

Sawn Softwood

- Timber Committee forecasts by Mr. **Sylvain Labbé**, CEO, Quebec Wood Bureau, Canada
- Expert presentation by Mr. **Denis Sokolov**, Confederation of Associations, Enterprises and Organizations of Forestry Complex of Northwest Russia, Russian Federation



Highlights of Forest Products Market Review, 2004-2005 (1-3)

- Europe and North America achieved record levels of sawn softwood consumption, production and trade in 2004.
- In North America, heightened market activity resulted from favourable interest rate policies and surging housing starts (also at record highs), which continued into 2005.
- European exports to the United States and Japan increased dramatically in 2004 and continued increasing in early 2005.



Highlights of Forest Products Market Review, 2004-2005 (4-6)

- Russia's sawnwood exports were at record levels in 2004 as favourable policies promoted foreign direct investment; however, domestic consumption has continued to fall dramatically.
- Major investment projects in new capacity are taking place in Germany to take advantage of available raw materials and strong market demand for sawnwood and its by-products.
- Windstorms hit the Baltic Sea region in 2005, causing severe forest damage in many countries, and resulting in an oversupply of roundwood and sawnwood.



Highlights of Forest Products Market Review, 2004-2005 (7-8)

- Baltic sawmills have become an integrated part of the international Nordic forest industries as fibre sources, e.g. chips, as satellite production facilities, and as a “jump-point” to eastern forest resources from Belarus and Russia.
- Membership of the Baltic countries in the EU has had positive effects in the sawnwood and other sectors, e.g. open borders with fewer customs formalities mean faster, less costly delivery.

