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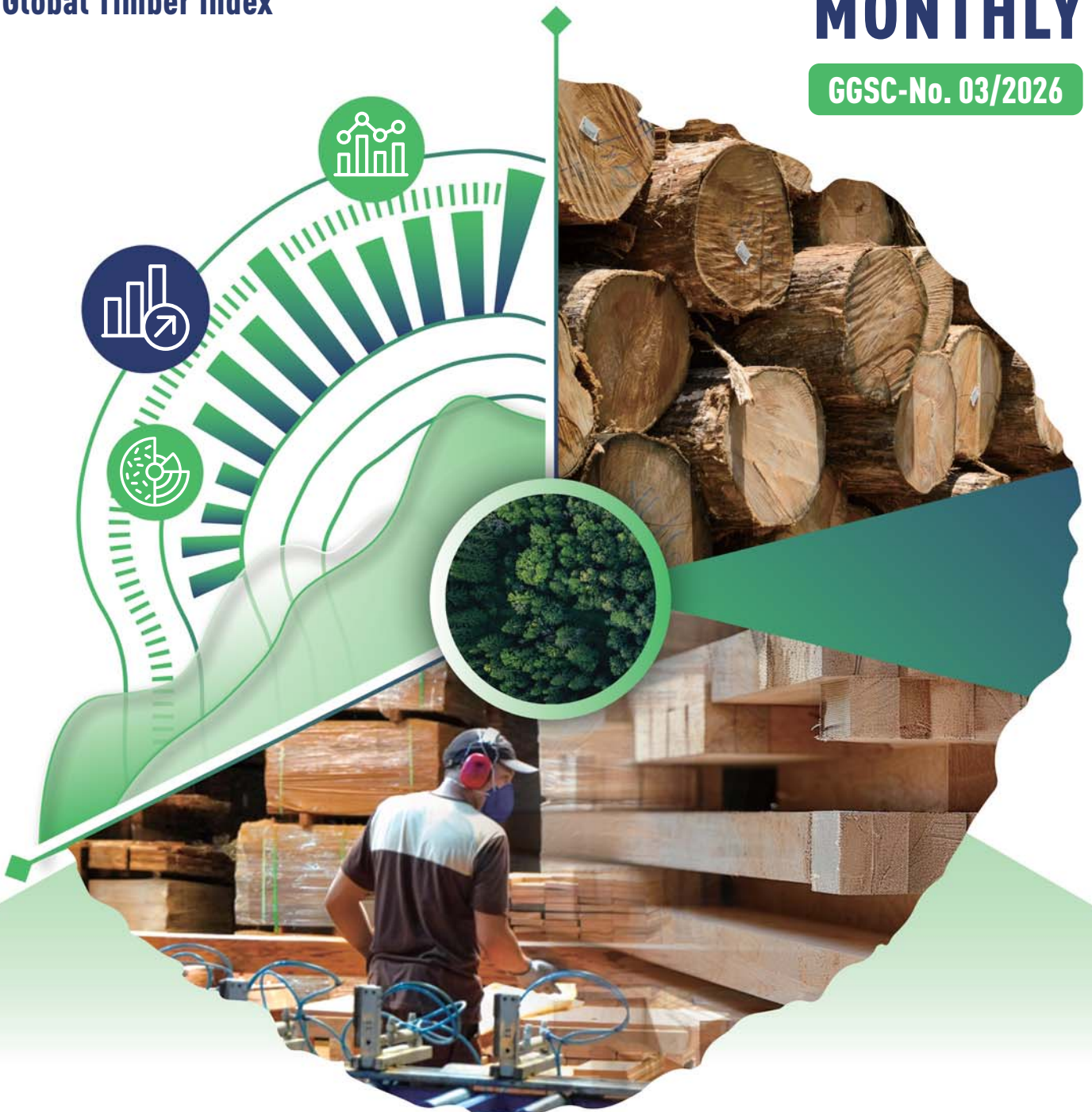
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# GTI REPORT 2026

Global Timber Index

**MONTHLY**

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- Forestry Commission

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# **GTI REPORT 2026**

## **MARCH**





# GLOBAL LEGAL & SUSTAINABLE TIMBER FORUM 2026

2026全球合法与可持续木业高峰论坛



# GLSTF2026

*Innovation and Transformation  
— Pursuing Avenues for Resilient and Sustainable  
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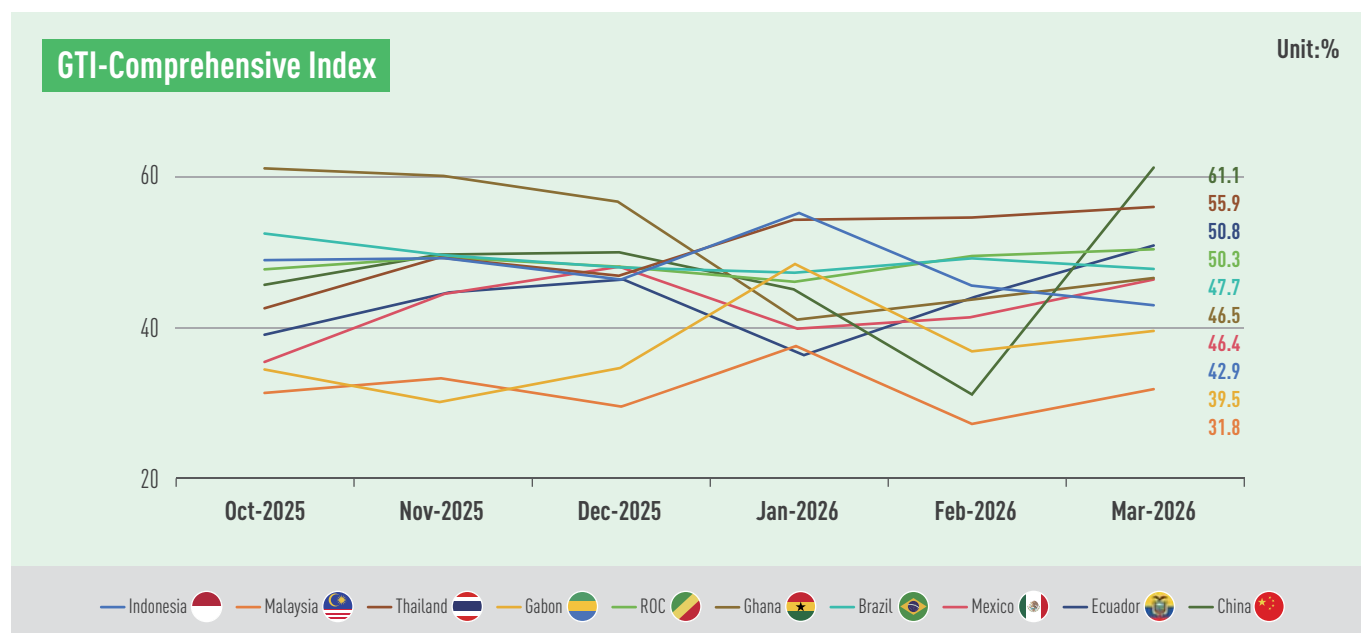
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## Overview of the GTI Index

### GTI pilot countries' timber sectors move forward under pressure as geopolitical risks test supply chain resilience



The Global Timber Index (GTI) Report for March 2026 reveals that the overall performance of timber sectors in the pilot countries improved this month. Among the ten pilot countries, four—China, Thailand, Ecuador, and the Republic of the Congo—recorded GTI readings above the 50% critical value, at 61.1%, 55.9%, 50.8%, and 50.3% respectively, indicating an upward trend in their timber sectors. The other six countries were in contraction territory. Brazil (47.7%), Ghana (46.5%), and Mexico (46.4%) posted readings close to the critical value, reflecting relatively moderate contraction, while Indonesia (42.9%), Gabon (39.5%), and Malaysia (31.8%) recorded significantly lower readings, thus pointing to a notable slowdown in their timber sectors.

The GTI sub-indices indicated that pilot countries in Asia performed relatively well this month. Harvesting volume increased in both Indonesia and Thailand compared to the previous month, while production volume and new orders rose in Thailand and China. Although Malaysia continued to experience contraction across most production and business segments this month, the declines in production volume and new orders eased somewhat.

In March, heightened tensions in the Middle East drove up fuel prices in most GTI pilot countries, leading to higher costs for timber harvesting, domestic transport, processing, and export logistics. Some timber enterprises also experienced disruptions to shipping

routes and delays in deliveries, and in some cases, orders were canceled or put on hold. In response to these shocks, timber sectors in the pilot countries adopted proactive measures, including collaborating with governments to diversify export markets, actively exploring markets in neighboring countries to help control logistics costs, seeking alternative transport routes to mitigate the impact of detours and surcharges on delivery schedules and costs, negotiating contract adjustments with customers to address rising cost pressures, and calling on governments to lower or stabilize fuel prices and to provide subsidies and tax relief.

