



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>	
LM	146,000
QS	129,500
CI	99,000
CE	83,500
CS	67,000

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

<i>Logs</i>	<i>F.CFA per Cu.m</i>
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

Malaysia

Sarawak Log Export Prices

<i>(FOB)</i>	<i>per Cu.m</i>
<i>Meranti SQ up</i>	US\$205-210
<i>small</i>	US\$175-180
<i>super small</i>	US\$145-150
<i>Keruing SQ up</i>	US\$210-220
<i>small</i>	US\$180-190
<i>super small</i>	US\$150-160
<i>Kapur SQ up</i>	US\$215-220
<i>Selangor Batu SQ up</i>	US\$220-225

Cameroon Log Prices

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

South Sea Logs

<i>FOB</i>	<i>per Cu.m</i>
<i>Pometia</i>	US\$145-155
<i>Calophyllum</i>	US\$135-140
<i>Terminalia</i>	US\$115-120
<i>Other mixed species</i>	US\$100-110

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.or.jp

Domestic Log Prices

Report From Brazil

Logs at mill yard	per Cu.m
Mahogany 1st Grade	US\$390
Ipe	US\$82
Jatoba	US\$62
Guaruba	US\$42
Mescla(white virola)	US\$43

Report from Malaysia

Logs	Per Cu.m
Domestic (SQ ex-log yard)	
Meranti Bukit (SQ)	US\$270-275
Kembang Semangkok	US\$205-215
Merbau	US\$195-200
Peeler Core logs	US\$130-145
Rubberwood	US\$35-37
Kempas	US\$155-165
Keruing	US\$220-230

Ghana

log prices are expected to increase in the near future as a result of the recent budget which increased prices of fuel, lubricants and electricity.

Logs FAQ	per Cu.m
Ceiba	90cm + US\$40
Otie/Iombe	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\$150-160
Core logs	US\$ 115-130
Sawlogs	US\$125-145
Falkata logs	US\$55-60
Rubberwood	US\$38-40
Pine	US\$65-68
Teak	US\$1050-1250
Mahoni	US\$210-225

Sawnwood Prices

International Prices

Brazil

At present Brazil's exports of pine, mainly southern yellow pine, to the US amount to around 240,000 Cu.m of which about 35-40% is thought to be for fencing products. The balance is currently destined for finger jointing and for mouldings. Some analysts foresee Brazil becoming, perhaps, the second largest lumber supplier to the US after Canada.

Export Sawnwood	per Cu.m
Mahogany KD FAS FOB	
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

More and more importers in the UK are looking to African suppliers but the performance of some suppliers has importers worried and they are saying that this could prevent Ghana (and Cameroon) from taking advantage of this situation. Some trade analysts are reporting that competition in the UK trade is now so strong that FAS can now mean 20/80 as opposed to the previous 80/20.

The Ghanaian authorities now seem determined to implement the law regarding levies on the export of unseasoned lumber and the trade is concerned that export performance will be affected and they are pointing out that some markets do not demand kiln dry lumber such as Saudi Arabia, Spain and neighbouring African countries. The levy is a percentage of the FOB value of the goods. The rates are as follows: Afrosia, 30%; Odum, 15%; Hyedua, 15%; Edinam, 10%; Mahogany, 10%; Sapele, 10%; Utile, 10% and Wawa, 10%. Shippers are doubting that the international markets can absorb the levy at present.

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

In the UK, intense competition in the DIY market between the leading players has, according to financial analysts, put them all under considerable pressure.

Sapele seems to have become the preferred redwood in place of both Dark Red Meranti and Mahogany but the trade is worried that supplies will fail if demand continues to grow.

