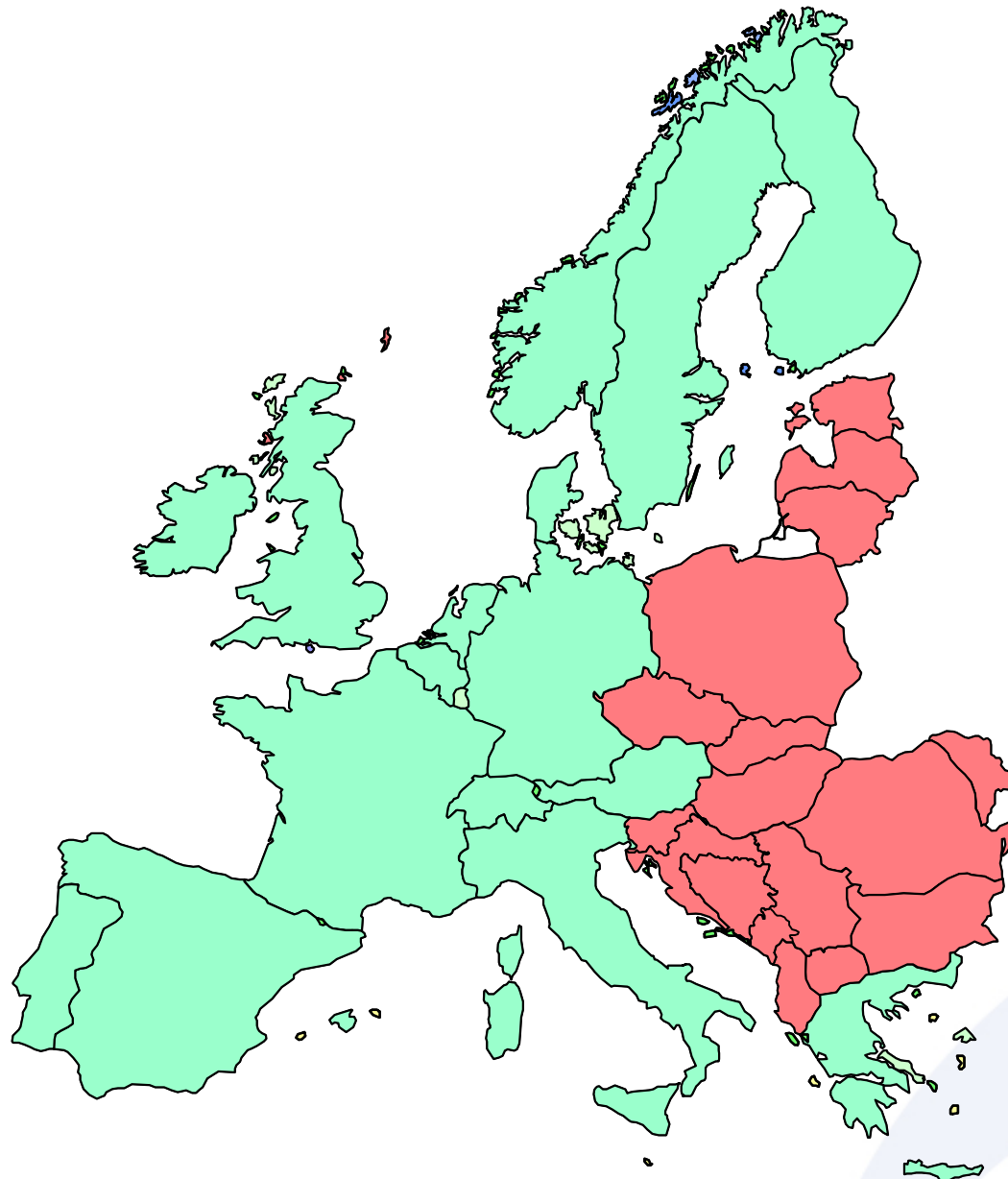


Sawn softwood markets in Europe in 2005 and Timber Committee forecast

UNECE Timber Committee Market Discussions
3-4 October 2005, Geneva, Switzerland
Mr. Jarno Seppälä
Pöyry Forest Industry Consulting