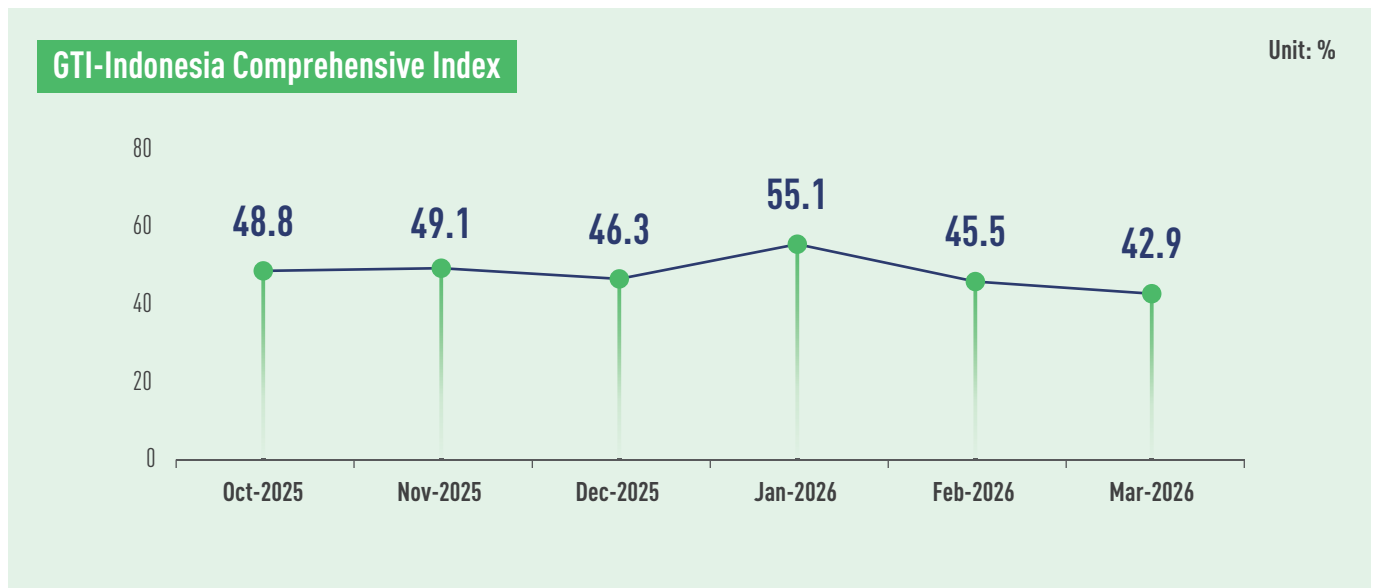
While navigating the new challenges, timber sectors in GTI pilot countries continued to advance their traceability systems. To comply with the EU Deforestation Regulation (EUDR), the Thai government instructed relevant agencies to accelerate the development of traceability mechanisms and raw-material origin certification systems that meet EU standards, thereby ensuring the competitiveness of Thai products. In Gabon, on March 12, the Ministry of Water and Forests, Environment, Climate announced the establishment of a national data center to ensure full traceability of logs from forest sites to export ports, including GPS tagging before felling, measurement of harvesting volume, and monitoring of timber sent to processing plants, processed and exported.

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 March 2026



Information released by Indonesia's Ministry of Finance shows that the export benchmark prices for the country's processed timber decreased in March, particularly for merbau with a cross-sectional area of 4,000–10,000 mm<sup>2</sup>. Against the backdrop of geopolitical conflicts, Indonesia's furniture industry is actively adjusting its market strategy. While consolidating the United States as its primary export market (accounting for a 58% share), it is actively exploring rapidly growing Asian markets, especially India and the ASEAN region. However, the development of the Middle East market has been temporarily postponed due to the current situation in the region. In terms of forestry governance, the Ministry of Forestry is strengthening forest protection and environmental law enforcement, promoting environmental services, carbon trading, and diversified forestry initiatives, while also planning to increase the area designated as customary forest from approximately 367,000 hectares to 1.4 million hectares between 2025 and 2029, aiming to strengthen the role of indigenous communities in sustainable forest management and global climate action. Additionally, meteorological agencies warned that the 2026 dry season would arrive earlier than usual and last longer than in previous years. In response, central and local governments stepped up forest fire prevention efforts.

In March 2026, the GTI-Indonesia index registered 42.9%, below the critical value (50%) for 2 consecutive months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Indonesia index shrank from the previous month.

Regarding the twelve sub-indexes, two indexes (harvesting and market expectation) were above the critical value of 50%, another two indexes (purchase prices, and delivery time) were at the value, while the remaining eight indexes (production, new orders, export orders, existing orders, inventory of finished products, purchase quantity, inventory of main raw materials, and employees) were below the critical value. Compared to the previous month, the index for harvesting increased by 6.6 percentage points; the index for purchase prices was unchanged from the previous month; and the remaining ten indexes declined by 1.2-10.1 percentage points.

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



	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	48.8	49.1	46.3	55.1	45.5	42.9	-2.6 ↓	Contract
Harvesting Index	58.0	43.5	46.3	77.3	45.7	52.3	6.6 ↑	Expand
Production Index	38.9	37.5	31.3	58.3	33.3	31.3	-2.0 ↓	Contract
New Orders Index	56.1	56.3	51.5	57.7	50.0	48.4	-1.6 ↓	Contract
Export Orders Index	43.8	56.3	50.0	50.0	54.5	44.4	-10.1 ↓	Contract
Existing Orders Index	51.5	43.8	47.1	58.3	42.4	40.3	-2.1 ↓	Contract
Inventory Index of Finished Products	57.6	50.0	48.5	68.2	42.4	38.7	-3.7 ↓	Contract
Purchase Quantity Index	55.6	50.0	35.7	58.3	44.4	40.0	-4.4 ↓	Contract
Purchase Price Index	56.3	50.0	50.0	50.0	50.0	50.0	0.0	Stable
Inventory Index of Main Raw Materials	43.8	50.0	50.0	50.0	50.0	43.8	-6.2 ↓	Contract
Employees Index	54.5	51.6	52.9	55.2	47.0	43.5	-3.5 ↓	Contract
Delivery Time Index	46.6	50.0	50.0	48.0	51.7	50.0	-1.7 ↓	Stable
Market Expectation Index	68.2	70.7	75.0	73.3	65.2	64.0	-1.2 ↓	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



### A. Downstream Sector (Wood Processing Exports)

In aggregate, the value of downstream sector exports in March 2026 recorded a slight decline compared to February 2026, reflecting a consolidation phase following volatile movements during the first two months of the year.

#### 1. Plywood

Plywood exports in March 2026 showed a very slight increase, mainly driven by rising demand from the East Asian market. The establishment of new contracts supported higher shipment volumes. However, exports to the United States remained relatively limited due to ongoing CVD/anti-dumping investigations. Overall market sentiment improved, although export volumes have not yet fully returned to normal levels.

#### 2. Paper

Paper product exports in March 2026 contracted compared to February. This weakening was mainly influenced by demand adjustments in several key markets and fluctuations in global pulp and paper prices. Nevertheless, underlying demand from the packaging sector and industrial needs remained relatively stable, indicating that the decline was moderate and not yet showing structural pressure.

#### 3. Furniture

Furniture exports performed relatively better than other downstream products, posting positive month-to-month growth. The increase was driven by a gradual recovery in orders from major markets (the United States and the European Union), particularly in the mid-range segment. This development suggests improving buyer confidence and gradual restocking activity ahead of the second quarter.

#### 4. Woodworking

Woodworking products experienced a mild correction in March 2026 compared to February. The decline was associated with the still-limited acceleration of the construction sector in several export destination countries. Nevertheless, demand for higher value-added products and specific components continued to demonstrate solid resilience.

### B. Wood Production as Industrial Raw Material (Upstream Sector)

On the supply side, industrial raw material production in March 2026 showed varied dynamics across different wood sources.

#### 1. Industrial Plantation Forests (HT)

Wood production from plantation forests remained relatively stable compared to the previous month. Supply for pulp, paper, and panel industries was well maintained, reflecting more structured harvest rotation management.

#### 2. Natural Forests (HA)

Production from natural forests showed stability with limited fluctuations. Activities remained well-managed and tended to follow market needs, particularly for plywood production and specific processed wood types. Weather conditions and logistics distribution continued to influence production realization in several regions.

#### 3. Community Forests (HR)

Wood production from community forests displayed more dynamic movement, with indications of increased supply compared to the beginning of the year. This was driven by relatively favorable domestic market prices and growing demand from small and medium-scale industries.

### General Conclusion – March 2026

Overall, downstream sector exports recorded a slight month-to-month correction, though still within normal limits and without significant pressure. Furniture was the best-performing product in March, while paper and woodworking underwent mild adjustments.

On the upstream side, industrial raw material production remained broadly stable, supported mainly by consistent output from plantation forests and increased supply from community forests.

In conclusion, March 2026 reflected a phase of market consolidation with selective signs of recovery—most notably in the furniture segment—while raw material supply fundamentals remained well sustained.

*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

- Heavy rainfall caused slowdowns in the transport of logs.
- Heavy equipment was damaged during logging operations.
- The supply of raw materials decreased and machine productivity declined.
- Demand for logs in the timber processing industry was weak.
- The global plywood market tended to be sluggish.
- Regional policies prohibited logs from being taken out of the province, limiting the market.
- Fumigation operations were restricted due to limited fumigation space.
- Upstream policies restricted supply, leading to raw material shortages, while weather conditions was unfavorable for production and distribution activities.
- Product sales declined while the minimum wage for workers increased; many workers were aging, resulting in decreased productivity.



