

GTI-WOODBASED PANEL (GTI-WBP) REPORT

MONTHLY

GGSC-No. 10/2025

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, Ecuador, and China. In 2023, the total production of woodbased panel in the ten countries mentioned above was 207 million cubic meters, accounting for **51.1%** 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.

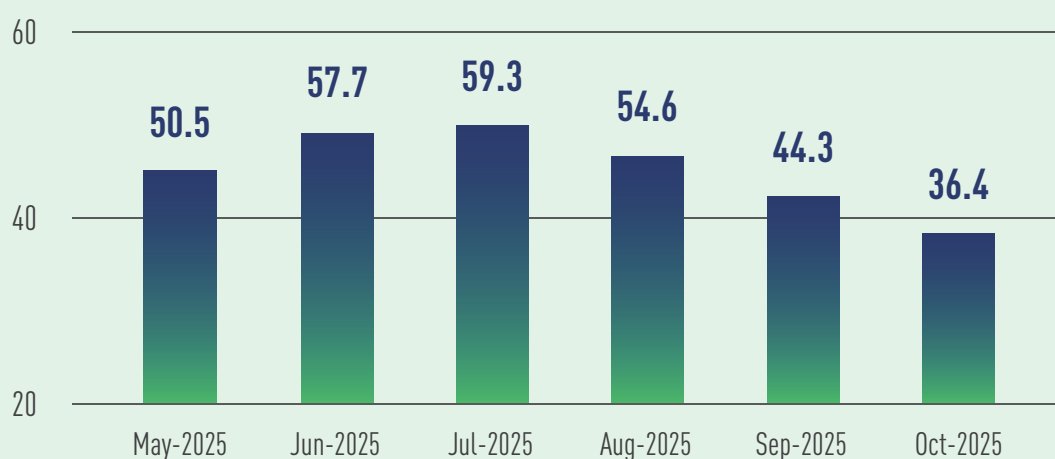
Index Representativeness

The pilot countries for the GTI-WBP index include Indonesia, Malaysia, Thailand, Gabon, Republic of the Congo, Ghana, Brazil, Mexico, Ecuador and China. In 2023, the total production of woodbased panel in the ten countries mentioned above was 207 million cubic meters, accounting for 51.1% of the total global production volume of woodbased panel.

GTI-Woodbased Panel Index in October 2025



GTI-WBP Comprehensive Index



In October 2025, the GTI-Woodbased Panel (GTI-WBP) Index registered 36.4%, a decrease of 7.9 percentage points from the previous month and below the critical value (50%) for two continuous months, indicating that in the pilot countries, the overall business prosperity of wood-based panel industry represented by the index shrank from the previous month.

On the demand side, the overall demand for wood-based panels in the GTI-WBP pilot countries contracted. This month, the new order index was at 36.7%, the export order index stood at 38.0%, and the existing order index registered 35.9%. The real estate markets in countries like China and Thailand were sluggish, leading to a contraction in downstream demand for furniture and interior finishing, which further impacted the wood-based panel market. Additionally, under the influence of U.S. tariff policies, some wood-based panel enterprises had experienced a continuous decline in their market share in North America. Although some enterprises were exploring markets like Europe and Latin America, the incremental gains from these markets were unlikely to fully offset the loss in the traditional market in short term.

On the supply side, the supply of wood-based panels in the pilot countries remained in the contraction territory below 50%. The production index was at 33.9%, a decrease of 7.8 percentage points from the previous month, indicating an overall slowdown in production across the pilot countries. Weak demand had directly impacted the supply side, prompting enterprises to proactively reduce production capacity in response to insufficient orders. Meanwhile, the inventory index of finished products stood at 51.6% and had remained in

expansionary territory for the past six months, suggesting a persistent risk of overcapacity in the wood-based panel industry.

In terms of prices, the purchase price index for raw materials recorded 62.9%, remaining above the critical value for the 16th consecutive month, and thus indicating continuous rises in the prices of logs and other production materials. Meanwhile, many enterprises reported declining selling prices of their products. This situation of "rising costs and falling selling prices" was severely eroding their profits, making it difficult to alleviate cost pressures. According to feedback from sample enterprises, wood-based panel manufacturers in many countries needed their governments to introduce tax relief or subsidy policies to help mitigate production and certification costs. Additionally, enterprises were adopting a wait-and-see approach regarding potential increases in international tariffs.

Main updates related to the wood-based panel market include: From January to September 2025, Brazil's total particleboard exports reached US\$79.3 million, an 8.8% decrease compared to the same period in 2024. China remained Brazil's largest particleboard export destination, though exports to China fell by 9.3% to US\$21.6 million, followed by Colombia, to which exports declined by 1.7% to US\$21 million. In other news, experts from Indonesia Eximbank (LPEI) stated that driven by demand from main markets such as the United States, China, and Malaysia, Indonesia's plywood exports are projected to grow by 8% in 2025 compared to the previous year, and this growth trend is expected to continue into 2026, with an estimated increase of around 4%.

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

	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sep. 2025	Oct. 2025	MoM	Performance
Comprehensive Index	50.5	57.7	59.3	54.6	44.3	36.4	-7.9 ↓	Contract
Production Index	54.4	61.1	63.2	67.9	41.7	33.9	-7.8 ↓	Contract
New Orders Index	49.2	55.9	62.7	53.2	47.6	36.7	-10.9 ↓	Contract
Export Orders Index	51.0	54.5	52.8	52.9	44.8	38.0	-6.8 ↓	Contract
Existing Orders Index	49.2	54.9	51.5	50.8	42.9	35.9	-7.0 ↓	Contract
Inventory Index of Finished Products	54.8	58.8	59.0	56.5	52.4	51.6	-0.8 ↓	Expand
Purchase Quantity Index	47.5	62.9	53.1	54.2	39.3	36.9	-2.4 ↓	Contract
Purchase Price Index	60.8	59.3	59.1	60.0	58.2	62.9	4.7 ↑	Expand
Inventory Index of Main Raw Materials	50.0	55.7	59.2	48.3	45.0	33.9	-11.1 ↓	Contract
Employees Index	46.8	56.4	51.5	42.7	42.9	39.1	-3.8 ↓	Contract
Delivery Time Index	51.7	59.1	56.8	54.9	43.7	38.1	-5.6 ↓	Contract
Market Expectation Index	47.6	56.9	55.2	47.6	46.5	40.6	-5.9 ↓	Contract



● Main Challenges Reported by GTI-WBP Enterprises ●

- It was difficult to access to certain overseas markets. (Gabon)
- Product prices were unstable. (Ecuador)
- Selling prices continuously declined. (Republic of the Congo)
- Rising U.S. tariffs had led to reduced orders for enterprises. (Brazil)
- Excessive imports of plywood into the Sarawak market had posed challenges. (Malaysia)
- Due to the uncertainty of customer orders, some enterprises faced challenges in maintaining adequate inventory of raw materials and finished goods. This situation impacted their production planning and led to frequent overtime requirements. (Thailand)



● Main Suggestions from GTI-WBP Enterprises ●

- Strengthen supervision of timber prices. (Ecuador)
- Enterprises my maintain competitiveness through certification. (Gabon)
- Explore markets other than the United States, particularly in Europe and Latin America. (Brazil)
- Address the decline in global market demand, promote and market plywood, explore new markets, and facilitate international trade. (Indonesia)
- Optimize inventory levels and implement flexible production scheduling to minimize excess raw materials, finished goods, and overtime. These measures are expected to enhance overall efficiency and reduce operational costs. (Thailand)



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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