



ITTO
INTERNATIONAL TROPICAL
TIMBER ORGANIZATION



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GTI REPORT 2026

Global Timber Index

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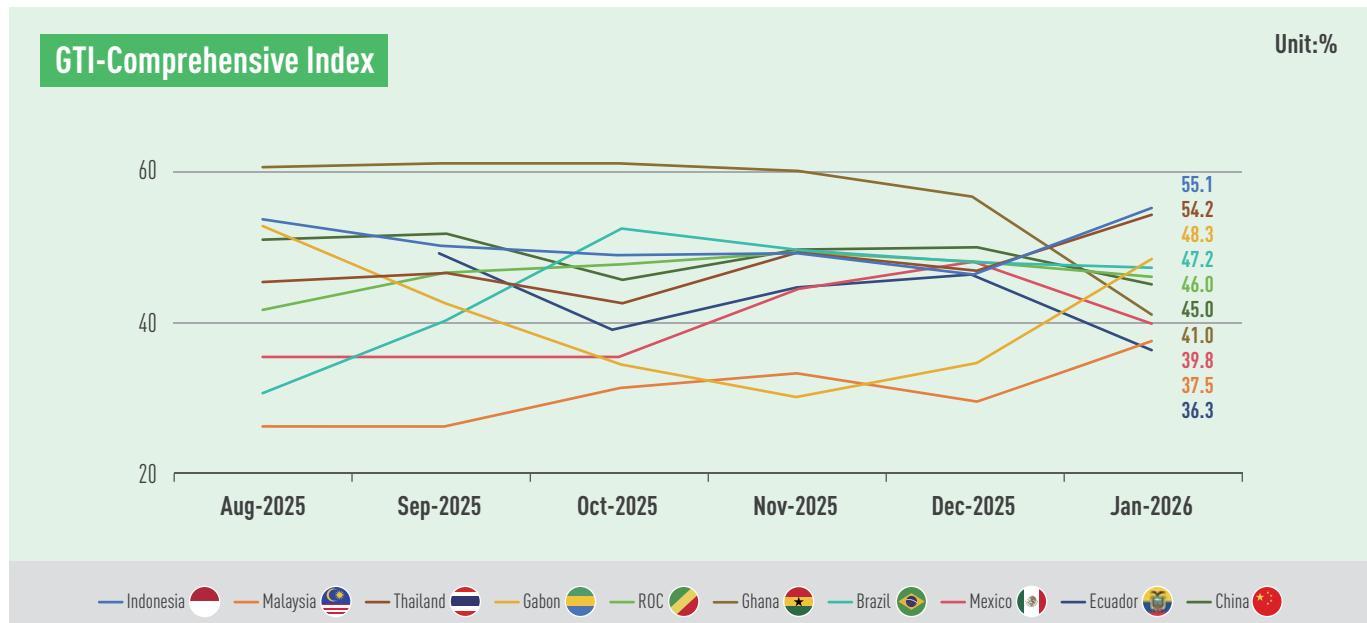
GTI REPORT 2026

JANUARY



Overview of the GTI Index

Global timber industry shows uneven performance amid cost pressures and partial recovery



The Global Timber Index (GTI) Report for January 2026 revealed that two of the ten pilot countries—Indonesia and Thailand—posted GTI readings above the 50% critical value, registering 55.1% and 54.2%, respectively. In contrast, the other eight countries stayed in contraction territory: Gabon (48.3%), Brazil (47.2%), the Republic of the Congo (46.0%), China (45.0%), Ghana (41.0%), Mexico (39.8%), Malaysia (37.5%), and Ecuador (36.3%).

GTI sub-indexes pointed to several encouraging regional developments. In Southeast Asia, domestic markets improved in both Indonesia and Thailand, where the production volume also increased. In Africa, the supply side showed signs of stability, as harvesting and production activities in Gabon and the Republic of the Congo held steady. In Latin America, the bright spot was export performance, evidenced by month-on-month increases in the export volume of both Brazil and Mexico, while Ecuador's export market stabilized after earlier declines. Together, these developments emerged as the regional highlights for the timber sector in January.

Nevertheless, feedback from GTI sample enterprises indicated that raw material shortages and persistently high production costs remained common challenges confronting the timber sectors in some countries. Enterprises in Indonesia, Thailand, Brazil, and Ecuador reported insufficient or unstable raw material supplies, while sample enterprises in Malaysia, Ghana, and China pointed to rising or persistently high purchase prices for raw materials. In addition, businesses were facing cost pressures in areas such as labor, electricity, fuel, and taxation. In response, some enterprises suggested stronger cost controls and called for government support through subsidies, tax incentives, and other policies.

Looking back over the past year, some countries managed to achieve export growth despite challenging external conditions. For example, Thailand's exports of furniture and parts reached around US\$1.80 billion in 2025, up 23.81% year-on-year. Brazil's exports of lumber rebounded after three consecutive years of decline, climbing 5% to 2.96 million cubic meters in 2025; although shipments to the United States fell 12% to 842,000 cubic meters, exports to China, Spain, the United Arab Emirates, Saudi Arabia, and some other markets registered increases.

At the start of the new year, GTI pilot countries had made new progress in addressing industry challenges and stimulating demand. On the supply side, the Union of Foresters and Wood Industries of Gabon (UFIGA) and the railway operating company SETRAG reached an agreement on January 7, removing the requirement for cash payment prior to transportation—a move that would effectively ease cash flow pressures on forestry operators. On the demand side, several countries had introduced new housing policies and targets that are expected to provide a tailwind for timber and furniture demand. In Brazil, the government had set a new target for its "Minha Casa, Minha Vida" affordable housing program, aiming to contract 1 million new homes in 2026; the Mexican government raised its housing targets under the Housing Program for Wellbeing; and Ecuador had significantly reduced the mortgage interest rate for first-time homebuyers from 4.99% to 2.99%; and China had positioned the construction of "good houses" as a key priority in its 2026 work framework, adopting city-specific approaches to control incremental supply, reduce existing inventory, and optimize housing supply, while strongly advancing smart construction and green construction to promote high-quality development of the real estate sector.

1. The Global Timber Index (GTI) is an index system that comprehensively reflects the overall trend of global timber production and trade. It is completed by the participation of major ITTO timber producers and consumers members. The survey covers timber harvesting, trade, manufacturing including production, orders, imports and exports, employees, inventory and raw material prices and other business indicators. It is of a great significance as a guide to business operations, industry investment, and will aid formulation of national policies.

2. The GTI index reflects the monthly prosperity trend of a country's timber market. It does not reflect the competitiveness of a country's timber market, can not be used for ranking or comparing the timber market among countries.



GTI-Indonesia Index in January 2026



The export benchmark price (HPE) for wood released by Indonesia's Ministry of Trade indicated that in January 2026, the HPE of some wood saw an increase, including veneers from natural forests and plantations, wooden planks for packaging boxes, as well as meranti and merbau with cross-sectional areas ranging from 1,000 to 4,000 square millimeters. However, the price of teak with a cross-sectional area in the same range declined. Recently, Indonesia officially joined the Coalition to Grow Carbon Markets as its 11th government member, marking a significant step in strengthening international climate finance and enhancing the credibility of carbon markets. In terms of forestry regulation, the Indonesian government recently revoked the Forest Utilization Business Permits (PBPH) of 22 companies, covering a total area of 1,010,991 hectares. In response, Purwadi Soeprihanto, Secretary-General of the Indonesian Forestry Entrepreneurs Association (APHI), noted that Indonesia's forestry sector is currently highly reliant on domestic timber raw material supplies, and warned that a reduction in upstream raw material supplies would directly impact downstream production, thereby affecting the sustainability of the forestry supply chain.

