

The background of the slide is a blue world map with white outlines of continents. The map is overlaid with a pattern of white binary code (0s and 1s) and curved white lines that create a sense of motion and digital connectivity. The text is presented in white boxes against this background.

**SITUATION AND TRENDS IN WORLD
TIMBER TRADE AND THE TROPICAL
TIMBER TRADE IN ASIA-PACIFIC
Asia-Pacific Forestry Week 2016**

Frances Maplesden



Content

- ❑ Production and trade trends
 - Primary wood products: logs, sawnwood, veneer and plywood
 - Secondary processed wood products

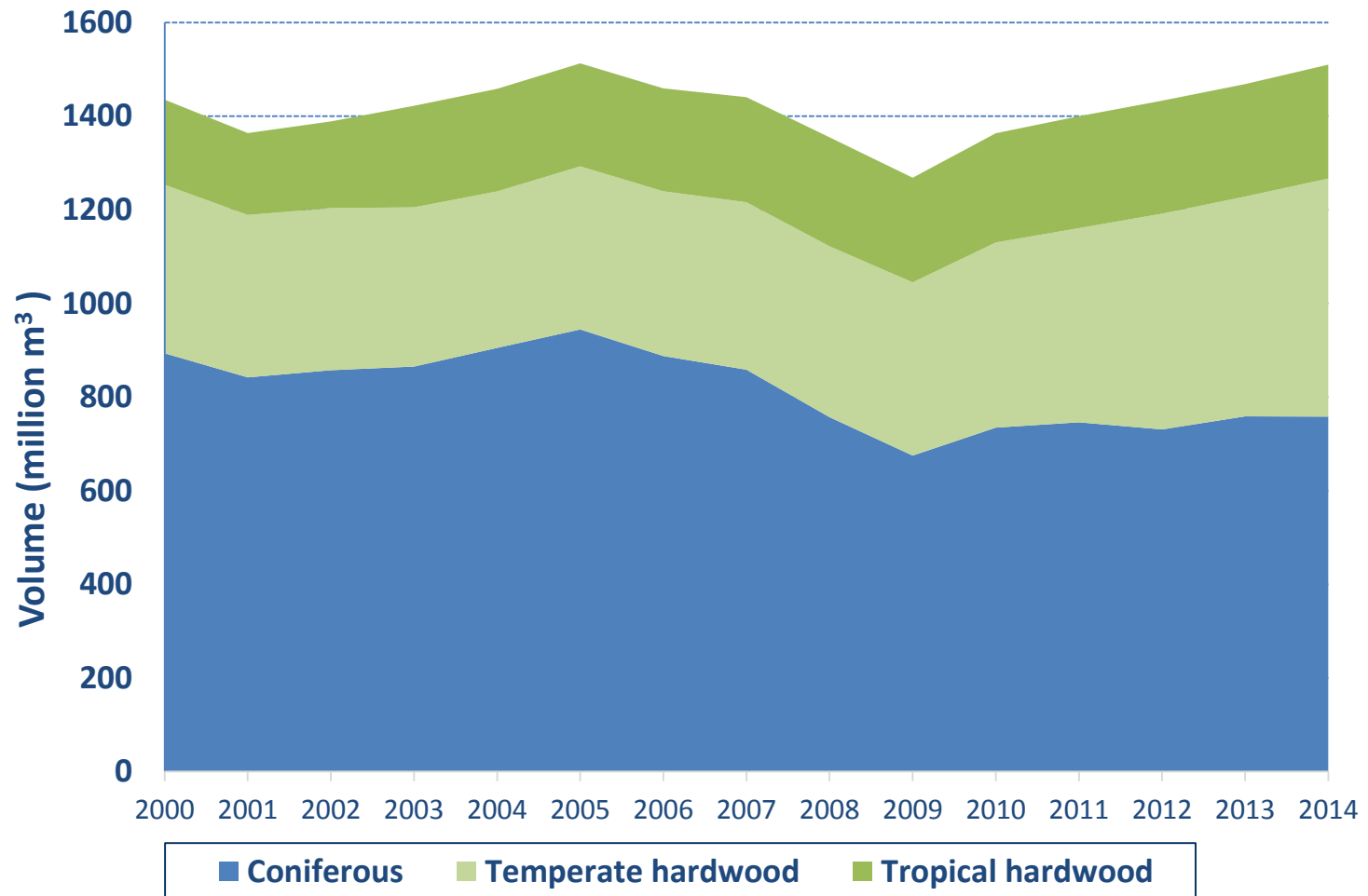
- ❑ Current market issues and trends

- ❑ Future market risks and uncertainties

PRODUCTION AND TRADE TRENDS PRIMARY WOOD PRODUCTS



World industrial roundwood (log) production, by species group, 2000-2014

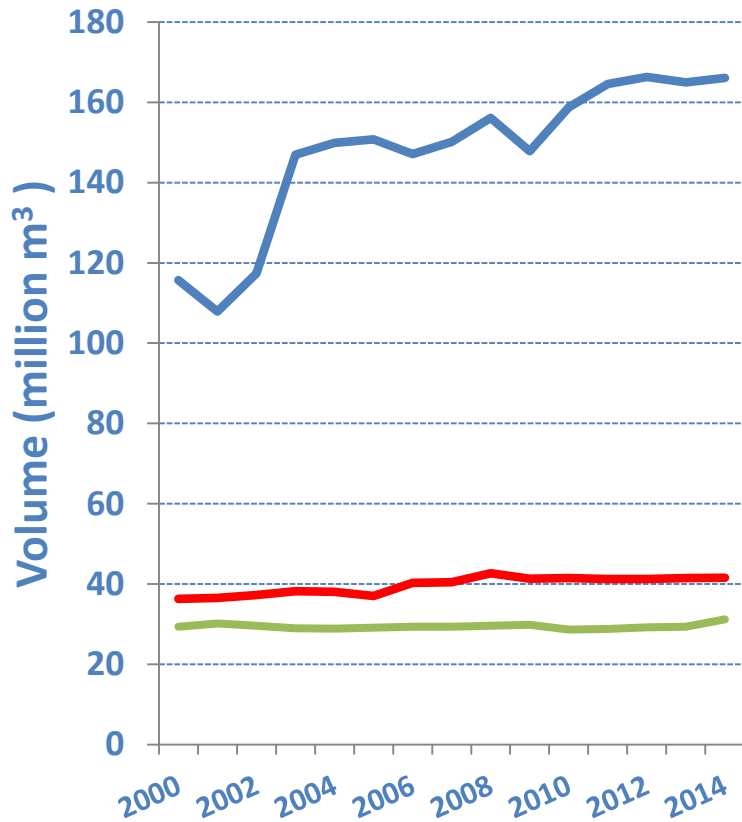


Source: ITTO Statistics Database



Production of tropical industrial roundwood (logs)

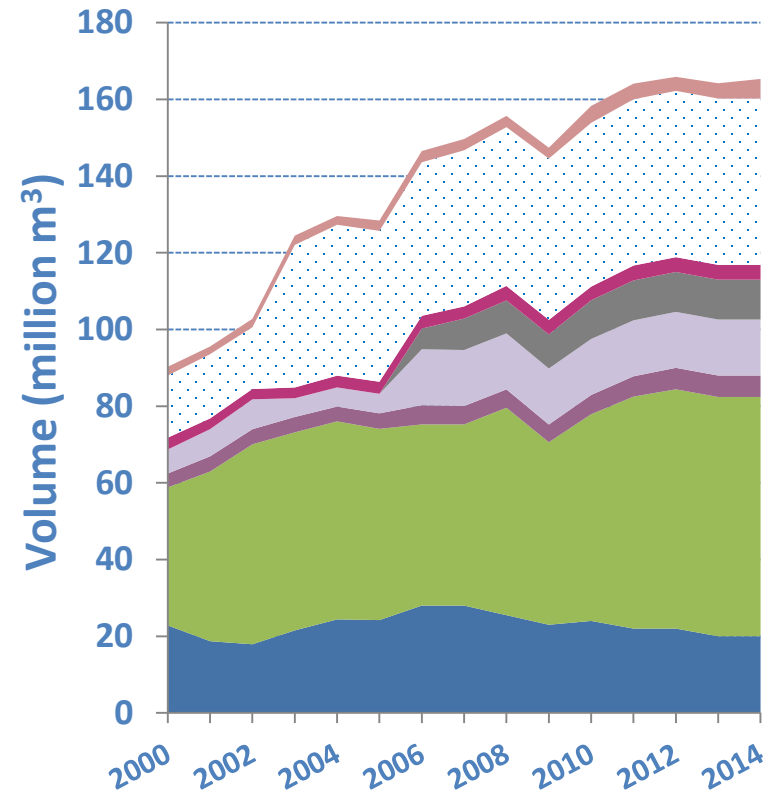
Tropical log production, ITTO producer regions



— Africa — Asia-Pacific — Latin America/Caribbean

Source: ITTO Statistics Database

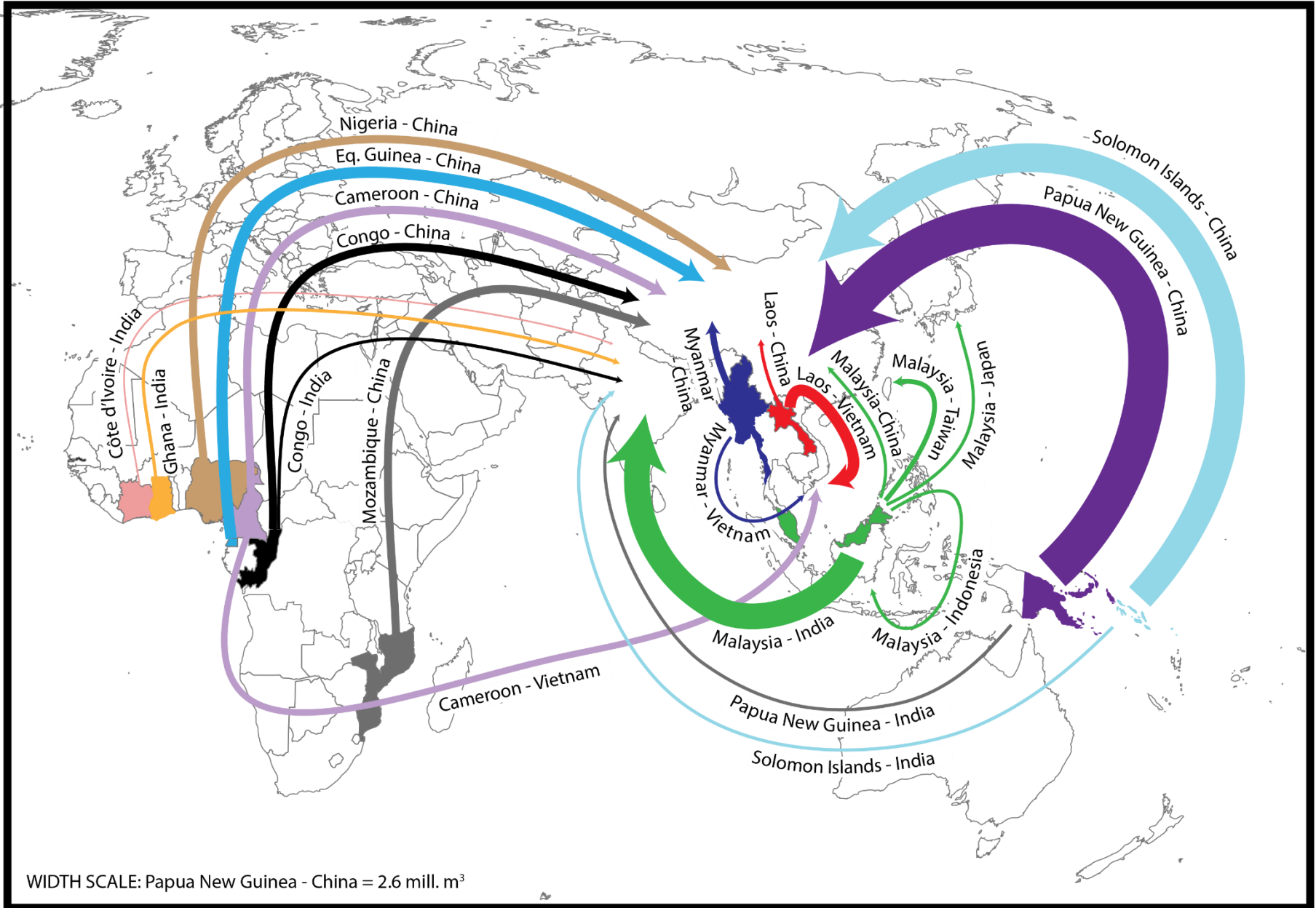
Tropical log production, major Asia-Pacific producers



