



INTERNATIONAL TROPICAL

TIMBER ORGANIZATION

Tropical Timber Market Information

Towards Greater Transparency in the Tropical Timber Markets

Producer's Report

Log Prices

International Prices

Log Prices, Gabon

Okoume, FO Grade	F.CFA per Cu.m
LM	146,000
QS	129,500
CI	99,000
CE	83,500
CS	67,000

Ozigo, FOB Grade	F.CFA per Cu.m
LM	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

Malaysia

Sarawak Log Export Prices (FOB)

	per Cu.m
Meranti SQ up	US\$195-205↓
small	US\$170-175↓
super small	US\$140-145↓
Keruing SQ up	US\$225-230↑
small	US\$195-200↑
super small	US\$165-170↑
Kapur SQ up	US\$215-225↑
Selangor Batu SQ up	US\$230-235 ↑

Solomon Islands

SIFIA Indicative FOB Prices

	Current Indicative Price per Cu.m	Forecast Movement
Group 1A		
Kwila	US\$220	no report
Group 1B		
Palaquium	US\$ 158	mod. fall
Planchonell	"	signif. fall
Calophyllum	"	slight. fall
Pometia	"	slight. fall
Gonostylus	"	no report
Schizomeria	"	mod. fall

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

Group 2

<i>Canarium</i>	US\$ 138	mod. fall
<i>Burckella</i>	"	mod. fall
<i>Terminalia</i>	"	slight fall

Group 3

<i>Dillenia</i>	US\$ 120	mod. fall
<i>Celtis</i>	US\$ 118	slight fall
<i>Alstonia</i>	"	signif. fall
<i>Dysoxylum</i>	"	mod. fall
<i>Eugenia</i>	"	mod. fall
<i>Endospermum</i>	"	mod. fall
<i>Vitex</i>	"	no report
<i>Amoora</i>	"	mod. fall

Group 4

<i>Campospermum</i>	US\$ 116	slight fall
<i>Parinari</i>	US\$ 108	slight fall
<i>Maranthes</i>	"	slight fall
<i>Others (white)</i>	"	slight fall
<i>Others (red)</i>	"	slight fall

Generally the trade is anticipating slight to moderate falls in Groups 1-3. In the lower priced, Group 4, only slight falls are expected.

Cameroon Log Prices

FOB	Per Cu.m
<i>N'Gollon 70cm+ LM-C</i>	FFR1500 ↑
<i>Ayous 80cm+LM-C</i>	FFR1200
<i>Sapele 80cm+LM-C</i>	FFR1650 ↑
<i>Iroko 70cm+LM-C</i>	FFR1650 ↓

South Sea Logs

FOB	per Cu.m
<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

Domestic Log Prices
Report From Brazil

Logs at mill yard	per Cu.m
<i>Mahogany 1st Grade</i>	US\$390
<i>Ipe</i>	US\$83
<i>Jatoba</i>	US\$54
<i>Guaruba</i>	US\$45
<i>Mescla(white virola)</i>	US\$48

Ghana

The felling of Abura may resume as early as the first week of June according to trade sources.

An apparent shortages of diesel fuel in the country is affecting the trucking of logs and product movement to the ports.

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

Report from Indonesia

Domestic log prices	Per Cu.m
<i>Plywood logs</i>	
<i>Face Logs</i>	US\$150-160 ↑
<i>Core logs</i>	US\$ 120-135
<i>Sawlogs</i>	US\$140-150
<i>Falkata logs</i>	US\$58-62
<i>Rubberwood</i>	US\$37-39 ↓
<i>Pine</i>	US\$68-70
<i>Teak</i>	US\$1050-1250
<i>Mahoni</i>	US\$270-295 ↑
<i>Kembang Semangkok</i>	US\$180-190

Report from Malaysia

Logs	
Domestic (SQ ex-log yard)	Per Cu.m
DR Meranti	US\$255-270↓
Balau	US\$180-190
Merbau	US\$200-210↑
Peeler Core logs	US\$135-150
Rubberwood	US\$32-35↓
Kempas	US\$135-145↓
Keruing	US\$220-225↑

Sawnwood Prices International Prices

Brazil

Brazil is the eighth ranked softwood lumber producer in the world and the 4th ranked producer of hardwood products but only 4 percent of its production enters the international market. Domestic consumption of wood products is high and growing, driven in part by the 3.5 - 5 percent growth in construction.