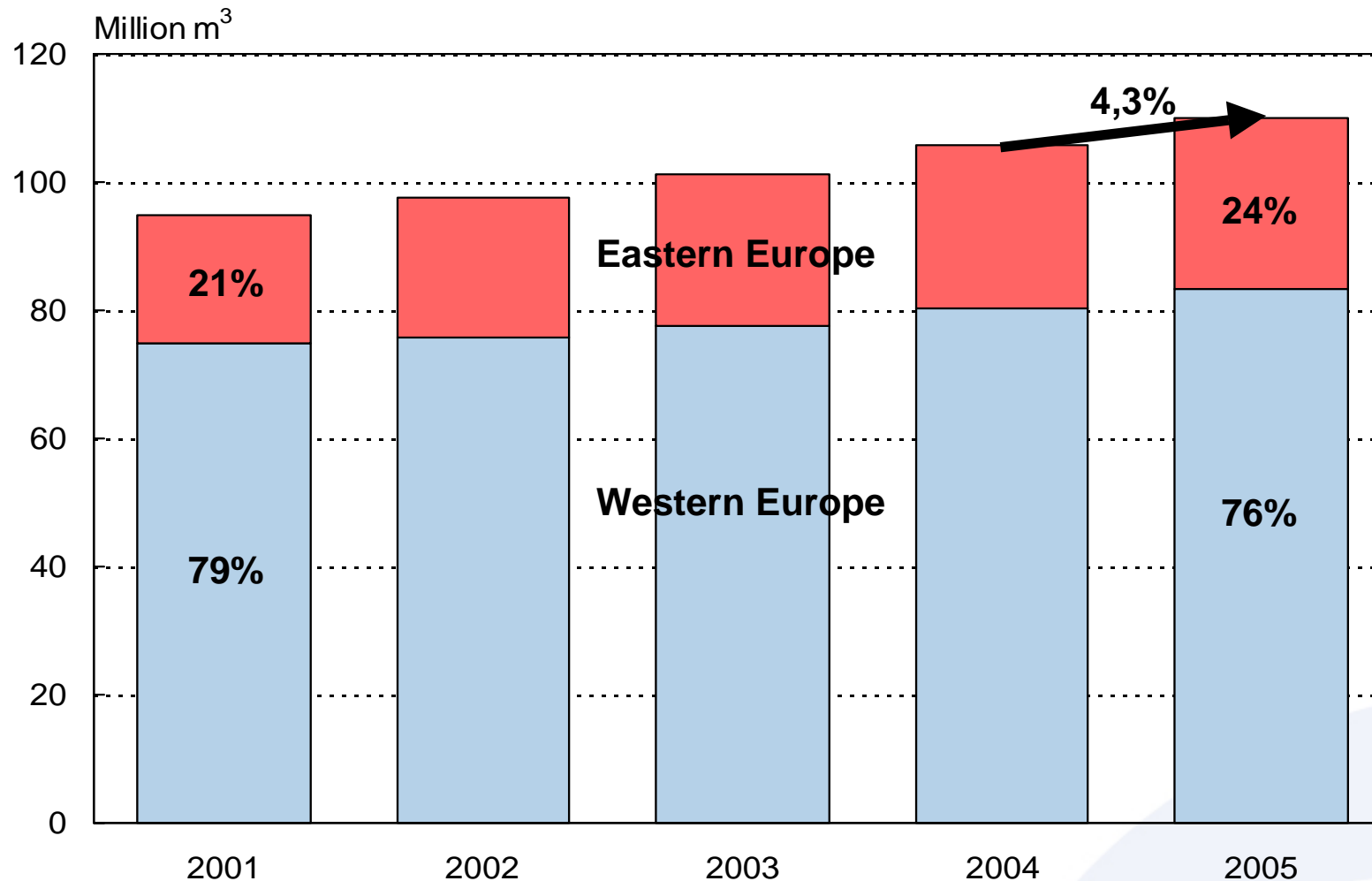
Sawn softwood markets in Europe in 2005

Western Europe – Eastern Europe



Production – Development in 2001-2005

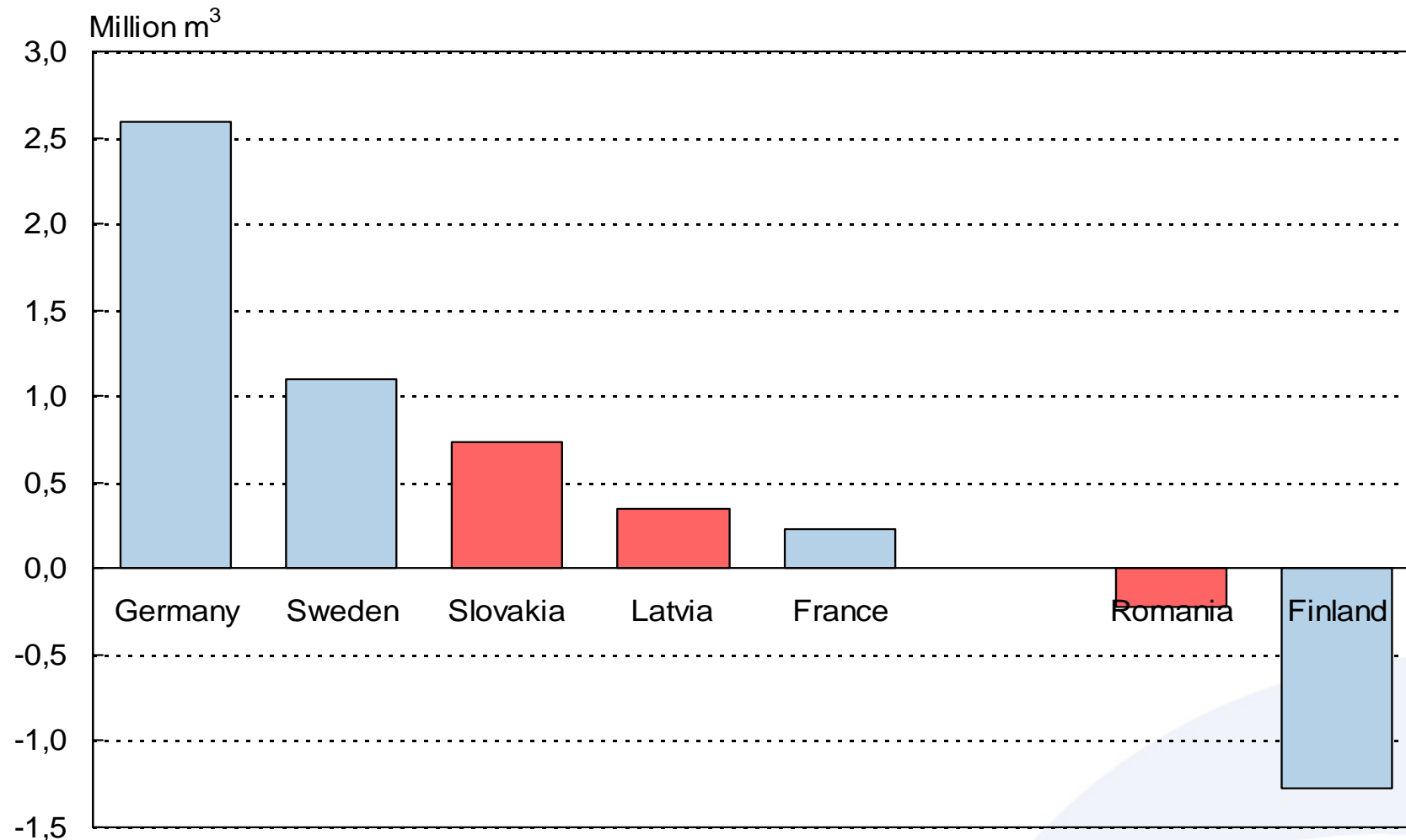
Overall European production grew by 4.4 million m³ in 2005 of which about 70% occurred in Western European countries.