In January 2026, the GTI-Indonesia index registered 55.1%, rose above the critical value (50%) after three months, indicating that the business prosperity of the superior timber

enterprises represented by the GTI-Indonesia index expanded from the previous month. This month, the supply side of Indonesia's timber industry turned from contraction to expansion, and the demand side continued to show growth.

As for the twelve sub-indexes, eight indexes (harvesting, production, new orders, existing orders, inventory of finished products, purchase quantity, employees, and market expectation) were above the critical value of 50%, three indexes (export orders, purchase price, and inventory of main raw materials) were at the critical value, while the remaining one index (delivery time) was below the critical value. Compared to the previous month, the indexes for harvesting, production, new orders, existing orders, inventory of finished products, purchase quantity, and employees increased by 2.3-31.0 percentage points; the indexes for export orders, purchase price, and inventory of main raw materials were unchanged from the previous month; and the indexes for delivery time and market expectation declined by 1.7-2.0 percentage points.

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



| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|--------|-------------|
| Comprehensive Index | 53.6 | 50.1 | 48.8 | 49.1 | 46.3 | 55.1 | 8.8 ↑ | Expand |
| Harvesting Index | 57.4 | 60.0 | 58.0 | 43.5 | 46.3 | 77.3 | 31.0 ↑ | Expand |
| Production Index | 52.9 | 45.0 | 38.9 | 37.5 | 31.3 | 58.3 | 27.0 ↑ | Expand |
| New Orders Index | 53.1 | 54.5 | 56.1 | 56.3 | 51.5 | 57.7 | 6.2 ↑ | Expand |
| Export Orders Index | 50.0 | 26.9 | 43.8 | 56.3 | 50.0 | 50.0 | 0.0 | Stable |
| Existing Orders Index | 45.8 | 47.1 | 51.5 | 43.8 | 47.1 | 58.3 | 11.2 ↑ | Expand |
| Inventory Index of Finished Products | 60.4 | 51.5 | 57.6 | 50.0 | 48.5 | 68.2 | 19.7 ↑ | Expand |
| Purchase Quantity Index | 50.0 | 50.0 | 55.6 | 50.0 | 35.7 | 58.3 | 22.6 ↑ | Expand |
| Purchase Price Index | 42.9 | 50.0 | 56.3 | 50.0 | 50.0 | 50.0 | 0.0 | Stable |
| Inventory Index of Main Raw Materials | 64.3 | 50.0 | 43.8 | 50.0 | 50.0 | 50.0 | 0.0 | Stable |
| Employees Index | 53.1 | 50.0 | 54.5 | 51.6 | 52.9 | 55.2 | 2.3 ↑ | Expand |
| Delivery Time Index | 48.9 | 50.0 | 46.6 | 50.0 | 50.0 | 48.0 | -2.0 ↓ | Contract |
| Market Expectation Index | 57.3 | 67.6 | 68.2 | 70.7 | 75.0 | 73.3 | -1.7 ↓ | Expand |



Integrated Furniture in PT MMI, East Java, Indonesia. Photo: Herman Prayudi



Integrated Furniture in PT MMI, East Java, Indonesia. Photo: Herman Prayudi



Brief on Indonesian Timber Industry



Overall, January 2026 marked a consolidation phase for Indonesia's wood processing exports. Market fundamentals remain intact, with sustainability credentials, flexible manufacturing, and diversified end-markets expected to support gradual improvement in export performance in the coming months.

Plywood

Indonesia's plywood exports in January 2026 reflected cautious market conditions, with shipments largely stable but below late-2025 levels. Buyers in key markets adopted a wait-and-see approach following year-end stock accumulation. Nevertheless, Indonesian plywood continues to benefit from strong market acceptance, supported by consistent quality and verified sustainable sourcing.

Paper

Paper exports remained relatively resilient, underpinned by steady demand from packaging and downstream manufacturing sectors. While overall growth was limited by conservative procurement strategies early in the year, Indonesia's diversified product range and reliable supply capacity helped maintain its competitive position.

Furniture

Furniture exports recorded moderate activity, shaped by cautious purchasing behavior in major consumer markets. Buyers focused on inventory optimization rather than volume expansion. Indonesia's competitive edge lies in its ability to deliver design-driven, sustainably sourced furniture that aligns with premium and mid-range market requirements.

Woodworking Products

Exports of woodworking products, including mouldings and joinery components, faced short-term softness due to seasonal factors and slower construction cycles. However, demand for customized and value-added components remained evident, positioning Indonesia favorably once construction activity regains momentum.

Information provided by GTI-Indonesia Focal Point



Integrated Furniture in PT MMI, East Java, Indonesia. Photo: Herman Prayudi



Integrated Furniture in PT MMI, East Java, Indonesia. Photo: Herman Prayudi



● Main Challenges Reported by GTI-Indonesia Enterprises

- Raw material supply was insufficient.
- Fuel supply was unstable.
- There was a shortage of plantation labor.
- Export product prices tended to decline.
- Prices of logs in the domestic market were low.
- Demand for logs from the wood processing industry was weak.
- Some equipment broke down, causing disruptions to field operations.
- Implementation of fumigation was constrained due to limited fumigation depots.
- Weather conditions (heavy rainfall) affected production and operations, while shortages of spare parts and fuel reserves restricted timber transportation.

● Main Suggestions from GTI-Indonesia Enterprises

- Find suitable transportation routes based on logistical requirements.
- Collaborate with the local government to recruit planting labor.
- Increase the volume of tasks during the dry season to meet annual logging target.
- It is necessary to expand into other countries' markets with government support.
- Maximizes repairs and improve the quality of road infrastructure after the rain.
- Incentivize and promote the sale of wood products to raise domestic log prices.
- The government should pay more attention to the distribution of fuel to field operation areas.



GTI-Malaysia Index in January 2026



GTI-Malaysia Comprehensive Index

Unit: %



According to Malaysia External Trade Development Corp, the country's total trade rose 6.3% year-on-year to RM3.06 trillion. Exports grew by 6.5% to RM1.61 trillion, while imports rose by 6.2% to RM1.45 trillion, resulting in a trade surplus of RM151.80 billion, marking the 28th consecutive year of surplus since 1998. Currently, the Malaysian furniture industry is grappling with rising costs. In response, Malaysian Furniture Council president Desmond Tan Boon Hai suggested the government to review policies that have significantly raised operating costs for furniture makers, including the expansion of the sales and service tax (SST), mandatory EPF contributions for foreign workers, minimum wage adjustments, recalibrated petrol and electricity tariffs, and the multi-tier levy on foreign workers due to take effect this year. Recently, research firm Verified Market Reports published its study, "Malaysia Architecture Hardwood Plywood Market Size, Strategic Outlook & Forecast (2026-2033)," which highlights that approximately 60% of the raw materials and finished plywood are imported, primarily from China, Indonesia, and Vietnam, exposing the market to tariff fluctuations and supply chain disruptions.

In January 2026, the GTI-Malaysia index registered 37.5%, an increase of 8.0 percentage points from the previous month, was below the critical value (50%) for many months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Malaysia index shrank from the previous month.

As for the twelve sub-indexes, two indexes (inventory of finished products, and purchase price) were above the critical value of 50%, one index (purchase quantity) was at the critical value, while the

remaining nine indexes were all below the critical value. Compared to the previous month, the indexes for harvesting, production, new orders, existing orders, inventory of finished products, purchase quantity, purchase price, inventory of main raw materials, employees, and delivery time increased by 0.6-12.5 percentage point(s), whereas the indexes for export orders and market expectation declined by 1.8-10.0 percentage points.