A recent FAO study forecasts a jump in domestic consumption of wood products from 16.9 mil. Cu.m in 1990 to 59 mil Cu.m in 2010. Analysts in Brazil, who do not dispute this figure, point out that the growth in consumption can only be met from plantation resources. Analysts suggest that the long term future for commodity exports is bleak.

Brazilian manufacturers are already starting to explore domestic value added markets in the main consumer areas of Sao Paulo (esp. for packaging), Parana, Santa Catarina and Rio Grande do Sul for furniture and also for furniture in the northeast, Rio de Janeiro and Minas Gerais.

Export Sawnwood	per Cu.m
Mahogany KD FAS FOB	
UK market	US\$1030
Jatoba Green	US\$440-490
Curupixa (Europe)	US\$520
Asian Market	
Guaruba	US\$290
Angelim pedra	US\$270
Mandioqueira	US\$245
Pine (AD)	US\$160

Considerable quantities of Brazilian hardwoods are being shipped to SE.Asia, especially Thailand and the Philippines and buyers in these countries are especially active now fearing increases in sawnwood prices as new export taxes are considered.

Ghana

Demand for Odum is high but millers are facing log supply problems and are reluctant to quote. Only small lots, 20 - 50 Cu.m being sold.

Planned Sawnwood Shipments

per Cu.m	AD	KD
Wawa No1C & S	US\$260	US\$295-360
Khaya FAS (for USA)	US\$580	US\$650
(for UK)	US\$480	US\$530
Emire FAS	US\$345	US\$400
Sapele FAS	US\$570	

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

TimberMaster Industries Bhd, a timber-based company listed on the Kuala Lumpur Stock of Exchange (Second Board), is reported to have acquired a 100 % equity in Et Scirie Du Gabon, for US\$17.6 million from Dushan Holdings Ltd. The company is reported to have some 30,000 ha. of forest concessions, a sawmill and a veneer mill. TimberMaster plans to upgrade and expand the existing timber operations.

Sawn Timber	
Export(FOB)	per Cu.m
Dark Red Meranti (2.5ins x 6ins & up)	
GMS select & better (KD)	US\$695-710
Seraya	
Scantlings (75x125 KD)	US\$740-750↓
Sepetir Boards	US\$315-330↓
Perupok(25mm&37mm KD)	US\$950-1000↑
K.Semangkok	
(25mm&37mmKD)	US\$730-735

Taiwan Province of China

Rubberwood	per Cu.m
25mm boards	US\$400-415↓
50-75mm squares	US\$450-470↓
75-100mm squares	US\$490-500
Sepetir	
GMS (AD)	US\$375-385↓
Ramin less than 2 ft.	US\$550-545↑
greater than 2 ft.	US\$615-635↑
Oak 25mm boards	US\$720-735
Maple	US\$980-1000↑
Cherry	US\$1200-1250↑

Domestic Sawnwood Prices

Report from Brazil

Sawnwood (Green ex-mill)	
Northern Mills	per Cu.m
Mahogany	US\$830
Ipe	US\$4124

Jatoba	US\$398
Eucalyptus	US\$165
Southern Mills	
Pine (KD) First Grade	US\$180

Ghana

Dahoma, Chenchen, 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

Report from Indonesia

Sawn timber Domestic construction material

Kampar	
AD 6x12-15x400cm	US\$325-340
KD	US\$460-470
AD 3x20x400cm	US\$400-405
KD	US\$510-515
Keruing	
AD 6x12-15cmx400	US\$270-275
AD 2x20cmx400	US\$315-335
AD 3x30cmx400	US\$345-350

Malaysian Domestic Sawnwood Prices

Sawnwood	per Cu.m
Balau(25&50mm,100mm+)	US\$380-400↓
Kempas50mm by	
(75,100&125mm)	US\$210-220
Red Meranti	
(22,25&30mmby180+mm)	US\$310-325↑

Rubberwood (25mm & 50mm)	US\$255-265
50mm squares	US\$310-325↑
75mm+	US\$375-385↑
Mixed Hardwood Piling 5-6 ins x 5-6 ins sections	US\$200-215↓

Ready Spliced Veneer (layons) Thickness 6mm FOB	per Cu.m
Sapele	US\$1370
Anegre	US\$1062
Mahogany	US\$1149
Koto	US\$1153

Plywood and Veneers

International Prices

Indonesian Plywood

The Indonesian Minister of Forestry recently announced that any further expansion of the wood-based industries will be controlled. According to the Government Regulations, companies are only allowed to expand capacity by up to 30 % without requiring a new license. The Ministry believes that too much capacity expansion in the timber-based industries will have a negative impact, especially as regards encouraging illegal felling, since the industries are facing difficulties in meeting their needs for logs from their own timber concessions.

