jatoba	US\$380
Eucalyptus	US\$165
Southern Mills	
Pine (KD) First Grade	US\$160

Ghana

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

<i>Red Meranti</i>	<i>per Cu.m</i>
<i>(22,25&30mm by180+mm)</i>	<i>US\$320-330</i>
<i>Rubberwood</i>	
<i>(25mm & 50mm)</i>	<i>US\$285-300</i>
<i>50mm squares</i>	<i>US\$315-325</i>
<i>75mm+</i>	<i>US\$365-375</i>
<i>Mixed Hardwood Piling</i>	
<i>5-6 ins x5-6 ins sections</i>	<i>US\$210-220</i>

Gabon

<i>Sawnwood</i>	
<i>Sawnwood Up to 6m length</i>	
<i>80x40mm up to 250x50mm</i>	
<i>Okoume, Ozigo, Olon, Alone, Faro, Abura, Agba and Andoung heitz</i>	
	<i>F.CFA 110,000 per Cu.m</i>
<i>Acajou, Movingul, Kosipo, Afo, Aiele, Bosse fonce, Eblara</i>	
	<i>F.CFA 115,000 per Cu.m</i>
<i>Prices before sales tax</i>	

Plywood and Veneers

International Prices

Indonesian Plywood

<i>Plywood (export, FOB)</i>	
<i>MR,</i>	<i>per Cu.m</i>
<i>Grade BB/CC</i>	
<i>2.7mm</i>	<i>US\$485-495</i>
<i>3mm</i>	<i>US\$440-450</i>
<i>6mm and above</i>	<i>US\$370-380</i>
<i>WBP,</i>	
<i>Grade BB/CC</i>	
<i>12-18mm</i>	<i>US\$450-460</i>

Report from Indonesia

Sawn timber

Domestic construction material

<i>Kampar</i>	<i>per Cu.m</i>
<i>AD 6x12-15x400cm</i>	<i>US\$335-345</i>
<i>KD</i>	<i>US\$470-480</i>
<i>AD 3x20x400cm</i>	<i>US\$400-410</i>
<i>KD</i>	<i>US\$520-530</i>
<i>Keruing</i>	
<i>AD 6x12-15cm</i>	<i>US\$290-300</i>
<i>AD 3x20cm</i>	<i>US\$380-385</i>

Malaysian Domestic Sawnwood Prices

<i>Sawnwood</i>	<i>per Cu.m</i>
<i>Balau(25&50mm,100mm+)</i>	<i>US\$415-425</i>
<i>Kempas50mm by (75,100&125mm)</i>	<i>US\$225-235</i>

Ghana

<i>Sliced Veneer</i>		<i>per Sq.m</i>
<i>Asanfona</i>	<i>Face</i>	<i>US\$1.20</i>
	<i>Interior</i>	<i>US\$1.00</i>
	<i>Backing</i>	<i>US\$0.65</i>
<i>Redwoods (Mahogany, Candollei, Edinam)</i>		
	<i>Face</i>	<i>US\$1.15</i>
	<i>Interior</i>	<i>US\$0.90</i>
	<i>Backing</i>	<i>US\$0.55</i>
<i>Ready Spliced Veneer (layons)</i>		
<i>Thickness 6mm</i>		
		<i>per Cu.m</i>
<i>Sapele</i>		<i>US\$1370</i>
<i>Anegre</i>		<i>US\$1062</i>
<i>Mahogany</i>		<i>US\$1149</i>
<i>Koto</i>		<i>US\$1153</i>

Plywood 2440x1220mm		
Grade BB/CC,	Per Cu.m	
<i>Ceiba</i>	<i>WBP</i>	<i>MR</i>
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 Veneer	
	per Cu.m
<i>Face Veneer 1-1.6mm</i>	
<i>Ceiba</i>	US\$320
<i>Koto</i>	US\$500
<i>Otie/Ilomba</i>	US\$440
<i>Ofram</i>	US\$440

Malaysian Plywood

The trade in Japan is predicting that the high level of deliveries of Malaysian plywood will decline as the impact of the weakened Yen is felt. It is reported that Japanese importers are taking a cautious view of ordering February production.

