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Oak adds spice to bland British market

Newly released import data (page 4) indicates that 2004 was a very patchy year for the UK hardwood trade. Oak is clearly a very hot item, but other species are not doing so well. Pressure continues to mount on UK furniture and joinery manufacturers from imported products. Prospects for the rest of 2005 are very mixed, with the one bright spot provided by the continuing strong fashion for "the natural look" in interior and exterior joinery.

From the perspective of the hardwood trade, a highlight of the 2004 UK import data is the strong rise in oak imports, both in lumber and log form. Total oak log imports increased by 33% last year. Imports of higher value logs from the United States grew particularly quickly. Imports of lower value logs from Germany also increased quickly, while imports from France maintained the very high levels of the previous year. Much of this wood is probably destined for building restoration projects and for upmarket bespoke joinery manufacturers.

Meanwhile imports of higher value oak sawn lumber increased by 19% in tonnage terms, with strong growth in imports from all the major suppliers, including the United States, France, Germany, and Canada. It's notable that despite all the talk of the mounting influence of Eastern European oak in the UK market, most European oak imported into the country is now sourced from France and Germany. Sawmills in these countries have successfully cultivated markets in the UK by supplying larger volumes of square-edged (as opposed to waney-edged) product.

Declining value of beech imports

UK imports of beech sawn lumber were up in tonnage terms during 2004, but the value of imports declined, a sign of the relatively low prices now on offer for beech in the UK. While Germany remains by far the largest supplier of sawn beech to the UK, there was a significant increase in beech lumber imports from Italy, presumably based on logs from the former Yugoslavia.

While oak and beech imports were generally rising, imports of other hardwood species were either static or declining in 2004. Imports of tropical sawn lumber were down 11% in value terms and 17% in tonnage terms. Supply shortages – combined with the strong focus now placed on African sapele as the standard joinery redwood in the U.K. – contributed to a significant decline in imports from Malaysia. This was only partly compensated by rising levels of sawn lumber imports from Cameroon and Ivory Coast.

2004 was a relatively good year for the UK plywood trade. Imports were up on the previous year, with much of the increase in the first half of 2004 as traders bought more on the back of rising prices. Supply problems and concerns about legality led to a big fall in the level of Indonesian plywood imports, compensated by increases in imports from China and Malaysia. Imports of birch plywood from Finland and Latvia were also on the rise last year.

Rising imports of value-added

The data indicates a continuing rise in the level of UK imports of secondary processed wood products, including planed and sanded products and hardwood mouldings. UK imports of hardwood mouldings now amount to around 100,000 tonnes a year, twice the level of only 5 years ago. Hardwood mouldings are now imported from a wide range of countries, with China and Indonesia featuring strongly.

The trend towards rising levels of finished wood furniture imports into the UK continued rapidly in 2004, up 19% in value terms and 46% in tonnage terms. The data indicates that the unit value of imported furniture is tending to decline, another indication of the price pressure now imposed on domestic manufacturers. It seems inevitable that future furniture production in the UK will be restricted almost exclusively to the high value bespoke sector.

To some extent, future consumption of hardwoods in the UK will be dependent on economic conditions. The latest raft of leading economic data has not been particularly promising, encouraging *The Economist* to trim their forecast for real GDP growth in 2005 to 2.3% in April 2004 (down from 2.4% in March). Weak retail sales in early 2005, allied to growing evidence of a slowdown in the housing market, have reduced the likelihood of a further rise in official interest rates in 2005.

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Editorial: European special issue

The release of trade data for the EU-25 nations has encouraged a focus on Europe this month. We analyse import data for the five largest western European economies, together with hardwood export data for all EU-25 countries. For the sake of completeness, we include a report on the Romanian trade. While not due to become a member of the EU before 2007, Romania plays a key role as the largest hardwood producer in Eastern Europe.

This comprehensive analysis highlights a few key features of the European trade in the last 12 months. It demonstrates the huge emphasis now placed on oak in the European trade, mainly at the expense of beech. It highlights the increasingly important role of Eastern Europe in the supply of secondary and finished wood products to the rest of Europe. It shows that to a significant extent, the recent emergence of strong wood processing industries in Eastern Europe – that benefit from close proximity and free access to EU markets and relatively low labour costs – has cushioned the overall European trade from Asian competition. With the exception of the UK, Asian wood products manufacturers had not significantly penetrated the EU market by the end of 2004.

But the data hints that an Asian onslaught may be just around the corner. Even Italy – the global leader in furniture manufacturing and design with a market traditionally very loyal to domestic product - saw a significant rise in the level of furniture imports from the Far East last year. This was from a small base, but with Asian manufacturers now focusing heavily on accessing the European market, it seems inevitable that their market penetration will continue to rise.

All this is already impacting on the European export trade. During 2004, Germany's exports of oak logs to China increased from 30,000 tonnes to over 100,000 tonnes, while exports of oak sawn lumber to Indonesia increased from 17,500 tonnes to 36,000 tonnes. The EU looks set to follow a path already followed in the United States. Wood raw material is being exported to the Far East, only for much of it to be returned to the EU as finished product.

Market summary

Africa

Sapele treads a different path

Mixed reports continue to emerge from the African hardwood market. While demand for sapele is generally soft, demand for many other hardwoods is in excess of limited supply.

There are reports of falling prices for lower grade sapele logs. However efforts by producers to limit production combined with government-imposed constraints on supply and the usual transport problems, have encouraged producers to hold prices for higher grade logs steady. Signs of log supply shortages for alternative meranti species in the Far East have been another factor encouraging producers to keep log prices steady. There has been some weakness in euro FOB prices for sapele sawn lumber in recent weeks. This reflects slow consumption of on-ground sapele sawn lumber stocks in north-western Europe which has contributed to sluggish forward orders. Demand for sawn sapele in China - which emerged for a short period in mid 2004 – has yet to show any real signs of revival this year.

African indicative prices

	Feb	Mar	Apr
Exchange rates			
US$/euro		1.30	1.29
US$/£	1.91	1.89	1.90
Euro/£	1.46	1.46	1.47
All prices include agents commission of 5%			
Sawn lumber			
Cameroon, CAR, Congo (Braz.)			
Euro/m3; FOB			
Grade/size: FAS, air dried, width6"+, length 6'+			
Sapele	460	450	440
Sipo	550	550	550
N'Gollon	600	600	600
Iroko	680	680	710
Cote d'Ivoire			
Euro/m3; FOB Abidjan			
Grade: FAS			
Size: width 6"+ avg 9"-10"; length 6'+ avg 10'-11', thickness 1"-2"			
Iroko AD	695	695	710
Mahogany AD	600	600	600
Framire KD(b)	430	430	425
Ayous KD No.1 C&S	320	320	320
Dimension stock			
Azobe	440/ 500	440/ 500	440/ 500
Dabema	325/ 375	325/ 375	325/ 375
Gabon			
Euro/m3; FOB			
Grade and size: FAS, width 6"+, length 6'+			
Okoume KD	340	340	340

Tight supplies of many species

In contrast, supplies of logs of many other commercially valuable species remain relatively restricted, including iroko, azobe, sipo, bubinga/kevazingo, movingui/ayan, iroko/odum, afrormosia, abura/bahia, afzelia/doussie, and padouk. Shippers are now offering some of these species only on condition that buyers take larger lots of sapele. Log and sawn lumber prices for some of these species have continued to rise in recent weeks, including iroko, azobe, bubinga, movingui, and padouk.

Continuing political tensions in the Ivory Coast, combined with intense pressure on forest resources, are now raising significant questions over the long term availability of sawn lumber from that source. Although iroko supplies continue to trickle out of the country, prices of this species have now

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risen to such an extent that most importers will only buy when the species is specifically requested by a customer.

China has been buying good volumes of okoume logs in recent weeks, contributing to firm prices for this species.

Some reports indicate continuing transport problems from parts of Africa. Railway transport from central parts of Congo-Republic to the port at Pointe Noire is very irregular, leading to reports of delayed shipments. Diversion of shipping capacity to satisfy Chinese demand for commodities is another factor leading to regular reports of delayed shipments from Africa.

The low stock position for many African species in Europe, combined with restricted supply, suggest that prices for most African hardwood species will maintain a stable to rising trend over the second quarter.

North America

Solid market growth

Economic conditions in the United States remain generally favourable for hardwoods. Consumer confidence is not as high as it was last year, but the housing market remains very strong. New house sales in March were 12.2% up on February and 12.7% up on the same month last year. Sales of existing houses have also been holding up well, a trend which tends to indicate continuing strong demand for joinery products.

Log decks in some parts of the United States are lower than desired due to weather conditions and strong competition for logs. However, log supplies are not so low that operators are expecting any loss of production time. Contraction of the US furniture and strip flooring industry, combined with fashions favouring maple, has meant excess supplies of red oak. Maple remains a very "hot" item in the United States and prices have been advancing. However there has been some easing of the supply situation in recent weeks as producers have rushed to get more logs on to the market with the onset of warm spring weather, which brings heightened risk of stain. Mills in a position to do so have also tended to switch from oak to maple production.

Export trading has been intensely competitive but most reports indicate good sales in many key markets during the first quarter of 2005. Anecdotal evidence is supported by US export data for the first 2 months of 2005 which indicates total sawn lumber shipments were up 2.5% on same time period last year. Exchange rates have remained favourable for US hardwoods in major export markets.

Steady rise in exports to China

Exports to China have risen steadily since the start of the year, although this is partly at the expense of shipments to Hong Kong, which have been declining. Buyers on the Chinese mainland are increasingly dealing direct with US exporters. A key feature of the Chinese market is a tendency to substitute species purely on the basis of price. There is little commitment to any single species, and price competition is fierce.

Exports of American hardwood lumber into the EU were also buoyant during the opening months of the year, up 4.5% during January-February. Unlike previous years, some of the strongest growth was into northern European countries, including Germany, the UK and Belgium. Meanwhile shipments to Spain, Portugal and Greece were trailing last year's level. There seems to be mounting competition in EU markets for common grades of white oak. However, recent reports suggest strong demand for FAS grades of American white oak, with reports from the UK suggesting particularly good demand in the opening months of 2005. Some US exporters report full European order books for their upcoming production of FAS grade white oak.

US sawn lumber indicative prices

North Appalachian US$ MBF* CIF- W. Europe
Grade: FAS/IF, KD square edged
Net measure after kilning
NOTE US prices are highly variable depending on quality and point of orgin. These prices are shown only to highlight trends over time.
*One cubic meter is equivalent to 423.8 BF or 0.4238 MBF

	Jan	Mar	Apr
$/£	1.88	1.89	1.90
$/Euro	**1.30**	**1.30**	**1.29**
Red oak			
1"	2080	2080	2080
1.25"	2320	2275	2300
1.5"	2375	2350	2350
2"	2750	2725	2725
White oak			
1"	1790	1750	1750
1.25"	1950	1900	1900
1.5"	2425	2450	2450
2"	2975	3000	2950
Ash			
1"	1325	1325	1375
2"	1675	1725	1725
Tulipwood			
1"	990	1000	1000
1.25"	1050	1050	1050
1.5"	1080	1100	1100
2"	1125	1150	1150
Cherry (Pennsylvania)			
1"	3650	3550	3550
1.25"	3775	3700	3700
1.5"	4000	4000	4050
2"	4175	4100	4250
Hard Maple (North US, No 1 & 2 White)			
1"	2950	2965	3150
1.25"	3175	3250	3250
1.5"	3000	3520	3400
2"	3125	3600	3550

Asian logs and lumber

Solid market growth

Limited supplies and strong demand from China and India have contributed to continuing rises in FOB prices for Far Eastern tropical logs in recent weeks. Log supplies are usually limited at this time of year just before the start of the main logging season in Indonesia and Malaysia. Although the monsoon has ended, the weather is still unstable in mountain areas and continues to hinder logging operations. Efforts to restrict illegal logging in Indonesia, combined with declining availability from conversion forests in the Far East, have meant that log supplies are even tighter than usual this year.

The Japan Lumber Journal (JLJ) suggests that Indonesian government law enforcement measures are at last having an effect, forcing Chinese and Indian importers "to concentrate on buying through the proper channels." JLJ suggests that log stocks at ports in Malaysia and Indonesia have continued to shrink in recent weeks.

FOB log price rises have been apparent for all the key species including meranti, keruing, kapur, merbau and selangan batu.

Reports indicate strong buying of Far Eastern tropical logs in China since the end of the Chinese New Year. India is also absorbing good volumes. Consumption in Japan is weaker, and Japanese importers have been struggling to pass on log price rises to their customers. Signs are that Japanese imports of tropical hardwood logs will continue to shrink in 2005.

Firm Malaysian FOB prices

FOB prices for Malaysian sawn lumber have also remained firm in response to log supply. This combined with sluggish European demand has meant that many shippers have been reluctant to cut for the European market. Dutch demand for dark red meranti remains stagnant – characterised by overstocking with widespread selling of on-ground stocks at below replacement cost. Dutch demand for merbau is more buoyant, but obtaining supplies remains a major problem. Delivery periods for merbau into Europe now extend to September. Forward demand for Malaysian meranti sawn lumber in Belgium and UK has remained slow. UK buyers report that keruing in UK specifications is now available only in small volumes at very high prices. Prices for bangkarai/balau decking are also very firm.

Meranti Sawn Lumber Prices

West Malaysia, MTCC-certified, DRM-tembaga
All prices US$/ton, C&F UK port, including
5% agents commission
Grade: Select & better GMS; Kiln dried
Size: Width 6"+ avg 7"/8"; Length: 8'+ avg 12'/14'

	Feb	*Mar*	*Apr*
1"	910	925	920
2"	935	955	955
2.5"	960	980	1000
3"	975	1000	1010

Prices quoted are now MTCC certified product. West Malaysian shippers are increasingly offering the certified product to the UK as standard. Non certified product prices are around 3% lower.

UK imports 2003 and 2004

	Value 000 euro 2003	Value 000 euro 2004	Value 000 euro % chng	Weight tonnes 2003	Weight tonnes 2004	Weight tonnes % chng
Oak logs						
U.S.A.	3194	9261	190	3682	9663	162
FRANCE	9106	8847	-3	21982	22284	1
GERMANY	1025	1950	90	4820	8131	69
CANADA	69	809	1072	62	714	1052
BELGIUM	387	770	99	1177	3394	188
OTHER	1930	1445	-25	2913	1886	-35
TOTAL	**15711**	**23082**	**47**	**34636**	**46072**	**33**
Beech logs						
GERMANY	1008	862	-14	1295	1208	-7
DENMARK	367	499	36	275	619	125
ROMANIA	219	227	4	197	202	3
CAMEROON	0	33	na	0	52	na
SLOVAKIA	0	24	na	0	25	na
OTHER	511	68	-87	463	55	-88
TOTAL	**2105**	**1713**	**-19**	**2230**	**2161**	**-3**
Birch logs						
LATVIA	8767	2654	-70	35168	8590	-76
RUSSIA	1846	1713	-7	7233	7682	6
ESTONIA	4090	1653	-60	11659	4238	-64
FINLAND	160	635	297	534	2510	370
FRANCE	50	261	422	124	678	447
OTHER	165	348	111	467	513	10
TOTAL	**15078**	**7264**	**-52**	**55185**	**24211**	**-56**
Poplar logs						
LATVIA	670	1028	53	2082	2833	36
ESTONIA	227	180	-21	799	604	-24
RUSSIA	0	29	na	0	170	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
OTHER	2	0	-100	0	0	na
TOTAL	**899**	**1237**	**38**	**2881**	**3607**	**25**
Logs of tropical species identified by Eurostat (a)						
MALAYSIA	1400	1700	21	1728	1648	-5
NETHERLANDS	565	947	68	616	1650	168
GERMANY	1040	867	-17	1041	1337	28
IRISH REPUBLIC	31	762	2358	7	2514	35814
CAMEROON	435	623	43	467	895	92
OTHER	5366	2745	-49	7029	3319	-53
TOTAL	**8837**	**7644**	**-14**	**10888**	**11363**	**4**
Other hardwood logs (b)						
U.S.A.	6112	5450	-11	6179	6065	-2
CANADA	307	1128	267	334	1065	219
GERMANY	691	572	-17	708	1429	102
NETHERLANDS	216	480	122	286	735	157
POLAND	30	364	1113	43	1616	3658
OTHER	2619	1574	-40	6062	2726	-55
TOTAL	**9975**	**9568**	**-4**	**13612**	**13636**	**0**
Sawn lumber of tropical species identified by Eurostat (a)						
CAMEROON	19978	20133	1	27598	28534	3
MALAYSIA	23726	19125	-19	29422	24482	-17
IVORY COAST	10566	15037	42	12572	15484	23
NETHERLANDS	9687	8846	-9	8357	7661	-8
GHANA	7662	8531	11	8335	8206	-2
OTHER	33144	22008	-34	57880	35308	-39
TOTAL	**104763**	**93680**	**-11**	**144164**	**119675**	**-17**
Oak sawn lumber (high value) (c)						
U.S.A.	33352	41332	24	33181	39357	19
FRANCE	12298	14016	14	14367	17103	19
GERMANY	5680	7112	25	6202	7619	23
CANADA	4012	5157	29	3480	4427	27
ITALY	2892	4199	45	1839	2755	50
OTHER	6570	6905	5	6879	7291	6
TOTAL	**64804**	**78721**	**21**	**65948**	**78552**	**19**
Oak sawn lumber (low value) (c)						
ESTONIA	8424	3549	-58	35654	14151	-60
LATVIA	1055	1196	13	3760	3850	2
RUSSIA	0	71	na	0	223	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
OTHER	94	0	-100	335	0	-100
TOTAL	**9573**	**4816**	**-50**	**39749**	**18224**	**-54**
Beech sawn lumber (high value) (c)						
GERMANY	11273	10775	-4	17313	17968	4
FRANCE	5548	4389	-21	4356	3965	-9
DENMARK	2563	2132	-17	2668	2315	-13
ITALY	718	1652	130	630	2648	320
POLAND	932	857	-8	664	852	28
OTHER	1501	1324	-12	1762	1312	-26
TOTAL	**22535**	**21129**	**-6**	**27393**	**29060**	**6**
Beech sawn lumber (low value) (c)						
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
OTHER	0	0	na	0	0	na
TOTAL	**0**	**0**	**na**	**0**	**0**	**na**
Other hardwood sawn lumber (high value) (b) (c)						
U.S.A.	25096	21119	-16	23176	21193	-9
CANADA	7774	8663	11	6658	7790	17
GERMANY	1002	1115	11	1608	3086	92
BRAZIL	759	1086	43	1132	1631	44
SWEDEN	1291	1023	-21	3395	2487	-27
OTHER	6509	4817	-26	10617	7422	-30
TOTAL	**42431**	**37823**	**-11**	**46586**	**43609**	**-6**
Other hardwood sawn lumber (low value) (b) (c)						
LATVIA	24254	26125	8	116998	130692	12
ESTONIA	2930	5578	90	11852	28724	142
RUSSIA	325	2780	755	1419	10926	670
GUYANA	0	2102	na	0	6859	na
LITHUANIA	1249	632	-49	5661	2592	-54
OTHER	515	742	44	1685	2732	62
TOTAL	**29273**	**37959**	**30**	**137615**	**182525**	**33**
Planed, sanded or finger-jointed lumber of Eurostat tropical species (a)						
NETHERLANDS	1211	832	-31	771	489	-37
GERMANY	231	711	208	242	847	250
FRANCE	480	554	15	266	253	-5
BELGIUM	528	497	-6	807	710	-12
IRISH REPUBLIC	33	275	733	34	280	724
OTHER	711	578	-19	582	479	-18
TOTAL	**3194**	**3447**	**8**	**2702**	**3058**	**13**