Plywood (export, FOB)	
MR,	per Cu.m
Grade BB/CC	
2.7mm	US\$475-490↑
3mm	US\$435-450↑
6mm and above	US\$340-370
WBP,	
Grade BB/CC	
12-18mm	US\$435-450↓

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/Ilomba	US\$440
Ofram	US\$440

Ghana

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

Brazilian Plywood and Veneer

Veneer	FOB	per Cu.m
White Virola Face		
2.5mm		US\$280-330
Pine Veneer (C/D)		US\$220
Mahogany Veneer		per Sq.m
0.7mm		US\$2.70

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

5.2mm OV2 (MR) US\$345

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

For Caribbean countries

White Virola 4mm US\$470

9mm US\$370

Pine USA market

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

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

Cedro (puerto Rico Market)

4mm US\$810

Malaysian Plywood**MR Grade BB/CC FOB****Per Cu.m**

2.7mm US\$485-500

3mm US\$435-445

3.6mm US\$410-425

9-18mm US\$365-380

WBP Grade BB/CC

9-18mm US\$420-430

Phenolic Overlayed

12-18mm US\$495-510

Domestic plywood

3.6mm US\$475-490

9-18mm US\$455-470

Taiwan Province of China**Plywood per Cu.m**

2.7mm x 4' x 8' US\$610-620↓

9.0mm x 4' x 8' US\$505-510

12-18mm US\$470-480↓

Domestic Plywood Prices**Brazil****Rotary Cut Veneer****(ex-mill Northern Mill)****per Cu.m**

White Virola Face US\$165

White Virola Core US\$120

Plywood**(ex-mill Southern Mill)****Grade MR Per Cu.m**

4mm White Virola US\$680

15mm White Virola US\$510

4mm Mahogany 1 face US\$1,420

Indonesia**Domestic MR plywood****(Jarkarta)****per Cu.m**

9mm US\$450-460

12mm US\$425-430

15mm US\$420-425

18mm US\$395-410

Furniture Parts and Components**Taiwan Province of China, Imports****Imports C&F****per pc**

Rubberwood Chair seats US\$2.85-3.00↓

Rubberwood unfinished

Queen Anne Chairs

(excluding soft seat) US\$12.5-14.00ea

Queen Anne Legs

2 1/4 ins square x 18 ins US\$1.10-1.20ea

2 3/4 ins square x 28 ins US\$2.10-2.25ea

Other Panel Product Prices**Brazil****Export Prices****Blockboard 18mm per Cu.m****White Virola Faced****B/C US\$295****Domestic Prices****Ex-mill Southern Region per Cu.m****Blockboard**

15mm White Virola Faced US\$510

15mm Mahogany Faced US\$860

Brazil Cont.

Particleboard	
15mm	US\$310

Particleboard (FOB)	per Cu.m
6mm & above	US\$140-155
Domestic	
6mm & above	US\$175-185

Indonesia

Other Panels	Per Cu.m
Export Particleboard FOB	
9-18mm	US\$135-145
Domestic Particleboard	
9mm	US\$235↓
12mm	US\$230
15mm	US\$220↑
18mm	US\$200
MDF Export (FOB)	
12-18mm	US\$200-210
MDF Domestic 15-18mm	US\$275-295↓

MDF (FOB)	per Cu.m
Less than 5mm	US\$220-230
Greater than 6mm	US\$210-220↑
Domestic	US\$245-255↑

Prices of Added Value Products**Indonesia**

Mouldings	per Cu.m
Ramin skirting	
(for the Italian market)	US\$940-960↑
Crown using Pulai or Jelutong	
(for Japanese market)	US\$790-800
Laminated Scantlings	US\$625-630↓
Laminated Boards	
Falkata wood	US\$375-390↓
Laminated Boards	
Pine	US\$810-835↓
Red Meranti Mouldings	
11x68/92mm x 7ft up	
Grade A	US\$820-835
Grade B	US\$620-635