Peeling in Tan Chee Seng Sawmill Perak, Malaysia. Photo: Khairul nizam

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



| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 26.1 | 26.2 | 31.3 | 33.2 | 29.5 | 37.5 | 8.0 ↑ | Contract |
| Harvesting Index | 42.9 | 58.3 | 33.3 | 35.7 | 33.3 | 44.4 | 11.1 ↑ | Contract |
| Production Index | 22.2 | 28.6 | 42.9 | 31.8 | 29.2 | 40.0 | 10.8 ↑ | Contract |
| New Orders Index | 30.0 | 25.0 | 25.0 | 34.6 | 28.6 | 37.5 | 8.9 ↑ | Contract |
| Export Orders Index | 38.9 | 27.8 | 33.3 | 36.4 | 31.8 | 30.0 | -1.8 ↓ | Contract |
| Existing Orders Index | 25.0 | 27.8 | 27.8 | 26.9 | 25.0 | 37.5 | 12.5 ↑ | Contract |
| Inventory Index of Finished Products | 50.0 | 45.0 | 45.0 | 46.2 | 53.6 | 54.2 | 0.6 ↑ | Expand |
| Purchase Quantity Index | 30.0 | 22.2 | 27.8 | 41.7 | 38.5 | 50.0 | 11.5 ↑ | Stable |
| Purchase Price Index | 50.0 | 56.3 | 43.8 | 45.8 | 50.0 | 59.1 | 9.1 ↑ | Expand |
| Inventory Index of Main Raw Materials | 22.2 | 37.5 | 37.5 | 37.5 | 34.6 | 40.9 | 6.3 ↑ | Contract |
| Employees Index | 30.0 | 22.2 | 27.8 | 30.8 | 25.0 | 33.3 | 8.3 ↑ | Contract |
| Delivery Time Index | 22.2 | 22.2 | 25.0 | 33.3 | 34.6 | 36.4 | 1.8 ↑ | Contract |
| Market Expectation Index | 45.5 | 40.0 | 40.0 | 42.3 | 50.0 | 40.0 | -10.0 ↓ | Contract |



Main Challenges Reported by GTI-Malaysia Enterprises

- Labor costs increased.
- Demand in the timber market was low.
- The global building markets remained weak.
- The Sarawak market imported excessive plywood.
- Companies were affected by U.S. tariffs and anti-dumping policies.
- Due to rainfall, log harvesting decreased and procurement prices rose.
- Enterprises faced weak market demand and selling price pressure, while raw material and operational costs remained high, leading to insufficient profit margins.



Main Suggestions from GTI-Malaysia Enterprises

- Slow down production.
- Suggest that the government stimulate construction industries to create more usage of sawnwood.
- Focus on product quality, cost management, and maintain stable cooperation with suppliers and customers.



GTI-Thailand Report



GTI-Thailand Index in January 2026



GTI-Thailand Comprehensive Index

Unit: %



Data from Thailand's Ministry of Commerce showed that the country's exports and imports both grew by 12.9% in 2025, reaching US\$339.64 billion and US\$344.94 billion, respectively. Figures from the Thai Furniture Association showed that Thailand's exports of furniture and parts totaled around US\$1.80 billion in 2025, up 23.81% year-on-year. During the same period, sawnwood exports amounted to around US\$1.22 billion, down 8.96%; MDF exports reached US\$872 million, a modest increase of 1.05%; and particle board exports came in at US\$478 million, a decline of 15.86%. In 2025, Thailand's property market was sluggish with new home transactions plummeting 49%, which dampened domestic demand for timber. Meanwhile, population structure is reshaping housing needs across the country. Data released by Thailand's National Statistical Office (NSO) on January 27 showed that the country had entered complete-aged society. In response, the government will promote the development of age-friendly infrastructure and housing.

In January 2026, the GTI-Thailand index registered 54.2%, an increase of 7.4 percentage points from the previous month and rose above the critical value (50%) after 5 months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Thailand index expanded from the

previous month. This month, the Thai domestic market saw considerable growth, while its export market was largely stable.

As for the twelve sub-indexes, three indexes (production, new orders, and purchase price) were above the critical value of 50%, another three indexes (export orders, existing orders, and inventory of raw materials) were at the value, while the remaining six indexes (harvesting, inventory of finished products, purchase quantity, employees, delivery time, and market expectation) were below the critical value. Compared to the previous month, the indexes for harvesting, production, new orders, existing orders, inventory of finished products, purchase quantity, inventory of raw materials, and employees increased by 0.3-15.9 percentage point(s), whereas the indexes for export orders, purchase price, delivery time, and market expectation declined by 2.5-16.7 percentage points.

Brief on Thai Timber Industry

Based on the January 2026 Global Timber Index (GTI) survey, Thailand's timber industry is showing a generally stable but uneven performance. Most firms reported production levels as unchanged or slightly increased, while new orders were mixed, with some growth but also noticeable declines. Export activity remains limited for many companies, reflecting low access to international markets.

Raw material supply appears relatively stable, but with limited volume. Eucalyptus wood for pulp is an example. The survey clearly reflected the pressure on production cost. Most enterprises reported unchanged inventory levels. Crucial factor was found to be lack of skilled labor and unstable raw material supply. This aligns with broader public investment atmosphere marked by higher energy price, lack of labor, and logistics costs, which continue to affect all operating margins.

Overall market sentiment is cautious. The majority of respondents viewed market conditions as unchanged, while a significant portion perceived deterioration. Slower domestic purchasing power and weak construction activity continue to constrain growth, prompting firms to prioritize cost control and careful inventory management over rapid expansion.

Information provided by GTI-Thailand Focal Point



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



| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 45.2 | 46.5 | 42.4 | 49.1 | 46.8 | 54.2 | 7.4 ↑ | Expand |
| Harvesting Index | 54.2 | 50.0 | 37.5 | 46.2 | 33.3 | 41.7 | 8.4 ↑ | Contract |
| Production Index | 46.9 | 41.2 | 41.2 | 50.0 | 42.9 | 58.8 | 15.9 ↑ | Expand |
| New Orders Index | 47.1 | 58.3 | 47.2 | 50.0 | 50.0 | 61.1 | 11.1 ↑ | Expand |
| Export Orders Index | 56.3 | 64.3 | 42.9 | 45.5 | 66.7 | 50.0 | -16.7 ↓ | Stable |
| Existing Orders Index | 52.9 | 41.7 | 44.4 | 44.4 | 46.9 | 50.0 | 3.1 ↑ | Stable |
| Inventory Index of Finished Products | 38.2 | 36.1 | 38.9 | 41.7 | 43.8 | 47.2 | 3.4 ↑ | Contract |
| Purchase Quantity Index | 46.7 | 33.3 | 36.7 | 50.0 | 42.3 | 44.1 | 1.8 ↑ | Contract |
| Purchase Price Index | 50.0 | 46.9 | 50.0 | 66.7 | 57.1 | 52.9 | -4.2 ↓ | Expand |
| Inventory Index of Main Raw Materials | 46.9 | 33.3 | 28.1 | 40.6 | 46.4 | 50.0 | 3.6 ↑ | Stable |
| Employees Index | 38.2 | 50.0 | 44.4 | 50.0 | 46.9 | 47.2 | 0.3 ↑ | Contract |
| Delivery Time Index | 47.1 | 36.1 | 41.7 | 50.0 | 46.9 | 44.4 | -2.5 ↓ | Contract |
| Market Expectation Index | 40.9 | 50.0 | 44.4 | 36.1 | 40.6 | 36.1 | -4.5 ↓ | Contract |



Main Challenges Reported by GTI-Thailand Enterprises

- There was a shortage of skilled labor.
- Consumer purchasing power declined.
- The market slowed down while there was a high level of remaining stock.
- Enterprises experienced a reduction in orders.
- Prices of metal and steel spare parts rose.
- There was an insufficient supply of raw materials (logs and sawnwood).
- It was difficult to source raw materials that matched the required specifications.