	Value 000 euro 2003	Value 000 euro 2004	Value 000 euro % chng	Weight tonnes 2003	Weight tonnes 2004	Weight tonnes % chng
Other hardwood planed sanded or finger jointed sawn lumber (b)						
LATVIA	11084	8337	-25	28009	29540	5
FRANCE	3075	5722	86	2123	3719	75
AUSTRIA	1037	2535	144	1567	1462	-7
U.S.A.	1671	1913	14	842	797	-5
ESTONIA	45	1609	3476	60	3676	6027
OTHER	4844	8262	71	8148	14911	83
TOTAL	**21756**	**28378**	**30**	**40749**	**54105**	**33**
Veneer of tropical species identified by Eurostat (a)						
SOUTH AFRICA	7153	4769	-33	1043	834	-20
GHANA	1239	1336	8	912	940	3
BELGIUM	406	1112	174	252	731	190
GERMANY	1037	1067	3	336	833	148
CHINA	47	609	1196	44	480	991
OTHER	4769	2819	-41	1901	1058	-44
TOTAL	**14651**	**11712**	**-20**	**4488**	**4876**	**9**
Veneer of other hardwood species (b)						
U.S.A.	5319	5773	9	1528	1674	10
GERMANY	5312	5104	-4	1227	1208	-2
NETHERLANDS	2725	2953	8	369	479	30
FRANCE	3914	2903	-26	1058	747	-29
SOUTH AFRICA	195	1702	773	49	246	402
OTHER	8326	6218	-25	4139	3469	-16
TOTAL	**25791**	**24653**	**-4**	**8370**	**7823**	**-7**
Hardwood mouldings						
CHINA	18916	39170	107	12054	26057	116
ITALY	21028	19938	-5	3877	3851	-1
INDONESIA	13312	14903	12	9778	12443	27
CANADA	16455	14180	-14	9419	7965	-15
MALAYSIA	9458	13083	38	6897	8373	21
OTHER	56960	58275	2	39715	42540	7
TOTAL	**136129**	**159549**	**17**	**81740**	**101229**	**24**
Plywood of tropical species identified by Eurostat (a)						
CHINA	10914	17708	62	17035	35455	108
MALAYSIA	8045	12222	52	14774	23538	59
INDONESIA	9283	10141	9	16665	14864	-11
BRAZIL	8812	4382	-50	17890	7549	-58
SPAIN	3071	4344	41	2794	3060	10
OTHER	13966	14934	7	17630	17209	-2
TOTAL	**54091**	**63731**	**18**	**86788**	**101675**	**17**
Plywood of other hardwood species (b)						
BRAZIL	36956	53840	46	74779	88827	19
MALAYSIA	21445	53802	151	39698	89416	125
INDONESIA	44714	36508	-18	81756	56115	-31
FINLAND	26424	31636	20	24500	25916	6
LATVIA	6018	16089	167	9855	19339	96
OTHER	36074	53006	47	60462	82907	37
TOTAL	**171631**	**244881**	**43**	**291050**	**362520**	**25**
Softwood plywood						
BRAZIL	71688	80813	13	179604	165331	-8
FINLAND	41324	52329	27	55021	71817	31
CHILE	8725	10235	17	16166	17217	7
CANADA	8929	8218	-8	11081	9971	-10
FRANCE	11486	5705	-50	6302	4101	-35
OTHER	36033	28480	-21	54029	39803	-26
TOTAL	**178185**	**185780**	**4**	**322203**	**308240**	**-4**
Windows and frames of tropical species identified by Eurostat (a)						
IRISH REPUBLIC	241	535	122	83	148	78
BELGIUM	737	404	-45	114	59	-48
U.S.A.	220	375	70	23	27	17
GERMANY	170	263	55	11	12	9
SINGAPORE	115	119	3	40	50	25
OTHER	1176	97	-92	318	40	-87
TOTAL	**2659**	**1793**	**-33**	**589**	**336**	**-43**
Windows and frames of other hardwood species (b)						
NORWAY	22367	21391	-4	3381	2785	-18
U.S.A.	1935	3460	79	241	1723	615
SWEDEN	1218	2383	96	238	530	123
CHINA	266	770	189	51	149	192
DENMARK	528	747	41	47	102	117
OTHER	4893	3366	-31	964	657	-32
TOTAL	**31207**	**32117**	**3**	**4922**	**5946**	**21**
Doors and frames of tropical species identified by Eurostat (a)						
IRISH REPUBLIC	2226	3376	52	744	1138	53
INDONESIA	2680	2038	-24	1295	1106	-15
SPAIN	1569	1765	12	643	490	-24
U.S.A.	314	713	127	33	55	67
ITALY	739	597	-19	76	64	-16
OTHER	2411	1324	-45	1637	1246	-24
TOTAL	**9939**	**9813**	**-1**	**4428**	**4099**	**-7**
Doors and frames of other hardwood species (b)						
INDONESIA	27006	29298	8	19052	20549	8
PORTUGAL	17512	20076	15	11091	12573	13
SOUTH AFRICA	9573	18889	97	6031	11487	90
MALAYSIA	18864	18239	-3	11312	10645	-6
BRAZIL	10504	14075	34	9743	13060	34
OTHER	76002	53101	-30	31770	20669	-35
TOTAL	**159461**	**153678**	**-4**	**88999**	**88983**	**0**
Parquet panels (d)						
SWEDEN	25306	29065	15	9868	14875	51
CHINA	10103	22220	120	6296	14289	127
FRANCE	10656	11475	8	10164	14937	47
DENMARK	13437	11266	-16	4684	4005	-14
BELGIUM	6150	5258	-15	4371	3460	-21
OTHER	32749	29575	-10	16286	15599	-4
TOTAL	**98401**	**108859**	**11**	**51669**	**67165**	**30**
Finished wood furniture (d)						
ITALY	597872	705870	18	114315	145951	28
CHINA	301427	478300	59	121711	203130	67
POLAND	168736	200393	19	84446	103214	22
DENMARK	141156	155908	10	63243	82764	31
GERMANY	152587	155554	2	276114	236185	-14
OTHER	1143148	1290251	13	472491	880794	86
TOTAL	**2504926**	**2986276**	**19**	**1132320**	**1652038**	**46**
Wood furniture components (d)						
ITALY	162441	231783	43	69841	188601	170
DENMARK	18283	18112	-1	7788	8006	3
SWEDEN	11769	15404	31	7005	10786	54
GERMANY	17819	14051	-21	12497	9183	-27
CHINA	4426	9949	125	2014	4938	145
OTHER	81355	67053	-18	36664	37508	2
TOTAL	**296093**	**356352**	**20**	**135809**	**259022**	**91**

(a) Eurostat identify around 100 species as "tropical". A full list can be downloaded at http://europa.eu.int/eur-lex/pri/en/oj/dat/2001/l_279/l_27920011023en03180328.pdf
(b) Species not identified as tropical are classed as "other" by Eurostat data. Most of these are temperate, but some tropical species are included.
(c) "High value" is taken to include all product averaging more than 350 euro/tonne, "Low value" is all product averaging less than 350 euro/tonne
(d) Includes both hardwood and softwood products.

Europe

Germany

Some signs of life

Germany's hardwood import performance was not quite as bad in 2004 as during the previous year (see table page 5). In 2003, German hardwood imports were pretty much down across the board as the construction industry languished in recession and as the furniture and furniture-supplying sector continued to undergo a major rationalisation process involving a huge shift in processing capacity into Eastern Europe. Last year there were some signs of improvement. German hardwood log imports, both tropical and temperate, were tending to rise again. Imports of tropical sawn lumber and higher value temperate hardwood sawn lumber (higher value being defined here as products averaging over euro 350/tonne) were also rising. As elsewhere in Europe, there was a particularly significant increase in the oak trade.

Shifting tropical supply sources

Some interesting shifts in sources of supply can be identified in the data. With regard to tropical logs, there was a significant increase in German imports from Gabon, Congo Republic and Equatorial Guinea, while imports from Cameroon remained stable. With regard to tropical sawn lumber, imports from across the border in the Netherlands were generally rising, suggestive of some increased reliance on just-in-time trading with large Dutch importers. On the temperate hardwood side, imports from North America were showing signs of improvement last year – no doubt a response to the weakening dollar. Also Bosnia took a significantly larger share of a generally declining beech market, mainly at the expense of Polish beech.

Rise in processed product imports

As in many other western European countries, Germany's imports of secondary processed wood products are generally rising. German imports of hardwood mouldings were up 15% last year, reaching 92,000 tonnes, and now make up a significant share of overall imports. Mouldings are sourced mainly from Indonesia, Poland and Austria.

Germany is a very large importer of plywood, taking around 670,000 tonnes in 2004. During the year

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Germany imports 2003 and 2004

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Oak logs						
U.S.A.	2091	3447	65	3235	5233	62
FRANCE	1141	1553	36	7089	6841	-3
UKRAINE	943	995	6	4264	3080	-28
AUSTRIA	537	937	74	923	1012	10
DENMARK	337	574	70	2334	5521	137
OTHER	1740	1813	4	8198	6145	-25
TOTAL	**6789**	**9319**	**37**	**26043**	**27832**	**7**
Beech logs						
FRANCE	3206	3215	0	33403	38063	14
SWITZERLAND	523	866	66	6153	12743	107
AUSTRIA	361	555	54	1707	6304	269
SLOVAKIA	474	469	-1	1774	1520	-14
DENMARK	826	429	-48	6037	2565	-58
OTHER	1196	1145	-4	7104	7842	10
TOTAL	**6586**	**6679**	**1**	**56178**	**69037**	**23**
Birch logs						
FINLAND	1799	1565	-13	5371	4329	-19
RUSSIA	159	286	80	578	1912	231
BURMA	0	274	na	0	162	na
ESTONIA	349	250	-28	1839	1141	-38
BELARUS	236	175	-26	81	57	-30
OTHER	664	509	-23	2339	3947	69
TOTAL	**3207**	**3059**	**-5**	**10208**	**11548**	**13**
Poplar logs						
AUSTRIA	0	53	na	0	89	na
UKRAINE	11	22	100	41	130	217
NETHERLANDS	68	21	-69	1514	573	-62
HUNGARY	0	15	na	0	42	na
DENMARK	14	5	-64	77	10	-87
OTHER	90	16	-82	585	61	-90
TOTAL	**183**	**132**	**-28**	**2217**	**905**	**-59**
Logs of tropical species identified by Eurostat (a)						
CAMEROON	15012	15934	6	31208	32757	5
GABON	3683	8201	123	11778	24449	108
CONGO REPUBLIC	3097	3831	24	7018	8590	22
BURMA	3824	3237	-15	2157	1962	-9
EQUAT. GUINEA	1482	2480	67	5648	10300	82
OTHER	5595	5509	-2	14335	8557	-40
TOTAL	**32693**	**39192**	**20**	**72144**	**86615**	**20**
Other hardwood logs (b)						
U.S.A.	35168	29454	-16	35250	32408	-8
FRANCE	2892	5490	90	9003	9953	11
GABON	938	1958	109	2701	5768	114
AUSTRIA	1364	1677	23	2416	4521	87
SPAIN	0	1460	na	0	1484	na
OTHER	10764	11594	8	23770	26972	13
TOTAL	**51126**	**51633**	**1**	**73140**	**81106**	**11**
Sawn lumber of tropical species identified by Eurostat (a)						
MALAYSIA	14436	13446	-7	15880	16594	4
NETHERLANDS	10739	11957	11	14595	16472	13
GHANA	10344	10067	-3	12706	12572	-1
CAMEROON	8419	7721	-8	13431	12159	-9
INDONESIA	4757	6240	31	5821	8152	40
OTHER	12892	14112	9	14740	17055	16
TOTAL	**61587**	**63543**	**3**	**77173**	**83004**	**8**
Oak sawn lumber (high value) (c)						
U.S.A.	8331	11175	34	11164	14796	33
LITHUANIA	2335	3000	28	1812	2351	30
AUSTRIA	1405	2733	95	2125	4384	106
FRANCE	0	2729	na	0	4958	na
CANADA	1363	1551	14	1421	1696	19
OTHER	5011	3610	-28	9429	6064	-36
TOTAL	**18445**	**24798**	**34**	**25951**	**34249**	**32**
Oak sawn lumber (low value) (c)						
UKRAINE	7737	9476	22	33295	33882	2
CZECH REPUBLIC	1620	1182	-27	5294	4314	-19
RUSSIA	448	826	84	1461	2555	75
SLOVAKIA	500	286	-43	1614	820	-49
BELARUS	0	19	na	0	63	na
OTHER	2101	1	-100	6203	4	-100
TOTAL	**12406**	**11790**	**-5**	**47867**	**41638**	**-13**
Beech sawn lumber (high value) (c)						
BOSNIA & HERZ.	2770	4123	49	5870	8318	42
AUSTRIA	2806	3146	12	4938	5170	5
POLAND	3660	2397	-35	8912	4850	-46
ROMANIA	1874	1786	-5	2515	2417	-4
SERBIA & MONT.	2088	1694	-19	2138	2618	22
OTHER	10060	7467	-26	17229	12882	-25
TOTAL	**23258**	**20613**	**-11**	**41602**	**36255**	**-13**
Beech sawn lumber (low value) (c)						
UKRAINE	2328	2493	7	7481	7872	5
SWITZERLAND	0	191	na	0	694	na
FINLAND	0	14	na	0	66	na
SPAIN	0	6	na	0	30	na
U.S.A.	4	4	0	25	22	-12
OTHER	1206	6	-100	5616	44	-99
TOTAL	**3538**	**2714**	**-23**	**13122**	**8728**	**-33**
Other hardwood sawn lumber (high value) (b) (c)						
CANADA	21202	22325	5	15100	16959	12
U.S.A.	17061	17417	2	13514	14446	7
AUSTRIA	2777	4176	50	4793	6160	29
POLAND	0	1409	na	0	3671	na
CHINA	119	1077	805	89	658	639
OTHER	11032	12313	12	12925	12873	0
TOTAL	**52191**	**58717**	**13**	**46421**	**54767**	**18**
Other hardwood sawn lumber (low value) (b) (c)						
LITHUANIA	17752	9206	-48	113235	55644	-51
LATVIA	5739	8421	47	37074	52328	41
RUSSIA	1269	4784	277	9590	31223	226
UKRAINE	1924	2636	37	12539	14989	20
BELARUS	2548	2156	-15	25091	21699	-14
OTHER	4409	1081	-75	16892	3719	-78
TOTAL	**33641**	**28284**	**-16**	**214421**	**179602**	**-16**
Planed, sanded or finger-jointed lumber of Eurostat tropical species (a)						
NETHERLANDS	1612	1565	-3	1690	1506	-11
GHANA	1457	1557	7	1356	1464	8
IVORY COAST	862	1177	37	632	961	52
BELGIUM	350	1012	189	424	1371	223
CAMEROON	340	698	105	218	463	112
OTHER	2454	1654	-33	1361	1062	-22
TOTAL	**7075**	**7663**	**8**	**5681**	**6827**	**20**