Taiwan Province of China, Imports

MDF	per Cu.m
Domestic Prices	
3mm thick	US\$420-425
4.75mm	US\$400-420↑
12-18mm x 4' x 8'	US\$270-280
Particleboard	per Cu.m
12-18mm (4x8)	US\$190-195

Malaysia

Mouldings (FOB)	per Cu.m
Selagan Batu Decking	US\$590-600↓
Kembang Semangkok	
S4S to Japan	US\$1100-1250↑
Laminated Scantlings	
72mmx86mm	US\$650-660-
Red Meranti Mouldings	
11x68/92mm x 7ft up	
Grade A	US\$840-855↓
Grade B	US\$650-670↓

Malaysia

The MDF manufacturing capacity in Malaysia is fast approaching 1.2 million Cu.m per year. Currently, the installed capacity is about 1.1 million Cu.m. It is estimated that, by early next year, a new line will be commissioned. With over production of MDF globally, the Malaysian producers are actively looking into other added value processing and new enduses for the product and it is reported that various mills are looking into the production of MDF mouldings. MDF floor boards are also another possible value-added enduse for this product.

Doors (FOB)

Meranti (red) panel doors

Grade A	US\$51-53 per pc
Grade B	US\$46-47 per pc
Grade C	US\$42-45 per pc

Rubberwood parts and Furniture

Malaysia

Shaped chair seats (18-22mm 16"-18" squares)
US\$2.95-3.20 per pc

per Cu.m

Finger jointed	
laminated boards	US\$800-815
top grade	US\$845-865
Rubberwood S4S	US\$440-450

Dining suite

Solid rubberwood laminated top 3' x 5'
with extension leaf US\$54-62 ea

Same with

Oak veneered MDF US\$68-72 ea

Windsor Chair US\$12.00-14.50 ea

Colonial Chair US\$15.00-16.50 ea

Napolean Chair US\$22-26 ea

Queen Anne Chair (with soft seat)

without arm US\$20-23 ea

with arm US\$25-30 ea

Brazil

Edge Glued Pine Panel

	per Cu.m
for Korea 2nd Grade	US\$510
1st Grade	US\$790
US Market	US\$550

Taiwan Province of China

Rubberwood Chair Seats	US\$2.85-3.00
Rubberwood Unfinished	
Queen Anne Chairs	US\$12.5-14.0 ea
Queen Anne Legs 2.25 ins square	
18ins Long	US\$1.10-1.20 ea
2.75ins Square 28 ins Long	US\$2.10-2.25
Rubberwood finger joint	per Cu.m
table tops	US\$815-835

Furniture

Dining suite (FOB)

Oak Veneered MDF tables and
chairs (6 per set) 4ft dia.

US\$200-220 per set

Dining table Cherry veneer

pedestal legs US\$48-51 ea

Occasional table Cherry veneer

top 2ft x 4ft US\$32-35 ea

Consumers Report

Report From Japan

Imported Plywood

Japan's imports of plywood are still running at a high level. A report by the Japan Plywood Manufacturers' Association, based on customs statistics, shows plywood imports for February increased almost 30% compared to the same period last year. Imports for the first two months of the year increased by over 50% compared to the same period last year. This increase is having a major impact on the domestic plywood market.

Indonesian plywood made up 63% of imports (306,000 Cu.m), an increase of 16%, over January. Malaysian plywood imports showed a record breaking 120% increase in January, and for February import were 140,000 Cu.m, an increase of 69%.

Most of the plywood imported from these two countries, is in the range of 6-12mm thickness.

Imports of softwood plywood have also increased although the volumes are small compared to tropical hardwood plywood imports. Canadian plywood imports increased

16% to 21,000 Cu.m. in February. US plywood imports increased 76% to 6,400 cubic meters in February.

Housing Construction

Statistics released by the Ministry of Construction on 30 April show that housing starts in March were 113,218 units, 7.5% down from the same month 1996. Housing starts have been dropping for three straight months.

