

GTI-PRODUCERS REPORT

MONTHLY

GGSC-No. 01/2025

Tracking and monitoring the timber market
trend of the ITTO Producers.



The pilot countries for the GTI-Producers include Indonesia, Malaysia, Thailand, Gabon, Republic of the Congo, Ghana, Brazil, and Mexico. In 2022, the total production quantity of logs and sawnwood in the eight countries mentioned above was 289 million cubic meters, accounting for **63.7%** of the 37 ITTO producers' total quantity.

Introduction to the GTI-Producers

GTI-Producers is a specialized prosperity index for ITTO producers, reflecting the development trend of timber harvesting and primary processing in producers represented by the pilot countries.

1. Calculation Method

The GTI-Producers was compiled using a weighted composite index method. That is, taking all timber producing countries of GTI pilot countries as a whole, each country's weight is determined based on the proportion of logs and sawnwood production quantity. GTI-Producers is calculated based on the weight.

Data basis: The data is from ITTO database, and the logs and sawnwood production quantity is the data over the 5 years (2018-2022). GGSC evaluates the weights annually to determine whether to adjust them.

Formula:

$$\text{GTI-Producers} = 52\% \times \text{GTI-Brazil} + 28\% \times \text{GTI-Indonesia} + 7\% \times \text{GTI-Thailand} + 6\% \times \text{GTI-Malaysia} + 4\% \times \text{GTI-Mexico} + 1\% \times \text{GTI-Gabon} + 1\% \times \text{GTI-ROC} + 1\% \times \text{GTI-Ghana}$$

Please refer to the GTI Monthly Report so as to find the calculation method of GTI index for each producing country.

2. Interpretation

The value of the GTI-Producers is between 0-100%, and 50% is the critical value of the index.

GTI-Producers reading above 50 percent indicates that the industry prosperity is generally expanding; below 50 percent indicates that it is generally declining.

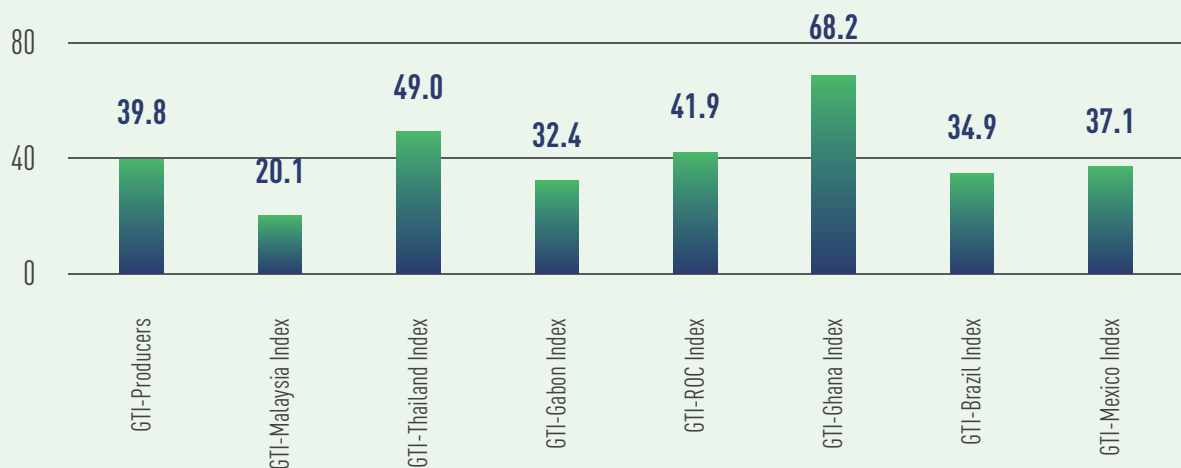
3. Index Representativeness

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GTI-Producers Report for January 2025



GTI-Producers in January 2025 (%)



In January 2025, the GTI-Producers registered 39.8% and had stayed below the critical value (50%) for nine consecutive months, indicating a continued downturn for the overall prosperity of the timber harvesting and primary processing industries in the pilot producing countries. Specifically, Ghana's timber sector showed a notable improvement compared to the previous month, while the GTI comprehensive indexes for other countries were in the contraction territory. This month, the global timber market was still weak, with both supply and demand sides of the producing countries showing lackluster performance.

In Asia, the GTIs for Thailand and Malaysia registered 49.0% and 20.1%, respectively. Following two months of expansion, the overall performance of Thailand's timber sector fell into the contraction territory this month, while the GTI for Malaysia had stayed below the critical value for several months, and this month, holiday was one of the factors that contributed to the decline of its timber sector. On the supply side, Malaysia's harvesting and production had not shown improvement yet. Thailand's harvesting volume continued to decline, with GTI-Thailand enterprises reporting insufficient supply of logs like eucalyptus, however, the production volume in the country continued to rise. In terms of demand, the new orders for Malaysia continued to decline. Thailand's export market had shown growth for three consecutive months, but due to factors such as the downturn in its real estate industry, the domestic timber market demand was slightly weak in January.