Sawn Timber

Export(FOB)	per Cu.m
Dark Red Meranti (DUC)	
GMS select & better (KD)	US\$705-710
Seraya	
Scantlings (75x125 KD)	US\$740-750
Sepetir Boards	US\$320-330
Perupok (25mm&37mm KD)	US\$920-940
K.Semangkok (25mm&37mmKD)	US\$710-720

Taiwan Province of China

Rubberwood	per Cu.m
25mm boards	US\$430-450
50-75mm squares	US\$480-490
75-100mm squares	US\$510-520
Sepetir	
GMS (AD)	US\$385-400
Ramin less than 2 ft.	US\$500-535
greater than 2 ft.	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\$890
Ipe	US\$395
Jatoba	US\$380
Eucalyptus	US\$165
Southern Mills	
Pine (KD) First Grade	US\$170

Ghana

Domestic demand has reacted to what is considered a harsh budget and consumption has slowed. The local market is quiet, what business is being done seems to be dominated

by lumber from illegal sources, prices for which can be only 50% of what regular sawmillers can accept. **Malaysian Domestic Sawnwood Prices**

<i>Dahoma, Chenchen, Antiaris</i>	
	<i>per Cu.m</i>
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

<i>Sawnwood</i>	<i>per Cu.m</i>
Balau(25&50mm,100mm+)	US\$415-425
Kempas50mm by (75,100&125mm)	US\$230-240
Red Meranti (22,25&30mm by180+mm)	US\$330-340
Rubberwood (25mm & 50mm)	US\$280-295
50mm squares	US\$315-325
75mm+	US\$370-380
Mixed Hardwood Piling	
5-6 ins x5-6 ins sections	US\$210-220

Gabon

<i>Sawnwood</i>	
<i>Sawnwood Up to 6m length</i>	
<i>80x40mm up to 250x50mm</i>	
<i>Okoume, Ozigo,Olou,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>
Grade BB/CC	
2.7mm	US\$490-495
3mm	US\$445-450
6mm and above	US\$370-380
WBP,	
Grade BB/CC	
12-18mm	US\$430-450

Report from Indonesia

<i>Sawn timber</i>	
<i>Domestic construction material</i>	
<i>Kampar</i>	
AD 6x12-15x400cm	US\$335-345
KD	US\$470-480
AD 3x20x400cm	US\$400-410
KD	US\$520-530
<i>Keruing</i>	
AD 6x12-15cmx400	US\$250-270
AD 2x20cmx400	US\$292-300
AD 3x30cmx400	US\$330-340

Ghana

No prices changes have been reported.

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

Ready Spliced Veneer (layons)
Thickness 6mm FOB

	per Cu.m
Sapele	US\$1370
Anegre	US\$1062
Mahogany	US\$1149
Koto	US\$1153

Plywood 1220 x 2440 mm Grade BB/CC, FOB Ceiba for the UK market
Per Cu.m

	WBP	MR
4mm	Stg347	Stg278
6mm	Stg296	Stg249
9mm	Stg284	Stg248
12mm	Stg275	Stg238
18mm	Stg270	Stg230
25mm	Stg282	

Plywood 1220 x 2440mm Grade c/c WBP FOB Ceiba for the German market
per Cu.m

4mm	DM735
6mm	DM623
9mm	DM613
12mm	DM600
15mm	DM587
18mm	DM573

Rotary Cut Veneer FOB

	per Cu.m
Face Veneer	1-1.6mm
Ceiba	US\$320
Koto	US\$500
Otie/Iloba	US\$440
Ofram	US\$440

Brazilian Plywood and Veneer

Veneer	FOB	per Cu.m
White Virola Face		
2.5mm		US\$265-310
Pine Veneer (C/D)		US\$210
Mahogany Veneer		per Sq.m
0.7mm		US\$2.50

Plywood FOB per Cu.m
White Virola (US Market)

5.2mm OV2 (MR)	US\$340
15mm BB/CC (MR)	US\$320

For Caribbean countries

White Virola 4mm	US\$470
9mm	US\$380

Pine USA market

9mm C/CC (WBP)	US\$270
15mm C/CC (WBP)	US\$250

Malaysian Plywood

With a 41% increase in plywood sales, year on year, it has come as a surprise to many that the value of timber stocks on the Kuala Lumpur stock exchange have not improved from the low levels seen last year. Some analysts are suggesting that if the good export markets hold then there may be a surge in interest in timber stocks.