MR Grade BB/CC FOB	
	per Cu.m
2.7mm	US\$490-495
3mm	US\$455-450
9-12mm	US\$370-380
18mm plus	US\$345-350
<i>WBP Grade BB/CC</i>	
9-18mm	US\$410-430
<i>Phenolic Overlaid</i>	
12-18mm	US\$500-510
<i>Domestic plywood</i>	
9-18mm	US\$470-490

Brazilian Plywood and Veneer

European plywood importers are saying that, despite the relative stability of the Brazilian economy, the plywood market remains difficult due to currency fluctuations. Brazilian prices for pine ply are higher than that of US southern yellow pine plywood and the US product is competing strongly.

Veneer	per Cu.m
<i>White Virola Face</i>	
2.5mm	US\$265-310
<i>Pine Veneer (C/D)</i>	US\$210
<i>Mahogany Veneer</i>	per Sq.m
0.7mm	US\$2.40

Taiwan Province of China

Plywood	per Cu.m
2.7mm x 4' x 8'	US\$600-620
9.0mm x 4' x 8'	US\$495-510
12-18mm	US\$460-490

Plywood	per Cu.m
<i>White Virola (US Market)</i>	
5.2mm OV2 (MR)	US\$360
15mm BB/CC (MR)	US\$350
<i>For Caribbean countries</i>	
<i>White Virola 4mm</i>	US\$480
9mm	US\$380
<i>Pine USA market</i>	
9mm C/CC (WBP)	US\$290
15mm C/CC (WBP)	US\$260

Domestic Plywood Prices

Brazil

Rotary Cut (Northern Mill)	
	per Cu.m
<i>White Virola Face</i>	US\$175
<i>White Virola Core</i>	US\$120
<i>Plywood (ex-mill Southern Mill)</i>	
<i>Grade MR</i>	
	Per Cu.m
4mm <i>White Virola</i>	US\$670
15mm <i>White Virola</i>	US\$495
4mm <i>Mahogany 1 face</i>	US\$1,450

Other Panel Product Prices

Indonesia

Domestic MR plywood	
(Jarkarta)	per Cu.m
mm	US\$455-460
12mm	US\$415-430
15mm	US\$405-420
18mm	US\$375-400

Brazil

Export Prices	
Blockboard 18mm	per Cu.m
White Virola Faced	US\$310
B/C	

Gabon

Okume Plywood	
(250x122cm)	
	F.CFA Per pc
	Untaxed Taxed
4mm	3,430 - 3,780
5mm	5,314 - 6,270
8mm	8,886 - 9,540
10mm	9,010 - 11,047
12mm	10,762 - 12,699
15mm	13,019 - 15,362
19mm	15,790 - 18,632

Domestic Prices	
Ex-mill Southern Region	per Cu.m
Blockboard	
15mm White Virola Faced	US\$510
15mm Mahogany Faced	US\$850
Particleboard	
15mm	US\$320

Indonesia

Other Panels	
Export Particleboard FOB	Per Cu.m
9-18mm	US\$145-150
Domestic Particleboard	
9mm	US\$260
12mm	US\$225
15mm	US\$225
18mm	US\$200
MDF Export (FOB)	
12-18mm	US\$210-220
MDF Domestic 15-18mm	US\$290-310

Furniture Parts and Components

Taiwan Province of China, Imports

Imports C&F	per pc
Rubberwood Chair seats	US\$3.00-3.10
Rubberwood unfinished	
Queen Anne Chairs	
(excluding soft seat)	US\$13.5-15.00ea
Queen Anne Legs	
2 1/4 ins square x 18 ins	US\$1.00-1.10ea
2 3/4 ins square x 28 ins	US\$2.00-2.10ea

Taiwan Province of China, Imports

Domestic Prices	
MDF	per Cu.m
3mm thick	US\$370-380
4.75mm	US\$340-350
12-18mm x 4' x 8'	US\$270-290
Particleboard	per Cu.m
12-18mm (4x8)	US\$185-195

Malaysia

Particleboard (FOB)	
	<i>per Cu.m</i>
6mm & above	US\$150-155
Domestic	
6mm & above	US\$180-185

MDF (FOB)	
	<i>per Cu.m</i>
Less than 5mm	US\$230-240
Greater than 6mm	US\$210-220
Domestic Sales	
	<i>per Cu.m</i>
6-21mm	US\$240-245

Prices of Added Value Products

Indonesia

Mouldings	
Ramin skirting	<i>per Cu.m</i>
(for the Italian market)	US\$885-895
Crown using Pulai or Jelutong	
(for Japanese market)	US\$800-810
Laminated Scantlings	US\$640-660
Laminated Boards	
Falkata wood	US\$390-410
Laminated Boards	
Pine	US\$850-880

Malaysia

Mouldings (FOB)	
Selagan Batu Decking	<i>per Cu.m</i>
Kembang Semangkok	US\$570-580
S4S to Japan	US\$990-1050
Laminated Scantlings	
72mmx86mm	US\$675-685

Rubberwood parts and components

Malaysia

In the case of Peninsular Malaysia, Rubberwood log supplies may become an important issue. The Rubber Industry Smallholders Development Authority (RISDA) plan to scale down the rate of replanting grant from about US\$2000 per ha. to some US\$800 per ha. for 1997. This is likely to affect the area replanted and hence the future Rubberwood supply.

