

# Global Timber and Wood Products Market Update

*- a news brief from Wood Resources International LLC*

## **In July 2015, prices for overseas traded hardwood chip were 14% below their peak four years ago, according to the latest FOEX Chip Price Indexes**

Prices for hardwood chips traded overseas have been in steady decline since November 2011. In less than four years, the FOEX hardwood chip price index (PIX-HCG) has fallen almost 14% to reach US\$178.34 per oven-dry metric ton (odmt) in July 2015. The downward trend of the index has partly been the result of lower prices for hardwood chips, in US dollar terms, imported to Japan from Australia, Chile and South Africa.

Global overseas trade of hardwood chips has slowed down in 2015 with the total trade for the first six months of the year being almost 14% lower than the same period in 2014.

The FOEX softwood chip price index (PIX-SCG) has fluctuated more than the PIX-HCG the past two years and has been on an upswing for the past three months after having declined since last summer. In July, the Index was up almost four percent month-over-month to US\$173.20/odmt, the highest level since December of 2014. The increase in the price index was due in part to higher import prices in Japan and Turkey.

### About the PIX wood chip prices indices

FOEX and Wood Resources International (WRI) have cooperatively launched two wood chip price indices, the Softwood Chip Global (SCG) and Hardwood Chip Global (HCG), both part of the PIX index family of FOEX. The Indices represent prices (CIF) for wood chips that are traded globally overseas for the manufacturing of wood pulp and wood-based panels. The Indices are reported monthly the third Tuesday of the month on the FOEX web site ([www.foex.fi](http://www.foex.fi)). If you are interested in participating as a data provider, subscribing to the index histories (data available from January 2010), or are considering using the Indices commercially, please contact [tuomo@foex.fi](mailto:tuomo@foex.fi).

### About FOEX Indexes Ltd

FOEX Indexes Ltd is a private, independent company which specializes in providing audited, trade-mark registered price indices for pulp, paper, recovered paper, biomass and wood chips. Financial institutions use the FOEX Indices as benchmarks when setting prices for SWAP-deals and other financial instruments hedging against product price risks.

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## About Wood Resources International LLC

Wood Resources International LLC, an internationally recognized forest industry-consulting firm established in 1987, publishes two quarterly timber and pulpwood price reports and has subscribers in over 30 countries. The Wood Resource Quarterly, established in 1988, is a 50-page quarterly market report which includes global prices for sawlogs, pulpwood, wood chips, lumber and pellets, as well as market commentary about developments in the global timber, biomass and forest industry. If you have any questions, please contact Hakan Ekstrom ([hakan@woodprices.com](mailto:hakan@woodprices.com)).