■ Malaysia ■ Indonesia ■ Myanmar ■ Thailand
 ■ Viet Nam ■ Philippines ■ India ■ PNG

Source: ITTO Statistics Database

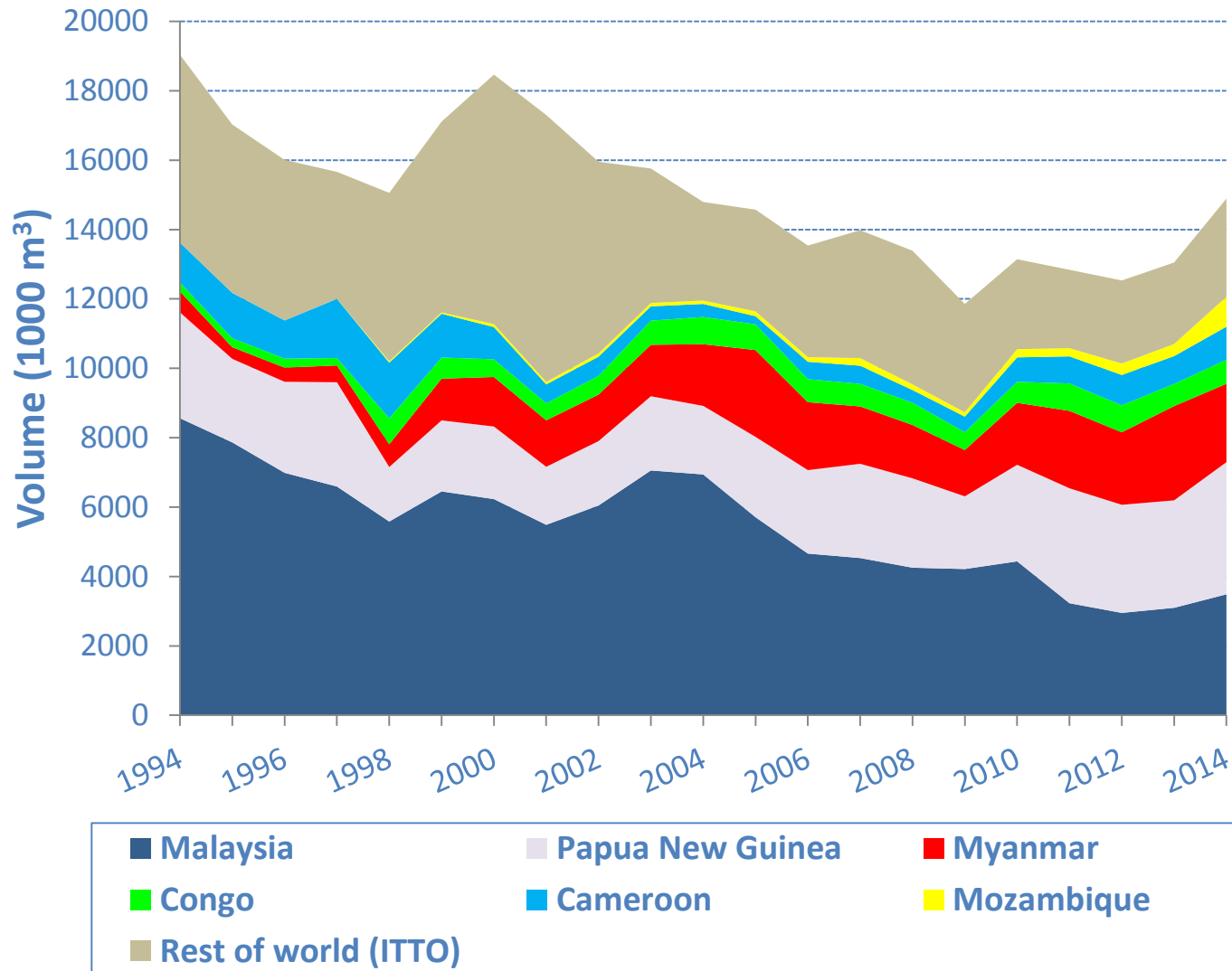
MAJOR TRADE FLOWS: TROPICAL LOGS, 2015



Sources: Global Trade Atlas, COMTRADE. Note: Major directions of trade for 2015 except Malaysia and Vietnam trade flows as recorded for 2014.