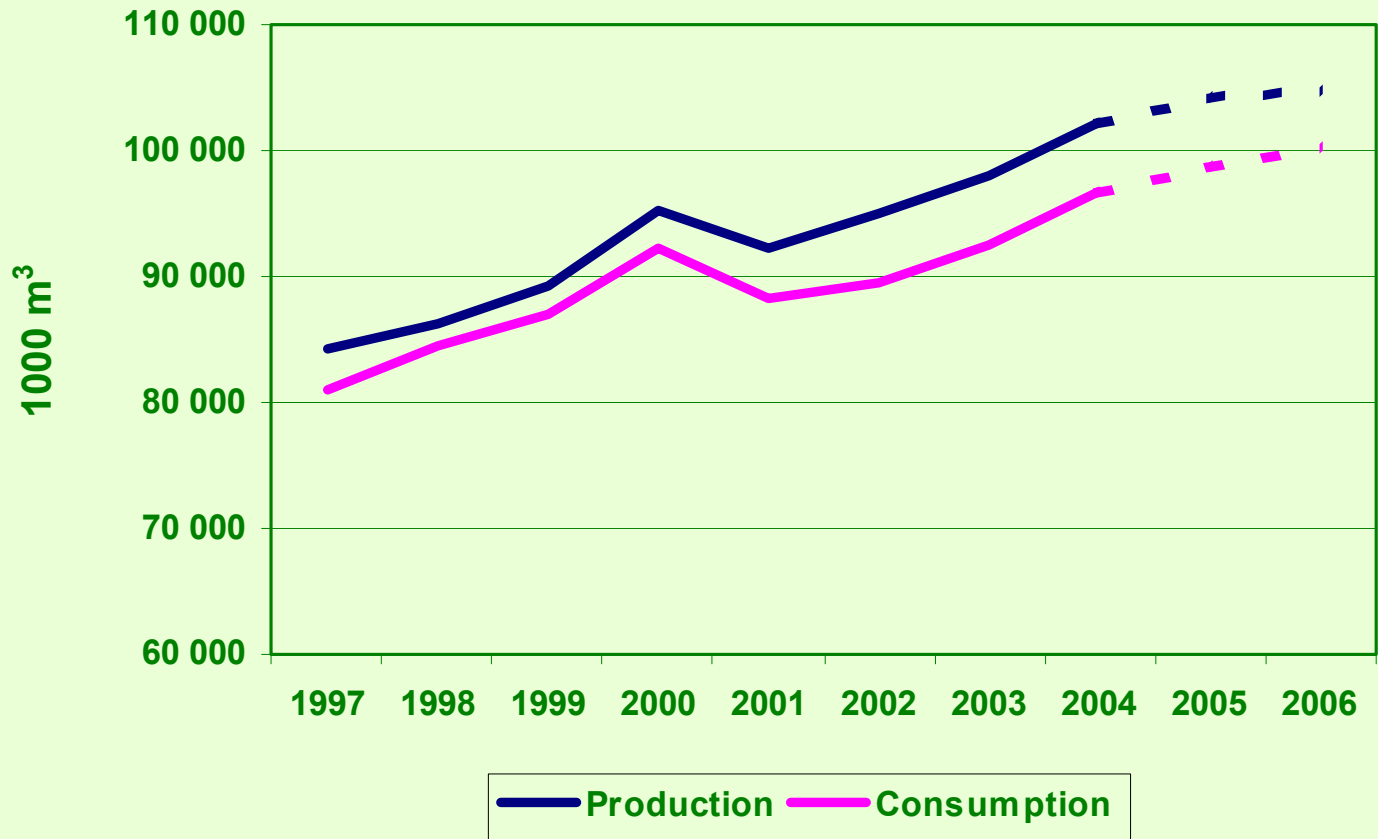


Highlights of Forest Products Market Review, 2004-2005 (9-11)

- European sawnwood exports continue to gain US market share while Canadian exporters continue to face US countervailing and anti-dumping duties; near-record high prices, however, allowed all suppliers to achieve strong financial returns in 2004.
- British Columbia's mountain pine beetle epidemic led the provincial government to expand its massive salvage programme and industry has responded with significant sawmill investments to process the increasing volumes of dead timber.
- In the first quarter of 2005, North America became a net importer of sawn softwood for the first time as offshore imports exceeded exports to offshore destinations and in 2004, North American sawn softwood imports exceeded European imports for the first time.