Source: UNECE/FAO Timber database 2006

Production – Main changes 2004 vs. 2005

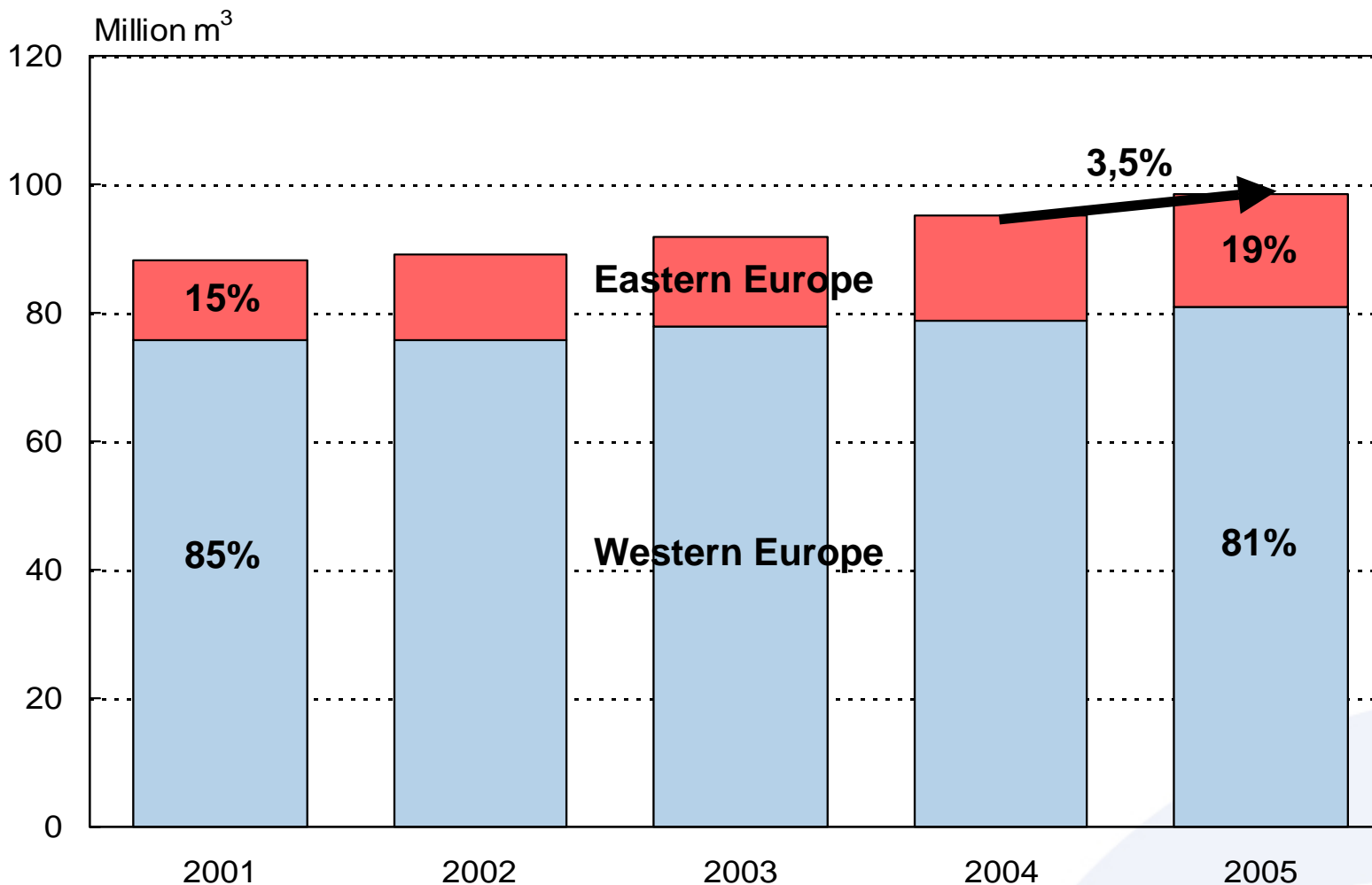
German producers continued on strong growth path – production has increased by about 4.5 million m³ since 2003. Contradictory development in the Nordic countries.



Source: UNECE/FAO Timber database 2006

Consumption – Development in 2001-2005

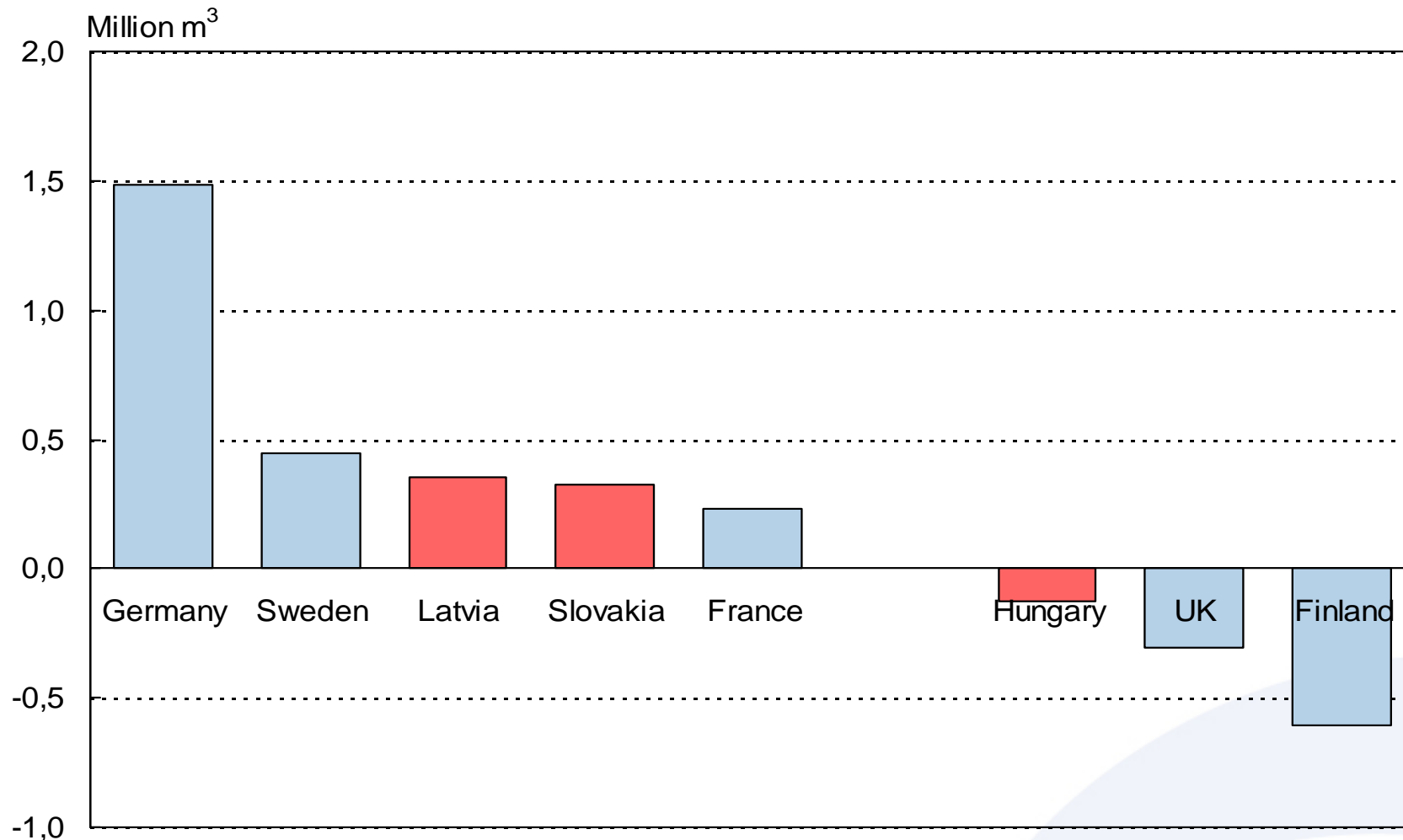
Total consumption increased by 3.3 million m³ approaching 98 Mm³ in 2005. Western Europe showed marginally bigger growth.



