

GTI-WOODBASED PANEL (GTI-WBP) REPORT

MONTHLY

GGSC-No. 04/2025

Tracking and monitoring the global
woodbased panel market trend.



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

Introduction to the GTI-Woodbased Panel

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

Calculation Method

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

GTI-WBP index contains diffusion index and comprehensive index.

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

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

Interpretation

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

Survey Method

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

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

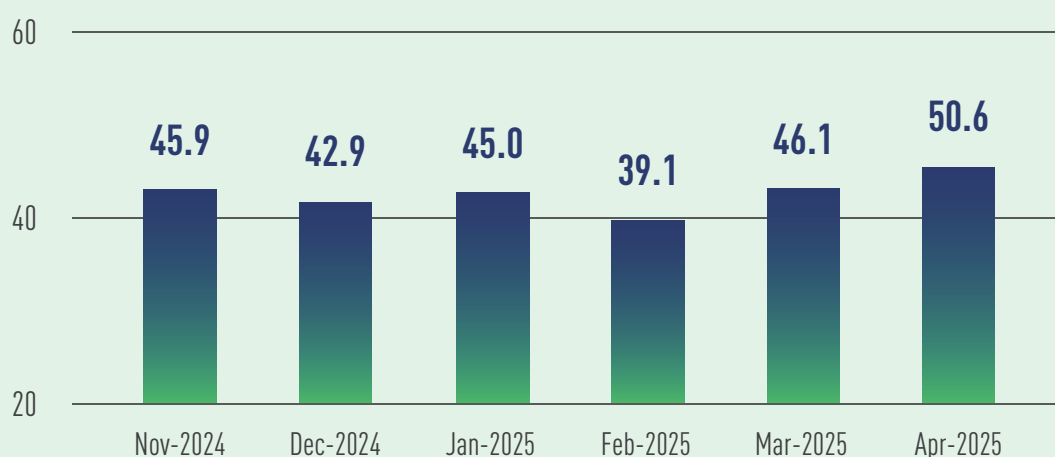
Index Representativeness

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

GTI-Woodbased Panel Index in April 2025



GTI-WBP Comprehensive Index



In April 2025, the GTI-Woodbased Panel (GTI-WBP) Index registered 50.6%, an increase of 4.5 percentage points from the previous month, the first time in a year that it rose above the critical value (50%), indicating that in the GTI pilot countries, the overall business prosperity of wood-based panel industry represented by the index expanded from the previous month.

On the demand side, the overall demand for wood-based panels in the GTI-WBP pilot countries showed an upward trend. This month, the new orders index rose by 12.6 percentage points to 54.3%, and the export orders index increased by 19.5 percentage points to 51.2%, indicating a recovery in overall market demand for wood-based panels, and also signaling increased business activities in both domestic and international markets. However, there were differences in performance across product categories and regional markets. For example, some GTI-Malaysia sample enterprises reported a decrease in plywood demand for export.

On the supply side, the supply of wood-based panels in the pilot countries showed an upward trend for the second consecutive month, with the production index reaching 50.9%. This month, production activities for wood-based panels in countries such as China, Mexico, and Ghana had fully resumed, and signs of recovery on the supply side were becoming evident. However, according to feedback from sample enterprises in the pilot countries, many enterprises were facing challenges such as insufficient supply of raw materials, unstable quality of materials, and rising production costs. In response, the enterprises hoped to reduce costs, find better timber sources, and expect greater government support to help ease the pressures on production and operations.

In terms of prices, the purchase price index for raw materials recorded 59.2%, remaining above the critical value for ten consecutive months, indicating that the costs of raw materials continued to rise. This month, raw material purchase prices increased in Ghana, Brazil, Mexico, and China, with Ghana experiencing the most significant increase. Sample enterprises in Ghana reported high prices for raw materials and spare parts needed for production, compounded by high taxes at the port for imported raw materials and spare parts, as well as high borrowing costs. These challenges had created significant cash flow pressure for enterprises, who were hoping to get financial support such as government subsidies and soft loans from banks.

Main updates related to the wood-based panel market include: Chairwoman of the Plywood, Panel Board, and Wood Materials Industry Group at the Federation of Thai Industries (FTI) stated that Thailand's medium-density fiberboard (MDF) and particleboard products are considered high-potential goods for export, produced from domestic raw materials such as rubberwood and eucalyptus; Mexico's imports of particleboard increased by 13.7% in 2024, reaching a total value of US\$120.03 million, and the United States was still a major source, however, imports from the country slightly dropped 3.8% to US\$41.98 million; and in Gabon, according to data published by the Directorate General of Economy and Fiscal Policy, plywood production activities in the country fell by 24.3% in the fourth quarter of 2024 compared to the previous quarter, due to shortages of electricity and logs.

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

| | Nov. 2024 | Dec. 2024 | Jan. 2025 | Feb. 2025 | Mar. 2025 | Apr. 2025 | MoM | Performance |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|--------|-------------|
| Comprehensive Index | 45.9 | 42.9 | 45.0 | 39.1 | 46.1 | 50.6 | 4.5 ↑ | Expand |
| Production Index | 37.5 | 39.6 | 49.4 | 43.6 | 58.6 | 50.9 | -7.7 ↓ | Expand |
| New Orders Index | 50.0 | 47.8 | 37.0 | 27.5 | 41.7 | 54.3 | 12.6 ↑ | Expand |
| Export Orders Index | 45.3 | 43.9 | 32.5 | 17.1 | 31.7 | 51.2 | 19.5 ↑ | Expand |
| Existing Orders Index | 39.5 | 42.8 | 36.4 | 53.8 | 40.4 | 44.0 | 3.6 ↑ | Contract |
| Inventory Index of Finished Products | 50.0 | 48.6 | 51.9 | 57.5 | 50.0 | 46.6 | -3.4 ↓ | Contract |
| Purchase Quantity Index | 48.1 | 41.7 | 35.5 | 31.3 | 44.7 | 53.0 | 8.3 ↑ | Expand |
| Purchase Price Index | 67.7 | 53.7 | 71.7 | 68.8 | 66.2 | 59.2 | -7.0 ↓ | Expand |
| Inventory Index of Main Raw Materials | 46.9 | 43.5 | 47.8 | 50.0 | 47.7 | 48.0 | 0.3 ↑ | Contract |
| Employees Index | 48.2 | 40.6 | 51.9 | 45.0 | 42.4 | 44.8 | 2.4 ↑ | Contract |
| Delivery Time Index | 48.1 | 41.2 | 42.4 | 39.7 | 38.0 | 51.8 | 13.8 ↑ | Expand |
| Market Expectation Index | - | 51.3 | 40.3 | 52.6 | 30.0 | 47.6 | 17.6 ↑ | Contract |



● Main Challenges Reported by GTI-WBP Enterprises ●

- Some enterprises faced cash flow problems. (Republic of the Congo)
- The quality of wood used for production was unstable. (Thailand)
- Sales channels were limited, or channel development was insufficient. (Mexico)
- There was a shortage of plywood demand for export, and at the same time, there was a lack of logs. (Malaysia)
- The costs of raw materials and spare parts were high. (Ghana)



● Main Suggestions from GTI-WBP Enterprises ●

- Improve the condition of roads and railways. (Gabon)
- Enhance marketing and increase the added value of products. (Mexico)
- Schedule production and holidays in accordance with customer orders. (Thailand)
- Provide financial support to enterprises, such as government subsidies and soft loans from banks. (Ghana)



ITTO
INTERNATIONAL TROPICAL
TIMBER ORGANIZATION

About ITTO

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



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About GGSC

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

Declaration

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

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