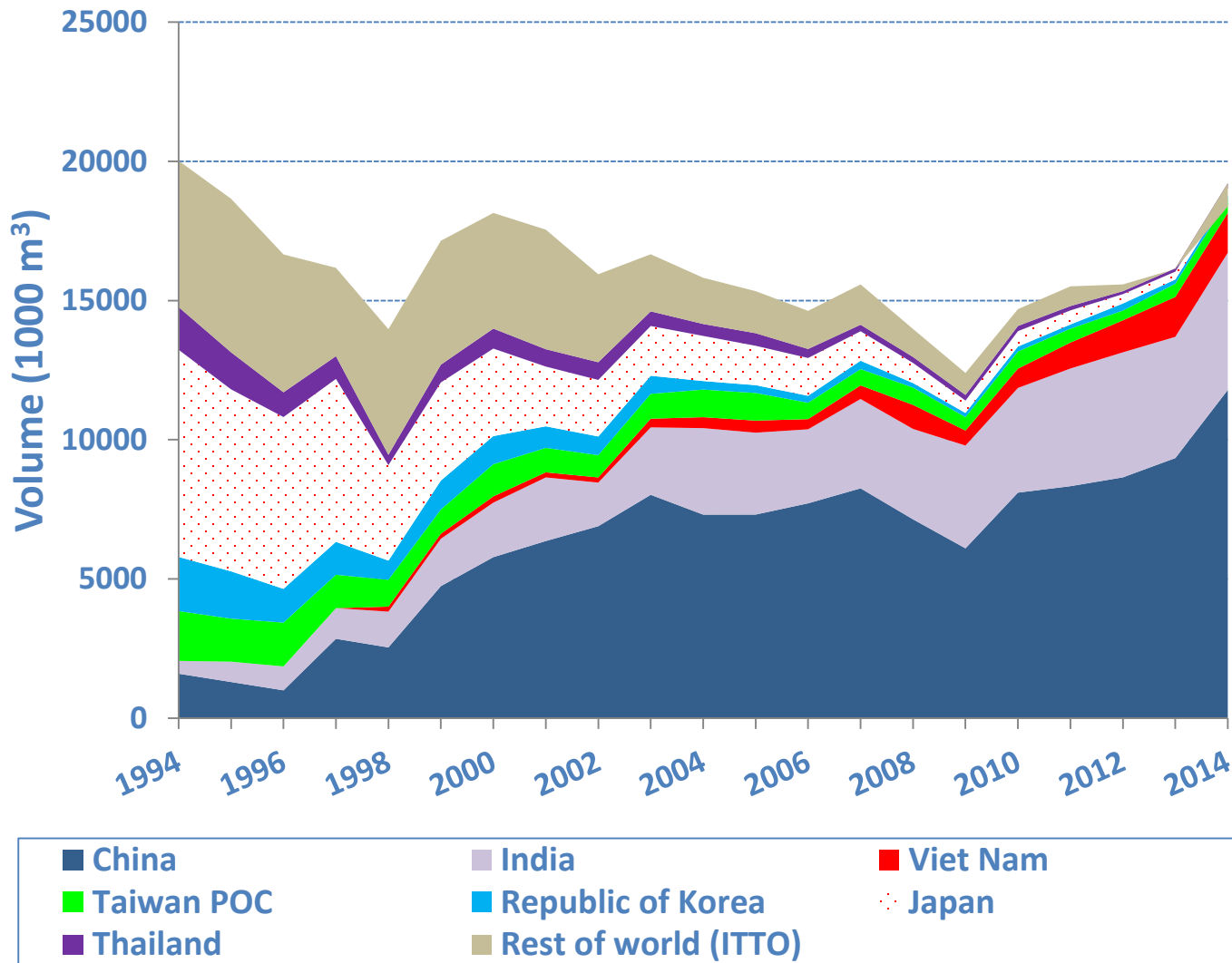
Major exporters of tropical logs



Source: ITTO Statistics Database



Major importers of tropical logs

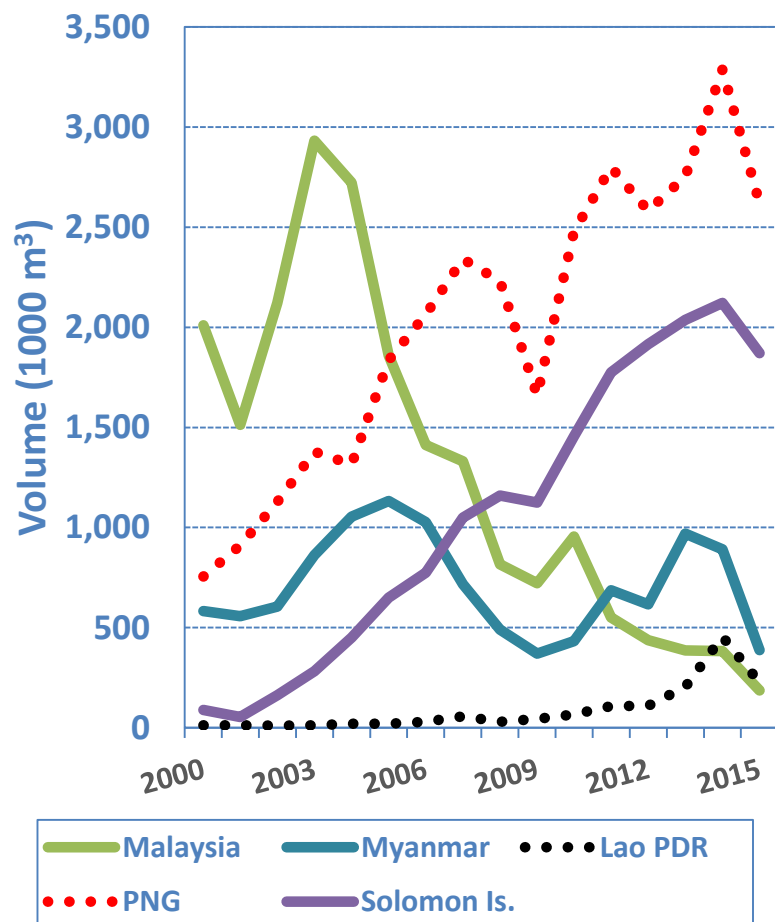


Sources: ITTO Statistics Database, COMTRADE

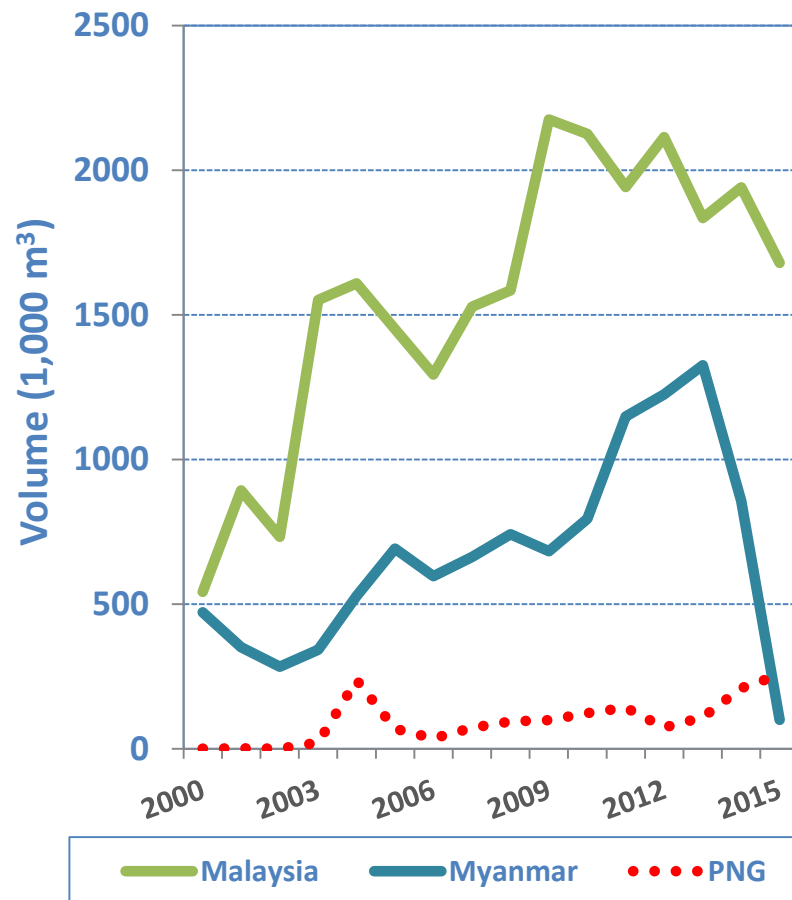


China and India: Imports of tropical logs, 2000-2015

China: Tropical log imports



India: Tropical log imports

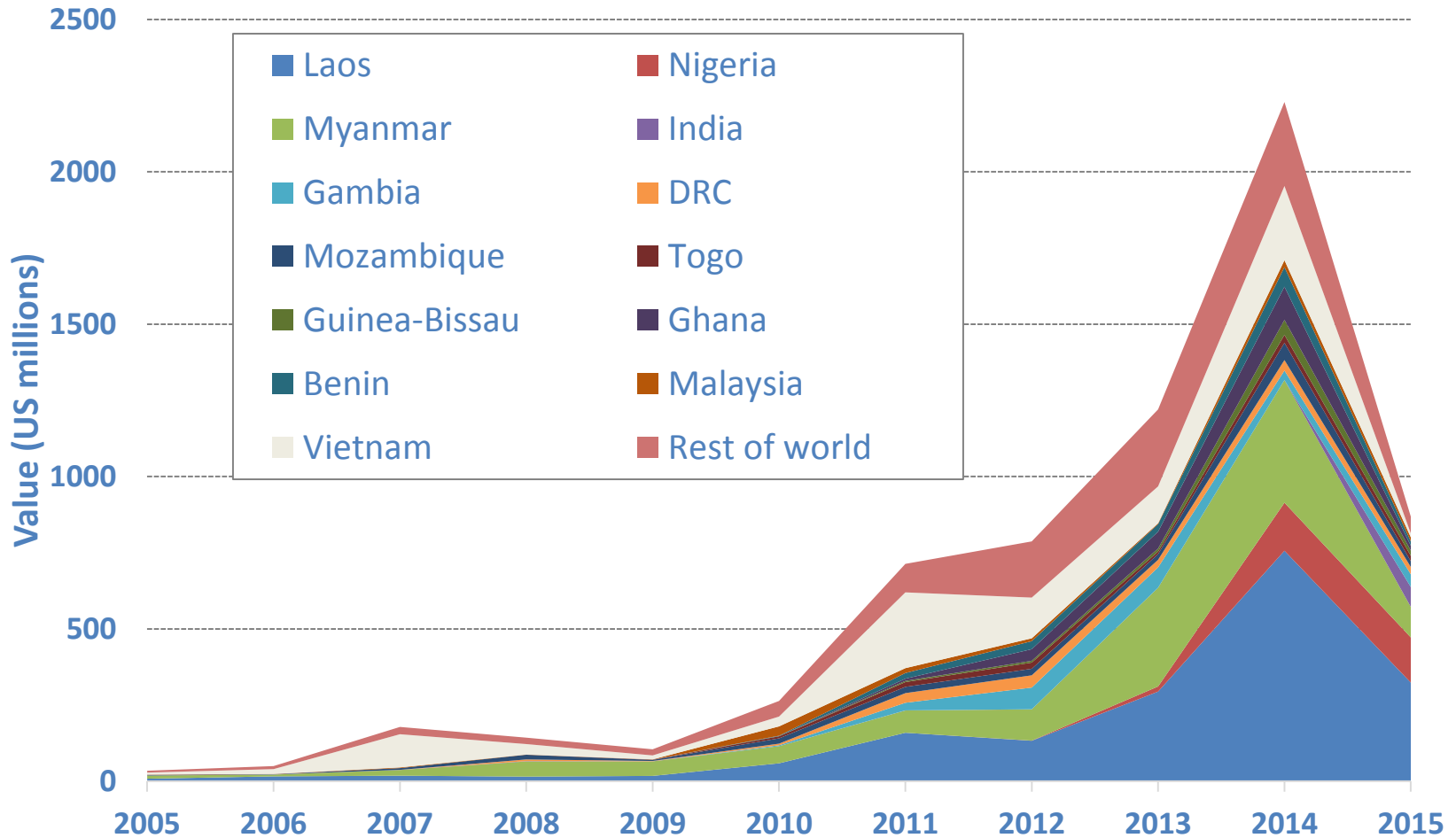


Sources: World Trade Atlas, ITTO Statistics Database, COMTRADE. Data for 2014/2015 converted from weights to volumes.

Sources: World Trade Atlas, ITTO Statistics Database. Data for 2015 estimated from YTD November data.



China imports of “rosewood” logs, 2005-2015

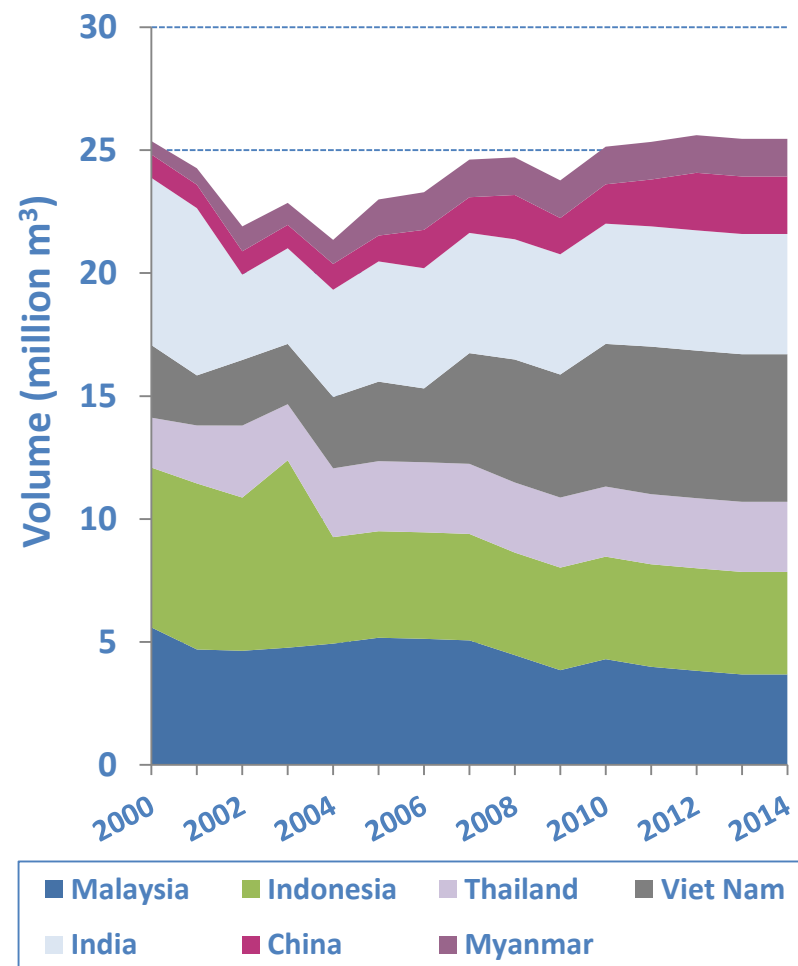
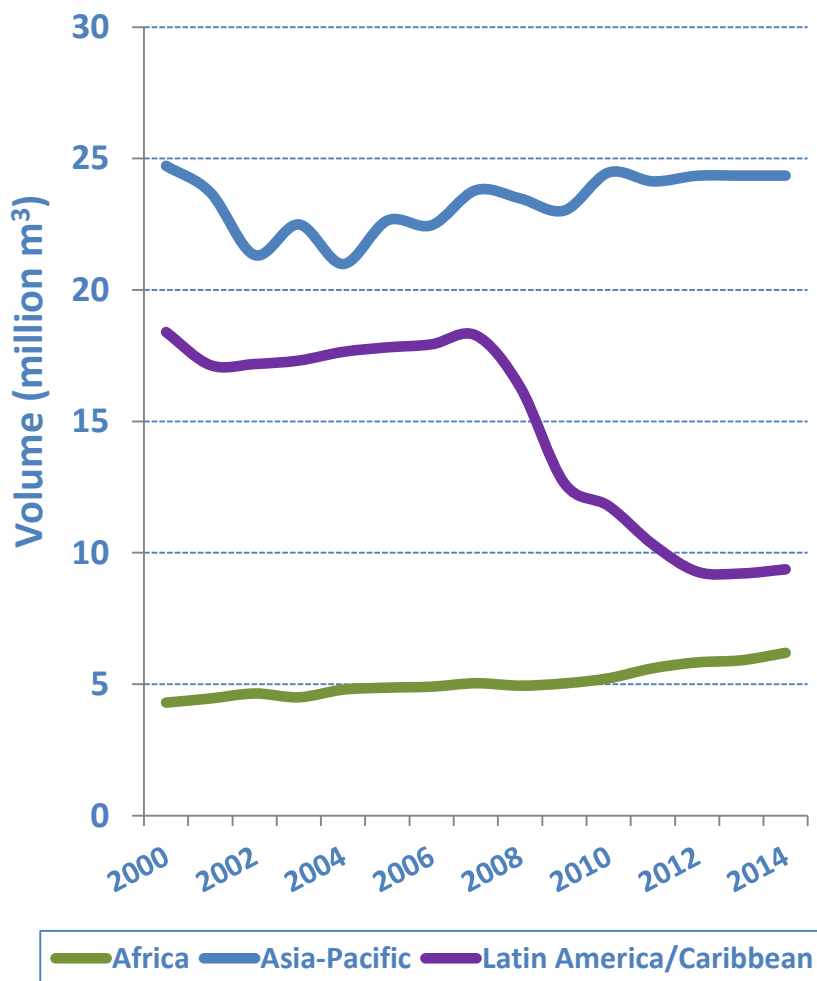


Source: World Trade Atlas

Note: “Rosewood” log figures include all imports classified in HS code 44039930, which include a number of species within the genera *Dalbergia*, *Pterocarpus*, *Millettia*, *Cassius* and *Diospyrus*.

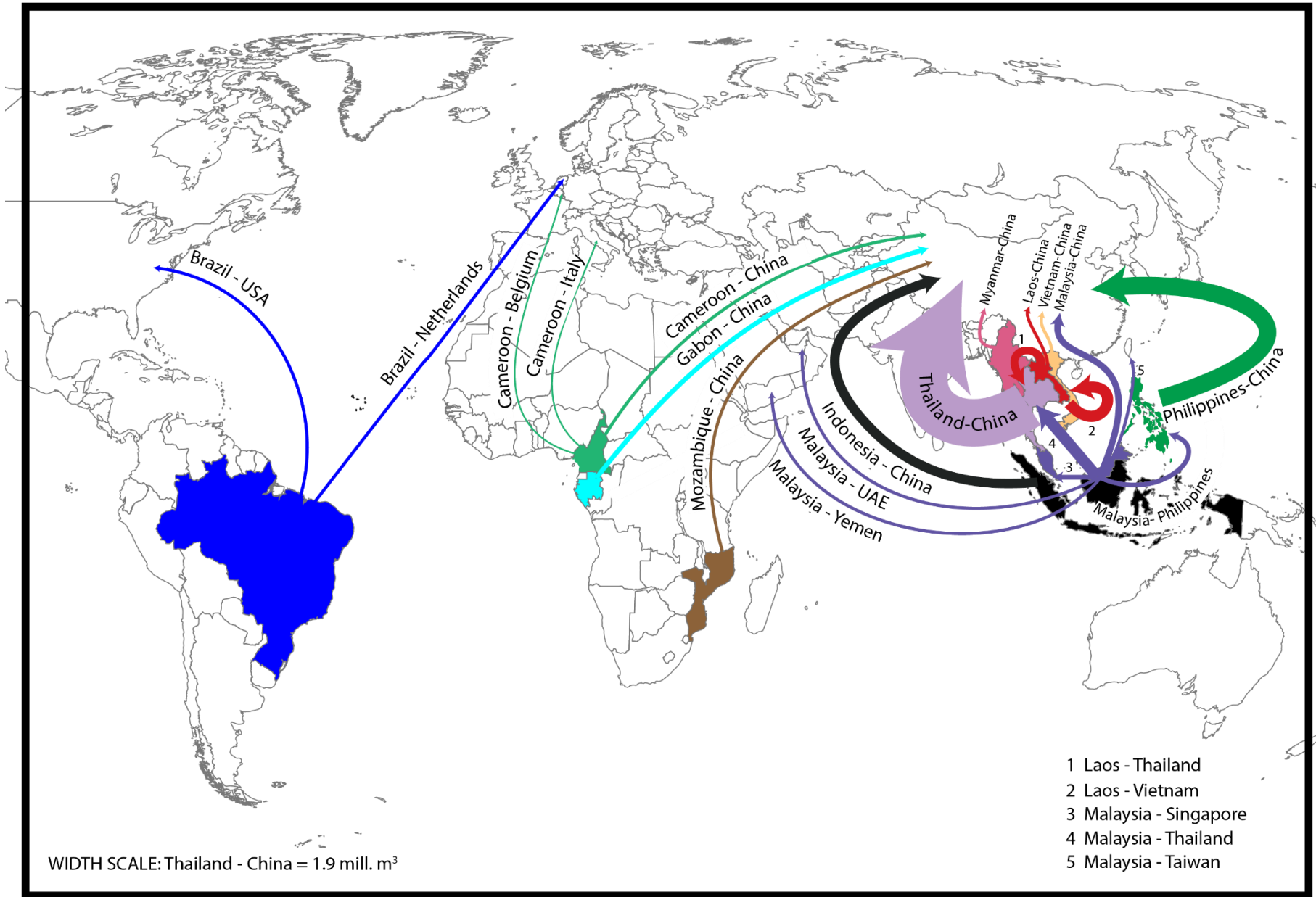


Production of tropical sawnwood, by region and major Asia-Pacific producers, 2000-2014