Shaped chair seats	
(18-22mm 16"-18" squares)	
	US\$2.95-3.20 per pc
Finger jointed	<i>per Cu.m</i>
laminated boards	US\$825-840
top grade	US\$880-890

Doors (FOB)	
Meranti (red) panel doors	
Grade A	US\$53-56 per pc
Grade B	US\$46-50 per pc
Grade C	US\$42-45 per pc

Furniture

Dining suite	
Solid rubberwood laminated top 3' x 5'	
with extension leaf	US\$60-65ea
Same with	
Oak veneered MDF	US\$75-80ea
Windsor Chair	US\$11.50-13.00ea
Colonial Chair	US\$14.00-15.50ea
Napolean Chair	US\$22-26ea
Queen Anne Chair (with soft seat)	
without arm	US\$22-25ea
with arm	US\$24-28ea

Taiwan Province of China

Furniture	
Dining suite (FOB)	
Oak Veneered MDF tables and chairs (6 per set)	
	US\$235-245 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\$66per Cu.m
(Hardwoods over 750kg/Cu.m)

Plywood

Paranagua-UK

Palletised US\$42per Cu.m

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 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\$2000

East Coast USA from Taiwan Province China US\$ 2350

Malaysia

40 ft. container

Malaysia to West Coast USA at US\$2650

Malaysia to East Coast USA US\$3200

Malaysia to Ports in Taiwan Province of China US\$500-600

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

USD 42 per Cu.m Bundled Sawnwood

Consumers Report

Report From Japan

The projected Japanese demand for Southeast Asian logs for 1997 is 5,916,000 Cu.m, 94 percent of the estimate of 1996 demand. The larger domestic plywood mills plan to increase the use of softwood logs. The trade confirms projections of a decline in the use of Southeast Asian logs for plywood manufacturing.

The reversal of the log export ban in Sabah, Malaysia is not having any impact in Japan. The trade indicates, however, that if royalties are lowered, log exports to Japanese markets could resume. Manufacturers of plywood currently prefer the less expensive logs such as small logs and logs from Papua New Guinea. This trend is likely to continue throughout this year.

Projection of tropical log consumption for sawmilling in 1997 is 632,000 Cu.m, 91 percent of the estimated volume for the last year. This equates to a monthly consumption of around 53,000 Cu.m. The Southeast Asian Log Conference of Japan predicts consumption declines, particularly in the markets east of Shizuoka prefecture, consumption of Dipterocarps is expected to decline.

Southeast Asian Logs

Currently it is the rain season in Sarawak, East Malaysia and log production is decreasing. Exporters are reporting inquiries from India and other countries are active and export prices are improving. The export price for SQ and Up Meranti logs was reportedly US\$205-209 per Cu.m, FOB loading port, at the year end. It has now moved to US\$210. Keruing logs are offered at US\$225-230 per Cu.m. Japanese

importers want it at around US\$220. Import costs keep going up as the Yen moves up to 122 to the dollar.

Southeast Asian Lumber

In January lumber market prices remained unchanged. In Tokyo, the markets for lumber, laminated lumber and processed products have been strong since late December through early January. This was the case particularly for supply of first grade White Seraya lumber in specific lengths. Prices have gone up mostly because of the recent weakened Yen.

Purchasing is expected to become active to secure stock. Present prices are Yen 115,000-120,000 per Cu.m, for 1st grade White Seraya delivered to wholesalers' in Tokyo and around Yen 80,000 for 2nd grade lumber in specific lengths. Supply is considered tight for laminated lumber and finger-jointed lumber. Wholesalers struggle for procurement. Prices are Yen 150,000-165,000 for finger jointed Perupok lumber.

Plywood Markets Steady

NIPPINDO decided to raise prices of Indonesian plywood as of the 21st January to offset the weakening of the Yen. Concrete form board is now Yen 1,320 up Yen 30 per sheet, thin ply is at Yen 360 and baseboard for flooring is at Yen 1,710, up Yen 50 per sheet.