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Other hardwood planed sanded or finger jointed sawn lumber (b)						
AUSTRIA	1743	1004	-42	1829	841	-54
ITALY	379	584	54	131	203	55
POLAND	407	515	27	875	866	-1
NETHERLANDS	256	351	37	295	437	48
ROMANIA	157	314	100	185	278	50
OTHER	3225	1975	-39	4557	2653	-42
TOTAL	**6167**	**4743**	**-23**	**7872**	**5278**	**-33**
Veneer of tropical species identified by Eurostat (a)						
IVORY COAST	8488	8958	6	11161	11828	6
GHANA	5045	4613	-9	4139	3414	-18
ITALY	7087	4072	-43	1675	993	-41
FRANCE	1585	1300	-18	889	434	-51
GABON	1029	854	-17	784	600	-23
OTHER	4433	5048	14	1619	2086	29
TOTAL	**27667**	**24845**	**-10**	**20267**	**19355**	**-4**
Veneer of other hardwood species (b)						
U.S.A.	64253	60446	-6	16577	16441	-1
POLAND	12441	13363	7	8055	5496	-32
CZECH REPUBLIC	14199	10911	-23	7931	6640	-16
SWITZERLAND	9388	10834	15	2493	2440	-2
AUSTRIA	10742	10479	-2	2734	3604	32
OTHER	57848	54983	-5	20805	21121	2
TOTAL	**168871**	**161016**	**-5**	**58595**	**55742**	**-5**
Hardwood mouldings						
INDONESIA	13536	16757	24	19506	24599	26
POLAND	17196	13423	-22	15120	14672	-3
AUSTRIA	11587	13411	16	11081	12135	10
NETHERLANDS	7509	6199	-17	5064	7370	46
ITALY	6002	5675	-5	944	854	-10
OTHER	30741	32313	5	28639	32444	13
TOTAL	**86571**	**87778**	**1**	**80354**	**92074**	**15**
Plywood of tropical species identified by Eurostat (a)						
INDONESIA	30332	19981	-34	41876	25839	-38
ITALY	10839	11885	10	8330	8256	-1
SPAIN	8827	8572	-3	7208	6746	-6
FRANCE	3997	5006	25	2969	3609	22
BELGIUM	1325	3563	169	2053	4594	124
OTHER	12890	15254	18	16839	20899	24
TOTAL	**68210**	**64261**	**-6**	**79275**	**69943**	**-12**
Plywood of other hardwood species (b)						
FINLAND	85412	90453	6	83841	90856	8
ITALY	25166	31536	25	21176	25793	22
RUSSIA	21717	26417	22	42029	59214	41
AUSTRIA	11324	16660	47	11252	16780	49
CHINA	955	13863	1352	1109	22316	1912
OTHER	111676	110085	-1	151353	149486	-1
TOTAL	**256250**	**289014**	**13**	**310760**	**364445**	**17**
Softwood plywood						
BRAZIL	36838	35949	-2	91975	78250	-15
FINLAND	37115	34326	-8	44614	42602	-5
FRANCE	12828	11329	-12	18573	18886	2
AUSTRIA	10693	10217	-4	16419	11717	-29
RUSSIA	5960	8357	40	17154	24836	45
OTHER	32134	42343	32	44452	60578	36
TOTAL	**135568**	**142521**	**5**	**233187**	**236869**	**2**
Windows and frames of tropical species identified by Eurostat (a)						
IPOLAND	1790	937	-48	500	318	-36
BELARUS	310	258	-17	75	64	-15
NETHERLANDS	72	242	236	51	167	227
SLOVENIA	34	35	3	7	7	0
SWITZERLAND	0	10	na	0	1	na
OTHER	1855	18	-99	355	1	-100
TOTAL	**4061**	**1500**	**-63**	**988**	**558**	**-44**
Windows and frames of other hardwood species (b)						
POLAND	11960	5045	-58	3494	1647	-53
DENMARK	940	963	2	139	141	1
AUSTRIA	435	818	88	141	217	54
ITALY	89	504	466	33	245	642
SWITZERLAND	467	226	-52	100	30	-70
OTHER	1680	750	-55	751	378	-50
TOTAL	**15571**	**8306**	**-47**	**4658**	**2658**	**-43**
Doors and frames of tropical species identified by Eurostat (a)						
HUNGARY	1132	868	-23	817	658	-19
NETHERLANDS	327	824	152	119	210	76
POLAND	642	246	-62	122	41	-66
CZECH REPUBLIC	246	80	-67	23	8	-65
AUSTRIA	963	37	-96	157	14	-91
OTHER	214	67	-69	85	17	-80
TOTAL	**3524**	**2122**	**-40**	**1323**	**948**	**-28**
Doors and frames of other hardwood species (b)						
DENMARK	28853	32785	14	9686	12312	27
HUNGARY	11610	11501	-1	8002	7161	-11
NETHERLANDS	5515	5525	0	1631	1537	-6
POLAND	2886	4928	71	805	1961	144
SLOVENIA	8284	4396	-47	4179	2766	-34
OTHER	11899	11612	-2	4655	4732	2
TOTAL	**69047**	**70747**	**2**	**28958**	**30469**	**5**
Parquet panels (d)						
AUSTRIA	45606	57192	25	17010	21989	29
POLAND	16779	11608	-31	15781	9964	-37
FRANCE	11189	10386	-7	5496	8429	53
INDONESIA	6827	9098	33	3586	5568	55
CHINA	7588	8610	13	3992	4523	13
OTHER	70007	72203	3	35315	34519	-2
TOTAL	**157996**	**169097**	**7**	**81180**	**84992**	**5**
Finished wood furniture (d)						
POLAND	1016429	882362	-13	514709	457927	-11
DENMARK	320345	353595	10	125997	151548	20
ITALY	336963	312442	-7	82363	84367	2
ROMANIA	104766	122618	17	59946	65393	9
CHINA	88209	111539	26	40249	57081	42
OTHER	1015732	1014889	0	425293	419570	-1
TOTAL	**2882444**	**2797445**	**-3**	**1248557**	**1235886**	**-1**
Wood furniture components (d)						
ITALY	128167	134449	5	46046	50678	10
POLAND	75003	53761	-28	42467	33546	-21
SWEDEN	29811	25807	-13	20407	17207	-16
AUSTRIA	20159	22993	14	11625	12180	5
CZECH REPUBLIC	23916	19901	-17	14093	13209	-6
OTHER	122039	120483	-1	84089	91790	9
TOTAL	**399095**	**377394**	**-5**	**218727**	**218610**	**0**

(a) Eurostat identify around 100 species as "tropical". A full list can be downloaded at http://europa.eu.int/eur-lex/pri/en/oj/dat/2001/l_279/l_27920011023en03180328.pdf
(b) Species not identified as tropical are classed as "other" by Eurostat data. Most of these are temperate, but some tropical species are included.
(c) "High value" is taken to include all product averaging more than 350 euro/tonne, "Low value" is all product averaging less than 350 euro/tonne
(d) Includes both hardwood and softwood products.

Europe

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tropical hardwood plywood imports were generally declining at the expense of temperate hardwood and softwood plywood. Imports from Indonesia fell particularly dramatically in response to supply constraints.

Domestic manufacturers dominate joinery sector

Imports of finished hardwood joinery products – doors and windows – still constitute a relatively minor part of the German hardwood import trade. Only temperate hardwood doors are imported in any volume, mainly from Denmark and Hungary. Germany's domestic joinery manufacturers continue to dominate these sectors. Meanwhile, German furniture imports remained very stable between 2003 and 2004. Imports from Poland fell away slightly, while imports from Denmark and Romania were tending to rise. While furniture imports from China increased significantly in percentage terms, they still represent only a small proportion of total German imports.

Future signs not good

There doesn't seem to be any prospect of a significant improvement in the German hardwood import trade during 2005. A group of forecasters polled by *The Economist* predicts that GDP will grow by only 0.9% in 2005 and 1.5% in 2006. This is despite the European Central Bank maintaining interest rates at only 2%. High oil prices and the strong euro are undermining prospects for export market growth. Economic reform efforts designed to make labour markets more flexible are taking a back seat as President Schroder's government is struggling to hold on to power. In fact, the Cabinet is even now considering submitting a bill that would eventually lead to the establishment of minimum wages for every industry.

France

Market may be cooling

While levels have been declining in recent years, France remains Europe's largest importer of tropical hardwood logs by a significant margin. The majority of the 366,000 tonnes of tropical logs imported by France last year comprised okoume destined for the French plywood industry. French imports of okoumé

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France imports 2003 and 2004

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Oak logs						
GERMANY	12954	14525	12	75616	64156	-15
BELGIUM	1092	1354	24	10861	13124	21
AUSTRIA	1261	604	-52	4044	2117	-48
LUXEMBOURG	405	464	15	2112	1645	-22
UKRAINE	409	291	-29	1149	1050	-9
OTHER	2595	1483	-43	9410	8324	-12
TOTAL	**18716**	**18721**	**0**	**103192**	**90416**	**-12**
Beech logs						
BELGIUM	2602	1753	-33	51051	52087	2
GERMANY	1404	1107	-21	22629	20780	-8
SPAIN	742	971	31	21761	27673	27
SWITZERLAND	540	374	-31	6001	4396	-27
LUXEMBOURG	357	365	2	7411	4552	-39
OTHER	19	61	221	75	129	72
TOTAL	**5664**	**4631**	**-18**	**108928**	**109617**	**1**
Birch logs						
LITHUANIA	24	24	0	190	166	-13
GABON	0	23	na	0	85	na
ROMANIA	0	15	na	0	21	na
GERMANY	2	13	550	32	25	-22
BELGIUM	8	3	-63	133	45	-66
OTHER	6	0	-100	1	0	-100
TOTAL	**40**	**78**	**95**	**356**	**342**	**-4**
Poplar logs						
BELGIUM	4232	3618	-15	72385	49430	-32
SPAIN	1640	1653	1	50311	51611	3
GERMANY	386	377	-2	8894	7016	-21
NETHERLANDS	171	17	-90	2172	283	-87
LUXEMBOURG	15	9	-40	384	121	-68
OTHER	59	3	-95	115	20	-83
TOTAL	**6503**	**5677**	**-13**	**134261**	**108481**	**-19**
Logs of tropical species identified by Eurostat (a)						
GABON	69795	70037	0	222443	213560	-4
CONGO REPUBLIC	20892	31549	51	55030	81130	47
CONGO DEM. REP.	2807	6751	141	7405	16808	127
CAMEROON	6835	6104	-11	20228	15947	-21
CENT. AFR. REP.	5334	5951	12	13822	13276	-4
OTHER	28515	8380	-71	97409	25498	-74
TOTAL	**134178**	**128772**	**-4**	**416337**	**366219**	**-12**
Other hardwood logs (b)						
U.S.A.	3531	5759	63	4649	5290	14
GABON	6635	4414	-33	23469	14740	-37
BELGIUM	1605	1534	-4	8335	8965	8
CANADA	917	1206	32	1603	1534	-4
CONGO REPUBLIC	234	640	174	773	2074	168
OTHER	6813	3475	-49	19871	18313	-8
TOTAL	**19735**	**17028**	**-14**	**58700**	**50916**	**-13**
Sawn lumber of tropical species identified by Eurostat (a)						
BRAZIL	30264	45330	50	65673	91441	39
CAMEROON	25575	24195	-5	40290	37561	-7
BELGIUM	8127	10568	30	11028	14090	28
MALAYSIA	13285	10265	-23	20401	15734	-23
IVORY COAST	6716	9080	35	10283	13134	28
OTHER	29992	30178	1	45258	41946	-7
TOTAL	**113959**	**129616**	**14**	**192933**	**213906**	**11**
Oak sawn lumber (high value) (c)						
U.S.A.	7049	7031	0	9324	9351	0
BELGIUM	3306	3379	2	4795	4250	-11
UKRAINE	2365	3014	27	3728	4161	12
ITALY	2188	2246	3	924	677	-27
CANADA	1416	1687	19	1305	1849	42
OTHER	6319	6888	9	8939	9970	12
TOTAL	**22643**	**24245**	**7**	**29015**	**30258**	**4**
Oak sawn lumber (low value) (c)						
BELARUS	6	2	-67	43	24	-44
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
OTHER	190	0	-100	1007	0	-100
TOTAL	**196**	**2**	**-99**	**1050**	**24**	**-98**
Beech sawn lumber (high value) (c)						
ROMANIA	1185	1720	45	1698	2134	26
SLOVAKIA	1275	1120	-12	3126	2745	-12
SPAIN	1060	993	-6	1257	943	-25
GERMANY	492	764	55	1227	1631	33
POLAND	603	696	15	644	616	-4
OTHER	3020	1865	-38	4518	2635	-42
TOTAL	**7635**	**7158**	**-6**	**12470**	**10704**	**-14**
Beech sawn lumber (low value) (c)						
ITALY	0	1448	na	0	4728	na
BELGIUM	424	460	8	2209	1843	-17
BOSNIA & HERZ.	339	133	-61	1095	434	-60
PORTUGAL	21	11	-48	76	35	-54
BAHRAIN	0	5	na	0	22	na
OTHER	1	0	-100	4	2	-50
TOTAL	**785**	**2057**	**162**	**3384**	**7064**	**109**
Other hardwood sawn lumber (high value) (b) (c)						
U.S.A.	6846	5374	-22	6884	5828	-15
CANADA	3664	3668	0	3788	4053	7
BRAZIL	4420	3548	-20	9691	8724	-10
BELGIUM	2324	2649	14	3348	4323	29
GERMANY	1957	1978	1	5478	3283	-40
OTHER	7549	7418	-2	11929	13340	12
TOTAL	**26760**	**24635**	**-8**	**41118**	**39551**	**-4**
Other hardwood sawn lumber (low value) (b) (c)						
HUNGARY	1870	1470	-21	7585	6262	-17
LITHUANIA	1378	784	-43	8091	4991	-38
LATVIA	1671	609	-64	9822	3358	-66
POLAND	1012	546	-46	4798	2750	-43
BELARUS	268	445	66	1795	3279	83
OTHER	736	705	-4	3420	3093	-10
TOTAL	**6935**	**4559**	**-34**	**35511**	**23733**	**-33**
Planed, sanded or finger-jointed lumber of Eurostat tropical species (a)						
BRAZIL	17348	16611	-4	20020	19123	-4
GHANA	6354	6156	-3	6118	5918	-3
INDONESIA	2426	4209	73	2302	4520	96
BELGIUM	1574	3003	91	1096	2852	160
IVORY COAST	747	759	2	603	723	20
OTHER	4082	4414	8	3457	3547	3
TOTAL	**32531**	**35152**	**8**	**33596**	**36683**	**9**

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Other hardwood planed sanded or finger jointed sawn lumber (b)						
BRAZIL	4859	4761	-2	6036	7203	19
SPAIN	2543	3367	32	1266	2220	75
BELGIUM	1214	1623	34	1389	1847	33
GERMANY	675	1097	63	664	863	30
ITALY	1067	1089	2	303	325	7
OTHER	6733	4552	-32	7059	4351	-38
TOTAL	**17091**	**16489**	**-4**	**16717**	**16809**	**1**
Veneer of tropical species identified by Eurostat (a)						
GABON	40328	42722	6	45773	47599	4
EQUAT. GUINEA	3865	5620	45	3360	5842	74
GHANA	3372	3244	-4	1414	1638	16
BELGIUM	2316	2533	9	1365	1704	25
SPAIN	1889	2356	25	1539	2534	65
OTHER	5451	9011	65	3835	10466	173
TOTAL	**57221**	**65486**	**14**	**57286**	**69783**	**22**
Veneer of other hardwood species (b)						
ITALY	6043	6255	4	1074	986	-8
GERMANY	6105	6079	0	2168	2742	26
SPAIN	4028	4119	2	577	983	70
BELGIUM	2444	3081	26	1175	1372	17
U.K.	2234	2683	20	150	186	24
OTHER	10848	10410	-4	9150	8242	-10
TOTAL	**31702**	**32627**	**3**	**14294**	**14511**	**2**
Hardwood mouldings						
BRAZIL	7533	19734	162	12680	30607	141
ITALY	14541	16573	14	3171	3906	23
GERMANY	8643	11764	36	7507	14866	98
BELGIUM	8034	9756	21	5748	7367	28
SPAIN	5114	5886	15	2443	2279	-7
OTHER	31748	39712	25	24677	28076	14
TOTAL	**75613**	**103425**	**37**	**56226**	**87101**	**55**
Plywood of tropical species identified by Eurostat (a)						
BELGIUM	10770	13271	23	15204	17941	18
GERMANY	7477	8742	17	4894	5477	12
INDONESIA	8278	6054	-27	12591	8349	-34
GABON	6227	5468	-12	6402	5687	-11
ITALY	3264	4430	36	2363	3173	34
OTHER	15393	14220	-8	19967	19506	-2
TOTAL	**51409**	**52185**	**2**	**61421**	**60133**	**-2**
Plywood of other hardwood species (b)						
FINLAND	16665	20471	23	16350	19947	22
BELGIUM	10687	13718	28	12626	17957	42
GERMANY	8633	8276	-4	6334	6568	4
INDONESIA	9578	5799	-39	15416	8544	-45
LATVIA	3215	5774	80	3513	6566	87
OTHER	20654	22382	8	27359	29644	8
TOTAL	**69432**	**76420**	**10**	**81598**	**89226**	**9**
Softwood plywood						
FINLAND	20783	25054	21	24427	28606	17
AUSTRIA	6682	10116	51	5095	7508	47
BELGIUM	9020	9096	1	21046	17653	-16
ITALY	5060	7243	43	4173	6542	57
U.K.	4898	4995	2	6724	6753	0
OTHER	20870	22648	9	28600	30361	6
TOTAL	**67313**	**79152**	**18**	**90065**	**97423**	**8**
Windows and frames of tropical species identified by Eurostat (a)						
IBELGIUM	1030	991	-4	186	203	9
BRAZIL	52	262	404	21	111	429
MALAYSIA	160	194	21	75	106	41
POLAND	0	154	na	0	28	na
SLOVAKIA	0	125	na	0	28	na
OTHER	617	216	-65	319	80	-75
TOTAL	**1859**	**1942**	**4**	**601**	**556**	**-7**
Windows and frames of other hardwood species (b)						
POLAND	4825	2051	-57	1544	668	-57
BELGIUM	3208	1274	-60	776	263	-66
DENMARK	157	970	518	28	244	771
SWITZERLAND	99	731	638	8	29	263
ITALY	215	519	141	48	138	188
OTHER	2212	2049	-7	1380	705	-49
TOTAL	**10716**	**7594**	**-29**	**3784**	**2047**	**-46**
Doors and frames of tropical species identified by Eurostat (a)						
CHINA	69	1335	1835	31	604	1848
INDONESIA	1360	1258	-8	729	587	-19
BRAZIL	412	577	40	269	352	31
BOLIVIA	155	574	270	154	508	230
GERMANY	231	570	147	95	220	132
OTHER	8697	2823	-68	3675	1239	-66
TOTAL	**10924**	**7137**	**-35**	**4953**	**3510**	**-29**
Doors and frames of other hardwood species (b)						
BELGIUM	4370	5256	20	2131	2382	12
NETHERLANDS	3676	4605	25	1955	2392	22
GERMANY	4291	4239	-1	1962	1845	-6
ROMANIA	2563	2657	4	1787	1739	-3
ITALY	2015	2634	31	485	424	-13
OTHER	11568	11436	-1	5908	6936	17
TOTAL	**28483**	**30827**	**8**	**14228**	**15718**	**10**
Parquet panels (d)						
LUXEMBOURG	8895	22455	152	6177	18594	201
SWEDEN	15925	14194	-11	5461	6149	13
GERMANY	7839	7083	-10	4063	4082	0
BELGIUM	4641	5431	17	3801	4694	23
ITALY	6404	3914	-39	6279	1232	-80
OTHER	15196	20116	32	9591	12930	35
TOTAL	**58900**	**73193**	**24**	**35372**	**47681**	**35**
Finished wood furniture (d)						
ITALY	464610	515513	11	88206	105645	20
BELGIUM	235003	248622	6	55545	59687	7
GERMANY	141968	153097	8	72496	79895	10
SPAIN	141984	146429	3	45725	48024	5
ROMANIA	101489	117909	16	55452	62822	13
OTHER	734150	866837	18	349155	436105	25
TOTAL	**1819204**	**2048407**	**13**	**666579**	**792178**	**19**
Wood furniture components (d)						
ITALY	84216	91166	8	36684	38770	6
SPAIN	15750	22676	44	9274	11409	23
GERMANY	20201	19766	-2	11179	11237	1
AUSTRIA	9697	16131	66	5469	7437	36
SWEDEN	12722	15002	18	6948	7641	10
OTHER	73233	83919	15	42170	51770	23
TOTAL	**215819**	**248660**	**15**	**111724**	**128264**	**15**

(a) Eurostat identify around 100 species as "tropical". A full list can be downloaded at http://europa.eu.int/eur-lex/pri/en/oj/dat/2001/l_279/l_27920011023en03180328.pdf
(b) Species not identified as tropical are classed as "other" by Eurostat data. Most of these are temperate, but some tropical species are included.
(c) "High value" is taken to include all product averaging more than 350 euro/tonne, "Low value" is all product averaging less than 350 euro/tonne
(d) Includes both hardwood and softwood products.

