

GTI-WOODBASED PANEL (GTI-WBP) REPORT

MONTHLY

GGSC-No. 05/2025

Tracking and monitoring the global
woodbased panel market trend.



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



The pilot countries for the GTI-WBP index include Indonesia, Malaysia, Thailand, Gabon, Republic of the Congo, Ghana, Brazil, Mexico, and China. In 2023, the total production of woodbased panel in the nine countries mentioned above was 336 million cubic meters, accounting for **50.9%** of the total global production volume of woodbased panel.

Introduction to the GTI-Woodbased Panel

GTI-Woodbased Panel (GTI-WBP), a specialized prosperity index for woodbased panel industry, reflecting the development trend of woodbased panel industry in all GTI pilot countries.

Calculation Method

The GTI-WBP index takes leading woodbased panel enterprises in GTI pilot countries as the survey objects. Each month, the enterprises need to fill the GTI index questionnaire, including the information of production, orders and export, employees, logistic, etc. Then the GTI-WBP index will be calculated and analyzed, and the report will be released at the middle of the following month.

GTI-WBP index contains diffusion index and comprehensive index.

1. GTI-WBP diffusion index. There are 11 diffusion indices (or called sub-indices) based on the data from 11 objective questions which covers production, new orders, new export orders, existing orders, inventory of products, purchasing quantity, purchasing prices of main raw materials, inventory of raw materials, employees, delivery time, and market expectation. The diffusion index is calculated by adding the percentage of enterprises with positive answers to half of the percentage with unchanged answers.

2. GTI-WBP comprehensive index. GTI-WBP comprehensive index (GTI-WBP index for short) is calculated based on five diffusion indexes with different weights: production, new orders, inventory of raw material, employees, delivery time. The five diffusion indexes and their weights are determined according to their influence on the industrial economy.

Interpretation

The value of the index is between 0-100%, and 50% is the critical value of the index. GTI-WBP index reading above 50 percent indicates that the industry prosperity is generally expanding; below 50 percent indicates that it is generally declining.

Survey Method

With the support of The International Tropical Timber Organization (ITTO), the GTI platform has set up focal points in pilot countries, including timber producing and consuming countries.

At the end of each month, major leading woodbased panel enterprises are organized by focal points to fill out survey questionnaires. The questionnaire is usually filled out by the person in charge of production and operation or personnel from the statistics department. The Global Green Supply Chains Initiative (GGSC) organizes experts to analyze the collected data and prepare the GTI-WBP index report.

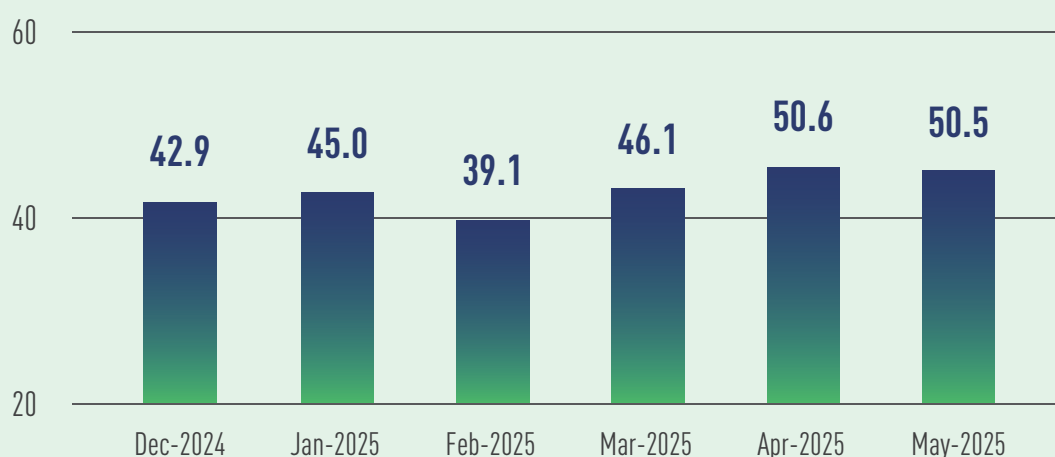
Index Representativeness

The pilot countries for the GTI-WBP index include Indonesia, Malaysia, Thailand, Gabon, Republic of the Congo, Ghana, Brazil, Mexico and China. In 2023, the total production of woodbased panel in the nine countries mentioned above was 336 million cubic meters, accounting for 50.9% of the total global production volume of woodbased panel.

GTI-Woodbased Panel Index in May 2025



GTI-WBP Comprehensive Index



In May 2025, the GTI-Woodbased Panel (GTI-WBP) Index registered 50.5%, a decrease of 0.1 percentage point from the previous month and above the critical value (50%) for the second consecutive month, indicating that in the GTI pilot countries, the overall business prosperity of wood-based panel industry represented by the index expanded from the previous month.