MR Grade BB/CC FOB
Per Cu.m

2.7mm	US\$495-505
3mm	US\$455-460
9-12mm	US\$370-380
18mm plus	US\$345-350
WBP Grade BB/CC	
9-18mm	US\$410-430
Phenolic Overlayed	
12-18mm	US\$500-510

Domestic plywood

9-18mm	US\$475-500
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Taiwan Province of China
Plywood per Cu.m

2.7mm x 4' x 8'	US\$620-635
9.0mm x 4' x 8'	US\$495-510
12-18mm	US\$460-490

Domestic Plywood Prices

Brazil

Rotary Cut Veneer (ex-mill Northern Mill)	per Cu.m
White Virola Face	US\$165
White Virola Core	US\$115

Plywood (ex-mill Southern Mill)	
Grade MR	Per Cu.m
4mm White Virola	US\$670
15mm White Virola	US\$495
4mm Mahogany 1 face	US\$1,410

Indonesia

Domestic MR plywood (Jarkarta)	per Cu.m
9mm	US\$455-460
12mm	US\$415-430
15mm	US\$405-420
18mm	US\$375-400

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

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

Other Panel Product Prices

Brazil

Export Prices	
Blockboard 18mm	per Cu.m
White Virola Faced	
B/C	US\$305

Domestic Prices	
Ex-mill Southern Region	per Cu.m
Blockboard	
15mm White Virola Faced	US\$510
15mm Mahogany Faced	US\$860
Particleboard	
15mm	US\$320

Indonesia

Other Panels	Per Cu.m
Export Particleboard FOB	
9-18mm	US\$140-145
Domestic Particleboard	
9mm	US\$260
12mm	US\$235
15mm	US\$220
18mm	US\$200

MDF Export (FOB)	
12-18mm	US\$205-215
MDF Domestic 15-18mm	US\$300-310

Taiwan Province of China, Imports

MDF	per Cu.m
Domestic Prices	
3mm thick	US\$400-410
4.75mm	US\$390-400
12-18mm x 4' x 8'	US\$270-290
Particleboard	per Cu.m
12-18mm (4x8)	US\$200-205

Malaysia

Mouldings (FOB)	per Cu.m
Selagan Batu Decking	US\$580-585
Kembang Semangkok	
S4S to Japan	US\$1000-1110
Laminated Scantlings	
72mmx86mm	US\$675-685

Rubberwood parts and components**Malaysia**

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

MDF (FOB)	per Cu.m
Less than 5mm	US\$235-245
Greater than 6mm	US\$210-220
Domestic Sales	per Cu.m
6-21mm	US\$240-245

Malaysia

Shaped chair seats (18-22mm 16"-18" squares)	US\$2.95-3.20 per pc
Finger jointed	per Cu.m
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

Prices of Added Value Products**Indonesia**

Mouldings	
Ramin skirting	per Cu.m
(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
Red Meranti Mouldings	
11x68/92mm x 7ft up	
Grade A	US\$820-835
Grade B	US\$620-635

Furniture

Dining suite	
Solid rubberwood laminated top 3' x 5'	
with extension leaf	US\$58-62ea
Same with	
Oak veneered MDF	US\$72-78ea
Windsor Chair	US\$11.50-13.00ea
Colonial Chair	US\$14.00-15.50ea
Napolean Chair	US\$23-28ea
Queen Anne Chair (with soft seat)	
without arm	US\$22-26ea
with arm	US\$25-30ea

Brazil

**Edge Glued Pine Panel
for Korea** **US\$510 per Cu.m**

Brazilian clear pine blocks and finger joint blanks are imported by mills in the US southeast and Texas and, more recently, into New Mexico and California. Some US companies have invested in plantations in Brazil, believing that these plantations in Brazil will feature prominently in the US manufacturing industries. As domestic capacity for added value processing increases in Brazil the US market will be seeing Brazilian pine mouldings, joinery products (including doors) and furniture.

Taiwan Province of China

Rubberwood Chair Seats **US\$3.05-3.25ea**
Rubberwood Unfinished
Queen Anne Chairs **US\$12.5-14.0ea**
Queen Anne Legs 2.25 ins square
18ins Long **US\$1.10-1.15ea**
2.75ins Square 28 ins Long **US\$2.10-2.25**

Furniture
Dining suite (FOB)
Oak Veneered MDF tables and
chairs (6 per set) **US\$235-245per set**

Consumers Report**Report From Japan****Weak Yen Pushes Import Costs**

In Sarawak logging is reportedly still slow and demand for logs in local markets is strong and this is affecting the supply of logs for exports. Exporters are taking a firm stand on prices. Prices in the first half of February were US\$210-215 for Meranti regular sort logs, SQ and up, per one cubic meter, FOB vessel at loading port and US\$180-185 for Meranti small logs.