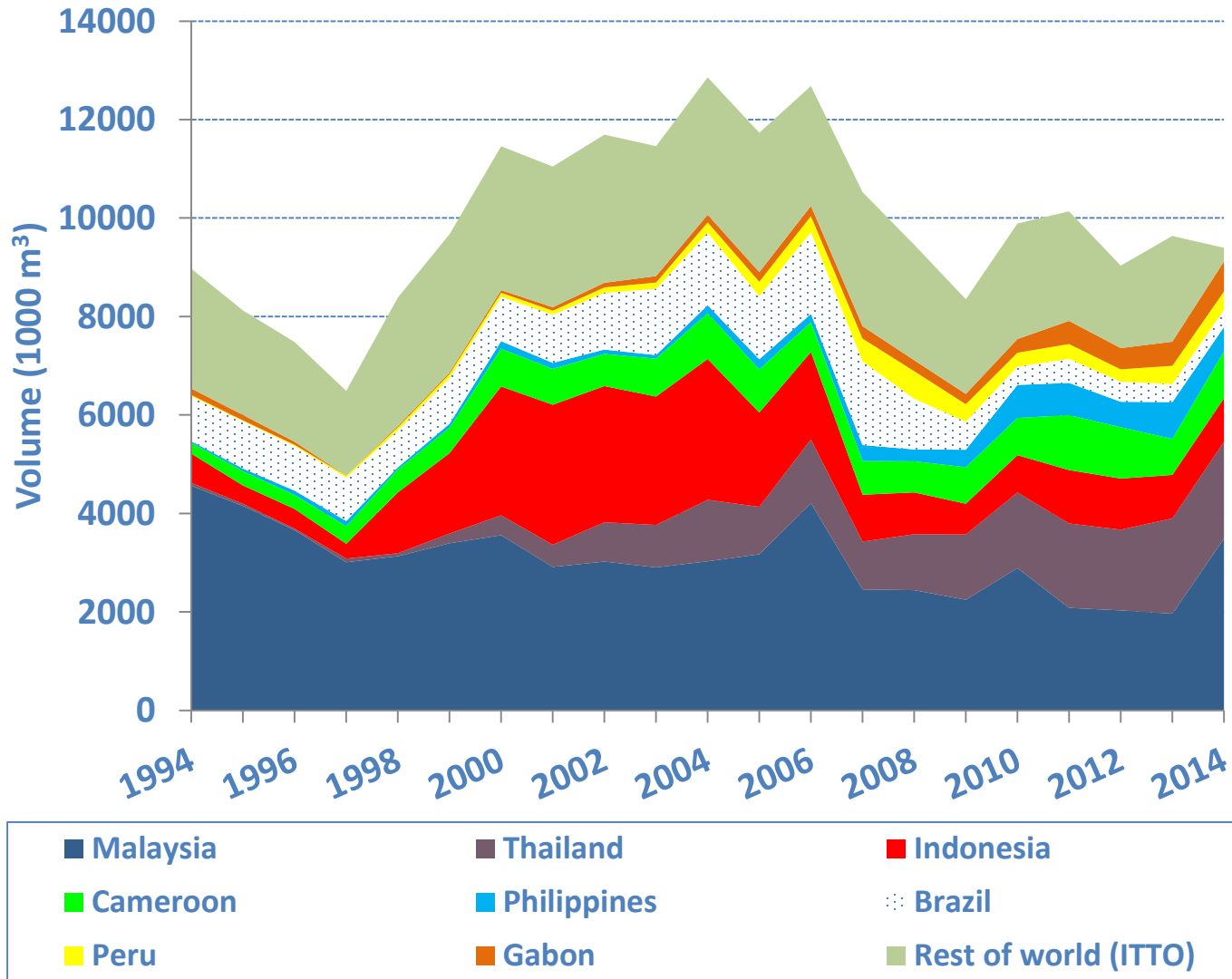
Sources: ITTO Statistics Database, ABIMCI

MAJOR TRADE FLOWS: TROPICAL SAWNWOOD, 2013





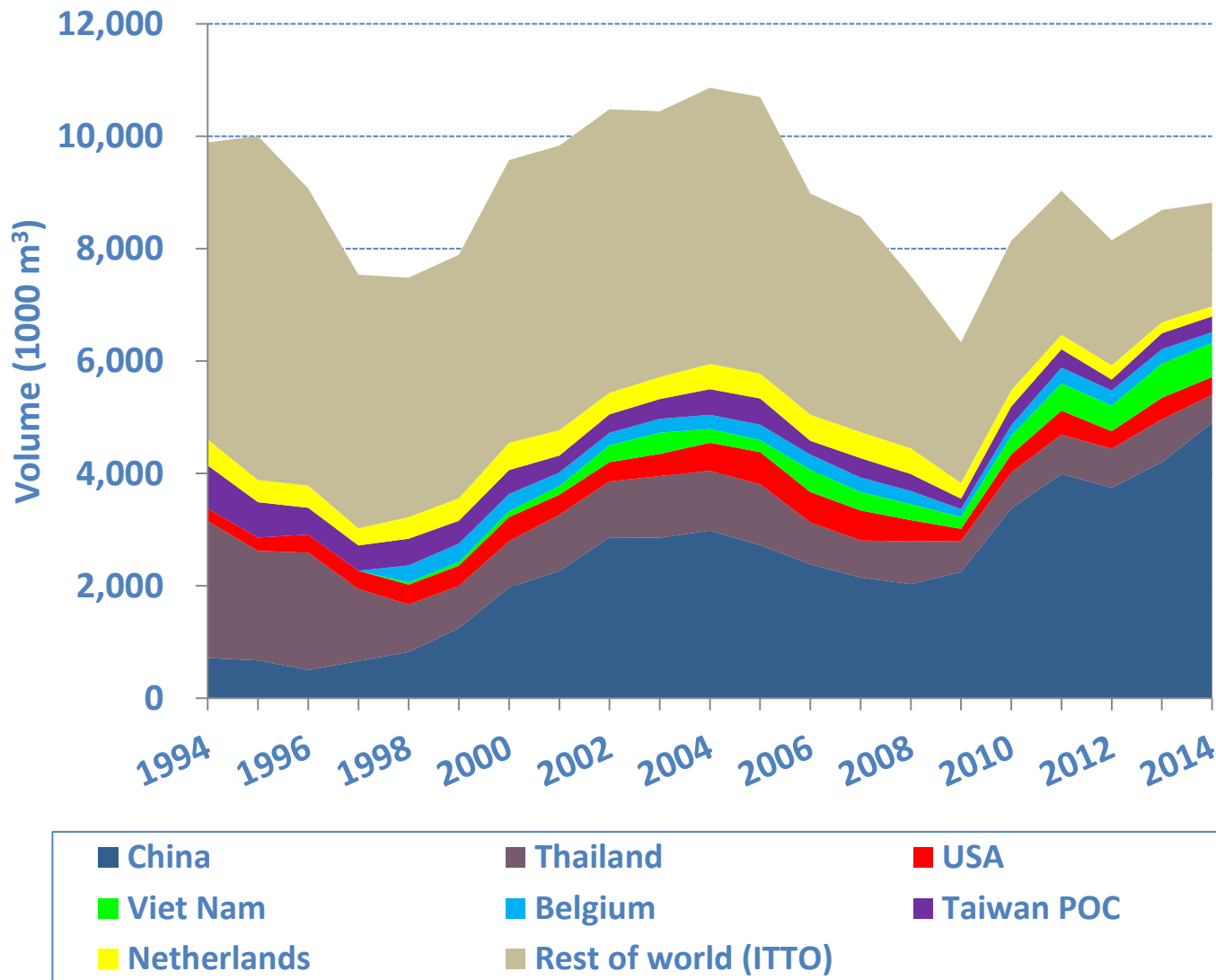
Tropical sawnwood exports, major ITTO countries 1994-2014



Source: ITTO Statistics Database



Tropical sawnwood imports, major ITTO countries 1994-2014





Tropical sawnwood: Major Asia-Pacific trade, 2014, by value (US\$ millions)

Importers Exporters	China	Thailand	Vietnam	Malaysia	Philippines	Japan	Taiwan POC
Thailand	1017		-	6	-	-	-
Malaysia	146	128	8		8	70	62
Indonesia	232	-	3	6		18	5
Philippines	90	-	-	17		6	-
Viet Nam	97	-		-	-	3	19
Myanmar	42	7	-	17	-	-	3
Laos	244	35	425	-	-	-	5
Cambodia	-	-	250	-	-	-	-