Delivered Prices

Asian Log, Lumber and Panel Prices

Logs For Plywood Manufacturing CIF Price Yen per Koku

Meranti (Hill, Sarawak)	
Medium Mixed	8,600
Meranti (Hill, Sarawak)	
STD Mixed	8,500
Meranti (Hill, Sarawak)	
Small Lot	
(SM60%, SSM40%)	8,000
Taun, Calophyllum (PNG)	
and others	7,200
Mix Light Hardwood	
(PNG G3-G5 grade)	6,000
Okume (Gabonese)	8,700
Keruing (Sarawak)	
Medium MQ & up	9,000
Kapur (Sarawak) Medium	
MQ & up	8,800

Logs For Sawmilling FOB Price Yen per Koku

Melapi (Sarawak)	
Select	11,500
Agathis (Sarawak)	
Select	10,000

Lumber FOB Price Yen per Cu.m

White Seraya (Sabah)	
24x150mm, 4m 1st grade	135,000
Mixed Seraya 24x48mm,	
1.8 - 4m, S2S	55,000
Red Oak 5/4x6 ins and wider	
FAS (US East Coast)	125,000

Plywood

Prices of Indonesian plywood for May shipment are not changed from April. Concrete-form plywood U\$440, Base board for flooring U\$500, Thin plywood U\$550 (per cu.m, C&F).

Panels Mill Gate Price Tokyo Area Yen per sheet

Concrete Formboard Domestic Production from S.E Asian Logs

11.5x900x1800mm Type 1 1,310

Thin

2.3x910x1820mm Type 2 360

Medium

4.0x910x1820mm Type 2 550

5.5x910x1820mm Type 2 580

per sq. ft

Particleboard 15mm 44

MDF 15mm 70

Report From China

According to the latest statistics imports from the US to China during the first five months in 1996 reached US\$4.6 million, an increase of 23% compared to 1995. China imported hardwood products from the US valued at US\$10 million in 1995, an increase of 40% over 1994.

Of the total hardwood products imported from the United States from January to May 1996, sawnwood imports increased by 67% over 1995, at a value of US\$3.2 million. Veneer exports fell from a value of US\$535,000 to US\$411,000, a drop of 23%. Log exports were down by 16%. Hardwoods imported from the United States are used mainly for producing thin veneer. Hardwood lumber from US includes red oak, white oak, ash, maple, and tulip. China now also imports beech from Europe, and maple from Canada.

In 1996, the demand for wood flooring strip increased rapidly in China, particularly in Shanghai and Beijing, where foreign companies especially prefer wood flooring strip and veneer flooring strip with a light colour. Now some temperate species in China, such as white oak and white ash are widely used for making flooring strip.

Shanghai, Shenyang, Beijing and Guangzhou have become the main business and economic centres in China and they are attracting a lot of domestic and overseas investment. Construction of hotels and upmarket residential is active and this will create more demand for US hardwood products.

It is expected that more flooring strip manufacturers in China will use red oak, maple, and ash for construction, but at the moment, beech is still used most widely.

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

Keruing Log	per Cu.m
Length: 6-20m	1880-2400
Mengaris Log	
Length 6m+	1800-1900
Malaysian Lauan Log	
Mixed	2500-2600
Malaysian Lauan with hollow heart	
Mixed	1200-1400
US Douglas Fir	1450

Lauan lumber	per Cu.m
Thickness: 5-6cm	
Length: 3-4m	2850-3450
Luan/Malas tongued, grooved flooring strip	
18x70mm x2.2-4.1m	110-125per Sq.m
Balian Flooring Top Grade Myanmar	
18x50-70x2400mm	300-350per Sq.m
Plywood from Indonesia	
3mm 1220x2240	41 per sheet
US Lumber	per Cu.m
Oak, Maple, Cherry	7000-14000
T&G Cherry Flooring	
18mmx50-70mmx2-4m	120-140per Sq.m

Other News from China

ing to the latest statistics from China's Customs, the country exported 1.85 million ton of wood chips worth US\$162.8 million in 1996. Of this total softwood chips totalled 1.83 million ton worth US\$160.14 million, dropping in value terms by 7.7% compared to 1995. The export of hardwood

chips was 18,162 ton worth US\$2.68 million, down by 63% in value terms over 1995.

Bamboo plywood manufacture is developing very fast in China. Currently there are more than 190 bamboo plywood making enterprise with total yield of nearly 300,000 Cu.m. The success of bamboo plywood has been the result of the following.

Plywood made from bamboo has excellent properties and is widely used. It is reported that it has high strength, a smooth surface. In addition, it is water resistant and exhibits a low degree swelling when wet giving it an advantage in many fields, for example, cement formboards made from bamboo are strong and easily cleaned. Bamboo plywood has become the second most popular formboard product after steel and is very popular in construction sector.