Plywood markets in the early new year are reported steady. Inventories are relatively low even though the supply from domestic mills and imports has not declined. Active housing starts support active consumption. Inquiries for softwood plywood for structural use remain active in the Tokyo markets. Softwood plywood has become steadily accepted by house builders.

The Japan Printed and Coloured Plywood Manufacturers Association is reporting that production of printed plywood for the first 10 months of last year was down by almost 3% over the previous year to 55.4 million sheets. Coloured plywood production was down almost 13% and laminated ceiling board production was down 8%. The main reason for the decline was the switch to MDF and Particleboard as a substrate.

Expanding Markets for Softwood Plywood

Softwood plywood is becoming more popular. In addition to growing acceptance in the private sector, it is used more and more for construction in the public sector. Sakamasa

Plywood in Shimizu, recently sold structural plywood and composite plywood of Sugi, Larch and Radiata Pine for school buildings and community halls and large complex buildings.

Delivered Prices

Asian Log, Lumber and Panel Prices

Logs	
For Plywood Manufacturing	
CIF Price Yen per Koku	
Meranti (Hill, Sarawak)	
Medium Mixed	7,850
Meranti (Hill, Sarawak)	
STD Mixed	7,900
Meranti (Hill, Sarawak)	
Small Lot	
(SM60%, SSM40%)	7,200
Taun, Calophyllum (PNG)	
and others	6,800
Mix Light Hardwood	
(PNG G3-G5 grade)	5,600
Okume (Gabonese)	8,000
Keruing (Sarawak)	
Medium MQ & up	8,300
Kapur (Sarawak) Medium	
MQ & up	8,200

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

Lumber	FOB Price Yen per Cu.m
White Seraya (Sabah)	
24x150mm, 4m 1st grade	120,000
Mixed Seraya 24x48mm,	
1.8 - 4m, S2S	46,000
Red Oak 5/4x6 ins and wider	
FAS (US East Coast)	125,000

Domestic Production from S.E Asian Logs	
Mill Gate Price Tokyo Area Yen per sheet	
Concrete Formboard	
11.5x900x1800mm Type 1	1,280
Thin	
2.3x910x1820mm Type 2	340
Medium	
4.0x910x1820mm Type 2	530
5.5x910x1820mm Type 2	640

Malaysian Lauan Log	per Cu.m
Mixed	2500-2600
Malaysian Lauan with hollow heart	
Mixed	1200-1400

Lauan lumber	
Thickness: 5-6cm	
Length: 3-4m	2850-3450
Lauan tongued, grooved flooring strip	
18mmx50-70mmx3m	110-125
Malas tongued, grooved flooring strip	
18x70mm x2.2-4.1m	110-125

Tokyo Market Price	
Plywood	Per Sheet
2.4x910x1820mm	Yen340
3.6x910x1820mm	Yen460
5.2x910x1820mm	Yen580
Plywood for flooring	
11.5x945x1840mm	Yen1660
Plywood for Printing	
3.6x1230x2440mm	Yen800

From Europe, An Update on Germany

According to Verband der Deutschen Moebelindustrie, in 1996 the German furniture industry will have registered a turnover of DM 42 billion (-1% on 1995) and for 1997 a very slight recovery is predicted. Production outside Germany (mainly in Poland) is valued at around DM 4.5-5 billion and is growing.

According to CSIL, in 1996 the production of kitchen furniture in Germany registered a slight decrease (-1% at constant prices over 1995). Much of the production was moved abroad and domestic demand is more and more satisfied by furniture made in Poland and in other East European countries. In 1995 German domestic consumption of kitchen furniture decreased by 2% and the trend towards lower priced, lower quality products continues.

Prices in Germany

Wooden Windows

Medium Price Meranti,	
120x135cm	DM448
Lower Price PVC,	
120x135cm	DM388

Report From China

China and Taiwan P.o.C. have reached an accord to restore limited direct sea links across the Taiwan strait, opening the way to the lifting of a 48 year ban. Prior to the accord cross-straits shipping was routed through Hong Kong. The new agreement on shipping was made at a meeting of private sector shipping executives from China and Taiwan P.o.C. attended by official representatives of both sides. The initial agreement permits ships registered outside of both China and Taiwan P.o.C. to move cargo between the southern port of Kaohsiung and the ports of Xiamen and Fuzhou in China's southern Fujuan province from March this year.