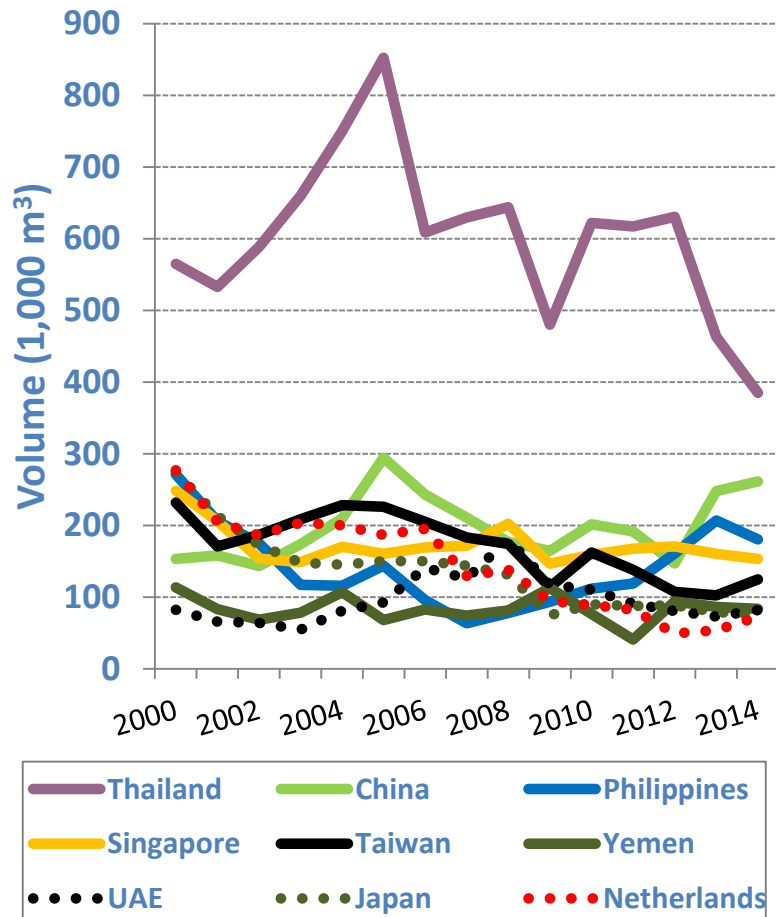
Sources: COMTRADE; World Trade Atlas

Note: Figures as reported by importing country

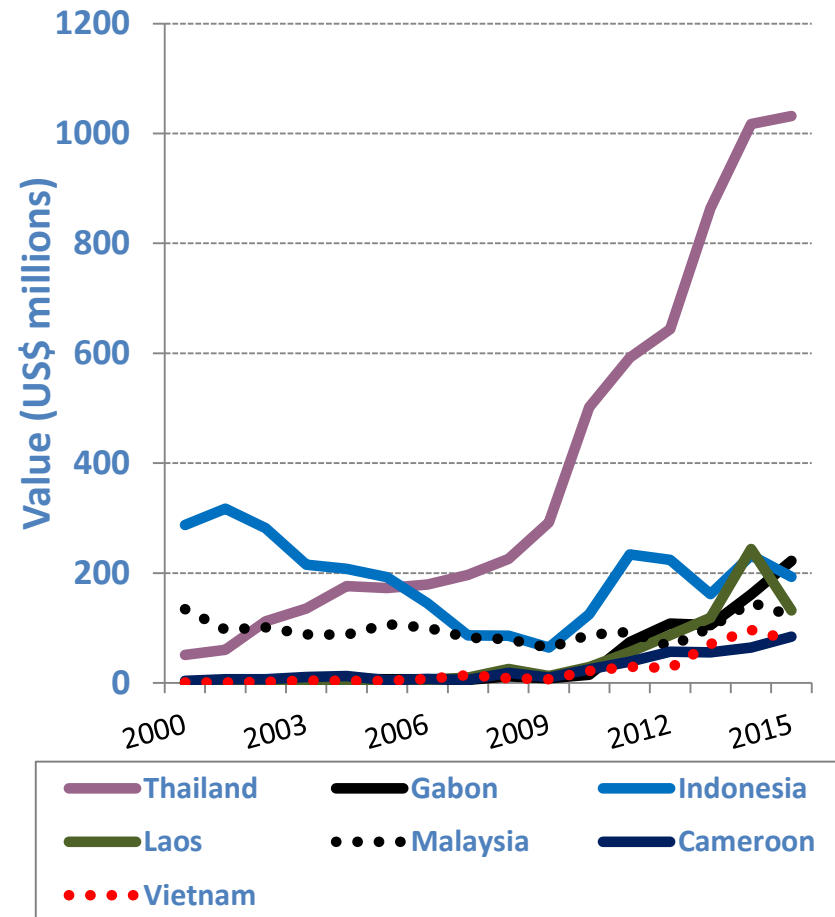


Tropical sawnwood trade, major Asia-Pacific countries

Malaysia: Exports of tropical sawnwood



China: Imports of tropical sawnwood



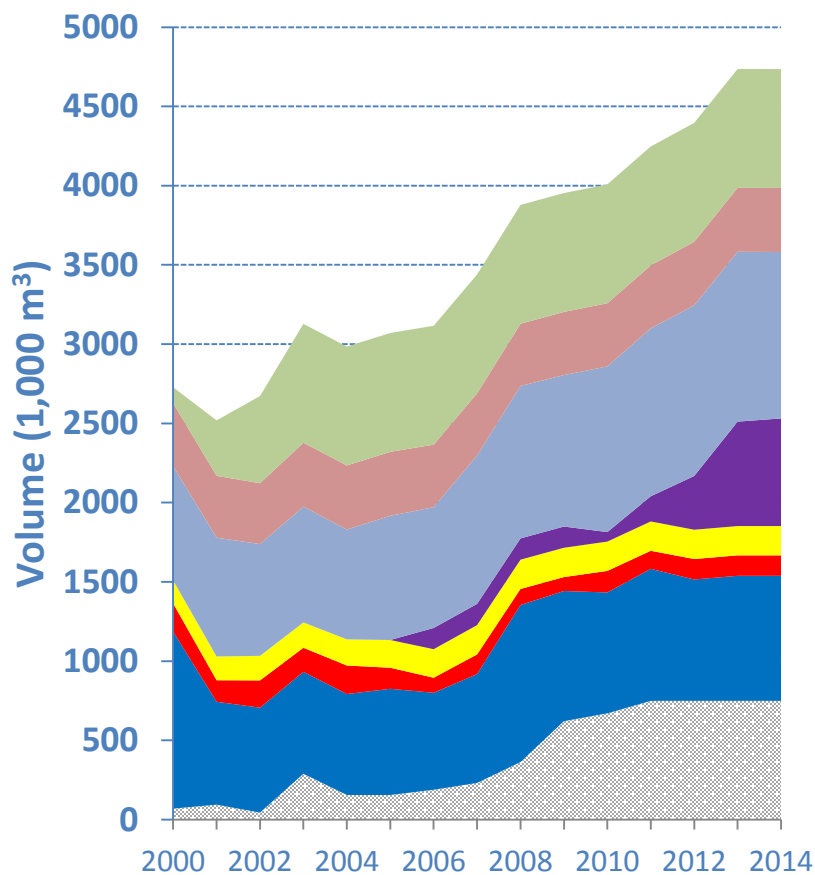
Source: ITTO Statistics Database; COMTRADE

Source: ITTO Statistics Database; COMTRADE



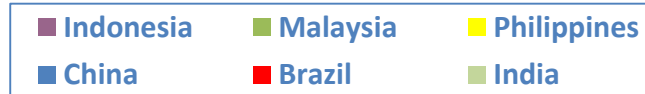
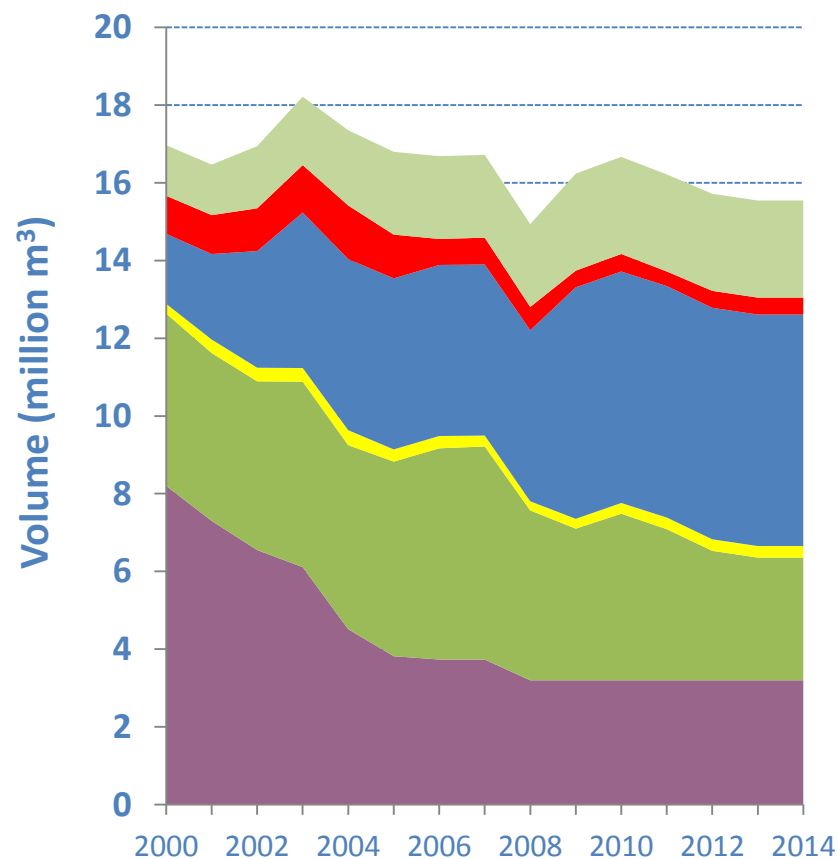
Production of tropical veneer and plywood, major countries, 2000-2014