Bamboo plywood is used widely in wagon decks in vehicle, flooring strip in houses and packaging. Bamboo plywood can be treated with insecticide giving it a wide range of enduse including furniture.

China has a very rich bamboo resource, reportedly the richest resource in the world, with more than 40 genus and more than 400 species. The current bamboo area is more than 7 million ha, of which bamboo plantations are more than 4 million ha. The total growing stock is about 97 million ton, and the yield of bamboo pole is estimated at 9 million ton annually. It is forecast that the total bamboo yield in China will reach 10.2 million ton by the end of the century, and 25.63 million ton in 2010.

From Europe, An Update on the UK

The value of retail sales of furniture (including lighting) was 13% higher in January than a year earlier, although sales rose by 1.5% only compared to December 1996. The increase is set to continue when the February figures are revealed, with the value of household goods also showing double digit annual growth

In 1996 the UK production of office furniture increased by 14% (at current prices) to Ecu 1,066 million. Exports were worth Ecu 134 million (+15% compared to 1995) while imports were worth Ecu 137 million (+14%). Office furniture accounts for about 15% of the total UK production of furniture. In 1996 wooden office furniture accounted for about 10% of total furniture production (excluding seating).

Prices in UK

Wooden Windows

Upper Price Hardwood 120x135cm	Sterling, 304.00
Medium Price Hardwood 120x135cm	Sterling 224.50
Lower Price Softwood 120x135cm	Sterling 108

Solid Wooden Doors

Upper Price Meranti 76.2x198.1x3.5cm	Sterling 248.50
Medium Price Sapele 76.2x198.1x3.5cm	Sterling 146.90
Lower Price Veneered 76.2x198.1x3.5cm	Sterling 42.40↑

Kitchen Chair

Upper Price Solid Oak	Sterling 333.00↑
-----------------------	------------------

Dining Chair

Upper Price African Mahogany	Sterling 333.00↑
Medium Price African Mahogany	Sterling 214.00↑

Dining Table

Upper Price African Mahogany 80x160cm	Sterling 1134.00↑
Medium Price African Mahogany 80x160cm	Sterling 906.00↑
Lower Price African Mahogany 80x160cm	Sterling 693.00

Furniture and Components

Wardrobe Door

Lower Price 50x180cm	Sterling 53.70
----------------------	----------------

Kitchen Cabinet Door 71.5x49.5cm

Medium Price Oak	Sterling 19.90
------------------	----------------

Drawer Front

Upper Price

Melamine Faced Particleboard 100x10cm	Sterling 0.74/pc
--	------------------

Medium Price

Melamine Faced Particleboard 100x10cm	Sterling 0.59/pc
--	------------------

Lower Price

Melamine Faced Particleboard 100x10cm	Sterling 0.53/pc
--	------------------

Other News from Europe

Ikea has plans to rationalise its production. The Swedish chain will cut its production costs by about 10% and reduce its product range as well as the number of sub-contractors by 25%. Over the next 2-3 years the company expects 2,400 subcontractors (among them 260 Swedish firms) to be reduced to some 1,800.

Meubles Tricoire, the French company which had been put into receivership, is to be taken over by Chamaleau, another French furniture producer.

Danish office furniture manufacturers are being positively affected by the booming Danish economy. Major producers are all reporting profits for 1996, two years ago about 40% of office furniture companies in Denmark reported losses. SIS International is the most profitable company in this sector with a Dkr 19.7 million net profit.

Drevokombinat Saris, a Slovak wood processing company located in Tresov, is looking for partners to invest in new products. The company, which registered a loss of Sk 27.5 million in 1995, wants to expand the production of sawn timber, chipboard and large wooden boards. Saris is also planning an exchange of capital stakes with Slovak furniture producers and the creation of new firms and joint-ventures.

In 1996 the French upmarket furniture company, Roset, registered a net profit of Ffr 18.5 million (+26.7%) and posted Ffr 636 million in consolidated sales (+13%). Roset, which sells its products in 30 countries, is to open two new outlets in Russia. In 1996 export markets accounted for 60% company's turnover.

Moda en Casa, the Spanish designer furniture company, will set up a retail franchise network in Spain, Portugal and France.