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

	Per Cu.m
Keruing Log	
Length: 6-20m	1800-2400
Mengaris Log	
Length 6m+	1800-1900

Solid Wooden Doors

Upper Price,	
Meranti,	DM1,605
Medium Price,	
Meranti,	DM1,498
Lower Price, PVC	DM1,119

Wooden Shelving	
Upper Price, Solid Alder	DM152
Medium Price, Beech Veneer	DM95
Lowest Price, Alder	DM41

Furniture and Components

Kitchen Chairs	
Medium Price, Beech,	DM169
Lower Price, Kauri Pine,	DM69
Dining Chair	
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 Price Beech 90x180	DM1,033
Lower Price Beech 80x180	DM671

Kitchen Doors	
Upper Price,	
Solid Oak, 57x50cm.	DM270
Medium Price, Oak Frame	
and Veneer 57x50cm.	DM179

Wardrobe Doors	
Upper Price. Beech Veneer	
180x45cm	DM331
Medium price, Beech Veneer	
180x45cm	DM207
Lower Price, Beech Veneer	
194x40cm.	DM106

Drawer Fronts, Particleboard(Office Furniture)	
Upper Price, 100x10cm	DM37
Medium Price, 100x10cm	DM30
Lowest Price, 100x10cm	DM25

Other News from Europe

Furniture in Poland

Western investment in the furniture sector in Eastern Europe grew very rapidly between 1991 and 1996. The main purpose of Western investors is to produce for export to the European Union and, in the medium and long term, to satisfy the growing demand in Eastern Europe, including Russia.

Poland is the country that has benefited most from these investments. Foreign investors, especially Germans, jumped at the chance to acquire majority shares when the larger furniture factories were privatized, and many transferred their production lines for middle price range furniture to these factories.

Schieder, Klose, Steinhoff, Alno and IKEA control the largest companies in Poland. About 80% of the Polish production of furniture (worth around US\$ 900 million) is exported. Poland has become Germany's third largest trading partner in the furniture sector, after Italy and Denmark. The dynamism of the sector in Poland is further demonstrated by the considerable increase in furniture production. Annual growth rates between 1990 and 1995 averaged 25%, and total production was worth over US\$ 1,600 million in 1995.

The immediate consequence of the larger companies being taken over by Western concerns was the formation of a network of medium-sized service oriented companies eager to satisfy the needs of the larger companies.

Other Furniture Producers

1996 should prove to have been a positive year for the Spanish furniture industry in 1997 a further 25% growth is expected. In 1995 domestic consumption of furniture was 40% down in Spain, according to Anieme (the Spanish association of the furniture industry), but this was compensated by a 3% increase in exports, to Pta 132 billion..

US Industry Report

US Imports of Wooden Furniture

In 1996, the USA imported wooden furniture valued at US\$4495 million (AKTRIN estimate). This is up 48% from the US\$ 3036.2 million recorded in 1993.

The most important source is Canada, which shipped US\$113.3 million of furniture to the US 1996, this represents a 25% share of total US furniture imports. Canada is followed by China, Italy, Taiwan, Mexico, Malaysia, Indonesia, Thailand, the Philippines, and Denmark in terms of furniture suppliers to the US. These top 10 supply countries have a combined market share of 88% of the overall American wooden furniture imports.

US Imports Of Wooden Furniture (US\$ 000's)

	1993	1994	1995	1996	Percent of World	Percent Change 1993-1996
WORLD	3036240	3667003	4021234	4494617	100	48
Canada	551220	735108	877710	1113386	25	102
China	227178	348943	445995	557188	12	145
Italy	328086	440431	506433	548937	12	67
Taiwan	653059	593967	498645	450552	10	-31
Mexico	196072	222815	251608	356240	8	82
Malaysia	181035	287800	304965	379945	8	110
Indonesia	141019	180451	217165	222001	5	57
Thailand	143887	148665	141435	133063	3	-8
Philippine	84316	96148	102155	95793	2	14
Denmark	93642	112926	108706	95704	2	2
Brazil	31718	47895	67909	54924	1	73
Bolivia	412	547	1236	1688	less than 1%	310