Europe

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logs are gradually falling, to be replaced by greater imports of okoume rotary veneer and plywood, principally from Gabon.

Log imports eroded

France also remains a significant importer of tropical sawlogs, taking a wide variety of African species including movingui, moabi, douka, iroko, sipo, sapeli, framire, frake, ayous, azobe, kewazingo, badi, and ogoué. French imports of sawlogs are being progressively eroded to be replaced by increased imports of sawn timber. Increased restrictions on log exports by African producer countries are bringing about significant alterations in the structure of the French wood processing industry. Several French sawmills cutting tropical logs into boules have closed in recent recent years.

Last year, French imports of tropical logs were static from Gabon, and generally rising from Congo Republic and Democratic Republic of Congo. However, this last increase failed to fill the gap in French log imports following the UN sanctions on Liberian wood exports introduced in 2003. During that year, France imported around 70,000 m3 of logs from Liberia. French imports from Liberia fell to zero last year.

Big rise in sawn lumber imports from Brazil

French imports of tropical sawn lumber rose strongly last year, with all the growth comprising Brazilian sawn lumber. French imports of Brazilian sawn lumber rose 34% during 2004 to reach 91,000 tonnes. In part this reflects exchange rates, the weak dollar favouring imports from Brazil at the expense of African hardwoods. Some Brazilian tropical hardwoods are also benefiting from French fashions which now tend to favour lighter colours. For example, Brazilian tauari is now used widely for interior applications in France, whereas "mahogany" species shades, provided by sapele and sipo have become less popular. Tauari is also used increasingly for the manufacture of window frames in France. Meanwhile, other Brazilian hardwoods are benefiting from good French demand for decking products.

Notable trends on the temperate hardwood side are a significant increase in the unit value of oak log imports from Germany. This is an indication of the increased reliance

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Italy imports 2003 and 2004

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Oak logs						
CROATIA	2917	4310	48	9518	11075	16
FRANCE	2530	3792	50	21491	34163	59
HUNGARY	1337	3438	157	6780	69957	932
SLOVENIA	1277	1664	30	5943	6979	17
AUSTRIA	1257	940	-25	15390	11202	-27
OTHER	2064	2355	14	12296	18239	48
TOTAL	**11382**	**16499**	**45**	**71418**	**151615**	**112**
Beech logs						
SWITZERLAND	8687	9627	11	104119	133963	29
AUSTRIA	9128	9380	3	112229	129580	15
GERMANY	4129	5910	43	63326	82553	30
SLOVENIA	3943	3756	-5	59918	73399	22
FRANCE	3676	3424	-7	46115	50869	10
OTHER	4200	5351	27	70878	112605	59
TOTAL	**33763**	**37448**	**11**	**456585**	**582969**	**28**
Birch logs						
CROATIA	381	889	133	2288	2567	12
FRANCE	848	799	-6	5262	2671	-49
ROMANIA	253	233	-8	952	1027	8
AUSTRIA	43	137	219	618	1569	154
U.S.A.	182	126	-31	770	328	-57
OTHER	307	387	26	1491	1172	-21
TOTAL	**2014**	**2571**	**28**	**11381**	**9334**	**-18**
Poplar logs						
FRANCE	10083	9614	-5	108515	108760	0
HUNGARY	2352	3444	46	32131	36919	15
AUSTRIA	2630	2506	-5	28852	33651	17
GERMANY	2060	2194	7	21805	30038	38
CROATIA	1136	1017	-10	15479	14512	-6
OTHER	3028	3804	26	25389	34758	37
TOTAL	**21289**	**22579**	**6**	**232171**	**258638**	**11**
Logs of tropical species identified by Eurostat (a)						
GABON	9659	15691	62	27268	42076	54
CONGO REPUBLIC	13092	12955	-1	31636	29129	-8
CAMEROON	14169	10800	-24	37229	24978	-33
CENT. AFR. REP.	9979	6209	-38	21810	11488	-47
BURMA	4299	5492	28	2182	3207	47
OTHER	14146	7119	-50	38818	12108	-69
TOTAL	**65344**	**58266**	**-11**	**158943**	**122986**	**-23**
Other hardwood logs (b)						
U.S.A.	21967	21830	-1	55803	59419	6
FRANCE	15279	20973	37	101047	131918	31
CROATIA	14097	13738	-3	255322	218264	-15
HUNGARY	12753	8835	-31	253021	146828	-42
CAMEROON	6300	7830	24	15339	20003	30
OTHER	34160	36555	7	234666	192274	-18
TOTAL	**104556**	**109761**	**5**	**915198**	**768706**	**-16**
Sawn lumber of tropical species identified by Eurostat (a)						
CAMEROON	44740	52178	17	68318	77742	14
IVORY COAST	33196	37811	14	47507	53801	13
GABON	13463	21113	57	22116	33063	49
MALAYSIA	22754	17810	-22	25247	21396	-15
GHANA	8161	7724	-5	12253	12604	3
OTHER	28416	25101	-12	26749	22653	-15
TOTAL	**150730**	**161737**	**7**	**202190**	**221259**	**9**
Oak sawn lumber (high value) (c)						
CROATIA	30815	28846	-6	66367	66523	0
U.S.A.	17120	16622	-3	23733	22203	-6
UKRAINE	7814	8176	5	17845	18554	4
FRANCE	6879	7742	13	6337	8209	30
ROMANIA	6421	4897	-24	10188	6932	-32
OTHER	22211	21670	-2	46064	48675	6
TOTAL	**91260**	**87953**	**-4**	**170534**	**171096**	**0**
Oak sawn lumber (low value) (c)						
SWITZERLAND	0	131	na	0	376	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
OTHER	2182	0	-100	6525	0	-100
TOTAL	**2182**	**131**	**-94**	**6525**	**376**	**-94**
Beech sawn lumber (high value) (c)						
ROMANIA	6075	5527	-9	12694	10896	-14
ALBANIA	4396	4432	1	11108	11959	8
POLAND	3287	1237	-62	4464	2226	-50
BULGARIA	1397	792	-43	2538	1695	-33
CHILE	343	183	-47	177	127	-28
OTHER	779	266	-66	1733	437	-75
TOTAL	**16277**	**12437**	**-24**	**32714**	**27340**	**-16**
Beech sawn lumber (low value) (c)						
CROATIA	23957	19070	-20	86490	75587	-13
BOSNIA & HERZ.	20234	16204	-20	69135	51789	-25
SERBIA & MONT.	8922	8231	-8	28557	28557	0
SLOVAKIA	8729	7610	-13	25320	23054	-9
SLOVENIA	13502	7123	-47	41039	23143	-44
OTHER	15449	14262	-8	59223	55977	-5
TOTAL	**90793**	**72500**	**-20**	**309764**	**258107**	**-17**
Other hardwood sawn lumber (high value) (b) (c)						
U.S.A.	72943	71009	-3	85221	89831	5
ROMANIA	16379	16251	-1	29044	27070	-7
HUNGARY	10800	9001	-17	26453	20711	-22
CAMEROON	7322	8909	22	10246	10528	3
CANADA	9009	7596	-16	7340	6939	-5
OTHER	58037	40174	-31	81174	65779	-19
TOTAL	**174490**	**152940**	**-12**	**239478**	**220858**	**-8**
Other hardwood sawn lumber (low value) (b) (c)						
CROATIA	13116	12632	-4	40222	40517	1
GERMANY	5809	6012	3	35851	37081	3
AUSTRIA	6792	5702	-16	25161	18919	-25
RUSSIA	5467	4755	-13	22083	20513	-7
FRANCE	5509	4601	-16	28583	22920	-20
OTHER	23931	17602	-26	131812	89910	-32
TOTAL	**60624**	**51304**	**-15**	**283712**	**229860**	**-19**
Planed, sanded or finger-jointed lumber of Eurostat tropical species (a)						
MALAYSIA	6973	3514	-50	6978	3747	-46
INDONESIA	2974	2431	-18	2543	2101	-17
BURMA	667	1062	59	380	448	18
IVORY COAST	1811	899	-50	1710	832	-51
GABON	285	600	111	207	465	125
OTHER	4499	2821	-37	3255	2793	-14
TOTAL	**17209**	**11327**	**-34**	**15073**	**10386**	**-31**

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Other hardwood planed sanded or finger jointed sawn lumber (b)						
SLOVENIA	89	3364	3680	58	2943	4974
ROMANIA	828	1737	110	932	1599	72
HUNGARY	2715	1616	-40	4498	2500	-44
CROATIA	939	882	-6	935	1052	13
AUSTRIA	388	690	78	1160	1111	-4
OTHER	4219	3685	-13	6337	6027	-5
TOTAL	**9178**	**11974**	**30**	**13920**	**15232**	**9**
Veneer of tropical species identified by Eurostat (a)						
IVORY COAST	17004	17796	5	14170	16381	16
CAMEROON	15568	15850	2	13010	10869	-16
GHANA	11077	9170	-17	7047	5849	-17
GABON	3112	9141	194	3708	10058	171
SLOVENIA	1647	3627	120	656	1055	61
OTHER	15298	16908	11	6602	6237	-6
TOTAL	**63706**	**72492**	**14**	**45193**	**50449**	**12**
Veneer of other hardwood species (b)						
GERMANY	35519	36947	4	5391	5148	-5
U.S.A.	26437	21139	-20	5555	4893	-12
CAMEROON	11686	12178	4	8196	8826	8
CROATIA	9337	10753	15	4069	6248	54
FRANCE	11714	8827	-25	13798	8192	-41
OTHER	66494	63642	-4	52230	48373	-7
TOTAL	**161187**	**153486**	**-5**	**89239**	**81680**	**-8**
Hardwood mouldings						
INDONESIA	22389	22350	0	15611	14144	-9
FRANCE	13113	15097	15	3752	4420	18
IVORY COAST	13202	13396	1	8481	8388	-1
CROATIA	11046	12850	16	6582	7067	7
ROMANIA	11115	12460	12	8944	9560	7
OTHER	75767	83125	10	57099	58857	3
TOTAL	**146632**	**159278**	**9**	**100469**	**102436**	**2**
Plywood of tropical species identified by Eurostat (a)						
FRANCE	15806	16007	1	10788	10606	-2
MOROCCO	7270	9906	36	5536	7373	33
BRAZIL	5914	7092	20	10956	12735	16
GABON	8035	6787	-16	6929	6130	-12
INDONESIA	6682	6208	-7	11696	9343	-20
OTHER	14636	13717	-6	16187	15193	-6
TOTAL	**58343**	**59717**	**2**	**62092**	**61380**	**-1**
Plywood of other hardwood species (b)						
FINLAND	22689	24691	9	21525	23676	10
RUSSIA	21812	23112	6	47423	50666	7
AUSTRIA	5001	6805	36	5250	7348	40
LATVIA	3519	6227	77	4911	7269	48
ROMANIA	5297	5504	4	8054	8170	1
OTHER	31066	31740	2	50506	47165	-7
TOTAL	**89384**	**98079**	**10**	**137669**	**144294**	**5**
Softwood plywood						
BRAZIL	12668	18676	47	30401	39029	28
AUSTRIA	11355	14305	26	11452	13804	21
RUSSIA	9719	8366	-14	26717	22052	-17
FINLAND	8870	8355	-6	13018	11936	-8
GERMANY	4597	4965	8	4710	5296	12
OTHER	21325	24136	13	26897	30437	13
TOTAL	**68534**	**78803**	**15**	**113195**	**122554**	**8**
Windows and frames of tropical species identified by Eurostat (a)						
ISLOVENIA	596	163	-73	123	29	-76
GERMANY	3	59	1867	0	29	na
GREECE	62	33	-47	11	7	-36
AUSTRIA	15	3	-80	1	0	-100
CZECH REPUBLIC	0	2	na	0	1	na
OTHER	25	2	-92	11	0	-100
TOTAL	**701**	**262**	**-63**	**146**	**66**	**-55**
Windows and frames of other hardwood species (b)						
CROATIA	399	507	27	123	152	24
AUSTRIA	475	483	2	72	58	-19
ROMANIA	262	478	82	279	174	-38
SLOVENIA	395	184	-53	80	54	-33
POLAND	33	61	85	22	17	-23
OTHER	656	406	-38	267	238	-11
TOTAL	**2220**	**2119**	**-5**	**843**	**693**	**-18**
Doors and frames of tropical species identified by Eurostat (a)						
ROMANIA	0	659	na	0	361	na
INDONESIA	252	316	25	116	148	28
GUATEMALA	71	185	161	13	50	285
GERMANY	137	169	23	40	14	-65
MALAYSIA	103	148	44	129	127	-2
OTHER	214	70	-67	93	24	-74
TOTAL	**777**	**1547**	**99**	**391**	**724**	**85**
Doors and frames of other hardwood species (b)						
ROMANIA	11685	12456	7	8891	8482	-5
BRAZIL	910	1529	68	502	1086	116
PORTUGAL	432	1313	204	273	826	203
GUATEMALA	464	614	32	185	284	54
INDONESIA	651	572	-12	287	282	-2
OTHER	4593	3971	-14	2289	1603	-30
TOTAL	**18735**	**20455**	**9**	**12427**	**12563**	**1**
Parquet panels (d)						
AUSTRIA	11425	14198	24	3854	5054	31
GERMANY	7534	9101	21	4080	5105	25
SWEDEN	3183	4577	44	1427	1933	35
CROATIA	2876	3232	12	1744	2002	15
HUNGARY	2966	2974	0	1461	1034	-29
OTHER	18015	19697	9	9310	9848	6
TOTAL	**45999**	**53779**	**17**	**21876**	**24976**	**14**
Finished wood furniture (d)						
ROMANIA	51133	65157	27	26774	32426	21
AUSTRIA	51040	48484	-5	21494	24358	13
SWITZERLAND	28781	47671	66	14611	27441	88
CHINA	25846	44700	73	11991	21880	82
INDONESIA	33292	43331	30	15899	20982	32
OTHER	202364	240587	19	79699	93753	18
TOTAL	**392456**	**489930**	**25**	**170468**	**220840**	**30**
Wood furniture components (d)						
ROMANIA	17498	22925	31	18002	22888	27
SLOVENIA	19886	16518	-17	10817	9001	-17
CROATIA	12123	12149	0	9952	9057	-9
SWITZERLAND	7832	9486	21	3685	4447	21
AUSTRIA	11000	9026	-18	6772	4992	-26
OTHER	46567	48351	4	42000	45965	9
TOTAL	**114906**	**118455**	**3**	**91228**	**96350**	**6**

(a) Eurostat identify around 100 species as "tropical". A full list can be downloaded at http://europa.eu.int/eur-lex/pri/en/oj/dat/2001/l_279/l_27920011023en03180328.pdf
(b) Species not identified as tropical are classed as "other" by Eurostat data. Most of these are temperate, but some tropical species are included.
(c) "High value" is taken to include all product averaging more than 350 euro/tonne, "Low value" is all product averaging less than 350 euro/tonne
(d) Includes both hardwood and softwood products.

Europe

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of French sawmills and wine cask manufacturers on supplies of higher grade oak logs from Germany as availability of French oak in these grades has failed to keep up with demand.

Oak fashion also apparent in France

The strong fashion for oak apparent in other European countries is also apparent in France. This is also reflected in a significant increase in imports of higher value oak sawn lumber, with most of the increase comprising Ukrainain and Canadian product. Oak imports from the USA remained static last year. In contrast, French imports of beech were down last year, an indication of continuing slow conditions in the European beech market.

Data for French imports of "other high value hardwoods" indicates that Canadian shippers were gaining market share in France at the expense of US shippers last year. The decline in imports of "other" hardwoods from the US during 2004 is also likely to reflect some substitution of US cherry for lower value hardwoods from other parts of the world.

France imports more secondary products

French imports of secondary processed and finished wood products have been on the rise in recent years. Large volumes of planed and sanded hardwood, and of hardwood mouldings are now imported, notably from Brazil. French imports of finished wood furniture and wood furniture components increased by 19% and 15% respectively last year. Wood furniture imports from Italy, the leading supplier, increased by 20%. Imports of finished furniture from China increased from 29,000 tonnes to 53,000 tonnes during the year, while imports from Poland increased from 45,000 tonnes to 63,000 tonnes.