The Japanese Yen weakened to Yen 124 to the dollar prompting Japanese importers to request cuts in exporter prices. However, the trade is expecting exporter prices to go up further in late February and early March. Import costs would be Yen 8,800 per one koku of Meranti regular logs, CIF Japan (lot to include 20 percent small logs).

Log importer are saying that at current prices business has been marginal. They will propose a prices increase to plywood manufacturers as import costs jump up. Presently Meranti regular logs are sold at Yen 8,200 per one koku. The price could go up by Yen 200-300 by early March.

Plywood

Markets for both domestic and imported plywood are strong. Building activity is still forging ahead before the scheduled rise in consumption tax. Many house builders have a backlog of orders until June, therefore, plywood shipments are likely to be steady for the time being.

In the Tokyo market, softwood plywood, for structural use, leads the market. Seihoku plywood manufacturing group decided to review prices every three months, watching the trends in housing construction.

NIPPINDO proposes a price of Yen 1,350 per sheet. Prices for Malaysian plywood are going up as exporter prices have increased. Market prices are Yen 1,320-1,330 in both the Tokyo and Osaka areas.

The situation is changing for thin plywood and medium thickness plywood production. Manufacturers continue reducing production month by month. Currently production is only half that for last year. There is a noticeable switch to MDF.

Shipments of Plywood Continuing

Over the past month plywood demand has remained steady but the demand for lumber appears stagnant. A price of Yen 340 was quoted for 2.3mm (thin) plywood by a plywood manufacturer in Tokyo at the end of November for deliveries in December and January.

The current price for the domestic 4mm plywood is Yen 520 and Yen 640 for 5.5mm. The price of imported plywood is about Yen 10 per sheet higher by than the domestic product.

The cost for imported products continues to rise due to the fluctuations of the Yen/Dollar exchange rate. At present much of the price increase for imports is not being passed on in full to the consumer. It is a common view among the distributors that the price of imported plywood must be raised.

The major domestic plywood manufacturers are progressively shifting to softwood logs. One plywood manufacturer says that the rate of substitution of thin plywood (2.3mm) by MDF is growing rapidly. The trade is now looking to see how MDF, Particleboard, OSB and others penetrate the plywood market. A major Japanese distributor believes that plywood is such an excellent material that will maintain its position in most enduses.

Delivered Prices

Asian Log, Lumber and Panel Prices

Logs For Plywood Manufacturing CIF Price Yen per Koku

Meranti (Hill, Sarawak)	
Medium Mixed	8,000
Meranti (Hill, Sarawak)	
STD Mixed	8,200
Meranti (Hill, Sarawak)	
Small Lot	
(SM60%, SSM40%)	7,800
Taun, Calophyllum (PNG)	
and others	7,100
Mix Light Hardwood	
(PNG G3-G5 grade)	6,000
Okume (Gabonese)	8,200
Keruing (Sarawak)	
Medium MQ & up	8,500
Kapur (Sarawak) Medium	
MQ & up	8,400

Logs For Sawmilling FOB Price Yen per Koku

Melapi (Sarawak)	
Select	11,500
Agathis (Sabah)	
Select	9,800

Lumber FOB Price Yen per Cu.m

White Seraya (Sabah)	
24x150mm, 4m 1st grade	130,000
Mixed Seraya 24x48mm,	
1.8 - 4m, S2S	54,000
Red Oak 5/4x6 ins and wider	
FAS (US East Coast)	125,000

Plywood

Domestic Production from S.E Asian Logs Plywood Concrete Formboard

Mill Gate Price Tokyo Area Yen per sheet

11.5x900x1800mm Type 1	1,280
Thin	
2.3x910x1820mm Type 2	340
Medium	
4.0x910x1820mm Type 2	530
5.5x910x1820mm Type 2	660

Tokyo Market Price

Plywood	Per Sheet
2.4x91x1820mm	Yen350
3.6x91x1820mm	Yen500
5.2x91x1820mm	Yen640
Plywood for flooring	
11.5x94.5x1840mm	Yen1710
Plywood for Printing	
3.6x123x2440mm	Yen860