### Main Suggestions from GTI-Indonesia Enterprises

- Expand markets in other countries with support from the government.
- It is necessary to find more suitable transport routes based on logistics needs.
- Procure logs from other channels and increase investment in equipment.
- Provide incentives for enterprises by adjusting non-tax rates.
- Maximize wood production during dry/not rainy weather to meet the target of the annual logging plan.
- Revise regulations related to the export of forest products, especially the restrictions on cross-sectional area, so as to support the sustainable development of upstream and downstream industries.
- For addressing equipment failure issues, it is necessary to strengthen preventive maintenance and operator training, establish partnerships with several suppliers, and ensure the availability of critical spare parts.
- Diversify product types according to market demand and simultaneously carry out the sales of submerged and floating timber.

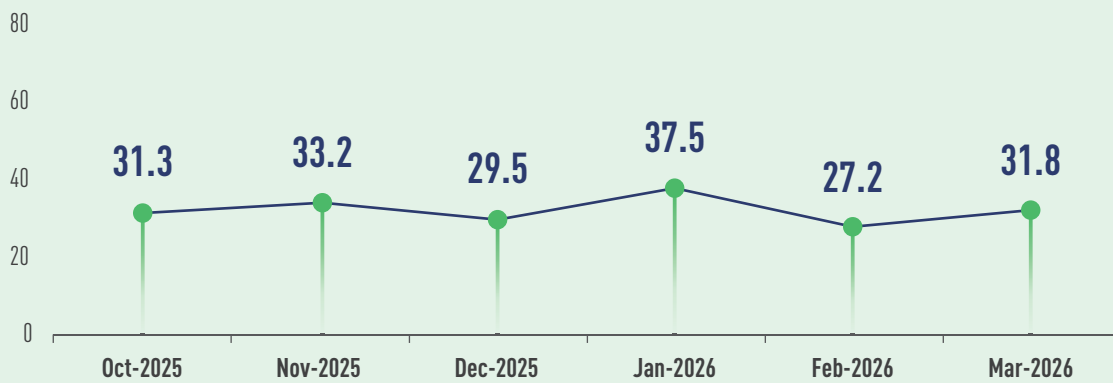


## GTI-Malaysia Index in March 2026



### GTI-Malaysia Comprehensive Index

Unit: %



On March 4, the Malaysian Ministry of Plantation and Commodities announced at the Malaysian International Furniture Fair that it plans to raise the country's annual export value of timber and wood-based products from the current level of over RM20 billion to RM32.8 billion by 2030. To this end, the government is collaborating with several industry organizations to promote innovation, sustainable development, and international market expansion. Recently, the Minister of Natural Resources and Environmental Sustainability stated that the government continues to strengthen its commitment to Sustainable Forest Management (SFM) by setting the annual allowable cut in permanent reserved forests for the 13th Malaysia Plan (MP13) at an area of 890,000ha, compared to 1,165,300ha during the 12th Malaysia Plan — a strategic effort to safeguard forest ecosystems while maintaining a stable timber supply. In the real estate sector, Malaysia's market transaction value reached RM241.87 billion in 2025, hitting a decade high and demonstrating development resilience which may support the timber industry demand.

In March 2026, the GTI-Malaysia index registered 31.8%, an increase of 4.6 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.

Regarding the twelve sub-indexes, one index (inventory of finished products) was above the critical value of 50%, while the remaining eleven indexes were all below the critical

value. Compared to the previous month, the indexes for production, new orders, export orders, existing orders, and inventory of finished products increased by 0.3-11.0 percentage point(s); the index for harvesting was unchanged from the previous month; and the indexes for purchase quantity, purchase price, inventory of main raw materials, employees, delivery time, and market expectation declined by 0.5-2.3 percentage point(s).



Re-saw in Tan Chee Seng Sawmill, Malaysia. Photo: Khairul Nizam

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	31.3	33.2	29.5	37.5	27.2	31.8	4.6 ↑	Contract
Harvesting Index	33.3	35.7	33.3	44.4	38.9	38.9	0.0	Contract
Production Index	42.9	31.8	29.2	40.0	30.0	38.9	8.9 ↑	Contract
New Orders Index	25.0	34.6	28.6	37.5	20.8	31.8	11.0 ↑	Contract
Export Orders Index	33.3	36.4	31.8	30.0	25.0	33.3	8.3 ↑	Contract
Existing Orders Index	27.8	26.9	25.0	37.5	29.2	36.4	7.2 ↑	Contract
Inventory Index of Finished Products	45.0	46.2	53.6	54.2	54.2	54.5	0.3 ↑	Expand
Purchase Quantity Index	27.8	41.7	38.5	50.0	27.3	25.0	-2.3 ↓	Contract
Purchase Price Index	43.8	45.8	50.0	59.1	45.5	45.0	-0.5 ↓	Contract
Inventory Index of Main Raw Materials	37.5	37.5	34.6	40.9	36.4	35.0	-1.4 ↓	Contract
Employees Index	27.8	30.8	25.0	33.3	25.0	22.7	-2.3 ↓	Contract
Delivery Time Index	25.0	33.3	34.6	36.4	31.8	30.0	-1.8 ↓	Contract
Market Expectation Index	40.0	42.3	50.0	40.0	41.7	40.9	-0.8 ↓	Contract



### Main Challenges Reported by GTI-Malaysia Enterprises

- Market demand was low.
- Labor costs rose.
- The global building market remained weak.
- Costs for freight to the United States increased.
- The Sarawak market imported an excessive amount of plywood.
- Enterprises were affected by U.S. tariffs and anti-dumping policies.
- The price of truck diesel rose this month, leading to higher transportation costs for the sawmill industry.
- Weak market demand led to fewer plywood orders. Meanwhile, rising operating costs (fuel, chemicals, maintenance) and high inventory levels also caused cash flow pressure.

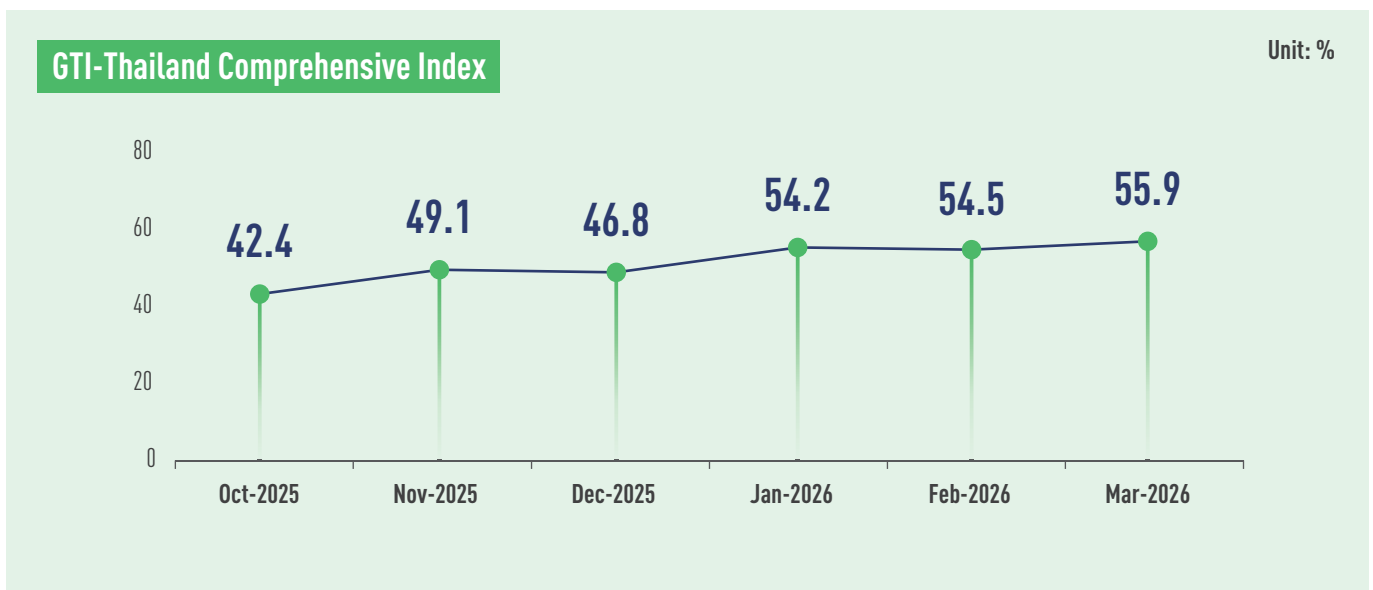


### Main Suggestions from GTI-Malaysia Enterprises

- Suggest that the government introduce policies to stimulate economic development.
- Slow down production based on market demand.
- Strengthen cost control across all departments (manpower, utilities, maintenance) and gradually reduce inventory to improve cash flow.
- Need government to stimulate construction industries to create more usage of sawnwood.