French hardwood market prospects for 2005 are very mixed. The economy has been faltering, with economists generally forecasting GDP growth of only around 1.5% this year. Unemployment has been rising, fueling social unrest which is undermining government efforts to make further progress on its reform programme. The sluggish economy has meant that growth in the construction sector has remained flat,

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Spain imports 2003 and 2004

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Oak logs						
FRANCE	9768	8549	-12	54451	37822	-31
GERMANY	6595	5219	-21	17445	13440	-23
U.S.A.	2545	2968	17	8337	9729	17
UKRAINE	2324	1784	-23	8248	5492	-33
ROMANIA	1025	1381	35	3989	4754	19
OTHER	2422	1860	-23	4447	3513	-21
TOTAL	**24679**	**21761**	**-12**	**96917**	**74750**	**-23**
Beech logs						
FRANCE	5884	3711	-37	49525	29513	-40
GERMANY	3080	2539	-18	8381	6167	-26
BELGIUM	856	675	-21	6833	4916	-28
ITALY	437	624	43	569	455	-20
SLOVAKIA	347	537	55	1211	1816	50
OTHER	2111	788	-63	9985	3758	-62
TOTAL	**12715**	**8874**	**-30**	**76504**	**46625**	**-39**
Birch logs						
FRANCE	180	504	180	1137	6219	447
EQUAT. GUINEA	0	139	na	0	838	na
RUSSIA	62	48	-23	641	526	-18
FINLAND	0	6	na	0	52	na
...	0	0	na	0	0	na
OTHER	12	0	-100	26	0	-100
TOTAL	**254**	**697**	**174**	**1804**	**7635**	**323**
Poplar logs						
FRANCE	409	295	-28	4328	2664	-38
UKRAINE	0	12	na	0	58	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
OTHER	0	0	na	0	0	na
TOTAL	**409**	**307**	**-25**	**4328**	**2722**	**-37**
Logs of tropical species identified by Eurostat (a)						
CONGO REPUBLIC	5267	8342	58	13122	19473	48
CENT. AFR. REP.	6252	6761	8	14420	14360	0
GABON	6948	6374	-8	18335	17137	-7
FRANCE	3903	3891	0	5224	5185	-1
CAMEROON	4795	3475	-28	11385	8786	-23
OTHER	8892	7797	-12	19724	18385	-7
TOTAL	**36057**	**36640**	**2**	**82210**	**83326**	**1**
Other hardwood logs (b)						
U.S.A.	9409	6502	-31	9849	7408	-25
FRANCE	4716	4956	5	30111	32366	7
CAMEROON	1873	1510	-19	9076	6928	-24
EQUAT. GUINEA	1074	738	-31	6558	4169	-36
GERMANY	259	585	126	280	1735	520
OTHER	2081	2351	13	4671	6013	29
TOTAL	**19412**	**16642**	**-14**	**60545**	**58619**	**-3**
Sawn lumber of tropical species identified by Eurostat (a)						
CAMEROON	55015	49161	-11	98237	85321	-13
IVORY COAST	29305	41125	40	42963	56677	32
BRAZIL	10741	15226	42	24553	33761	38
CONGO REPUBLIC	9095	9018	-1	16356	15921	-3
PORTUGAL	4899	4273	-13	9368	9890	6
OTHER	19739	15596	-21	32708	23495	-28
TOTAL	**128794**	**134399**	**4**	**224185**	**225065**	**0**
Oak sawn lumber (high value) (c)						
U.S.A.	83364	81994	-2	124531	121613	-2
CANADA	7585	6762	-11	10221	9149	-10
FRANCE	5419	6744	24	7926	7889	0
UKRAINE	4158	4253	2	9776	9265	-5
GERMANY	1181	2324	97	2267	5351	136
OTHER	6189	5254	-15	5896	5609	-5
TOTAL	**107896**	**107331**	**-1**	**160617**	**158876**	**-1**
Oak sawn lumber (low value) (c)						
PORTUGAL	258	1031	300	1211	3059	153
SWEDEN	0	69	na	0	266	na
LITHUANIA	0	2	na	0	8	na
...	0	0	na	0	0	na
...	0	0	na	0	0	na
OTHER	289	0	-100	987	0	-100
TOTAL	**547**	**1102**	**101**	**2198**	**3333**	**52**
Beech sawn lumber (high value) (c)						
ROMANIA	3481	3653	5	6631	6380	-4
CROATIA	2882	3583	24	7358	7554	3
ITALY	3139	3178	1	4580	4082	-11
UKRAINE	2854	2792	-2	4198	3664	-13
SLOVENIA	2053	2063	0	3304	3258	-1
OTHER	7631	5661	-26	16193	10900	-33
TOTAL	**22040**	**20930**	**-5**	**42264**	**35838**	**-15**
Beech sawn lumber (low value) (c)						
GERMANY	10808	11782	9	31444	36221	15
FRANCE	7940	9705	22	28910	32832	14
SWITZERLAND	694	719	4	2091	2775	33
BELGIUM	383	584	52	1290	1715	33
FINLAND	0	56	na	0	169	na
OTHER	92	15	-84	358	44	-88
TOTAL	**19917**	**22861**	**15**	**64093**	**73756**	**15**
Other hardwood sawn lumber (high value) (b) (c)						
U.S.A.	17100	15322	-10	14342	12862	-10
CANADA	6952	4815	-31	5442	4116	-24
FRANCE	0	2873	na	0	7978	na
GERMANY	521	1099	111	1334	2621	96
UKRAINE	547	969	77	1105	2128	93
OTHER	5564	3240	-42	11444	4524	-60
TOTAL	**30684**	**28318**	**-8**	**33667**	**34229**	**2**
Other hardwood sawn lumber (low value) (b) (c)						
PORTUGAL	1769	2111	19	5476	16489	201
LATVIA	2825	1550	-45	20809	12820	-38
LITHUANIA	738	820	11	4362	5227	20
FINLAND	0	610	na	0	1905	na
POLAND	152	324	113	750	1922	156
OTHER	4354	812	-81	15736	3785	-76
TOTAL	**9838**	**6227**	**-37**	**47133**	**42148**	**-11**
Planed, sanded or finger-jointed lumber of Eurostat tropical species (a)						
PORTUGAL	1435	2246	57	2961	4273	44
IVORY COAST	597	1900	218	901	2433	170
CAMEROON	938	1277	36	1378	2081	51
CONGO DEM. REP.	70	615	779	89	706	693
BRAZIL	244	411	68	409	697	70
OTHER	2291	2022	-12	2145	1910	-11
TOTAL	**5575**	**8471**	**52**	**7883**	**12100**	**53**

	Value 000 euro 2003	Value 000 euro 2004	% chng	Weight tonnes 2003	Weight tonnes 2004	% chng
Other hardwood planed sanded or finger jointed sawn lumber (b)						
POLAND	4542	3342	-26	10355	5978	-42
FRANCE	2154	2463	14	2647	3047	15
U.S.A.	1125	1811	61	1128	2350	108
UKRAINE	411	870	112	1179	2578	119
CROATIA	378	739	96	687	1495	118
OTHER	3873	4819	24	6618	9051	37
TOTAL	**12483**	**14044**	**13**	**22614**	**24499**	**8**
Veneer of tropical species identified by Eurostat (a)						
IVORY COAST	12364	11129	-10	12112	11505	-5
EQUAT. GUINEA	4647	8740	88	5504	8541	55
GHANA	4298	4111	-4	3941	3280	-17
GERMANY	2861	2349	-18	571	480	-16
PORTUGAL	3362	2340	-30	1738	1050	-40
OTHER	9533	8440	-11	6603	5110	-23
TOTAL	**37065**	**37109**	**0**	**30469**	**29966**	**-2**
Veneer of other hardwood species (b)						
U.S.A.	46274	41767	-10	13461	13126	-2
ROMANIA	9391	14886	59	3900	5877	51
GERMANY	14764	11143	-25	3884	3817	-2
ITALY	7623	9128	20	2086	2053	-2
UKRAINE	3011	4423	47	1251	2311	85
OTHER	30242	28228	-7	19947	16243	-19
TOTAL	**111305**	**109575**	**-2**	**44529**	**43427**	**-2**
Hardwood mouldings						
CHINA	12954	17112	32	7930	10674	35
GERMANY	8442	9345	11	6448	7396	15
FRANCE	7910	7368	-7	3096	3778	22
POLAND	6330	4975	-21	7036	5528	-21
ITALY	5821	4831	-17	1070	959	-10
OTHER	24368	22185	-9	20078	18816	-6
TOTAL	**65825**	**65816**	**0**	**45658**	**47151**	**3**
Plywood of tropical species identified by Eurostat (a)						
CHINA	1248	2707	117	2024	4368	116
FRANCE	1274	1572	23	1248	1277	2
GERMANY	783	507	-35	673	460	-32
POLAND	982	479	-51	919	473	-49
FINLAND	586	392	-33	756	454	-40
OTHER	2835	1208	-57	2936	1478	-50
TOTAL	**7708**	**6865**	**-11**	**8556**	**8510**	**-1**
Plywood of other hardwood species (b)						
FINLAND	29823	29094	-2	30093	31595	5
RUSSIA	2425	3495	44	5065	6854	35
LATVIA	2956	3331	13	3497	3887	11
FRANCE	3207	2525	-21	2318	1920	-17
GERMANY	1581	1428	-10	956	602	-37
OTHER	2480	3305	33	3402	4235	24
TOTAL	**42472**	**43178**	**2**	**45331**	**49093**	**8**
Softwood plywood						
FRANCE	5461	4532	-17	4481	3754	-16
BRAZIL	1812	3380	87	2988	5586	87
GERMANY	1623	2423	49	842	1294	54
PORTUGAL	2181	1641	-25	3393	2171	-36
CHINA	411	1059	158	867	1819	110
OTHER	5561	4210	-24	5883	4403	-25
TOTAL	**17049**	**17245**	**1**	**18454**	**19027**	**3**
Windows and frames of tropical species identified by Eurostat (a)						
IITALY	110	245	123	22	31	41
FINLAND	0	25	na	0	0	na
U.K.	21	16	-24	0	0	na
SWEDEN	0	8	na	0	0	na
INDIA	0	3	na	0	1	na
OTHER	28	3	-89	8	2	-75
TOTAL	**159**	**300**	**89**	**30**	**34**	**13**
Windows and frames of other hardwood species (b)						
PORTUGAL	885	3000	239	304	833	174
HUNGARY	2675	822	-69	696	260	-63
DENMARK	18764	426	-98	2294	271	-88
FRANCE	684	234	-66	208	84	-60
ITALY	293	219	-25	108	43	-60
OTHER	474	512	8	124	109	-12
TOTAL	**23775**	**5213**	**-78**	**3734**	**1600**	**-57**
Doors and frames of tropical species identified by Eurostat (a)						
PORTUGAL	4383	4027	-8	2999	2633	-12
FRANCE	17	69	306	3	11	267
ARGENTINA	6	39	550	1	19	1800
ITALY	7	37	429	1	10	900
ECUADOR	0	28	na	0	12	na
OTHER	263	90	-66	47	72	53
TOTAL	**4676**	**4290**	**-8**	**3051**	**2757**	**-10**
Doors and frames of other hardwood species (b)						
FRANCE	706	1074	52	275	237	-14
ITALY	620	597	-4	109	194	78
BRAZIL	310	514	66	243	337	39
PORTUGAL	753	498	-34	561	289	-48
U.S.A.	610	394	-35	697	477	-32
OTHER	2040	2187	7	1134	1315	16
TOTAL	**5039**	**5264**	**4**	**3019**	**2849**	**-6**
Parquet panels (d)						
SWEDEN	21063	18175	-14	7881	7279	-8
GERMANY	13022	15331	18	7965	9732	22
CHINA	6628	10136	53	3561	5956	67
DENMARK	8415	6461	-23	2996	2604	-13
MALAYSIA	5532	5349	-3	2448	2382	-3
OTHER	36993	34505	-7	21023	19964	-5
TOTAL	**91653**	**89957**	**-2**	**45874**	**47917**	**4**
Finished wood furniture (d)						
FRANCE	97456	122645	26	40263	57802	44
ITALY	85306	98032	15	12199	16059	32
CHINA	48919	71703	47	23424	34587	48
INDONESIA	62958	62940	0	25914	27738	7
GERMANY	20571	28000	36	4867	8136	67
OTHER	142892	191447	34	55615	81347	46
TOTAL	**458102**	**574767**	**25**	**162282**	**225669**	**39**
Wood furniture components (d)						
FRANCE	18803	22568	20	9287	11786	27
ITALY	6116	5522	-10	2401	2009	-16
SWEDEN	2204	3155	43	1011	1258	24
GERMANY	3011	3017	0	1100	1225	11
CHINA	2018	2969	47	1102	1755	59
OTHER	4198	4179	0	2195	2350	7
TOTAL	**36350**	**41410**	**14**	**17096**	**20383**	**19**

(a) Eurostat identify around 100 species as "tropical". A full list can be downloaded at http://europa.eu.int/eur-lex/pri/en/oj/dat/2001/l_279/l_27920011023en03180328.pdf
(b) Species not identified as tropical are classed as "other" by Eurostat data. Most of these are temperate, but some tropical species are included.
(c) "High value" is taken to include all product averaging more than 350 euro/tonne, "Low value" is all product averaging less than 350 euro/tonne
(d) Includes both hardwood and softwood products.

Europe

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estimated at around 1% per year. Government spending on infrastructure is now restricted under the terms of French membership of the euro-zone. French exports of manufactured products are under pressure from the strong euro and intense global competition.

Italy

Challenging market

Recent trends in the Italian hardwood import trade were explored in detail in our article on the Saiedue show in the March issue of Hardwood Markets. This article highlighted that hardwood consumption in the Italian construction industry is being boosted by a growing fashion for the "natural look" and associated interest in wood amongst Italian architects. Wood is being more widely specified for floors, doors, windows, and general joinery. However, the report also highlighted the sluggish performance of the Italian economy, particularly as Italian manufacturing industry has faced mounting competition from overseas competitors. Overall, hardwood import data for Italy in 2004 tends to confirm that hardwood market conditions have been challenging in recent times, but there are some positive trends.

Beech and oak log imports on the rise

Imports of beech and oak logs in 2004 were up on the previous year. Much of this volume comprises low value industrial roundwood, but there were also increased imports of high value oak logs from Croatia. Italian saw millers have been expanding their sales of high value oak lumber based on Croatian logs throughout Western Europe. Meanwhile Italian imports of higher value oak sawn lumber have remained static, with imports from the US coming under growing competitive pressure from Eastern European oak. In contrast, US imports of higher value sawn lumber of "other hardwoods" were generally rising in 2004, taking market share from Romania and Hungary. This supports anecdotal reports that Italy has been buying more American hard maple and ash in recent times. Italy's imports of higher value beech were declining last year, particularly from Romania and Poland.

On the tropical side, the long term

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slide in log imports proceeded rapidly last year, partly offset by a rise in sawn lumber and veneer imports. Log imports from Gabon rose strongly, but imports from all other major tropical supplying countries declined rapidly. In sawn lumber, supply problems meant Malaysia lost market share to Cameroon and Ivory last year. In veneer, there was a significant increase in imports from Gabon and Ivory Coast.

Italy a big importer of temperate hardwood veneer

Italy is a major importer of temperate hardwood veneers. Overall imports were down last year, with the US, Germany and FRance all losing ground. However, veneer imports from Croatia were on the rise in 2004.

Italy was importing more hardwood mouldings last year, particularly from Croatia and Romania. Romania is also becoming more important as a supplier of planed and sanded lumber and wood furniture components to Italy, perhaps a reflection of greater investment by Italian wood processing industry in the country.

Mounting competitive pressure on the Italian furniture sector is reflected in a substantial increase in Italy's imports of finished wood furniture last year, with Romania, Austria, Switzerland, China and Indonesia all increasing their share of the Italian market.

Spain

Tough year for much of the trade

2004 seems to have been a tough year for the Spanish hardwood import trade. There was a big decline in imports of temperate hardwood logs, while imports of tropical hardwood logs and of all types of sawn lumber remained static overall. Meanwhile imports of furniture rose dramatically, highlighting the competitive pressure now being experienced by the domestic furniture sector. As in other parts of Europe, some complex changes seem to be underway in the structure and direction of the Spanish hardwood trade.

Spanish tropical imports static

On the tropical side, the overall volume of log and sawn lumber imports during 2004 was almost exactly the same as the previous year. However, there was a big switch in favour of supplies from Congo Republic at the expense of all other major supplying countries. IN sawn lumber, imports from Brazil and Ivory Coast increased mainly at the expense of imports from Cameroon.

On the temperate side, Spain was importing more oak logs from USA and Romania, but there was a big fall in imports of oak logs from France and Germany. Spanish imports of oak sawn lumber from the United States were static last year, probably more reflection of difficult supplies from the US rather than any real reduction in demand from the Spanish joinery manufacturing secto r.

Germany was eeling more oak sawn lumber in Spoain last year, helped by their efforts to supply more square-edged lumber.

Switch to low value beech

In the beech sawn lumber market, there seems to have been a significant shift towards imports of lower value product from Germany and France, at the expense of higher value product from Italy, Romania, and Ukraine.

Spanish imports of hardwood mouldings remained static overall in 2004, but Chinese manufacturers increasing their market share.

Spain was importing more rotary veneer from Equatorial Guinea in 2004, but imports of all types of tropical veneer from other sources were generally declining. Romania grew strongly as a supplier of temperate hardwood veneer to Spain in 2004.

Spanish imports of furniture products rose strongly in 2004, particularly from China, France, Italy and Germany.

EU hardwood exports

Oak fashion continues

The most obvious trend in EU-25 export data last year (pages 11-15) is the continuing decline in overall levels of trade in beech logs and sawn lumber, compensated by a rise in trade in oak logs and sawn lumber. The data provides strong supporting evidence that the European fashion for oak continued last year, while beech remained out of favour. Other key trends are: a big increase in Germany's exports of oak to the Far East; declining oak log exports from Eastern Europe as more wood is consumed domestically; signs of growing demand for European poplar in China; and rising levels of EU trade in temperate hardwood veneer and plywood.

European beech exports

Germany plays a key role in the EU trade in beech, accounting for around a third of all logs and sawn lumber exported by all EU-25 countries. Germany is now the only EU country still sending significant volumes of beech to China. However levels of exports of German beech logs and lumber to this destination continued to decline rapidly last year. German beech producers have been attempting to compensate for this trend through diversification of export markets, with only mixed results. Most other key markets for German beech have remained either static or declining. However, low prices and a strong fashion for "whitewoods" in the United States have stimulated exports of German beech sawn lumber to that country. There are also signs of a slight recovery in

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Flooring

Consumption increase resumed

According to the latest information published by the European Federation of the Parquet Industry (FEP) and based on a preliminary survey on the performance of European wood flooring markets in 2004, it is estimated that the overall volume of wood flooring sold in Europe will have increased by about 5% during 2004. This would mean that, after two years of stagnation, the growth tendency already observed in 2003 is gradually being confirmed. Expectations of a continuation of the positive trend through 2005 seem warranted at the present time.

Consumption hits 100 million m2

In volume terms, the increase would lead to wood flooring (predominantly hardwood) sales of about 88.5 million m² in the "traditional" FEP countries; i.e. Western Europe and not new EU members, such as Poland and Hungary. It has to be observed, though, that in the current absence of reliable figures, no data can yet be provided for the entire FEP community. Nevertheless, assuming a total wood flooring consumption close to 95 million m² in all EU and EFTA-countries in 2003, the milestone of 100 million m² is now in sight.

Competition from outside the EU

On the other hand, developments on the production side have not been as positive as the market growth may lead to believe. Producers of mosaic and solid wood flooring, in particular, have been experiencing difficult times mainly because of heavy competition from producers outside the EU, but also due to shifts in consumer product preferences and demand. The strong euro compared to the US dollar has not been positive in this respect either.

Nonetheless, production of multilayer flooring has been increasing, with additional capacity being announced. Most producers now also offer glue-free installation systems for their products and this could have contributed to the consumption increases witnessed since 2003. These producers are nevertheless facing increased competition on the market as well, having a strong impact on their profitability and future competitiveness.

Dieter Betz, the Chairman of FEP has asked for a focussed and united approach within the sector for further enhancing and developing the European wood flooring market, as this is the only way for securing its continuity and its sound progress. In close co-operation with its member companies, FEP will explore the opportunities for joint actions. Since the beginning of 2005, the organisation has been open to supplier companies as well and is aiming to create further synergies within the sector.

Standards development

At the end of 2004, work on a European "reaction to fire" solution for wood flooring was finally completed within the responsible working group at the EC. The decision is now awaiting formal ratification by the EU authorities. Once adopted, it will lay the foundation for future CE-marking. FEP has invested close to •60,000 in testing and documentation, which aims at offering a solution that will reduce costs for all producers in the future.