Source: UNECE/FAO Timber database 2006

Consumption – Main changes 2004 vs. 2005

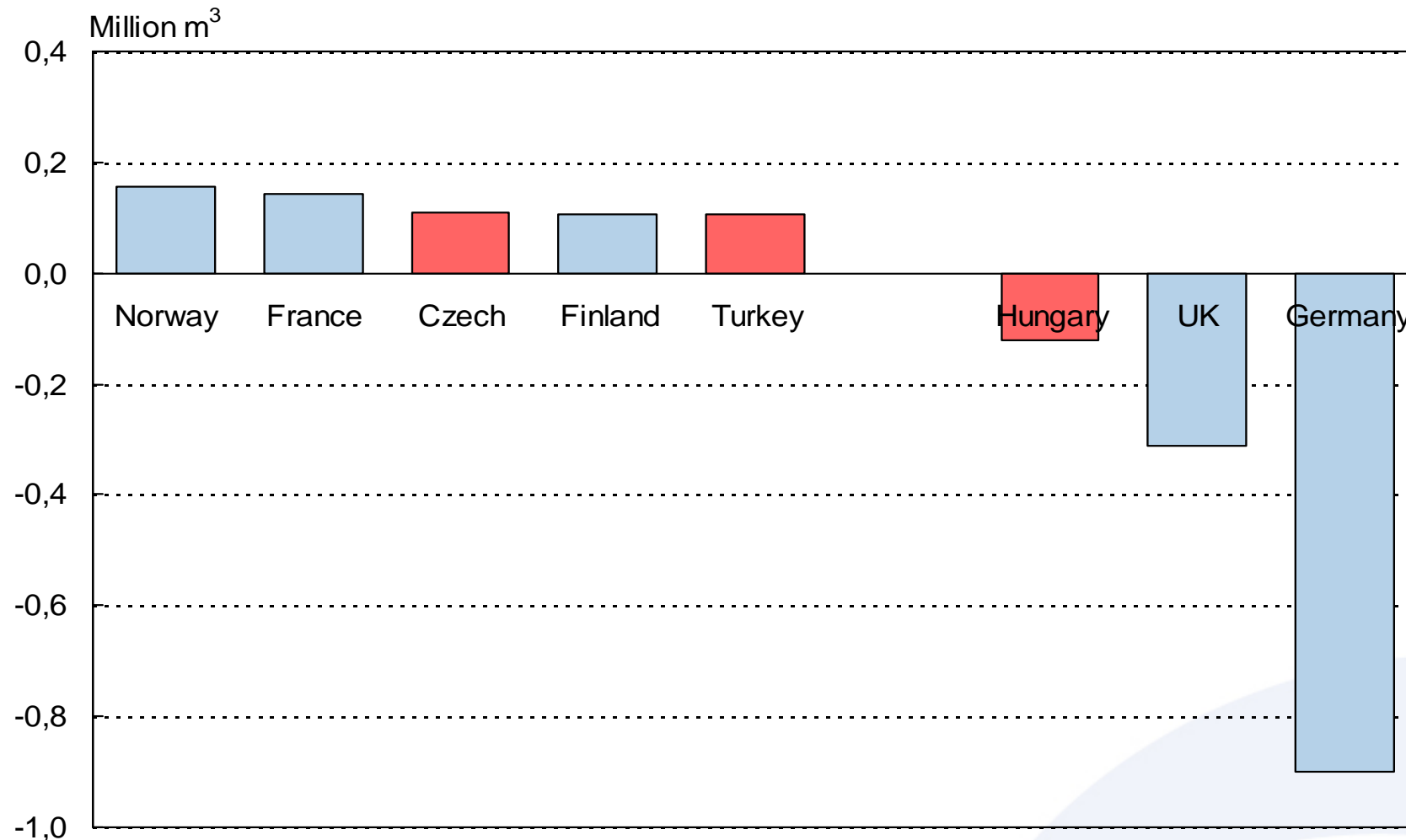
Latvia and Slovakia were able to show significant increase behind Germany and Sweden. In addition to Finland, consumption decreased remarkably in the UK.



Source: UNECE/FAO Timber database 2006

Import – Main changes 2004 vs. 2005

Increased domestic production replaced imports in Germany. The UK was another major importing country with a significant decline in imports.



Source: UNECE/FAO Timber database 2006

Export – Main changes 2004 vs. 2005

Sweden and Germany were able to increase their exports largely due to bigger volumes in the USA. Finland and Romania faced the largest decline.