## GTI-Thailand Index in March 2026



Information from Thai Furniture Association’s official website reveals that the export value of Thai furniture & parts reached US\$321 million in January–February 2026, marking a year-on-year increase of 26.16% and continuing the upward trend seen in 2025. However, regional conflicts around the world had to some extent affected the export performance of Thailand’s furniture industry. According to Thai furniture exporters, the wars led to market sentiment fluctuations and rising costs, making it more difficult for companies to plan and sign long-term contracts. Meanwhile, Thailand’s timber industry had been affected by higher diesel prices, especially in the transportation segment, where some trucks delivering timber to factories had been forced to suspend operations. At the policy level, the Thai Ministry of Commerce had proposed expanding exports to emerging markets such as Africa and South Asia to diversify market risks. Regarding the European market, the Thai government had proposed accelerating negotiations on the EU-Thailand Free Trade Agreement. In addition, to comply with the EU Deforestation Regulation (EUDR), the government had instructed relevant agencies to speed up the development of traceability mechanisms and raw-material origin certification systems that meet EU standards, so as to ensure the competitiveness of Thai products.

In March 2026, the GTI-Thailand index registered 55.9%, an increase of 1.4 percentage points from the previous month and above the critical value (50%) for 3 consecutive 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 harvesting volume and production volume of Thailand’s timber industry increased compared with the previous month. Meanwhile, supported by international market demand, the volume of new orders also rose.

As for the twelve sub-indexes, eight indexes (harvesting, production, new orders, export orders, purchase quantity, purchase price, delivery time, and market expectation) were above the critical value of 50%, one index (employees) was unchanged from the previous month, while the remaining three indexes (existing orders, inventory of finished products, and inventory of main raw materials) were below the critical value. Compared to the previous month, the indexes for harvesting, new orders, export orders, existing orders, inventory of finished products, purchase quantity, purchase price, employees, delivery time and market expectation increased by 0.6-35.0 percentage point(s), whereas the indexes for production and inventory of main raw materials declined by 3.7-5.8 percentage points.



Rong Kwang Sawmill in Phrae, Thailand. Photo: Forest Industry Organization (FIO)

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	42.4	49.1	46.8	54.2	54.5	55.9	1.4 ↑	Expand
Harvesting Index	37.5	46.2	33.3	41.7	40.9	54.2	13.3 ↑	Expand
Production Index	41.2	50.0	42.9	58.8	60.0	56.3	-3.7 ↓	Expand
New Orders Index	47.2	50.0	50.0	61.1	62.5	64.7	2.2 ↑	Expand
Export Orders Index	42.9	45.5	66.7	50.0	40.0	75.0	35.0 ↑	Expand
Existing Orders Index	44.4	44.4	46.9	50.0	31.3	41.2	9.9 ↑	Contract
Inventory Index of Finished Products	38.9	41.7	43.8	47.2	40.6	41.2	0.6 ↑	Contract
Purchase Quantity Index	36.7	50.0	42.3	44.1	43.3	56.7	13.4 ↑	Expand
Purchase Price Index	50.0	66.7	57.1	52.9	43.3	61.8	18.5 ↑	Expand
Inventory Index of Main Raw Materials	28.1	40.6	46.4	50.0	46.4	40.6	-5.8 ↓	Contract
Employees Index	44.4	50.0	46.9	47.2	40.6	50.0	9.4 ↑	Stable
Delivery Time Index	41.7	50.0	46.9	44.4	53.1	55.9	2.8 ↑	Expand
Market Expectation Index	44.4	36.1	40.6	36.1	31.3	58.8	27.5 ↑	Expand



### Main Challenges Reported by GTI-Thailand Enterprises

- Orders were fewer.
- Migrant labor was insufficient.
- Fuel situation was worse.
- Economic conditions were unstable.
- Material costs rose.
- It had become more difficult to source raw materials with similar quality for production.
- Transportation costs had increased, leading to higher product prices.
- Due to the ongoing war situation and increasing fuel prices, cost control had become more difficult.

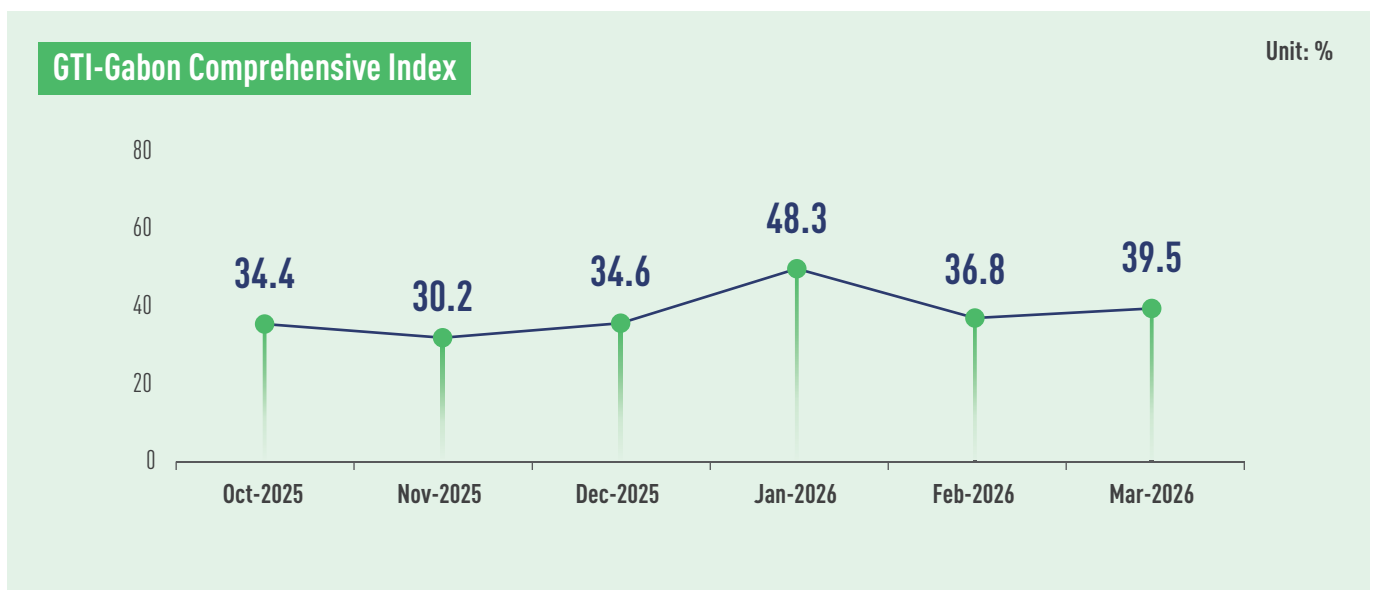


### Main Suggestions from GTI-Thailand Enterprises

- Implement promotional campaigns.
- Communicate with end customers to explain the increase in production costs.
- Maintain the existing customer base and seek additional orders from new sources.
- The government should accelerate the registration process (smart card system).
- Strengthen consumers' knowledge and awareness of raw materials (wood).
- Take measures to stabilize and reduce diesel prices as soon as possible before production systems are further impacted.
- The company should focus on improving operational efficiency and reducing unnecessary expenses. It is also important to review procurement strategies and seek alternative suppliers or materials to manage costs. In addition, strengthening financial planning and energy-saving measures can help mitigate the impact of rising fuel prices.



## GTI-Gabon Index in March 2026



Currently, the Gabonese government is continuously strengthening traceability management for the timber sector. On March 12, Gabon's Minister of Water and Forests, Environment, Climate announced the establishment of a national data center to ensure full traceability of logs from forest sites to export ports, including GPS tagging before felling, measurement of harvesting volumes, and monitoring of timber sent to processing plants, processed and exported. On March 26, the Operational Control Center of Gabon's National System for the Legality and Traceability of Timber (CCO/SNCTBG), located within the Ministry of Water and Forests, was officially inaugurated, further enhancing governance in the timber sector. In March, Gabon was still in the rainy season, with severe flooding in regions such as the east, which had an impact on timber harvesting and transport and led to insufficient raw material inventories in some timber processing plants. At the same time, industry production and operations were constrained by a shortage of electricity supply. To address the energy challenges, on March 3, Gabonese timber company Bonus Harvest launched the first solar power plant in sub-Saharan Africa integrated into a wood processing facility. The government attended the inauguration ceremony and had planned to deploy this

model in other processing units across the country, so as to build a low-carbon timber sector.

In March 2026, the GTI-Gabon index registered 39.5%, an increase of 2.7 percentage points from the previous month and below the critical value (50%) for seven consecutive months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Gabon index shrank from the previous month.

Regarding the twelve sub-indexes, one index (delivery time) was at the critical value of 50%, while the remaining eleven indexes were all below the critical value. Compared to the previous month, the indexes for harvesting, new orders, existing orders, employees, delivery time, and market expectation increased by 7.1-21.5 percentage points; the indexes for export orders, inventory of finished products, and purchase price were unchanged from the previous month; and the indexes for production, purchase quantity, and inventory of main raw materials declined by 12.5-25.0 percentage points.