Main Suggestions from GTI-Thailand Enterprises

- Increase the area of plantation forests.
- Strengthen employee skills training.
- Reduce costs and expand sales channels.
- Raise consumer awareness of the value of wood to encourage choice over other materials.
- Establish market entry rules for foreign investors to promote fair competition in the industry.



GTI-Gabon Index in January 2026



On January 1, the Gabonese government announced the merger of the Ministry of Water and Forests with the Ministry of Environment and Climate, which was responsible for human-wildlife conflict. Also, President of the country appointed Maurice Ntossui Allogo to head this new, larger entity. On the same day, Gabon's timber export tariff was raised from 8.6% to 12.5%. The tax hike directly drove up export costs, increasing the export cost by approximately US\$50 per cubic meter, with a particularly pronounced impact on enterprises reliant on primary processed products. On January 7, the Union of Foresters and Wood Industries of Gabon (UFIGA) and the railway operating company SETRAG reached an agreement on the tariffs applicable to the rail transport of logs for the period 2025-2026. A notable advance in the agreement is the removal of the requirement for cash payment before any transport service. On January 12, Gabon's Vice President in charge of government affairs, Hermann Immongault, met with representatives from the timber industry to hear about the main challenges currently facing the sector and gather recommendations aimed at revitalizing the industry, enhancing business competitiveness, and strengthening local wood processing. During the meeting, Minister Maurice Ntossui Allogo also emphasized the need to balance economic development, forest resource conservation, and environmental standards.

In January 2026, the GTI-Gabon index registered 48.3%, an increase of 13.7 percentage points from the previous month, was below the critical value (50%) for 5 consecutive months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Gabon index shrank from the previous month.

As for the twelve sub-indexes, eight indexes (harvesting, production, new orders, export orders, purchase price, inventory of main raw materials, delivery time, and market expectation) were at the critical value of 50%, while the indexes for existing orders, inventory of finished products, purchase quantity, and employees were below the critical value. Compared to the previous month, the indexes for harvesting, production, new orders, existing orders, inventory of finished products, purchase quantity, inventory of main raw materials, employees, and market expectation increased by 4.2-22.2 percentage points, the index for delivery time was unchanged from the previous month, and the indexes for export orders and purchase price declined by 8.3-10.0 percentage points.

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

| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 52.6 | 42.5 | 34.4 | 30.2 | 34.6 | 48.3 | 13.7 ↑ | Contract |
| Harvesting Index | 64.3 | 41.7 | 35.7 | 30.0 | 27.8 | 50.0 | 22.2 ↑ | Stable |
| Production Index | 66.7 | 50.0 | 50.0 | 30.0 | 42.9 | 50.0 | 7.1 ↑ | Stable |
| New Orders Index | 50.0 | 25.0 | 25.0 | 16.7 | 27.8 | 50.0 | 22.2 ↑ | Stable |
| Export Orders Index | 70.0 | 25.0 | 25.0 | 25.0 | 60.0 | 50.0 | -10.0 ↓ | Stable |
| Existing Orders Index | 50.0 | 58.3 | 12.5 | 25.0 | 27.8 | 41.7 | 13.9 ↑ | Contract |
| Inventory Index of Finished Products | 64.3 | 66.7 | 43.8 | 16.7 | 27.8 | 41.7 | 13.9 ↑ | Contract |
| Purchase Quantity Index | 50.0 | 50.0 | 30.0 | 25.0 | 33.3 | 37.5 | 4.2 ↑ | Contract |
| Purchase Price Index | 60.0 | 50.0 | 30.0 | 25.0 | 58.3 | 50.0 | -8.3 ↓ | Stable |
| Inventory Index of Main Raw Materials | 50.0 | 50.0 | 30.0 | 33.3 | 25.0 | 50.0 | 25.0 ↑ | Stable |
| Employees Index | 35.7 | 45.0 | 25.0 | 41.7 | 27.8 | 41.7 | 13.9 ↑ | Contract |
| Delivery Time Index | 58.3 | 50.0 | 42.9 | 40.0 | 50.0 | 50.0 | 0.0 | Stable |
| Market Expectation Index | 57.1 | 50.0 | 62.5 | 25.0 | 33.3 | 50.0 | 16.7 ↑ | Stable |



• Main Challenges Reported by GTI-Gabon Enterprises

- The condition of the roads was poor.
- The administrative procedures were relatively slow.
- The transportation of logs by rail was slow.
- Export tariffs were high, putting pressure on businesses.

• Main Suggestions from GTI-Gabon Enterprises

- Improve the condition of roads and railways.
- Improve the efficiency of administrative approvals.
- Reduce export tariffs and encourage enterprises to explore new markets in Africa.



GTI-ROC Index in January 2026



Recently, the Minister of Forest Economy of the Republic of the Congo (ROC) stated in a program that the country is endowed with abundant forest resources, including approximately 300 timber species and various non-timber forest products. The forestry sector generates annual tax revenues ranging from 11 to 14 billion CFA francs, underscoring the strategic importance of forests to the national economy. On January 22, the Ministry of Forest Economy convened a high-level meeting, noting that all 2025 priorities had been implemented and outlining the minister's key areas for 2026. Priority actions include finalizing the commissioning of the Computerized Timber Legality Verification System (SIVL); launching robust initiatives to recover tax arrears and other debts owed by forestry companies; accelerating the implementation of the log production sharing system; and preparing for the United Nations Decade for Afforestation and Reforestation in line with Sustainable Forest Management (2027-2036).

In January 2026, the GTI-ROC index registered 46.0%, a decrease of 2.0 percentage points from the previous month, still below the critical value of 50%, indicating that the business prosperity of the superior timber enterprises

represented by the GTI-ROC index shrank from the previous month. On a positive note, harvesting, production, and export orders saw generally stable performance compared to the previous month.

As for the twelve sub-indexes, seven indexes (harvesting, production, export orders, inventory of finished products, employees, delivery time, and market expectation) were at the critical value of 50%, while the remaining five indexes (new orders, existing orders, purchase quantity, purchase price, and inventory of main raw materials) were below the critical value. Compared to the previous month, the indexes for harvesting, production, new orders, existing orders, inventory of finished products, employees, and market expectation increased by 1.5-4.0 percentage points; the indexes for export orders and delivery time were unchanged from the previous month; and the indexes for purchase quantity, purchase price, and inventory of main raw materials all declined by 33.3 percentage points.



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



| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 41.9 | 46.9 | 48.0 | 49.6 | 48.0 | 46.0 | -2.0 ↓ | Contract |
| Harvesting Index | 41.7 | 50.0 | 50.0 | 50.0 | 46.0 | 50.0 | 4.0 ↑ | Stable |
| Production Index | 44.4 | 47.8 | 50.0 | 50.0 | 48.0 | 50.0 | 2.0 ↑ | Stable |
| New Orders Index | 42.1 | 47.9 | 50.0 | 50.0 | 46.2 | 47.7 | 1.5 ↑ | Contract |
| Export Orders Index | 44.4 | 47.9 | 47.5 | 50.0 | 50.0 | 50.0 | 0.0 | Stable |
| Existing Orders Index | 42.1 | 47.9 | 52.5 | 50.0 | 46.2 | 47.7 | 1.5 ↑ | Contract |
| Inventory Index of Finished Products | 42.1 | 47.9 | 52.5 | 50.0 | 46.2 | 50.0 | 3.8 ↑ | Stable |
| Purchase Quantity Index | 37.5 | 50.0 | 37.5 | 56.3 | 50.0 | 16.7 | -33.3 ↓ | Contract |
| Purchase Price Index | 16.7 | 37.5 | 30.0 | 50.0 | 50.0 | 16.7 | -33.3 ↓ | Contract |
| Inventory Index of Main Raw Materials | 16.7 | 37.5 | 30.0 | 50.0 | 50.0 | 16.7 | -33.3 ↓ | Contract |
| Employees Index | 44.7 | 47.9 | 50.0 | 50.0 | 48.1 | 50.0 | 1.9 ↑ | Stable |
| Delivery Time Index | 50.0 | 47.9 | 50.0 | 45.2 | 50.0 | 50.0 | 0.0 | Stable |
| Market Expectation Index | 47.4 | 47.9 | 50.0 | 50.0 | 48.1 | 50.0 | 1.9 ↑ | Stable |



• Main Challenges Reported by GTI-ROC Enterprises

- The logistics was slow.
- Enterprises faced great financial and tax pressure.
- Forestry management procedures needed improvement.
- Severe weather affected production and operations.



