

# **Global Timber and Wood Products Market Update**

*- a news brief from Wood Resources International LLC*

## **Global trade of softwood lumber in 2013 to reach its highest level in five years, reports the Wood Resource Quarterly**

*With demand for lumber being in recovery mode in a number of countries in the world in 2013, global trade of both lumber and logs were on track to reach their highest levels since before the global financial crisis in 2008, reports the Wood Resource Quarterly. The biggest increases in overseas lumber trade have been from Canada to China and from the Nordic countries to Japan.*

**Seattle, USA.** Global trade of both logs and softwood lumber was higher in 2013 than it was in 2012 with both products reaching their highest levels traded since before the global financial crises in 2008, as reported in the Wood Resource Quarterly (WRQ). The total value that was traded in 2013 was estimated to be over 50 billion dollars (based on data for the period January-October), with almost two-thirds of the value being that of softwood products. Although shipments of logs have increased faster than shipments of lumber the past five years, the total value of traded lumber is still more than double that of logs.

Softwood lumber is, by far the most commonly shipped wood product worldwide and the US continues to be the major destination for internationally traded lumber, with Canada currently supplying almost 96% of all imports to the country. Lumber shipped by break-bulk vessels or by container ships accounted for more than half of the total volume of lumber traded in the world in 2013. The largest overseas trade flows were between Canada and Asia, followed by shipments from Sweden to the United Kingdom and Northern Africa (see detailed trade data in the latest issue of the WRQ).

The biggest changes in overseas lumber trade in 2013 have been a continued increase in exports from the Nordic countries to Asia (mainly Japan) and from North America (mainly Canada) to China, while there has been a decline in trade within Europe and in shipments from most supplying countries to Northern Africa, according to the WRQ ([www.woodprices.com](http://www.woodprices.com)). The unrest and uncertain political situation in Egypt has left supplying sawmills searching for alternative markets and many lumber companies in Europe and Russia have found new opportunities for increased sales in Asia over the past 12 months.

There has been an unprecedented increase in demand for softwood lumber in Asia the past few years, with the three major importing countries: Japan, China and South Korea together importing more than twice as much lumber in 2013 as compared to five years ago.

With a strengthening lumber market in the US it is likely that Canadian sawmills in the western provinces may redirect some of their current shipments that are currently going

to Asia into the American market in the coming year. As a consequence, opportunities would rise for European and Latin American lumber producers to expand exportation to both Japan and China.

*Global sawlog, pulpwood and timber market reporting is included in the 52-page quarterly publication Wood Resource Quarterly (WRQ). The report, established in 1988 and with subscribers in over 30 countries, tracks sawlog, pulpwood, lumber and pellet prices, trade and market developments in most key regions around the world. **To download a sample copy of the WRQ, please go to [www.woodprices.com](http://www.woodprices.com)***

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