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	34.4	30.2	30.2	48.3	36.8	39.5	2.7 ↑	Contract
Harvesting Index	35.7	30.0	30.0	50.0	25.0	35.7	10.7 ↑	Contract
Production Index	50.0	30.0	30.0	50.0	50.0	35.7	-14.3 ↓	Contract
New Orders Index	25.0	16.7	16.7	50.0	28.6	35.7	7.1 ↑	Contract
Export Orders Index	25.0	25.0	25.0	50.0	37.5	37.5	0.0	Contract
Existing Orders Index	12.5	25.0	25.0	41.7	28.6	35.7	7.1 ↑	Contract
Inventory Index of Finished Products	43.8	16.7	16.7	41.7	28.6	28.6	0.0	Contract
Purchase Quantity Index	30.0	25.0	25.0	37.5	50.0	25.0	-25.0 ↓	Contract
Purchase Price Index	30.0	25.0	25.0	50.0	37.5	37.5	0.0	Contract
Inventory Index of Main Raw Materials	30.0	33.3	33.3	50.0	50.0	37.5	-12.5 ↓	Contract
Employees Index	25.0	41.7	41.7	41.7	28.6	42.9	14.3 ↑	Contract
Delivery Time Index	42.9	40.0	40.0	50.0	33.3	50.0	16.7 ↑	Stable
Market Expectation Index	62.5	25.0	25.0	50.0	21.4	42.9	21.5 ↑	Contract



### Main Challenges Reported by GTI-Gabon Enterprises

- Fuel costs rose.
- Road conditions were poor.
- Export tariffs rose (new Finance Law).
- The situation in the Middle East had some impact on the industry.
- There was a standstill in log transport by rail, and enterprises with logging licenses in the eastern region were significantly affected.



### Main Suggestions from GTI-Gabon Enterprises

- Control fuel costs.
- Improve road and railway conditions.



## GTI-ROC Index in March 2026



According to the economic situation briefing released by the Ministry of Economy of the Republic of the Congo (ROC), the fourth quarter of 2025 saw a positive turnaround in the country's log production. The harvesting volume reached 300,749 cubic meters, a 0.9% increase from the 298,082 cubic meters recorded in the same period of 2024, which was largely attributed to better operating conditions, particularly an optimized fuel supply. Based on feedback from industry insiders, sawmills in the Congo currently hold log inventory sufficient to cover two to three months of production needs. However, given the weak export market demand and uncertain prospects, manufacturers generally adopt conservative production capacity strategies. At the same time, sawmills are accelerating the transfer of their delivery channels to the European market. On March 12, the Congo's National Afforestation and Reforestation Program (Pronar), the Congo Climate Network (RCC), and the Tropical Tobacco Industry and Agriculture Company (SIAT) signed a trilateral agreement. The agreement outlines a plan to implement a 100-hectare reforestation and ecotourism project within the state-owned Bambou Mingali protected area in Djoué-Léfini, with limba and acacia as the main tree species.

In March 2026, the GTI-ROC index registered 50.3%, an increase of 0.8 percentage point from the previous month, rose above the critical value of 50%, indicating that

the business prosperity of the superior timber enterprises represented by the GTI-ROC index slightly expanded from the previous month.

Regarding the twelve sub-indexes, four indexes (purchase quantity, purchase price, inventory of main raw materials, and delivery time) were above the critical value of 50%, six indexes (harvesting, production, new orders, export orders, existing orders, and market expectation) were at the value, while the remaining two indexes (inventory of finished products, and employees) were below the critical value. Compared to the previous month, the indexes for production, existing orders, purchase quantity, purchase price, inventory of main raw materials, delivery time, and market expectation increased by 2.0-6.8 percentage points; the indexes for new orders, and export orders were unchanged from the previous month; and the indexes for harvesting, inventory of finished products, and employees declined by 0.3-4.5 percentage point(s).

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	48.0	49.6	48.0	46.0	49.5	50.3	0.8 ↑	Expand
Harvesting Index	50.0	50.0	46.0	50.0	52.1	50.0	-2.1 ↓	Stable
Production Index	50.0	50.0	48.0	50.0	47.9	50.0	2.1 ↑	Stable
New Orders Index	50.0	50.0	46.2	47.7	50.0	50.0	0.0	Stable
Export Orders Index	47.5	50.0	50.0	50.0	50.0	50.0	0.0	Stable
Existing Orders Index	52.5	50.0	46.2	47.7	48.0	50.0	2.0 ↑	Stable
Inventory Index of Finished Products	52.5	50.0	46.2	50.0	48.0	47.7	-0.3 ↓	Contract
Purchase Quantity Index	37.5	56.3	50.0	16.7	50.0	54.2	4.2 ↑	Expand
Purchase Price Index	30.0	50.0	50.0	16.7	50.0	54.2	4.2 ↑	Expand
Inventory Index of Main Raw Materials	30.0	50.0	50.0	16.7	50.0	52.0	2.0 ↑	Expand
Employees Index	50.0	50.0	48.1	50.0	50.0	45.5	-4.5 ↓	Contract
Delivery Time Index	50.0	45.2	50.0	50.0	50.0	56.8	6.8 ↑	Expand
Market Expectation Index	50.0	50.0	48.1	50.0	46.0	50.0	4.0 ↑	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.

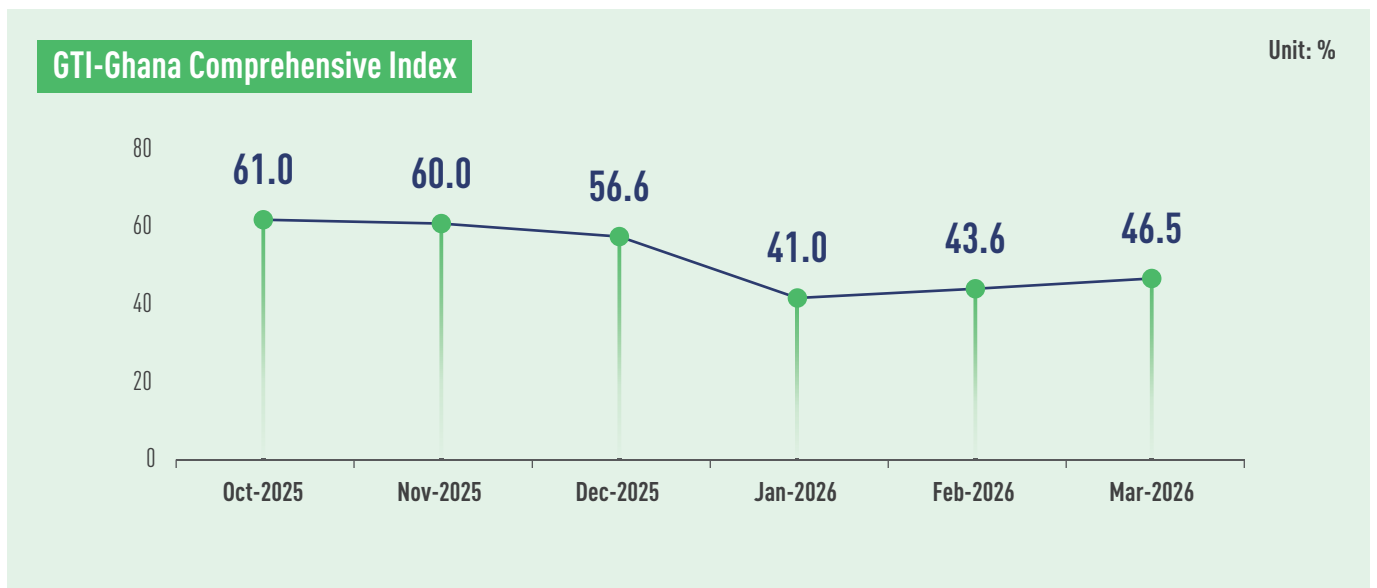


### Main Suggestions from GTI-ROC Enterprises

- 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 March 2026



Recently, gasoline and diesel prices rose sharply in Ghana, driven by significant fluctuations in international oil prices. On April 1, the price per liter of gasoline increased by approximately 8%, while diesel saw a rise of about 9%. Although electricity and water tariffs were reduced during the same period, the overall costs of timber harvesting, transportation, and processing had nonetheless been pushed upward. In March, Ghana officially launched the second edition of the Tree for Life Reforestation Initiative, targeting 30 million seedlings in 2026. The chief executive of the Forestry Commission of Ghana noted that under the 2025 Tree for Life Initiative, a total of 23,600 hectares of degraded landscapes were restored, with over 30.8 million seedlings planted nationwide. On the housing front, at the 2026 National Home Ownership Fair on March 4, Ghana's Deputy Chief of Staff at the Office of the President reiterated the government's resolve to revive and complete stalled housing projects nationwide to address a housing deficit of about 2 million units. Meanwhile, the National Homeownership Fund disclosed plans to introduce single-digit mortgage rates to improve the housing affordability for low and middle-income earners.

In March 2026, the GTI-Ghana index registered 46.5%, an increase of 2.9 percentage points from the previous month and below the 50% critical value for 3 consecutive months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Ghana index shrank from the previous month.

Regarding the twelve sub-indexes, the index for purchase price was above the critical value of 50%, while the remaining eleven indexes were below the critical value. Compared to the previous month, the indexes for production, new orders, purchase price, inventory of main raw materials and market expectation increased by 2.1-12.6 percentage points; the index for employees was unchanged from the previous month; and the indexes for harvesting, export orders, existing orders, inventory of finished products, purchase quantity and delivery time declined by 7.2-23.9 percentage points.