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German sawn beech sales to Spain last year. With China now out of the equation, French beech sales are now focused entirely on regional markets. The vast majority of French exports are destined for neighbouring countries, including Belgium, Spain, Italy and Germany. Levels of French beech trade were generally declining last year.

Several EU countries in the East are significant exporters of European beech. Hungary, Poland, Slovakia and Slovenia are engaged in a significant trade in sawlogs, with much interchange between the countries. There are particularly strong beech trading links between: Slovenia and Italy; Hungary and Austria; Poland and Sweden; Slovakia and Poland; and Slovakia and Austria. Also the Czech Republic exports large quantities of low value industrial beech to Austria.

Generally beech exports from Eastern European countries were trending downwards last year, although there seems to have been some big shifts in the structure of exports. For example, Slovenia's log exports – destined mainly for Italy – were declining while sawn lumber exports were rising. This seems indicative of a trend towards relocation of Italian wood processing capacity to Slovenia.

European oak exports

Germany and France are the key players in the EU oak trade, accounting respectively for 31% and 26% of all oak logs and sawn lumber exports by EU-25 countries. Both countries saw a significant increase in the level of oak exports, both logs and sawn lumber, last year.

A highlight of the German trade is the rising levels of oak exports to the Far East. Exports of German oak logs to China increased from around 30,000 tonnes in 2003 to over 100,000 tonnes last year. Germany's exports of oak logs also increased substantially to France, Sweden, and Poland last year.

Meanwhile, exports of German oak sawn lumber to Indonesia doubled from 17,500 tonnes in 2003 to nearly 36,000 tonnes in 2004. Other countries taking more German oak sawn lumber last year include the UK, Netherlands and Belgium. German sawmillers are focusing heavily on expanding oak sales in a wider range of markets, for example through increased supply of square edged lumber rather than the traditional waney edged product.

While German oak sales have been expanding in the Far East, the French oak market remains regionally oriented. French oak sawlog exports rose by 53% last year in tonnage terms, with larger volumes destined for the principal markets of Italy, Spain and Belgium. French oak sawn lumber exports also increased by 7% in tonnage terms, with exports to the UK experiencing particularly rapid growth.

Of EU countries in Eastern Europe, only Hungary remains a moderately significant exporter of oak logs, but volumes were generally declining last year. The trend in Eastern Europe has been towards increased domestic processing of oak. Domestic oak supplies in some parts of Eastern Europe – notably Poland – are under growing pressure. This is reflected in Poland in a marginal decline in the level of oak sawn lumber exports. Hungary is the second largest exporter of oak sawn lumber amongst EU countries of Eastern Europe, with exports rising around 8% in tonnage terms during 2004. Most sawn lumber exported from Hungary is destined for Italy and Austria.

European birch exports

The Baltic States are significant exporters of birch logs, with the vast majority comprising industrial roundwood destined mainly for Sweden, with smaller volumes for Poland and Finland. However, significant volumes of birch sawlogs are also exported from the Baltic countries, notably from Latvia to Sweden. The overall level of trade in birch logs by the Baltic countries was generally declining last year.

European poplar exports

Several western European countries are engaged in a significant export trade in poplar logs, a species which is regularly used as a plywood core as well as for the manufacture of pulp and other panel products. France and Belgium are the leading exporters, with a significant level of interchange between these two countries. Other major export markets are Italy and Morocco. One potentially significant trend is the emergence of Chinese demand for European poplar (mainly from Germany).

European veneer exports

Overall levels of EU trade in temperate hardwood veneer were on the rise last year, partially a result of the shift in manufacturing capacity to lower cost locations in Eastern European countries, which has contributed to higher levels of cross-border trade.

Despite the recent move into Eastern Europe, Germany remains the leading EU exporter of temperate hardwood veneer accounting for around 27% of exports by all EU-25 countries. Last year, German exports of temperate hardwood veneer increased by 8% to around 60,000 tonnes, with rising sales into Italy, Spain and the U.S.A. Unit values of German temperate hardwood veneer exports are relatively high, indicative of the trend towards German manufacturers focusing on higher value sliced veneers. France and Austria are other significant exporters of higher value sliced veneers.

Of Eastern European members of the EU, Hungary is the largest exporter of temperate hardwood veneer in tonnage terms, but unit values are very low suggesting the product is primarily lower-value rotary veneer. Slovenia is the second largest Eastern European exporter, with unit prices in the middle of the range. Slovenia has seen significant investment by Italian veneer manufacturers in recent years. Poland and the Czech Republic are becoming more significant exporters of higher value temperate hardwood sliced veneer, benefiting particularly from German inward investment. Exports from both countries rose significantly last year.

European plywood exports

The overall level of EU trade in temperate hardwood plywood was rising last year, perhaps partly indicative of problems in the tropical hardwood trade which has led to substitution by birch plywood in some applications, and also the strong fashion for birch in furniture, driven particularly by IKEA.

Finland is by far the largest EU exporter of temperate hardwood plywood, exporting around 350,000 tonnes of mainly birch plywood during 2004. Exports were on the rise last year, with Germany, the UK and Spain the principle markets. Latvia is the second largest exporter of temperate hardwood plywood in the EU, exporting around 115,000 tonnes last year, up 21% on 2003. Latvia exports mainly to the UK and Germany.

Data note

Data on pages 11 to 15 summarises exports of temperate hardwood primary wood products – logs, sawn lumber, veneer and plywood - from EU countries during 2004. For the first time ever, data is extended into Eastern Europe to include the 10 countries that acceded into the EU in May last year.

For each product, data is provided for the leading exporting countries in the EU. Countries that are relatively insignificant exporting countries are omitted.

Data is provided both in value terms and tonnage terms. Our experience has shown that tonnage data provided by Eurostat is significantly more reliable than volume data. Another new development is our separation of log data into "sawlogs" and "other than (O/T) sawlogs". This gives a clearer indication of the volume of higher quality logs imported specifically for sawmilling, as opposed to lower quality logs imported for industrial uses, such as pulp and panel manufacture.

Our data is compiled from raw statistics supplied by Business Trade Statistics Limited and is ultimately sourced from Eurostat.

European hardwood exports 2003 and 2004

BEECH LOGS

Austria sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
ITALY	9854	8128	-18	131638	115060	-13
GERMANY	161	111	-31	1894	1555	-18
CZECH REPUBLIC	41	106	159	311	647	108
FRANCE	54	76	41	334	351	5
SLOVENIA	7	72	929	79	70	-11
OTHER	52	57	10	537	319	-41
TOTAL	**10169**	**8550**	**-16**	**134793**	**118002**	**-12**

Austria O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
ITALY	5000	5939	19	94237	92643	-2
GERMANY	162	190	17	883	642	-27
HUNGARY	23	37	61	321	437	36
BOSNIA & HERZ.	1	18	1700	45	47	4
CZECH REPUBLIC	25	17	-32	148	51	-66
OTHER	1276	6	-100	2578	24	-99
TOTAL	**6487**	**6207**	**-4**	**98212**	**93844**	**-4**

Belgium sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
SPAIN	1087	1134	4	4734	3018	-36
FRANCE	1685	873	-48	29219	19054	-35
ITALY	1175	327	-72	12234	3753	-69
GERMANY	671	86	-87	1859	264	-86
INDIA	146	77	-47	422	587	39
OTHER	371	180	-51	3491	514	-85
TOTAL	**5135**	**2677**	**-48**	**51959**	**27190**	**-48**

Belgium O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
LUXEMBOURG	494	2160	337	18653	61660	231
MOROCCO	0	355	na	0	1848	na
ITALY	201	336	67	2339	2422	4
ALGERIA	0	303	na	0	936	na
EGYPT	233	255	9	2522	1802	-29
OTHER	1989	868	-56	15581	7915	-49
TOTAL	**2917**	**4277**	**47**	**39095**	**76583**	**96**

Czech Republic sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
AUSTRIA	8	96	1100	46	703	1428
GERMANY	31	64	106	188	422	124
SLOVAKIA	3	50	1567	24	218	808
ITALY	19	42	121	207	333	61
POLAND	0	40	na	0	218	na
OTHER	16	13	-19	52	35	-33
TOTAL	**77**	**305**	**296**	**517**	**1929**	**273**

Czech Republic O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
AUSTRIA	3863	5663	47	141667	177334	25
SLOVAKIA	52	990	1804	1972	38518	1853
SPAIN	92	190	107	429	221	-48
POLAND	0	54	na	0	603	na
GERMANY	44	44	0	1109	962	-13
OTHER	178	2	-99	1188	50	-96
TOTAL	**4229**	**6943**	**64**	**146365**	**217688**	**49**

Germany sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
CHINA	37363	20436	-45	289451	192586	-33
SWEDEN	2163	5883	172	44119	134046	204
ITALY	4035	3993	-1	57099	62768	10
DENMARK	4965	3636	-27	165173	116088	-30
JAPAN	3107	1796	-42	21270	14752	-31
OTHER	6499	5996	-8	56571	53812	-5
TOTAL	**58132**	**41740**	**-28**	**633683**	**574052**	**-9**

Germany O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
SWEDEN	16088	4886	-70	386328	116319	-70
ITALY	1346	1327	-1	27675	22111	-20
CZECH REPUBLIC	1385	1275	-8	5467	5077	-7
AUSTRIA	791	930	18	14706	19697	34
CHINA	1132	807	-29	7665	6851	-11
OTHER	1262	1638	30	15114	21109	40
TOTAL	**22004**	**10863**	**-51**	**456955**	**191164**	**-58**

France logs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
BELGIUM	1424	2444	72	26209	54863	109
ITALY	1837	2268	23	19929	27533	38
SPAIN	2695	2128	-21	21206	17182	-19
GERMANY	1273	1415	11	11588	11117	-4
PORTUGAL	1435	1291	-10	9810	6937	-29
OTHER	1996	2143	7	12877	17034	32
TOTAL	**10660**	**11689**	**10**	**101619**	**134666**	**33**

France O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
BELGIUM	5106	4597	-10	175391	107611	-39
SPAIN	3142	2886	-8	25150	23838	-5
GERMANY	1580	1673	6	14996	16951	13
ITALY	1595	1555	-3	17941	18491	3
MOROCCO	2176	1490	-32	8649	5221	-40
OTHER	6239	5390	-14	48938	50155	2
TOTAL	**19838**	**17591**	**-11**	**291065**	**222267**	**-24**

Hungary sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
AUSTRIA	4671	2208	-53	50610	21141	-58
SLOVENIA	504	665	32	3588	5029	40
ITALY	467	523	12	3520	4231	20
CZECH REPUBLIC	61	373	511	261	1433	449
JAPAN	91	71	-22	179	118	-34
OTHER	143	69	-52	578	256	-56
TOTAL	**5937**	**3909**	**-34**	**58736**	**32208**	**-45**

BEECH LOGS (cont.)

Hungary O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
AUSTRIA	1662	2229	34	55682	59850	7
ITALY	1233	1748	42	35614	40926	15
SLOVENIA	1292	843	-35	36465	19126	-48
BULGARIA	0	0	na	0	0	na
OTHER	0	0	na	0	0	na
TOTAL	**4187**	**4820**	**15**	**127761**	**119902**	**-6**

Poland sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
SWEDEN	1085	1547	43	22890	29476	29
DENMARK	1439	854	-41	23993	12025	-50
LATVIA	224	344	54	885	1266	43
ESTONIA	153	223	46	623	883	42
CHINA	335	122	-64	4105	1520	-63
OTHER	243	201	-17	1547	1157	-25
TOTAL	**3479**	**3291**	**-5**	**54043**	**46327**	**-14**

Poland O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
AUSTRIA	271	67	-75	1864	866	-54
GERMANY	66	65	-2	228	147	-36
CZECH REPUBLIC	45	32	-29	127	134	6
SLOVAKIA	52	26	-50	1596	948	-41
JAPAN	0	17	na	0	22	na
OTHER	139	16	-88	766	202	-74
TOTAL	**573**	**223**	**-61**	**4581**	**2319**	**-49**

Slovenia sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
ITALY	3721	2160	-42	64906	35297	-46
AUSTRIA	169	285	69	721	1461	103
CZECH REPUBLIC	32	129	303	235	842	258
INDONESIA	20	94	370	91	427	369
ROMANIA	0	7	na	0	30	na
OTHER	40	7	-83	229	53	-77
TOTAL	**3982**	**2682**	**-33**	**66182**	**38110**	**-42**

Slovenia O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
iTALY	1555	1130	-27	37245	24224	-35
AUSTRIA	55	33	-40	790	940	19
GERMANY	0	26	na	0	106	na
BOSNIA & HERZ.	0	5	na	0	148	na
OTHER	13	0	-100	39	0	-100
TOTAL	**1623**	**1194**	**-26**	**38074**	**25418**	**-33**

Slovakia sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
POLAND	2	2730	136400	23	32216	139970
CZECH REPUBLIC	52	2033	3810	269	35828	13219
AUSTRIA	39	1184	2936	346	16402	4640
HUNGARY	13	364	2700	141	7452	5185
GERMANY	7	173	2371	96	669	597
OTHER	152	78	-49	809	405	-50
TOTAL	**265**	**6562**	**2376**	**1684**	**92972**	**5421**

Slovakia O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
AUSTRIA	10813	9013	-17	366372	273250	-25
POLAND	2582	2347	-9	31950	26540	-17
ITALY	929	1469	58	28265	25480	-10
CZECH REPUBLIC	2586	1399	-46	33038	12658	-62
SPAIN	342	746	118	1187	2470	108
OTHER	1897	1394	-27	35609	14038	-61
TOTAL	**19149**	**16368**	**-15**	**496421**	**354436**	**-29**

BIRCH LOGS

Estonia sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
FINLAND	615	685	11	8788	9948	13
SWEDEN	439	573	31	5968	7887	32
GERMANY	328	197	-40	1769	1052	-41
AUSTRIA	50	31	-38	323	201	-38
LATVIA	0	5	na	0	41	na
OTHER	11	0	-100	68	0	-100
TOTAL	**1443**	**1491**	**3**	**16916**	**19129**	**13**

Estonia O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
SWEDEN	18191	20221	11	548747	526483	-4
FINLAND	17723	9952	-44	477513	270333	-43
NORWAY	377	71	-81	11671	2320	-80
OTHER	1	0	-100	21	0	-100
TOTAL	**36292**	**30244**	**-17**	**1037952**	**799136**	**-23**

Lithuania sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
LATVIA	3116	2160	-31	74141	50981	-31
POLAND	37	267	622	491	6182	1159
SWEDEN	5	80	1500	193	2365	1125
ESTONIA	55	67	22	499	614	23
AUSTRIA	10	41	310	53	130	145
OTHER	19	24	26	247	199	-19
TOTAL	**3242**	**2639**	**-19**	**75624**	**60471**	**-20**

Lithuania O/T sawlogs

	Value (000 euro) 2003	2004	% chg	Weight (tonnes) 2003	2004	% chg
SWEDEN	6222	6742	8	129597	124436	-4
POLAND	1701	2242	32	59790	65646	10
FINLAND	2315	2035	-12	50393	42883	-15
LATVIA	20	143	615	828	3772	356
GERMANY	10	2	-80	66	60	-9
OTHER	169	0	-100	4667	0	-100
TOTAL	**10437**	**11164**	**7**	**245341**	**236797**	**-3**

European hardwood exports 2003 and 2004

	Value (000 euro) 2003	Value (000 euro) 2004	Value % chg	Weight (tonnes) 2003	Weight (tonnes) 2004	Weight % chg

BIRCH LOGS (cont.)

Latvia sawlogs

SWEDEN	16738	14238	-15	490107	349143	-29
FINLAND	6296	2117	-66	197423	53700	-73
AUSTRIA	292	267	-9	770	698	-9
ESTONIA	93	155	67	1931	2850	48
GERMANY	229	57	-75	1313	207	-84
OTHER	138	23	-83	5156	167	-97
TOTAL	**23786**	**16857**	**-29**	**696700**	**406765**	**-42**

Latvia O/T sawlogs

SWEDEN	22323	43741	96	718675	1152827	60
FINLAND	1691	7005	314	58909	176460	200
ESTONIA	3	810	26900	59	16527	27912
SLOVAKIA	0	163	na	0	4618	na
NORWAY	119	132	11	4067	3896	-4
OTHER	0	130	na	0	2440	na
TOTAL	**24136**	**51981**	**115**	**781710**	**1356768**	**74**

OAK LOGS

Austria sawlogs

GERMANY	618	898	45	1469	2233	52
FRANCE	1768	807	-54	4932	2429	-51
ITALY	1671	742	-56	12122	5504	-55
CZECH REPUBLIC	179	426	138	336	844	151
HUNGARY	174	250	44	1618	2974	84
OTHER	69	63	-9	248	143	-42
TOTAL	**4479**	**3186**	**-29**	**20725**	**14127**	**-32**

Austria O/T sawlogs

ITALY	1113	332	-70	17493	7598	-57
SWITZERLAND	11	53	382	85	119	40
FRANCE	84	46	-45	250	207	-17
GERMANY	229	43	-81	838	152	-82
SLOVAKIA	0	36	na	0	195	na
OTHER	137	50	-64	486	288	-41
TOTAL	**1574**	**560**	**-64**	**19152**	**8559**	**-55**

Belgium sawlogs

FRANCE	650	842	30	6227	7700	24
NETHERLANDS	436	282	-35	2296	4518	97
SPAIN	285	202	-29	1068	359	-66
SWEDEN	49	155	216	696	2128	206
CHINA	0	87	na	0	786	na
OTHER	266	199	-25	3783	888	-77
TOTAL	**1686**	**1767**	**5**	**14070**	**16379**	**16**

Belgium O/T sawlogs

U.K.	433	779	80	2948	4760	61
CHINA	365	737	102	1851	5638	205
NETHERLANDS	354	614	73	279	410	47
FRANCE	478	483	1	3852	4777	24
INDONESIA	29	368	1169	46	627	1263
OTHER	775	802	3	2379	4208	77
TOTAL	**2434**	**3783**	**55**	**11355**	**20420**	**80**

Germany sawlogs

CHINA	2681	8963	234	22128	75398	241
FRANCE	6002	6496	8	22823	29919	31
SWEDEN	1503	2190	46	19922	26285	32
POLAND	1030	1881	83	8623	18603	116
DENMARK	2257	1835	-19	46419	25419	-45
OTHER	4644	6331	36	30123	43463	44
TOTAL	**18117**	**27696**	**53**	**150038**	**219087**	**46**

Germany O/T sawlogs

CHINA	1078	3130	190	8909	28269	217
NETHERLANDS	15	1398	9220	59	5357	8980
POLAND	190	311	64	835	2410	189
FRANCE	282	310	10	772	1067	38
INDONESIA	0	212	na	0	1310	na
OTHER	1101	749	-32	4290	8157	90
TOTAL	**2666**	**6110**	**129**	**14865**	**46570**	**213**

France sawlogs

ITALY	2667	3717	39	21033	29757	41
SPAIN	2376	3396	43	11199	18498	65
BELGIUM	1035	2333	125	5164	14948	189
U.K.	695	1035	49	4423	6354	44
PORTUGAL	1337	1002	-25	4452	5467	23
OTHER	2502	2717	9	13070	15539	19
TOTAL	**10612**	**14200**	**34**	**59341**	**90563**	**53**

France O/T sawlogs

BELGIUM	3937	4168	6	34929	46595	33
ITALY	2199	2583	17	14518	19185	32
SPAIN	2071	2347	13	12178	14246	17
U.K.	1754	2095	19	12093	13187	9
NETHERLANDS	1148	1290	12	4866	5732	18
OTHER	4012	4617	15	15484	18140	17
TOTAL	**15121**	**17100**	**13**	**94068**	**117085**	**24**

Hungary sawlogs

AUSTRIA	5550	5492	-1	34764	27438	-21
ITALY	1268	1038	-18	7264	5948	-18
SLOVENIA	723	498	-31	4280	3294	-23
CROATIA	295	238	-19	2773	1933	-30
CZECH REPUBLIC	17	85	400	49	262	435
OTHER	446	310	-30	1754	1515	-14
TOTAL	**8299**	**7661**	**-8**	**50884**	**40390**	**-21**

OAK LOGS (cont.)