US Industry Report

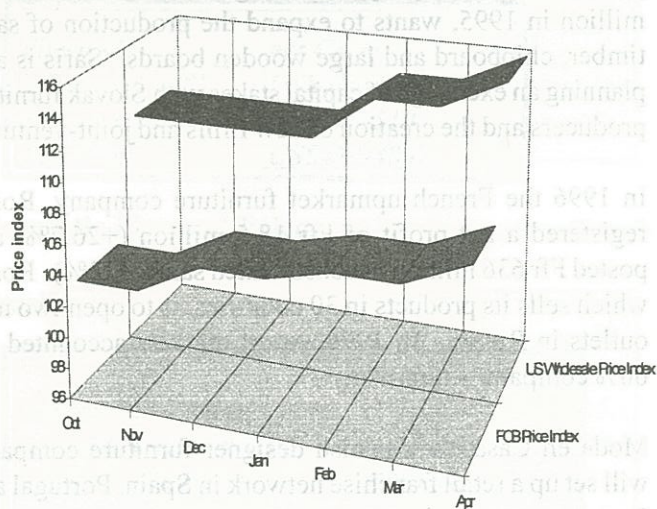
The general direction of prices has not change much since the last report. As of March 1997, average prices of raw materials are 2% to 6% higher than one year ago, and are at, or close to, their peak for the preceding 12 months. The highest price advance applies to Rough Hardwood Lumber, up 5.8% between March 1996 and March 1997.

There are significant differences in the price movements between species and between regions. Recently, Hard Maple and Cherry from the Northern and Appalachian regions moved up very steeply, while White Oak from the Appalachian region experienced price declines.

South American imported Mahogany has seen substantial price advances. This is mainly as a result fears of the consequences of US and Bolivian moves to add this wood to the list of endangered species (Appendix II) at the forthcoming Convention on International Trade in Endangered Species (CITES) in June. On the other hand, prices for Philippine Mahogany have remained fairly stable for more than one year.

The following graphic shows the trends in FOB and US Wholesale prices for Mahogany over the past six months. FOB prices moved up again in November and again in January but this did not translate into a Wholesale price increase until early in the year. Despite FOB price increases US importers have held there on selling prices remarkably steady over the past year and are only now beginning to have an opportunity to improve their prices.

Changes in FOB and US Wholesale Prices for Mahogany



Reference Prices for Lumber

(All prices per MBF, 1 inch thick, top quality)

Mahogany (at West coast port of entry)

2695 (KD) ↑US\$75

2550 (AD) ↑US\$75

Meranti (at West coast port of entry)

Clear, dark red 2220 (KD) no change

Clear, light red 2035 (KD) no change

Cherry

Appalachian Region 2470 (KD) ↑US\$15

Hard Maple

Northern Region 2160 (KD) ↑US\$105

1820 (AD) ↑US\$60

Appalachian Region 2090 (KD) ↑US\$110

Red Oak

Northern Region 1573 (KD) no change

1300 (AD) no change

Southern Region 1248 (KD) ↑US\$30

1010 (AD) no change

Appalachian Region 1458 (KD) ↑US\$10

1105 (KD) ↓US\$25

White Oak

Northern Region 1370 (KD) no change

975 (AD) no change

Southern Region 1270 (KD) +US\$20

930 (AD) no change

Appalachian Region 1443 (KD) ↓US\$10

1098 (KD) ↓US\$10

Walnut

Appalachian Region 1948 (KD) no change

1385 (AD) no change

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

per Sheet US\$47.00

**Veneer Red Oak, 1/45", flat stock,
Container loads/truck-loads
per sq.ft. US\$0.10-0.15**

**Wood Frames for Upholstered Chairs
Frame for lounge chair, 1" stock
nailed corner blocks
US\$45**

In contrast to the prices movements of rough lumber, prices of materials with a higher value added advanced at a much slower pace. Hardwood plywood and veneer are now quoted at about 3% up over March 1996, and dressed hardwood lumber and dimension stock sell at only approximately 1% above the previous year's level.

Reconstituted Boards

Particleboard and MDF prices are still suffering from over-capacity in the industry, however, the steep price decline has slowed. In fact, on a year-over-year basis, MDF is quoted at prices which are marginally higher. On the other hand, Particleboard prices are almost 3% lower than a year ago.