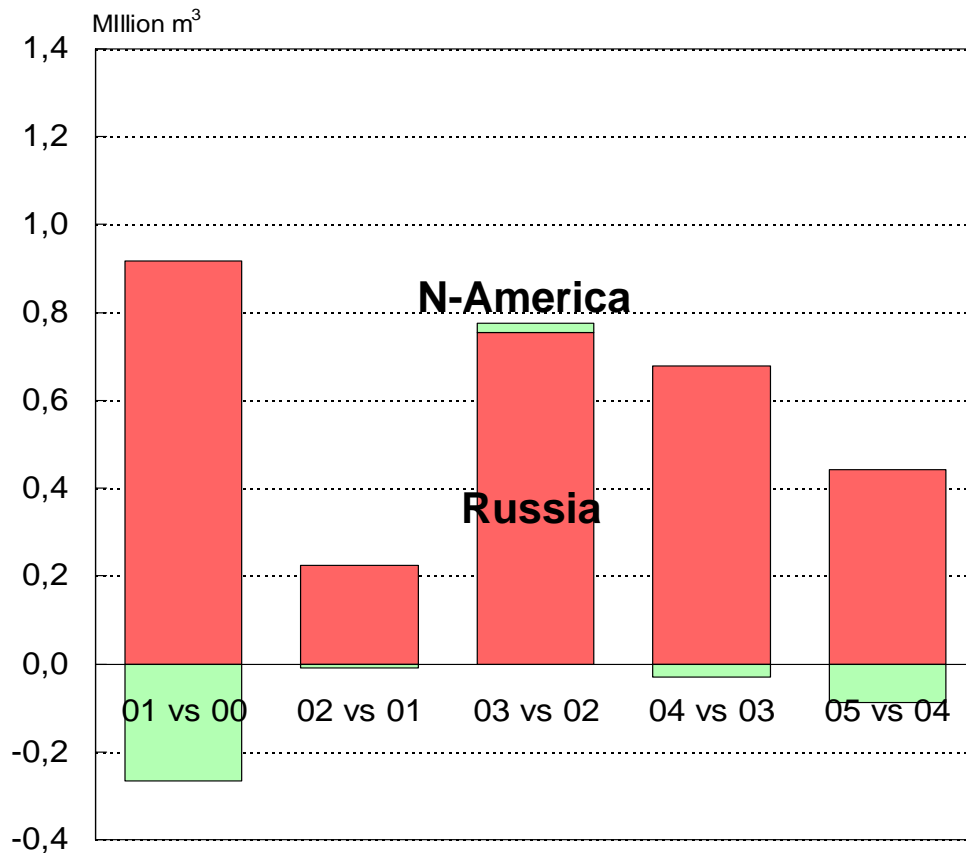


Source: UNECE/FAO Timber database 2006

Trade outside Europe – Development in 2001-2005

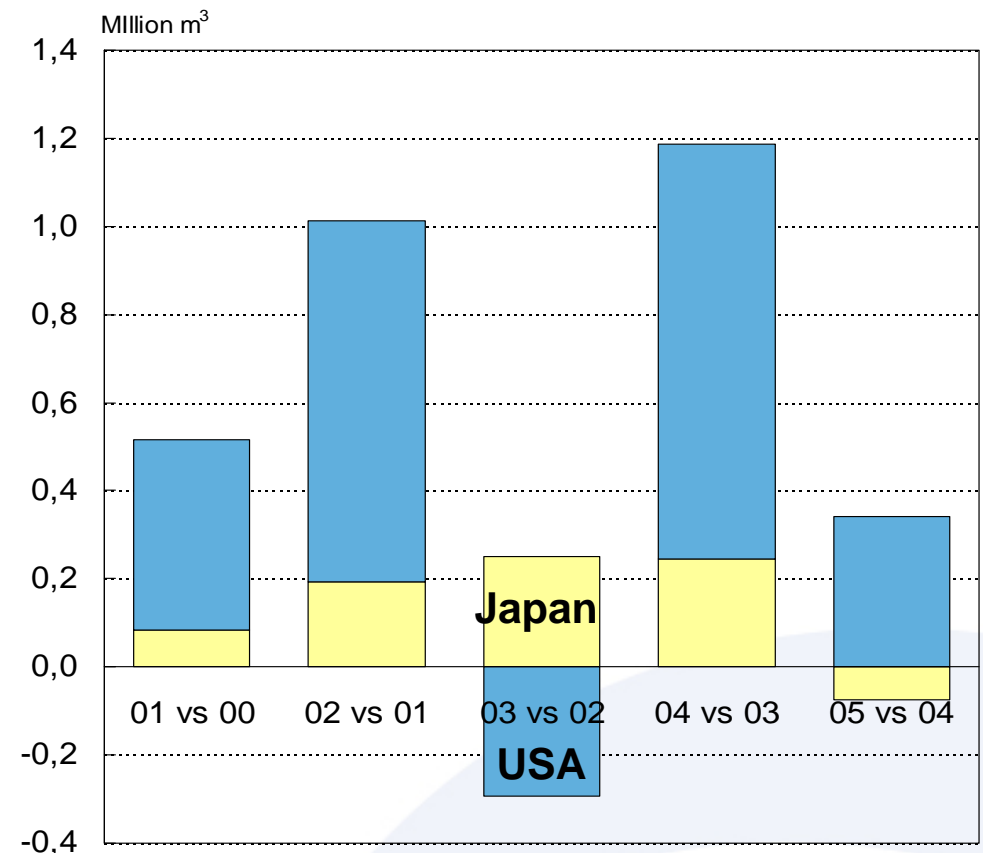
Growth in imports from Russia has been slowing down during the last couple of years. Growth in exports to Japan has been rather stable whereas increment in the USA has become remarkable.