February Wholesale Prices in Japan

		Yen Per
<i>Indonesian Plywood</i>		Sheet
2.4mm (thin plywood, A board)	920x1830	350
3.6mm (medium thickness, OVL)	910x1820	500
5.2mm (medium thickness, OVL)	910x1820	630
8.5mm for sheathing (UTY)	910x1820	930
11.5mm for foundation	910x1820	1210
12mm concrete-form ply (JAS)	900x1800	1300
11.5mm flooring board (JAS)	945x1840	1710
3.6mm Baseboard for overlays (OVL)	1230x2440	860
5.2mm for packing	1230x2440	970
8.5mm for packing	1230x2440	1480
<i>Malaysian Plywood</i>		
2.4mm (thin plywood, A board)	920x1830	340
3.6mm (medium thickness, OVL)	910x1820	490
5.2mm (medium thickness, OVL)	910x1820	610
8.5mm for sheathing (UTY)	910x1820	920
11.5mm for foundation	910x1820	1180
11.5mm concrete-form ply (non-JAS)	900x1800	1240
11.5mm flooring board (non-JAS)	945x1840	1600
3.6mm Baseboard for overlays (OVL)	1230x2440	820
<i>Softwood Plywood</i>		
9.5mm foundation of wall (JAS)	1220x2440	1480
12.5mm Sheathing (T&G JAS)	606x2273	1100
15.5mm foundation (T&G JAS)	1220x2440	2400
9.5mm for packing (non-JAS)	1220x2440	1380
<i>Particleboard</i>		
12mm for woodworking	910x1820	560
15mm for woodworking	910x1820	670
<i>OSB</i>		
11.9mm foundation of roof (JAS)	910x1820	970
9.5mm Foundation for 2 by 4	910x2440	1080
6.5mm for packing (non-JAS)	1220x2440	850
9.5mm for packing (non-JAS)	1220x2440	1200

Japan's Imports From Chile

Last year Asia represented the most important area for Chile's forest products exports and the Chilean company, CMPC Forestry, sold 72% of its total sales (logs, lumber and manufactured products) to Japan. Japan is the largest market in Asia for Chilean forest products and CMPC is emphasising its role as a company with strong links with Japan. For seven year, the company has had a Tokyo office.

New Zealand's Exports

Japan and Australia are New Zealand's largest export markets for forest products. In 1996 each purchased close to 30% of the country's exports. Currently one-third of NZ exports to Japan are of relatively low value logs, whereas exports to Australia are dominated by sawn timber and paper products. Although Japan imports a significantly greater volume of New Zealand wood products, the value of exports to Australia and Japan are almost equal.

At present Radiata Pine sawn timber is used in Japan mainly for packaging. In New Zealand and in Australia, Radiata Pine is the main structural timber, its versatility allowing it to be used for a wide variety of building purposes including framing, cladding, joinery as well as for uses where appearance is important. A key aim of New Zealand's forestry export strategy is to increase the proportion of processed wood products exported to Japan. A second major objective is to gain both regulatory and market acceptance for the use of Radiata Pine in a range of higher value structural uses.

Report From China

The latest available statistics indicate that China's furniture exports for 1996 reached US\$1.3 bil. The export of wooden seating totaled US\$ 183mil. or 41% seating made of rattan and bamboo earned US\$178 mil. While furniture parts exports totaled US\$ 89 mil. Among the other types of furniture exported, wooden furniture totaled US\$ 515 mil. or 67% and rattan and bamboo furniture earned US\$55mil.

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

	Yuan Per Cu.m
<i>Keruing Log</i>	
Length: 6-20m	1880-2400
<i>Mengaris Log</i>	
Length 6m+	1800-1900
<i>Malaysian Lauan Log</i>	
Mixed	2500-2600
<i>Malaysian Lauan with hollow heart</i>	
Mixed	1200-1400

Lauan lumber	Per Cu.m
Thickness: 5-6cm	
Length: 3-4m	2850-3450

Lauan T&G flooring strip	
18mmx50-70mmx3m	110-125
Malas tongued, grooved flooring strip	
18x70mm x2.2-4.1m	110-125
Balian Flooring Top Grade Myanmar	
18x50-70x2400mm	300-350
Plywood from Indonesia	
3mm 1220x2240	41 per sheet

From Europe, An Update on Italy

Recently available statistics indicate that in the first ten months of 1996 the production of chairs and upholstered furniture increased by 8%, that of office furniture increased by 2%, while production of household furniture decreased by 6% and kitchens registered a decrease of 3.1%.

