

Global Timber and Wood Products Market Update

- a news brief from Wood Resources International LLC

Importation of softwood logs to Sweden reached a 10-year high in 2013 with Norway and Latvia being the major suppliers of both pulplogs and sawlogs, reports the Wood Resource Quarterly

The forest industry in Sweden imported about ten percent of its wood raw-material needs in 2013, according to the Wood Resource Quarterly. Softwood log imports reached a ten-year high, while there has been a decline in the importation of hardwood logs. The major log suppliers to Sweden in 2013 were Latvia, Norway, Estonia and Finland,

Seattle, USA. Sweden is the fourth largest importer of logs in the world, despite having forests that cover almost two-thirds of the country. The import volumes have been growing steadily the past five years, with 2013 imports being almost 60 percent higher than five years ago. Softwood logs make up all of the increase in imports and Wood Resource Quarterly (WRQ) reported that 2013 had the highest softwood log import volume over the past ten years. In a contrary development, the importation of hardwood logs in 2013 declined, with import volumes being down about 16 percent from the previous year. As a matter of fact, imports last year fell to the second lowest level in 15 years, with Latvia reducing shipments the most.

During the past few years, between 10-15% of the imported log volume have been sawlogs destined for sawmills in the Southern part of Sweden, of which most have been sourced in Norway.

Almost 90% of imported logs in 2013 were pulplogs, evenly split between softwood and hardwood. The two major supplying countries have been Norway (softwood) and Latvia (softwood and hardwood), with other neighboring countries including Finland, Russia and Estonia following far behind.

The total softwood log shipments from Norway to Sweden, including sawlogs and pulpwood, reached just over two million m³ in 2013, up from 1.4 million m³ in 2012 and only 709,000 m³ in 2011. The major reason for this dramatic increase was that the Swedish pulp company Sodra permanently closed its pulpmill in Tofte, Norway last summer. As a consequence, private forest owners in the region have increased their log shipments to pulp mills in central Sweden. This has had an impact on log flows and prices in the local markets in Sweden and there has been no shortage of wood fiber in this part of the country, according to the WRQ (www.woodprices.com).

Imported wood-raw material for the Swedish forest industry is not just a marginal business but quite important for many manufacturers of lumber and pulp. The past two years, imported logs have accounted for about ten percent of the total log consumption in the country, this was up from 7.5 percent in 2009.

*Global 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 subscribe to the WRQ**, please go to www.woodprices.com*

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