On the demand side, the overall demand for wood-based panels in the GTI-WBP pilot countries showed a slight contraction. This month, the new orders index dropped by 5.1 percentage points to 49.2%, and the export orders index decreased by 0.2 percentage point to 51.0% (still above the 50% critical value), indicating an overall decline in domestic orders for GTI-WBP enterprises, while the international market demand was on the rise. This month, timber markets in different countries saw various challenges. For example, in Thailand, the slowdown in real estate sector and the reduced consumer purchasing power had led to insufficient demand for wood-based panels. And in Malaysia, some enterprises reported a shortage of plywood demand for export.

On the supply side, the supply of wood-based panels in the pilot countries showed an upward trend for the third consecutive month, with the production index reaching 54.4%. This month, countries like China, Gabon, Ghana, and Mexico saw growth in WBP production activities. However, looking at the data for the past six months, the overall demand for wood-based panels remained weak. Therefore, the manufacturers need to beware of overcapacity of production and

excess product inventory. Also, many sample enterprises of different countries reported a lack of raw materials or difficulties in procuring raw materials, suggesting that the WBP manufacturers need to improve inventory management for raw materials.

In terms of prices, the purchase price index for raw materials recorded 60.8%, remaining above the critical value for eleven consecutive months, indicating that the costs of raw materials continued to rise. This month, raw material purchase prices increased in Malaysia, Thailand, Ghana, Brazil, Mexico, and China. Notably, Ghana and Mexico had seen significant increases in purchase prices for several consecutive months, making it difficult for their businesses to alleviate cost pressure.

Main updates related to the wood-based panel market include: On 22 May, the Coalition of Fair Trade in Hardwood Plywood submitted a petition to the US Department of Commerce and the International Trade Commission, calling for the imposition of antidumping and countervailing duties on US imports of hardwood and decorative plywood imported from China, Indonesia, and Vietnam. Recently, a report from the Brazilian Furniture Industry Association (ABIMÓVEL) said that in 2024, Brazil's exports of particle boards reached US\$113.4 million, an increase of 40.4% compared to 2023, and the majority of this growth came from China (+82.1%) and Colombia (+128.1%).

Table: Overview of GTI-WBP Sub-Indexes (%)

	Dec. 2024	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	MoM	Performance
Comprehensive Index	42.9	45.0	39.1	46.1	50.6	50.5	-0.1 ↓	Expand
Production Index	39.6	49.4	43.6	58.6	50.9	54.4	3.5 ↑	Expand
New Orders Index	47.8	37.0	27.5	41.7	54.3	49.2	-5.1 ↓	Contract
Export Orders Index	43.9	32.5	17.1	31.7	51.2	51.0	-0.2 ↓	Expand
Existing Orders Index	42.8	36.4	53.8	40.4	44.0	49.2	5.2 ↑	Contract
Inventory Index of Finished Products	48.6	51.9	57.5	50.0	46.6	54.8	8.2 ↑	Expand
Purchase Quantity Index	41.7	35.5	31.3	44.7	53.0	47.5	-5.5 ↓	Contract
Purchase Price Index	53.7	71.7	68.8	66.2	59.2	60.8	1.6 ↑	Expand
Inventory Index of Main Raw Materials	43.5	47.8	50.0	47.7	48.0	50.0	2.0 ↑	Stable
Employees Index	40.6	51.9	45.0	42.4	44.8	46.8	2.0 ↑	Contract
Delivery Time Index	41.2	42.4	39.7	38.0	51.8	51.7	-0.1 ↓	Expand
Market Expectation Index	51.3	40.3	52.6	30.0	47.6	47.6	0.0	Contract



● Main Challenges Reported by GTI-WBP Enterprises ●

- There was a lack of professional technical workers. (Gabon)
- There was a shortage of plywood demand for export, and at the same time, there was a lack of logs. (Malaysia)
- The supply of raw materials was not enough. (Thailand)
- Fuel supply was insufficient for the production. (Republic of the Congo)
- The production costs were high. (Ghana)
- Markets were still awaiting the outcome of talks with the U.S. (Brazil)
- Some consumers had a lower recognition of the products. (Mexico)



● Main Suggestions from GTI-WBP Enterprises ●

- Increase product diversity to find new markets. (Thailand)
- Ensure fuel supply for enterprises. (Republic of the Congo)
- Need government subsidy and tax exemption on imported raw materials. (Ghana)
- Enhance marketing and increase the added value of national products. (Mexico)
- Seek other markets that are not dependent on the USA. (Brazil)



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.



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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-WBP report is compiled based on the data provided by the woodbased panel enterprises in the pilot countries. The data can not be used in investment decision-making, but can help to understand the timber industry trend.

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