Annual change in imports from Russia & N-A



Source: Statistical Office Moscow

Annual change in exports to Japan & USA

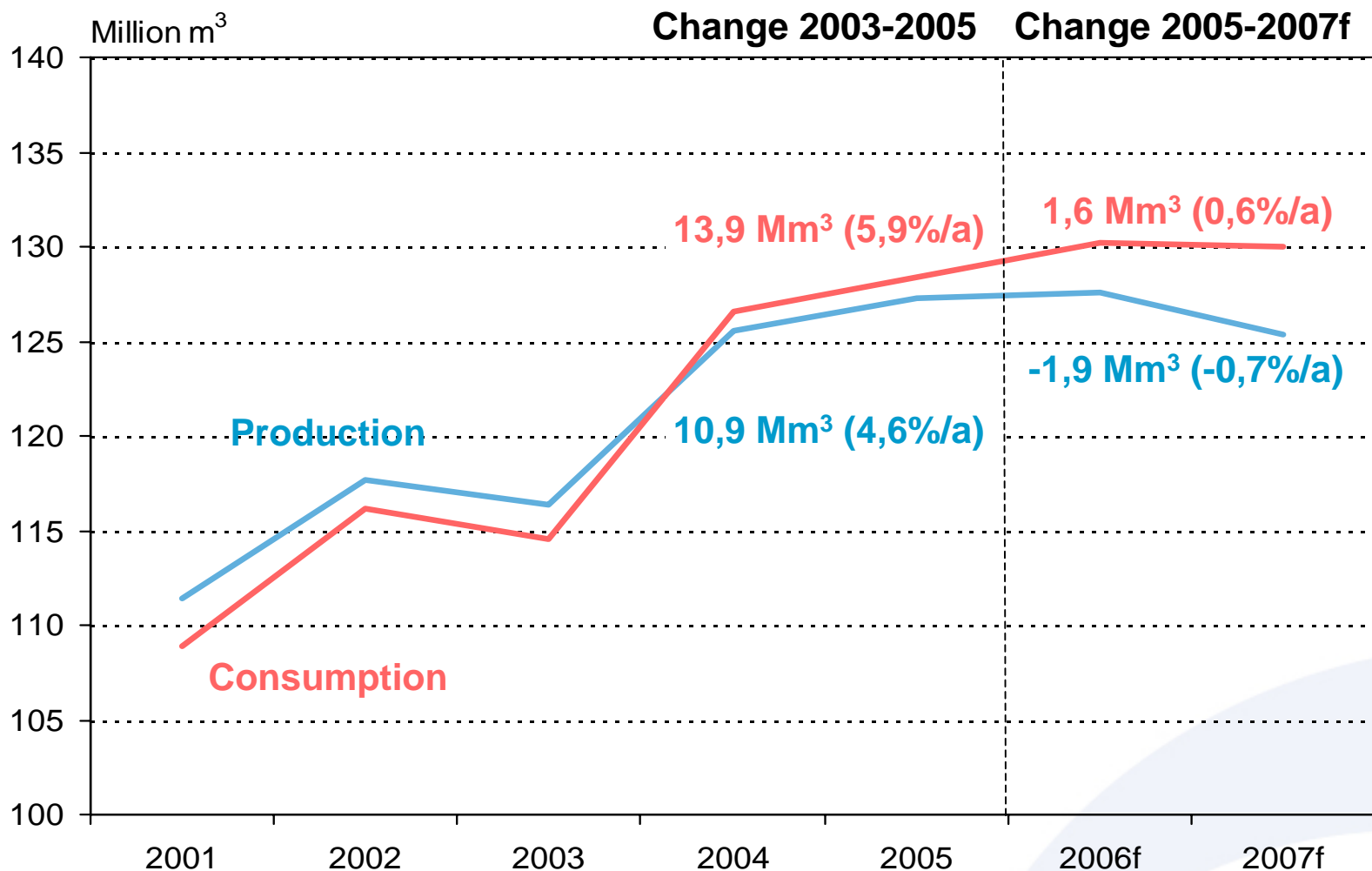


Source: Japan Lumber Journal, Wood Focus, EUWID and Wood Markets Quarterly

Timber Committee forecast for 2006-2007

Production and consumption in N-America – Forecast 2006-2007

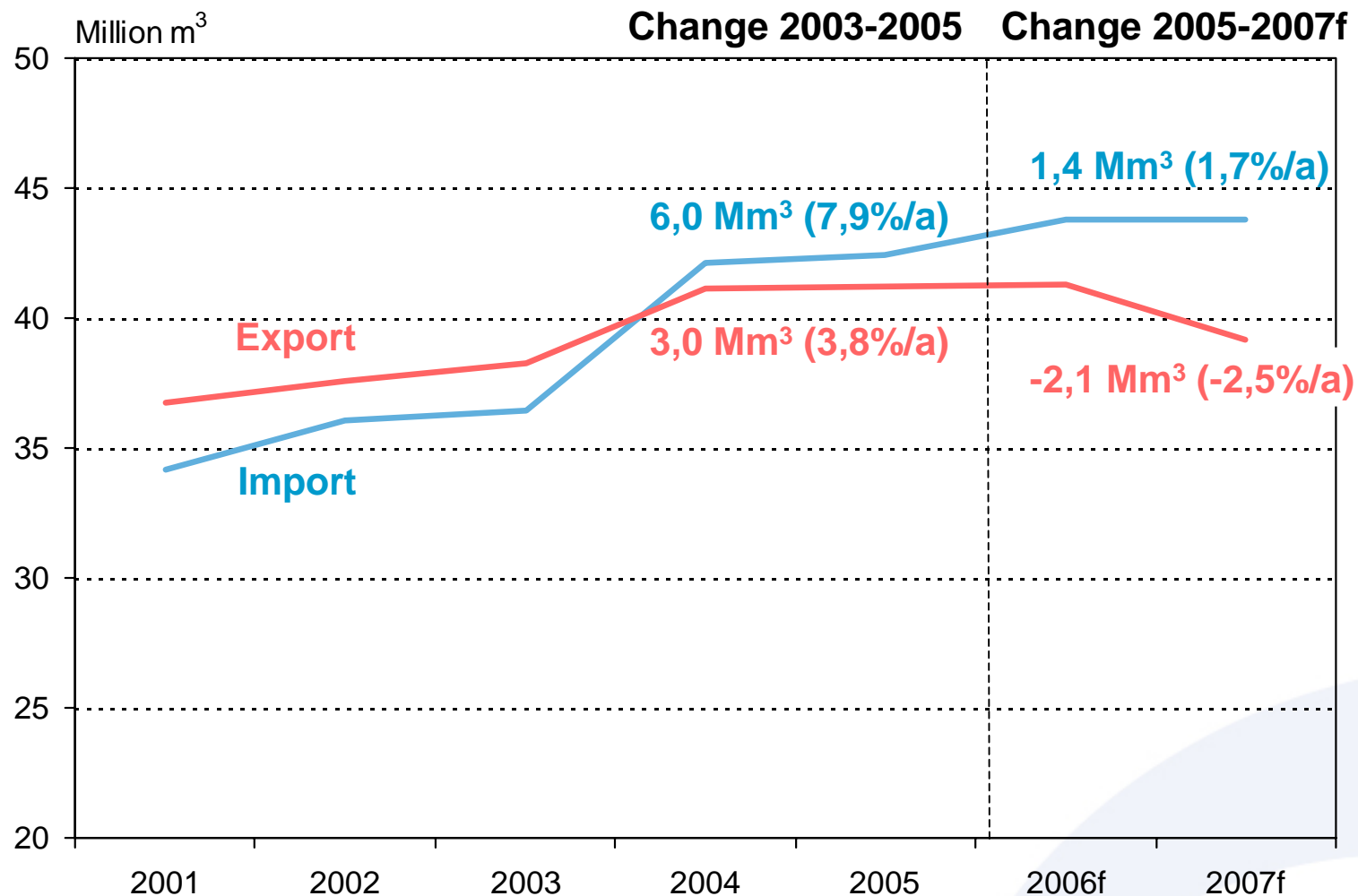
Consumption expected to continue to grow but at a slower pace whereas overall production to decline by almost 2 million m³ by the end of 2007.



Source: UNECE Timber database 2006 and Timber Committee forecast

Import and export in N-America – Forecast 2006-2007

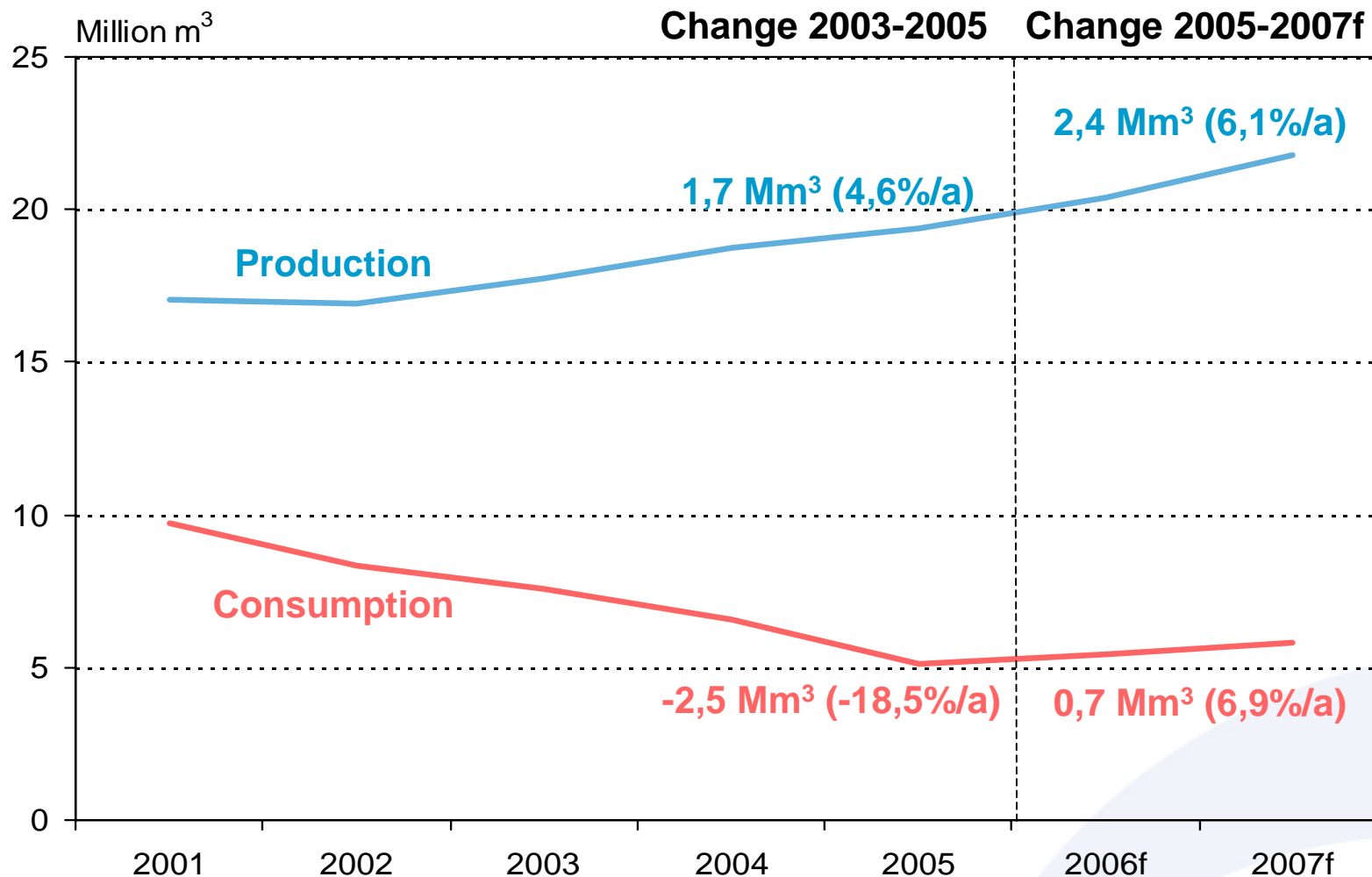
Overall net trade deficit expected to increase in the coming years.