In Africa, the GTI indexes for Ghana, Republic of the Congo (ROC), and Gabon were at 68.2%, 41.9%, and 32.4%, respectively. This month, the harvesting volume in all the three countries

declined compared to the previous month. In terms of production, Ghana saw a significant increase in timber production, while ROC and Gabon continued to see downward trend. Enterprises in ROC reported insufficient fuel supply for production, while those in Gabon reported a lack of log supply and rising raw material prices, all affecting production activities of enterprises. On the demand side, both Gabon and Ghana saw weak demand at home and abroad. In ROC, the domestic market contracted slightly, but international market demand was relatively stable.

In Latin America, the GTI indexes for Brazil and Mexico registered 34.9% and 37.1%, respectively, all in the contraction territory. The Brazil's index fell below the critical value this month, with declines across harvesting, production and demand. According to feedback from Brazil, holidays in January caused a slowdown in production, and moreover, January is a traditional slack season for the market in the country. In Mexico, timber harvesting and production continued to decline. Due to factors like rainfall, many enterprises in the country reported insufficient supply of raw materials, and they suggested promoting sustainable and high-quality raw material supply through investing in road improvement, acquiring transport equipment, and carrying out activities for the care of forests. On the demand side, Mexico's domestic timber market contracted, but the export market remained stable for two consecutive months.

Overview of GTI Indexes for Pilot Countries (%)



	2024.08	2024.09	2024.10	2024.11	2024.12	2025.01	MoM	Performance
GTI-Producers	45.6	49.1	43.7	40.2	48.4	39.8	-8.6 ↓	Contract
GTI-Indonesia Index	50.4	50.4 (Estimate)	50.4 (Estimate)	50.4 (Estimate)	50.4 (Estimate)	50.4 (Estimate)	0	Expand
GTI-Malaysia Index	31.5	29.0	22.8	18.8	20.3	20.1	-0.2 ↓	Contract
GTI-Thailand Index	50.0	49.1	44.2	50.3	53.3	49.0	-4.3 ↓	Contract
GTI-Gabon Index	40.8	26.3	35.4	39.4	34.7	32.4	-2.3 ↓	Contract
GTI-ROC Index	48.5	44.9	48.1	45.7	41.6	41.9	0.3 ↑	Contract
GTI-Ghana Index	39.4	46.7	48.0	59.6	36.4	68.2	31.8 ↑	Expand
GTI-Brazil Index	44.5	52.3	43.2	35.8	51.1	34.9	-16.2 ↓	Contract
GTI-Mexico Index	40.9	37.1	33.9	35.5	39.9	37.1	-2.8 ↓	Contract

ITTO Producers



Africa (14)

- Angola
- Benin
- Cameroon
- Central African Republic
- Congo
- Côte d'Ivoire
- Democratic Republic of the Congo
- Gabon
- Ghana
- Liberia
- Madagascar
- Mali
- Mozambique
- Togo

Asia & Pacific (10)

- Cambodia
- Fiji
- India
- Indonesia
- Malaysia
- Myanmar
- Papua New Guinea
- Philippines
- Thailand
- Viet Nam

Latin America (13)

- Brazil
- Colombia
- Costa Rica
- Ecuador
- Guatemala
- Guyana
- Honduras
- Mexico
- Panama
- Peru
- Suriname
- Trinidad and Tobago
- Venezuela (Bolivarian Republic of)



ITTO
INTERNATIONAL TROPICAL
TIMBER ORGANIZATION

About ITTO

The International Tropical Timber Organization, ITTO for short, is an intergovernmental organization promoting the sustainable management and conservation of tropical forests and the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests. It located in Yokohama, Japan. At present, there are 76 ITTO members countries. ITTO's membership represents about 90% of the global tropical timber trade and more than 80% of the world's tropical forests.



全球林产品绿色供应链倡议
GLOBAL GREEN SUPPLY CHAINS INITIATIVE

About GGSC

Global Green Supply Chains Initiative (GGSC) is part of the Legal and Sustainable Supply Chains (LSSC) Programme, which was approved at the 53rd session of the International Tropical Timber Council for being included into the Biennial Work Programme (BWP) of International Tropical Timber Organization (ITTO). Launched in 2018 by leading Chinese enterprises in forest products industry, GGSC became an international initiative in 2019. Since then, GGSC has been acting as a global platform for serving the sustainable development of the forest products industry.

Declaration

GTI-Producers Report is compiled based on the data provided by the timber enterprises in timber producing countries. The data can not be used in investment decision-making, but can help to understand the timber industry trend.

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Contact Us

Ms. Sydney (Xuting) Gao

Director for Public Relations, GGSC Secretariat

✉ gaoxuting@itto-ggsc.org

Ms. Zuo Ping

Technical Assistant of Publicity Department, GGSC Secretariat

✉ zuoping@itto-ggsc.org