• Main Suggestions from GTI-ROC Enterprises

- Improve logistics efficiency.
- Suggest that relevant authorities adjust forestry administration models.
- Suggest that the government provide tax incentives for enterprises.
- The government should enhance road maintenance efforts to improve road infrastructure.



GTI-Ghana Index in January 2026



Data from the Bank of Ghana showed that the country's exports surged to a historic high of US\$31.1 billion in 2025, a sharp increase from US\$19.1 billion in the previous year. According to the International Monetary Fund (IMF), the Ghanaian cedi ranked as the best-performing currency among more than 20 major African economies in 2025, appreciating by over 40% against the U.S. dollar. On January 12, Ghana's Ministry of Lands and Natural Resources inaugurated a nine-member National Timber Monitoring Team, with major tasks including monitoring timber harvesting, transportation, and trade nationwide; detecting and deterring illegal logging activities, particularly within 288 forest reserves; supporting enforcement actions in collaboration with the Forestry Commission, security agencies, and local authorities, etc. From January 29 to 30, the Forest Services Division (FSD) of the Ghana's Forestry Commission held a high-level strategic meeting, where the Chief Executive of the Forestry Commission, Hugh Brown, outlined five strategic pillars to guide his tenure: enhanced forest protection and law enforcement; expanded reforestation and forest restoration; promotion of ecotourism and environmental service permits; biodiversity conservation; and strengthened multi-stakeholder collaboration supported by technological innovation.

In January 2026, the GTI-Ghana index registered 41.0%, a decrease of 15.6 percentage points from the previous month and the first time it fell below the 50% critical value

in a year, thus indicating that the business prosperity of the superior timber enterprises represented by the GTI-Ghana index shrank from the previous month.

As for the twelve sub-indexes, the index for purchase price was above the critical value of 50%, the index for inventory of finished products was at the critical value, while the remaining ten indexes were all below the critical value. Compared to the previous month, the index for market expectation increased by 3.8 percentage points, whereas the remaining eleven indexes declined by 4.1-23.8 percentage points.



Factory of AYIPA WOOD COMPANY LIMITED, Ghana. Photo: Peter Zormelo

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



| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 60.5 | 61.0 | 61.0 | 60.0 | 56.6 | 41.0 | -15.6 ↓ | Contract |
| Harvesting Index | 70.8 | 60.0 | 60.0 | 70.0 | 52.9 | 38.2 | -14.7 ↓ | Contract |
| Production Index | 59.4 | 63.3 | 63.3 | 73.3 | 59.5 | 38.1 | -21.4 ↓ | Contract |
| New Orders Index | 56.3 | 53.3 | 53.3 | 46.7 | 40.5 | 33.3 | -7.2 ↓ | Contract |
| Export Orders Index | 60.0 | 54.5 | 54.5 | 40.0 | 39.5 | 34.6 | -4.9 ↓ | Contract |
| Existing Orders Index | 53.1 | 50.0 | 50.0 | 40.0 | 45.2 | 35.7 | -9.5 ↓ | Contract |
| Inventory Index of Finished Products | 59.4 | 53.3 | 53.3 | 56.7 | 73.8 | 50.0 | -23.8 ↓ | Stable |
| Purchase Quantity Index | 65.6 | 53.3 | 53.3 | 53.3 | 38.5 | 34.4 | -4.1 ↓ | Contract |
| Purchase Price Index | 68.8 | 73.3 | 73.3 | 50.0 | 76.9 | 56.3 | -20.6 ↓ | Expand |
| Inventory Index of Main Raw Materials | 53.1 | 63.3 | 63.3 | 40.0 | 50.0 | 38.1 | -11.9 ↓ | Contract |
| Employees Index | 50.0 | 46.7 | 46.7 | 50.0 | 52.4 | 45.2 | -7.2 ↓ | Contract |
| Delivery Time Index | 53.1 | 56.7 | 56.7 | 86.7 | 53.8 | 46.2 | -7.6 ↓ | Contract |
| Market Expectation Index | 50.0 | 33.3 | 33.3 | 50.0 | 35.7 | 39.5 | 3.8 ↑ | Contract |

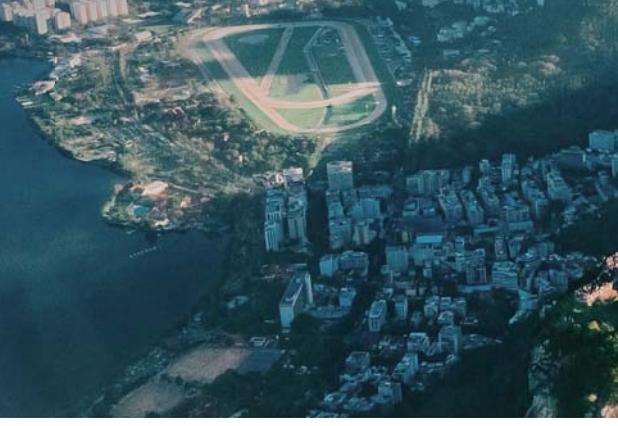


Main Challenges Reported by GTI-Ghana Enterprises

- Road conditions were poor.
- Demand for timber in the market was low.
- Enterprises faced tax pressure.
- Procurement costs for raw materials were high.
- Electricity and fuel costs were high.
- Orders declined, and consumers favored lower-priced goods from neighboring countries.
- The U.S. dollar depreciated against the Ghanaian cedi.

Main Suggestions from GTI-Ghana Enterprises

- Simplify export approval procedures.
- Provide loan support by relevant agencies.
- Expand customer base to boost sales.
- Increase government investment in road infrastructure.
- Need government subsidy and tax incentives as well as flat rate for electricity.



GTI-Brazil Index in January 2026



GTI-Brazil Comprehensive Index

Unit: %



Latest figures from Brazil's Ministry of Industry and Trade showed the country's exports reached US\$348.7 billion in 2025, a 3.5% year-on-year increase. Exports to China and the European Union grew by 6.0% and 3.2%, respectively, while exports to the United States fell by 6.6%. In the timber sector, Brazil's exports of lumber rebounded after three consecutive years of decline, rising 5% to 2.96 million cubic meters in 2025, according to data from Lesprom Analytics; softwood accounted for 91% of the total at 2.70 million cubic meters; while exports of lumber to the U.S. dropped by 12% to 842,000 cubic meters, shipments to China, Spain, the United Arab Emirates, and Saudi Arabia all showed growth. Regarding forest concessions, the Brazilian Forest Service (SFB) reported in its National Forest Information System (SNIF) bulletin that, as of December 2025, there were 24 ongoing forest concession contracts nationwide, covering approximately 1,331,009.93 hectares. In the real estate sector, industry insiders expressed optimism regarding a recovery in housing demand for 2026. Meanwhile, the Brazilian government had set a new target for its "Minha Casa, Minha Vida" affordable housing program, aiming to contract 1 million new homes in 2026.

In January 2026, the GTI-Brazil index registered 47.2%, a decrease of 0.7 percentage point from the previous month and below the critical value (50%) for the third

consecutive month, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Brazil index shrank from the previous month.