Source: UNECE Timber database 2006 and Timber Committee forecast

Production and consumption in Russia – Forecast 2006-2007

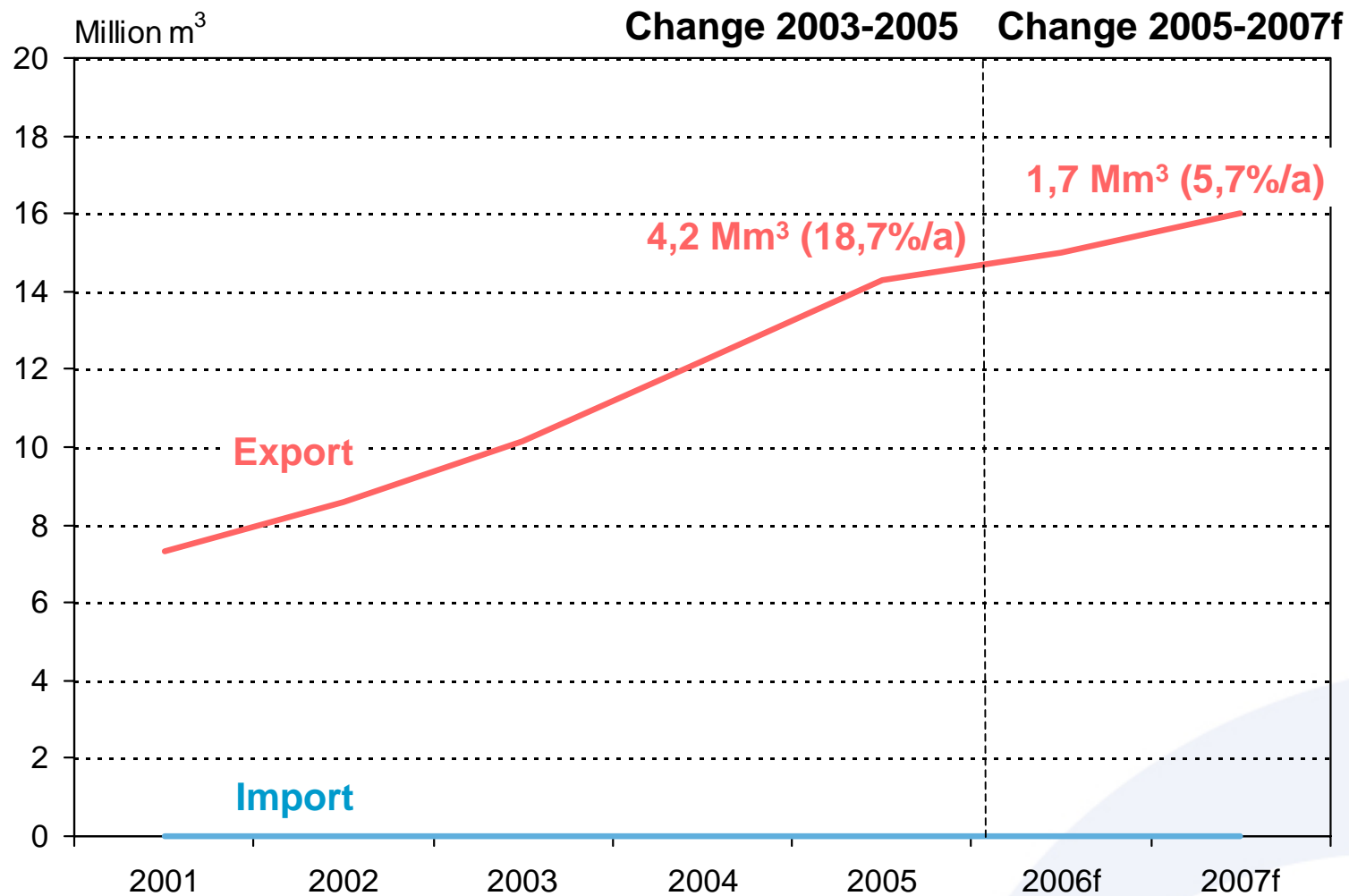
Growth in production is expected to accelerate. Long lasting declining trend in domestic demand to change.