**Particleboard
Industrial grade board, 4' x 8' x 3/4"
South Central Region
per 1000 sq.ft US\$273**

**Medium Density Fibreboard
Industrial grade board, 4' x 8' x 3/4"
per 1000 sq.ft US\$383**

**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\$615**

**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**

**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**

Millwork

**Wood Window Units
Wood sliding window Double glassed,
Upper/lower sash can be tilted. 32" x 54"
US\$81.50**

**Wood Doors
Interior door solid wood Raised colonial panels
without frame and hinges. 2'8" x 6'8" x 1.75"
US\$59.50**

**Wood Mouldings
White Pine moulding, 3.625" wide,
1" stock, finger jointed length approx. 16'
per linear foot US\$0.32**

Wooden Furniture

Prices of finished and semi-finished products have generally moved upwards. As of March 1997 most of them reached a 12 month peak. Driven by a buoyant building activity, wood mouldings cost almost 9% more than one year ago. The office furniture sector is also experiencing healthy growth. This is reflected in the 5% price advance for office desks. Among household furniture items, living room cabinets and RTA furniture witnessed the strongest price rises of 3.6%.

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

US\$265

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

US\$479

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

US\$903

News from IHPA

The IHPA has approved a revision of the voluntary plywood standard for imported hardwood plywood. The new standard is a refinement and combination of the former voluntary standards for thick and thin plywood.

The new standard allows for thickness tolerances as follows:
 Wall Panel IHPA (5.5mm and thinner) -0/+0.2mm, Standard IHPA (3.6-5.5mm) -0.2mm/+0.2mm, Standard IHPA (9mm and thicker, -0.5mm/+0.2mm.

Copies of the new standard may be obtained from IHPA.

Particleboard
 Industrial grade board 4' x 8' x 3/4"
 South Central Region
 per 1000 sq ft
 US\$273
 Medium Density Fibreboard
 Industrial grade board 4' x 8' x 3/4"
 per 1000 sq ft
 US\$283

Wood Window Units
 Wood sliding window Double glazed
 Upper/lower sash can be tilted 35" x 54"
 US\$281.50

Wood Doors
 Interior door solid wood Raised colonial panel
 without frame and hinges 3'8" x 6'8" x 1.75"
 US\$222.50

Wood Mouldings
 White Pine moulding 3.625" wide
 1" stock finger jointed length approx. 16'
 per linear foot
 US\$20.32

World Value of the US Dollar 5th May 1997

Cameroon	C.F.A.Franc	580.75	Australia	Dollar	1.2755
Central African Republic	C.F.A.Franc	580.75	Canada	Dollar	1.3865
Congo, People's Rep.	C.F.A.Franc	580.75	China	Yuan	8.2945
Cote d'Ivoire	C.F.A.Franc	580.75	Egypt	Pound	3.3952
Gabon	C.F.A.Franc	580.75	Austria	Schilling	12.121
Ghana	Cedi	1970	Belgium	Franc	35.54
Liberia	Dollar	1	Denmark	Krone	6.556
Togo, Rep.	C.F.A.Franc	580.75	Finland	Markka	5.1938
Zaire, Rep.	New Zaire	176300	Germany	Mark	1.7224
Cambodia	Riel	2300	Greece	Drachma	274.55
Fiji	Dollar	1.416	Ireland	Punt	0.667
India	Rupee	35.751	Italy	Lira	1705.5
Indonesia	Rupiah	2431.5	Netherlands	Guilder	1.9378
Malaysia	Ringgit	2.5078	Portugal	Escudo	172.885
Myanmar	Kyat	6.3455	Spain	Peseta	145.245
Papua New Guinea	Kina	1.3937	Sweden	Krona	7.8167
Philippines	Peso	26.37	United Kingdom	Pound	0.6219
Thailand	Baht	26.1065	Japan	Yen	126.675
Bolivia	Boliviano	5.24	Nepal	Rupee	56.95
Brazil	Real	1.0637	New Zealand	NZ Dollar	1.4492
Colombia	Peso	1070	Norway	Krone	7.088
Ecuador	Sucre	3870	Korea, Rep. of	Won	893.2
Guyana	Dollar	141.1	Switzerland	Franc	1.4698
Honduras, Rep.	Lempira	12.76	Russian Fed.	Ruble	5750
Panama	Balboa	1			
Peru	New Sol	2.6655			
Trinidad and Tobago	Dollar	6.226			
Venezuela	Bolivar	481.4			

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
		↓ ↑	Price has moved up or down

This Market Service can be accessed on the ITTO Internet Home Page at:

<http://www.itto.or.jp>

It is also freely available by E-mail.

To be included on our E-mail mailing list please send your E-mail address to:

mjadams@itto.or.jp