Factory of AYUM FOREST PRODUCTS LIMITED, Ghana. Photo: Peter Zormelo

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	61.0	60.0	56.6	41.0	43.6	46.5	2.9 ↑	Contract
Harvesting Index	60.0	70.0	52.9	38.2	44.7	37.5	-7.2 ↓	Contract
Production Index	63.3	73.3	59.5	38.1	43.5	47.8	4.3 ↑	Contract
New Orders Index	53.3	46.7	40.5	33.3	37.0	39.1	2.1 ↑	Contract
Export Orders Index	54.5	40.0	39.5	34.6	34.4	23.3	-11.1 ↓	Contract
Existing Orders Index	50.0	40.0	45.2	35.7	50.0	37.0	-13.0 ↓	Contract
Inventory Index of Finished Products	53.3	56.7	73.8	50.0	56.5	32.6	-23.9 ↓	Contract
Purchase Quantity Index	53.3	53.3	38.5	34.4	47.4	30.8	-16.6 ↓	Contract
Purchase Price Index	73.3	50.0	76.9	56.3	55.3	67.9	12.6 ↑	Expand
Inventory Index of Main Raw Materials	63.3	40.0	50.0	38.1	34.8	45.7	10.9 ↑	Contract
Employees Index	46.7	50.0	52.4	45.2	45.7	45.7	0.0	Contract
Delivery Time Index	56.7	86.7	53.8	46.2	50.0	41.2	-8.8 ↓	Contract
Market Expectation Index	33.3	50.0	35.7	39.5	39.1	45.2	6.1 ↑	Contract



### Main Challenges Reported by GTI-Ghana Enterprises

- Export orders declined.
- Production costs were high.
- Road conditions were poor.
- Fuel and electricity costs were high.
- Log supply was insufficient.
- Taxes and fees were high.
- It was difficult to transport logs due to rainfall.
- Machinery and vehicle maintenance costs were high.
- There were illegal logging and mining activities in forest concessions.



### Main Suggestions from GTI-Ghana Enterprises

- Need government's subsidy on fuel.
- Carry out strict enforcement of forest laws.
- Suggest that the government provide incentive packages for enterprises.
- Suggest that the government enhance investment in road infrastructure.
- Suggest that the government implement intervention and regulatory reforms.



## GTI-Brazil Index in March 2026



On March 17, the Brazilian Congress approved the free trade agreement between Mercosur and the European Union, and the EU also subsequently announced that the agreement will be provisionally applied as of May 1, 2026. Under the treaty, the bloc - composed of Argentina, Brazil, Paraguay, and Uruguay - will eliminate tariffs on 91 percent of European goods over 15 years. And the European Union will eliminate tariffs on 95 percent of goods from Mercosur within 12 years, which will help boost Brazilian exports of products such as processed wood, panels, paper, pulp, and furniture, while also adding urgency for the country's timber industry to adapt to European market rules and requirements — particularly the EU Deforestation Regulation (EUDR). Recently, the impact of conflicts in the Middle East on Brazil's timber industry had also become increasingly evident. Brazilian timber products are mainly exported to countries such as the UAE and Saudi Arabia, and the value of forest products shipped to the region reached approximately US\$133 million last year. In other news, at a seminar on the timber industry organized by the platform WoodFlow, experts noted that the first few months of 2026 had been challenging for Brazil's timber market, marked by a sharp decline in sales of pine-based products, however, sales of tropical wood products had seen a recovery. In February 2026, Brazilian exports of wood-based products (excluding pulp and paper) totaled US\$216.8 million, a 22.0% decrease from US\$278.5 million in February 2025.

In March 2026, the GTI-Brazil index registered 47.7%, a decrease of 1.5 percentage points from the previous month and below the critical value (50%) for the fifth consecutive month, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Brazil index shrank from the previous month.

Regarding the twelve sub-indexes, five indexes (export orders, inventory of finished products, purchase price, employees, and market expectation) were above the critical value of 50%, three indexes (harvesting, production, and existing orders) were at the critical value, while the remaining four indexes (new orders, purchase quantity, inventory of main raw materials, and delivery time) were below the critical value. Compared to the previous month, the indexes for production, existing orders, purchase quantity, purchase price, employees, and market expectation increased by 1.9-8.0 percentage points; the index for harvesting was unchanged from the previous month; and the indexes for new orders, export orders, inventory of finished products, inventory of main raw materials, and delivery time declined by 0.3-6.9 percentage point(s).

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



	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	52.3	49.5	47.9	47.2	49.2	47.7	-1.5 ↓	Contract
Harvesting Index	59.1	54.5	50.0	44.4	50.0	50.0	0.0	Stable
Production Index	57.1	53.6	50.0	45.8	46.4	50.0	3.6 ↑	Stable
New Orders Index	60.0	53.3	46.7	50.0	53.3	46.4	-6.9 ↓	Contract
Export Orders Index	64.3	60.7	53.6	54.2	57.1	53.8	-3.3 ↓	Expand
Existing Orders Index	53.3	56.7	43.3	42.3	46.7	50.0	3.3 ↑	Stable
Inventory Index of Finished Products	53.3	56.7	53.3	61.5	56.7	53.6	-3.1 ↓	Expand
Purchase Quantity Index	50.0	54.2	50.0	45.0	37.5	45.5	8.0 ↑	Contract
Purchase Price Index	61.5	65.4	65.4	59.1	73.1	75.0	1.9 ↑	Expand
Inventory Index of Main Raw Materials	36.7	43.3	50.0	53.8	46.7	46.4	-0.3 ↓	Contract
Employees Index	46.7	46.7	50.0	42.3	50.0	53.6	3.6 ↑	Expand
Delivery Time Index	46.4	42.9	42.9	45.8	46.2	39.3	-6.9 ↓	Contract
Market Expectation Index	56.7	66.7	53.3	53.8	67.9	71.4	3.5 ↑	Expand



Forest-Carregamento in Palmas PR, Brazil. Photo: Banco de Imagens Marini



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



## Brief on Brazilian Timber Industry



- The plywood market in Brazil is showing incipient signs of recovery following the downturn caused by tariff barriers imposed on Brazilian products in the North American market. Although the recent easing of these measures has partially restored market access and stimulated a gradual recovery in demand, this movement remains limited and uneven, without ensuring a consistent sector recovery in the short term.

The reopening of previously restricted markets and the prospect of gradual price appreciation point to an improvement in the business environment. However, these advances remain contingent on external factors, particularly the consolidation of international demand and the stability of market access conditions. In addition, uncertainties persist regarding the strength and sustainability of this recovery, requiring caution from companies both in expanding production and in defining commercial strategies. In this context, although the outlook shows signs of improvement, the sector still operates under significant risk, with its recovery reliant on external factors and vulnerable to reversal if new trade barriers arise or if demand weakens in key consumer markets.

- The timber sector in the state of Pará, in the Amazon region, recorded export growth in early 2026, driven by increased international demand for sawnwood, particularly for civil construction and industrial uses. Despite improved product outflow, this performance remains highly dependent on external factors, which limit its sustainability in the medium term. The appreciation of higher value-added products and the competitiveness of legalized Amazonian production have supported this growth, although they remain sensitive to logistics costs, exchange rate fluctuations, and regulatory requirements.

The United States has consolidated its position as the main destination, reflecting the recovery in construction, but this concentration increases exposure to market risks. Thus, although there is an improvement in commercial conditions and short-term price support, the outlook still presents structural weaknesses and dependence on external variables.

- In Southern Brazil, the small-diameter pine log market appears to be in balance, especially in areas with a strong industrial presence. However, this equilibrium is largely driven by low inventory levels among consuming industries, suggesting a temporary and potentially fragile situation tied more to stock replenishment than to sustained demand growth. By contrast, large-diameter logs are facing more challenging conditions, with export declines linked to international tariffs leading to localized oversupply and downward pressure on prices in certain production areas. For eucalyptus, the supply of small-diameter logs has increased because of more intensive thinning used as a production adjustment measure. However, this expansion comes amid weak demand, causing prices to lag behind inflation and resulting in a real decline in value. In contrast, large-diameter logs are experiencing a sharper drop in industrial consumption, with prices falling by 3% to 5%, indicating a more pronounced imbalance between supply and demand.

At the same time, operating costs remain elevated, driven by rising input prices and increasing road transportation costs, heavily influenced by diesel prices. This environment results in margin compression and declining profitability, even in scenarios of relative nominal price stability, reinforcing the sector's economic fragility and high sensitivity to market fluctuations.

*Information provided by GTI-Brazil Focal Point*



Finish-Pintura in Palmas PR, Brazil. Photo: Banco de Imagens Marini



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



### Main Challenges Reported by GTI-Brazil Enterprises

- Persistent rainfall affected production and operations.
- Prices in the international timber market fell.
- The supply of raw materials was unstable.
- Enterprises experienced declining sales and rising operating costs.
- Cargo flow faced difficulties, and port capacity was limited.
- The supply of wood from sustainably managed forests decreased, and log prices rose.
- Even though exports maintained good momentum and prices held up, rising freight costs exerted increasing pressure.
- Brazilian Institute of Environment and Renewable Natural Resources (IBAMA) delayed the approval of LPCO export documentation (licenses, permits, certificates, and other documents), particularly for Ipê and Cumarú, which are listed under CITES Appendix II.
- March was extremely challenging due to issues on the Middle East route. This route accounts for 20% of Brazil's total cargo volume. Orders were canceled or put on hold due to rising freight costs (driven not only by higher oil prices but also by war risk surcharges and other conflict-related fees).