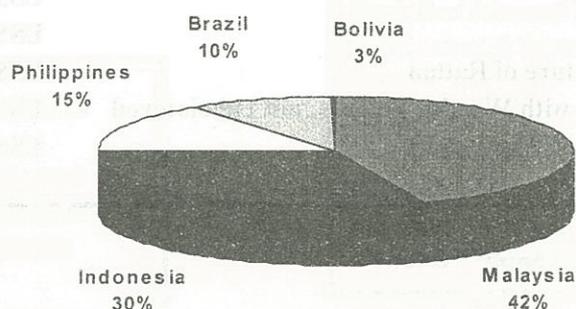
As a result of the creation of NAFTA, and because of the declining value of the Canadian dollar against the US dollar, Canada has, throughout the 1990's, continuously strengthened its position as the main supplier of furniture to the US. China, Malaysia, Mexico and Italy also expanded their market share. In fact, China outperformed most other countries with shipments growing by as much as 145% between 1993 and 1996. Countries which lost market share include Taiwan P.o.C, Thailand, Denmark and the Philippines. Taiwan P.o.C and Thailand not only lost in relative terms, but the absolute value of their furniture exports to the United States has also declined by 31% and 8% respectively since 1993.

The principal supply countries for tropical hardwood furniture to the US are Brazil and Bolivia for Mahogany, and Malaysia, the Philippines and Indonesia for various Dipterocarps and Rubberwood.

Exports by Selected Tropical Countries (US\$ 000's)

Country	Logs and Lumber	Plywood and Veneer	Furniture	Furniture as % of Total
Malaysia	9217	47295	304965	84
Indonesia	3128	262951	217165	45
Philippines	3411	4565	102155	93
Brazil	32026	26113	67909	54
Bolivia	35480	0	1236	3

US Furniture Imports from the Top Five Tropical Suppliers



Most of these countries increased their furniture exports during the past few years. At the same time these countries reduced the export of low value added wooden products however, in view of steep price increases, the value of these country's exports is still increasing. A notable exception to this trend is Bolivia whose exports of Mahogany logs and lumber are still advancing. Nevertheless, furniture exports are increasing at a much faster rate; they were up by a staggering 310% between 1993 and 1996.

As a result of these trends, the tropical producer countries are increasingly shifting from exports of primary products to exports of finished products. For the Philippines, the ratio of furniture exports to overall wood product exports to the United States is already as high as 93%. Only Indonesia and Bolivia are still exporting the bulk of their wood products in the form of primary products and semi-finished products.

The categories of furniture exported to the United States by the main "tropical timber countries" are summarized below (all figures are in US\$ 000's)

Malaysia

Household Seats with Wooden Frames, not upholstered	US\$ 108621
Wooden Furniture	US\$ 72644
Wooden Dining Tables	US\$ 64781
Wooden Kitchen Tables	US\$ 29376
Upholstered Household Seats with Wooden Frames	US\$ 20525

Indonesia

Wooden Furniture	US\$ 83403
Wooden Beds	US\$ 25515
Seats of Rattan	US\$ 14515
Wooden Bedroom Furniture	US\$ 15802
Seats, Convertible into Beds	US\$ 13238

Philippines	
Wooden Furniture	US\$ 36118
Seats of Rattan	US\$ 17503
Household Furniture of Rattan	US\$ 13935
Household Seats with Wooden Frames, not Upholstered	US\$ 4700
Furniture Parts of Wood	US\$ 2709

Brazil	
Furniture Parts of Wood	US\$ 5263
Wooden Beds	US\$ 4265
Wooden Dining Tables	US\$ 3770
Wooden Office Furniture	US\$ 3698
Household Seats with Wooden Frames, not Upholstered	US\$ 3114

Bolivia	
Household Seats with Wooden Frames, not Upholstered	US\$ 852
Seat Parts of Wood	US\$ 331
Furniture Parts of Wood	US\$ 198
Upholstered Household Seats with Wooden Frames	US\$135
Wooden Dining Tables	US\$ 84

Abbreviations

LM	Loyale Merchant, a grade of log parcel	Cu.m	Cubic Metre
FOB	Free-on-Board	SQ	Sawmill Quality
SSQ	Select Sawmill Quality	KD	Kiln Dry
AD	Air Dry	FAS	Sawnwood Grade First and Second
Boule	A Log Sawn Through and Through the boards from one log are bundled together	WBP	Water and Boil Proof
BB/CC	Grade B faced and Grade C backed Plywood	MR	Moisture Resistant
MBF	1000 Board Feet	pc	per piece
Sq.Ft	Square Foot	ea	each
FFR	French Franc	BF	Board Foot
Koku	0.278 Cu.m or 120BF	MDF	Medium Density Fibreboard
		F.CFA	CFA Franc