Tropical veneer production



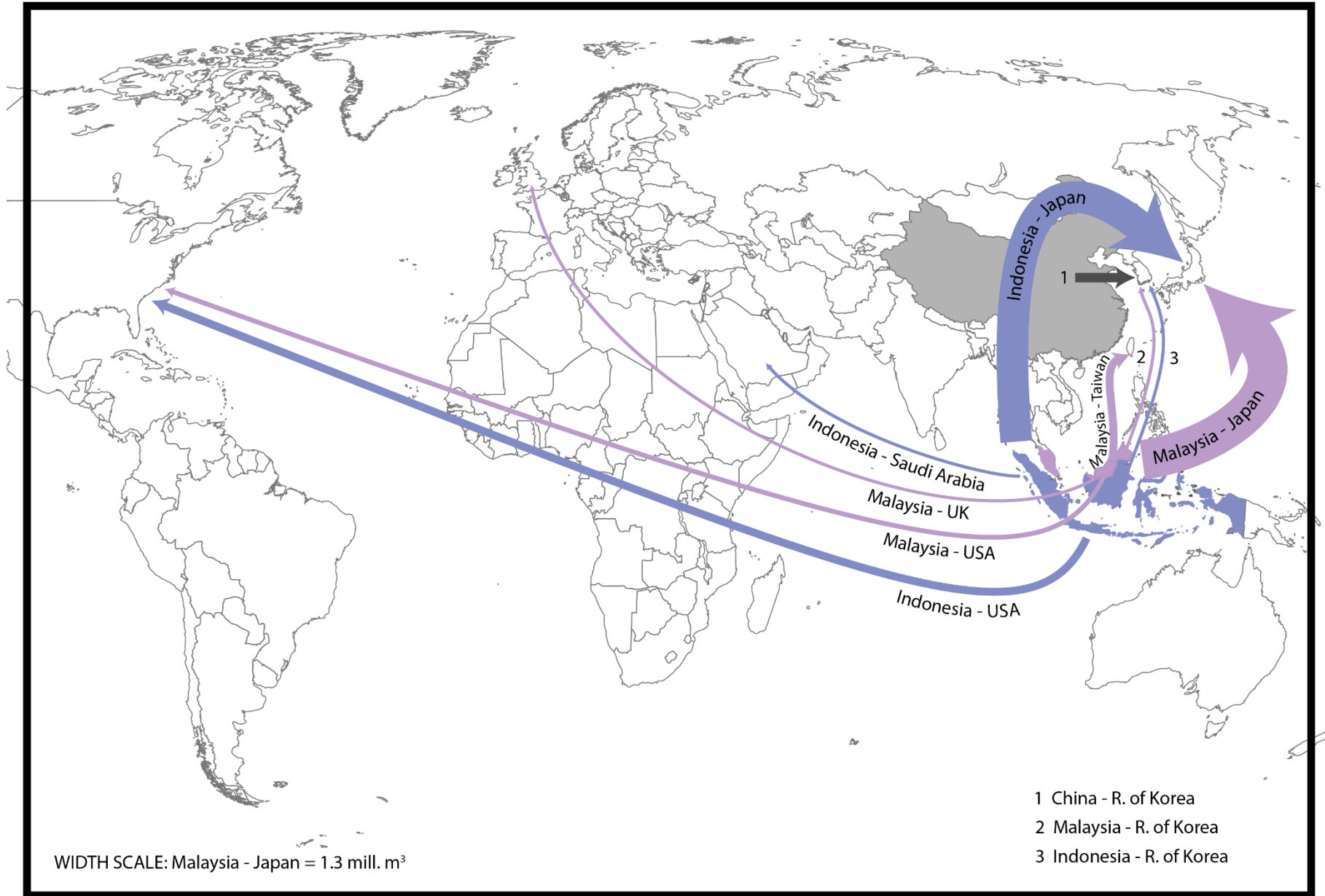
Source: ITTO Statistics Database

Tropical plywood production



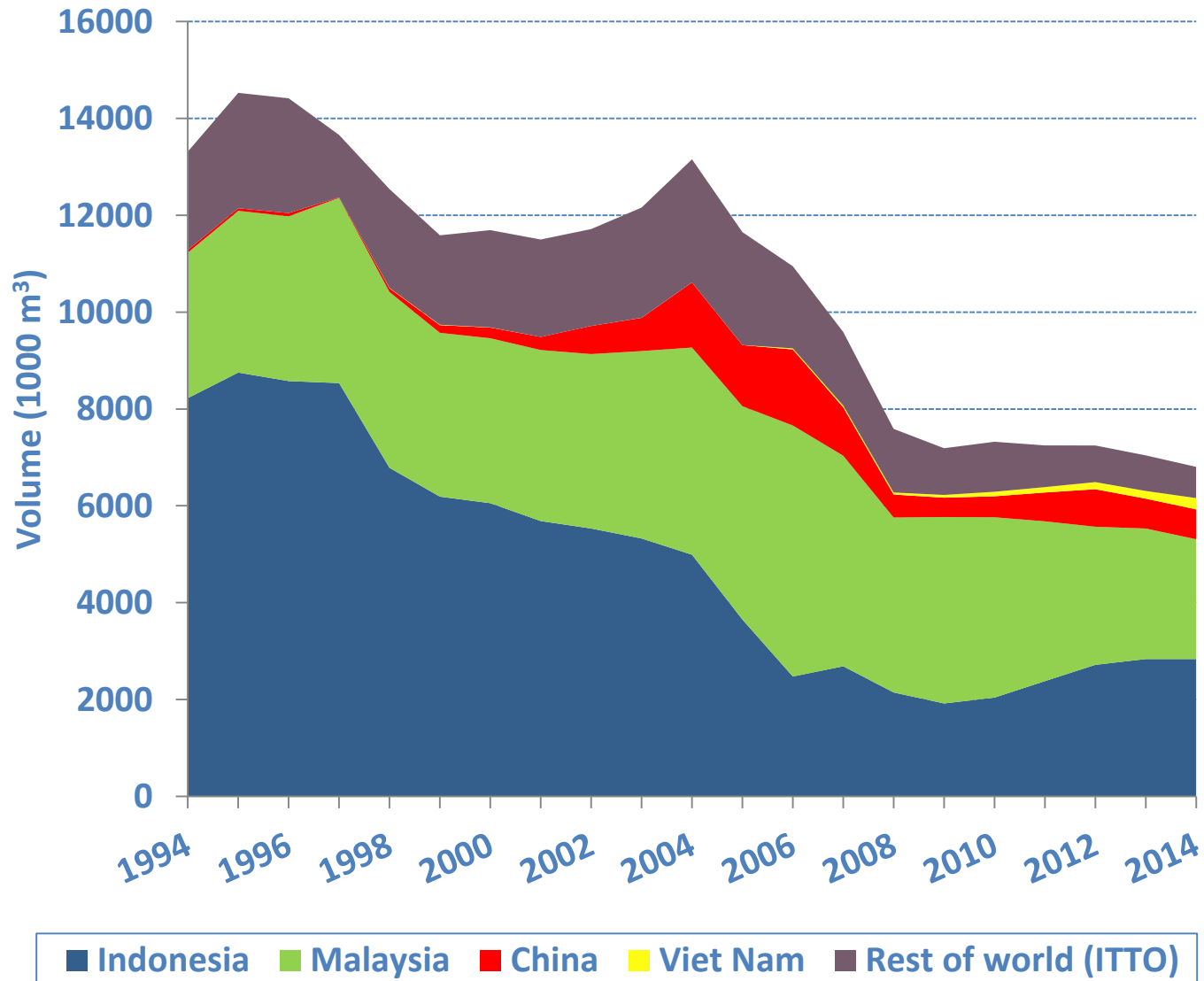
Source: ITTO Statistics Database

MAJOR TRADE FLOWS: TROPICAL PLYWOOD, 2013



Sources: ITTO Statistics Database, COMTRADE.

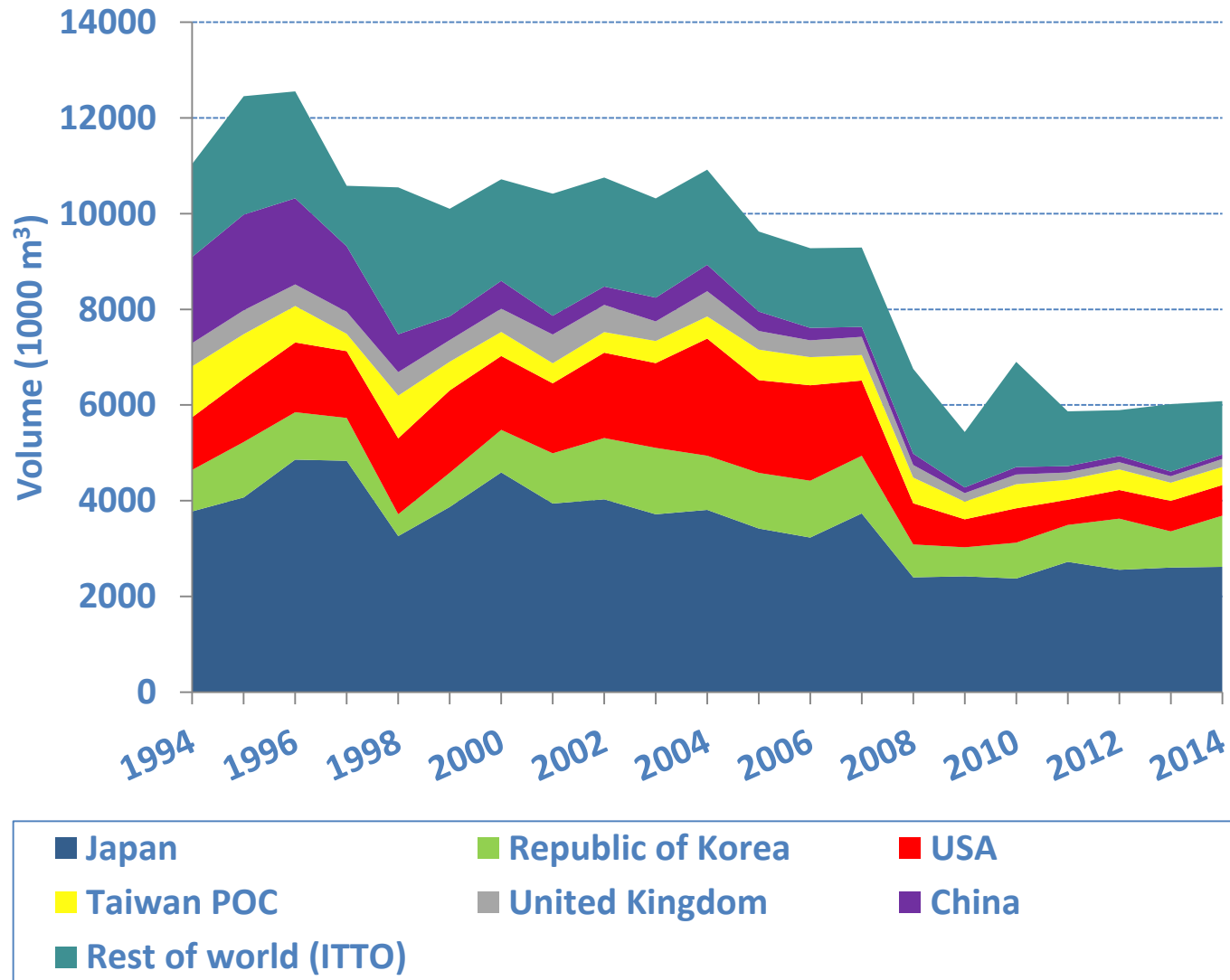
Major exporters of tropical plywood



Source: ITTO Statistics Database



Major importers of tropical plywood



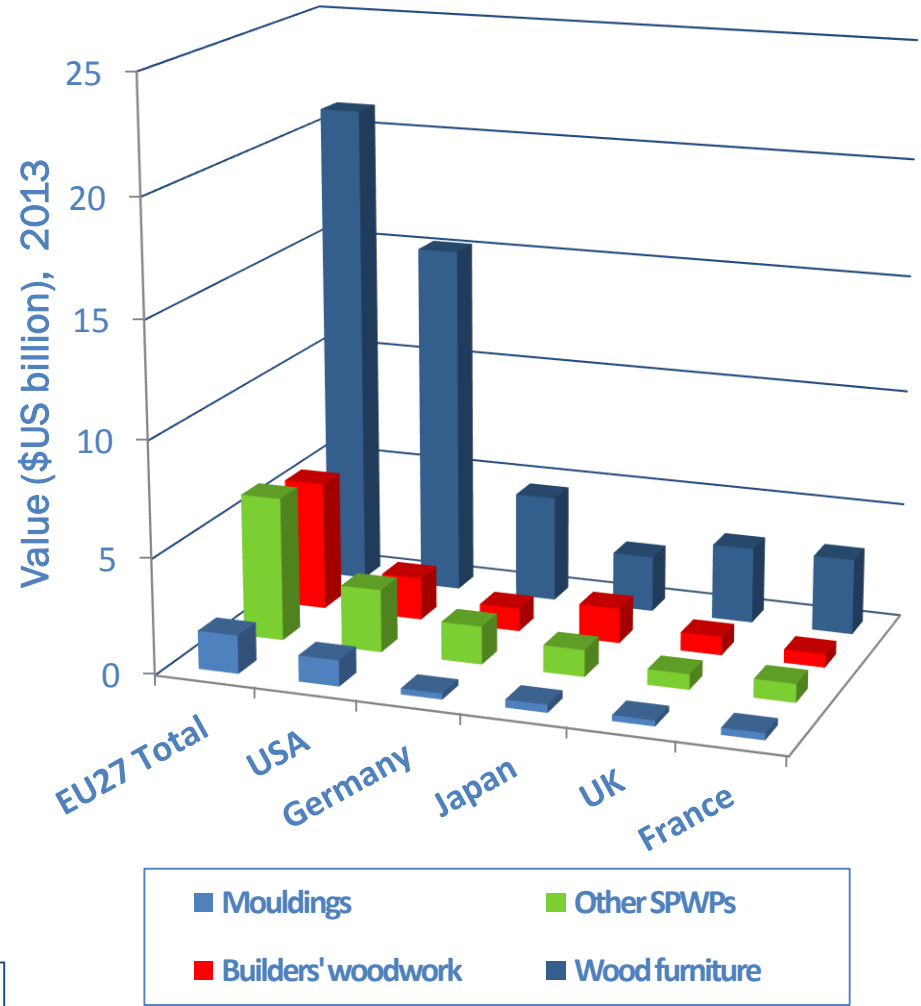
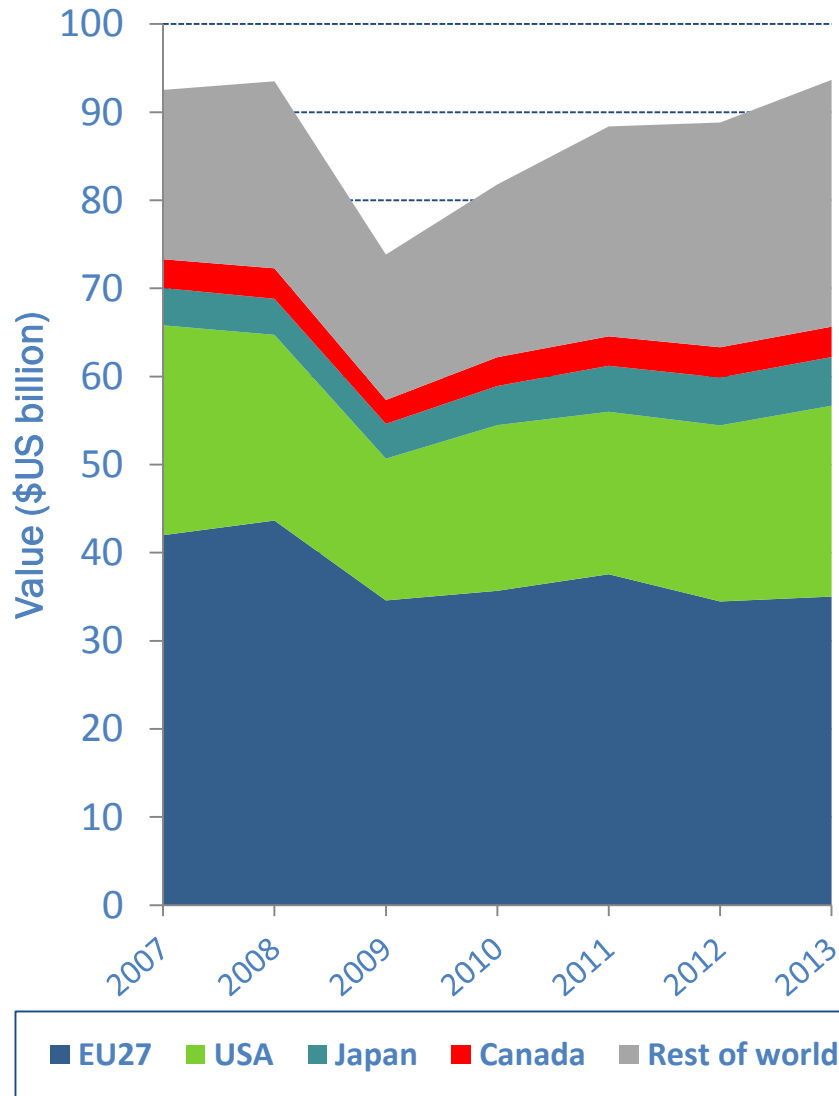
Source: ITTO Statistics Database