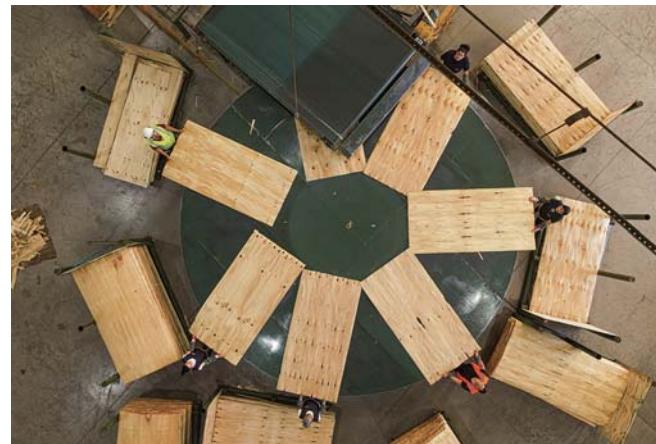
As for the twelve sub-indexes, five indexes (export orders, inventory of finished products, purchase price, inventory of main raw materials, and market expectation) were above the critical value of 50%, one index (new orders) was at the critical value, while the remaining six indexes (harvesting, production, existing orders, purchase quantity, employees, and delivery time) were below the critical value. Compared to the previous month, the indexes for new orders, export orders, inventory of finished products, inventory of main raw materials, delivery time, and market expectation increased by 0.5-8.2 percentage point(s), whereas the indexes for harvesting, production, existing orders, purchase quantity, purchase price, and employees declined by 1.0-7.7 percentage point(s).



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



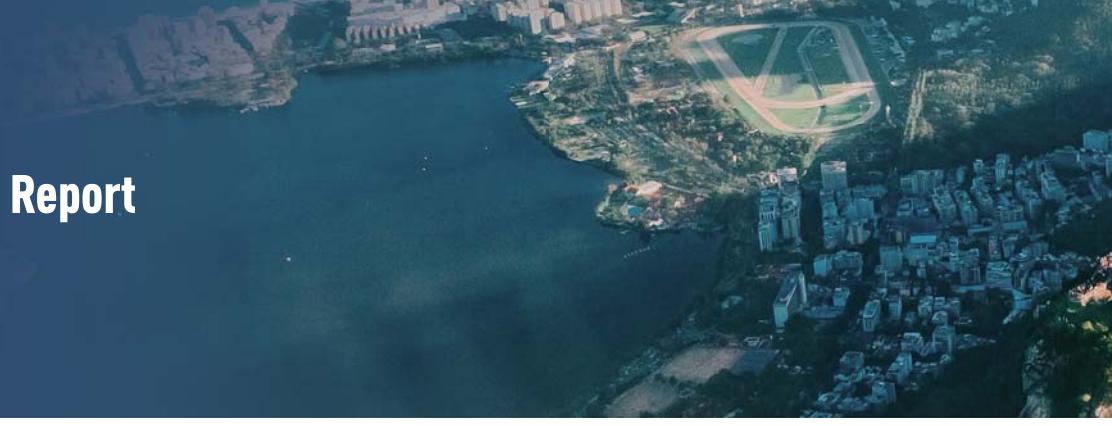
| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|--------|-------------|
| Comprehensive Index | 30.5 | 40.2 | 52.3 | 49.5 | 47.9 | 47.2 | -0.7 ↓ | Contract |
| Harvesting Index | 22.2 | 38.9 | 59.1 | 54.5 | 50.0 | 44.4 | -5.6 ↓ | Contract |
| Production Index | 18.2 | 37.5 | 57.1 | 53.6 | 50.0 | 45.8 | -4.2 ↓ | Contract |
| New Orders Index | 31.8 | 46.2 | 60.0 | 53.3 | 46.7 | 50.0 | 3.3 ↑ | Stable |
| Export Orders Index | 35.0 | 45.8 | 64.3 | 60.7 | 53.6 | 54.2 | 0.6 ↑ | Expand |
| Existing Orders Index | 40.9 | 38.5 | 53.3 | 56.7 | 43.3 | 42.3 | -1.0 ↓ | Contract |
| Inventory Index of Finished Products | 50.0 | 57.7 | 53.3 | 56.7 | 53.3 | 61.5 | 8.2 ↑ | Expand |
| Purchase Quantity Index | 40.0 | 50.0 | 50.0 | 54.2 | 50.0 | 45.0 | -5.0 ↓ | Contract |
| Purchase Price Index | 55.0 | 62.5 | 61.5 | 65.4 | 65.4 | 59.1 | -6.3 ↓ | Expand |
| Inventory Index of Main Raw Materials | 18.2 | 30.8 | 36.7 | 43.3 | 50.0 | 53.8 | 3.8 ↑ | Expand |
| Employees Index | 31.8 | 38.5 | 46.7 | 46.7 | 50.0 | 42.3 | -7.7 ↓ | Contract |
| Delivery Time Index | 55.0 | 41.7 | 46.4 | 42.9 | 42.9 | 45.8 | 2.9 ↑ | Contract |
| Market Expectation Index | 27.3 | 34.6 | 56.7 | 66.7 | 53.3 | 53.8 | 0.5 ↑ | Expand |



Branch Dryer in São Francisco de Paula RS, Brazil. Photo: Banco de Imagens Marini



Aerial Photo Headquarters in Palmas PR, Brazil. Photo: Banco de Imagens Marini



Brief on Brazilian Timber Industry



- In 2025, Brazilian exports of forest and wood products were negatively affected by external factors, notably the imposition of trade tariffs by the United States and the initiation of international investigations of a commercial and environmental nature—including anti-dumping and countervailing measures, as well as scrutiny related to sustainability and traceability requirements—with more significant effects in the second half of the year. Marked declines were observed in mechanically processed wood products, including pine mouldings (-34%), doors (-23%), wood flooring (-19% to -38%), pellets (-7%), and pine plywood (-3.7%) compared to 2024. In contrast, selected products recorded positive performance, particularly eucalyptus plywood (+100%), pine veneers (+13%), and pine sawnwood (+5%), totaling approximately 2.9 million m³ exported. The United States and the European Union remained the main export destinations, while high logistics costs and port infrastructure constraints continued to place structural pressure on the sector's international competitiveness.
- Forest restoration represents a strategic “green insurance” for the Brazilian economy in addressing climate change impacts. Restored forests support soil conservation, regulate hydrological cycles, and reduce production risks in agrifood systems. Brazil has significant potential to scale up the restoration of degraded pastures without undermining agricultural production. In addition to environmental benefits, forest restoration contributes to job creation and income generation, strengthening sustainable forest-based value chains and expanding economic opportunities.
- In the state of Rio Grande do Sul, silvopastoral systems have expanded through the integrated management of trees, pastures, and livestock within the same production area. This approach enhances thermal comfort for livestock, reduces soil erosion, and supports the maintenance of pasture quality throughout the year. Beyond productivity gains, tree integration promotes carbon sequestration and contributes to greenhouse gas emission reductions, while income diversification through timber production increases the economic viability of the system, including for smallholders.
- The State of Goiás has developed a Forest Sector Development Plan aimed at expanding the planted forest base and structuring wood-demanding value chains. The initiative combines technical planning, edaphoclimatic assessments, and coordinated action among government, the private sector, and research institutions. Its objective is to enhance investment predictability, stimulate the establishment of new forest-based industries, and ensure the sustainable supply of timber.