Hungary O/T sawlogs

ITALY	4309	4193	-3	158999	102175	-36
AUSTRIA	587	330	-44	19078	6949	-64
CZECH REPUBLIC	0	56	na	0	90	na
SLOVAKIA	1	23	2200	2	95	4650
CROATIA	10	9	-10	113	105	-7
OTHER	14	0	-100	313	0	-100
TOTAL	**4921**	**4611**	**-6**	**178505**	**109414**	**-39**

Slovakia sawlogs

POLAND	0	711	na	0	4083	na
DENMARK	0	201	na	0	1	na
CZECH REPUBLIC	88	198	125	465	847	82
AUSTRIA	16	174	988	68	753	1007
GERMANY	4	171	4175	21	400	1805
OTHER	179	251	40	456	1132	148
TOTAL	**287**	**1706**	**494**	**1010**	**7216**	**614**

Slovakia O/T sawlogs

POLAND	438	1098	151	4049	6477	60
AUSTRIA	618	202	-67	17608	3946	-78
CZECH REPUBLIC	358	202	-44	6646	573	-91
ITALY	206	171	-17	5424	4701	-13
HUNGARY	132	163	23	2861	4556	59
OTHER	759	509	-33	2907	1459	-50
TOTAL	**2511**	**2345**	**-7**	**39495**	**21712**	**-45**

POPLAR LOGS

Austria

ITALY	2720	3533	30	37114	47856	29
FRANCE	116	108	-7	1527	1540	1
SWITZERLAND	21	67	219	47	98	109
CZECH REPUBLIC	101	67	-34	1240	855	-31
GERMANY	46	64	39	105	194	85
OTHER	27	29	7	293	71	-76
TOTAL	**3031**	**3868**	**28**	**40326**	**50614**	**26**

Belgium

FRANCE	3496	2703	-23	64195	50189	-22
MOROCCO	2350	1561	-34	27302	18185	-33
ITALY	1767	1520	-14	23309	17116	-27
EGYPT	918	1316	43	9283	13335	44
NETHERLANDS	1383	686	-50	26022	14820	-43
OTHER	822	1302	58	9513	12373	30
TOTAL	**10736**	**9088**	**-15**	**159624**	**126018**	**-21**

Germany

CHINA	279	1353	385	3603	17929	398
NETHERLANDS	1215	975	-20	25660	23654	-8
ITALY	1247	827	-34	19903	10414	-48
BELGIUM	723	375	-48	14255	6638	-53
FRANCE	108	269	149	1623	3169	95
OTHER	323	419	30	2475	6140	148
TOTAL	**3895**	**4218**	**8**	**67519**	**67944**	**1**

France

ITALY	14851	11842	-20	148210	124913	-16
SPAIN	2754	2345	-15	35544	32788	-8
MOROCCO	177	567	220	2306	7539	227
BELGIUM	404	299	-26	11190	9213	-18
GERMANY	228	249	9	2155	1822	-15
OTHER	402	219	-46	2819	2219	-21
TOTAL	**18816**	**15521**	**-18**	**202224**	**178494**	**-12**

Italy

ITALY	2449	2123	-13	36736	34667	-6
SLOVENIA	215	354	65	3088	2507	-19
CROATIA	804	335	-58	24124	10751	-55
CZECH REPUBLIC	234	302	29	2846	3357	18
AUSTRIA	681	231	-66	14588	5576	-62
OTHER	95	92	-3	2018	1313	-35
TOTAL	**4478**	**3437**	**-23**	**83400**	**58171**	**-30**

Netherlands

BELGIUM	1320	1431	8	29987	29376	-2
CHINA	0	199	na	0	2251	na
GERMANY	66	185	180	2223	7603	242
INDIA	0	10	na	0	97	na
SINGAPORE	0	3	na	0	24	na
OTHER	3	3	0	5	40	700
TOTAL	**1389**	**1831**	**32**	**32215**	**39391**	**22**

OTHER TEMPERATE HARDWOOD LOGS

Germany

AUSTRIA	1432	1321	-8	2638	4783	81
ITALY	479	1222	155	8020	21103	163
CHINA	319	1003	214	1589	5897	271
DENMARK	895	890	-1	23987	14485	-40
FRANCE	543	470	-13	3824	5044	32
OTHER	1898	2753	45	4970	8391	69
TOTAL	**5566**	**7659**	**38**	**45028**	**59703**	**33**

Estonia

FINLAND	3683	2625	-29	125219	115953	-7
NORWAY	1978	2122	7	61627	67694	10
SWEDEN	1679	1779	6	57602	61830	7
GERMANY	0	0	na	7	1	-86
OTHER	3	0	-100	19	0	-100
TOTAL	**7343**	**6526**	**-11**	**244474**	**245478**	**0**

European hardwood exports 2003 and 2004

OTHER TEMPERATE HARDWOOD LOGS (cont.)

	Value (000 euro) 2003	Value (000 euro) 2004	% chg	Weight (tonnes) 2003	Weight (tonnes) 2004	% chg
France						
ITALY	16575	17194	4	126509	99747	-21
BELGIUM	6594	8125	23	187270	167384	-11
SPAIN	7243	7730	7	114011	83628	-27
GERMANY	4502	5981	33	68241	78411	15
PORTUGAL	4786	4393	-8	28630	27806	-3
OTHER	6870	7490	9	61491	75525	23
TOTAL	**46570**	**50913**	**9**	**586152**	**532501**	**-9**
Hungary						
ITALY	3149	4922	56	43799	88258	102
AUSTRIA	4938	4466	-10	90124	67833	-25
GERMANY	437	253	-42	2100	1782	-15
SLOVENIA	115	183	59	904	1444	60
DENMARK	83	131	58	298	597	100
OTHER	2241	222	-90	59596	2175	-96
TOTAL	**10963**	**10177**	**-7**	**196821**	**162089**	**-18**
Latvia						
SWEDEN	4541	4244	-7	180042	155150	-14
FINLAND	1926	1110	-42	64397	35984	-44
NORWAY	258	731	183	9543	26144	174
ESTONIA	3	107	3467	69	3490	4958
GERMANY	0	41	na	0	1079	na
OTHER	12	1	-92	64	24	-63
TOTAL	**6740**	**6234**	**-8**	**254115**	**221871**	**-13**

BEECH SAWN LUMBER

	Value (000 euro) 2003	Value (000 euro) 2004	% chg	Weight (tonnes) 2003	Weight (tonnes) 2004	% chg
Austria						
GERMANY	7636	8598	13	14188	17330	22
ITALY	7105	4924	-31	29636	22312	-25
SWITZERLAND	1392	1013	-27	2715	2182	-20
HUNGARY	846	724	-14	5184	5158	-1
CHINA	1262	657	-48	3517	2096	-40
OTHER	4585	4525	-1	9095	10459	15
TOTAL	**22826**	**20441**	**-10**	**64335**	**59537**	**-7**
Germany						
SPAIN	14063	15853	13	37079	38143	3
CHINA	22994	13691	-40	63325	37861	-40
U.S.A.	5950	11473	93	9931	20065	102
U.K.	11532	10745	-7	18416	17325	-6
ITALY	6603	6014	-9	20970	19951	-5
OTHER	50274	50188	0	111345	109622	-2
TOTAL	**111416**	**107964**	**-3**	**261066**	**242967**	**-7**
France						
SPAIN	9048	10287	14	26482	32306	22
GERMANY	5121	4016	-22	15615	10931	-30
ALGERIA	4502	3566	-21	13333	11020	-17
BELGIUM	3769	3228	-14	11031	10370	-6
PORTUGAL	2396	2768	16	5440	6318	16
OTHER	13723	12155	-11	50564	46622	-8
TOTAL	**38559**	**36020**	**-7**	**122465**	**117567**	**-4**
Italy						
SPAIN	3017	3844	27	5030	5749	14
CHINA	2181	1408	-35	4522	3563	-21
FRANCE	289	1323	358	154	1400	809
JAPAN	1836	1197	-35	1931	1475	-24
PORTUGAL	599	1175	96	744	1509	103
OTHER	13015	6647	-49	21070	13086	-38
TOTAL	**20937**	**15594**	**-26**	**33451**	**26782**	**-20**
Poland						
GERMANY	4119	3921	-5	7537	6424	-15
SWEDEN	2901	3201	10	6875	6475	-6
DENMARK	2028	1926	-5	4060	4308	6
ITALY	2594	1632	-37	4097	3302	-19
U.K.	816	1589	95	716	4995	598
OTHER	6196	6027	-3	12625	11362	-10
TOTAL	**18654**	**18296**	**-2**	**35910**	**36866**	**3**
Slovenia						
ITALY	9734	11349	17	29623	34419	16
GERMANY	2221	2295	3	2016	1800	-11
DENMARK	96	674	602	80	429	436
BELGIUM	415	372	-10	795	675	-15
FRANCE	15	228	1420	10	115	1050
OTHER	1688	954	-43	1621	1067	-34
TOTAL	**14169**	**15872**	**12**	**34145**	**38505**	**13**
Slovakia						
CZECH REPUBLIC	11017	12536	14	43815	31423	-28
ITALY	6731	8255	23	22179	18285	-18
GERMANY	3168	2808	-11	6948	4187	-40
POLAND	2502	2738	9	19159	14598	-24
DENMARK	2285	2726	19	3962	2879	-27
OTHER	8594	10489	22	29136	24808	-15
TOTAL	**34297**	**39552**	**15**	**125199**	**96180**	**-23**

OAK SAWN LUMBER

	Value (000 euro) 2003	Value (000 euro) 2004	% chg	Weight (tonnes) 2003	Weight (tonnes) 2004	% chg
Austria						
GERMANY	4999	5738	15	8994	9385	4
ITALY	2668	3350	26	5836	7179	23
SWITZERLAND	1813	1780	-2	2879	2894	1
HUNGARY	613	854	39	4636	5284	14
CZECH REPUBLIC	790	680	-14	1182	987	-16
OTHER	3849	2506	-35	5796	4558	-21
TOTAL	**14732**	**14908**	**1**	**29323**	**30287**	**3**

OAK SAWN LUMBER (cont.)

	Value (000 euro) 2003	Value (000 euro) 2004	% chg	Weight (tonnes) 2003	Weight (tonnes) 2004	% chg
Belgium						
NETHERLANDS	5810	7222	24	6397	7868	23
FRANCE	4950	4895	-1	5080	6454	27
U.K.	2804	3361	20	2345	3118	33
SPAIN	3311	2713	-18	2396	2280	-5
GERMANY	552	381	-31	582	363	-38
OTHER	4509	3487	-23	11399	7730	-32
TOTAL	**21936**	**22059**	**1**	**28199**	**27813**	**-1**
Germany						
INDONESIA	5162	9858	91	17520	35730	104
SPAIN	7583	8232	9	18011	18758	4
U.K.	5718	7404	29	7628	9584	26
NETHERLANDS	5311	5751	8	12804	14168	11
BELGIUM	3373	4796	42	8496	11489	35
OTHER	20827	27073	30	45910	53847	17
TOTAL	**47974**	**63114**	**32**	**110369**	**143576**	**30**
France						
U.K.	17823	21120	18	23672	27730	17
BELGIUM	15628	16575	6	27346	29338	7
NETHERLANDS	12616	11891	-6	25744	24110	-6
SPAIN	7639	7634	0	14267	14783	4
GERMANY	5508	5102	-7	17001	14897	-12
OTHER	12544	14881	19	21371	27366	28
TOTAL	**71758**	**77203**	**8**	**129401**	**138224**	**7**
Hungary						
ITALY	4796	6590	37	12763	13386	5
AUSTRIA	4110	4406	7	14526	13309	-8
SWEDEN	2298	2121	-8	5849	5652	-3
DENMARK	22	1033	4595	108	1077	897
PORTUGAL	131	736	462	297	714	140
OTHER	3285	4795	46	8511	12821	51
TOTAL	**14642**	**19681**	**34**	**42054**	**46959**	**12**
Italy						
U.K.	4392	8147	85	2749	5323	94
FRANCE	2594	2807	8	1184	818	-31
SLOVENIA	1819	896	-51	1632	918	-44
SPAIN	442	681	54	562	967	72
GERMANY	391	507	30	349	430	23
OTHER	2273	2783	22	2415	2903	20
TOTAL	**11911**	**15821**	**33**	**8891**	**11359**	**28**
Poland						
SPAIN	3071	4913	60	8136	9083	12
FINLAND	2948	4045	37	4616	6327	37
SWEDEN	2694	3585	33	5472	7149	31
BELGIUM	2685	2639	-2	6683	4549	-32
NETHERLANDS	2819	2543	-10	7176	4925	-31
OTHER	6069	5559	-8	11041	9061	-18
TOTAL	**20286**	**23284**	**15**	**43124**	**41094**	**-5**

OTHER TEMPERATE HARDWOOD SAWN LUMBER

	Value (000 euro) 2003	Value (000 euro) 2004	% chg	Weight (tonnes) 2003	Weight (tonnes) 2004	% chg
Austria						
GERMANY	9591	8400	-12	10242	10513	3
ITALY	5955	4500	-24	24283	14929	-39
SWITZERLAND	3013	3364	12	3044	3445	13
CZECH REPUBLIC	906	2147	137	1424	2716	91
HUNGARY	1061	1101	4	6659	4733	-29
OTHER	2384	2338	-2	3338	3531	6
TOTAL	**22910**	**21850**	**-5**	**48990**	**39867**	**-19**
Belgium						
NETHERLANDS	5017	7125	42	6947	16409	136
FRANCE	5012	5165	3	7451	7853	5
GERMANY	679	1390	105	477	1121	135
CHINA	120	1273	961	632	12571	1889
SPAIN	989	1064	8	452	485	7
OTHER	2305	2965	29	4836	7826	62
TOTAL	**14122**	**18982**	**34**	**20795**	**46265**	**122**
Germany						
AUSTRIA	6392	7699	20	4949	5805	17
U.K.	903	5325	490	846	28248	3239
SWITZERLAND	3327	3713	12	2832	3006	6
DENMARK	1091	1494	37	1243	1720	38
NETHERLANDS	1131	1414	25	2460	2815	14
OTHER	11374	10298	-9	21561	14123	-34
TOTAL	**24218**	**29943**	**24**	**33891**	**55717**	**64**
Estonia						
U.K.	11155	10773	-3	65428	64416	-2
FINLAND	3138	2299	-27	8978	5813	-35
CHINA	1517	2000	32	3835	5031	31
U.S.A.	1110	1348	21	1488	1962	32
SWEDEN	1413	1126	-20	3196	2074	-35
OTHER	3531	4193	19	15533	11789	-24
TOTAL	**21864**	**21739**	**-1**	**98458**	**91085**	**-7**
France						
GERMANY	5078	4603	-9	6674	5318	-20
SPAIN	4451	4427	-1	12945	13275	3
ITALY	2356	2593	10	6107	7508	23
PORTUGAL	1722	1762	2	6159	5676	-8
SWITZERLAND	1664	1745	5	1537	1557	1
OTHER	10352	8322	-20	40497	26226	-35
TOTAL	**25623**	**23452**	**-8**	**73919**	**59560**	**-19**

European hardwood exports 2003 and 2004

	Value (000 euro) 2003	Value (000 euro) 2004	% chg	Weight (tonnes) 2003	Weight (tonnes) 2004	% chg

OTHER TEMPERATE HARDWOOD SAWN (cont.)