PRODUCTION AND TRADE TRENDS SECONDARY PROCESSED WOOD PRODUCTS





Major importers of secondary processed wood products

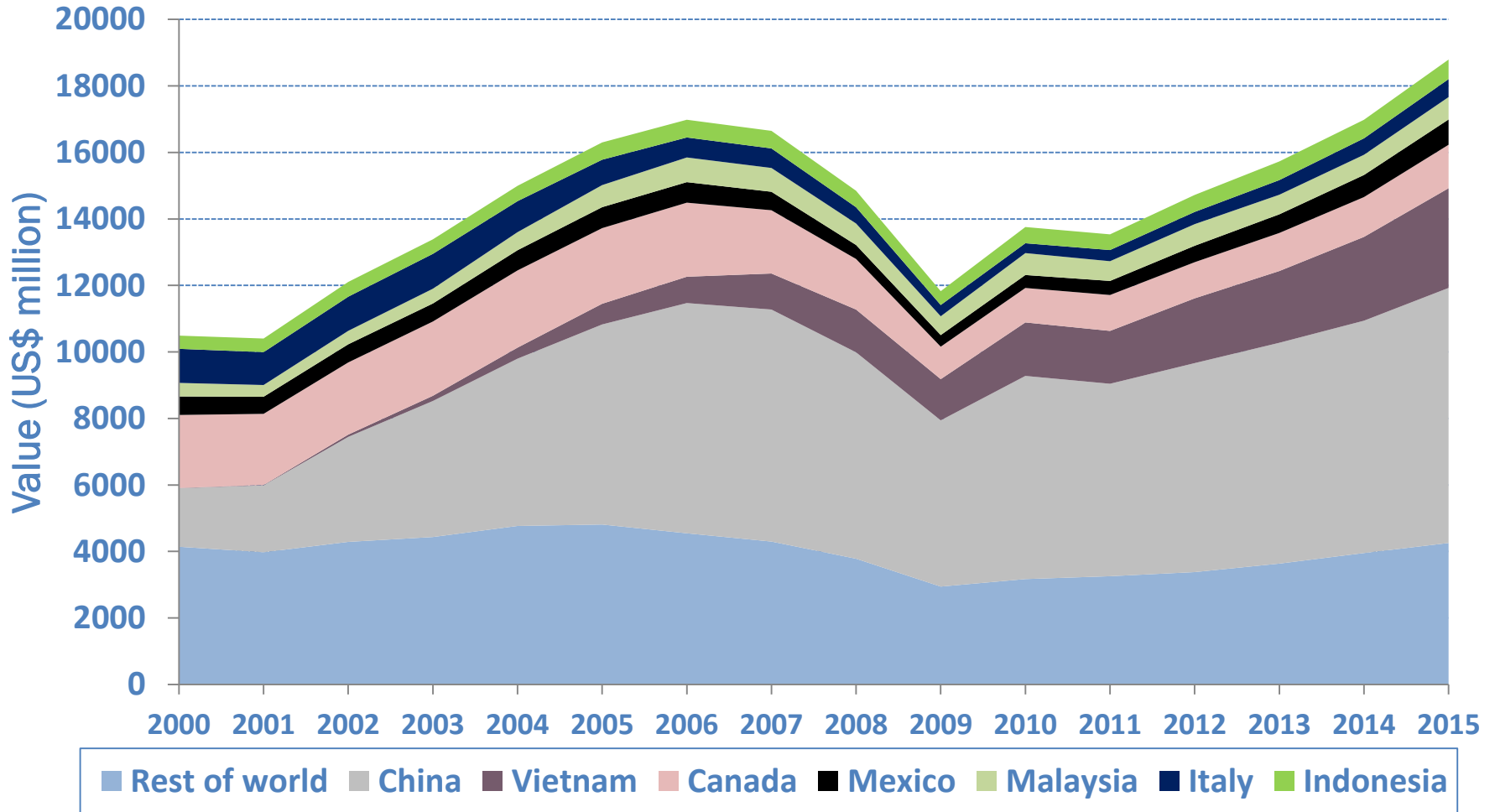


Source: ITTO Statistics Database

Source: ITTO Statistics Database



USA: Imports of wooden furniture and parts, 2000-2015



Source: World Trade Atlas



Top 10 exporters of wooden furniture and parts, 2014

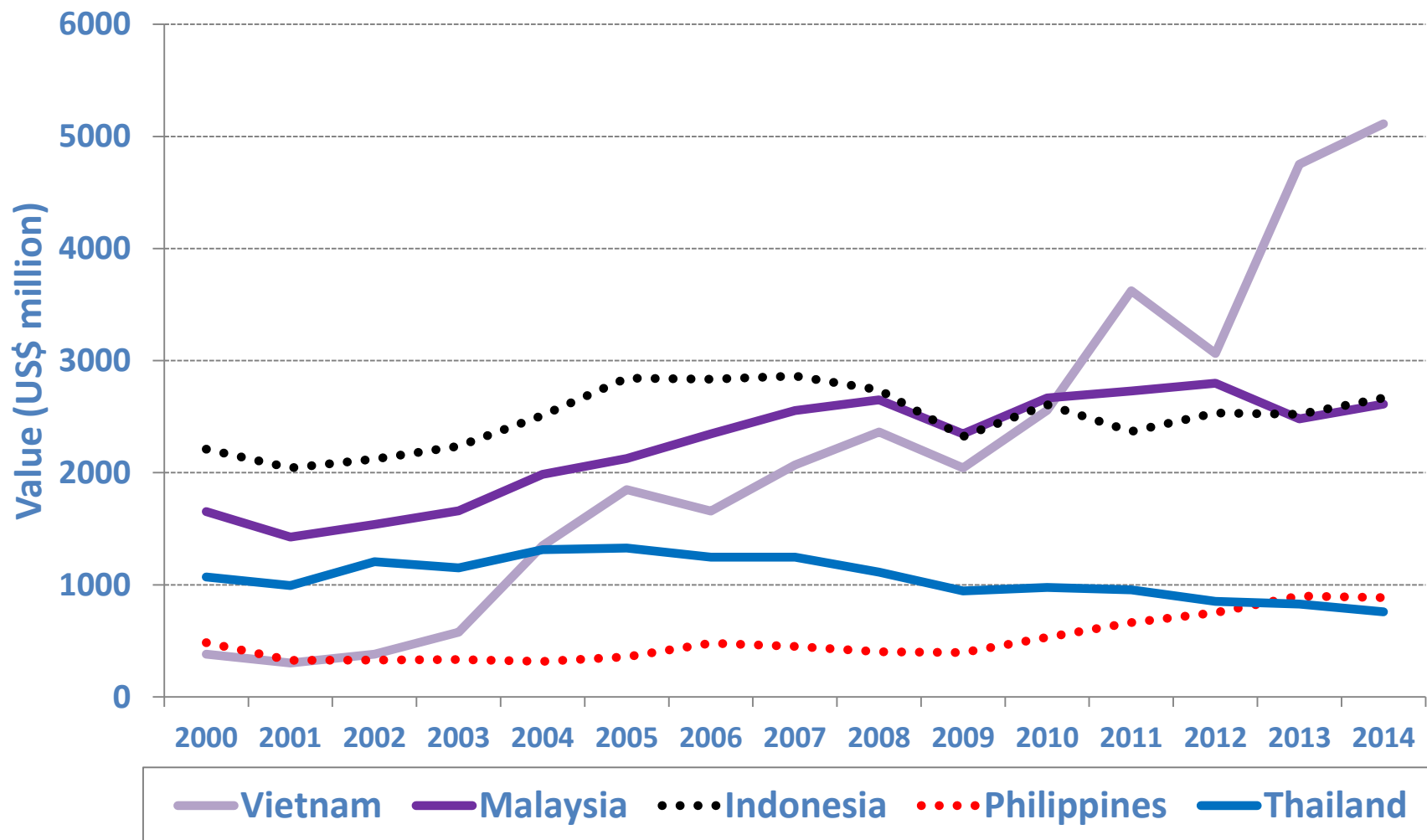
Rank	Country	Value US\$ mill.		Rank	Country	Value US\$ mill.
1	China	21 288		6	USA	2 077
2	Italy	6 120		7	Malaysia	1 997
3	Germany	5 355		8	Denmark	1 439
4	Poland	5 251		9	Canada	1 311
5	Viet Nam	5 155		10	Indonesia	1 271

Source: COMTRADE

Note: Figures as reported by exporting country except Vietnam. Vietnam exports are the sum of imports from Vietnam as recorded by importing countries.