### Main Suggestions from GTI-Brazil Enterprises

- Need to reduce costs.
- There is a need for public and private investment.
- Promote the industrialization of the production chain.
- Expand markets and develop new products to enhance competitiveness.
- Need IBAMA to speed up the issuance of export licenses.
- Redirect products to ports that remain open and where costs make the operation feasible.
- Discuss contract adjustments with customers and explore alternative service providers and export ports.



# GTI-Mexico Report

## GTI-Mexico Index in March 2026



In March, rising diesel prices in Mexico directly impacted the timber industry's production chain, most notably driving up wood transport costs. In Durango, increased rainfall and pest infestations led to timber shortages, forcing furniture manufacturers to import raw materials that are less durable and, in some cases, more expensive, and industry insiders anticipated that raw material prices could rise by up to seven percent. Late in March, Mexico's Ministry of Environment and Natural Resources resumed issuing forestry permits in Chihuahua, providing much needed relief to local timber enterprises. At the government level, Mexico's federal government is advancing a MX\$540 million investment to deploy a four-satellite Earth observation constellation, focusing on monitoring forest fires, forest health, crop conditions, etc. In other news, on March 23, Mexico's Federal Attorney for Environmental Protection (Profepa), the Agricultural Prosecution Office (PA), and the National Agrarian Registry (RAN) signed an inter-institutional collaboration agreement to strengthen the protection of natural resources and curb deforestation in the three states that make up the Yucatán Peninsula: Yucatán, Campeche and Quintana Roo.

In March 2026, the GTI-Mexico index registered 46.4%, an increase of 5.1 percentage points from the previous month, was below the critical value (50%) for several consecutive months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Mexico index shrank from the previous month.

Regarding the twelve sub-indexes, four indexes (export orders, purchase price, employees, and market expectation) were above the critical value of 50%, one index (inventory of main

raw materials) was at the value, while the remaining seven indexes (harvesting, production, new orders, existing orders, inventory of finished products, purchase quantity, and delivery time) were below the value. Compared to the previous month, the indexes for new orders, export orders, existing orders, purchase quantity, purchase price, inventory of main raw materials, employees, delivery time, and market expectation increased by 0.3-25.0 percentage point(s), whereas the indexes for harvesting, production, and inventory of finished products declined by 1.2-5.9 percentage points.



Wood Pile, Mexico. Photo: Forestal Salto de Camellones

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	35.4	44.3	48.0	39.8	41.3	46.4	5.1 ↑	Contract
Harvesting Index	27.5	47.5	43.8	32.4	53.6	47.7	-5.9 ↓	Contract
Production Index	32.5	50.0	46.7	41.2	50.0	44.7	-5.3 ↓	Contract
New Orders Index	38.1	45.0	52.9	38.9	40.0	43.2	3.2 ↑	Contract
Export Orders Index	16.7	50.0	50.0	75.0	50.0	75.0	25.0 ↑	Expand
Existing Orders Index	23.8	37.5	44.1	33.3	33.3	38.6	5.3 ↑	Contract
Inventory Index of Finished Products	40.5	47.5	47.1	44.4	46.7	45.5	-1.2 ↓	Contract
Purchase Quantity Index	31.3	53.8	50.0	25.0	37.5	42.3	4.8 ↑	Contract
Purchase Price Index	56.3	55.6	65.0	70.8	54.2	60.7	6.5 ↑	Expand
Inventory Index of Main Raw Materials	33.3	38.9	45.5	30.8	34.6	50.0	15.4 ↑	Stable
Employees Index	35.7	42.5	44.1	44.4	36.7	52.3	15.6 ↑	Expand
Delivery Time Index	35.7	37.5	47.1	38.9	40.0	45.5	5.5 ↑	Contract
Market Expectation Index	73.8	80.0	70.6	75.0	63.3	63.6	0.3 ↑	Expand



### Main Challenges Reported by GTI-Mexico Enterprises

- Product sales decreased.
- Forest management procedures were complex.
- Logistics and distribution efficiency was low.
- Market demand was unstable and difficult to predict.
- Price pressure from competitors was high.
- There were international trade barriers or tariff issues.
- Product sales channels were limited, or channel development was insufficient.

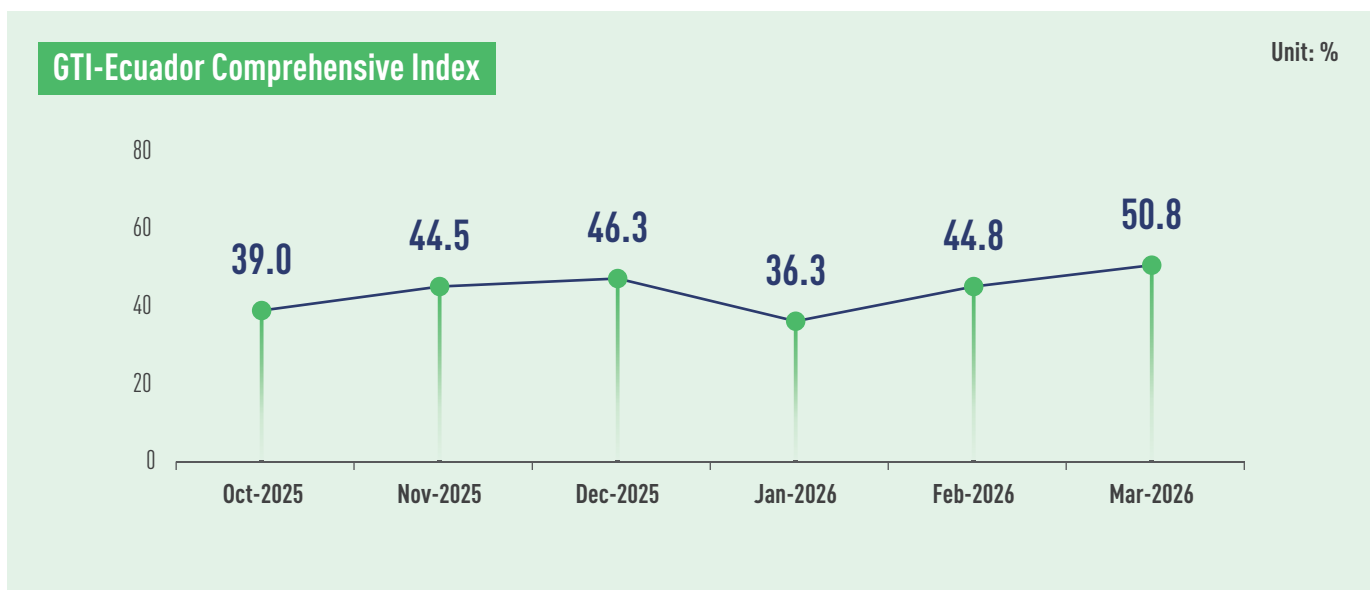


### Main Suggestions from GTI-Mexico Enterprises

- Optimize forest management procedures.
- Conduct capacity building to improve wood processing.
- Optimize logistics process planning within the industry.
- Carry out marketing and promotion for domestic products and increase their added value.
- Adjust policies to reduce the import of certain products.
- Ensure that product sales and distribution channels are adequately supplied.
- Obtain government subsidies to lower production costs.



## GTI-Ecuador Index in March 2026



On March 13, Ecuador and the United States signed a Reciprocal Trade Agreement (RTA), under which the U.S. will provide most-favored-nation tariff treatment to certain products originating from Ecuador—meaning that additional tariffs on these products will be eliminated. Some timber industry products are included in the agreement, including plywood, which accounts for 51% of Ecuador’s forestry exports to the U.S. According to the agreement, plywood tariff will be reduced from 18% to 8%. Meanwhile, growing demand in Ecuador’s domestic construction sector is sending positive signals for the timber industry. According to government data, driven by several mortgage programs, construction sales in the country grew by 20.5% year-on-year in the first quarter of 2026. In other news, a recent edition of the National Forest Assessment released by the Food and Agriculture Organization of the United Nations shows that forest cover in Ecuador’s livestock production areas is in urgent need of improvement. In response, the country plans to develop an agroforestry and silvopastoral investment plan called Forest-Positive Livestock Farming, of which the goal is to promote substantial investment in livestock farming that adopts a model allowing livestock production and forest cover to coexist harmoniously, thereby curbing deforestation.

In March 2026, the GTI-Ecuador index registered 50.8%, an increase of 6.0 percentage points from the previous month and above the critical value (50%) after 6 months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-Ecuador index expanded from the previous month.