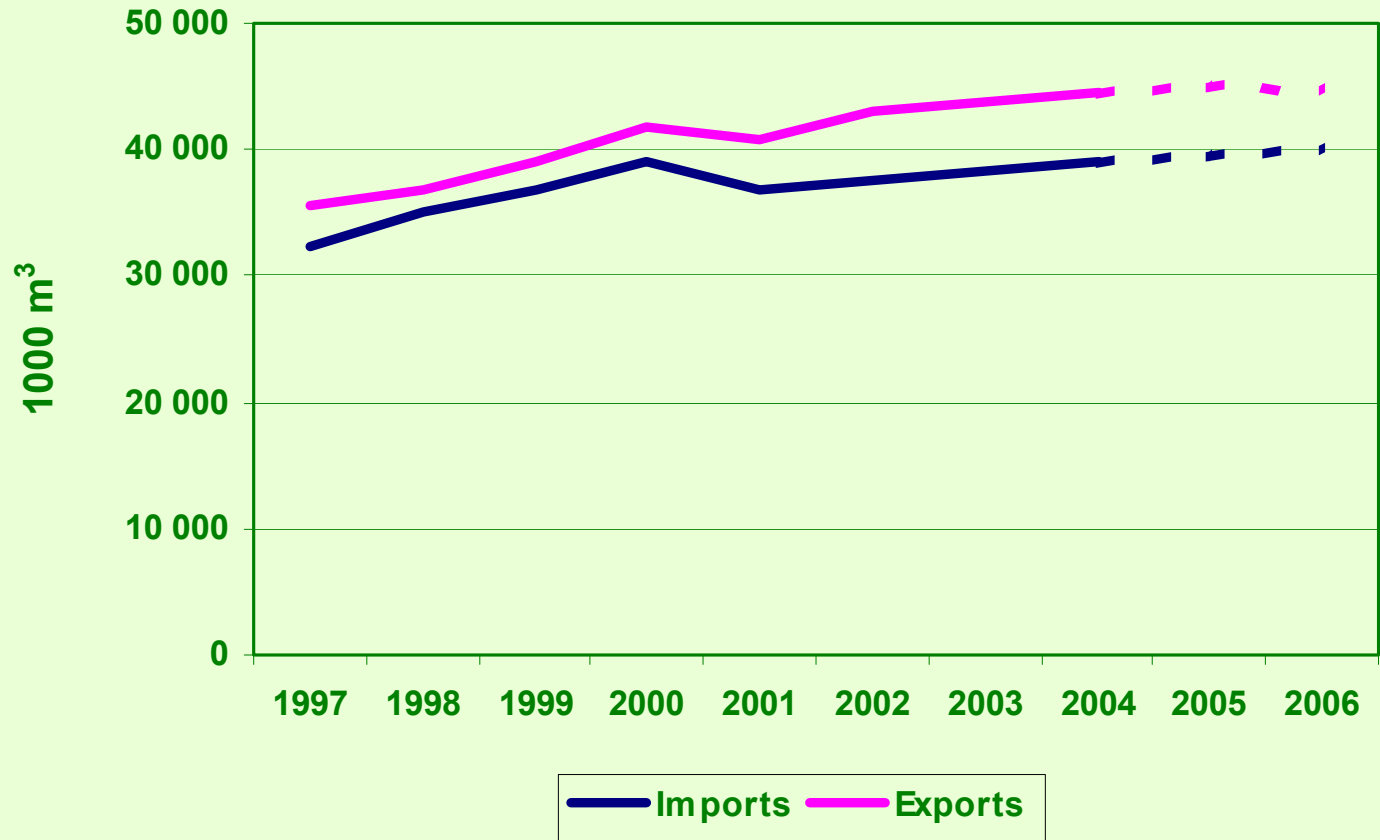
Sawn Softwood - Europe



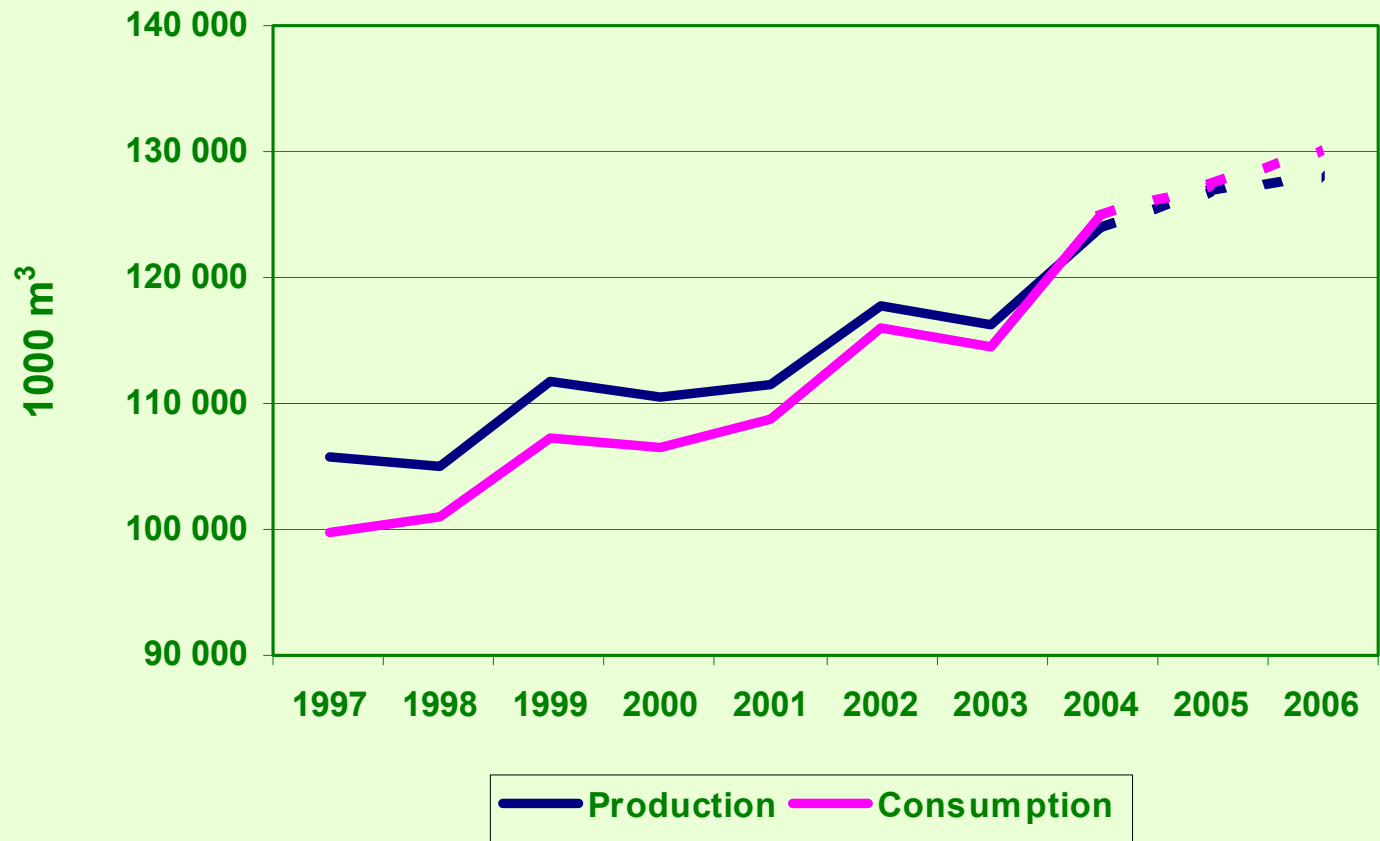
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Sawn Softwood - Europe