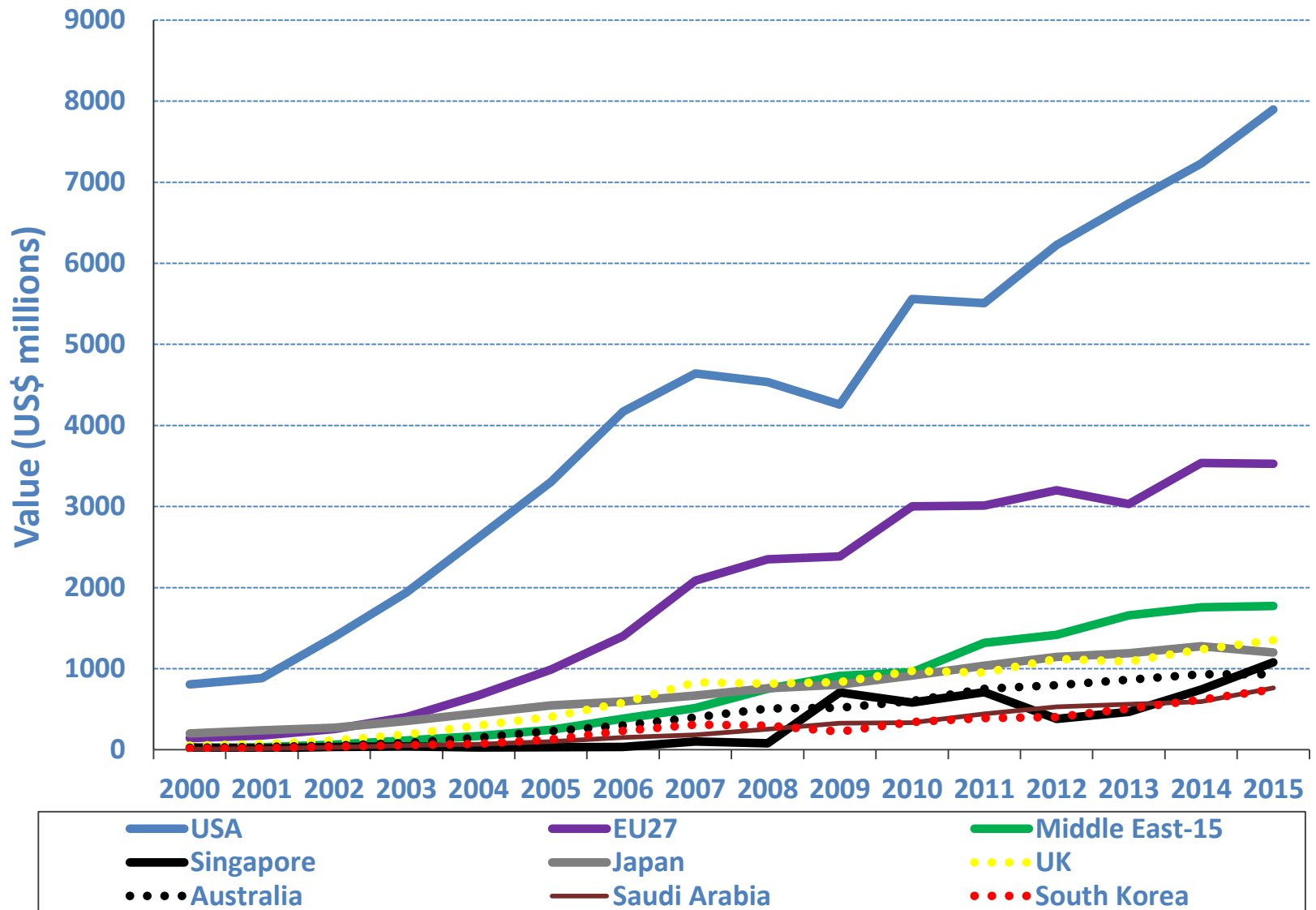


Secondary processed wood products exports, major Southeast Asian producers



Sources: COMTRADE; ITTO Statistics Database

China: Exports of wooden furniture and parts 2000-2015



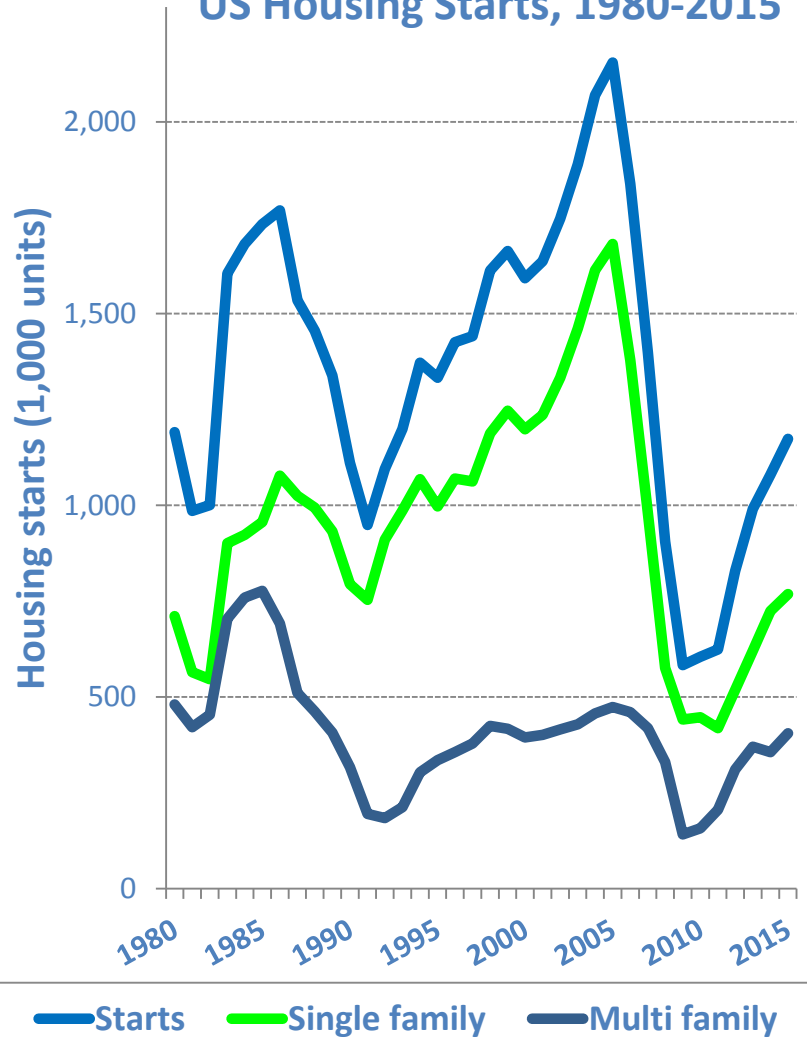
Source: World Trade Atlas

MARKET ISSUES



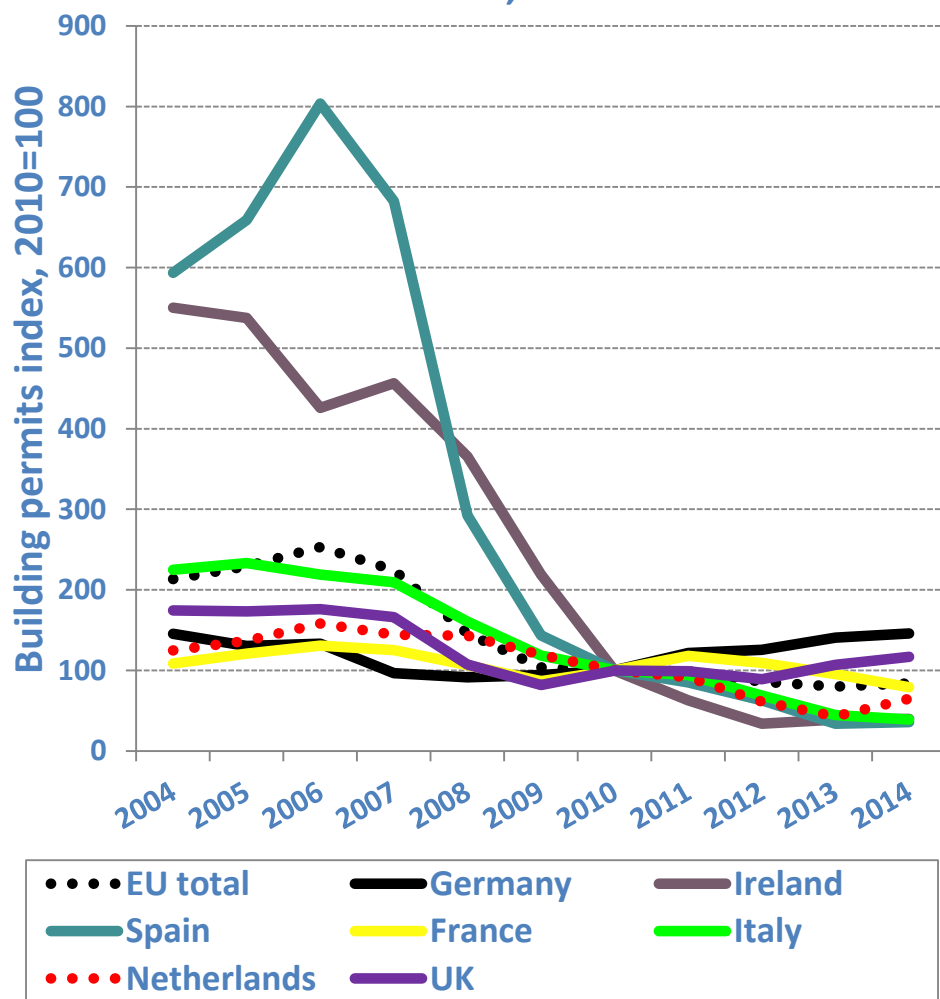
Building and construction indicators

US Housing Starts, 1980-2015



Source: US Bureau of the Census

EU Building Permits Index, Selected EU countries, 2004-2014



Source: Eurostat

Home truths

1

China's:

February 2006=100

housing starts new-home sales
housing completions cement production



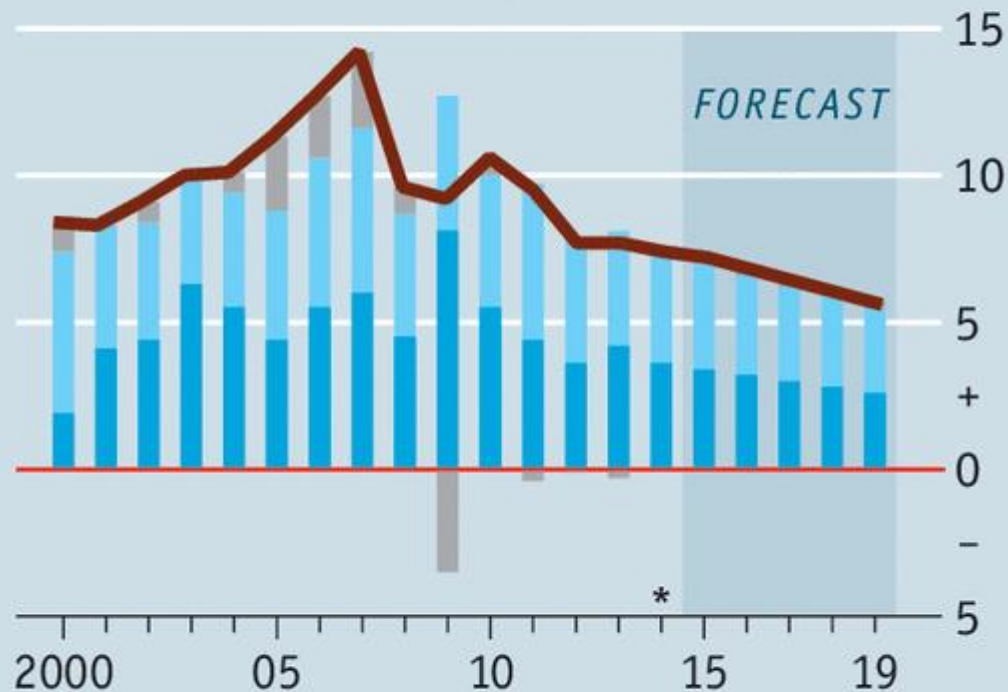
Source: Thomson Reuters

The shape of things to come

Contribution to China's GDP growth

Percentage points, from:

■ investment
 ■ consumption
 ■ net exports
— GDP, % increase on a year earlier

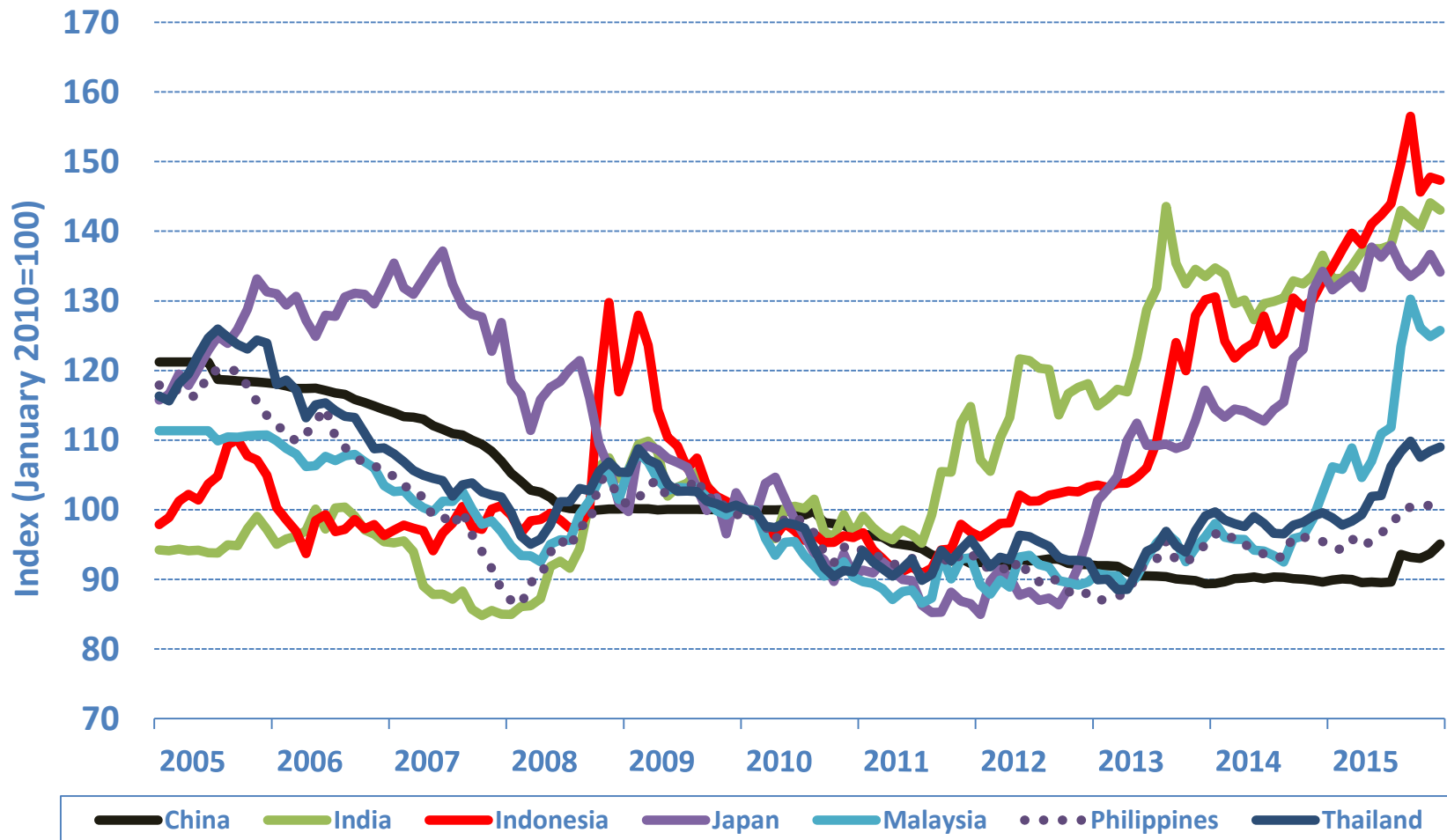


Sources: Haver Analytics;
Economist Intelligence Unit

*Estimate



Exchange rate indices, selected Asia-Pacific countries, January 2005-November 2015



Source: IMF. National currency per US dollar.



Other Market Issues

- ❑ Tropical hardwood supply
 - ❑ Reduction in availability and quality of traditional species
 - ❑ Plantation development focused on fibre in Asia-Pacific
- ❑ Changing demographics; rising domestic consumption in emerging markets, tropical producer countries
- ❑ Residual impacts of the global financial and economic crisis
- ❑ General economic slowdown in 2015 in emerging economies; modest recovery in advanced economies



Other Market Issues

- Relative market competitiveness of competing wood and non-wood products
- Design trends and consumer preferences
- Product innovation and building trends
- Lower energy prices
- Legal timber legislation in consumer countries
- Preferential trade agreements; China-ASEAN, TPP, non-tariff trade measures

MARKET RISKS AND UNCERTAINTIES





Market risks and uncertainties

- ❑ China economic growth and demand levels
- ❑ Contagion effects of China downturn on Asia-Pacific wood products trade
- ❑ Impact of TPP, if ratified, on Asia-Pacific wood products trade
- ❑ Climate change; effectiveness of policies
- ❑ Elimination of illegally logged wood from supply chains in major tropical wood processing countries.



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