Regarding the twelve sub-indexes, seven indexes (harvesting, production, inventory of finished products, purchase quantity, purchase price, inventory of main raw materials, and market expectation) were above the critical value of 50%, one index (existing orders) was at the critical value, while the remaining four indexes (new orders, export orders, employees, and delivery time) were below the critical value. Compared to the previous month, the indexes for harvesting, production, inventory of finished products, purchase quantity, purchase price, inventory of main raw materials, and market expectation increased by 12.5-46.4 percentage points; the index for existing orders was unchanged from the previous month; and the indexes for new orders, export orders, employees, and delivery time declined by 3.6-36.7 percentage points.

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	39.0	44.5	46.3	36.3	44.8	50.8	6.0 ↑	Expand
Production Index	39.3	25.0	41.7	28.6	50.0	62.5	12.5 ↑	Expand
New Orders Index	38.5	30.0	50.0	35.7	33.3	75.0	41.7 ↑	Expand
Export Orders Index	38.2	70.0	41.7	42.9	64.3	37.5	-26.8 ↓	Contract
Existing Orders Index	31.3	50.0	40.0	50.0	70.0	33.3	-36.7 ↓	Contract
Inventory Index of Finished Products	29.4	40.0	33.3	50.0	50.0	50.0	0.0	Stable
Purchase Quantity Index	35.3	40.0	33.3	28.6	28.6	62.5	33.9 ↑	Expand
Purchase Price Index	32.4	30.0	58.3	21.4	50.0	75.0	25.0 ↑	Expand
Import Index	61.8	60.0	58.3	71.4	50.0	75.0	25.0 ↑	Expand
Inventory Index of Main Raw Materials	35.3	30.0	50.0	21.4	28.6	75.0	46.4 ↑	Expand
Employees Index	41.2	50.0	50.0	42.9	50.0	37.5	-12.5 ↓	Contract
Delivery Time Index	41.2	20.0	41.7	25.0	28.6	25.0	-3.6 ↓	Contract
Market Expectation Index	50.0	40.0	58.3	57.1	35.7	62.5	26.8 ↑	Expand



### Main Challenges Reported by GTI-Ecuador Enterprises

- There was a lack of timber suppliers.
- Heavy rainfall affected production and operations.
- Fuel and raw material prices rose.
- The plantations were far from the processing plants.

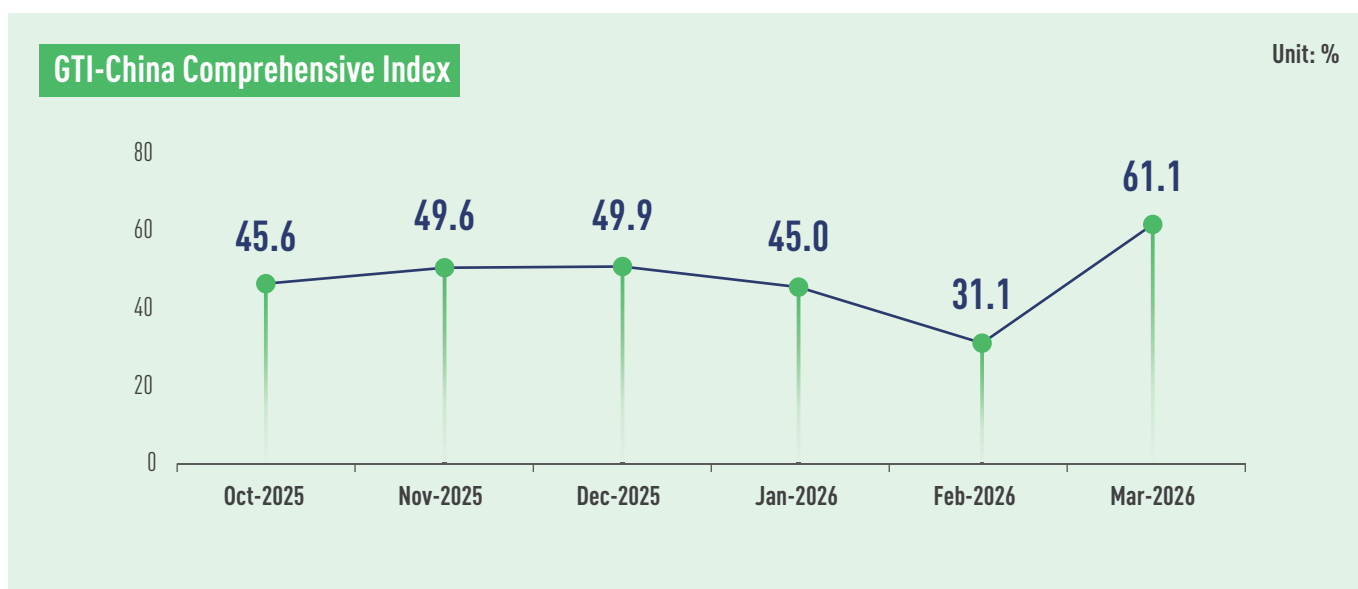


### Main Suggestions from GTI-Ecuador Enterprises

- Expand overseas markets to develop export business.
- Find suppliers that hold logging permits.
- Ensure that several plantations are available for harvesting and utilization.



## GTI-China Index in March 2026



Data from China Green Times revealed that China’s annual timber output reached 140 million cubic meters in 2025, an increase of 36.9 percent from 2020; the output value of wood processing and the manufacturing of wood- and bamboo-based products stood at 3.4 trillion yuan, with tens of thousands of types of wood and bamboo products available, and the total value of customized home furnishings exceeded 300 billion yuan; to date, China’s forestry and grassland industry has formed four pillar sectors—wood and bamboo processing, economic forests, ecotourism, and non-timber forest-based economy—each with an annual output value exceeding one trillion yuan, making the country the world’s largest producer, consumer, and trader of major forest products. In terms of sustainable forest management, China is also making rapid progress. In 2025, the country completed afforestation and forest improvement on around 3.56 million hectares, while the three-year pilot program for sustainable forest management covered an area of over 2.66 million hectares. In the real estate sector, the Chinese government is working to stabilize the property market and promote the construction of better homes. The latest government work report stressed the need for city-specific policies to control new supply, reduce existing inventory, and optimize housing availability, while accelerating the renovation of dilapidated and unsafe housing and methodically advancing the construction of better homes which are safe, comfortable, green, and smart. On March 13, China released the

Outline of the 15th Five-Year Plan (2026-2030) for National Economic and Social Development, which proposes improving the housing security system and promoting the stable and healthy development of the real estate market—moves expected to drive further improvement in demand for the timber industry.

In March 2026, the GTI-China index registered 61.1%, an increase of 30.0 percentage points from the previous month, and rose above the critical value (50%) after five months, indicating that the business prosperity of the superior timber enterprises represented by the GTI-China index expanded from the previous month. The main reason is that enterprises fully resumed work and production after a long Spring Festival holiday, with both production volume and new orders in the timber industry increasing significantly from the previous month.

Regarding the twelve sub-indexes, all the indexes (production, new orders, export orders, existing orders, inventory of finished products, purchase quantity, purchase price, import, inventory of main raw materials, employees, delivery time, and market expectation) were above the critical value of 50%. Compared to the previous month, all the twelve indexes had increased, with growth ranging from 7.7 to 44.3 percentage points.

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

	2025.10	2025.11	2025.12	2026.01	2026.02	2026.03	MoM	Performance
Comprehensive Index	45.6	49.6	49.9	45.0	31.1	61.1	30.0 ↑	Expand
Production Index	45.0	50.0	51.4	44.9	21.2	65.5	44.3 ↑	Expand
New Orders Index	44.4	53.7	51.4	43.5	23.6	65.0	41.4 ↑	Expand
Export Orders Index	48.3	51.8	48.6	44.9	40.1	54.9	14.8 ↑	Expand
Existing Orders Index	41.7	44.5	48.6	47.8	30.2	62.1	31.9 ↑	Expand
Inventory Index of Finished Products	46.0	45.0	47.6	48.2	40.6	54.9	14.3 ↑	Expand
Purchase Quantity Index	49.3	52.3	53.8	52.9	37.7	67.0	29.3 ↑	Expand
Purchase Price Index	48.7	49.5	44.3	56.2	52.4	73.8	21.4 ↑	Expand
Import Index	60.3	51.8	60.4	48.2	43.4	53.4	10.0 ↑	Expand
Inventory Index of Main Raw Materials	46.4	46.3	49.1	49.6	48.1	55.8	7.7 ↑	Expand
Employees Index	47.0	46.3	45.3	45.3	39.2	56.8	17.6 ↑	Expand
Delivery Time Index	46.7	47.2	50.9	44.9	40.6	55.3	14.7 ↑	Expand
Market Expectation Index	48.7	57.3	36.8	40.6	59.9	68.4	8.5 ↑	Expand



### 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 government 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 (GGSCI) 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.

The rights to interpret data and the intellectual property contained in the reports are owned by ITTO and GGSCI Secretariat jointly. ITTO and GGSCI Secretariat hereby grant you a limited, revocable, nonsublicensable license to access and display on your individual device the GTI report (excluding any software code) solely for your personal, non-commercial use. Without the permission from ITTO and GGSCI Secretariat, you shall not copy, download, stream, capture, reproduce, duplicate, archive, upload, modify, translate, publish, broadcast, transmit, retransmit, distribute, perform, display, sell, or otherwise use any GTI report Content.



**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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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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# GTI REPORT

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