Divania Srl, the upholstered furniture manufacturer, which is part of the Flep group (Bitonto), will invest about L30 billion in the construction of a new production plant in Modugno (near Bari) Italy. The new 30,000 sq metre factory will produce high quality upholstered furniture, 60% of which do be sold in the Unites States. All production from the new plant will be exported. The plant will start production by the end of 1998 and will employ 250 people. Divania expects to double its turnover from L80 billion, achieved in 1996, to L150 billion.

Prices in Italy

No price changes have been reported from the Italian manufacturers in the past 2 months.

Wooden Windows

Upper Price,	
Douglas Fir, 150x120cm	Lira 793,000.
Medium Price	
Douglas Fir, 150x120cm	Lira 629,000.
Lowest Price	
Pine, 150x120cm	Lira 453,000.
Medium Price	
Mahogany, 150x120cm	Lira 540,000.
Lowest Price	
Mahogany, 150x120cm	Lira 367,000

Solid Wooden Doors

Upper Price,	
Mahogany	Lira 1,000,000
Oak/Elm	Lira 860,200
Medium Price, Tanganika	Lira 554,000
Redwood	Lira 700,000
Lowest Price, Tanganika	Lira 317,000
Mahogany	Lira 250,000

Furniture and Components

Kitchen Chairs	
Medium Price, Beech	Lira 188,000
Lowest Price, Pine	Lira 43,000
Dining Chair	
Upper Price, Walnut	Lira 675,000
Medium Price, Walnut	Lira 435,000
Lowest Price, Beech	Lira 210,000

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 362,000
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 1,150,000

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 362,000

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 6,300-8,870 per Lin Metre

Other News from Europe

Small and medium furniture producers and retailers are planning a new strategy to compete with the large furniture group, Ikea. Europa Muebles, an association of about 90 retailers, will cooperate with a group of manufacturers with the aim of strengthening retail associations and to create trademarks.

Deutsche Werkstetten Hellerau, an East German furniture producer with a turnover of DM 19 million in 1995, is planning to invest DM 20 million in 1998 in the construction of a new factory. The company, which expects to report profits in 1997, has received a DM 7.6 million order from Deutsche Bahn to build the furnishings for a luxury train.

Reppisch-Werke Dietikon of Switzerland will take over Nyffeler & Fordi AG, a furniture company located in Strengelbach. The acquisition is effective from 1st February 1997.

The German company, Fraunhofer Institute fur Holzforschung (Braunschweig), has developed a furniture recycling method which is now applied by a plant in Germersheim. Discarded furniture is processed, old furniture is soaked in a chemical mixture of urea and sulfuric acid, and the fibres and shavings are dried and processed to new fibre plates. The Germersheim plant is the first large scale application of this technique.

In 1996 the Finnish market for furniture was worth about Fmk 3.2 billion (at production prices). An increase in exports (mainly to Russia) and the recovery of the domestic market has rescued the furniture industry from a difficult situation. Some 1,350 companies operate in this sector in Finland and almost 90% of them employ less than 10 people.

In 1996 furniture production in Belarus increased by 14%. Exports, mainly to Russia, Central Asia and Western Europe, are growing. In 1997 Belarussian furniture factories will be turned into joint stock companies.