Information provided by GTI-Brazil Focal Point



Aerial Photo Branch in São Francisco de Paula RS, Brazil. Photo: Banco de Imagens Marini



Pool deck-Portal in Sinop-MT, Brazil. Photo: Guilherme Werlang



● **Main Challenges Reported by GTI-Brazil Enterprises**

- Raw material supply was unstable.
- Prices in the U.S. market faced pressure.
- There were difficulties in hiring workforce.
- The Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA) delayed the issuance of LPCO documents (Licenses, Permits, Certifications, and other documents) needed for shipment.
- Companies faced challenges such as high tariffs, high-interest rates, unfavorable exchange rates, oversupply, and low demand.



● **Main Suggestions from GTI-Brazil Enterprises**

- Promote industrialization of the production chain.
- Diversify products and markets.
- Actively promote job vacancies in neighboring states.
- Keep an eye on tariff agreements and changes in external economic policies.
- Use AI within the IBAMA's system to enhance the efficiency of export license approvals.



GTI-Mexico Index in January 2026



Data from Mexico's National Institute of Statistics and Geography (INEGI) showed that the country's exports reached US\$664.84 billion in 2025, marking a 7.6% increase from the previous year; imports stood at US\$664.07 billion, up 4.4% year-on-year; and the trade surplus was at US\$771 million, reversing the deficit recorded in 2024. On January 16, Mexico's National Forestry Commission (CONAFOR) issued the 2026 Rules of Operation for its Sustainable Forestry Development for Wellbeing Program, formally establishing the requirements for access to federal funding, and the eligible projects include sustainable forest management, forest and agroforestry plantations, ecosystem restoration, conservation of environmental services, etc. Recently, the Mexican government raised the scale of its housing ambition under the Housing Program for Wellbeing, stating it would deploy MX\$1.1 trillion (US\$61.43 billion) across the six-year term to build 1.8 million homes nationwide, aiming to reduce an estimated national housing deficit of about 8.3 million homes. Under the program, more than 400,000 homes are projected to be built in 2026 alone, which is expected to drive demand for timber.

In January 2026, the GTI-Mexico index registered 39.8%, a decrease of 8.2 percentage points from the previous month, was below the critical value (50%) for several months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Mexico index shrank from the previous month. On a positive note, the export market achieved significant growth this month after maintaining stability for the preceding two months.

As for the twelve sub-indexes, three indexes (export orders, purchase price, and market expectation) were above the critical value of 50%, while the remaining nine indexes were all below the value. Compared to the previous month, the indexes for export orders, purchase price, employees, and market expectation increased by 0.3-25.0 percentage point(s), whereas the indexes for harvesting, production, new orders, existing orders, inventory of finished products, purchase quantity, inventory of raw materials, and delivery time declined by 2.7-25.0 percentage points.



Roundwood pile, Mexico. Photo: Forestal Salto de Camellones

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



| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 35.4 | 35.4 | 35.4 | 44.3 | 48.0 | 39.8 | -8.2 ↓ | Contract |
| Harvesting Index | 27.5 | 27.5 | 27.5 | 47.5 | 43.8 | 32.4 | -11.4 ↓ | Contract |
| Production Index | 32.5 | 32.5 | 32.5 | 50.0 | 46.7 | 41.2 | -5.5 ↓ | Contract |
| New Orders Index | 38.1 | 38.1 | 38.1 | 45.0 | 52.9 | 38.9 | -14.0 ↓ | Contract |
| Export Orders Index | 16.7 | 16.7 | 16.7 | 50.0 | 50.0 | 75.0 | 25.0 ↑ | Expand |
| Existing Orders Index | 23.8 | 23.8 | 23.8 | 37.5 | 44.1 | 33.3 | -10.8 ↓ | Contract |
| Inventory Index of Finished Products | 40.5 | 40.5 | 40.5 | 47.5 | 47.1 | 44.4 | -2.7 ↓ | Contract |
| Purchase Quantity Index | 31.3 | 31.3 | 31.3 | 53.8 | 50.0 | 25.0 | -25.0 ↓ | Contract |
| Purchase Price Index | 56.3 | 56.3 | 56.3 | 55.6 | 65.0 | 70.8 | 5.8 ↑ | Expand |
| Inventory Index of Main Raw Materials | 33.3 | 33.3 | 33.3 | 38.9 | 45.5 | 30.8 | -14.7 ↓ | Contract |
| Employees Index | 35.7 | 35.7 | 35.7 | 42.5 | 44.1 | 44.4 | 0.3 ↑ | Contract |
| Delivery Time Index | 35.7 | 35.7 | 35.7 | 37.5 | 47.1 | 38.9 | -8.2 ↓ | Contract |
| Market Expectation Index | 73.8 | 73.8 | 73.8 | 80.0 | 70.6 | 75.0 | 4.4 ↑ | Expand |



Main Challenges Reported by GTI-Mexico Enterprises

- Product sales declined.
- Logistics and transportation efficiency was low.
- Forest management procedures were cumbersome.
- There was price pressure from competitors.
- Weather conditions disrupted production and operations.
- Market demand was unstable and difficult to predict.
- Product sales channels were limited, or channel development was insufficient.



Main Suggestions from GTI-Mexico Enterprises

- Optimize forest management procedures.
- Enhance the processing level of timber products.
- Introduce policies to reduce the import of timber products.
- Improve road conditions to increase product transportation efficiency.
- Ensure sufficient product sales and distribution channels.
- Increase market recognition and added value of local products.
- Secure government subsidies to lower production costs.
- Obtain support for the acquisition of equipment, machinery, and infrastructure.



GTI-Ecuador Index in January 2026



GTI-Ecuador Comprehensive Index

Unit: %



The Executive Director of the Ecuadorian Association of Forestry and Wood Industry (AIMA) projected that the country's timber industry exports may reach approximately US\$700 million in 2025, representing a year-on-year increase of about 7.69% from US\$650 million in 2024. China was the primary growth market, driven largely by demand from the wind energy sector for balsa wood and its derivatives. As of October 2025, balsa wood products accounted for roughly 40% of the industry's total exports, while wood panels made up 37%—together representing nearly 80% of all timber exports. In terms of forest fire prevention, Ecuador had also made notable progress. According to Ecuadorian National Secretariat for Risk Management (SNGR), the number of wildfires nationwide decreased by 63.2% in 2025 compared to the previous year, while the affected area shrank by 79.9%, thus pointing to a diminishing impact of fires on the country's ecosystems and biodiversity. Recently, the President of Ecuador announced that first-time homebuyers under the Credicasa program could benefit from a mortgage interest rate of 2.99% offered by the Bank of the Ecuadorian Social Security Institute (BIESS)—a significant drop from the previous rate of 4.99% and the lowest in the country's history. According to the government, this rate cut is expected to boost the national economy, particularly the construction sector and its production chains.

In January 2026, the GTI-Ecuador index registered 36.3%, a decrease of 10.0 percentage points from the previous month and below the critical value (50%) for 5 consecutive months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Ecuador index shrank from the previous month.

As for the twelve sub-indexes, the indexes for purchase price and market expectation were above the critical value of 50%, the indexes for export orders and existing orders were at the critical value, while the remaining eight indexes (harvesting, production, new orders, inventory of finished products, purchase quantity, inventory of main raw materials, employees, and delivery time) were below the critical value. Compared to the previous month, the indexes for new orders, export orders, existing orders, and purchase price increased by 1.2-16.7 percentage points, whereas the indexes for harvesting, production, inventory of finished products, purchase quantity, inventory of main raw materials, employees, delivery time, and market expectation declined by 1.2-36.9 percentage points.