Source: UNECE Timber database 2006 and Timber Committee forecast

Import and export in Russia – Forecast 2006-2007

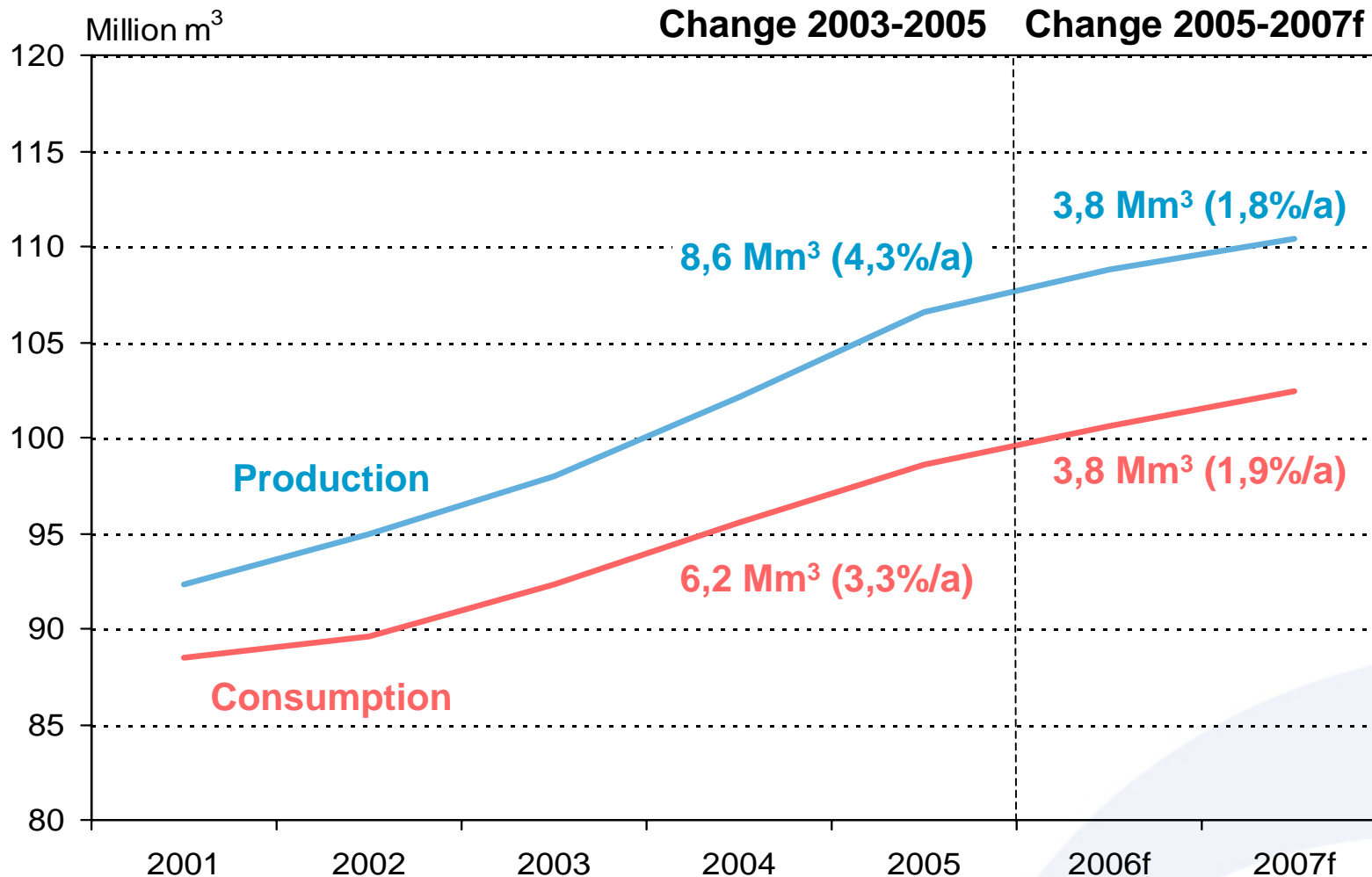
Growth in exports expected to slow down remarkably.



Source: UNECE Timber database 2006 and Timber Committee forecast

Production and consumption in Europe – Forecast 2006-2007

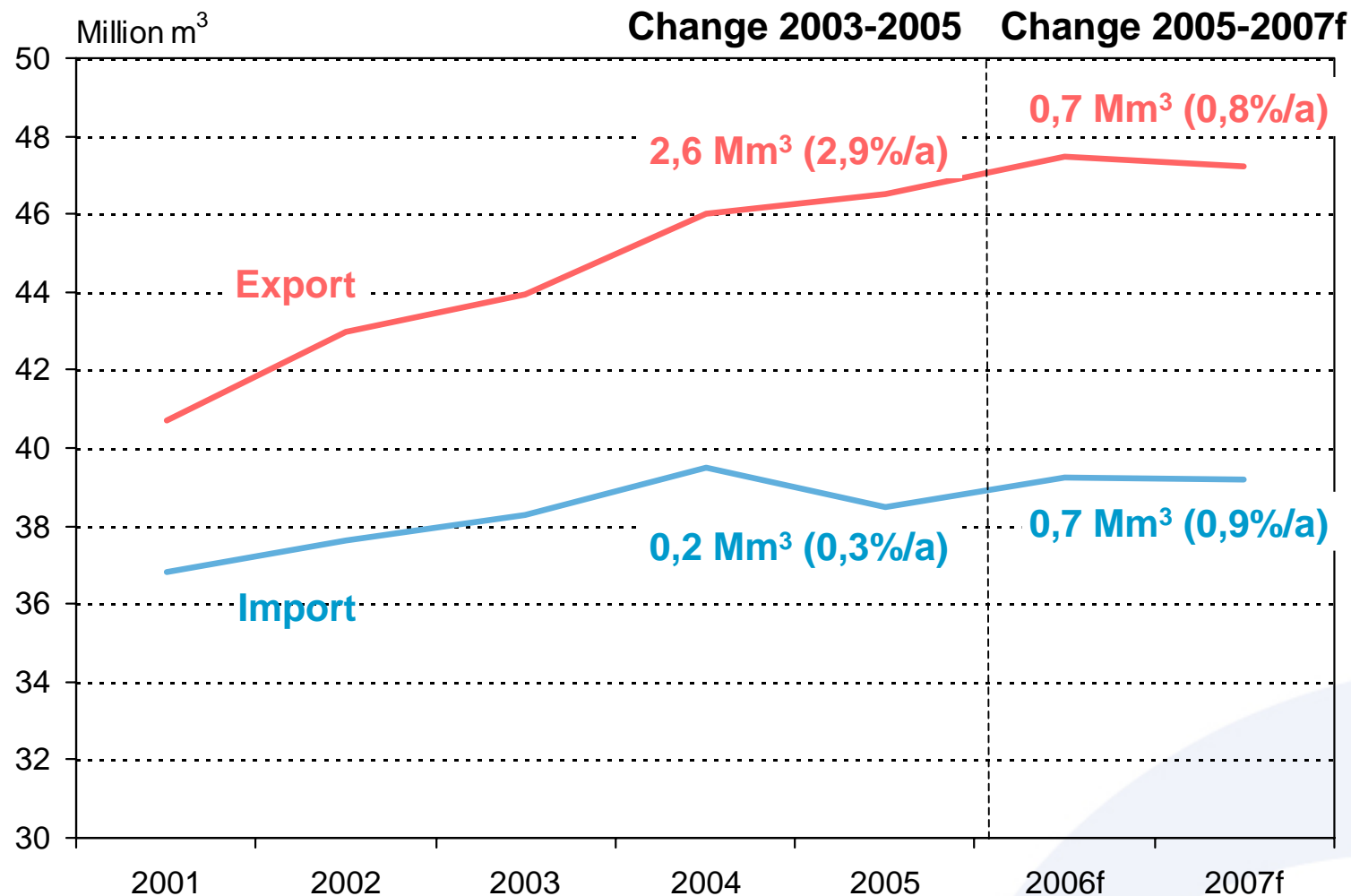
Growth in both production and consumption expected slow down in the next 2 years. Total production is forecasted to exceed 110 million m³ in 2007.



Source: UNECE Timber database 2006 and Timber Committee forecast

Import and export in Europe – Forecast 2006-2007

Significant growth in exports is expected to slow down to be in line with the growth of imports.



Source: UNECE Timber database 2006 and Timber Committee forecast

Contact information

Sawn softwood markets in Europe in 2005

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