US Industry Report

Trends in the US Furniture Market

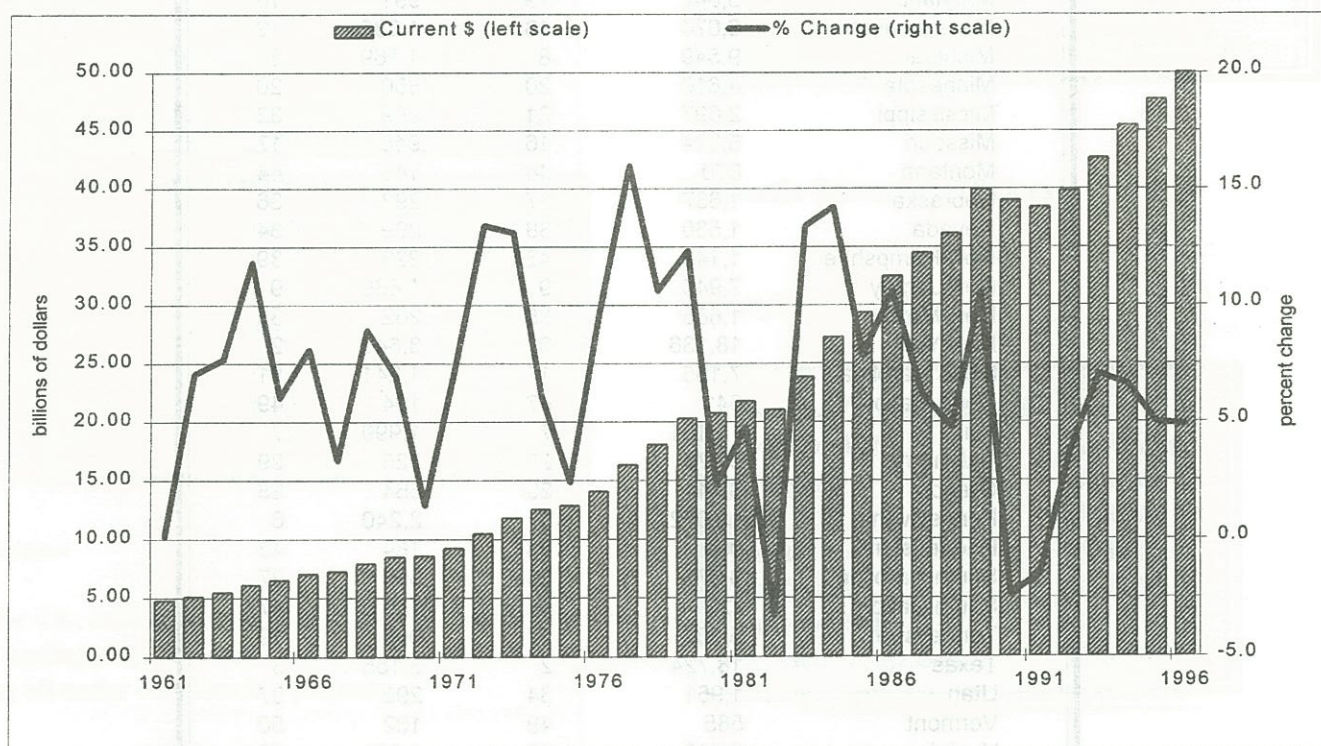
(Part 1 of a Two Part Presentation)

The American furniture market amounted to an estimated \$50.0 billion in 1996. A breakdown of the market by major product categories is shown below:

Furniture Types	Total Market US\$ Billions	Percent Share
All Furniture	50.0	100
Upholstered Furniture	18.3	36.7
Wooden Furniture	15.8	31.7
Other Indoor Wooden Furniture	5.6	11.3
Metal and Other Furniture	3.1	6.2
Bed Springs, Mattresses, Bases, Frames	7.1	14.1

Historically, consumer spending on household furniture has been uneven. Over the last three decades household furniture purchases increased significantly from less than \$4.8 billion per year in 1961 to \$50.0 billion in 1996, or more than ten fold. This represents an average annual growth rate of almost 7%. The fastest pace was achieved in the 1970s, when growth exceeded 10 % per year for five years out of ten. On the other hand, the slowest pace occurred during the early 1990s. In fact, household furniture sales dropped in 1990 and 1991.

United States Market for Household Furniture



Much of the market growth is the result of higher prices as the price index for household furniture tripled between 1961 and 1996. Over the last 35 years household furniture spending, measured in constant 1992 dollars, increased from about \$13.6 billion in 1961 to \$44.9 billion in 1996, or more than three fold. This represents an average annual growth rate of just 3.4 %.

Market Size by State

The state of California is the largest market for household furniture in the United States with a sales estimated at \$5.7 billion in 1995. New York ranks second followed by, Texas, Florida and Illinois. These five states together account for almost 37 % of the entire US market for household furniture.

