

Global Timber and Wood Products Market Update

- a news brief from Wood Resources International LLC

New Zealand is now the world's largest supplier of softwood logs with exports increasing fourfold to almost two billion dollars in five years, reports the Wood Resource Quarterly

More than 20 percent of the world's softwood log trade originates from New Zealand. In 2013, the country exported 57 percent of the country's timber harvest and the value of the trade had tripled in five years, according to the Wood Resource Quarterly. A majority of the log volumes were destined for China, but South Korea, India and Japan were also sourcing logs from New Zealand last year.

Read more about New Zealand's spectacular rise to become the world largest log exporter in the latest issue of the [Wood Resource Quarterly](#).

Seattle, USA. New Zealand has become the world's largest exporter of softwood logs, with shipments in 2013 accounting for over 20 percent of global trade, according to estimates by WRI. Russia and the US ranked second and third as global log suppliers, each shipping about 15 percent of the softwood logs traded in the world last year.

Not only has the *volume* of logs exported from New Zealand increased dramatically the past five years, with almost a doubling of exports to over 16 million m³, but the *value* of the logs has gone up even faster. The average value of exported logs reached a new record high in March this year, which was double the value just four years ago, as reported in the Wood Resource Quarterly (WRQ).

Despite the dramatic increase in sawlogs leaving the country and the closures of a number of manufacturing facilities in New Zealand, domestic log consumption has not changed much the past ten years. In 2013, the forest industry consumed just slightly less logs than the ten-year annual average consumption.

China is, of course, the reason for the surge in log exports and the record high timber harvest levels in New Zealand. In 2013, shipments to China accounted for 72% of the total export volume, followed by South Korea, India and Japan. The magnitude of the log export volume cannot be underscored enough. In the 4Q/13, as much as 57 percent of the timber harvest in New Zealand was exported in log form. Such a high share of exports of unprocessed wood is unmatched in the rest of the world.

While timberland owners have mightily benefited from the strong log export market, domestic sawmills have not seen the same surge in export volumes. In 2008, the total value of exported lumber equaled that of exported logs at approximately 500 million US dollars. Since that time, the export value for lumber has gone up a respectable 30%. However, this pales in comparison with the value of logs that have gone up fourfold to reach close to two billion US dollars in 2013.

For the website link to this and other news briefs from WRI please click [here](#)

*Global pulpwood and timber market reporting is included in the 52-page quarterly publication Wood Resource Quarterly (WRQ). The report, which was established in 1988 and has 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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