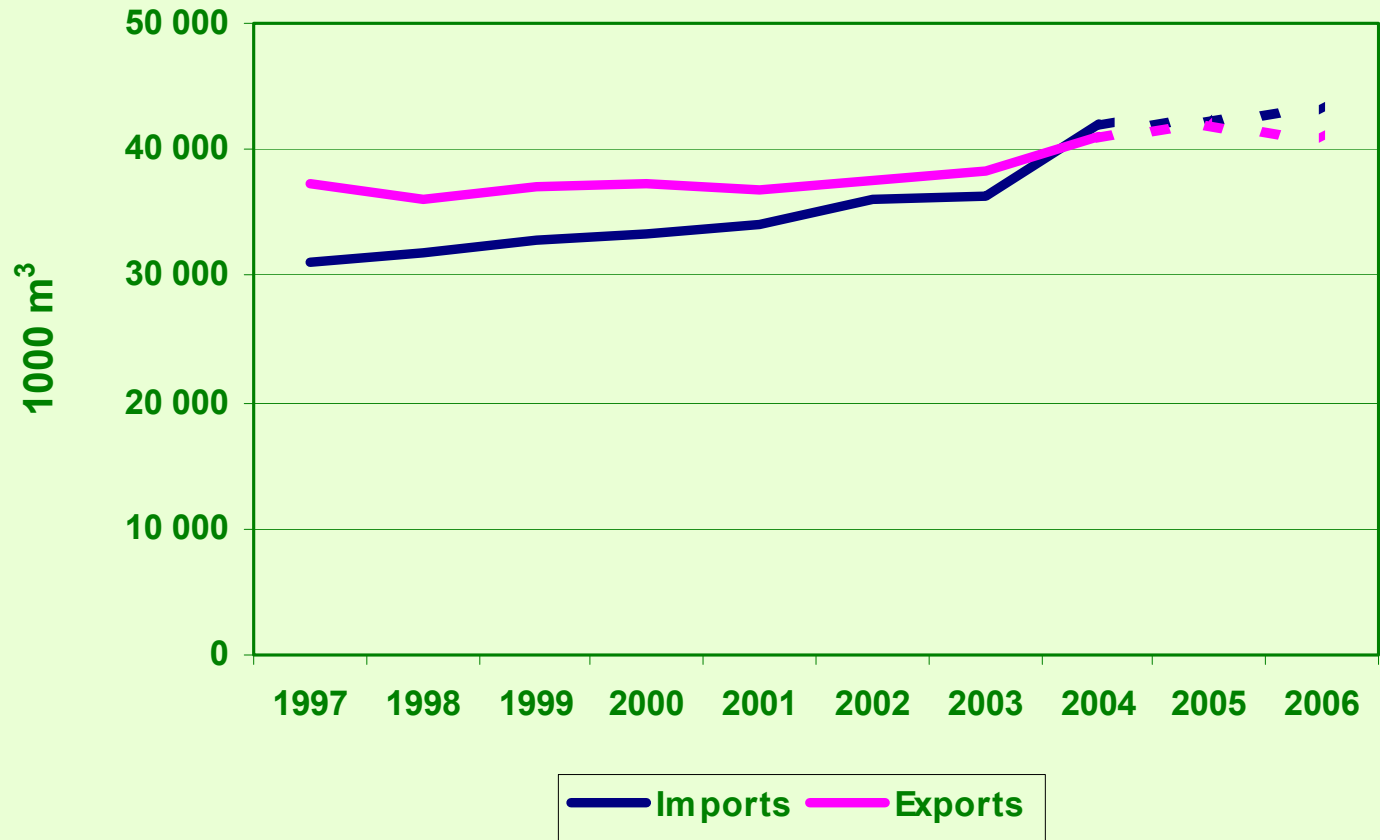
Sawn Softwood - North America



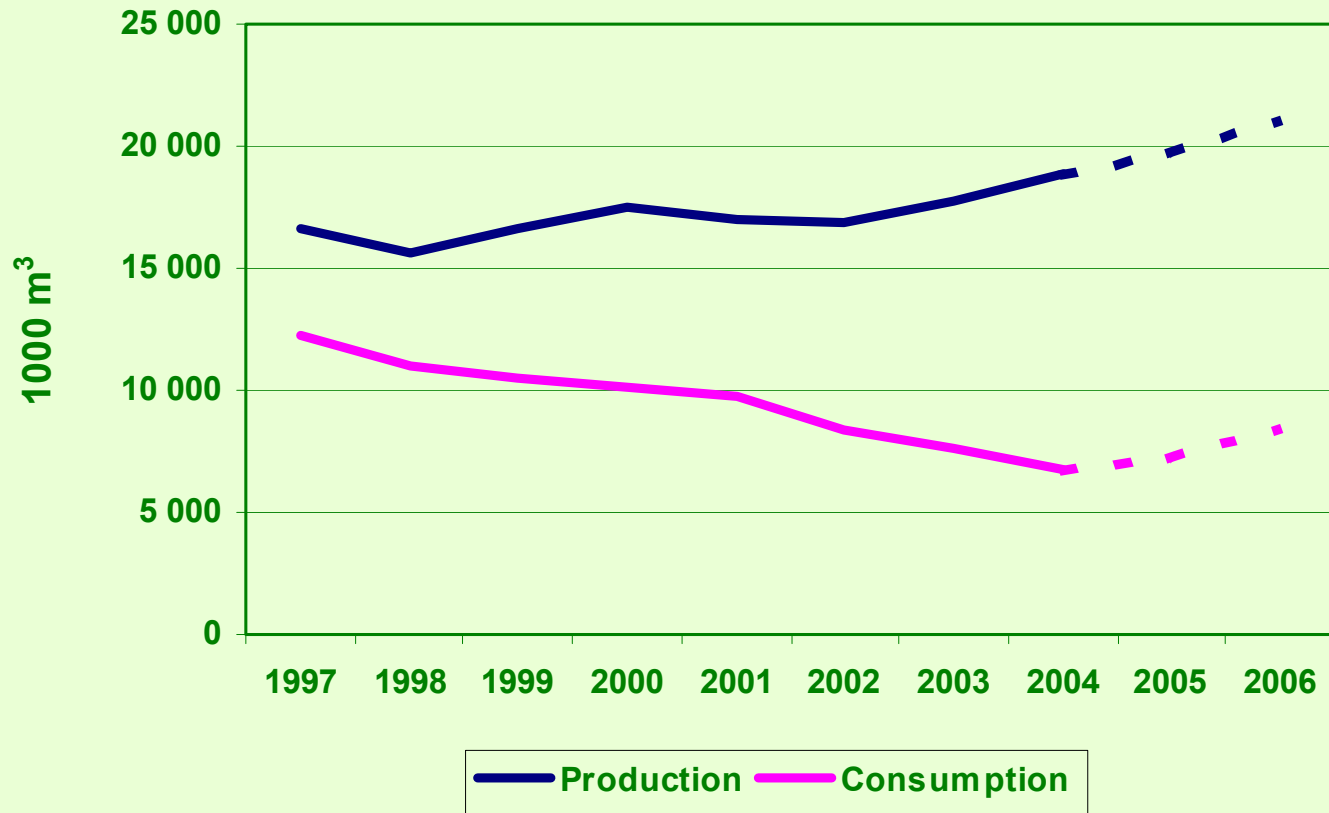
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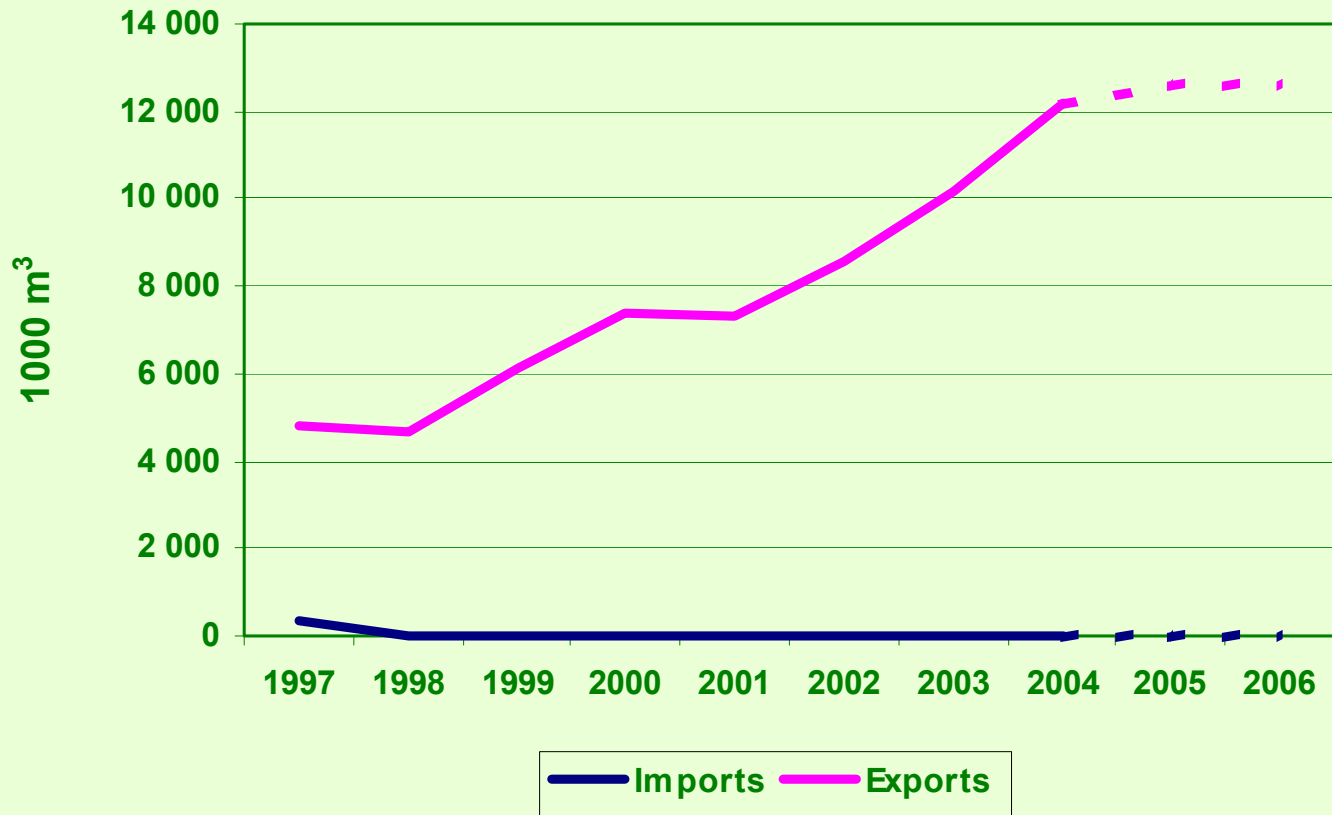
Sawn Softwood - North America



Sawn Softwood - Russian Federation



Sawn Softwood - Russian Federation



Next Presentation

- Russian Sawn Softwood Markets, Mr. **Denis Sokolov**, Confederation of Associations, Enterprises and Organizations of Forestry Complex of Northwest Russia, Russian Federation, Russian Federation



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