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

| | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 49.1 | 39.0 | 44.5 | 46.3 | 36.3 | -10.0 ↓ | Contract |
| Production Index | 53.8 | 39.3 | 25.0 | 41.7 | 28.6 | -13.1 ↓ | Contract |
| New Orders Index | 54.2 | 38.5 | 30.0 | 50.0 | 35.7 | -14.3 ↓ | Contract |
| Export Orders Index | 42.9 | 38.2 | 70.0 | 41.7 | 42.9 | 1.2 ↑ | Contract |
| Existing Orders Index | 36.4 | 31.3 | 50.0 | 40.0 | 50.0 | 10.0 ↑ | Stable |
| Inventory Index of Finished Products | 46.4 | 29.4 | 40.0 | 33.3 | 50.0 | 16.7 ↑ | Stable |
| Purchase Quantity Index | 60.7 | 35.3 | 40.0 | 33.3 | 28.6 | -4.7 ↓ | Contract |
| Purchase Price Index | 50.0 | 32.4 | 30.0 | 58.3 | 21.4 | -36.9 ↓ | Contract |
| Import Index | 35.7 | 61.8 | 60.0 | 58.3 | 71.4 | 13.1 ↑ | Expand |
| Inventory Index of Main Raw Materials | 57.1 | 35.3 | 30.0 | 50.0 | 21.4 | -28.6 ↓ | Contract |
| Employees Index | 50.0 | 41.2 | 50.0 | 50.0 | 42.9 | -7.1 ↓ | Contract |
| Delivery Time Index | 46.4 | 41.2 | 20.0 | 41.7 | 25.0 | -16.7 ↓ | Contract |
| Market Expectation Index | 75.0 | 50.0 | 40.0 | 58.3 | 57.1 | -1.2 ↓ | Expand |



• Main Challenges Reported by GTI-Ecuador Enterprises

- Production slowed down during the winter.
- There was a shortage of raw materials needed for production.
- Reforestation plans focused heavily on eucalyptus, with limited consideration for other tree species.
- The weather was unfavorable, market competition was intense, and prices in the international markets were low.

• Main Suggestions from GTI-Ecuador Enterprises

- Update road regulations and relax logging regulations.
- Disseminate the economic benefits of diversified reforestation at business or trade forums.
- Improve forestry production efficiency, explore plantation forest resources, and develop new applications for wood-based panels.



GTI-China Index in January 2026



In 2025, impacted by cyclical adjustments in the real estate market, China's cumulative imports of logs and sawnwood fell to around 55.45 million cubic meters, down 11.8% year-on-year, marking a notable decline in volume. Throughout 2025, total sales in China's building materials and home furnishings market amounted to around 1,441.15 billion yuan, a decrease of 3.33% from the previous year. According to the Industry Research Department of the China Building Materials Circulation Association, demand for renovation of existing homes has become a key factor supporting the resilience of the building materials and home furnishings market, and structural opportunities in "well-developed cities + quality housing" will continue to exist, guiding demand for building materials and home furnishings toward core cities and improvement-oriented segments.

In January 2026, the GTI-China index registered 45.0%, a decrease of 4.9 percentage points from the previous month and below the critical value (50%) for the fourth consecutive month, indicating that the business prosperity of the superior timber enterprises represented by the GTI-China index shrank from the previous month.

As for the twelve sub-indexes, two indexes (purchase quantity, and purchase price) were above the 50% critical value, while the remaining ten indexes were all below the critical value. Compared to the previous month, the indexes for inventory of finished products, purchase price, inventory of raw materials, and market expectation increased by 0.5-11.9 percentage point(s); the index for employees was unchanged from the previous month; and the indexes for production, new orders, export orders, existing orders, purchase quantity, import, and delivery time declined by 0.8-12.2 percentage point(s).

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

| | 2025.08 | 2025.09 | 2025.10 | 2025.11 | 2025.12 | 2026.01 | MoM | Performance |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|-------------|
| Comprehensive Index | 50.8 | 51.7 | 45.6 | 49.6 | 49.9 | 45.0 | -4.9 ↓ | Contract |
| Production Index | 54.1 | 53.5 | 45.0 | 50.0 | 51.4 | 44.9 | -6.5 ↓ | Contract |
| New Orders Index | 48.9 | 54.8 | 44.4 | 53.7 | 51.4 | 43.5 | -7.9 ↓ | Contract |
| Export Orders Index | 51.1 | 54.4 | 48.3 | 51.8 | 48.6 | 44.9 | -3.7 ↓ | Contract |
| Existing Orders Index | 51.1 | 48.7 | 41.7 | 44.5 | 48.6 | 47.8 | -0.8 ↓ | Contract |
| Inventory Index of Finished Products | 54.8 | 46.5 | 46.0 | 45.0 | 47.6 | 48.2 | 0.6 ↑ | Contract |
| Purchase Quantity Index | 52.6 | 56.1 | 49.3 | 52.3 | 53.8 | 52.9 | -0.9 ↓ | Expand |
| Purchase Price Index | 55.6 | 59.6 | 48.7 | 49.5 | 44.3 | 56.2 | 11.9 ↑ | Expand |
| Import Index | 49.6 | 50.4 | 60.3 | 51.8 | 60.4 | 48.2 | -12.2 ↓ | Contract |
| Inventory Index of Main Raw Materials | 51.1 | 45.2 | 46.4 | 46.3 | 49.1 | 49.6 | 0.5 ↑ | Contract |
| Employees Index | 48.5 | 50.4 | 47.0 | 46.3 | 45.3 | 45.3 | 0.0 | Contract |
| Delivery Time Index | 52.2 | 48.7 | 46.7 | 47.2 | 50.9 | 44.9 | -6.0 ↓ | Contract |
| Market Expectation Index | 54.4 | 57.0 | 48.7 | 57.3 | 36.8 | 40.6 | 3.8 ↑ | Contract |



• Main Challenges Reported by GTI-China Enterprises

- Enterprises struggled with insufficient orders.
- The costs of raw materials rose.
- Demand in the timber market was not enough.
- There was intense competition in terms of product prices.

• Main Suggestions from GTI-China Enterprises

- Break through homogenized competition.
- Broaden financing channels.
- Need the government's policy support for timber enterprises.
- Expand into international markets to increase the volume of orders.

About This Report

Survey Methodology

With the support of the International Tropical Timber Organization (ITTO), the Global Timber Index (GTI) platform has set up focal points in pilot countries of both timber producing and timber consuming countries. At present, focal points have been established in 10 countries, including Indonesia, Malaysia, Thailand, Gabon, Republic of the Congo, Ghana, Brazil, Mexico, Ecuador and China.

At the end of each month, focal points of the pilot countries organize the leading enterprises to fill out the GTI questionnaire, and then the Global Green Supply Chains Initiative (GGSC) Secretariat organizes experts to summarize and analyze the data, and write the report.

Based on the characteristics of the timber and timber products industry in different countries, the current GTI questionnaire is divided into three categories: timber producing countries, timber manufacturing countries and timber consuming countries. For the timber producing countries, the questionnaire focuses on the developments of local timber harvesting and supplying, covering log, sawnwood, and veneer, etc. For timber manufacturing countries (like China), the questionnaire focuses on the developments of local timber processing and manufacturing, covering floor, door, plywood, and furniture, etc. For timber consuming countries, the questionnaire focuses on the developments of the timber products facing the end market.

Data and Interpretation

GTI index contains diffusion index and comprehensive index.

(1) The calculation of GTI diffusion index. GTI has 12 diffusion indexes (or called sub-indices) based on the data from 12 objective questions which covers production (or harvesting), new orders, new export orders, existing orders, inventory of products, purchasing quantity, import, purchasing prices of main raw materials, inventory of raw material, 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) The calculation of GTI comprehensive index. GTI comprehensive index (GTI index for short) is calculated based on the diffusion indexes of five of the indexes with different weights: production (harvesting), new orders, inventory of raw material, employees, delivery time. The five diffusion indexes and their weights are determined according to their leading influence on the industrial economy.

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

Declaration

GTI report is compiled based on the data provided by the timber 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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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 is located in Yokohama, Japan. At present, there are 76 ITTO member 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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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.

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