Estimated 1995 US Market for Household Furniture by State

Alabama	4,253	22	692	25
Alaska	604	48	111	48
Arizona	4,218	23	716	22
Arkansas	2,484	33	389	33
California	31,589	1	5,739	1
Colorado	3,747	25	706	23
Connecticut	3,275	28	719	21
Delaware	717	46	136	45
District of Columbia	554	50	132	46
Florida	14,166	4	2,639	4
Georgia	7,201	10	1,249	10
Hawaii	1,187	40	217	40
Idaho	1,163	41	188	42
Illinois	11,830	6	2,258	5
Indiana	5,803	14	1,017	15
Iowa	2,842	30	498	30
Kansas	2,565	32	458	31
Kentucky	3,860	24	626	26
Louisiana	4,342	21	693	24
Maine	1,241	39	214	41
Maryland	5,042	19	991	16
Massachusetts	6,074	13	1,236	12
Michigan	9,549	8	1,769	8
Minnesota	4,610	20	850	20
Mississippi	2,697	31	399	32
Missouri	5,324	16	948	17
Montana	870	44	141	44
Nebraska	1,637	37	292	36
Nevada	1,530	38	299	34
New Hampshire	1,148	42	223	39
New Jersey	7,945	9	1,669	9
New Mexico	1,685	36	262	38
New York	18,136	3	3,646	2
North Carolina	7,195	11	1,241	11
North Dakota	641	47	104	49
Ohio	11,151	7	1,999	7
Oklahoma	3,278	27	526	29
Oregon	3,141	29	564	28
Pennsylvania	12,072	5	2,240	6
Rhode Island	990	43	184	43
South Carolina	3,673	26	590	27
South Dakota	729	45	120	47
Tennessee	5,256	17	902	19
Texas	18,724	2	3,155	3
Utah	1,951	34	290	37
Vermont	585	49	102	50
Virginia	6,618	12	1,231	13
Washington	5,431	15	1,023	14
West Virginia	1,828	35	293	35
Wisconsin	5,123	18	909	18
Wyoming	480	51	84	51

World Value of the Dollar 21 Feb 1997

Cameroon	C.F.A.Franc	569.46	Australia	Dollar	1.2895
Central African Republi	C.F.A.Franc	569.46	Canada	Dollar	1.3609
Congo, People's Rep.	C.F.A.Franc	569.46	China	Yuan	8.2941
Cote d'Ivoire	C.F.A.Franc	569.46	Egypt	Pound	3.3943
Gabon	C.F.A.Franc	569.46	Austria	Schilling	11.868
Ghana	Cedi	1760	Belgium	Franc	34.799
Liberia	Dollar	1	Denmark	Krone	6.436
Togo, Rep.	C.F.A.Franc	569.46	Finland	Markka	5.0352
Zaire, Rep.	New Zaire	146000.5	Germany	Mark	1.6869
Cambodia	Riel	2300	Greece	Drachma	264.31
Fiji	Dollar	1.4184	Ireland	Punt	1.5747
India	Rupee	35.892	Italy	Lira	1667.95
Indonesia	Rupiah	2388.5	Netherlands	Guilder	1.8945
Malaysia	Ringgit	2.4805	Portugal	Escudo	169.5
Myanmar	Kyat	6.2621	Spain	Pesata	142.735
Papua New Guinea	Kina	1.3908	Sweden	Krona	7.4064
Philippines	Peso	26.345	United Kingdom	Pound	1.617
Thailand	Baht	25.94	Japan	Yen	123.34
Bolivia	Boliviano	5.22	Nepal	Rupee	56.95
Brazil	Real	1.0565	New Zealand	NZ Dollar	1.4373
Colombia	Peso	1073.25	Norway	Krone	6.743
Ecuador	Sucre	3715	Korea, Rep. of	Won	857.2
Guyana	Dollar	140.3	Switzerland	Franc	1.4755
Honduras, Rep.	Lempira	12.76	Russian Fed.	Ruble	5670
Panama	Balboa	1			
Peru	New Sol	2.6255			
Trinidad and Tobago	Dollar	6.1952			
Venezuala	Bolivar	433.75			

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

mjadams@itto.or.jp