Hungary

	2003	2004	% chg	2003	2004	% chg
ITALY	16161	14144	-12	67379	52195	-23
AUSTRIA	4813	5144	7	16205	15093	-7
FRANCE	2091	2032	-3	9590	7371	-23
GERMANY	1003	1090	9	3310	3238	-2
NETHERLANDS	572	734	28	2226	2012	-10
OTHER	2045	1670	-18	8816	5350	-39
TOTAL	**26685**	**24814**	**-7**	**107526**	**85259**	**-21**

Italy

	2003	2004	% chg	2003	2004	% chg
AUSTRIA	2956	4957	68	2538	4272	68
JAPAN	4231	3430	-19	2717	2085	-23
GERMANY	1223	1763	44	1141	1379	21
U.K.	1551	1615	4	1340	1337	0
SPAIN	1114	1456	31	468	837	79
OTHER	15437	11422	-26	15941	12754	-20
TOTAL	**26512**	**24643**	**-7**	**24145**	**22664**	**-6**

Lithuania

	2003	2004	% chg	2003	2004	% chg
GERMANY	14735	12304	-16	101902	85241	-16
BELGIUM	7154	6878	-4	63495	54916	-14
FRANCE	1379	3145	128	11424	21116	85
NETHERLANDS	1705	1905	12	17277	16114	-7
ESTONIA	836	1366	63	3960	6605	67
OTHER	9133	8582	-6	29708	38150	28
TOTAL	**34942**	**34180**	**-2**	**227766**	**222142**	**-2**

Latvia

	2003	2004	% chg	2003	2004	% chg
U.K.	32853	37785	15	248661	252246	1
GERMANY	6818	5161	-24	49124	33581	-32
NETHERLANDS	4414	3688	-16	35591	27437	-23
BELGIUM	3944	3195	-19	28830	22599	-22
ESTONIA	3798	2865	-25	15020	11339	-25
OTHER	16168	14013	-13	69661	46453	-33
TOTAL	**67995**	**66707**	**-2**	**446887**	**393655**	**-12**

Poland

	2003	2004	% chg	2003	2004	% chg
ITALY	5013	6320	26	32168	27791	-14
GERMANY	4275	3466	-19	14395	7593	-47
AUSTRIA	1609	2326	45	7796	6263	-20
FRANCE	932	1511	62	5396	6621	23
DENMARK	312	664	113	815	1268	56
OTHER	2366	2132	-10	8370	5102	-39
TOTAL	**14507**	**16419**	**13**	**68940**	**54638**	**-21**

TEMPERATE HARDWOOD VENEER

Austria

	2003	2004	% chg	2003	2004	% chg
GERMANY	26422	30103	14	6770	6398	-5
ROMANIA	25468	14823	-42	1403	1448	3
ITALY	4057	5139	27	1107	1589	44
CZECH REPUBLIC	4104	4134	1	1315	1359	3
SPAIN	567	2789	392	184	820	346
OTHER	17429	21028	21	4677	5659	21
TOTAL	**78047**	**78016**	**0**	**15456**	**17273**	**12**

Czech Republic

	2003	2004	% chg	2003	2004	% chg
GERMANY	14410	16858	17	7334	7825	7
AUSTRIA	2768	6023	118	1176	2304	96
SLOVAKIA	1787	2505	40	711	936	32
BELGIUM	1485	2092	41	634	670	6
POLAND	629	1767	181	220	579	163
OTHER	4263	4612	8	1089	1259	16
TOTAL	**25342**	**33857**	**34**	**11164**	**13573**	**22**

Germany

	2003	2004	% chg	2003	2004	% chg
ITALY	32189	31488	-2	6488	6729	4
SPAIN	25462	27728	9	6867	7867	15
U.S.A.	9052	12384	37	1173	2028	73
POLAND	11079	11824	7	4351	5284	21
AUSTRIA	11266	11243	0	2430	2776	14
OTHER	112837	117541	4	34142	35468	4
TOTAL	**201885**	**212208**	**5**	**55451**	**60152**	**8**

Spain

	2003	2004	% chg	2003	2004	% chg
PORTUGAL	6986	8699	25	3374	2980	-12
ITALY	9963	4662	-53	6523	3328	-49
GERMANY	3853	4169	8	453	386	-15
FRANCE	4849	3624	-25	1304	969	-26
NETHERLANDS	306	2517	723	45	353	684
OTHER	8793	8787	0	2900	2896	0
TOTAL	**34750**	**32458**	**-7**	**14599**	**10912**	**-25**

France

	2003	2004	% chg	2003	2004	% chg
GERMANY	16847	12799	-24	4642	3511	-24
ITALY	8277	6870	-17	3500	3067	-12
SPAIN	5793	6310	9	2750	2365	-14
U.K.	7104	6042	-15	1006	842	-16
BELGIUM	4977	5816	17	2360	2444	4
OTHER	24032	22728	-5	8000	8118	1
TOTAL	**67030**	**60565**	**-10**	**22258**	**20347**	**-9**

Hungary

	2003	2004	% chg	2003	2004	% chg
ITALY	4794	7600	59	9153	13911	52
GERMANY	3334	2379	-29	854	621	-27
NORWAY	1595	1687	6	1342	1413	5
BELGIUM	742	876	18	963	1173	22
DENMARK	852	795	-7	600	828	38
OTHER	5912	3406	-42	3843	2822	-27
TOTAL	**17229**	**16743**	**-3**	**16755**	**20768**	**24**

TEMPERATE HARDWOOD VENEER (cont.)

Italy

	2003	2004	% chg	2003	2004	% chg
GERMANY	21828	29646	36	1966	2357	20
SPAIN	9634	13020	35	1927	2762	43
FRANCE	4198	4950	18	469	576	23
SLOVENIA	5637	4016	-29	1048	891	-15
U.S.A.	4004	3899	-3	778	524	-33
OTHER	24962	28026	12	7439	6914	-7
TOTAL	**70263**	**83557**	**19**	**13627**	**14024**	**3**

Poland

	2003	2004	% chg	2003	2004	% chg
GERMANY	8030	12751	59	3181	4392	38
SPAIN	2083	4004	92	1509	2324	54
SWEDEN	2426	2896	19	543	685	26
DENMARK	3421	2305	-33	710	512	-28
U.S.A.	175	629	259	41	113	176
OTHER	3603	4109	14	2026	1787	-12
TOTAL	**19738**	**26694**	**35**	**8010**	**9813**	**23**

Slovenia

	2003	2004	% chg	2003	2004	% chg
ITALY	9222	8425	-9	6032	6059	0
AUSTRIA	9878	6524	-34	4394	2839	-35
GERMANY	3321	5701	72	1357	2233	65
CROATIA	2262	1432	-37	1248	875	-30
U.K.	854	1352	58	491	647	32
OTHER	2986	6094	104	1496	2867	92
TOTAL	**28523**	**29528**	**4**	**15018**	**15520**	**3**

TEMPERATE HARDWOOD PLYWOOD

Austria

	2003	2004	% chg	2003	2004	% chg
GERMANY	21451	22093	3	19259	22888	19
HUNGARY	3002	2668	-11	2612	2307	-12
SWITZERLAND	947	1701	80	614	944	54
ITALY	1468	1425	-3	1720	1361	-21
FRANCE	773	1034	34	432	479	11
OTHER	6898	7361	7	4996	5208	4
TOTAL	**34539**	**36282**	**5**	**29633**	**33187**	**12**

Belgium

	2003	2004	% chg	2003	2004	% chg
NETHERLANDS	18572	19109	3	18183	20209	11
FRANCE	14051	18095	29	17009	21995	29
U.K.	6621	8173	23	7604	9516	25
GERMANY	5360	4229	-21	6105	4804	-21
IRISH REPUBLIC	2542	2072	-18	2708	2337	-14
OTHER	11453	11246	-2	9089	9010	-1
TOTAL	**58599**	**62924**	**7**	**60698**	**67871**	**12**

Germany

	2003	2004	% chg	2003	2004	% chg
AUSTRIA	9870	11279	14	8256	10857	32
ITALY	5217	6152	18	5249	5742	9
FRANCE	4688	5547	18	3960	5619	42
SWITZERLAND	5224	5489	5	3650	3806	4
U.K.	4560	5001	10	2102	2627	25
OTHER	24724	27785	12	18877	20651	9
TOTAL	**54283**	**61253**	**13**	**42094**	**49302**	**17**

Finland

	2003	2004	% chg	2003	2004	% chg
GERMANY	89142	103991	17	92594	111318	20
U.K.	29093	31371	8	26614	27907	5
ITALY	24746	25841	4	24216	26353	9
SPAIN	28738	24314	-15	28451	24910	-12
FRANCE	22207	23225	5	21318	23041	8
OTHER	135868	136774	1	129314	135105	4
TOTAL	**329794**	**345516**	**5**	**322507**	**348634**	**8**

Latvia

	2003	2004	% chg	2003	2004	% chg
U.K.	11222	13636	22	18815	20311	8
GERMANY	13749	12962	-6	17498	15354	-12
ITALY	3187	5419	70	4653	7709	66
FRANCE	3341	5219	56	4275	6411	50
NETHERLANDS	3513	4699	34	3922	5258	34
OTHER	31388	41226	31	45709	59694	31
TOTAL	**66400**	**83161**	**25**	**94872**	**114737**	**21**

Poland

	2003	2004	% chg	2003	2004	% chg
GERMANY	12542	16076	28	15935	19872	25
SWEDEN	3190	6127	92	2419	3763	56
SLOVAKIA	4261	5203	22	5587	7003	25
FRANCE	2095	3553	70	2596	3990	54
U.S.A.	1983	2698	36	1513	2821	86
OTHER	12612	13848	10	12477	14042	13
TOTAL	**36683**	**47505**	**30**	**40527**	**51491**	**27**

Estonia

	2003	2004	% chg	2003	2004	% chg
GERMANY	3243	2738	-16	5508	4763	-14
NORWAY	1909	2677	40	3102	4159	34
ITALY	2150	2508	17	4240	4683	10
SWEDEN	1744	2168	24	3099	3305	7
U.K.	724	1836	154	1447	4472	209
OTHER	4810	6593	37	7642	10182	33
TOTAL	**14580**	**18520**	**27**	**25038**	**31564**	**26**

Italy

	2003	2004	% chg	2003	2004	% chg
GERMANY	27173	29501	9	23236	23925	3
AUSTRIA	3846	9986	160	3145	9807	212
FRANCE	3637	3563	-2	3310	3429	4
NETHERLANDS	1876	2242	20	1666	2068	24
SWITZERLAND	1862	2009	8	1502	1526	2
OTHER	8995	9696	8	7073	8314	18
TOTAL	**47389**	**56997**	**20**	**39932**	**49069**	**23**

Romania

Hardwood exports still rising

Exports of hardwood logs and lumber from Romania continued there steady increase last year, although more companies continued to move into sawn lumber production. This development has been attributed to the fact that a large number of sawn lumber producers are small- to medium-sized companies, who benefit from Government financial incentives to promote regional development and rural employment.

Hardwood log exports from Romania increased by around 18% in 2004, from 85,000 m3 in the previous year and the main destinations were Bulgaria, Turkey, Austria, Italy and Spain. Growth in hardwood lumber exports reached 20% in 2004, and over 1.1 million m3 (January to November) were shipped to various destinations such as the Middle East, EU and China. Of the total, 285,000m3 were shipped to Egypt, where the vast furniture industry relies on Romanian beech for around two thirds of its entire production. Around 330,000m3 were shipped to Italy and Greece, around 100,000m3 to Syria and 50,000m3 to Lebanon and about 100,000m3 to China. Much of the remainder was shipped to other EU countries and the Middle East, but also to the developing markets in Central and Eastern Europe itself, such as Croatia, which imported around 60,000m3 of Romanian sawn hardwood last year. Market commentators predict that exports will continue to increase in 2005, particularly in sawn lumber, as emerging medium-to-large domestic producers (many with investment from Austria and Italy) will seek to add value and extend it to furniture exports.

Foreign investors take advantage of Romania's developing industry

One characteristic of Romania's primary wood processing sector, in general, is that equipment is obsolete and wood utilization is not as efficient as it could be. Specific areas for improvement include the sawmilling sector, lumber steaming, kiln drying and the further processing of lumber for furniture components. Most sawn hardwood produced in Romania is air-dried and the moisture does not go below 20%. There is also a need for investment for the development of material production from wood waste, such as OSB.

Domestic lumber production is estimated at about 5 million m3 per year, of which more than half comes from small mills operating old and basic equipment. These smaller mills are also reported to distort the overall industry, since many of them work semi-legally with mobile sawmills and sell sawn lumber and construction materials at dumping prices. In addition to this, poor forest road infrastructure has led to forest over-logging in the easily accessible areas. However, the wood processing sector in Romania, has begun to attract substantial investment, both domestic and foreign, including Italian and Austrian and this has been particularly focused on higher value products such as MDF, particleboard, laminated board and veneer, which are developing in unison with the dynamism of the furniture sector.

Kronospan invests in plywood

Kronospan has taken over two plywood factories from the Italian-based group Frati, a move that displeased furniture manufacturers, who were hoping that the Austrians were going to build new factories and thus cause prices to decrease. However, the deal remains the most significant one ever concluded in the Romanian wood processing industry. In addition to this, the Austrian-based Holzindustrie Schweighofer, is currently building a $64 million lumber mill in Sebes, with the construction works scheduled for completion this Autumn. Holzindustrie is the third largest primary lumber processor in Europe, servicing customers in over 70 countries across the world. Austrian Ambassador Christian Zeilessen recently remarked that the Romanian wood processing industry was of particular interest to Austrian investors. The list of Austrian interests in Romania's wood processing sector continues and, in addition, the country is receiving substantial investments from Italy, Spain, Germany, Finland, Sweden, Poland and even Saudi Arabia. Furthermore, while retail is not its most prominent activity, Ikea seems very pleased with its production facilities in Romania and intends to double its turnover. Ikea operates a 500-employee furniture factory in Siret, through Swedwood Romania, controlled by Ikea's production division, Swedwood International. The investment amounted to $16 million and also generated business for Romanian contractors.

Furniture exports on the rise….

2004 was an excellent year for Romanian furniture production, with exports reaching around $1 billion, or 20% up from the previous year. Around 70% of total production was exported, while domestic demand for Romania's speciality – low-cost, solid hardwood furniture – remained fairly low. Of the total exported last year, 73% was shipped to the EU, with around 22% to Italy, 15% to Germany and the bulk of the remainder to France, Turkey and the UK. At the same time, exports from Romania to Central Europe have also been increasing.

….but difficulties are forecast

Despite the impressive performance of the Romanian furniture sector last year, market commentators predict that 2005 will be a year of contraction for the industry. One reason for this is that there is likely to be some consolidation and restructuring of many of the hundreds of producing companies within the sector. Today, there are around 2,900 furniture producers in the country, employing a total of 100,000 people. The workforce has halved in the last fifteen years or so, while productivity has actually doubled, due to the introduction of more modern machinery and techniques. In addition to this, the wood processing industry has recently experienced a dramatic surge in raw material prices, due to Romsilva's monopoly in the domestic market. The price of auctioned wood during the last two months of 2004 increased by almost 60%, as compared to 2003 levels. Overall, selling prices for standing timber offered by the National Forest Administration surged by 85% in 2004. Under these conditions, it is reported that almost 40% of the wood that was offered last Autumn did not find any customers and, as a result, industry representatives anticipate a shortage in the near future and have started exploring opportunities for importing raw material from Ukraine, Belarus and Georgia.

Production costs increasing

Added to predicted consolidation within the furniture sector and the vastly increased prices of standing timber and raw material, is the rapid appreciation of Romania's currency, the lei. Domestic furniture producers, mainly catering for export markets, have been severely penalized by the recent and steady appreciation of the domestic currency, which is expected to continue as the country liberalizes its capital account from mid-2005. There is a very real danger for some producers that there reliable Western markets could become more elusive.

Further to this additional production cost for the sector, is the increasing pressure from EU consumers for Romanian furniture producers to meet environmental standards. Virtually all operators are required to spend in upgrading their operations to comply with the EU environmental standards and the total value of such investments is estimated at over $100 million.

Mixed reports from Africa

Mixed reports continue to emerge from the African hardwood market. While demand for sapele is generally soft, demand for many other hardwoods is in excess of limited supply. **Page 2**

Good demand for American hardwoods

Economic conditions in the United States remain generally favourable for hardwoods. Log decks in some parts of the country are lower than desired due to weather conditions and strong competition for logs. American hardwood export trading has been intensely competitive but most reports indicate good sales in many key markets during the first quarter of 2005. **Page 3**

Far East log supplies very tight

Limited supplies and strong demand from China and India have contributed to continuing rises in FOB prices for Far Eastern tropical logs in recent weeks. FOB prices for Malaysian sawn lumber have also remained firm in response to log supply. This combined with sluggish European demand has meant that many shippers have been reluctant to cut for the European market. **Page 3**

Oak adds spice to a bland UK hardwood market

Newly released import data indicates that 2004 was a very patchy year for the UK hardwood trade. Oak is clearly a very hot item, but other species are not doing so well. Pressure continues to mount on UK furniture and joinery manufacturers from imported products. Prospects for the rest of 2005 are very mixed, with the one bright spot provided by the continuing strong fashion for "the natural look" in interior and exterior joinery. **Page 1**

Signs of life in Germany

Germany's hardwood import performance was not quite as bad in 2004 as during the previous year. In 2003, German hardwood imports were pretty much down across the board as the construction industry languished in recession and as the furniture and furniture-supplying sector continued to undergo a major rationalisation process involving a huge shift in processing capacity into Eastern Europe. Last year there were some signs of improvement. German hardwood log imports were tending to rise again. Imports of tropical sawn lumber and higher value temperate hardwood sawn lumber were also rising. As elsewhere in Europe, there was a particularly significant increase in the oak trade. **Pages 4,5**

France turns to Brazil as tropical log imports decline

The trend towards declining tropical log imports into France continued during 2004. To some extent this was offset by rising levels of tropical sawn and veneer imports. France imported significantly higher volumes of tropical sawn lumber from Brazil in 2004. Significant trends in French temperate hardwood imports during 2004 include a big increase in the unit value of oak log imports and an increase in the overall volume of oak lumber imports. Economic problems are now undermining hardwood market prospects in France. **Pages 6,7,8**

Challenging Italian market

Overall, hardwood import data for Italy in 2004 tends to confirm that market conditions in the country have been challenging in recent times, particularly due to mounting overseas competition for Italian furniture manufacturers and other economic problems in Italy. But there are some positive trends. Wood consumption in the Italian construction industry is is tending to rise.
Pages 8,9

Stasis in Spain

2004 seems to have been a tough year for the Spanish hardwood import trade. There was a big decline in imports of temperate hardwood logs, while imports of tropical hardwood logs and of all types of sawn lumber remained static overall. Meanwhile imports of furniture rose dramatically, highlighting the competitive pressure now being experienced by the domestic furniture sector. As in other parts of Europe, some complex changes seem to be underway in the structure and direction of the Spanish hardwood trade. **Pages 4,5**

European export trade focuses on oak

The most obvious trend in EU-25 export data last year is the continuing decline in overall levels of trade in beech logs and sawn lumber, compensated by a rise in trade in oak logs and sawn lumber. The data provides strong supporting evidence that the European fashion for oak continued last year, while beech remained out of favour. Other key trends are: a big increase in Germany's exports of oak to the Far East; declining oak log exports from Eastern Europe as more wood is consumed domestically; signs of growing demand for European poplar in China; and rising levels of EU trade in temperate hardwood veneer and plywood.
Pages 10-14

Resumption of growth in EU flooring consumption

According to the latest information published by the European Federation of the Parquet Industry (FEP) and based on a preliminary survey on the performance of European wood flooring markets in 2004, it is estimated that the overall volume of wood flooring sold in Europe will have increased by about 5% during 2004. This would mean that, after two years of stagnation, the growth tendency already observed in 2003 is gradually being confirmed. Expectations of a continuation of the positive trend through 2005 seem warranted at the present time. **Page 9**

Romania on the rise

Exports of hardwood logs and lumber from Romania continued their steady increase last year, although more companies continued to move into sawn lumber production. Meanwhile foreign investors continue to take advantage of the opportunities offered by the developing Romanian wood industry.
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